



HEPBURN SHIRE COUNCIL
SPECIAL MEETING OF COUNCIL
PUBLIC MINUTES

Tuesday 10 September 2024

Council Chamber - 24 Vincent Street
24 Vincent Street Daylesford

2:00 PM

A LIVE STREAM OF THE MEETING CAN BE VIEWED
VIA [COUNCIL'S FACEBOOK PAGE](#)

Confirmed at the Ordinary Meeting of Council held on 16 September 2024

A handwritten signature in black ink, appearing to be "B. Hood".

Chair, Cr Brian Hood, Mayor

MINUTES

Tuesday 10 September 2024

Council Chamber - 24 Vincent Street

24 Vincent Street Daylesford

Commencing at 2:00 PM

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BRADLEY THOMAS

CHIEF EXECUTIVE OFFICER

Tuesday 10 September 2024

1 ACKNOWLEDGEMENT OF TRADITIONAL OWNERS

Hepburn Shire Council acknowledges the Dja Dja Wurrung as the Traditional Owners of the lands and waters we live and work on. On these lands, Djaara has performed age-old ceremonies of celebration, initiation and renewal. We recognise their resilience through dispossession and is a testament to their continuing culture and tradition, which is strong and thriving.

We also acknowledge the neighbouring Traditional Owners, the Wurundjeri to our South East and the Wadawurrung to our South West and pay our respect to all Aboriginal peoples, their culture, and lore. We acknowledge their living culture and the unique role they play in the life of this region.

2 SAFETY ORIENTATION

Emergency exits and convenience facilities at the venue to be highlighted to members of the public in attendance.

3 OPENING OF MEETING

COUNCILLORS PRESENT: Cr Brian Hood, Cr Don Henderson, Cr Jen Bray, Cr Lesley Hewitt, Cr Tessa Halliday, Cr Tim Drylie

OFFICERS PRESENT: Mr Bradley Thomas - Chief Executive Officer, Mr Bruce Lucas - Director Infrastructure and Delivery, Dr Karina Lamb - Director Community and Corporate, Ms Brooke Holmes - Executive Manager Performance and Transformation, Mr Ron Torres - Executive Manager Development and Community Safety, Ms Natalie Martin - Manager Financial Services, Mr Chris Whyte - Manager Information and Communication Technology, Ms Rebecca Smith - Manager Governance and Risk

The meeting opened at 2:00pm.

STATEMENT OF COMMITMENT

“WE THE COUNCILLORS OF HEPBURN SHIRE
DECLARE THAT WE WILL UNDERTAKE ON EVERY OCCASION
TO CARRY OUT OUR DUTIES IN THE BEST INTERESTS OF THE COMMUNITY
AND THAT OUR CONDUCT SHALL MAINTAIN THE STANDARDS OF THE CODE OF
GOOD GOVERNANCE
SO THAT WE MAY FAITHFULLY REPRESENT AND UPHOLD THE TRUST PLACED IN THIS
COUNCIL BY THE PEOPLE OF HEPBURN SHIRE”

4 APOLOGIES

Nil

5 DECLARATIONS OF CONFLICTS OF INTEREST

Go to 00:04:08 in the meeting recording to view this item.

6 PUBLIC PARTICIPATION TIME

Go to 00:04:40 in the meeting recording to view this item.

This part of the Special Meeting of Council allows Councillors and Officers 30 minutes for the purposes of:

- Responding to questions from members of our community
- Members of the community to address Council

Community members are invited to be involved in public participation time in accordance with Council's Governance Rules.

Individuals may submit written questions or requests to address Council to the Chief Executive Officer by 10:00am the day before the Council Meeting.

Some questions of an operational nature may be responded to through usual administrative procedure. Separate forums and Council processes are provided for deputations or for making submissions to Council.

Questions received may be taken on notice but formal responses will be provided to the questioners directly. These responses will also be read out and included within the minutes of the Special Meeting of Council to make them publicly available to all.

BEHAVIOUR AT COUNCIL MEETINGS

Council supports a welcoming, respectful and safe environment for members of the community to participate at Council Meetings regarding issues that are important to them. Council's Governance Rules sets out guidelines for the Mayor, Councillors, and community members on public participation in meetings. It reinforces the value of diversity in thinking, while being respectful of differing views, and the rights and reputation of others.

Under the Governance Rules, members of the public present at a Council Meeting must not be disruptive during the meeting.

Respectful behaviour includes:

- Being courteous when addressing Council during public participation time and directing all comments through the Chair
- Being quiet during proceedings
- Being respectful towards others present and respecting their right to their own views

Inappropriate behaviour includes:

- Interjecting or taking part in the debate
- Verbal abuse or harassment of a Councillor, member of staff, ratepayer or member of the public
- Threats of violence

Members of our community who have submitted a request in accordance with Council's Governance Rules will be heard.

Ms Heather Mutimer addressed Council in relation to Council's Financial Vision.

Dr Jennifer Beacham addressed Council in relation to Council's financial position.

The CEO will read questions received in accordance with Council's Governance Rules and the Mayor will respond on behalf of Council.

The CEO read questions received in accordance with Council's Governance Rules and the Mayor responded on behalf of Council.

Question 1 – Mr Ian Goudie

If Hepburn is too small to be able to pay its way, what steps are being taken to get the state government to split it up and attach to larger shires?

Response – Mayor Brian Hood

Hepburn Shire Council is not actively seeking to amalgamate.

You will note that Council has made detailed submissions to both the state and federal government inquiries into the financial health of the local government sector and you will also note that part 2 of the officers' recommendation acknowledges the serious financial constraints facing Victorian Local Governments and commits to continued collaboration and advocacy with State and Federal Governments to ensure the long-term financial sustainability of the sector and Hepburn Shire Council.

Question 2 – Mr Ian Goudie

The Appendix on income and expenditure shows that after a cash shortfall of \$9.881m last year, for each of the next nine years there is more than enough cash to pay the bills. So why is there any need to increase the rates?

Response – Mayor Brian Hood

The \$9.881m you refer to is actually the annual deficit result for 2023/2024, and not our cash position, and is due to a number of one off and timing issues. The deficit would have been significantly lower, but still a deficit none the less.

The statements in the appendix incorporate the proposed rate cap variation and reduction in service expenditure totalling \$4m from 2025/2026 onwards, as outlined in the Financial Vision. Without these proposed changes being incorporated, the outlook for the next nine years would show as negative and having not enough cash available.

Question 3 – Mr Ken Warren

On reading the financial statements they reveal the following:

Financial year ended 2022/2023:

Total interest-bearing debt \$3,902,000.

Financial year ended 2023/2024:

Total interest-bearing debt \$9,382,000.

Financial year ended 2024/2025:

Total interest-bearing debt \$14,027,000.

All of this debt relates to the term of the current Council.

Why has this Council allowed the debt to blow out to \$14m when it was obvious that this increase in debt is beyond the capacity of this Shire to fund? Particularly given the state of affairs at state government level and the increasing insecurity of grant funding, e.g. Commonwealth Games grants.

Response – Mayor Brian Hood

Council has traditionally held a relatively low level of borrowings and has borrowed in recent years to complete key capital projects such as Daylesford Town Hall roof replacement and electrical repairs, the Djuwang Baring (Creswick Trails) project and other capital projects. The forward projections in the long-term Vision do not call for any further borrowings to be taken out but do allow for progressive reduction of borrowings.

As a marker for Council's ability to fund borrowings we use the indebtedness ratio that compares Council's non-current liabilities (mainly borrowings) to its own-source income. The Victorian Auditor General Officers (VAGO) notes a ratio below 40% represents a low financial risk. Council is projected to remain in the low risk category in all years, except 2024/2025 where it marginally increases to the medium risk category (40-60%).

Question 4 – Mr Ken Warren

What project or projects are contained within the total expenditure for 2024/2025 of approx. \$21m, i.e. debt \$14m, capital grants \$7m?

Response – Mayor Brian Hood

There are no projects of \$21m in 2024/25. As indicated in the previous response the borrowings of \$14m will be used to fund the capital works program, as will the capital grants of \$7.8m. The adopted annual budget, available on our website, lists the operational programs and capital projects approved by Council for 2024/25.

Question 5 – Ms Jennifer Williamson

Hepburn Shire Council has widely deviated away from its core functions in recent years. This faulty strategy has left core responsibilities in poor condition, e.g. roads, and at the same time expenditure on a broad range of "nice to haves" has contributed to sharply increasing deficits and poor cashflow.

Will Council revert back to its core functions and align its priorities to those functions and community needs?

Response – Mayor Brian Hood

There is no legislated definition of core services in Victorian Local Government. Council continues to deliver services and capital works in line with the Council Plan and Community Vision, our key strategic documents, which were derived from extensive community consultation and deliberative engagement. The Financial vision emphasises that Council's financial position and outlook must be a key input to the development of the Council Plan 2025-2029.

Question 6 – Ms Jennifer Williamson

Given that Council has chosen to adopt this expensive, extravagant strategy, why are you asking ratepayers to bear responsibility and pay for the corrections through a large rate increase during a cost-of-living crisis?

Response – Mayor Brian Hood

The financial vision has been developed over the last 12 months and has included community input. There is a balance of delivering reduced services and revenue raising within the draft Financial Vision. The result of the community engagement identified that 61.6% were open to the prospect of a rate variation (at various percentages).

Cr Don Henderson left the meeting at 2:20pm

Cr Don Henderson returned to the meeting at 2:22pm

7 OFFICER REPORTS

7.1 DRAFT FINANCIAL VISION 2024 – 2027

Go to 00:23:00 in the meeting recording to view this item.

MOTION

That standing orders be suspended for five minutes due to technical difficulties.

Moved: Cr Jen Bray

Seconded: Cr Don Henderson

Carried

Voted for: Cr Jen Bray, Cr Don Henderson, Cr Lesley Hewitt, Cr Tessa Halliday, Cr Brian Hood, Cr Tim Drylie

Voted against: Nil

Standing Orders were suspended at 2:36pm.

MOTION

That standing orders be resumed at 2:42pm

Moved: Cr Lesley Hewitt

Seconded: Cr Don Henderson

Carried

Voted for: Cr Jen Bray, Cr Don Henderson, Cr Lesley Hewitt, Cr Tessa Halliday, Cr Brian Hood, Cr Tim Drylie

Voted against: Nil

Standing Orders were resumed at 2:42pm.

Cr Don Henderson left the meeting at 2:54pm

Cr Don Henderson returned to the meeting at 2:57pm

CHIEF EXECUTIVE OFFICER

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

ATTACHMENTS

1. Draft Financial Vision 2024-2027 [7.1.1 - 23 pages]
2. Hepburn Shire Council Service Catalogue and Service Map [7.1.2 - 47 pages]
3. Financial Vision Engagement Report August 2024 [7.1.3 - 39 pages]
4. HSC Submission - Australian Government Inquiry into sustainability of local government [7.1.4 - 10 pages]
5. HSC Submission - Victorian Government Inquiry into local government funding and services [7.1.5 - 8 pages]
6. Gender Impact Assessment - Financial Vision [7.1.6 - 3 pages]
7. CONFIDENTIAL - Councillors Prioritisation for Council Services [7.1.7 - 1 page]

OFFICER'S RECOMMENDATION

That Council:

- 1. Expresses its appreciation of the work undertaken by officers and community contributions to the Financial Vision project;*
- 2. Acknowledges the serious financial constraints facing Victorian Local Governments and commits to continued collaboration and advocacy with State and Federal Governments to ensure the long-term financial sustainability of the sector and Hepburn Shire Council;*
- 3. Notes the important role that Local Governments play in the delivery of services and infrastructure within communities;*
- 4. Adopts the Financial Vision as attached;*
- 5. Notes that the Financial Vision, the current and projected financial outlook of Council must be a key consideration in the development of the Council Plan 2025-2029 and Financial Plan 2025-2034, and that these plans must be adopted in accordance with its deliberative engagement practices and by no later than 31 October 2025 per the Local Government Act;*
- 6. Notes recent advocacy measures taken by Council with submissions to the recent federal and state inquires on financial sustainability for local government;*

Revenue

- 7. Acknowledges the sensitivities inherent in any decision to increase rates, especially taking into account ratepayers' capacity to pay;*
- 8. Notes that property-based taxation, such as Council rates, may not be the best taxation system to take into account ratepayers' capacity to pay and requests that the Mayor and Chief Executive Officer write to the State Minister for Local Government calling for a review of the Rating and Revenue systems of Victorian Councils;*
- 9. Authorises the Chief Executive Officer to prepare and submit an application to the Essential Services Commission for a rate cap variation applicable for the 2025/26 financial year of 10% plus the applicable rate cap to be announced by the Minister for Local Government;*
- 10. For the 2025/26 financial year and subject to a successful application for a rate cap variation, resolves to double the current rebate on rate charges for pensioners who qualify under the State Government's Pensioner Rate Remission scheme. This initiative will increase Councils rebate from \$21 to \$42 to assist pensioners in their rate payments;*
- 11. Authorises the Chief Executive Officer to prepare and submit an application to the Essential Services Commission for a rate cap variation for the 2025/26 financial year that ensures that waste service charges comply with the new*

Local Government Ministerial guidelines, noting that this will be revenue neutral to Council and of no net cost to ratepayers;

Services

- 12. Requests that the Chief Executive Officer work with Councillors to analyse all services offered by Council, so as to ensure that the Council Plan 2025-2029 and Budget 2025-26 identify operational saving and/or new revenue opportunities (estimated at \$1.92 million per annum) needed to realise the Financial Vision;*
- 13. Take into account operational savings, services changes and new revenue opportunities in the development of the 2025/26 budget, and by 30 June 2025;*

Other

- 14. Utilises the adopted Financial Vision as the basis for the updating of the Financial Plan;*
- 15. Authorise the Chief Executive Officer to make administrative amendments to the Financial Vision, if required, that does not change the intent of the document; and*
- 16. Requests that the Mayor and Chief Executive Officer write to the Federal and State Ministers for Local Government, and the Ripon and Macedon local members detailing the outcome of this resolution.*

MOTION

That Council:

- 1. Expresses its appreciation of the work undertaken by Officers and Community contributions to the Financial Vision Project;*
- 2. Acknowledges the serious financial constraints facing Victorian Local Governments and commits to continued collaboration and advocacy with State and Federal Governments to ensure the long-term financial sustainability of the sector and Hepburn Shire Council;*
- 3. Notes the important role that Local Governments play in the delivery of services and infrastructure within communities;*
- 4. Adopts the Financial Vision as attached;*
- 5. Notes that the Financial Vision, the current and projected financial outlook of Council must be a key consideration in the development of the Council Plan 2025-2029 and Financial Plan 2025-2034, and that these plans must be*

adopted in accordance with its deliberative engagement practices and by no later than 31 October 2025 per the Local Government Act;

- 6. Notes recent advocacy measures taken by Council with submissions to the recent federal and state inquiries on financial sustainability for local government;*

Revenue

- 7. Acknowledges the sensitivities inherent in any decision to increase rates, especially taking into account ratepayers' capacity to pay;*
- 8. Notes that property-based taxation, such as Council rates, may not be the best taxation system to take into account ratepayers' capacity to pay and requests that the Mayor and Chief Executive Officer write to the State Minister for Local Government calling for a review of the Rating and Revenue systems of Victorian Councils;*
- 9. Authorises the Chief Executive Officer to prepare and submit an application to the Essential Services Commission for a rate cap variation applicable for the 2025/26 financial year of 10% including the applicable rate cap to be announced by the Minister for Local Government (raising approximately \$1.56 million);*
- 10. For the 2025/26 financial year and subject to a successful application for a rate cap variation, resolves to double the current rebate on rate charges for pensioners who qualify under the State Government's Pensioner Rate Remission scheme. This initiative will increase Councils rebate from \$21 to \$42 to assist pensioners in their rate payments;*
- 11. Undertake a communications campaign to inform ratepayers that they may be eligible for the State Government Municipal Rates Concession of 50 per cent deduction on council rates up to a yearly maximum of \$259.50 (2024-25) for those eligible, as well as the additional Hepburn Shire Council rebate;*
- 12. Authorises the Chief Executive Officer to prepare and submit an application to the Essential Services Commission for a rate cap variation for the 2025/26 financial year that ensures that waste service charges comply with the new Local Government Ministerial guidelines, noting that this will be revenue neutral to Council and of no net cost to ratepayers;*

Services

13. *Requests that the Chief Executive Officer work with Councillors to analyse all services offered by Council, so as to ensure that the Council Plan 2025-2029 and Budget 2025-26 identify operational saving and/or new revenue opportunities (estimated at \$2.44 million per annum) needed to realise the Financial Vision;*
14. *Take into account operational savings, services changes and new revenue opportunities in the development of the 2025/26 budget, and by 30 June 2025;*

Other

15. *Utilises the adopted Financial Vision as the basis for the updating of the Financial Plan;*
16. *Authorise the Chief Executive Officer to make administrative amendments to the Financial Vision, if required, that does not change the intent of the document; and*
17. *Requests that the Mayor and Chief Executive Officer write to the Federal and State Ministers for Local Government, and the Ripon and Macedon local members detailing the outcome of this resolution.*
18. *Investigates options for managing short-term accommodation in light of proposed Short Stay Levy Bill 2024. This includes assessing potential revenue opportunities, the impacts on local housing markets and local amenity with the aim of ensuring benefits for the Hepburn Shire community.*
19. *Continue to explore the leasing or sale, of available land, if any, to obtain social benefits (including social and affordable housing land use opportunities) and/or financial returns for Hepburn Shire, ensuring compliance with Councils acquisition and disposal of land policy.*
20. *Continue to explore options that diversifies funding sources by exploring partnerships and other models with values-aligned organisations, and additionally, examines opportunities for shared service models with neighbouring councils and other entities to increase operational efficiency.*

Moved: Cr Lesley Hewitt

Seconded: Cr Don Henderson

Carried

Voted for: Cr Brian Hood, Cr Don Henderson, Cr Jen Bray, Cr Lesley Hewitt, Cr Tessa Halliday and Cr Tim Drylie

Voted against: Nil

Abstained: Nil

EXECUTIVE SUMMARY

Council has identified the strategic risk of Financial Sustainability as a 'failure to maintain our long-term financial sustainability to deliver on our business objectives', with the current residual risk identified as 'High'. A control to bring the risk into tolerance includes the adoption of a Financial Vision to support the 10-year Financial Plan.

Council's Audit and Risk Committee (ARC) has advised that if no decisive action is taken regarding the Long-Term Financial Plan (known as the Financial Vision) in September 2024, an adjustment for the risk rating for ST1 - Financial Sustainability is required. This risk remains outside of Council's risk appetite and will need to be revised from 'likely' with a major consequence of 'major', to 'certain'.

Councillors and Officers have been working through the strategic levers and the Long-Term Financial Plan throughout the four-year term of Council.

In the 2024/25 Budget, Council determined to implement reductions to operational budgets by \$1.50 million, while seeking to minimise the impact on service delivery.

The Budget also identified that an annual cash shortfall of approximately \$4.0 million exists from 2025/26 onwards.

As the scope of capital works programs have already been curtailed to renewal works and the tight cash environment constrains the ability to service any additional borrowings, the options to address the cash shortfall are the further reduction of operation costs through service reductions and changes and seeking a rate variation from the Essential Services Commission, or a combination of the two.

The Draft Financial Vision 2024-2027 outlines financial modelling and strategic recommendations that will support and give guidance for the development of the next Council Plan and responds to the cash shortfall. The adoption of a Financial Vision will ensure that actions to manage risks on financial sustainability are taken by this Council, and clear guidance and recommendations are provided to the next Council.

It is noted that in 2025, Council is obligated to undertake deliberative engagement for the development and review of the Council Plan, Community Vision, Asset Plan and Long-Term Financial Plan. Deliberative engagement and community engagement will be undertaken to implement future service delivery changes.

BACKGROUND

At Hepburn Shire Council, we are dedicated to transparency and efficiency in the management of public funds and service delivery for our community. Financial

pressures are mounting across all levels of government, businesses, and communities, particularly within Victoria's local government sector.

These challenges require potential adjustments to council service offerings and infrastructure investment capacities. Factors such as rate-capping below CPI, a relatively small population base, dispersed settlements, duplication of services and assets and a modest rating base collectively constrain financial prospects of our shire. As a primary obligation, Council must prioritise financial sustainability and ensure the responsible management and planning through the long-term financial plan.

The financial strategy outlined in the attached draft supplements the Financial Plan (10-year long-term financial plan) adopted by Council in 2021.

The purpose of this report is to present the Financial Vision 2024-2027 for adoption. It is noted that projections for a 10-year period are included in the Financial Vision document. During the community engagement period Council did discuss the preparation of a document that covers 10-years, and there has been a change to ensure we are clear on the immediate levers required to ensure financial sustainability for Council.

Throughout Council's term, and in particular between November 2023 to August 2024, Councillors and Officers have been working through strategic levers and options available to ensure Council remains financially viable in the short, medium and long-term. This has been achieved through a series of workshops and information provided by Officers in detail on service delivery including a service catalogue and map, service summaries, videos outlining departments services and priorities, rates information and financial modelling on long term projections. Financial modelling including indicators and levers as requested by Councillors have been provided by Officers.

Council has committed in this Council term to adopt a Financial Plan that is a strategic indicator for the next Council. At the Special Meeting of Council on 28 May 2024, Council resolved the following –

Requests that the Chief Executive Officer works with Councillors to undertake additional Councillor workshops, engage with the community during July and prepare an updated Financial Plan (10-years) for consideration at the September 2024 Council Meeting that addresses the long-term financial sustainability of Council.

Hepburn Shire Council has faced substantial challenges over the past four years, including the impacts of natural disasters such as floods and storms, escalating material and project delivery costs, and financial pressures resulting from cost shifting by other levels of government. With a limited rate base and few alternative income streams, Council is grappling with financial difficulties similar to those faced by many local governments in Victoria. A more detailed overview of the challenges

confronting the Council can be found in the submissions to State and Federal inquiries attached to this report.

State and Federal Inquires – Financial Sustainability

In 2024, two major inquiries were initiated by Federal and State governments to assess the financial sustainability and service delivery standards of local governments.

The Australian Government's House of Representatives Standing Committee on Regional Development, Infrastructure, and Transport is conducting an inquiry into the sustainability of local governments. Simultaneously, the Victorian Government's Legislative Council Economy and Infrastructure Committee launched an inquiry into local government funding and services. This inquiry focused on issues such as the cost shifting from State and Federal governments to local councils, the capacity of local governments to meet core service delivery objectives, the revenue structure of local governments, and the sustainability and appropriateness of these structures. Additionally, the inquiry explored potential alternative funding models. Council submitted responses to both inquiries, with Chief Executive Officer, Bradley Thomas addressing the State Government panel to discuss the submission in Bendigo on 28 August. Copies of both submissions are included as an attachment to this report.

Across Victoria, many of the 79 councils have raised concerns with the government regarding the challenges that local governments are currently facing due to legislative changes, rate capping, cost shifting, and rising costs in project delivery, as well as the impact of natural disasters. For Hepburn Shire, a small rural area, the past three years have presented significant difficulties due to storms and flooding. The 2024/25 budget highlights the impact of these challenges on the long-term viability of the Council.

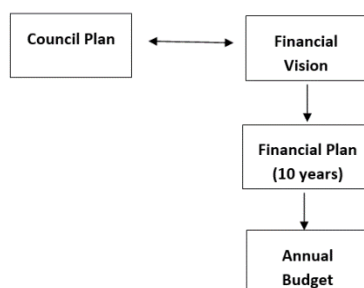
KEY ISSUES

The keys issues identified within this report and/or the draft Financial Vision include:

- Council's obligation under the Local Government Act 2020 to ensure long term financial sustainability.
- Council's current risk statement and rating on financial sustainability and need to address the risk, as recommended by Audit and Risk Committee.
- Financial levers discussed in Councillor workshops between November 2023 to August 2024.
- Draft presented of the Financial Vision to support a direction for management on a rate variation submission to the Essential Services Commission (ESC) to be completed by March 2025.
- Outline of strategies for the responsible management through evidence-based cost controls.
- Recommendations for strategies to mitigate risks and ensure stability in the organisation to be consideration by the next Council term.

Financial Vision – strategic direction

- A Financial Vision is not a mandatory document as required by the Local Government Act. The Financial Vision has been proactively created to support this Council's obligations towards financial sustainability and outlines for the next Council the parameters for the development of the next Council Plan and the Financial Plan. The Financial Vision illustrates that a comprehensive review of services must be completed. The Financial Vision outlines actions that will ensure responsible financial management through evidence-based cost controls and resources management.
- The Financial Vision 2024–2027 does not determine the scope or quality of service delivery, but instead provides a plan for substantial reforms to achieve financial sustainability.
- The following diagram depicts the relationship between key documents.



General Rates and Rating

Rates and charges account for 68% of Council revenue in 2024/2025, being our most significant source of revenue.

Hepburn Shire Council operates as a low-rating council and has historically imposed modest rate increases to maintain service levels and operational efficiency, even before the introduction of the Fair Go Rates system. The state-mandated rate cap, applied uniformly across all councils, has disproportionately affected Hepburn Shire by applying this cap to its already low revenue base. Consequently, Hepburn Shire Council ranks 61 out of 79 Victorian councils in terms of average rates per property assessment based on 2022/2023 results.

The current rate capping policy, which enforces a uniform cap across **all** Victorian councils, presents significant challenges, particularly for rural and regional councils like Hepburn who have limited alternate income streams and receive the vast majority of income to fund services via rates and government grants.

The following was provided to Council in 1997 following the amalgamations, and creation of Hepburn Shire Council, which indicated Council commenced with the second lowest rate base per capital in the State.

“All Councils including Hepburn Shire have undergone significant change in the last few years. This change has in part impacted on short term service delivery eg. Cuts in local road construction in order to secure the longer-term financial viability. Restructuring has now occurred, and the benefits should be evident in the 30th June 1997 balance sheet. The Council commenced with the second lowest rate base per capital in the State of Victoria. To enhance future service delivery the Shire may find its inherited rate base which has been capped by legislation an impediment to future improvement of service delivery.

A key question asked of stakeholders through the community engagement phase of the Financial Vision project, was whether they would find a rate variation acceptable, and if so at what level. Full details are included in the engagement report, but it was noted that -

The result of the engagement identified that 61.56% of the community were open to a rate variation (at various percentages), and 38.44% of community were not open to a rate variation.

The Financial Vision proposes that Council apply to the Essential Services Commission (ESC) for a rate variation to apply for the 2025/26 financial year of 10% in addition to the annual rate variation. If approved, this variation would result in –

- An increase in the average rates of \$175.36 per year, or the equivalent of \$3.37 per week.
 - Of course, this is an average and the impact to individual ratepayers will depend on their valuation and property type, with higher valued properties incurring a higher impact.
- Additional rates income of \$2.08 million in 2025/26.
- Approximately \$1.92 million would therefore be required to be found through operational savings and service reductions.

As a comparison if the rate variation request was to be 10% including the State Government Rate Cap (estimated at 2.50%), it would result in –

- Additional rates income of \$1.56 million in 2025/26.
- An increase in the average rates of \$131.52 per year, or the equivalent of \$2.53 per week.
- Approximately \$2.44 million would therefore be required to be found through operational savings and service reductions.

Council acknowledges that raising annual rates presents challenges for the community. Feedback from our community engagement indicated that a rate increase of some degree is preferred to sustain Council services and maintain the expected level of investment in community infrastructure. Council continues to offer payment plans and options for those in our community that require support to make rate payments.

In 2013, Hepburn Shire Council implemented an additional pension rebate of \$21 to those in receipt of the State Government funded Municipal Rates Concession. Ratepayers who hold eligible pensioner concession cards may be entitled to receive a State Government funded concession on their rates and charges for their principal place of residence otherwise known as the Municipal Rates Concession. To support pensioners across the Shire, this Financial Vision includes an increase of the pension rebate to double that amount to \$42 to those that are eligible to receive the Municipal Rates Concession.

Victorian Government Good Practice Guidelines – Waste Service Charges

In late December 2023, the Victorian Government released new, and unexpected, Ministerial Good Practice Guidelines for Local Government Service Rates and Charges, which will come into effect in the 2025/26 financial year. These changes, particularly in waste management charges, require Hepburn Shire to reassess how and where service rate allocations are applied.

Hepburn Shire has traditionally set its waste service charges based on models aimed at long-term cost recovery, and consistent with many Councils. Council monitors these charges over several years to maintain an appropriate long-term financial position, despite potential annual fluctuations.

The charges for kerbside services in the Council's budget comply with the Local Government Minister's Good Practice Guidelines regarding kerbside collection service charges and can continue under these guidelines.

Council's annual Waste Management Charge funds services such as the operation of transfer stations, monitoring old landfill sites, and servicing street litter bins. This charge is also designed to cover only the costs of these activities without generating a surplus over time, a common practice across local governments. Many of these charges are not recommended by the State Government to be cost recovered by a waste charge, but rather should be covered from general rates.

The Minister's Guidelines recommend that waste management charges be directly linked to services provided to properties and suggest that other waste-related charges should be included in General Rates rather than Waste Management Charges. This means that Council should consider transferring income currently recovered through the Waste Management Charge into General Rates – these costs will relate to waste associated charges like the operational of the transfer stations, waste minimisation education and public bin waste costs.

To fully comply with the Guidelines, the current Waste Management Charge will need to be reviewed, and part of the charge will need to be transferred to General Rates. Under Victoria's Rate Capping system, this change would require an application to the Essential Services Commission (ESC) to ensure the transition is handled appropriately and does not negatively impact ratepayers or the Council. Therefore, it is proposed that an application be made to the ESC to transfer the

Waste Management Charge to General Rates, ensuring no net change in overall revenue and no additional cost to ratepayers.

Service Delivery and Community Engagement

July 2024, we developed and distributed for community, a comprehensive Service Catalogue outlining 41 services provided by Council. Officers shared a Service Map that outlines how various services align within Council. The Service Map is attached to this report. Council's services are tailored to meet the objectives outlined in the Council Plan and the Community Vision.

During July 2024, Council opened a period of community engagement via the Participate Hepburn website that included a series of questions on the priorities for service delivery and priorities for future support of infrastructure spending. Information on the community engagement report is included as an attachment. Information sessions were also held across townships and hardcopy surveys were available for community to complete within Council's Libraries and Customer Service Centres. The engagement period received 315 responses from community, with 46.98% responders aged between 40-59 years. The community engagement feedback has been reviewed by Officers and Councillors, and forms one part of many inputs to this report and recommendation.

Community told us that maintaining current assets at their current standard, with any significant upgrades to be funded in full by grants was a priority (53% response), and that reducing spending on some services if it meant the same range of services could be provided, with reduced provision or availability, was supported (47.54%).

Changes to what services are offered by Council and how these services are delivered can be complex questions and need to be addressed in a systemic approach. The organisation is already and will continue to actively look at opportunities to reduce costs where possible through such arrangements as shared services and technology enhancements.

The impact on users, community and in particular directly impacted staff of service changes needs to be considered, and as such this report does not recommend any immediate changes to services. The following is included within the officer's recommendation -

- *Requests that the Chief Executive Officer work with Councillors to analyse all services offered by Council, in the development of the Council Plan 2025-2029 in order to identify operational savings, and revenue opportunities (estimated at \$1.92 million) needed to realise the Financial Vision;*
- *Consider operational savings, services changes and revenue opportunities in the development of the 2025/26 budget, and by 30 June 2025;*

Financial Vision – Levers

Consideration has been made by Officers and Councillors of other levers available to Council to respond to the financial challenge. These include –

- Disposal of Surplus Assets – The disposal of surplus assets, such as land and buildings were considered. While the asset register is subject to ongoing strategic review, the identification and disposal of such assets is not likely to be of material benefit to the cash position in the short-term and in any case the few options that may become available will not address the underlying nature of the projected cash shortfall.
- Capital Works Funding – The Financial Vision details that the funding of asset renewal is a priority, and the capital works spend is limited to effectively renewal works only. Asset renewal focuses on managing and maintaining existing community facilities, excluding new capital works. This is consistent with the recent community feedback. In 2025, the Council will develop a new Asset Plan, by October 2025. This high-level plan will provide a long-term (10-year) outlook, vision, and action plan for the management of Council’s assets. Council will actively seek State and Government funding, if new or extended assets are to be considered.
- Borrowings – Consideration of debt levels, and any new debt was considered during the development of the vision. The Financial Vision is based on no new debt from 2025/26 onwards, debt funding will be considered for capital expenditure, where appropriate in specific project funding plans, but will not be used to fund operational activities. In any case the absence of surplus cash will limit the scope of any new borrowings and the ability to service them.
- Alternative rate revenue opportunities – Alternative opportunities were considered and will be considered during the development of the Council Plan. The 2022 international report by Rural Councils Victoria (RCV), titled Alternative Sources of Income for Local Government, underscores the challenges faced by small councils in generating additional income. The report reveals that despite extensive searches across Australia and overseas, no single idea or combination of ideas emerged as a substantial alternative revenue source for small councils.

COUNCIL POLICY AND LEGISLATIVE IMPLICATIONS

Council Plan 2021-2025

A dynamic and responsive Council

5.3 A sustainable and agile organisation with strong corporate governance that supports excellent operations.

It is noted that a review of Council’s Council Plan 2025-2029 and its Financial Plan (10- years long-term financial plan) are required to be submitted to the State Government by 31 October 2025, and that Council must adopt its 2025/26 Budget by 30 June 2025.

FINANCIAL IMPLICATIONS

Financial implications of this report are outlined above, namely that without significant changes to Councils rating revenue, and operational costs, Council will not fulfil responsibilities to manage strategic risk of financial sustainability and will not provide guidance to for the next Council term.

It is critical that the Financial Vision 2024–2027 is adopted in this term of Council to ensure there is time available for the Chief Executive Officer to prepare and apply for a rate cap variation to the ESC. Officers will require considerable time to prepare an application, and a resolution of Council is required for the application.

By endorsing the application to the ESC, the rate cap variation will be an inclusion in the development of the 2025/26 annual budget.

COMMUNITY AND STAKEHOLDER ENGAGEMENT

The Financial Vision Community Engagement Report is attached. It is noted that further community engagement will be undertaken through deliberative engagement for the development of the next Council Plan, Asset plan, Financial Plan, Budget and review of Community Vision in 2025.

RISK AND GOVERNANCE IMPLICATIONS

Council's strategic risk ST1: Financial sustainability: Failure to maintain our long-term financial sustainability to deliver on our business objectives is currently identified as residual risk: High. The adoption of a long-term financial plan brings ST1 into tolerance in the mid to long term and will achieve compliance with the *Local Government Act 2020*.

ENVIRONMENTAL SUSTAINABILITY

Environment sustainability is considered through the review of Council services and model reviews, and alignment to existing adopted strategies is considered throughout the budget process.

GENDER IMPACT ASSESSMENT

A gender impact assessment has been completed on the Financial Vision and is attached.

Hepburn Shire Council

Financial Vision

2024–2027

DRAFT



Hepburn Shire Council acknowledges the Dja Dja Wurrung as the Traditional Owners of the lands and waters on which we live and work. On these lands, Djaara have performed age-old ceremonies of celebration, initiation and renewal. We recognise their resilience through dispossession and it is a testament to their continuing culture and tradition, which is strong and thriving. We also acknowledge the neighbouring Traditional Owners, the Wurundjeri to our South East and the Wadawurrung to our South West and pay our respect to all Aboriginal peoples, their culture, and lore. We acknowledge their living culture and the unique role they play in the life of this region.

Summary of Outcomes

Outcomes outlined within the financial modelling and strategy include:

- That the current and projected financial outlook of Council must be a key consideration in the development of the Council Plan 2025-29 and Financial Plan 2025-34, and that these plans must be adopted in accordance with its engagement policy including deliberative engagement and by no later than 31 October 2025 as per the Local Government Act 2020;
- That Council must consider operational savings, services changes and revenue opportunities in the development of the 2025/26 budget, and by 30 June 2025;
- That Council prepare and submit an application to the Essential Services Commission for a rate cap variation applicable for the 2025/26 financial year of 10% plus the applicable rate cap to be announced by the Minister for Local Government;
- That for the 2025/26 financial year and subject to a successful application for a rate cap variation, the rebate on rate charges for pensioners who qualify under the State Government's Pensioner Rate Remission scheme will be doubled. This initiative will increase Councils rebate from \$21 to \$42 to assist pensioners in their rate payments;
- That Council prepare and submit an application to the Essential Services Commission (ESC) for a rate cap variation for the 2025/26 financial year that ensures that waste service charges comply with the new Local Government Ministerial guidelines, noting that this will be revenue neutral to Council and of no net cost to ratepayers;
- The Chief Executive Officer will work with Councillors to analyse all services offered by Council, so as to ensure that the Council Plan 2025-2029 and Budget 2025/26 identify operational saving and/or new revenue opportunities (estimated at \$1.92 million per annum) needed to realise the Financial Vision;
- That the funding of asset renewal is a priority, and that capital works expenditure is limited to effectively renewal works only. Council will actively seek State and Government funding, if new or extended assets are to be considered.
- Creation of a 'grant funding reserve' which will mean funds will be available to allocate to government grant applications as 'matching' funds.

Executive Summary and Background

The Financial Vision 2024–2027 for Hepburn Shire Council, created in partnership with Council and the community, acts as a strategic guide to detail the provision of services, priorities, and projects that meet community needs, while ensuring the Council's financial stability over the next ten years.

The Financial Vision serves as a guide for the elected Council, set to be appointed in October 2024, providing a strategic direction to ensure that the next Council Plan remains aligned with and fulfills the community vision, all while operating within the financial constraints that the Council will encounter.

As outlined in the 2024/25 adopted budget for Hepburn Shire Council, a \$1.5 million reduction in operational budgets was necessary. Projections for the long-term financial plan indicate that from 2024/25, a combination of strategies (such as rate variations, additional revenue, operational budget cuts, borrowing, and asset reviews) will be needed to address a \$4 million cash shortfall. Operational savings or increased revenue to be found from 2025/26 will be ongoing. The Financial Vision has been created to ensure that this balance of strategies is realistic, transparent, and effective in securing the Council's sustainability over the next decade.

As the scope of capital works programs have already been curtailed to renewal works and the tight cash environment constrains the ability to service any additional borrowings, the options to address the cash shortfall are the further reduction of operation costs through service reductions and changes and seeking a rate variation from the Essential Services Commission or a combination of the two.

Council is committed to transparency and accountability in executing its financial plan and service delivery, emphasising the responsible management of public funds to maintain financial sustainability. The primary objective of the long-term financial plan is to ensure financial stability over the medium and long-term, while fulfilling the Council's strategic objectives. Continuous community involvement is crucial in assessing and prioritising services, allocating resources to support these services, establishing sustainable spending levels, identifying key assets necessary for delivering prioritised services, considering the sale of surplus assets, evaluating borrowing strategies, and exploring additional revenue sources, including the potential for applying for a rate variation to State Government.

To protect Council's long-term financial stability, a thorough review of the ten-year Financial Plan, along with a wide-ranging assessment of service provisions, has been conducted by the Council. Balancing financial limitations, community expectations, and statutory duties presents a significant challenge, especially in light of the State Government rate cap and the variability of government grant funding.

In July 2024, we engaged with the community to gain insights into their priorities regarding service delivery, infrastructure investment, and a rate adjustment. The feedback gathered during this process was integrated within the financial modelling. It is important to note that before making any future decisions about service changes, additional community consultation will be conducted as we proceed with the analysis of services and the development of the next Council Plan in 2025.

As part of the recent community engagement, the Council created its first-ever service catalogue and map, outlining how and where budget allocations are made, statutory requirements for services, and how their success and benefits are measured. Management will update this catalogue annually to ensure ongoing transparency and clarity regarding service models, operations, and budget adjustments. The success metrics within the Service Catalogue are based on comprehensive data

sources. Council considered feedback from the engagement period, and this will provide guidance to the incoming Council in 2024.

Within this Financial Vision 2024–2027, the strategy includes borrowings of \$5.528 million as identified in the 2024/25 adopted budget, but no further anticipated new debt. Despite the increase in debt, Council will maintain a low debt ratio, adhering to the standards established by the Victorian Auditor General, and the long-term financial strategy will incorporate repayment plans.

Hepburn Shire Council has traditionally been a low-rating Council. In 2024, Hepburn Shire Council ranks 61 out of 79 Councils based on 2022/2023 results. Due to the State-imposed rate cap, rates cannot be raised to meet the increasing demands on the Council without applying to the ESC for a rate cap variation. Council has carefully evaluated the rate cap and the balance of other financial levers available.

Councils, particularly in regional and rural areas, have very limited alternate income streams to generate, thereby heavily relying on revenue solely from rates and government funding through grants.

To ensure a balance between effective and responsive service delivery, applying for a 10% rate variation with the Essential Services Commission (ESC) for the 2025/26 period is crucial to sustaining as much service provision as possible throughout the Shire. This variation is in addition to the State Government determined rate percentage allocation each year.¹

Council has a very limited range of assets for potential disposal to fulfill the cash shortfall expected in 2024/25. This Financial Vision works to achieve on stability for the Council and community with limited need for the disposal of community assets.

We acknowledge the significance of community infrastructure and renewal for our residents. Starting from 2026/27, the Financial Vision includes allocating funds to a reserve dedicated to upgrading existing facilities and developing new community infrastructure. Grant funding from other government levels often requires Council to provide matching contributions. This reserve will seek to guarantee that we are prepared to seize funding opportunities, allowing us to deliver assets that meet community expectations.

From a cashflow perspective Council has three key objectives.

- Firstly we aim to ensure that cash reserves are sufficient to sustain service delivery for the community and fulfill our obligations.
- Secondly, we strive to have an amount of unallocated cash to provide a buffer so that we can adequately respond to unforeseen emergencies.
- And in the long term, the goal is to also establish a reserve that can provide matching funds for grants received from other tiers of government.

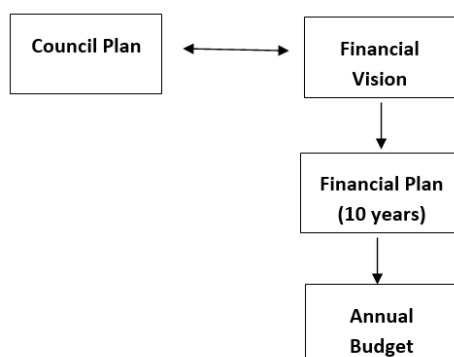
Council is resolute in its commitment to transparency and accountability in both its financial plan and service delivery. We are dedicated to the responsible management of public funds to ensure long-term financial stability. The Financial Vision 2024–2027 will play a crucial role in helping Hepburn Shire Council achieve these objectives.

¹ Further information on the process to be followed for Council to undertake a rate variation can be found here: <https://www.esc.vic.gov.au/local-government/annual-council-rate-caps>

Strategic Framework

Financial Vision

- A Financial Vision is not a mandatory document as required by the Local Government Act. The Financial Vision has been proactively created to support this Council's obligations towards financial sustainability and outlines for the next Council the parameters for the development of the next Council Plan and the Financial Plan. The Financial Vision illustrates that a comprehensive review of services must be completed. The Financial Vision outlines actions that will ensure responsible financial management through evidence-based cost controls and resources management.
- The Financial Vision 2024–2027 does not determine the scope or quality of service delivery, but instead provides a plan for substantial reforms to achieve financial sustainability.
- The following diagram depicts the relationship between key documents.



Integrated Strategic Planning and Reporting Framework

Council employs an integrated approach to planning, monitoring, and performance reporting. The Financial Vision 2024–2027 outlines the 10-year financial resources required to achieve the goals and aspirations of the Council Plan and realise the Community Vision. This Financial Vision aligns with the Council's obligations under the Local Government Act 2020 to manage public funds strategically and with foresight. The Financial Vision 2024–2027 updates the previously adopted Hepburn Shire Council Financial Plan 2021-2031.

The delivery of Council services is maintained through legislation and performance measures to ensure Council achieves against service performance principles including:

- Services are provided in an equitable manner and are responsive to the diverse needs of the community. The Council Plan is designed to identify and prioritise the key services and projects to be delivered to the community. The Financial Plan provides the mechanism to demonstrate how the service aspirations within the Council Plan may be funded.
- Services are accessible to the relevant users within the community.
- Council provides quality services that provide value for money to the community. The Local Government Performance Reporting Framework (LGPRF) is designed to communicate Council's performance regarding the provision of quality and efficient services.
- Council maintains a performance monitoring framework to continuously improve its service delivery standards.
- Council is developing a service delivery framework that considers and responds to community feedback in regards to service provision.



Figure 1: Integrated Strategic Planning and Reporting Framework and outcomes overview (Department of Jobs, Precincts and Regions 2020)

The Hepburn Shire Council Service Catalogue is a living document, subject to review and updates as service requirements evolve or new Council Plans are introduced every four years. This ongoing review ensures that our service delivery remains responsive to the changing needs of our community and will support the review of annual budgets allocated to service areas of Council.

The Annual Report produced by the Council details performance against the Council Plan and Community Vision. Additionally, the Victorian Government Local Government Performance Reporting Framework (LGPRF) offers insights into the Council's success across various metrics, with annual data published on the Victorian Government's website. Another key measure of success is the Community Satisfaction Survey.

In accordance with the Act, Hepburn Shire Council must submit a revised Council Plan, Community Vision, Municipal Health and Wellbeing Plan, Asset Plan, and Long-Term Financial Plan to the State Government by no later than October 2025. The annual budget is required to be submitted by June 2025. These strategic documents are designed to shape and potentially modify service delivery in response to evolving priorities of the Council and the community.

Background and Context

Hepburn Shire, located in a rural landscape, covers 1,473 square kms and includes towns such as Clunes, Creswick, Daylesford, Hepburn Springs, and Trentham, along with various smaller settlements, each with their own unique character. The Shire currently has a population of 16,157, projected to grow to 17,700 by 2036. The region has a rich cultural heritage, with the Dja Dja Wurrung People recognised as the Traditional Owners.

Hepburn Shire Council is committed to transparency and efficiency in delivering services to our community. However, financial pressures are mounting across all levels of government, businesses, and communities, particularly affecting Victoria's local government sector. These pressures are likely to necessitate adjustments to council services and infrastructure investment. Challenges such as rate-capping below CPI, a relatively small population, dispersed settlements, and a limited rating base all constrain the Shire's financial prospects.

Councils typically allocate substantial portions of their funds to specific purposes, such as infrastructure projects, rather than maintaining large unrestricted cash reserves. Rising costs, including inflation, construction materials, and services, as well as ongoing capital works programs, add to the financial strain. Additionally, increasing expenses related to employees, insurance, regulatory compliance, and external factors like natural disasters, legislative changes, and events such as COVID-19 further complicate financial management for Hepburn Shire and the broader sector.

The JLT Public Sector Risk Report from 2018 to 2024 identifies 'financial sustainability' as the top risk for local governments in Victoria and nationwide. The cumulative impact of past events and the interconnectedness of various risks contribute to financial pressure on councils, affecting their financial stability and their ability to effectively serve their communities.²

With aging infrastructure, increasing demands for new services, and rising community expectations, Hepburn Shire faces challenges in reconciling these demands with limited State and Federal Government support for local government. As a small rural shire with a limited rate-paying base and fewer opportunities for alternative revenue streams, Council must implement a strategy to enhance income opportunities through rates while also reducing operational costs to ensure financial viability.

The 2022 international report by Rural Councils Victoria (RCV), titled *Alternative Sources of Income for Local Government*, underscores the challenges faced by small councils in generating additional income. The report reveals that despite extensive searches across Australia and overseas, no single idea or combination of ideas emerged as a substantial alternative revenue source for small councils, particularly those representing small communities. Existing alternative sources only marginally cover the funding requirements necessary for Hepburn Shire's long-term financial sustainability.³

Hepburn Shire Council operates as a low-rating council and has historically imposed modest rate increases to maintain service levels and operational efficiency, even before the introduction of the Fair Go Rates system. The following was provided to Council in 1997 following the amalgamations, and

² JLT Public Sector, *Risk Report 2024*.

³ Rural Councils Victoria 2022, *Alternative sources of income for local government*, <https://media.ruralcouncilsvictoria.org.au/wp-content/uploads/2022/12/13085030/20220153-RCV-own-source-income-Updated-Final-report-221212.pdf>

creation of Hepburn Shire Council, which indicated Council commenced with the second lowest rate base per capital in the State.

All Councils including Hepburn Shire have undergone significant change in the last few years. This change has in part impacted on short term service delivery eg. cuts in local road construction in order to secure the longer term financial viability. Restructuring has now occurred and the benefits should be evident in the 30th June 1997 balance sheet. The Council commenced with the second lowest rate base per capita in the State of Victoria. To enhance future service delivery the Shire may find its inherited rate base which has been capped by legislation an impediment to future improvement of Service delivery.

In line with the broader Victorian local government sector, Hepburn Shire Council is confronting significant issues that need to be addressed to ensure the successful delivery of Council objectives and the community vision.

Local Government Financial Levers

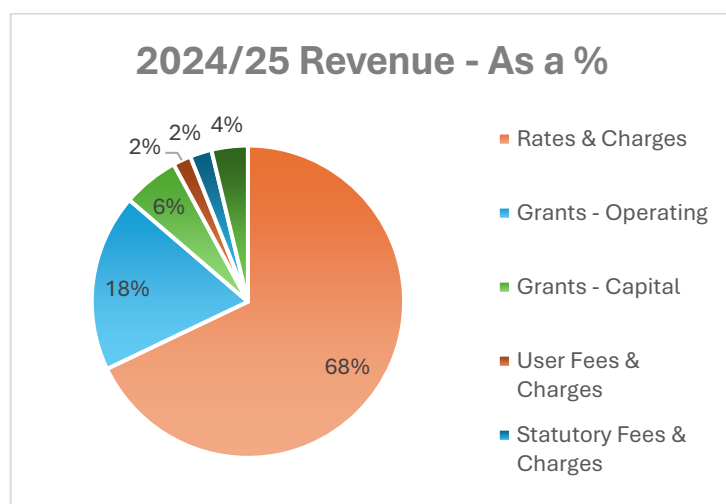
There are a limited number of levers available to a Council, in order to secure financial sustainability. Each of the levers, the current situation at Hepburn and planned action through the Financial Vision will be discussed in greater detail. Levers available include:

- Revenue – rates and rating
- Revenue – other fees, fines, grants
- Operational costs – service delivery
- Capital works – infrastructure
- Capital works – generational infrastructure
- Borrowings
- Asset Sales

Revenue – Rates and Rating

General Rates

Rates and charges accounts for 68% of Council revenue in 2024/2025, being our most significant source of revenue.



Hepburn Shire Council operates as a low-rating council and has historically imposed modest rate increases to maintain service levels and operational efficiency, even before the introduction of the Fair Go Rates system. The state-mandated rate cap, applied uniformly across all councils, has disproportionately affected Hepburn Shire by applying this cap to its already low revenue base. Consequently, Hepburn Shire Council ranks 61 out of 79 Victorian councils in terms of average rates per property assessment based on 2022/2023 results.

The current rate capping policy, which enforces a uniform cap across all councils, and at annual adjustments below the rate of CPI, presents significant challenges, particularly for rural and regional councils like Hepburn.

Fair Go Rates System

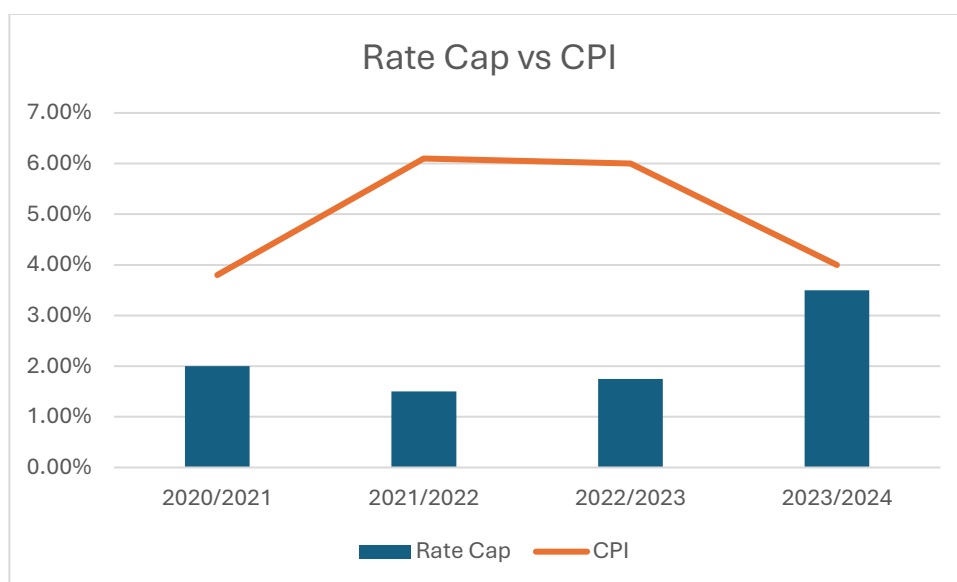
The Fair Go Rates system established by the Victorian Government limits the amount Victorian Councils can increase rates in a year without seeking additional approval. The Minister for Local Government, each year sets the average rate cap for the following rating year taking into account

advice from the Essential Services Commission and the forecast change in the consumer price index (CPI). The annual rate cap cannot be increased without the permission of the Essential Services Commission.

The Fair Go Rates system has challenged Council's long-term financial sustainability, and it continues to restrict Council's ability to raise revenue to maintain service delivery levels and invest in community assets.

The rate cap does not accurately reflect increases in costs faced by councils because they have a significantly different composition of expenditure compared to households. Key council expenditures (wages, construction, utilities) required to provide council services and deliver infrastructure projects have been increasing faster than household CPI.

The rate cap presents a significant concern for Hepburn Shire in 2024/2025 and beyond. The rate cap from 2020/2021 has consistently been set below the CPI forecast. The rate cap set below the actual CPI has resulted in a \$5.8 million impact to Council for 2020/2021 onwards.



A key question asked of stakeholders through the community engagement phase of the Financial Vision project, was whether they would find a rate variation acceptable, and if so at what level. Full details are included in the engagement report, but it was noted that:

The result of the engagement identified that 61.56% of the community were open to a rate variation (at various percentages), and 38.44% of community were not open to a rate variation.

Council acknowledges the challenges faced by the community due to rising household living costs and inflation. In consideration of rate variation forming part of the Financial Vision, Council carefully considered the impact on individuals and took into account community feedback regarding the proposed rate increase.

Financial modelling within the Financial Vision has been based on an approved 10% rate variation in addition to the annual rate cap allowed by the State in 2025/26 (estimated at 2.50%). The additional revenue generated through a rate variation application of 10% will see a further \$2.08M of rates being recovered to support the delivery of services across Hepburn Shire in 2025/26.

On average, the rate variation will increase general rates by \$175 per annum (\$219 per annum including the forecast rate cap) for the average individual property - the equivalent of \$3.37 per week. This is of course relative to the valuation on properties. Rate capping limits the percentage increase in the average capped rate. It does not apply to the dollar amount of annual increases, nor the percentage increase in individual ratepayers' capped rates and charges.

Individual properties may experience different percentage increases because the:

- Property increases or decreases in value relative to other properties within the municipality.
- Classification of the property changes (i.e. residential, commercial etc).
- Council changes the distribution of rates between property classes by changing its rating strategy.

All properties are revalued annually for local government rating purposes through an independent process separate to Council. This revaluation changes the relative value of properties which can cause significant differences in rate increases between properties.

Other Rates

Consideration was made in the development of the Financial Vision for other potential changes to rates, that may generate additional revenue. Such things as the introduction of a Short Stay Levy, re-introduction of a Municipal Charge and changes to rating differentials. The rating system is complicated, and many have made strong arguments that property-based taxation, such as Council rates, may not be the best taxation system to take into account ratepayers' capacity to pay.

It is important to note that changes to rating differentials does not increase the total rates received by Council, but rather just changes the distribution between all ratepayers.

A Council must prepare and adopt a Revenue and Rating Plan by the next 30 June after a general election for a period of at least the next four financial years. Therefore, Council will be engaging with the community to adopt an updated Revenue and Rating Plan by 30 June 2025, and this engagement and decision making is where changing the rating system will be best considered.

Given the uncertainty of the implementation of a statewide Short Stay Levy by the State Government, any decisions were not incorporated into the Financial Vision and can be considered at a future point in time.

Waste Management

In late December 2023, the Victorian Government introduced new and unexpected Ministerial Good Practice Guidelines for Local Government Service Rates and Charges, set to take effect in the 2025-26 financial year. These changes, particularly those affecting waste management charges, necessitate a reassessment of how Hepburn Shire allocates service rates.

Historically, Hepburn Shire has set its waste service charges based on long-term cost recovery models, consistent with many other councils. Council carefully monitors these charges over several years to ensure an appropriate long-term financial position, despite potential annual fluctuations.

The charges for kerbside services in the Council's budget currently comply with the Local Government Minister's Good Practice Guidelines on waste service charges and can continue to do so under these new guidelines. The annual Waste Management Charge funds essential services such as the operation of transfer stations, monitoring old landfill sites, and servicing street litter bins. This charge is structured to cover only the costs of these activities, avoiding any surplus generation over time, a practice common across local governments.

However, the Minister's Guidelines recommend that waste management charges be directly linked to services provided to properties and suggest that other waste-related charges should be incorporated into General Rates rather than Waste Management Charges. This implies that Council should consider transferring income currently recovered through the Waste Management Charge into General Rates—particularly costs related to waste-associated services like the operation of transfer stations, waste minimisation education, and public bin waste management.

To fully comply with the Guidelines, the current Waste Management Charge will need to be reviewed, with a portion of the charge being transferred to General Rates. Under Victoria's Rate Capping system, this change would require an application to the Essential Services Commission (ESC) to ensure that the transition is handled appropriately and does not adversely impact ratepayers or the Council.

It is proposed that an application be made to the ESC to transfer the Waste Management Charge to General Rates, ensuring no net change in overall revenue and no additional cost to ratepayers.

In the 2024/25 Annual Budget, Council identified the need to achieve \$1.5 million in operational savings. To contribute to these necessary savings, the Waste Management department has been tasked with undertaking a comprehensive review of its service model in 2024. This review aims to identify and implement efficiencies that will help meet the financial targets set by the Council.

The Waste Management Review will explore various avenues to streamline operations, reduce costs, and improve service delivery without compromising the quality of essential services provided to the community. This may involve reassessing current waste collection processes, optimising routes, exploring new technologies for waste processing, and evaluating staffing and resource allocation. The department will explore innovative approaches to waste reduction and recycling that could further enhance efficiency and reduce operational costs.

The outcomes of this review are expected to contribute significantly to the broader financial sustainability goals of the Council, ensuring that essential services can continue to be delivered effectively while adhering to the budgetary constraints identified for the upcoming financial year. The review will be conducted with a focus on maintaining environmental responsibility and community satisfaction, ensuring that any changes align with both Council's strategic objectives and the community's expectations.

Community Support for Payment of Rates

In 2013, Hepburn Shire Council implemented an additional pension rebate of \$21 available to those in receipt of the State Government funded Municipal Rates Concession. Ratepayers who hold eligible pensioner concession cards may be entitled to receive a State Government funded concession on their rates and charges for their principal place of residence otherwise known as the Municipal Rates Concession.

To support pensioners across the Shire, this Financial Vision includes an increase of the pension rebate to double that amount to \$42 to those that are eligible to receive the Municipal Rates Concession. The

increase will be adopted in the 2025/26 budget period and community members notified of the change. This increase will only be made available if Council are successful in a rate variation application to the ESC for the 2025/26 annual budget.

The cost to Council to provide this additional rebate is budgeted at \$38,000 for 2024/2025 and the expectation is that a further \$38,000 will be set aside in 2025/2026 to fund this concession subject to an approved rate variation application.

Revenue – other fees, fines, grants

Although local government has limited alternate income streams, Council will continue to look at innovation and opportunities to increase revenue and limited the reduction of services. There may be opportunities in future for rental income, sustainable and environmental revenue or options to extend services deliver.

Advocacy to other tiers of government is a key activity of Council and assists in the funding of services and capital works. Council will continue to actively seek government grant funding, and advocacy for key projects to be funded. Often a co-contribution is required for Council to ‘match’ funding government grants, and given the reduced cash position, the ability to ‘match’ funding is becoming, and will remain difficult. The Financial Vision creates a ‘grant funding reserve’ which will mean funds will be available to allocate to government grant applications.

A ‘Grant Funding Reserve’ has been created with the proposed funds allocated in each of the following financial years:

- \$200,000 – 2026/27 and 2027/28
- \$250,000 – 2028/29 through to 2031/31
- \$500,000 – extra financial year after

Operational costs – service delivery

The Financial Vision does not address matters such as the quality or the prioritisation of services. The aim of the strategic vision is to ensure Council can achieve on financial sustainability. The vision will serve as an outline for future decisions, enabling Council to transparently ensure financial sustainability, deliver efficient services and infrastructure, and fulfill financial obligations over the next three years.

Council delivers services that are either legislated or non-discretionary. Regardless of their status the services strive to ensure communities remain healthy, active and engaged. Decisions on service models and delivery are directed by priorities identified within the Council Plan. Hepburn Shire Council’s service map identifies 42 services delivered by Council.

Legislative adjustments and the shifting of costs from State and Federal Governments to local councils complicates local administration and exacerbate fiscal imbalances. Increasing responsibilities without corresponding financial support inevitably forces local governments to reassess their service delivery capabilities.

The key areas where cost-shifting has significantly impacted Hepburn Shire and other rural communities include insufficient funding for community programs such as maternal and child health services, libraries, and emergency management. Rising service delivery costs and higher community

expectations put significant pressure on our small rural Council, making it difficult to match the service levels of neighbouring councils. This disparity creates significant inequity for our community, and dissatisfaction, who expect the same level of service for their rates.

Hepburn Shire faces a financially challenging landscape due to rising service costs, rate capping, stagnant grant income, natural disasters, pandemic management, and increasing community expectations. Council is currently exploring options for shared services with neighbouring local governments, but there are limitations to the services that can be provided under partnering models.

In 2024, Council introduced a comprehensive Service Catalogue and map, detailing the delivery of Council services, including the legislated responsibilities and performance measurement, including the State Government's Local Government Reporting Framework (LGPRF). This catalogue, designed for annual review, was released in conjunction with community engagement on the Financial Vision.

During the engagement process, the community expressed support for reducing spending on some services if it allowed for the continuation of the same range of services, albeit with reduced scope of provision, frequency, or availability. Specifically, 47.54% agreed with this approach, 35.08% were uncertain, and 17.38% were opposed.

To achieve the operational savings required for the 2025/26 budget and the Financial Vision, management will need to assess service delivery models. This assessment may include finding savings in materials and services, adjusting opening hours and service delivery periods, managing staffing costs, or potentially cancelling services. The savings target is substantial at \$1.92 million, per annum, equating to 7% of Council's cash based operating costs, and is dependent on a successful application to the ESC for a rates variation. This fact illustrates the breadth and depth of change that must be implemented.

Operational savings could also be realised through efficiencies and business transformation. With new technologies, including AI, Council will explore how innovation in technology can be integrated into service models to enhance customer service and optimise financial expenditure. Initiatives such as the 'open access' model observed in sectors like Libraries, which provides a higher level of service to the community at minimal cost, will be considered.

The Financial Vision is based on the following in relation to operations services:

- \$1.92 million in operational savings or revenue opportunities be achieved.
- The organisation will work with Councillors to analyse all services offered by Council, in the development of the Council Plan 2025-2029 in order to identify operational savings, and revenue opportunities.
- The operational savings, services changes and revenue opportunities will be considered in the development of the 2025/26 budget, by 30 June 2025.
- That any future service changes will be conducted in collaboration with the Council and communicated with community thoroughly.

Workforce Attraction and Retention

Hepburn Shire, located between Bendigo and Ballarat, faces competition for skilled workers due to superior pay, career prospects, and housing availability in these larger centres. This dynamic poses a significant recruitment challenge for small regional councils, as skilled professionals are drawn to

opportunities in the private sector and larger municipalities. High turnover rates are particularly pronounced in roles such as Environmental Health, Town Planning, Building Surveying, Asset Engineering, Community Safety, Local Laws, and Senior Finance positions, further complicating the situation. Recruitment and a transitional workforce places strain on the finances within a small rural shire. Council is mitigating risks in this area through the offer of staffing to balance working from home and office, and focussing on a workforce attraction and retention plan.

The Chief Executive Officer will develop an updated Workforce Plan, post the adoption of the Council Plan 2025-29, that responds to challenges and opportunities within the sector, the recruitment market and ensure the workforce supports the implementation of the Council Plan.

Climate Change, Emergency Management and Recovery from Natural Disasters

Hepburn Shire has experienced three natural disasters since 2021, significantly impacting community infrastructure. Given the high risks of future fires, storms and floods, Council is prioritising mitigation infrastructure and will work to ensure we can react to emergencies in a measured way working through state and federal grants programs.

Capital works – infrastructure

Meeting the growing community infrastructure needs is becoming increasingly challenging due to critical limitations in asset renewal. Several key factors contribute to this issue.

The dollar value of grants does not keep pace with rising costs due to inadequate indexation. This results in a funding shortfall that hampers the completion and maintenance of infrastructure projects, exacerbating financial constraints. Given uncertainties in the timing and total pool of key Federal Government grants (particularly the Roads to Recovery and the Financial Assistance Grants programs) that status-quo has been assumed for this vision – as greater clarity becomes available the modelling will be updated.

Local governments operate within tight budgetary limits, which restrict their ability to fund essential infrastructure projects. This financial pressure is compounded by rate caps that limit the revenue councils can generate through local taxes.

Infrastructure maintenance costs have risen 10-30% over the past three years without corresponding income increases, forcing Council to cover shortfalls.

In the community engagement completed in July 2024, responders told us that maintaining current assets at their current standard, with any significant upgrades to be funded in full by grants was a priority.

The Financial Vision details that the funding of asset renewal is a priority, and the capital works spend is limited to effectively renewal works only. Asset renewal focuses on managing and maintaining existing community facilities, excluding new capital works.

In 2025, Council will develop a new Asset Plan by October 2025. This high-level plan will provide a long-term (10-year) outlook, vision, and action plan for the management of Council's assets. Council will actively seek State and Government funding, if new or extended assets are to be considered.

A 'Grant Funding Reserve' has been included to support Council's co-contribution towards grant funding aimed at community infrastructure renewal.

Asset renewal focuses on managing and maintaining existing community facilities, excluding new capital works or building redevelopments. In 2025, Council will develop a new Asset Plan, which is required to be submitted to the Victorian Government by October 2025. This high-level plan will provide a long-term (10-year) outlook, vision, and action plan for the management of Council's assets.

Hepburn Shire Council remains dedicated to delivering for the community by completing ongoing capital projects, managing projects through appropriate oversight and controls, investing in asset renewal and community infrastructure, and ensuring effective and efficient service delivery aligned with community priorities.

Throughout the engagement, community identified a need for Council to maintain current assets at existing standards, with any significant upgrades to be fully funded by grants (53% response). Additionally, 47.54% of respondents supported reducing spending on certain services if it allowed the same range of services to be offered, even if at a reduced level or availability.

Capital works – generational infrastructure

The Financial Vision does not include any direct allocation for new upgrades, or new assets – often referred to as generational assets.

Funding of these assets would be considered on a case-by-case basis and will likely require significant government grant funding. Council would be able to utilise its reserve balances and consider borrowings to proceed this large, and complex infrastructure projects subject to positive evaluation of a comprehensive business case.

Borrowings

Consideration of debt levels, particularly the propose of undertaking new debt was considered during the development of the Vision. The Financial Vision is based on the assumption of no new debt from 2025/26 onwards, debt funding will be considered for capital expenditure, where appropriate, but will not be used to fund operational activities. In any case the absence of surplus cash will limit the scope of any new borrowings and the ability to service them.

Asset Sales

The disposal of surplus assets such as land and buildings were considered in the preparation of this Vision. While the asset register is subject to ongoing strategic review the identification and disposal of such assets is not likely to be of material benefit to the cash position in the short term and in any case the few options that may become available will not address the underlying nature of the projected cash shortfall.

Any land or building sale would be subject to requirements of the Local Government Act and Council's Disposal and Acquisition of Land Policy (2023) which includes requirements for current valuations and community engagement.

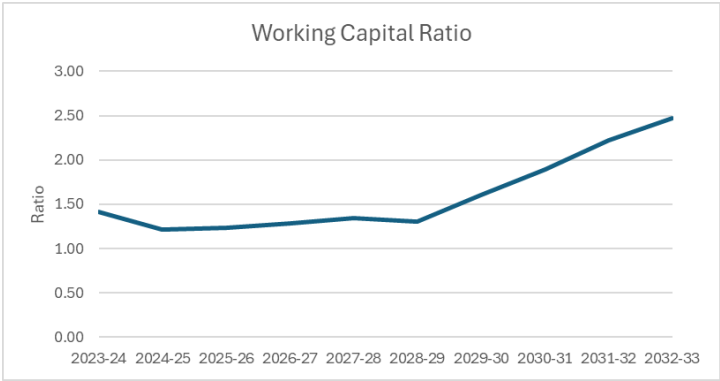
Financial Position

This section intends to provide a contextual snapshot of the key structural components of Council’s finances.

Working Capital Ratio

Working Capital compares Council’s current assets to its current liabilities, a sufficient working capital ratio is required to meet Council’s obligations as and when they fall due. A high or increasing level of working capital suggests an improvement in liquidity.

The chart below illustrates Council’s working capital ratio as per projections in the Financial Vision. A ratio in the 1 to 1.50 range is adequate. Although a consistent ratio exists and it improves in later years (due to the repayment of borrowings), strong budget review and management of Council’s finances will be required to ensure sufficient funds are available to maintain existing (and plan for future) levels of service, maintain and improve Council facilities and infrastructure and re-pay borrowings.

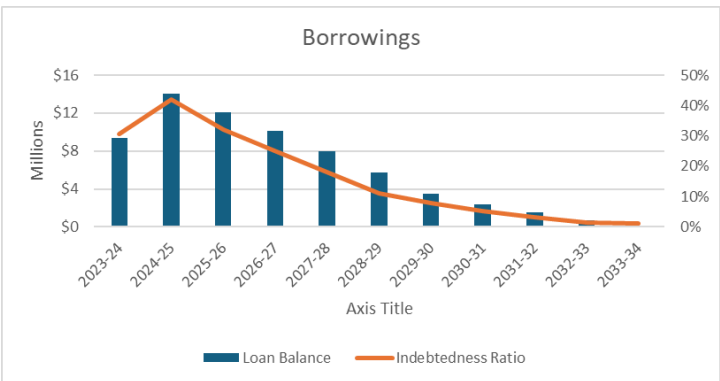


Borrowings

Council has traditionally held a relatively low level of borrowings but has borrowed in recent years to complete key projects such as the Daylesford Town Hall roof and electrical repairs, the Djuwang Baring (Creswick Trails) project and other capital projects.

There are no new borrowings anticipated in the Financial Vision, however, the capacity does exist to assist the funding of major, multi-generational assets.

The chart below illustrates Council’s loan balance and indebtedness ratio as per projections in the Financial Vision. The indebtedness ratio compares Councils non-current liabilities (mainly borrowings) to its own-source income. The Victorian Auditor General Officers (VAGO) notes a ratio below 40% is a low financial risk. Council remains in the low risk in all years, except 2024/25 where it marginally increases to the medium risk category (40-60%).

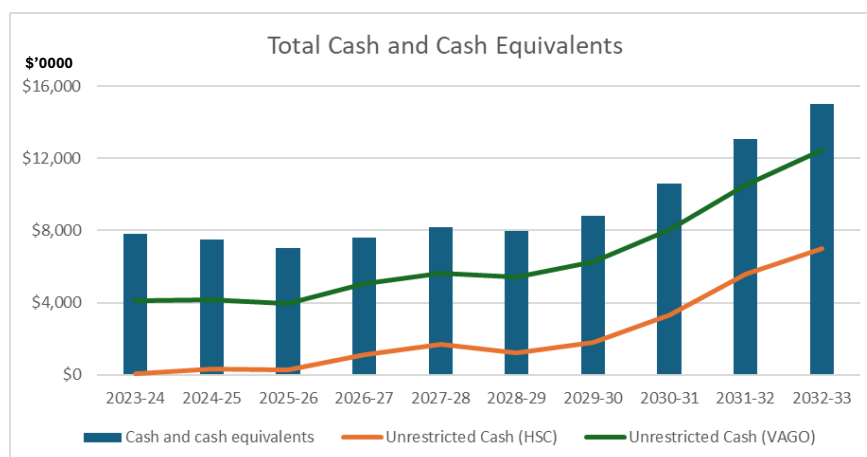


5.1 Unrestricted Cash Balance

Identified in the previous long-term financial plan adopted in 2021, and in Council's annual budgets, as a small rural shire with limited opportunities for alternate income streams, Council continues to face a significant challenge with its cash and investments balance.

The State Government and VAGO ratio for unrestricted cash does not exclude discretionary reserves in their calculation. Discretionary reserves are funds that Council has allocated for a specific purpose, however, could (although unlikely to) be used for other purposes by a Council resolution. Council feels the unrestricted cash ratio including discretionary reserves provides a clearer picture of uncommitted funds.

The 2024/25 adopted budget projects \$6.95 million in cash reserves at 30 June 2025 and unrestricted cash is forecast as \$290,000. This is an extremely modest buffer and has required Council to consider thoroughly the most effective means to ensure financial stability and sustainability. The Financial Vision improves projects an improved unrestricted cash position of Council, as indicated in the below graph.



	Actual 2023-24	Forecast 2024-25	Budget 2025-26	Budget 2026-27	Budget 2027-28	Budget 2028-29	Budget 2029-30	Budget 2030-31	Budget 2031-32	Budget 2032-33
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Cash and cash equivalents	\$7,832	\$7,486	\$7,022	\$7,586	\$8,194	\$7,984	\$8,800	\$10,595	\$13,060	\$14,985
<i>Less:</i>										
Trust funds and deposits	\$1,736	\$1,736	\$1,736	\$1,736	\$1,736	\$1,736	\$1,736	\$1,736	\$1,736	\$1,736
Total statutory reserves	\$1,967	\$1,609	\$1,309	\$809	\$809	\$809	\$809	\$809	\$809	\$809
Total discretionary reserves	\$4,037	\$3,811	\$3,711	\$3,911	\$3,961	\$4,211	\$4,461	\$4,711	\$4,961	\$5,461
Unrestricted Cash (HSC)	\$92	\$330	\$266	\$1,130	\$1,688	\$1,228	\$1,794	\$3,339	\$5,554	\$6,979
Unrestricted Cash (VAGO)	\$4,129	\$4,141	\$3,977	\$5,041	\$5,649	\$5,439	\$6,255	\$8,050	\$10,515	\$12,440

The unrestricted cash position still remains modest under these projects and will need to be continually monitored. There is a need to further improve Council's unrestricted cash position to be better prepared, financially, for unexpected environmental (natural disasters, climate change) or other challenges (pandemic etc).

Implementation

It is important that the objectives within the Financial Vision are realised in the short-term, to ensure the medium and long-term financial sustainability of Council. The following table outlines the estimated timing associated with the implementation of the Financial Vision.

Financial Year	Action	Timing
2024/25	Adoption of Financial Vision	September 2024
2024/25	Review of services and revenue opportunities	By June 2025
2024/25	Application to the Essential Services Commission for applicable rate variation	By 31 March 2025 at the latest
2024/25	Adoption of 2025/26 budget	By June 2025
2025/26	Implementation of service and revenue opportunities	Commencing the second half of 2024/25 then ongoing
2025/26	Adoption of Council Plan 2025-29 and Financial Plan (10-year Long-Term Financial Plan)	No later than October 2025
2026/27	Financial Vision implemented, continued monitoring and review required	

Appendix

The following statements are the projected outcomes based on Councils current financial position and implementation of the Financial Vision.

Income Statement

	Actual 2023-24	Forecast 2024-25	Budget 2025-26	Budget 2026-27	Budget 2027-28	Budget 2028-29	Budget 2029-30	Budget 2030-31	Budget 2031-32	Budget 2032-33
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Income / Revenue										
Rates and charges	26,038	26,936	29,854	30,778	31,725	32,696	33,691	34,711	35,757	36,829
Statutory fees and fines	915	894	916	939	963	987	1,011	1,037	1,063	1,089
User fees	788	741	767	794	822	851	880	911	943	976
Grants - operating	4,168	7,785	7,659	7,957	8,267	8,589	8,924	9,272	9,634	10,010
Grants - capital	3,710	7,296	1,497	2,059	1,572	1,612	1,086	1,113	1,141	1,779
Contributions - monetary	753	520	520	520	520	520	520	520	520	520
Contributions - non monetary	1,135	0	0	0	0	0	0	0	0	0
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	-1,910	24	302	311	336	367	45	80	82	84
Other income	1,673	1,492	1,496	1,531	1,567	1,603	1,641	1,679	1,719	1,759
Total income / revenue	37,270	45,688	43,011	44,889	45,772	47,225	47,798	49,323	50,859	53,046
Expenses										
Employee costs	18,051	17,269	16,759	17,373	18,011	18,659	19,331	20,027	20,748	21,494
Materials and services	17,354	15,738	13,344	13,670	14,072	14,553	14,847	15,080	15,508	16,072
Depreciation	10,380	10,533	10,804	11,106	11,374	11,623	11,875	12,119	12,377	12,637
Allowance for impairment losses	144	15	15	15	15	15	15	15	15	15
Borrowing costs	141	401	641	553	461	364	263	157	112	72
Other expenses	1,081	1,099	1,127	1,171	1,184	1,446	1,244	1,293	1,307	1,602
Total expenses	47,151	45,055	42,690	43,888	45,117	46,660	47,575	48,691	50,067	51,892
Surplus/(deficit) for the year	-9,881	633	321	1,001	655	565	223	632	792	1,154

Balance Sheet

	Actual 2023-24	Forecast 2024-25	Budget 2025-26	Budget 2026-27	Budget 2027-28	Budget 2028-29	Budget 2029-30	Budget 2030-31	Budget 2031-32	Budget 2032-33
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Assets										
Current Assets										
Cash and cash equivalents	7,831	7,486	7,022	7,586	8,194	7,984	8,800	10,595	13,060	14,985
Trade and other receivables	7,704	3,717	3,926	3,990	4,057	4,125	4,194	4,266	4,339	4,414
Inventories	5	5	5	5	5	5	5	5	5	5
Other assets	80	80	80	80	80	80	80	80	80	80
Total current assets	15,620	11,288	11,032	11,661	12,335	12,193	13,079	14,946	17,484	19,484
Non Current Assets										
Trade and other receivables	0	0	0	0	0	0	0	0	0	0
Property, infrastructure, plant and equipment	484,726	491,489	489,742	488,133	486,022	484,600	481,571	479,268	476,704	475,160
Total non-current assets	484,726	491,489	489,742	488,133	486,022	484,600	481,571	479,268	476,704	475,160
Total Assets	500,346	502,777	500,774	499,794	498,357	496,793	494,650	494,213	494,187	494,644
Liabilities										
Current Liabilities										
Trade and other payables	4,147	2,930	2,531	2,563	2,576	2,649	2,584	2,644	2,662	2,745
Trust funds and deposits	1,736	1,736	1,736	1,736	1,736	1,736	1,736	1,736	1,736	1,736
Unearned income	1,629	0	0	0	0	0	0	0	0	0
Provisions	2,680	2,680	2,680	2,680	2,680	2,680	2,680	2,680	2,680	2,680
Interest-bearing liabilities	883	1,925	2,013	2,105	2,202	2,303	1,132	836	781	726
Total current liabilities	11,076	9,271	8,960	9,084	9,194	9,368	8,133	7,897	7,859	7,888
Non Current Liabilities										
Provisions	536	536	536	536	536	536	536	536	536	536
Interest-bearing liabilities	8,499	12,102	10,089	7,984	5,782	3,480	2,348	1,512	731	5
Total non-current liabilities	9,035	12,638	10,625	8,520	6,318	4,016	2,884	2,048	1,267	541
Total Liabilities	20,111	21,909	19,585	17,604	15,512	13,384	11,017	9,945	9,127	8,429
Net Assets	480,235	480,868	481,189	482,189	482,844	483,410	483,634	484,268	485,061	486,215
Equity										
Accumulated surplus	141,787	143,006	143,727	145,027	145,632	145,947	145,922	146,306	146,849	147,503
Reserves	338,448	337,862	337,462	337,162	337,212	337,462	337,712	337,962	338,212	338,712
Total Equity	480,235	480,868	481,189	482,189	482,844	483,410	483,634	484,268	485,061	486,215

Capital Works

	Actual 2023-24	Forecast 2024-25	Budget 2025-26	Budget 2026-27	Budget 2027-28	Budget 2028-29	Budget 2029-30	Budget 2030-31	Budget 2031-32	Budget 2032-33
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Total capital works expenditure	16,205	17,507	9,471	9,932	9,863	11,024	9,248	10,537	10,553	11,851
<i>Funding sources represented by:</i>										
Grants	3,710	7,296	1,497	2,059	1,572	1,612	1,086	1,113	1,141	1,779
Contributions	624	40	-	-	-	-	-	-	-	-
Council cash	5,984	4,643	7,974	7,872	8,291	9,412	8,162	9,424	9,412	10,073
Borrowings	5,887	5,528	-	-	-	-	-	-	-	-
Total capital works expenditure	16,205	17,507	9,471	9,932	9,863	11,024	9,248	10,537	10,553	11,851

Service Catalogue

Hepburn
Shire
Council

2024
2025

Hepburn
SHIRE COUNCIL

Hepburn Shire Council is on Dja Dja Wurrung Country.

Hepburn Shire Council acknowledges the Dja Dja Wurrung as the Traditional Owners of the lands and waters on which we live and work. On these lands, Djaara have performed age-old ceremonies of celebration, initiation and renewal.

We recognise their resilience through dispossession, and it is a testament to their continuing culture and tradition, which is strong and thriving.

We also acknowledge the neighbouring Traditional Owners, the Wurundjeri to our South East and the Wadawurrung to our South West and pay our respect to all Aboriginal peoples, their culture, and lore. We acknowledge their living culture and the unique role they play in the life of this region.

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Introduction

Situated in a rural landscape, Hepburn Shire spans 1,473 square kilometres, encompassing towns like Clunes, Creswick, Daylesford, Hepburn Springs, Trentham, and various smaller settlements, each with distinct identities. Currently home to 16,157 residents, with projections indicating a rise to 17,700 by 2036. The Shire boasts a rich cultural history, beginning with the Dja Dja Wurrung People the Traditional Owners.

At Hepburn Shire Council, we are dedicated to transparency and efficiency in service delivery for our community. To this end, we have developed a comprehensive Service Catalogue outlining 41 services provided for our community. We are committed to outlining why we deliver the services we do, and how budgets are allocated across Council. While local governments typically offer close to 100 services, in this Service Catalogue we have summarised the services for the ease of presentation.

We have created a Service Map that outlines how various services align. The Council's services are tailored to meet the objectives outlined in the Council Plan and the Community Vision, following an integrated planning framework to ensure cohesive and effective service delivery. The alignment of each service to the Council Plan is identified in the one-page Service Profiles.

In compliance with the Local Government Act 2020, Hepburn Shire Council is tasked with submitting a revised Council Plan, Community Vision, Municipal Health and Wellbeing Plan, Asset Plan, Annual Budget, and a Long-Term Financial Plan to the State Government by October 2025, following the next Council election. These strategic plans will shape and potentially alter service delivery based on evolving priorities of both the Council and our community.

Our corporate services play a crucial role in ensuring compliance with the Local Government Act 2020 and other legislated responsibilities to State and Federal Governments. Each service is aligned with specific legislative requirements, policies, and frameworks, ensuring accountability and adherence to statutory obligations.

The 2024/25 adopted budget outlines the costs of service delivery, which may appear different from those in the Service Catalogue. Variances may arise due to the methodology used to prepare the Service Profiles within this document. Transparency is key; hence, the services listed often involve contributions from multiple Council departments. For instance, Youth Development services may span Libraries, Events, and more. The financial model engaged for the Service Profiles includes the distribution of Financial Assistance Grants and includes the allocation of directly related administrative overheads across services.

The costs associated with each service in the catalogue does not include certain expenses, such as depreciation, plant and fleet operating costs, direct storm recovery works, leases, and other corporate costs. Council is considering its cost allocation policy and these costs may be included in future versions of the Service Catalogue.

Success measures within the Service Profiles are derived from extensive data sources. The Annual Report produced by the Council details performance against the Council Plan and Community Vision. Additionally, the Victorian Government Local Government Performance Reporting Framework (LGPRF) offers insights into the Council's success across various metrics, with annual data published on the Victorian Government's website.

More information here: <https://www.localgovernment.vic.gov.au/strengthening-councils/performance-reporting>.

For a comparison between councils, visit the Victorian Government's comparison dashboard.

More information here: <https://www.vic.gov.au/know-your-council-comparison-dashboard>

Another key measure of success is the Community Satisfaction Survey. Commissioned by the State Government and administered by JWS Research, this survey is now conducted quarterly in Hepburn Shire. Results are published on the Hepburn Shire Council's website, providing valuable feedback on community satisfaction and service performance.

More information here: <https://www.hepburn.vic.gov.au/Council/Plans-and-publications/Performance>

The Hepburn Shire Council Service Catalogue is a living document, subject to review and updates as service requirements evolve or new Council Plans are introduced every four years. This ongoing review ensures that our service delivery remains responsive to the changing needs of our community.

By keeping up with the Council's plans and initiatives, you help shape the future of Hepburn Shire. Together, we can build a vibrant, sustainable, and inclusive region for all.

Hepburn SERVICE MAP

SHIRE COUNCIL

Asset Management



Service Level 1	Service Level 2
Asset Delivery & Construction	<ul style="list-style-type: none"> Engineering Design & Construction Project Management Works Delivery Information
Asset Maintenance	<ul style="list-style-type: none"> Fleet Maintenance Building & Facilities Maintenance
Open Space, Parks & Reserves Management	<ul style="list-style-type: none"> Reserves Management Open Space Management Project Management
Property & Leasing	<ul style="list-style-type: none"> Property Management Lease Development & Implementation Community Connection
Property Maintenance	<ul style="list-style-type: none"> Maintenance Building & Facilities Maintenance Storm Water Maintenance

Community & Stakeholder Relations



Service Level 1	Service Level 2
Community Engagement	<ul style="list-style-type: none"> Strategy Development & Framework Community Engagement & Coordination Support
Community Grants & Grant Seeking	<ul style="list-style-type: none"> Assessment & Delivery of Grants Grant Preparation Corporate Acquittals
External Communications	<ul style="list-style-type: none"> External Communications via Channels Media Management Councillor Support Corporate Reporting

Community Development



Service Level 1	Service Level 2
Affordable Housing	<ul style="list-style-type: none"> Strategy Development & Delivery Partnerships Community Connection Advocacy & Community Awareness
Planning Permits & Compliance	<ul style="list-style-type: none"> Planning Information & Consultation Planning Assessment Compliance & Enforcement
Rural and Township Planning	<ul style="list-style-type: none"> Township Zoning Planning Information & Consultation Planning Assessment Compliance & Enforcement Heritage Promotion & Education Land Use Policy & Strategy Development Urban Design

Corporate Strategy & Governance



Service Level 1	Service Level 2
Corporate Governance & Assurance	<ul style="list-style-type: none"> Policy & Compliance Management Governance Advice & Support Insurance Management Risk Management Strategy Development Training & Delivery of Risk Management Audit Management
Corporate Reporting	<ul style="list-style-type: none"> Corporate Strategic Planning & Performance Corporate Reporting Service Management
Councillor Governance	<ul style="list-style-type: none"> Administrative Support Council Meeting Support Councillor Governance
Executive Governance	<ul style="list-style-type: none"> Corporate Strategy Management Corporate Reporting Service Management Policy & Compliance Management Councillor Support
Information & Records Management	<ul style="list-style-type: none"> Data Strategy Data Governance Framework Records Management

Economic Development



Service Level 1	Service Level 2
Business Support	<ul style="list-style-type: none"> Business Development Industry Development Township Support Business Licensing
Tourism	<ul style="list-style-type: none"> Visitor Servicing Destination Marketing Events Stakeholder Relationships Community Connections

Environmental Sustainability & Waste



Service Level 1	Service Level 2
Sustainability, Climate Resilience & the Circular Economy	<ul style="list-style-type: none"> Community Education & Awareness Vegetation Management Biodiversity Water Management Climate Change Adaption & Mitigation
Waste Collection & Recycling	<ul style="list-style-type: none"> Waste Contract Management Waste Disposal Compliance & Enforcement Awareness & Education

Financial Management



Service Level 1	Service Level 2
Financial Strategy, Accounting & Revenue Management	<ul style="list-style-type: none"> Accounting Financial Budgeting & Analysis Rates & Property Billing Financial Strategy Development Corporate Reporting Audit Management
Procurement	<ul style="list-style-type: none"> Contract Administration Purchasing Strategic Sourcing Training & Information Management
Rates & Property Billing	<ul style="list-style-type: none"> Revenue Management Data Management

Information, Communications & Technology



Service Level 1	Service Level 2
ICT Strategy, Infrastructure & Security	<ul style="list-style-type: none"> ICT Risk Management, Policy & Compliance ICT Vendor Management ICT Asset Management Cyber Security Identity & Access Management Training & Education
System Application Management	<ul style="list-style-type: none"> System Integration Business Ict Transformation Process Development

Lifestyle & Social Connection



Service Level 1	Service Level 2
Aquatics	<ul style="list-style-type: none"> Strategy Development Management & Operations Community Education, Awareness & Promotion
Arts & Culture	<ul style="list-style-type: none"> Museum & Heritage Support Cultural Support & Development Strategy Development Events
Customer Experience & Libraries	<ul style="list-style-type: none"> Customer Service Process Payments Collections Management Public Programs Community Awareness Community Technology Access Meeting & Study Spaces
Events	<ul style="list-style-type: none"> Signature & Local Community Event Support Funding & Delivery
Recreation & Leisure	<ul style="list-style-type: none"> Strategy Development Project Management Access & Permits Community Education, Awareness & Promotion

People & Culture



Service Level 1	Service Level 2
People, Culture & Performance	<ul style="list-style-type: none"> People Strategy Development Individual Performance Policy & Compliance Organisational Development Learning & Development People Leader Coaching & Mentoring People Risk Payroll
Work Health & Safety	<ul style="list-style-type: none"> People Risk Management Compliance Policy Development & Implementation Workcover & Return to Work Training & Awareness Corporate Reporting

Public Health & Safety



Service Level 1	Service Level 2
Building Safety	<ul style="list-style-type: none"> Building Permits Compliance & Enforcement
Emergency Management	<ul style="list-style-type: none"> Emergency Response & Recovery Fire Management & Prevention Compliance & Enforcement Community Awareness Partnerships
Public Health	<ul style="list-style-type: none"> Food Safety Community Awareness Compliance & Enforcement
Public Safety	<ul style="list-style-type: none"> Animal Management Compliance & Enforcement Essential Safety Service Amenities Community Awareness

Social Support & Inclusion



Service Level 1	Service Level 2
Aboriginal Cultural Heritage & Reconciliation	<ul style="list-style-type: none"> Community Connection Cultural Development Cultural Heritage Management Information, Referral & Advocacy
Community Wellbeing	<ul style="list-style-type: none"> Delivery & Management of Municipal Health & Wellbeing Plan Community Awareness Community Connections Partnerships
Early Years	<ul style="list-style-type: none"> Maternal & Child Health Early Years & Kindergarten Strategy Supported Events
Senior, Disability & Inclusion Support	<ul style="list-style-type: none"> Community Connections Strategy Development & Delivery Partnerships Information, Referral & Advocacy Events
Youth Development	<ul style="list-style-type: none"> Community Outreach Education Partnerships Youth Events & Programs Information, Referral & Advocacy



Directorate: People and Transformation **Department:** Reconciliation

Description

What we do

Hepburn Shire Council is committed to Reconciliation and partnering with traditional owners Dja Dja Wurrung (DJARRA). Reconciliation is about respect for Aboriginal and Torres Strait Islander peoples and cultural heritage, valuing justice and equity for all Australians. Aboriginal Cultural Heritage and Reconciliation works to develop a meaningful and strategic partnership to identify and collaborate on our shared priorities.

How we do it

Aboriginal Cultural Heritage and Reconciliation collaborates with Traditional Owners to enhance awareness of connection to country. Council fulfills reconciliation commitments in the Reconciliation Action Plan (RAP) and supports the Reconciliation Advisory Committee. Awareness of truth-telling and self-determination through community education. Celebrate cultural heritage with events for NAIDOC and Reconciliation Week. Engage with DJARRA for meaningful consultation on Council projects. Provide Cultural Competency Training for Hepburn Shire staff.

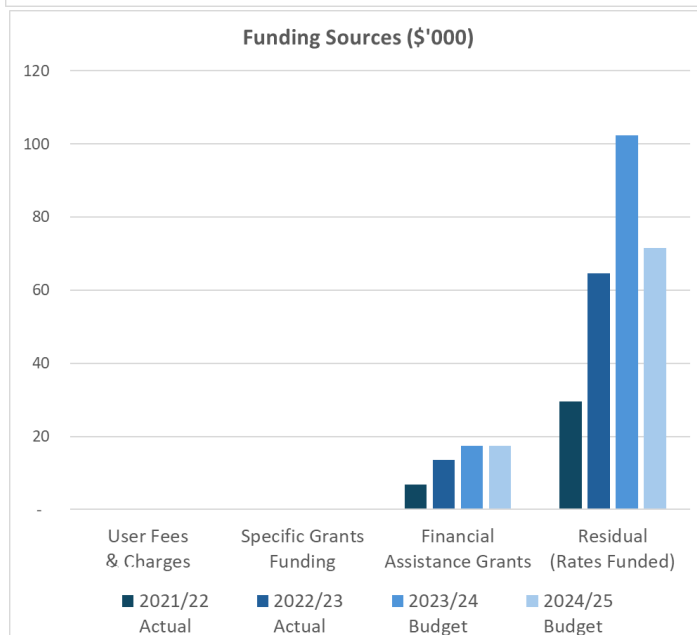
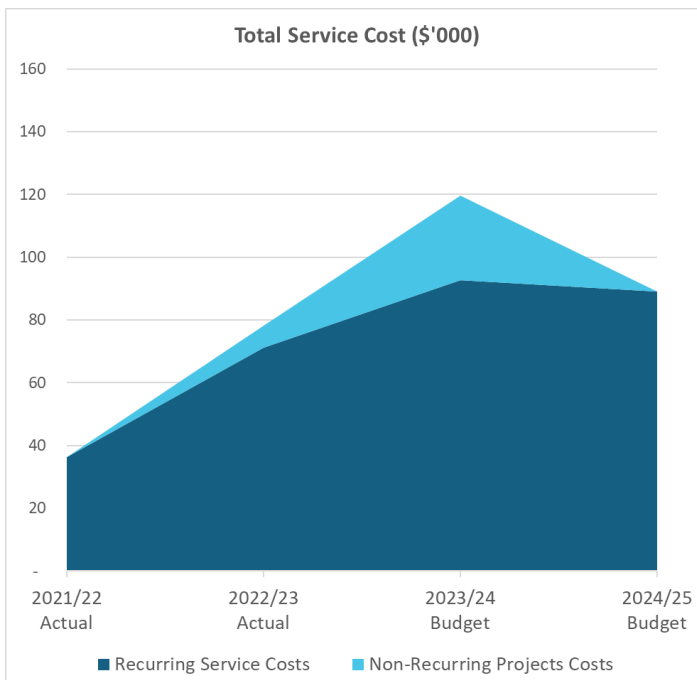
Who benefits from our Service

- Traditional Owners and Aboriginal and Torres Strait Islander People.
- Reconciliation Advisory Committee members.
- Hepburn Shire residents and visitors.
- Reconciliation Australia, regional reconciliation networks and various stakeholders.

Legislation, Policies & Frameworks

- Aboriginal Cultural Heritage and Reconciliation is a discretionary service. Council has no legislative requirement to deliver this service.
- Hepburn Shire Council Reconciliation Action Plan 2024 (in development).
- *Dhelkunya Dja, Dja Dja Wurrung Country Plan 2014-2034.*
- *Victorian Aboriginal and Local Government Strategy 2020-2025.*
- *Victorian Equal Opportunity Act 2010.*
- *Aboriginal Heritage Regulations 2018.*
- *Traditional Owner Settlement Act 2010.*
- *Aboriginal Cultural Heritage Act 2006.*
- *Victorian Charter of Human Rights and Responsibilities 2006.*
- *Native Title Act 1993.*
- Human Rights and Equal Opportunity Act 1986.

*Note, further national and international legislation, policy and strategy are identified in the Reconciliation Action Plan.



Operating costs at a glance

Costs **\$0.40** out of every **\$100** rates collected.

0% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	73	74
Materials & Services	20	15
Utilities & Other Costs	0	0
Total Recurring Service Costs	93	89
Projects		
Operating Projects*	27	0
Capital Projects	0	0
Total Non-Recurring Costs	27	0
Full-Time Equivalent Staffing**	0.65	0.65

*Non-Recurring project in 2023/24 was the Reconciliation Action Plan (RAP).

**Prior to 2023/24, the Reconciliation Officer function were combined with another position.

How we measure success

Council measures success against the development and delivery of the Reconciliation Action Plan (RAP) and the success of the ongoing partnership with Dja Dja Wurrung. Success in RAP deliverables are reported to Council and published on Council's website. Council has been acknowledged for partnerships in reconciliation including recognition of the Frontier Wars Memorial Avenue at the Reconciliation Victoria Awards in 2023. Attendance at reconciliation events and programs is measured.

There are currently no formal measures in the annual *Local Government Performance Reporting Framework (LGPRF)* data, or the shire wide *Community Satisfaction Survey*.



Directorate: Development Department: Strategic Planning

Description

What we do

Affordable Housing partners with community to address significant issues being faced with housing across the Shire including affordability, availability and appropriateness of housing. Affordable housing benefits health, wellbeing, and economic growth, supporting key industries like health care, hospitality, tourism, and farming. These sectors struggle to attract and retain staff, impacting business viability and the visitor economy. Sporting and community events also face accommodation shortages. Hepburn Shire has 9,477 private homes, mostly separate houses (94.5%) with 3 or more bedrooms (72.8%). Over a third of rental households experience rental stress (ABS Census 2021), and this particularly impacts women and vulnerable community members. Through the Affordable Housing service, Council is committed to making change to benefit community living and wellbeing.

How we do it

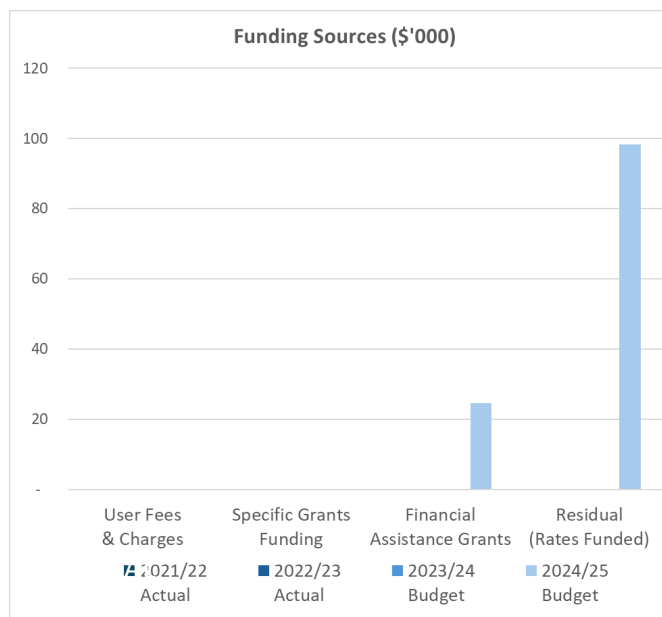
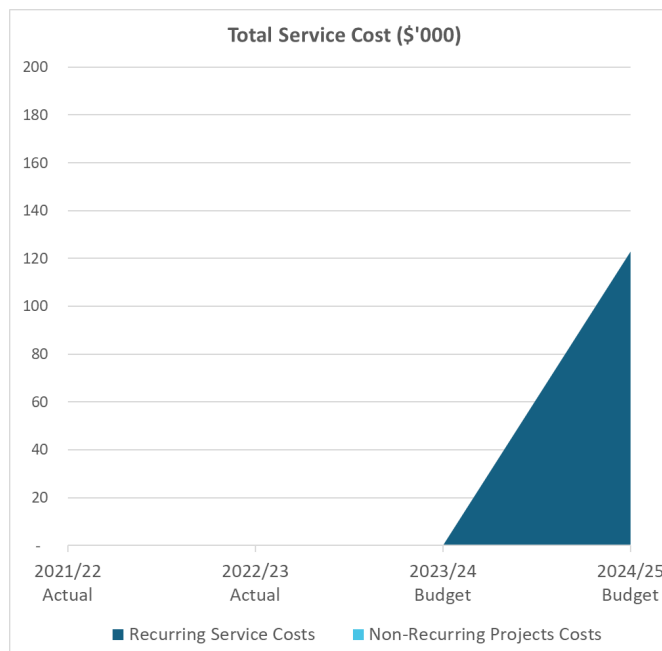
Affordable Housing supports advocacy to all government levels and partners with community to achieve on advocacy goals, conducts research for policy and strategy, supports land use planning and regulation, provides incentives and investment opportunities, raises community awareness and education, and investigates under-utilised publicly owned sites.

Who benefits from our Service

- Hepburn Shire residents and visitors.
- Social and Health services.
- Local businesses and economy.

Legislation, Policies & Frameworks

- Affordable Housing is a discretionary service. Council has no legislative requirement to deliver this service.
- Hepburn Shire Council, *A Home in Hepburn Shire: Strategy and Action Plan 2023*.
- Hepburn Shire Council, *Affordable Housing Policy 2021*.
- Victorian Government, *Statewide Housing Targets 2024*.
- Victorian Government, *Victoria's Housing Statement: The decade ahead 2024-2034*.
- *Planning & Environment Act 1987*.
- *Dhelkunya Dja, Dja Dja Wurrung Country Plan 2014-2034*.



Operating costs at a glance

Costs \$0.55 out of every \$100 rates collected.

0% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs		103
Materials & Services		20
Utilities & Other Costs		0
Total Recurring Service Costs*		123
Projects**		
Operating Projects		0
Capital Projects		0
Total Non-Recurring Costs		0
Full-Time Equivalent Staffing		0.95

* \$100,000 allocation for Affordable Housing was included by Council in the 2024/25 Budget for the first time. A review is currently being undertaken on where this resource is best allocated for outcomes against the *A Home in Hepburn Shire* strategy. There is \$22,847 time/funding allocated from the Manager Strategic Planning to this service.

** Future Grants and Project budgets are expected once an Affordable Housing Officer is appointed. Previous projects include the development of the *A Home in Hepburn Shire* strategy and work towards a short-term regulation project (completed).

How we measure success

An Evaluation Framework monitors the outcomes of the *A Home in Hepburn Shire Strategy*, tracking changes in housing, investments, community awareness, and staff advocacy. While State and Federal Governments fund affordable housing, local government collaborates on incentives, advocacy, and strategy. Council will report against the Victorian Government's housing targets. There are currently no formal measures in the annual *Local Government Performance Reporting Framework* (LGPRF) data, or the shire wide *Community Satisfaction Survey*.



Description

What we do

Aquatics manage operations of four pools, splash parks and facilities; Daylesford Outdoor Pool, Trentham Outdoor Pool, Clunes Outdoor Pool, Calemben Park Toddlers Pool and Creswick Splash Park. Aquatics provide Hepburn residents and visitors well maintained and safe facilities where the community can come together to enjoy healthy activities, learn more about wellbeing, and enjoy social experiences. The Sports and Recreation team manage the strategic development, operations, capital works, community education, awareness and promotion for Aquatics.

How we do it

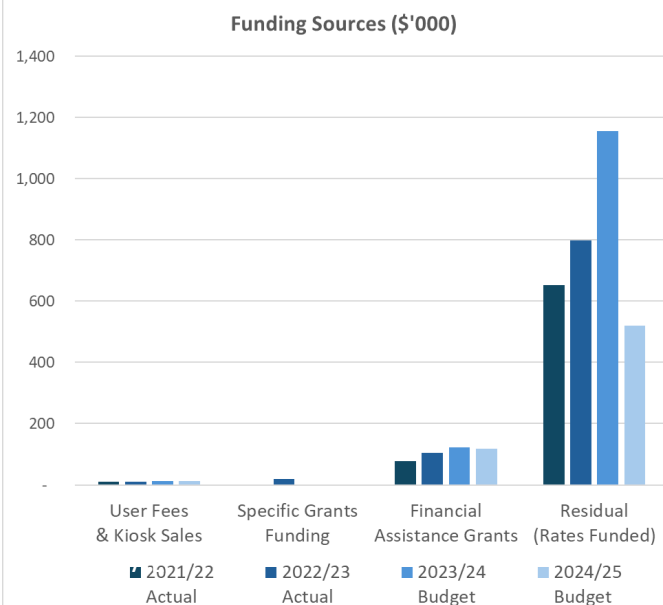
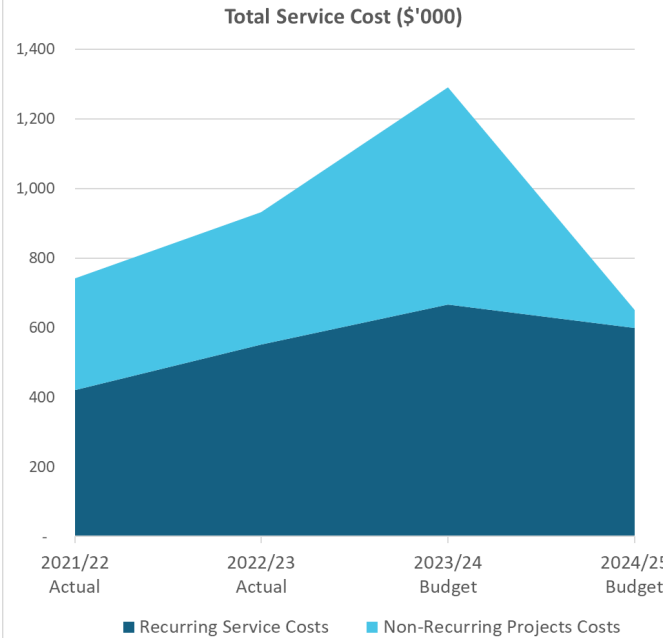
The Aquatics season is open between December to March and attracts an average of 25,000 visitors annually. Aquatics provide access to affordable and inclusive recreation facilities for everyone, including those with disabilities, seniors and children. The existing facilities meet industry standards and are well-maintained. Council employs up to 45 seasonal staff annually to work across aquatic facilities to meet safety regulations. Aquatics host events for schools swimming carnivals and community celebrations including events. The facilities are also accessed by training providers in the sports and recreation industry.

Who benefits from our Service

- Hepburn Shire residents and visitors.
- Primary and Secondary schools.
- Community Groups and Organisations.
- Community Event Participants.
- Aquatic and Recreation Sector and Industry.

Legislation, Policies & Frameworks

- Aquatics is a discretionary service. Council has no legislative requirement to deliver this service.
- Public Health and Wellbeing ACT 2008.
- Hepburn Shire Council *Aquatics Strategy 2022*.
- Hepburn Shire Council Water Quality Risk Management Plans.
- Lifesaving Victoria & Department of Health:
 - *Water quality guidelines for public Aquatic facilities*
 - *Aquatic facility incident response procedures*
 - *Dangerous Goods (Storage and Handling) Regulations 2021*
 - *Guidelines for Safe Pool Operations*.



Operating costs at a glance

Costs **\$2.64** out of every **\$100** rates collected.

2% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	482	439
Materials & Services	114	55
Utilities & Other Costs	71	106
Total Recurring Service Costs	666	600*
Projects		
Operating Projects	116	0
Capital Projects	508	50
Total Non-Recurring Costs	624	50
Full-Time Equivalent Staffing	4.14	4.14

*In 2024/25, Aquatics operational draft budget (excluding capital) was reduced by \$100,000. A review of operations is currently in place for the 2024/25 Aquatics season. Aquatic facilities are currently free to enter, one of the only Victorian Local Governments to provide free access.

Note that up to 45 seasonal staff are employed each year to deliver the service. Three permanent staff within Sports and Recreation team spend an allocation of their time contributing to the management of Aquatics.

How we measure success

Aquatics measure success by recording visitor attendance, number of health inspections and cost of facilities through the annual *Local Government Performance Reporting Framework* data published by the Victorian Government. Recent LGPRF data states that the cost of the service per visit equates to \$18.91. An annual survey is also completed by visitors and seasonal staff. The shire wide *Community Satisfaction Survey* indicates community sentiment on value for money for services and infrastructure.



Description

What we do

Arts and Culture offers strategic support and investment in the creative and cultural industries, including museums, to benefit all in community. A culture rich in the arts and respected history is vital for a healthy and connected community. Hepburn Shire is home to many studio-based artists, galleries, community arts groups, crafts people, live music venues, three local historical museums (Daylesford, Creswick and Clunes) and a bottle museum, as well as businesses aligned to the creative industries including designers, architects, costume makers, performers, teachers, artists, authors and more. Museums play an important role in protecting and sharing the cultural heritage of an area, community identities, storytelling, and curatorial work to preserve the artifacts, documents, and historical items of importance.

How we do it

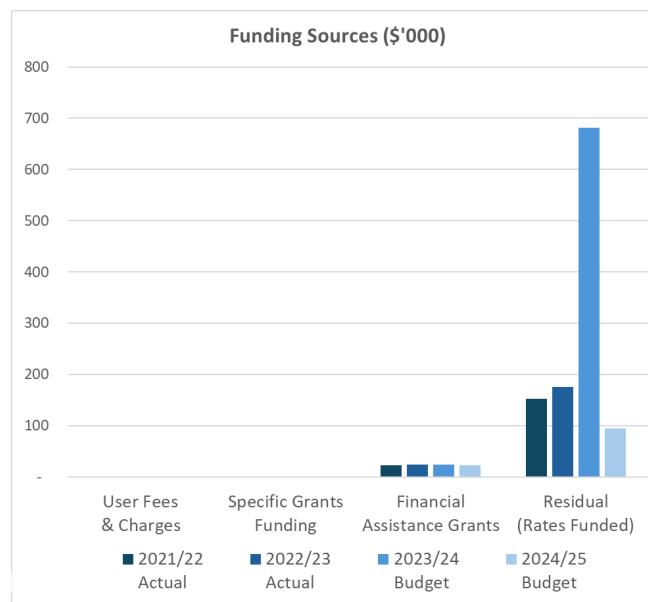
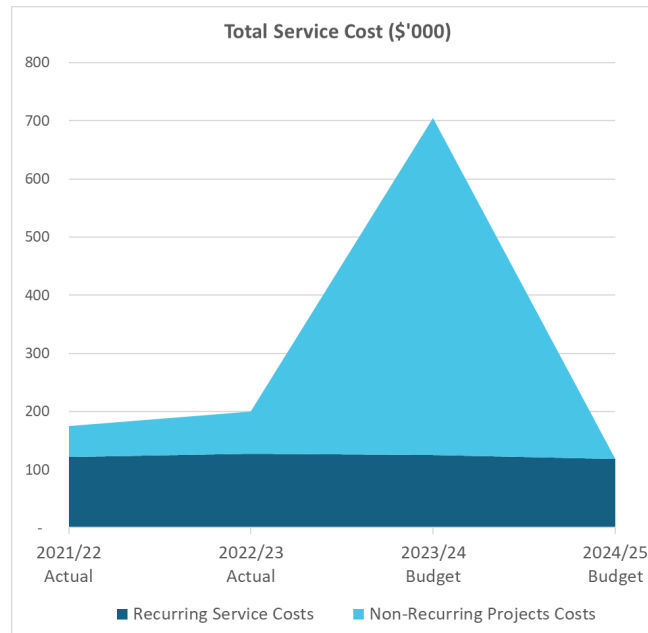
Advocacy to all government levels, partners with the community and creative industries to achieve advocacy goals, connects creative industries through communications, events and funding, and focuses on raising awareness and education for arts and culture across the Shire. Holds strong partnerships in regional and national creative industries and manages the strategic development, advocacy, capital works, community education, awareness and promotion for arts and culture.

Who benefits from our Service

- Hepburn Shire residents and visitors.
- Primary and Secondary schools.
- Community Groups, Organisations and Event Participants.
- Creative Industries.

Legislation, Policies & Frameworks

- Arts and Culture is a discretionary service. Council has no legislative requirement to deliver this service.
- Hepburn Shire Council, *Arts and Culture Strategy 2024, Heritage Strategy 2020-2030, Events Strategy 2020-2025 and Reconciliation Action Plan 2024.*
- Australian Museums and Galleries Association (AMaGA), *Museum Accreditation Program (MAP).*
- Australian Government, *Revive: A place for every story, a story for every place*, National Cultural Policy, 2023.
- Victorian Government, *Creative State 2025.*
- *Dhelkunya Dja, Dja Dja Wurrung Country Plan 2014-2034.*
- International Council of Museums (ICOM), *Code of Ethics for Museums 2019*; and *Standards for Museums.*



Operating costs at a glance

Costs **\$0.53** out of every **\$100.00** rates collected.

0% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	80	83
Grants to Community Groups*	15	15
Materials & Services**	30	20
Utilities & Other Costs	0	0
Total Recurring Service Costs	125	118
Projects		
Operating Projects	0	0
Capital Projects***	580	0
Total Non-Recurring Costs	580	0
Full-Time Equivalent Staffing	0.65	0.65

* \$5K is allocated to each of the three local historical museums annually.

**\$10K is allocated to funding for museum projects.

In 23/24, capital included \$50K to complete work on the public art collection and \$30K allocation for the Arts and Culture Strategy. Capital in 22/24 identified in the Total Service Cost graph included building works for the Lee Medlyn Bottle Museum.

How we measure success

Data on the implementation and annual actions within the Hepburn Shire Council *Arts and Culture Strategy 2024* will be reported to Council annually. Three museums located within the Shire are accredited through AMaGA's Museum Accreditation Program which requires annual reporting on policy and practice. Arts and Culture is acknowledged as a driver for economic development and outcomes are reported in event reports and funding acquittals. The level of engagement at events, programs and initiatives is reported. There are currently no formal measures in the annual *Local Government Performance Reporting Framework (LGPRF)* data, or the shire wide *Community Satisfaction Survey*.



Directorate: Infrastructure and Delivery **Department:** Operations | Major Projects | Engineering

Description

What we do

Asset Delivery and Construction ensures Council’s infrastructure is monitored, maintained, renewed, and protected to provide ongoing service for our community. It delivers reliable maintenance of roads, footpaths, bridges, drainage, buildings, streetscapes and major projects for community amenity and safety. The service focuses on delivering road maintenance and repairs in accordance with our Road Management Plan, traffic engineering, quality capital and asset renewal works and supporting effective project delivery based on strategic plans addressing community needs and priorities to keep communities and visitors connected.

How we do it

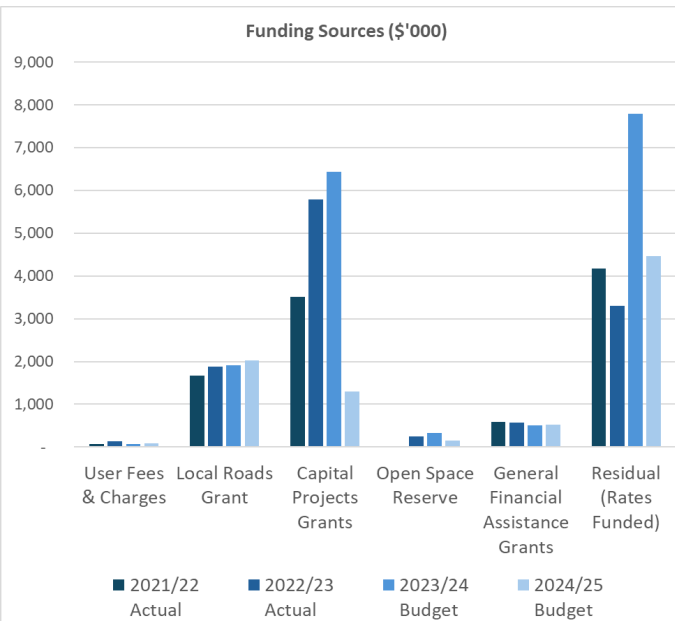
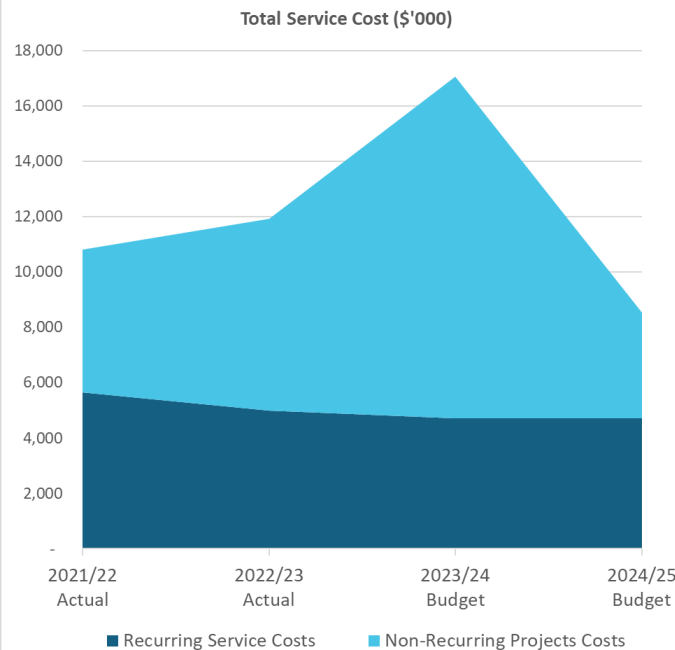
Asset Delivery and Construction plays a crucial role in various essential functions, such as transport infrastructure delivery, asset management, traffic engineering, engineering planning, asset inspections, project management, and capital works delivery. Departments establish standards for managing and upgrading the road network and oversees the construction and maintenance of sealed and unsealed roads, footpaths, trails, bridges, drainage systems, trees, signs, and street furniture. There is a focus on capital projects involving construction and resurfacing. The department provides a 24-hour emergency service to ensure public safety and respond to disasters promptly. Within the Operations, Major Projects, and Engineering departments, responsibilities span project planning, design, procurement, contract management, construction oversight, and stakeholder engagement. Project managers ensure that projects are meticulously scoped, accurately costed, and effectively managed to maintain high standards of quality, adhere to timelines, and stay within budget constraints. Regular reports to governance groups are provided to optimise project delivery and ensure alignment with community needs and council priorities.

Who benefits from our Service

- Hepburn Shire residents and visitors.
- All Council departments.
- Councillors.

Legislation, Policies & Frameworks

- This service is undertaken based on risk and compliance with legislative requirements such as the *Road Management Act* and *Road Management Plan*. Asset Delivery and Construction is a legislated service of Council.
- *Dhelkunya Dja, Dja Dja Wurrung Country Plan 2014-2034*.



Operating costs at a glance

Costs **\$12.67** out of every **\$100.00** rates collected. **43%** of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	2,595	2,621
Materials & Services	2,071	2,268
Utilities & Other Costs	40	41
Total Recurring Service Costs	4,706	4,931*
Projects		
Operating Projects	160	0
Capital Projects	12,186**	3,741*
Total Non-Recurring Costs	12,346	3,741
Full-Time Equivalent Staffing	38.08	36.88

* The budget includes Road Network Maintenance (\$3,794,000), Engineering & Asset recording (\$665,000), Depot Overheads (\$226,000) and Project Management Office (\$247,000).
**This figure includes \$7.3M Mechanics Trentham, \$1.1M Creswick Town Hall, Roads, Footpaths and many more capital projects.

How we measure success

The shire-wide *Community Satisfaction Survey* gauges community views on the value provided by services, infrastructure and the condition of sealed roads. The Victorian Government's annual *Local Government Performance Reporting Framework* includes success metrics such as requests for sealed local roads, maintenance of local roads to prescribed standards, costs associated with sealed road resealing, satisfaction levels with sealed roads, total expenses per capita for recovery works, infrastructure investment per capita, and population density relative to road length. Asset Condition Audits are conducted regularly, with positive outcomes noted for roads and bridges, while buildings and drainage are areas needing improvement. Annual project completion rates vary, with transport-related infrastructure consistently achieving high results (typically 85% - 95%). Compliance with the Road Management Plan is maintained as per regulatory requirements.



Directorate: Infrastructure and Delivery **Department:** Operations

Description

What we do

Asset Management service is dedicated to planning and directing maintenance of council's assets and infrastructure in fleet and plant assets. Council's assets play a crucial role in delivering long-term services to the shire, and fleet is relied on by Council staff to ensure the successful delivery of projects. Assets are effectively managed, maintained and able to meet technical requirements.

How we do it

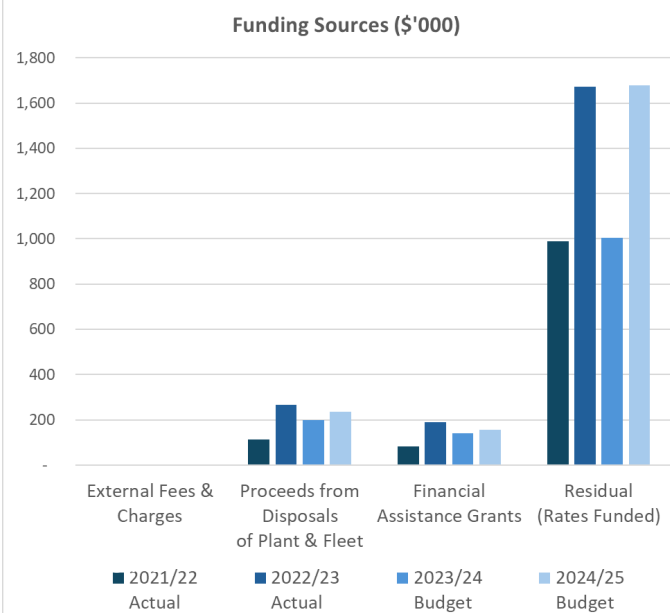
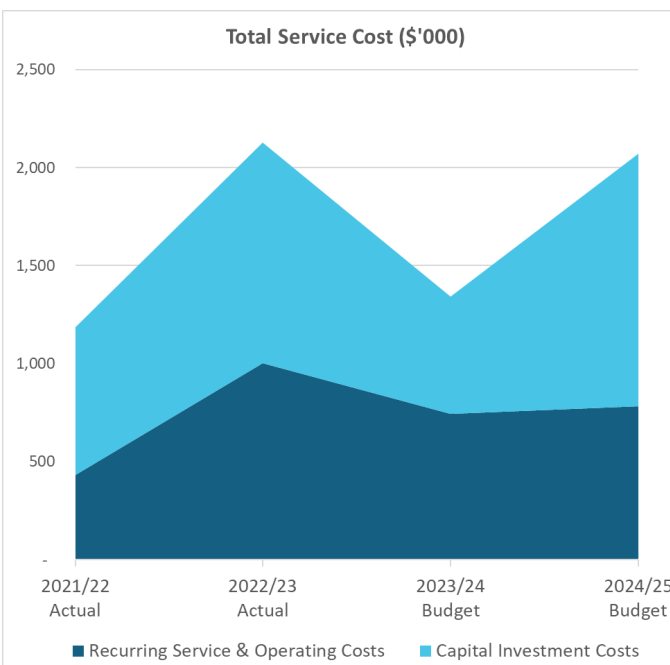
Fleet and plant are maintained and serviced according to recommended criteria. Asset Maintenance involves manufacturing and fabricating unique items, responding to equipment call-outs, unloading depot supplies, advising on plant and fleet renewal, and storing major equipment. Contract management oversees external service providers for building-related tasks. A regular inspection regime is completed.

Who benefits from our Service

- All Council departments and employees.
- Hepburn Shire residents and visitors.

Legislation, Policies & Frameworks

- Asset Maintenance is delivered in connection to legislated requirements of Council.
- Hepburn Shire Council, *Asset Plan* and *Asset Management Policy*.
- Road Management Act*.
- Dhelkunya Dja, Dja Dja Wurrung Country Plan 2014-2034*.



Operating costs at a glance

Costs **\$3.52** out of every **\$100** rates collected.

0% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	309	319
Materials & Services	1,179	1,214
Other Costs & Recoveries	(745)	(750)
Total Recurring Service Costs	743	783
Projects		
Operating Projects	0	0
Capital Projects	600	1,287
Capital Investment Costs	600	1,287
Full-Time Equivalent Staffing	2.20	2.20

In 22/23, a focus on Fleet and Plant renewal was identified an \$1.1M directed in Council budgets. This was reduced to \$600K in 23/24 and in 24/25 further upgrades are required to Fleet including a grader with \$1.3M in Council's adopted budget.

How we measure success

Council has a condition assessment regime of every 5 years with independent condition assessments undertaken. The information gathered through this condition assessment survey is used by Council:

- to ensure the structures data stored in Council's registers is accurate;
- allows modelling of asset consumption and consumption trends;
- review asset valuations and depreciation;
- determine future financial demands regarding asset renewal;
- identify capital renewal requirements; and
- compliance with legislative obligations.

There are currently no formal measures in the annual *Local Government Performance Reporting Framework* (LGPRF) data. The shire wide *Community Satisfaction Survey* indicates community sentiment on value for money for services and infrastructure.



Directorate: Development **Department:** Planning and Building

Description

What we do

Building Safety supports permitting, compliance and the issuing of building permits for the community, and ensures buildings, pools and spas are safe, registered and compliant.

How we do it

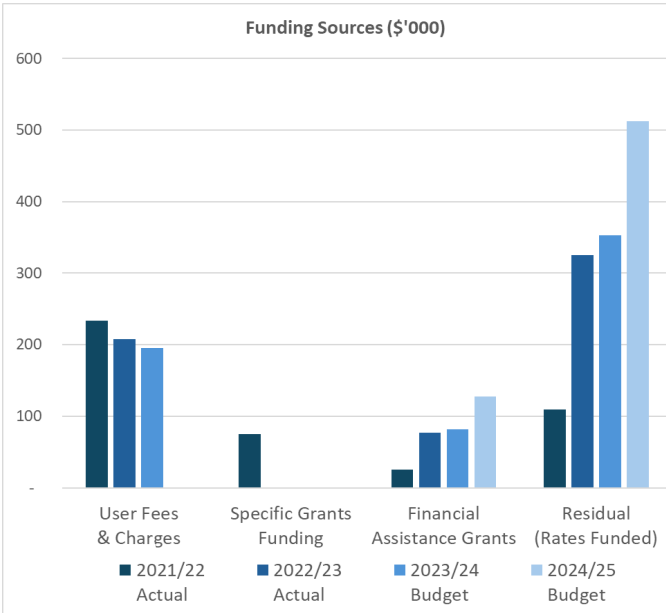
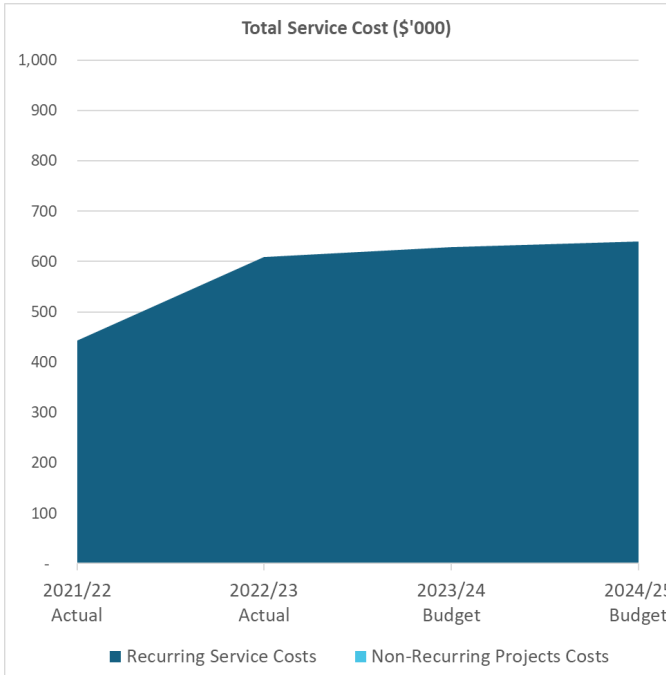
The Planning and Building department issues building permits and undertakes the regulatory functions as prescribed under the Building Act for Local Government. Mandatory inspections are completed to ensure essential safety measures. The administration of permits and building data is a focus for the successful delivery of this service.

Who benefits from our Service

- Hepburn Shire residents and visitors.
- Local businesses and economy.

Legislation, Policies & Frameworks

- Council is legislated and has mandatory responsibilities to deliver this service.
- *Building Act 1993.*
- *Planning & Environment Act 1987.*
- Pool and Spa regulations.
- Hepburn Shire Council, *A Home in Hepburn Shire: Strategy and Action Plan 2023.*
- Hepburn Shire Council, *Affordable Housing Policy 2021.*
- Victorian Government, *Statewide Housing Targets 2024.*
- Victorian Government, *Victoria’s Housing Statement: The decade ahead 2024-2034.*
- *Dhelkunya Dja, Dja Dja Wurrung Country Plan 2014-2034.*



Operating costs at a glance

Costs **\$2.87** out of every **\$100** rates collected.

0% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	629	640
Materials & Services	0	0
Utilities & Other Costs	0	0
Total Recurring Service Costs	629	640
Projects		
Operating Projects	0	0
Capital Projects	0	0
Total Non-Recurring Costs	0	0
Full-Time Equivalent Staffing	4.40	4.40

How we measure success

The number of building permits, pool and spa registrations is reported to Council on a quarterly basis.

There are currently no formal measures in the annual *Local Government Performance Reporting Framework* (LGPRF) data. The shire wide *Community Satisfaction Survey* indicates community sentiment on value for money for services and infrastructure.



Directorate: Community and Corporate **Department:** Community Engagement

Description

What we do

Community Engagement has three main objectives: creating a proactive, systematic, and sustained approach to community engagement that strengthens the relationship between the Council and the community; planning and delivering innovative engagement projects that protect and enhance the Council’s reputation; and identifying issues that could impact the Council’s reputation while providing timely strategic advice to address them.

How we do it

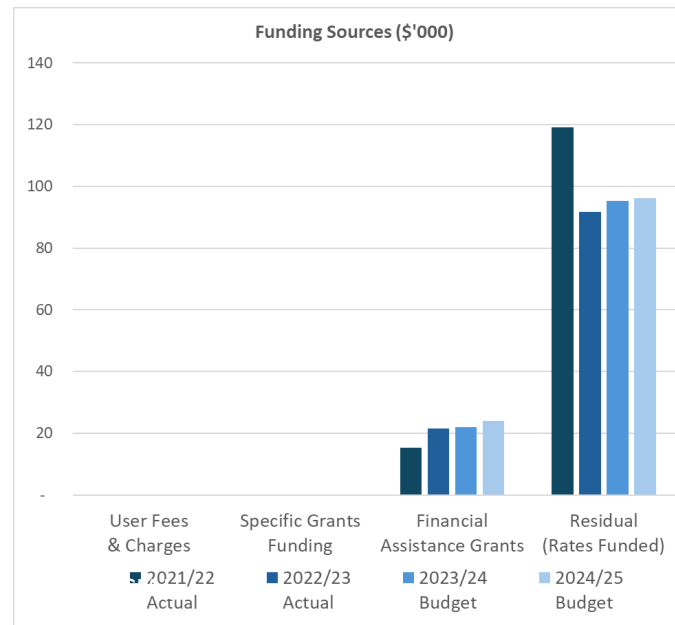
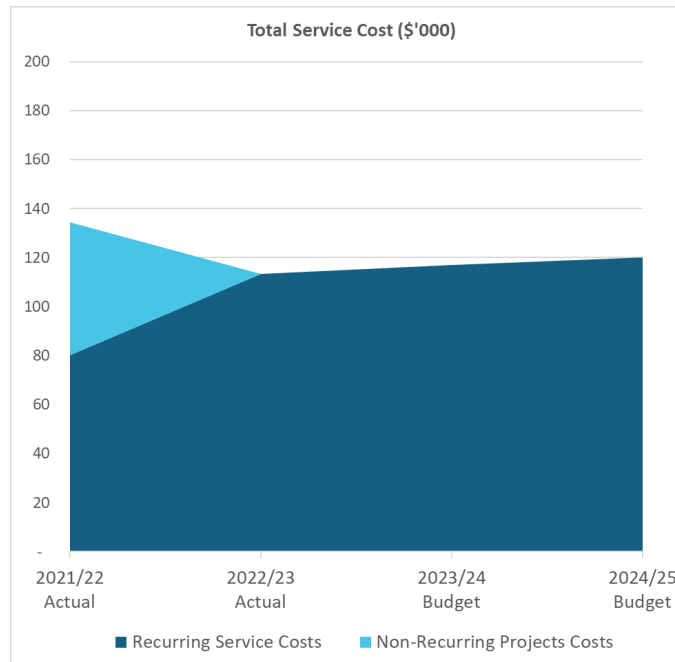
Community Engagement provides operational support to all Council departments. Key offerings include organisational training for Councillors and staff at all levels, development of community engagement tools and templates, and professional project advice and support with effective engagement techniques for community engagement planning. The service also facilitates internal workshops to assist teams in designing and implementing successful community engagement activities, promotes strong and inclusive relationships with stakeholders and the community, and drives a continuous improvement program.

Who benefits from our Service

- Hepburn Shire Council staff and project teams.
- Councillors.
- Hepburn Shire residents and visitors.

Legislation, Policies & Frameworks

- Council must give effect to the community engagement principles as specified in Section 56 of the Local Government Act 2020. Council is not legislated to deliver this service.
- Hepburn Shire, *Community Engagement Policy 2021*.
- *Victorian Charter of Human Rights and Responsibilities Act 2006*.
- *Equal Opportunity Act 2021*.
- *Planning and Environment Act 1987*.
- *Disability Act 2016*.
- *Privacy and Data Protection Act 2004*.
- *Public Health and Wellbeing Act 2008*.
- *Human Rights and Equal Opportunity Commission Act 1986*.
- IA2 Public Participation Spectrum.



Operating costs at a glance

Costs **\$0.54** out of every **\$100** rates collected.

0% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	115	117
Materials & Services	0	0
Utilities & Other Costs	3	3
Total Recurring Service Costs	118	120
Projects		
Operating Projects	0	0
Capital Projects	0	0
Total Non-Recurring Costs	0	0
Full-Time Equivalent Staffing*	1.00	1.00

*The Engagement Specialist role began in September 2021.

Previous capital identified in the graph in 21/22 includes an upgrade to Council’s website Website \$54K, a tool essential for Community Engagement.

How we measure success

The recent results in the shire wide *Community Satisfaction Survey* indicated an increase result of community satisfaction with community consultation and engagement from 41 (2020) to 52 (2024). Within the *Local Government Performance Reporting Framework* data published by the Victorian Government in 2023, community satisfaction on engagement and consultation improved by 2 points in the previous 12 months. Hepburn Shire conducts an internal audit program including Community Engagement. Participation and engagement on the Council ‘Participate Hepburn’ website is monitored. Participate and engagement on Council’s engagement site, Participate Hepburn, is monitored. Since launching the site in January 2021, over 182,014 project pages have been viewed with 6,725 contributions made by the community to a wide range of engagement projects.



Directorate: Community and Corporate Department: Grants

Description

What we do

Community Grants and Grant Seeking provides financial and application support to local community groups and sponsored individuals, empowering them to develop and implement projects, events, activities, and ideas that benefit Hepburn residents. This service supports the delivery of all Council grant streams, including Community Grants, Quick Response Grants, Biodiversity Grants, Sustainable Hepburn Grants, Environment Group Grants, and Events Grants. Additionally, it offers internal assistance in seeking, securing, and acquitting external grants to fund major projects and support the Council's financial sustainability.

How we do it

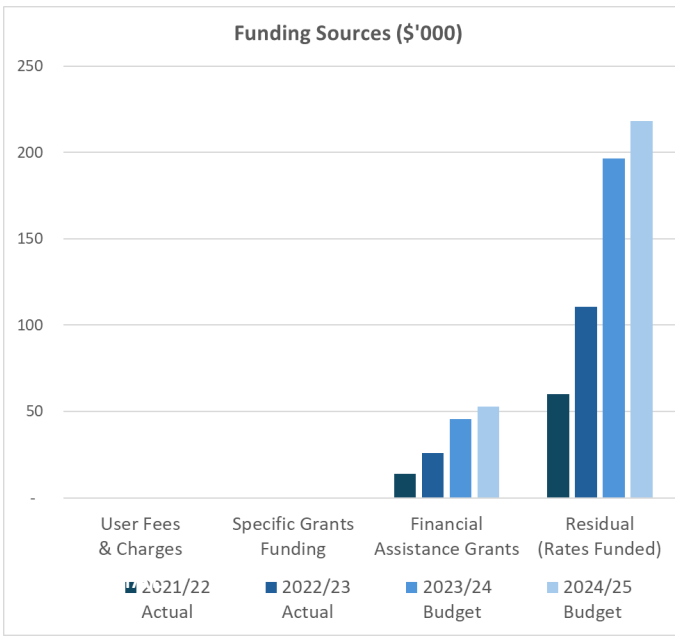
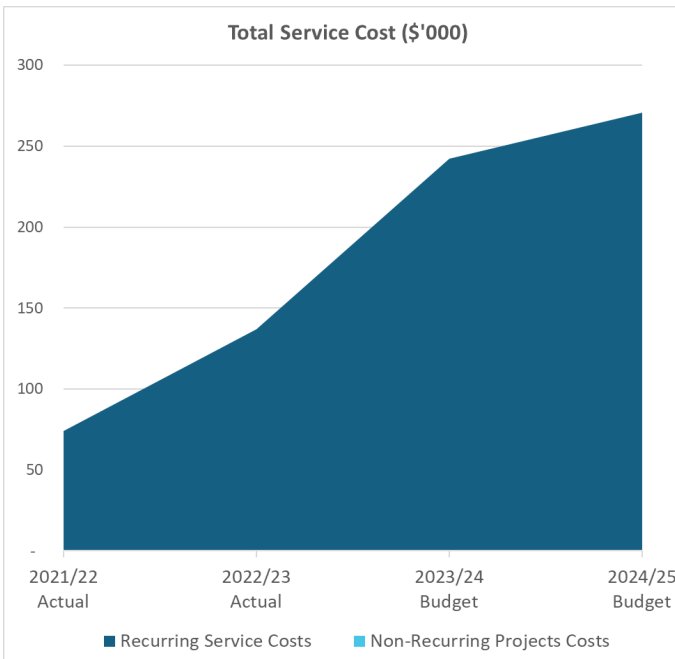
The service encompasses policy and grant framework development and implementation, coordination of the internal grant working group and assessments, and community education and awareness on grant writing. It also includes administration and software management, record keeping and transparency in decision-making, liaison and relationship building with funding bodies such as Federal and State Government and fostering regional partnerships in grant making. In 2023/24, \$198,000 of grants have been distributed to the community and Council has received \$1.7M in grant funding in part due to the support and delivery of this service.

Who benefits from our Service

- Hepburn Shire residents and visitors.
- Primary and Secondary schools.
- Community Groups and Organisations.
- Community Event Participants.
- Hepburn Shire departments.
- Councillors.

Legislation, Policies & Frameworks

- Community Grants is a discretionary service.
- Hepburn Shire Council, *Grants and Funding Policy 2024*.
- Hepburn Shire Council, Grants Framework and Guidelines and Terms of Reference for Grant Assessors.



Operating costs at a glance

Costs **\$1.22** out of every **\$100** rates collected.

0% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	82	82
Grants to Community Groups	127	170
Materials & Services	34	19
Utilities & Other Costs	0	0
Total Recurring Service Costs*	242	271
Projects		
Operating Projects	0	0
Capital Projects	0	0
Total Non-Recurring Costs	0	0
Full-Time Equivalent Staffing	0.80	0.80

Identified in the Total Service Cost graph, Grants in 21/22 were \$60K, in 22/23 \$57K, in 23/24 \$127K and in 24/25 \$170K.

How we measure success

Community Grants and Grant Seeking data, and Council's grant application outcomes are reported to Council quarterly.

There are currently no formal measures in the annual *Local Government Performance Reporting Framework* (LGPRF) data published by the Victorian Government, or the shire wide *Community Satisfaction Survey*.



Description

What we do

Community Wellbeing implements the Municipal Public Health and Wellbeing Plan (MPHWP), mandated by the *Public Health and Wellbeing Act 2008*. This plan, revised every four years, outlines health priorities and strategies to address public health issues and promote wellbeing. Factors like socioeconomic status, food, transportation, gender, employment, inclusion, housing, and early life influence on health. The service ensures the plan's delivery, supports Council departments to deliver against the plan's priority areas and addresses health inequities through events, programs, initiatives and partnerships, prioritising support for liveability and intersectionality in Hepburn Shire.

How we do it

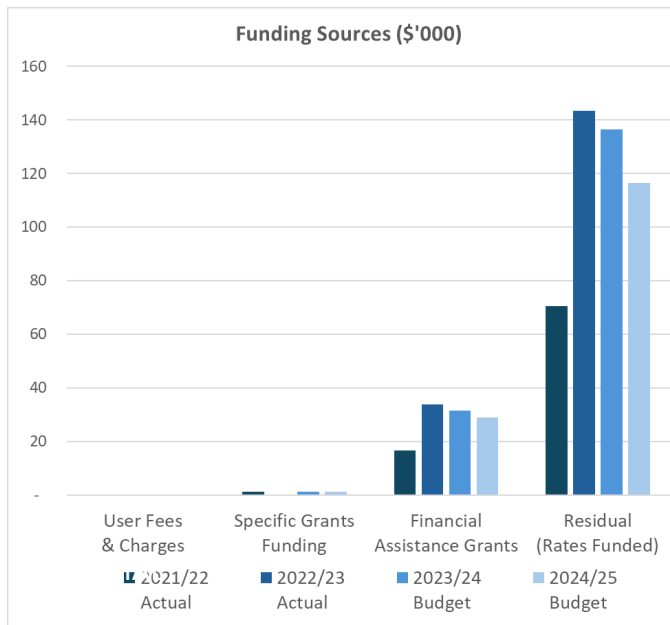
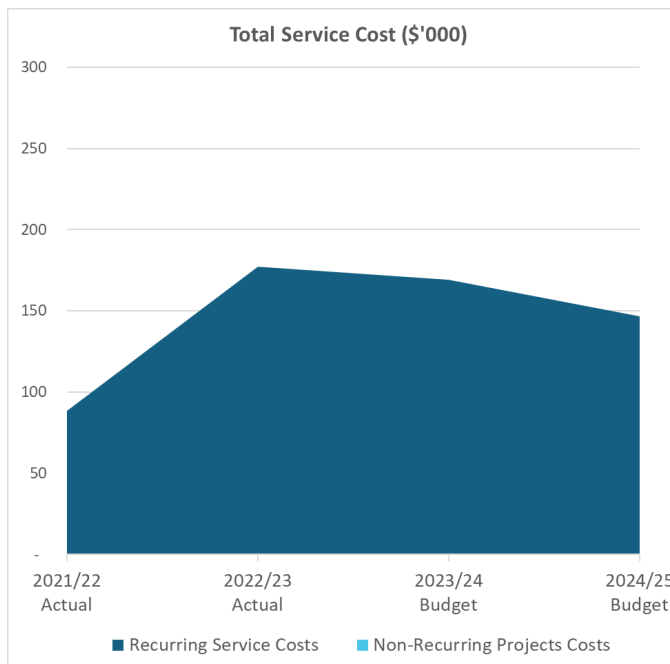
Council delivers collaborative health promotion initiatives, events, projects, and programs that support Community Wellbeing, focusing on priority groups identified in the Municipal Public Health and Wellbeing plan. The Healthy Communities business unit receives referrals through the Hepburn Shire Family Violence Network and aids local organisations via the Community Services Support Network. It supports various advisory committees and working groups, including those focused on Gender Equity, LGBTQIA+, Disability and Heather Mutimer International Women's Day. The Hepburn Shire Health and Wellbeing External Working Group collaborates with local health services to report on community aspects of the MPHWP. Every four years, deliberative engagement and consultation for the community's MPHWP development and delivery is completed.

Who benefits from our Service

- Hepburn Shire residents and visitors.
- Primary and Secondary schools.
- Community Groups and Organisations.
- Health promotion and support services.

Legislation, Policies & Frameworks

- Community Wellbeing supports the development of the Municipal Health and Wellbeing Plan that is a legislative requirement for Council.
- *Health and Wellbeing Act 2008*.
- *Victorian Public Health and Wellbeing plan 2019–2023*.
- *The Charter of Human Rights and Responsibilities Act 2006*.



Operating costs at a glance

Costs **\$0.65** out of every **\$100** rates collected.

1% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	99	105
Materials & Services	69	40
Utilities & Other Costs	1	1
Total Recurring Service Costs	169	147
Projects		
Operating Projects	0	0
Capital Projects	0	0
Total Non-Recurring Costs	0	0
Full-Time Equivalent Staffing**	0.80	0.80

How we measure success

Council reports the outcomes of the MPHWP to Department of Health on an annual basis in line with the Victorian Public Health and Wellbeing Outcomes. In *the Local Government Performance Reporting Framework (LGPRF)* the relative socio-economic disadvantage is recorded annually, and summaries a range of economic and social conditions of people and households within the Shire. A Hepburn Shire Health and Wellbeing survey for residents is shared and data recorded annually. The shire wide *Community Satisfaction Survey* indicates community sentiment on value for money for services and infrastructure.



Directorate: Community and Corporate **Department:** Governance and Risk

Description

What we do

Corporate Governance & Assurance ensures that processes and policies support Councillors and Council officers in making and implementing decisions, maintaining the Council's ethical and legal standing while achieving organisational objectives. The service promotes accountability, continuous improvement, impartiality, and transparency in the Council's processes and decisions. Additionally, the insurance service ensures that Council is adequately insured, manages public insurance claims promptly and appropriately, and addresses and manages reported risks to ensure public safety.

How we do it

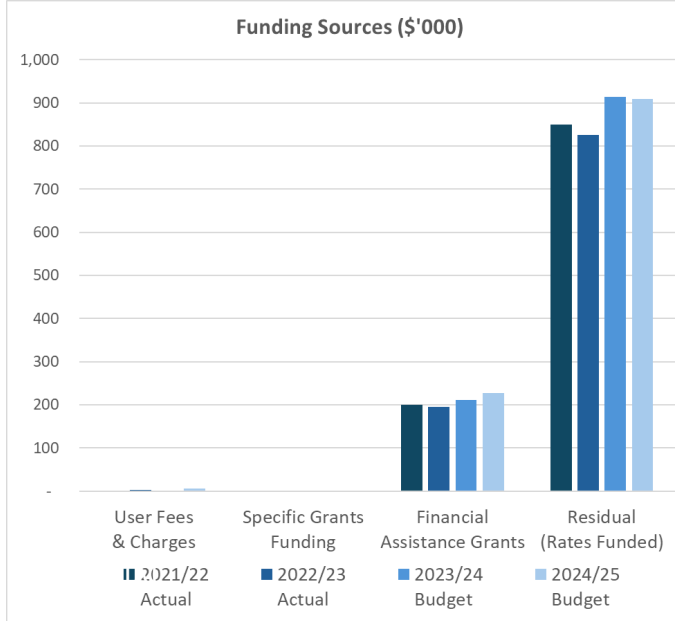
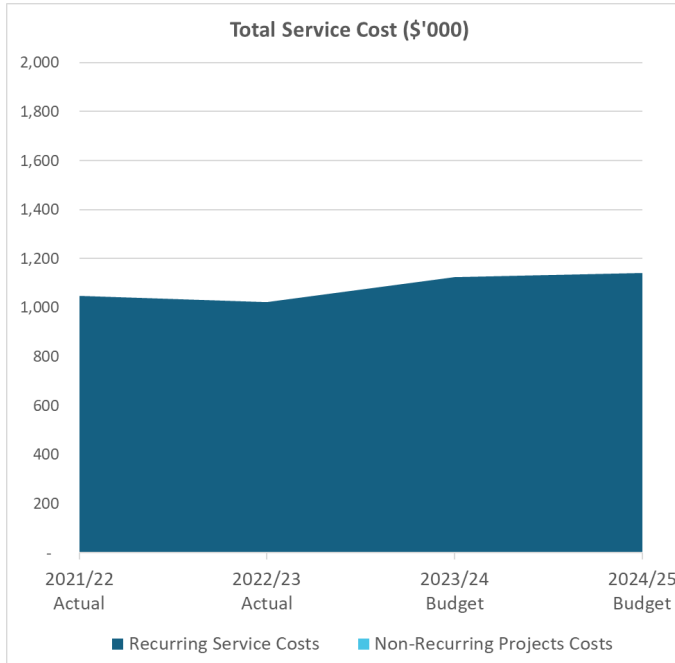
The Governance and Risk department oversees governance practices across the organisation, with a focus on supporting Councillors and educating the organisation to build capacity in line with legislation and good governance principles, monitoring changes in key governance legislation and best practices, and supporting the implementation of processes and procedures to meet these standards. While maintaining Council's decision framework, including instruments of authorisation and delegation, providing advice and support to Councillors regarding their obligations and legislative requirements, developing and reviewing Council policies and procedures. Corporate Governance & Assurance supports the Audit and Risk Committee and charter and ensures the smooth operation of the Council's Asset Committee and Advisory Committees. Additionally, the service supports the delivery of the Council's risk management framework, Freedom of Information (FOI) requests and oversees the Council's insurance function, excluding workcover and fleet.

Who benefits from our Service

- Hepburn Shire residents and visitors.
- Councillors and all Council departments
- Hepburn Shire Council Audit and Risk Committee (ARC)
- Advisory Committees and Asset Committees
- Internal and External Auditors

Legislation, Policies & Frameworks

- Corporate Governance & Assurance ensures Council adheres to the legislated requirements in the *Local Government Act 2020*.
- *Local Government Act 2020, Freedom of Information Act 1982, Privacy and Data Protection Act 2014, Cemeteries and Crematoria Act 2003.*



Operating costs at a glance

Costs **\$5.10** out of every **\$100** rates collected.

0% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	445	413
Materials & Services	147	164
Insurances & Other Costs	533	566
Total Recurring Service Costs	1,125	1,142
Projects		
Operating Projects	0	0
Capital Projects	0	0
Total Non-Recurring Costs	0	0
Full-Time Equivalent Staffing	4.18	3.64

How we measure success

Information on the number of active and closed insurance enquires and complaints managed are reported to Council's Audit and Risk Committee (ARC) and Council quarterly.

Data in the annual *Local Government Performance Reporting Framework* (LGPRF) data published by the Victorian Government records the number of all critical and major non-compliant notifications, and Council decisions made at meetings closed to the public.

The shire wide *Community Satisfaction Survey* indicates community sentiment on value for money for services and infrastructure.



Directorate: People and Transformation **Department:** Corporate Reporting

Description

What we do

Corporate Reporting supports Council’s performance and monitoring, ensuring all Council departments adapt to changes in performance frameworks set by the State and Federal Government. The service encompasses corporate strategic and service review planning.

How we do it

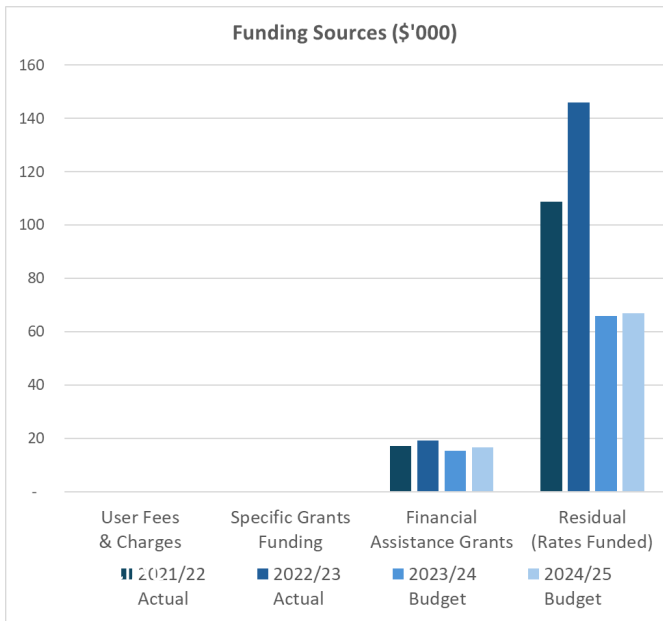
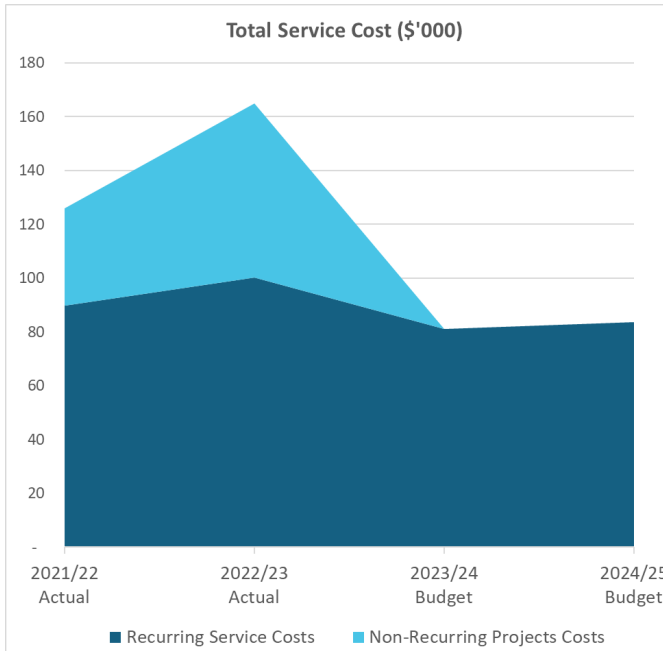
Corporate Reporting provides an integrated approach to performance monitoring and reporting to meet its obligations under the Local Government Act 2020. Performance reporting involves the regular and timed collection of data against predetermined measures, providing comprehensive and consistent information to promote transparency and accountability within the organisation. Council’s annual submission to the Local Government Performance Reporting Framework (LGPRF) is developed and prepared by the Corporate Reporting Department. Council’s Strategy and Action Plan reporting and monitoring is supported, as well as the Service Review Framework.

Who benefits from our Service

- Councillors.
- All Council departments.
- Hepburn Shire residents and visitors.

Legislation, Policies & Frameworks

- Corporate Reporting is a discretionary service. Council has no legislative requirement to deliver the service itself.
- Federal and State Government reporting frameworks.
- All Council policies and frameworks.



Operating costs at a glance

Costs **\$0.38** out of every **\$100** rates collected.

0% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	81	84
Materials & Services	0	0
Utilities & Other Costs	0	0
Total Recurring Service Costs	81	84
Projects		
Operating Projects	0	0
Capital Projects	0	0
Total Non-Recurring Costs	0	0
Full-Time Equivalent Staffing	0.80	0.80

Included in the Total Service Cost graph is \$36K in 21/22 for a project on the integrated planning framework, and in 22/23 \$65K for the Software Pulse implementation.

How we measure success

Reporting on the progress of the Council’s Annual Plan occurs quarterly over the course of a financial year. A broader progress summary of the overall Council Plan is prepared at the end of that financial year to be presented in the Annual Report. Data in the annual *Local Government Performance Reporting Framework* (LGPRF) data published by the Victorian Government is compiled and presented by this service, but the service itself does not hold indicators within the LGPRF.

The shire wide *Community Satisfaction Survey* indicates community sentiment on value for money for services and infrastructure.



Directorate: Community and Corporate **Department:** Governance and Risk

Description

What we do

Councillor Governance supports Councillors and their roles and responsibilities under the Local Government Act 2020. Its objective is to ensure the success of the legislated and governance requirements of Local Government; to ensure that local government remains a democratically elected tier of government in Victoria, that Councils as representative bodies are accountable, transparent, collaborative, efficient, and engaged with their communities, and that Councils possess the necessary functions and powers to perform their roles effectively.

How we do it

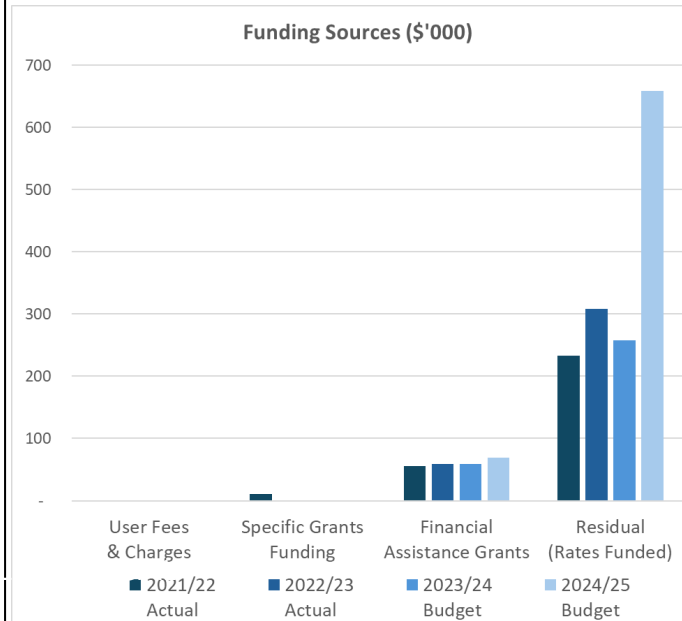
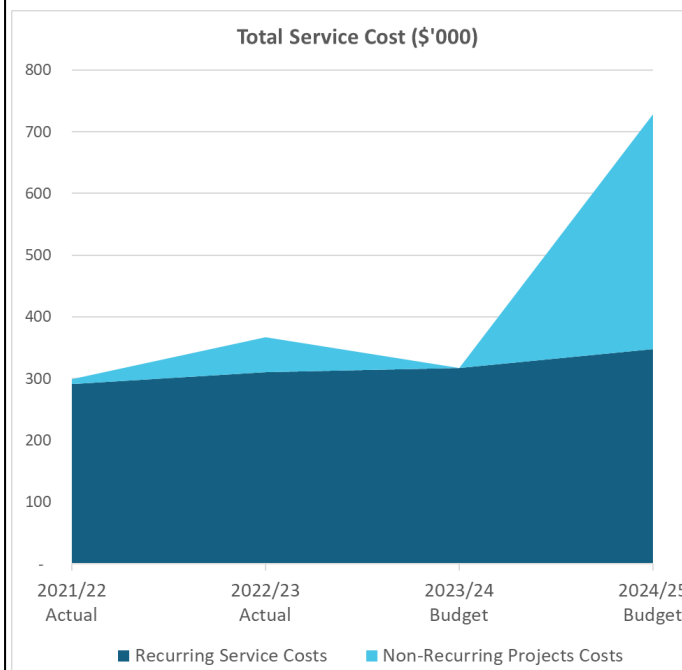
The role of Councillors is broad and involves commitments through formal Council Meetings, Councillor Briefings, and various community engagements. The Governance and Risk department support Councillors to ensure they can achieve on their roles effectively.

Who benefits from our Service

- Hepburn Shire residents and visitors.
- Councillors and all Council departments
- Hepburn Shire Council Audit and Risk Committee (ARC)
- Advisory Committees and Asset Committees
- Internal and External Auditors.

Legislation, Policies & Frameworks

- Councillor Governance is a legislated requirement within the *Local Government Act 2020*.
- *Local Government Act 2020*.
- Hepburn Shire Council – all policies and strategies of Council.



Operating costs at a glance

Costs **\$1.56** out of every **\$100** rates collected.

0% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	0	0
Materials & Services	32	31
Utilities & Other Costs	300	318
Total Recurring Service Costs	332	348*
Projects		
Operating Projects	0	380
Capital Projects	0	0
Total Non-Recurring Costs	0	380**
Full-Time Equivalent Staffing	0.00	0.00

*Service costs include in 24/25 Councillor allowances, Community Satisfaction Survey and Council meeting expenditure.

** Projects in 24/25 include Council elections, Council induction, and development of the Council Plan.

Note, the Governance and Risk team support Councillors, but we have not allocated resourcing as FTE in the above table. Councillors are not employees of Council.

How we measure success

Data in the annual *Local Government Performance Reporting Framework* (LGPRF) data published by the Victorian Government records Councillor attendance at council meetings, cost of elected representation and satisfaction with council decisions. The shire wide *Community Satisfaction Survey* indicates community sentiment on the overall performance of Council, value for money, Council's direction, lobbying and community decision.



Directorate: People and Transformation **Department:** Customer Experience

Description

What we do

Customer Experience and Libraries operates five sites: Duke Street customer service centre, Daylesford Library, The Warehouse Clunes, Creswick Hub, and Mechanics Trentham. The service provides first point of contact for our community and their enquires and connects individuals and families to resources, knowledge, and information through programs and events promoting learning and social connections. Central Highlands Libraries acquire and processes collection materials on behalf of Council, and Hepburn Council staff deliver literacy support, loans, and access to resources. The Library program offers education and public programs, including story times, CALD programs and LOTE collections, LGBTIQ+ and First Nations programs and collections, community development, technology showcases, digital literacy, and outreach and homebound library services. More than two thirds of households (68%) have had contact with Hepburn Shire Council in the last 12 months (23/25). Rate of contact is highest among residents aged 35 to 49 years (77%) and lowest among those aged 65 years and over (59%, significantly lower than average).

How we do it

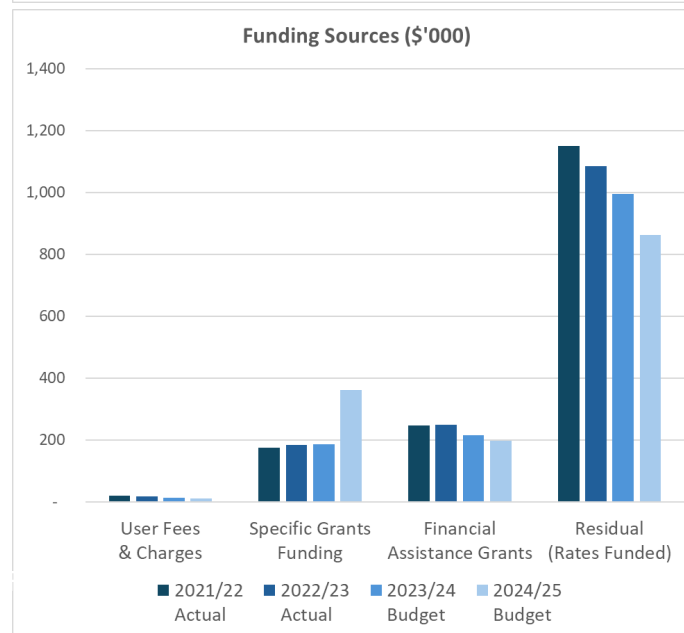
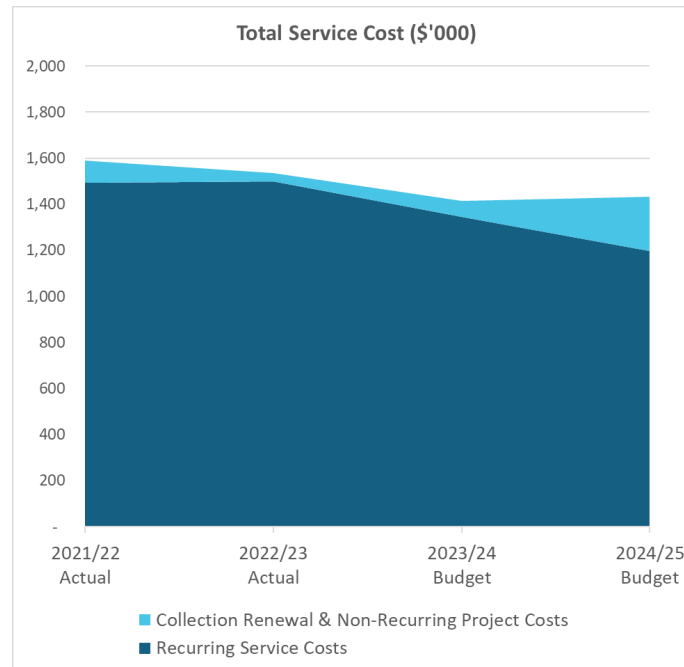
The Customer Experience department manages strategy, evaluation, information and service request support, bookings, operations, community education, engagement, and promotions. Information and service request support, customer payments, feedback, and complaints are handled in person, online, and by phone. The community can access print and digital resources and interactive learning programs to meet lifelong educational and social needs. The service provides experts in knowledge management, literacy awareness, and interactive learning programs. Safe community spaces are maintained, and libraries adhere to standards set by ALIA, IFLA, and PLV.

Who benefits from our Service

- Hepburn Shire residents and visitors.
- Primary and Secondary schools.
- Community Groups and Organisations.
- Customer Service and Library Sector and Industry.

Legislation, Policies & Frameworks

- Customer Experience and Libraries is a discretionary service. Central Highlands Libraries collection policy.
- ALIA Code of Conduct and IFLA Code of Practice.
- Hepburn Shire: Council *Customer Services Strategy*.



Operating costs at a glance

Costs **\$4.53** out of every **\$100** rates collected.

16% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	1,188	1,057
Materials & Services	37	17
Utilities & Other Costs	120	123
Total Recurring Service Costs	1,345	1,197*
Projects		
Operating Projects	8	185
Capital Projects	60	50
Total Non-Recurring Costs	68	235
Full-Time Equivalent Staffing	14.94	14.69

*In the 2024-2025 Budget, Council has committed to \$160K savings through efficiencies in operations.

How we measure success

The shire wide *Community Satisfaction Survey* indicates Council's engagement with customers via different methods and provides an overall rating on customer service. Council's customer service is rated in line with the State-wide and Small Rural group averages. In the *Local Government Performance Reporting Framework (LGPRF)* the usage of the library collection, recent acquisitions of the library collection, active library borrowers in the municipality and the cost of the library service per population is measured. The 2023 figure reported for the cost of library service is \$42.57 and includes all related costs (wage, depreciation, utilities, etc). Attendance at events, exhibitions and public programs is recorded. Public Libraries of Victoria (PLV) Annual Survey.

Every dollar invested in public libraries generates \$4.30 of benefits to the local community... State Library Victoria, 2018, Libraries Work! The socio-economic value of public libraries to Victorians.



Description

What we do

Early Years provides strategic direction to ensure the delivery of community needs in early years (aged 0 to 12 years), this includes in the areas of infrastructure, health, learning and development. The service aims to support parents, families and carers, and to advocate for the needs of early years throughout the shire with specific focus on the ages of 0-8 years to enable early intervention to ensure each child receives the best start in life and no child is left behind. Council has included middle years 8-12 years, as they are the years of rapid physical growth as young people pass through puberty. Although not historically a focus of early intervention, Council recognises this is an important developmental phase of childhood when children need strong social and educational support systems.

How we do it

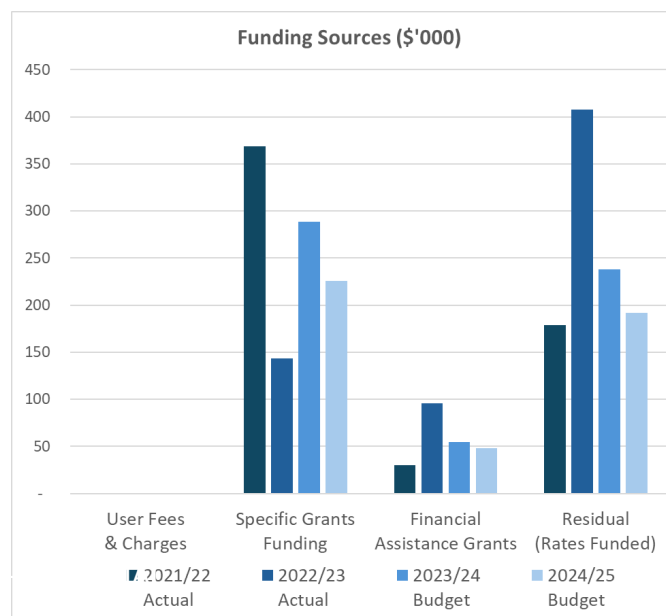
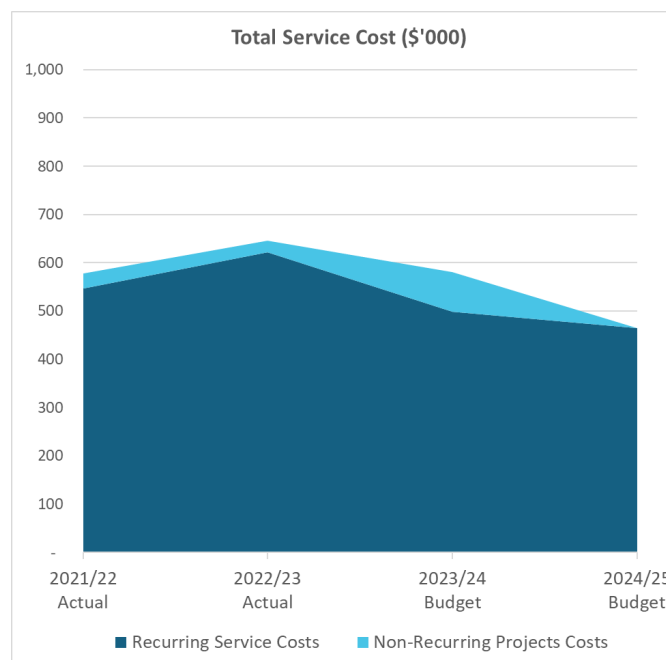
Central Highland Rural Health delivers the Maternal Child Health service for the Council, ensuring community demands are met and quality standards are implemented. Council ensures universal access and state and federal government reforms in early years are implemented. The Healthy Communities unit provides a shared strategic direction with the early years sector, outlining service delivery, infrastructure, and environment for a vibrant future in early childhood. They ensure the health, learning, and development needs of children are met, improve outcomes, and provide support for parents, families, and carers in their child-related roles through education and awareness.

Who benefits from our Service

- Hepburn Shire residents and visitors.
- Kindergarten and Early Years providers including day care.
- Playgroups, after school care and school holiday programs.
- Primary Schools and Youth Programs.
- Local Health Services and Immunisation Providers.
- Community Groups and Organisations.

Legislation, Policies & Frameworks

- Early Years is a discretionary service.
- Hepburn Shire Council *Starting Blocks: Early Years and Middle Years Strategy 2022-2030 (0-12 Years)*.
- Hepburn Shire Council *Child Safe Policy*.
- Victorian Government *Children's Services Act 1996, Children's Services Regulations 2020 and Child Safe Standards*.
- Victorian Government *Best Start Best Life Early Years Reforms*.



Operating costs at a glance

Costs **\$1.07** out of every **\$100** rates collected.

0% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	105	127
Materials & Services	393	338
Utilities & Other Costs	0	0
Total Recurring Service Costs	499	465
Projects		
Operating Projects	82	0
Capital Projects	0	0
Total Non-Recurring Costs	82*	0
Full-Time Equivalent Staffing	1.00	1.00

*23/24 figures include \$82K for a project in response to the State Government's The Best Start, Best Life Reforms. Maternal Child Health is a \$239,000 net cost to Council excluding financial assistance grants.

How we measure success

The shire wide *Community Satisfaction Survey* indicates community sentiment on value for money for services and infrastructure. In *the Local Government Performance Reporting Framework (LGPRF)* the infant enrolments in the MCH service, participation and the cost of the MCH service, participation by MCH by Aboriginal children and participation in the 4-week key age and stage visit. A Hepburn Shire Early Years survey and annual community Health and Wellbeing survey is released and data informs future planning for the service.



Description

What we do

The business community in Hepburn is diverse from agriculture, tourism attractions, facilities, services and traditional shop front businesses. There are 5,700+ businesses within the Shire and two business associations are currently active in Clunes and Creswick. The service guides wealth investment, human capital, and job creation to boost economic prosperity and elevate the standard of living. Economic Development promotes investment attraction, job creation, land development, government funding, data analysis, and communication and promotion. Economic Development and Business Support advocates on behalf of businesses to industry, all levels of government and empowers the business community in bricks and mortar businesses, online and community members who work from home. The Economic Development business unit manages the strategic development, community education, awareness and promotion for the business community.

How we do it

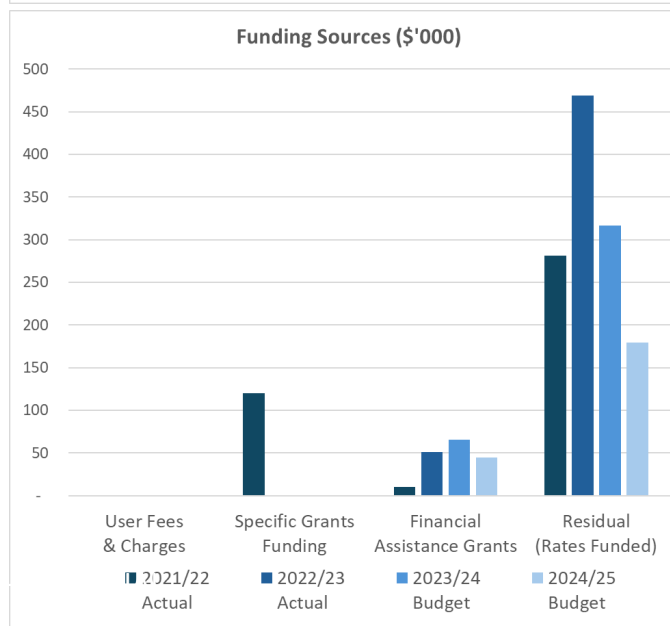
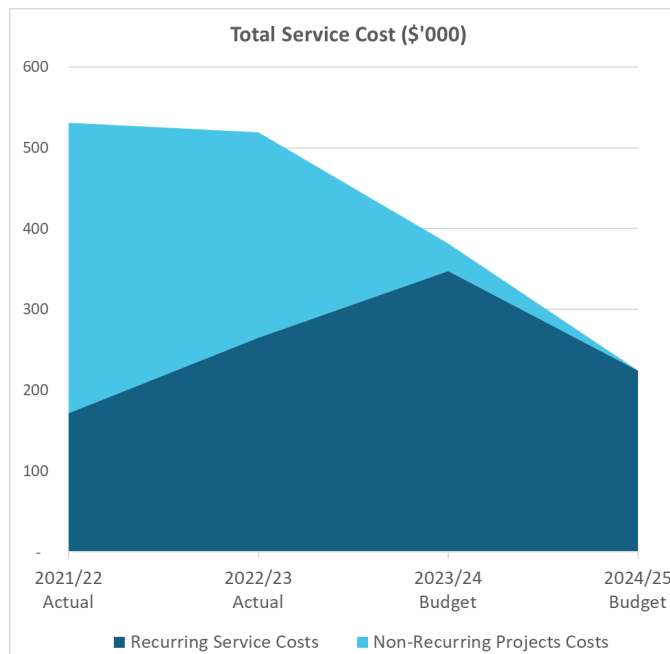
The Economic Development business unit is the main contact for business-related inquiries to the Council and serves as an internal advisor for Council departments. The unit helps businesses prepare for planning, building, and other permit applications. It supports research and data development, maintains communication channels and websites, manages a business database, identifies funding opportunities, and assists with grant applications. Additionally, the unit forms strong partnerships and cooperates with agencies including State and Federal Government, Local Government, businesses, and the community to advance economic development and visitor economy goals for the Hepburn Shire.

Who benefits from our Service

- Hepburn Shire residents and visitors.
- Local businesses and economy.
- Business Victoria and other industry bodies including tourism boards and business associations.

Legislation, Policies & Frameworks

- Economic Development and Business Support is a discretionary service.
- *Planning & Environment Act 1987.*
- Australian Business Licence and Information Service (ABLIS) frameworks.



Operating costs at a glance

Costs **\$1.01** out of every **\$100** rates collected.

0% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	295	164
Contributions	6	6
Materials & Services	46	54
Utilities & Other Costs	0	0
Total Recurring Service Costs	347	224
Projects		
Operating Projects	35	0
Capital Projects	0	0
Total Non-Recurring Costs	35	0
Full-Time Equivalent Staffing	2.85	1.85*

* In 24/25, a Visitor Economy Project Officer role that was to focus on the implementation of the Commonwealth Games was removed from the budget.

Previous projects identified in the Total Service Cost graph include the Artisan Agriculture Project (\$451K), Business concierge program (\$120K) and in 21/22 an allocation for COVID Outdoor dining (\$77K).

How we measure success

Economic Development record engagement with businesses via online and in person. There are currently no formal measures in *the Local Government Performance Reporting Framework (LGPRF)*. The shire wide *Community Satisfaction Survey* indicates community sentiment on the importance and performance of business and community development.



Description

What we do

Hepburn is one of the shires most at risk from natural disasters including bushfires and floods. Emergency Management (EM) encompasses services provided to the council, the community, agencies, and industry before, during, and after an emergency. EM leads efforts to help residents prepare for and recover from emergencies, focusing on reducing risks and enhancing emergency preparedness and social resilience. At Hepburn, EM is responsible for fulfilling the council’s legislative obligations including mitigation, planning, preparedness, response, relief, and recovery, as outlined in the Emergency Management Act 2013 (EM Act 2013) and the State Emergency Response Plan (SEMP).

How we do it

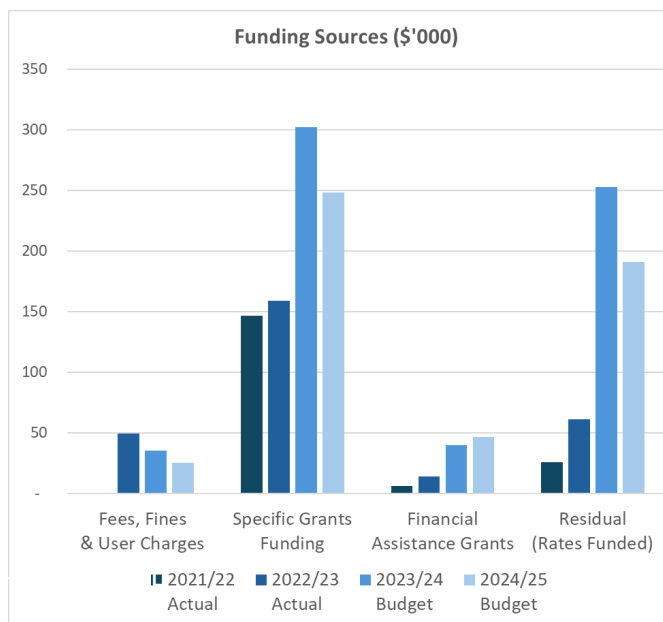
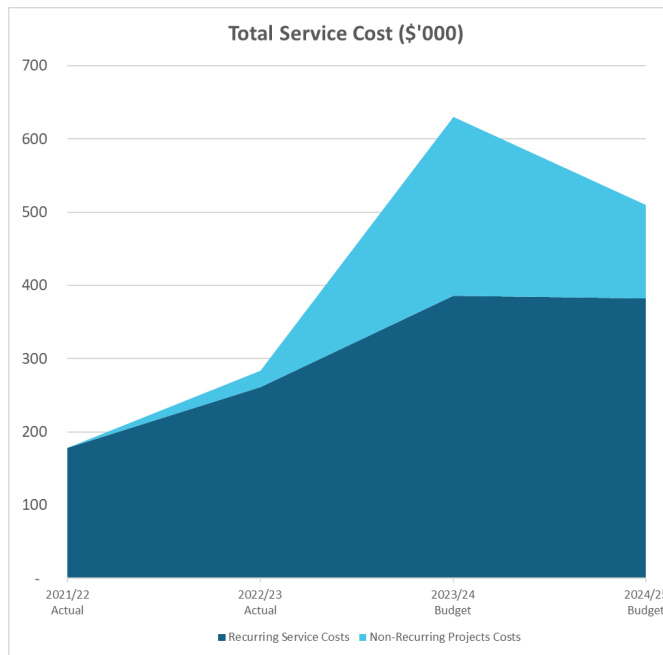
The EM Department, together with partner agencies, develops, implements, maintains, and improves council’s emergency management performance, capacity and capabilities. The outcome is the effective organisation and management of council resources, staff safety and wellbeing. The delivery and completion of flood and storm recovery may include implementation of a Community Recovery Officer and Community Recovery Hubs Program in partnership with Emergency Recovery Victoria (ERV) and Regional Roads Victoria (RRV). The Emergency Management department leads co-designed community engagement and awareness programs, projects, and initiatives to ensure Hepburn possesses the capabilities to prepare for, respond to, and recover from emergencies, and to build community for preparedness and resilience.

Who benefits from our Service

- Hepburn Shire residents and visitors.
- Councillors and all Council departments.
- Hepburn Shire Council Audit and Risk Committee (ARC).
- Emergency Management Sector and Services.

Legislation, Policies & Frameworks

- Councils have 94 emergency management responsibilities across Victorian and Commonwealth legislation. The Municipal Emergency Management Plan is a critical part of our legislative responsibilities under the *Emergency Management Act 2013*.
- State Emergency Response Plan (SEMP) and all Victorian frameworks and policies related to Emergency services.
- *Dhelkunya Dja, Dja Dja Wurrung Country Plan 2014-2034*.



Operating costs at a glance

Costs **\$1.07** out of every **\$100** rates collected.

38% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	356	373
Materials & Services	30	9
Utilities & Other Costs	0	0
Total Recurring Service Costs	386	382
Projects		
Operating Projects	244	128
Capital Projects	0	0
Total Non-Recurring Costs*	244	128
Full-Time Equivalent Staffing	3.00	3.00

As a newly formed business unit in October 2022, Emergency Management is dedicated to enhancing the council's readiness and response to emergencies, ensuring a robust and resilient approach to managing emergencies within the community.

* The EM budget does not include direct storm recovery works. In 24/25, projects include the Creswick Flood Mitigation Study \$200K and \$120K of this is Grant Funding.

How we measure success

Emergency Management reports to Council on the change of seasons and conditions, preparedness plans and mitigation measures. Post season meetings are held, and incident debriefs are completed with the MEMPC.

There are currently no formal measures in the *Local Government Performance Reporting Framework (LGPRF)* or within the shire wide *Community Satisfaction Survey*.

Description

What we do

Events seeks to attract new signature and local events to be delivered across Hepburn Shire, supporting safe, compliant and sustainable event delivery to benefit the local and visitor economy. Internal guidance to support the delivery of Council-led events is provided. Over 65 events are supported within the Hepburn Shire annually.

How we do it

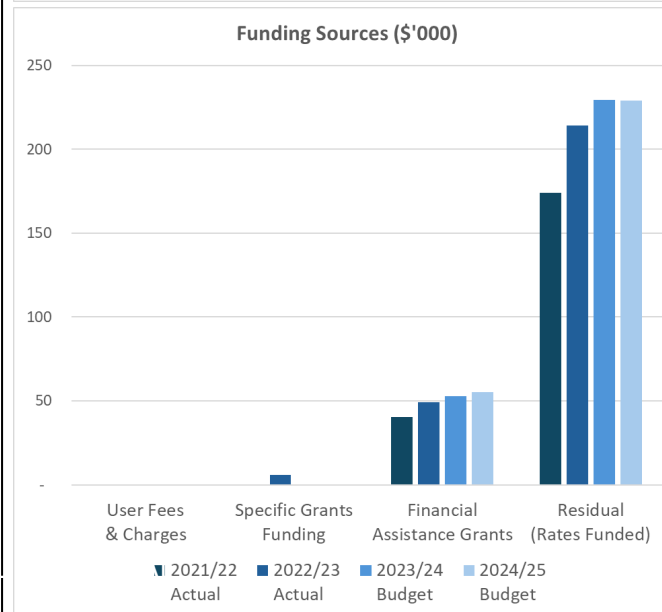
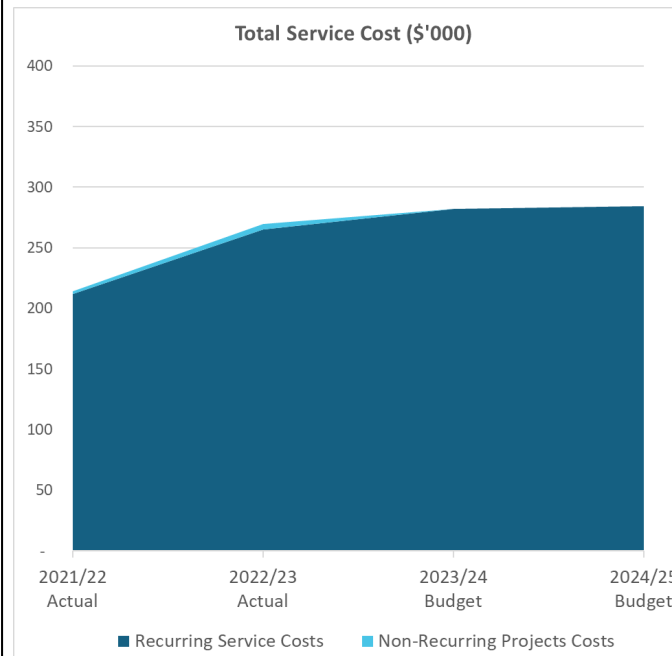
The Economic Development Unit delivers on the Event service by providing specialist advice to event organisers and Council departments. This includes in areas such as risk management, traffic management, permit and planning considerations, emergency management, marketing strategy, and identifying partnerships and funding opportunities. Funding and in-kind contributions are provided. Through partnerships and networks, new event attraction is a priority. The issue of permits for filming and photography within the Shire is managed, along with overseeing town gateway bookings. Effective marketing and publicity strategies for events are developed in collaboration with the communications team, visitor servicing team, and regional partners. Capacity building and support of new local event organisers is a focus.

Who benefits from our Service

- Hepburn Shire residents and visitors.
- Primary and Secondary schools.
- Community Groups and Organisations including Sporting Clubs.
- Community Event Participants.
- International Women’s Day advisory committee.
- Professional and local Event Organisers and Producers.
- Creative and cultural event sector.

Legislation, Policies & Frameworks

- Events is a discretionary service.
- Hepburn Shire Council, *Arts and Culture Strategy 2024*, *Heritage Strategy 2020-2030*, *Events Strategy 2020-2025* and *Reconciliation Action Plan 2024*.
- Australian Government, *Revive: A place for every story, a story for every place*, National Cultural Policy, 2023.
- Victorian Government, *Creative State 2025*.
- *Dhelkunya Dja, Dja Dja Wurrung Country Plan 2014-2034*.



Operating costs at a glance

Costs **\$1.28** out of every **\$100** rates collected.

0% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	107	135
Grants & Contributions	90	65
Materials & Services	86	84
Utilities & Other Costs	0	0
Total Recurring Service Costs	282	284
Projects		
Operating Projects	0	0
Capital Projects	0	0
Total Non-Recurring Costs	0	0
Full-Time Equivalent Staffing	1.19	1.35

How we measure success

Corporate reporting on the economic and social benefits that events bring to the Shire is reported to Council and included within strategies and reports on Council’s website.

There are currently no formal measures in *the Local Government Performance Reporting Framework (LGPRF)*. The shire wide *Community Satisfaction Survey* indicates community sentiment on value for money for services and infrastructure.



Directorate: CEO **Department:** Executive

Description

What we do

The Chief Executive Officer and the Executive Leadership Team (2 Directors and 2 Executive Managers), ensure the support and success of legislated and governance requirements in line with the Local Government Act 2020, and the successful delivery of the Council Plan, Community Vision, Municipal Health and Wellbeing Plan, Asset Plan and Annual Budget. Executive Governance sets the culture of the organisation and ensures staff across the organisation are safe, health and wellbeing is maintained, and risks are managed. The CEO and Executive ensure financial sustainability for the organisation in conjunction with Council and are responsible for Council assets. Advocacy for the Hepburn Shire and support for the community to all levels of government is a priority.

How we do it

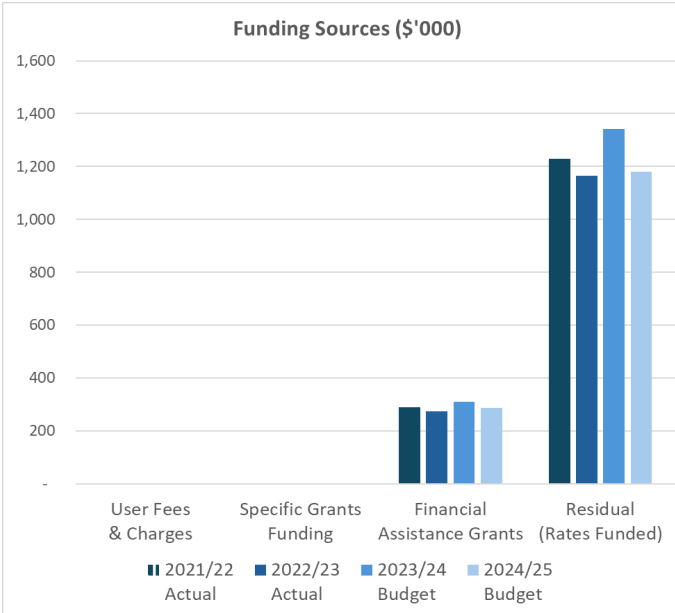
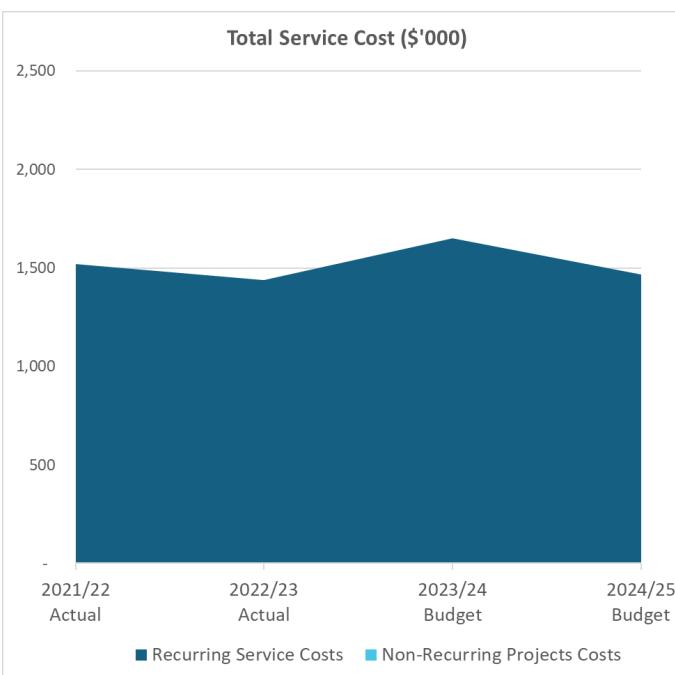
Section 46 of the Local Government Act 2020 outlines the functions of the Chief Executive Officer. The Executive Leadership team supports the Mayor and Councillors in their roles, ensuring the effective and efficient management of the Council's day-to-day operations across the directorates of CEO, Community and Corporate, Infrastructure and Delivery, Development, and People and Transformation. The CEO Employment and Remuneration Committee establishes the annual salary and reviews the CEO's key performance indicators (KPIs). The Directors and Executive Managers provide effective leadership, guidance, support, and direction for the organisation. Roles involve advising and updating the elected Council, CEO, and broader Senior Executive Team, and contributing to the overall strategic direction of Hepburn Shire Council.

Who benefits from our Service

- Hepburn Shire residents and visitors.
- Hepburn Shire Council employees.
- Councillors.
- Local Government partners and sector.

Legislation, Policies & Frameworks

- It is a legislated requirement for a local government to have a Chief Executive Officer. Other positions within Executive Governance are discretionary.
- *Local Government Act 2020.*
- All Hepburn Shire Council policies, strategies and frameworks.



Operating costs at a glance

Costs **\$6.59** out of every **\$100** rates collected.

0% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	1,536	1,373
Materials & Services*	73	53
Utilities & Other Costs	42	42
Total Recurring Service Costs	1,652	1,468
Projects		
Operating Projects	0	0
Capital Projects	0	0
Total Non-Recurring Costs	0	0
Full-Time Equivalent Staffing**	9.48	8.60

*Materials and Services includes training and leadership development for the organisation, corporate memberships and catering for Councillors.
**Staffing consists of CEO, 2 Directors, 2 Executive Managers and 4 Executive Assistants.

How we measure success

CEO key performance indicators (KPIs) are reported to Council quarterly. The Hepburn Shire Council Annual Report identifies success against the Council Plan and Community Vision. Corporate reports to Council on the Annual Budget, Council Plan, Community Vision and Asset Plan identify the success of the organisation. Formal measures in *the Local Government Performance Reporting Framework* (LGPRF). The shire wide *Community Satisfaction Survey* indicate the success of the Executive and community sentiment on value for money for services and infrastructure, and the community perception on 'lobbying' on behalf of community.



Directorate: CEO Department: Communications

Description

What we do

Keeping the community informed and engaged with Council’s activities is critical to growing knowledge, awareness and understanding of Council’s activities, priorities and decision making. Providing transparent, understandable and accessible information to the community is a requirement under the Local Government Act. Australian Government agencies are required to ensure information and services are provided in a non-discriminatory accessible manner, which is relevant for all Council communication outputs. External Communications provides support and delivery of communications and marketing that is public facing to improve transparency, access to information for community, and development of partnerships.

How we do it

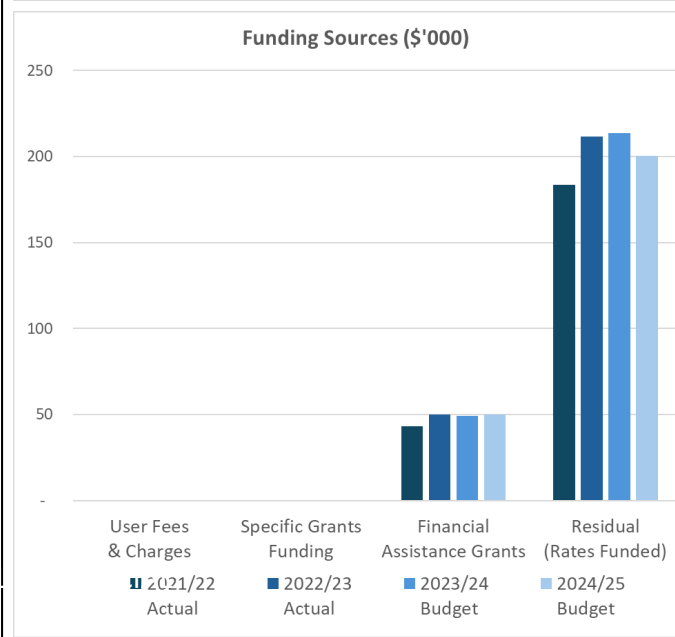
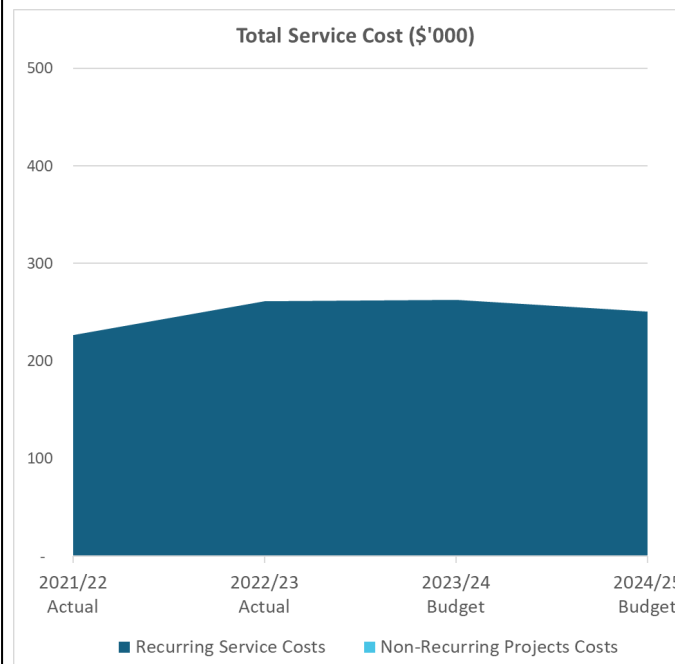
Communications are aligned to ensure written, audio and visual methods align with strategic objectives of the Council Plan and Community Vision. The Communications team is responsible for developing and executing integrated campaigns to promote council’s services, programs, and events to targeted audiences. This involves creating and managing content, including proofreading, copywriting, publications, collateral, and online materials. The team handles media relations, prepares press releases and statements in response to inquiries, and supports advocacy and information sharing efforts, including liaison with other government levels during announcements and political visits. The department manages council’s digital presence across websites, social media platforms, and email marketing. They also oversee community consultation processes across various topics, council strategic documents, and projects to ensure effective engagement and feedback collection from the community.

Who benefits from our Service

- Hepburn Shire residents and visitors.
- Media outlets – print, online and radio.
- Government authorities.

Legislation, Policies & Frameworks

- External Communications is a discretionary service.
- Hepburn Shire, *Community Engagement Policy 2021*.
- Web content accessibility guidelines 2.1 (WCAG 2.1).
- *Equal Opportunity Act 2021, Disability Discrimination Act 1992, Privacy and Data Protection Act 2004 and Public Health and Wellbeing Act 2008*.



Operating costs at a glance

Costs **\$1.12** out of every **\$100** rates collected. **0%** of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	177	187
Materials & Services	86	66
Utilities & Other Costs	0	0
Total Recurring Service Costs	263	251
Projects		
Operating Projects	0	0
Capital Projects	0	0
Total Non-Recurring Costs	0	0
Full-Time Equivalent Staffing	1.80	1.80

How we measure success

Data analysis on online social media channels, websites and open rates for eNewsletters is recorded and informs communication strategies. A survey sent to Hepburn Life e-newsletter subscribers indicates positive satisfaction of topics covered (93%). The newsletter open rate (51%) is higher than the government average (38%). Benchmarking is regularly completed on performance of communications. There are no formal measures in the *Local Government Performance Reporting Framework (LGPRF)*. The shire wide *Community Satisfaction Survey* does outline data on the preferred form of communication from Council. In 2024 results: Among residents aged under 50 years, an emailed newsletter from Council (30%) is preferred, followed by social media (24%), mailed newsletters (18%) and text message (13%). Among those aged 50 years and over, a Council newsletter sent via email (33%) or mail (33%) are equally preferred. Preference for other communications channels are much lower (8% of residents prefer advertising in a local newspaper).



Directorate: Community and Corporate **Department:** Financial Services

Description

What we do

Financial Strategy, Accounting, and Revenue Management ensures that Council adheres to legislative, governance, and statutory reporting requirements related to finances, providing councillors and management with the information and advice needed for sound financial decisions. All Council departments are supported by this service for continuous improvement of processes and systems for consistent financial management. Available funds are optimised for investment and accounting standards are adhered to. The service manages the value of the assets, costs associated with borrowings and interest income from investments for the financial sustainability of Council.

How we do it

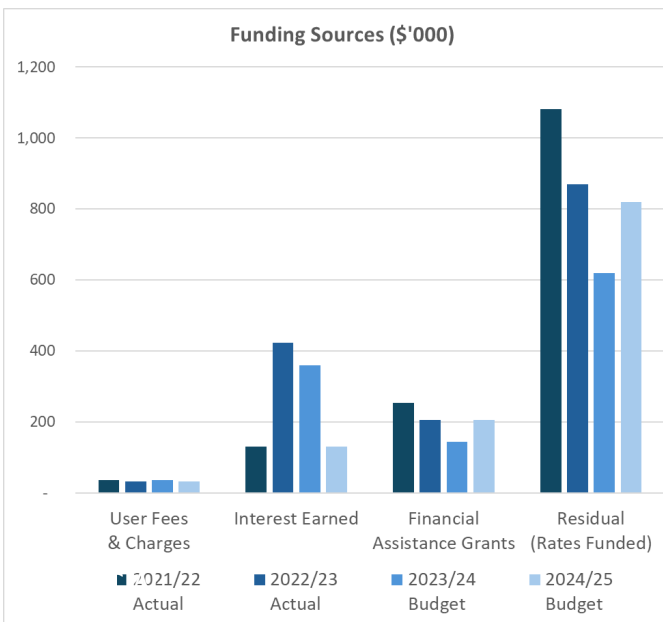
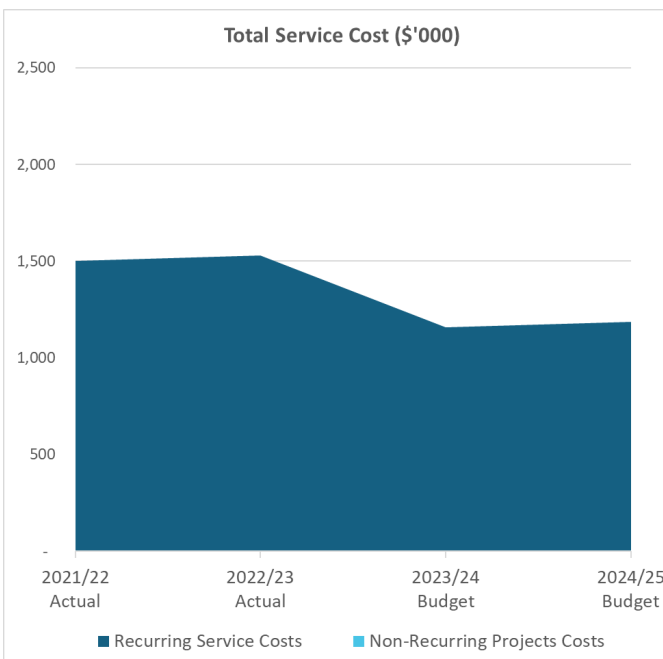
The Financial Services department develops the annual budget, incorporating long-term financial planning and financial sustainability strategies. Financial management involves preparing statutory accounts which are reviewed by auditors and signed off by the Council and the Auditor General. The department controls the general ledger and subsidiary modules in a financial system and provides quarterly council financial management reports and monthly management and cost reports.

Who benefits from our Service

- Hepburn Shire residents.
- All Council departments.
- Councillors.
- State and Federal Governments.
- Hepburn Shire Council Audit and Risk Committee.
- Suppliers.
- Financial institutions.

Legislation, Policies & Frameworks

- It is a requirement of the Local Government Act 2020 that an annual budget is presented and adopted by 30 June annually in line with Accounting Standards. Financial Strategy, Accounting and Revenue Management is a legislated service.
- Hepburn Shire Council *Procurement Policy 2023*.
- *Accounting Standards*.



Operating costs at a glance

Costs **\$4.59** out of every **\$100** rates collected.

14% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	594	486
Materials & Services	167	140
Financing & Other Costs	396	559
Total Recurring Service Costs	1,157	1,186
Projects		
Operating Projects	0	0
Capital Projects	0	0
Total Non-Recurring Costs	0	0
Full-Time Equivalent Staffing	4.65	3.90

How we measure success

The annual budget is presented to Council for adoption annually. Quarterly council financial management reports and monthly management and cost reports are presented to Council and the Executive. The annual *Local Government Performance Reporting Framework* data published by the Victorian Government records current assets compared to current liabilities, loans and borrowings repayments compared to rates, non-current liabilities compared to own source revenue, asset renewal and upgrade compared to depreciation and underlying surplus (or deficit). The shire wide *Community Satisfaction Survey* indicates community sentiment on value for money for services and infrastructure.



Directorate: People and Transformation **Department:** Information Communication Technology (ICT)

Description

What we do

Information Communication Technology (ICT) Strategy, Infrastructure and Security enables and supports the effective use of technology to enhance council operations and community services. The service aims to maintain a reliable, secure, and innovative ICT infrastructure while promoting digital literacy and accessibility for all stakeholders.

How we do it

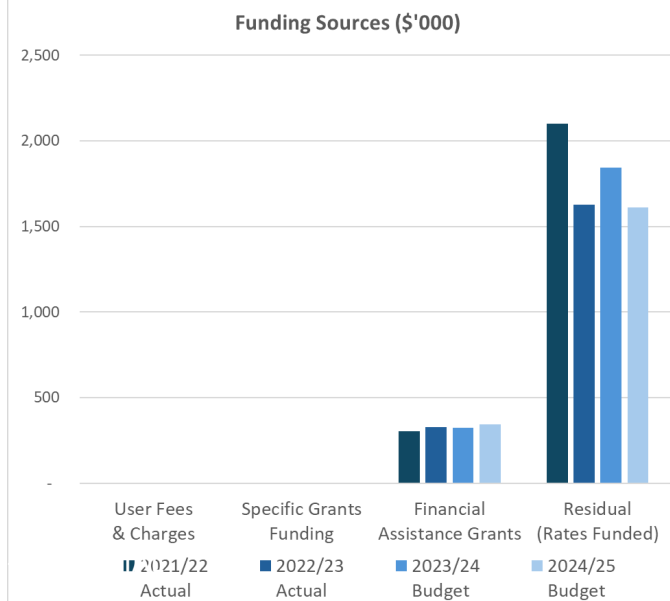
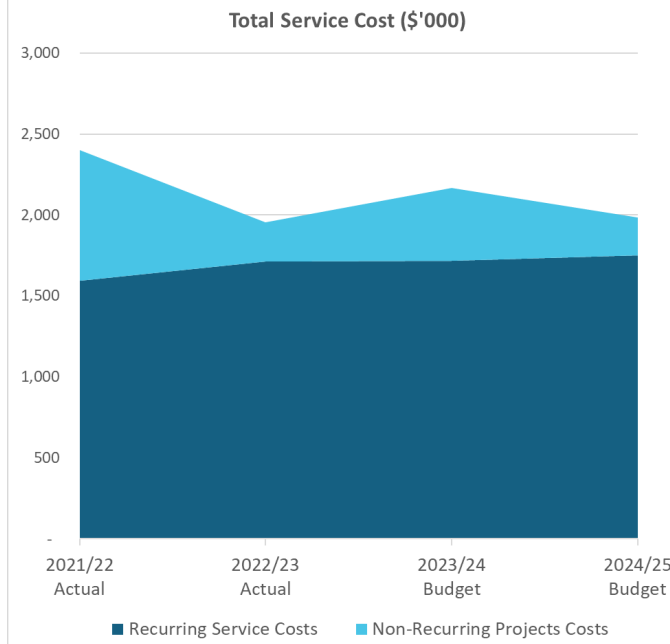
The ICT Strategy, Infrastructure, and Security division manages all IT aspects, including scoping, planning, support, and development, in line with legislative requirements such as data protection laws and cybersecurity standards. The department oversees and implements the Council's ICT strategy, conducting annual reviews to align with organisational needs and Council Plan commitments. It supports compliance with privacy principles through the Protective Data Security Plan and assists the Emergency Management Team as per the Municipal Emergency Management Plan. Responsibilities also include procurement and maintenance of office equipment, ensuring software licensing compliance, and maintaining secure and reliable data storage and servers. The ICT service is used by all council staff, operational teams, volunteers, and external stakeholders, including residents, businesses, and community groups, who interact with the council via digital channels. Elected representatives also rely on these services for communication, decision-making, and data access.

Who benefits from our Service

- All Council staff and departments
- Councillors
- Hepburn Shire residents and visitors.

Legislation, Policies & Frameworks

- ICT Strategy, Infrastructure and Security supports is a discretionary service.
- Hepburn Shire Council *Information, Communication and Technology Strategy 2023*.
- Hepburn Shire Council *Protective Data Security Plan (PDSP)*.
- *Local Government Act 2020, Freedom of Information Act 1982, Privacy and Data Protection Act 2014.*



Operating costs at a glance

Costs **\$7.75** out of every **\$100** rates collected.

0% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	540	518
Materials & Services	924	979
Other Costs	255	255
Total Recurring Service Costs	1,718	1,753
Projects		
Operating Projects	105	0
Capital Projects*	344	230
Total Non-Recurring Costs	449	230
Full-Time Equivalent Staffing	4.75	4.38

* In 23/24, projects include the Protective Data Security Plan (PDSP) and cyber security augmentation (\$105K). Previous capital identified in 21/22 in the Total Service Cost graph includes a peak in acquiring ICT hardware needs (\$726K).

How we measure success

Data from the ICT service such as system uptime, response times to support requests, network reliability, and cybersecurity incident response is reported to Council quarterly. There are no formal measures in the *Local Government Performance Reporting Framework (LGPRF)* or the shire wide *Community Satisfaction Survey*.



Description

What we do

Information Management supports and promotes good record-keeping, enhancing staff literacy, ensuring adherence to privacy principles, and achieving on legislative compliance, including aligning with the standards of the Public Records Office of Victoria (PROV) and the *Privacy and Data Protection Act 2014*.

How we do it

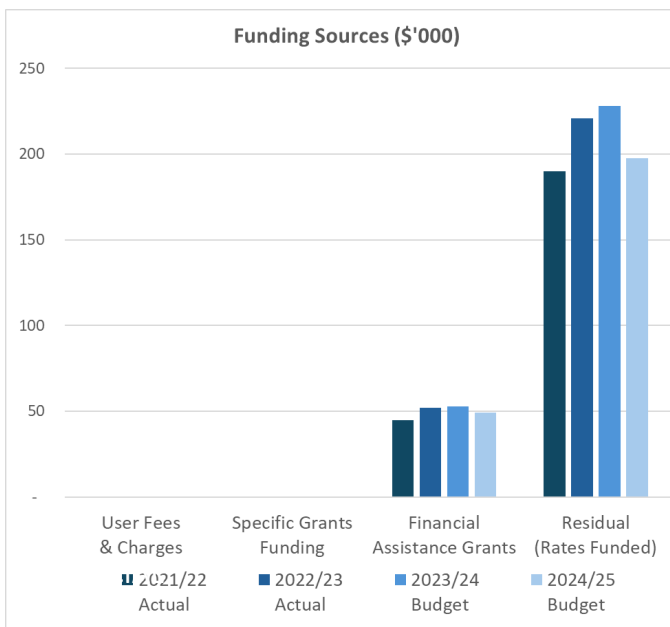
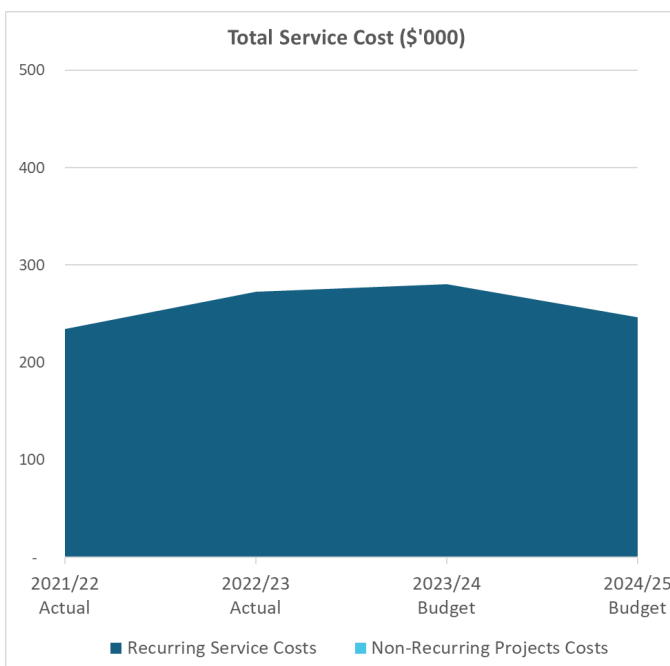
The Information Management business unit registers 80,000 to 100,000 documents in the records management system each year. Training on information management is delivered for all Council staff. The service includes the review and maintenance of the Information Management Policy, Digitisation Plan, and Records Destruction Policy. It supports the implementation of the ICT Strategy and the Protective Data Security Plan to improve compliance with record-keeping and privacy principles. The service handles the registration and assignment of all incoming hard copy documents via mail and over the counter, as well as correspondence to the central Council inbox and forms submitted via the website. Information Management manages archiving and supports process improvements across the organisation, promoting the move to paperless working.

Who benefits from our Service

- Hepburn Shire residents and visitors.
- Councillors and all Council departments.

Legislation, Policies & Frameworks

- Information and Records Management is a legislated service to ensure Council complies with the *Local Government Act 2020*.
- Public Records Office of Victoria (PROV) standards.
- Hepburn Shire Council *Information, Communication and Technology Strategy 2023*.
- Hepburn Shire Council *Protective Data Security Plan (PDSP), Information Management Policy, Digitisation Plan and Records Destruction Policy*.
- *Local Government Act 2020, Freedom of Information Act 1982, Privacy and Data Protection Act 2014*.



Operating costs at a glance

Costs **\$1.11** out of every **\$100** rates collected.

0% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	161	168
Materials & Services	118	78
Other Costs	1	1
Total Recurring Service Costs	280	247
Projects		
Operating Projects	0	0
Capital Projects	0	0
Total Non-Recurring Costs	0	0
Full-Time Equivalent Staffing	1.83	1.83

How we measure success

Data on records and correspondence is reported to Council quarterly. There are no formal measures in the *Local Government Performance Reporting Framework (LGPRF)* and the shire wide *Community Satisfaction Survey*.



Directorate: Infrastructure and Delivery **Department:** Operations

Description

What we do

Open Space, Parks and Reserves Management ensures the management and presentation of municipal public open spaces through appropriate horticultural and arboricultural standards and practices. This ensures visually appealing and suitable parks and reserves that encourage community connection, health and wellbeing of the community and visitors.

How we do it

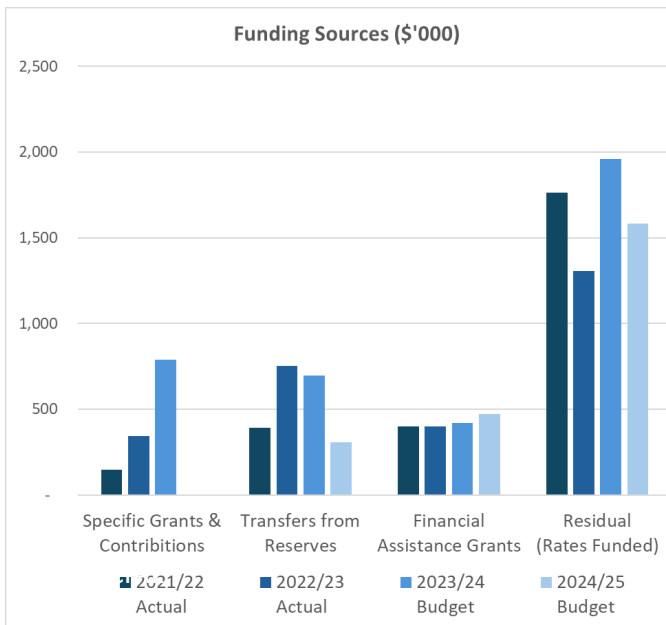
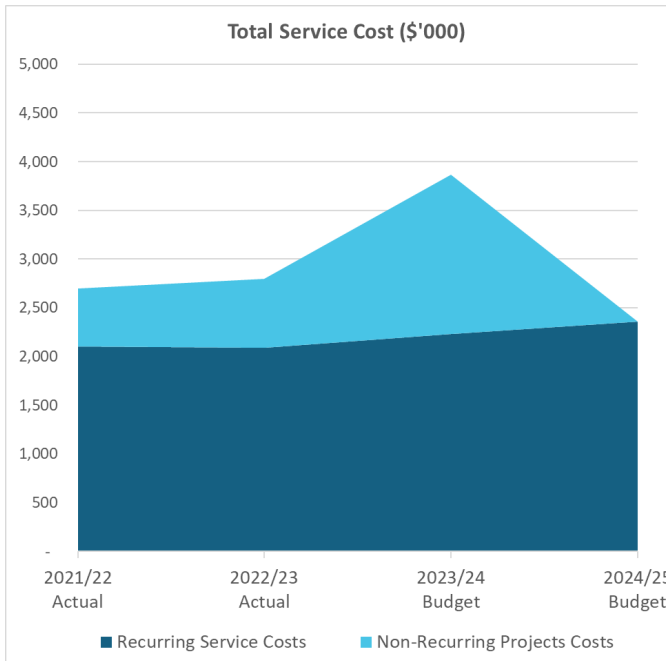
The Operations department is dedicated to maintaining clean and well-presented environments that enhance community and visitor enjoyment, amenity, and wellbeing. They provide services such as mowing, garden and tree maintenance, and upkeep of parks, gardens, and sporting fields. This includes maintaining parks, reserves, ovals, and open spaces, ensuring street trees, town entrances, urban amenities, park furniture, playgrounds, and mineral springs reserves, including pumps and BBQ facilities. They manage irrigation systems, clean drains within reserves, and maintain signage. Additionally, the department oversees roadside vegetation in urban areas, provides emergency recovery services for incidents such as floods, fires, storms, and snow damage, and disseminates information to the community and visitors. Operations aim to create and sustain attractive and functional public spaces that meet the diverse needs of the community.

Who benefits from our Service

- Hepburn Shire residents and visitors.
- Councillors and all Council departments.
- Victorian Government Departments related to land management.

Legislation, Policies & Frameworks

- Council is legislated to manage tree risk on public land.
- Hepburn Shire Council, *Tree Management Plan 2021/22*.
- Hepburn Shire Council, *Sustainable Hepburn*.



Operating costs at a glance

Costs **\$10.60** out of every **\$100** rates collected.

0% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	1,137	1,378
Materials & Services	949	833
Utilities & Other Costs	148	150
Total Recurring Service Costs	2,234	2,360
Projects		
Operating Projects	80	0
Capital Projects	1,550	0
Total Non-Recurring Costs	1,630	0
Full-Time Equivalent Staffing	13.30	15.80

* The budget includes Trees and Gardens (\$1,108,000), Green Spaces and Sports Ovals (\$766,000), Bushland Trails (\$268,000) and Outdoor Recreation Facilities (\$219,000).

The Total Service Cost graph includes current and past major projects such as Wombat Hill Botanical Gardens (\$1.1M), Central Springs Reserve Renewal (\$683K), Chatfield Reserve (\$340K), and Tree Risk Mitigation works (\$240K).

How we measure success

The shire wide *Community Satisfaction Survey* indicates community sentiment on weed control in reserves and the importance and performance. The annual *Local Government Performance Reporting Framework* data published by the Victorian Government records satisfaction with public open space, annual project completion results – metrics can vary, parks & open space related capital projects has regularly high results (80% - 90% generally) and compliance with the Tree Management Plan (100%).



Directorate: People and Transformation **Department:** People and Culture

Description

What we do

People, Culture and Performance manage risk for Council by ensuring compliance with policies, legislation, and our Enterprise Agreement. The service maintains adequate staffing levels to meet operational needs. Prioritising culture and a focus on fostering a positive employee environment to sustain staffing requirements, enhance employee retention, and maximise engagement among our workforce is critical.

How we do it

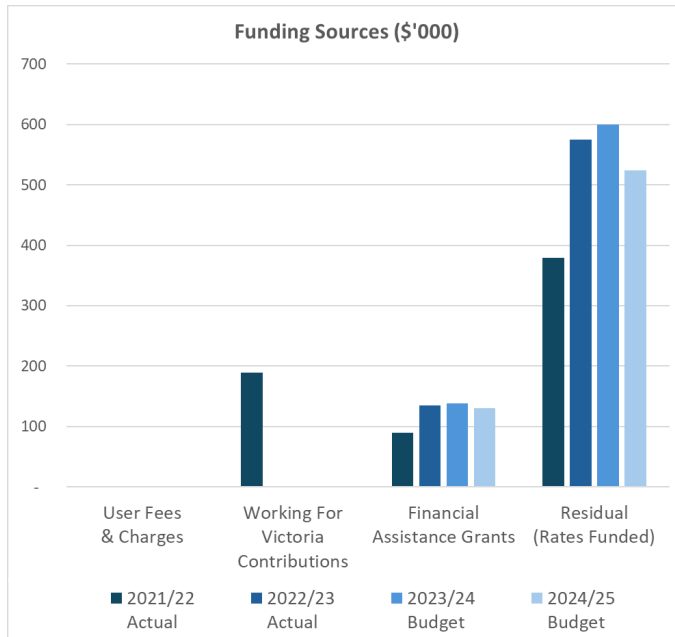
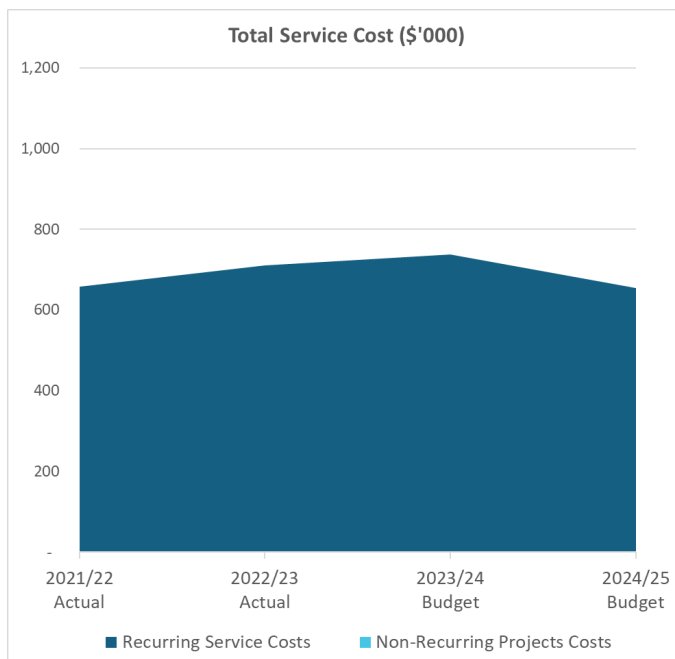
The People and Culture department provides human resources functions for the Council, including recruitment, training, development, employee relations, payroll and industrial relations. The department recruits and onboards new staff members, supports training and development opportunities, and provides professional advice on Enterprise Agreement and legislative interpretation, as well as industrial relations matters to the Executive. Additionally, it administers workers' compensation claims in collaboration with Work, Health, and Safety (WHS). The department also focuses on improving staff benefits, culture, and engagement, and manages the organisations annual plans for staff training and career progression.

Who benefits from our Service

- All Council staff and departments
- Councillors
- Hepburn Shire residents and visitors.

Legislation, Policies & Frameworks

- People, Culture and Performance is a discretionary service.
- Hepburn Shire Council *Gender Equity Action Plan, HR Strategy and Workforce Plan.*
- *Occupational Health and Safety Act 2004 (OHS Act).*
- *Fair Work Act 2009.*
- *Equal Opportunity Act 2010.*
- *Workplace Gender Equality Act 2012.*
- *Information Privacy Act 2010.*
- *Occupational Health and Safety Act 2004 and related regulations.*



Operating costs at a glance

Costs **\$2.94** out of every **\$100** rates collected.

0% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	519	471
Materials & Services	218	183
Utilities & Other Costs	1	1
Total Recurring Service Costs	738	655
Projects		
Operating Projects	0	0
Capital Projects	0	0
Total Non-Recurring Costs	0	0
Full-Time Equivalent Staffing	5.10	4.35

How we measure success

People and Culture are required to report data on Gender Equality to the Victorian Government annually. A staff engagement survey called 'Pulse' is released twice per year and determines culture and health of the organisation. Regular reports are provided to ARC and Council on the culture and workforce. There are no formal measures in the *Local Government Performance Reporting Framework (LGPRF)* and the shire wide *Community Satisfaction Survey*.



Directorate: Development Department: Planning and Building

Description

What we do

Planning, Permits and Compliance plays a crucial role in supporting the assessment and determination of land use and development applications to ensure they align with the Hepburn Shire Planning Scheme. This includes adherence to the local policy framework, which sets out specific guidelines and requirements for development within the region.

How we do it

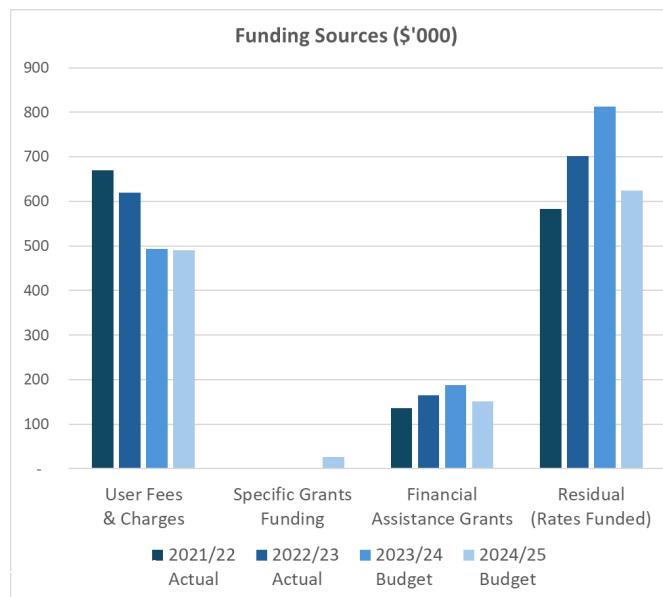
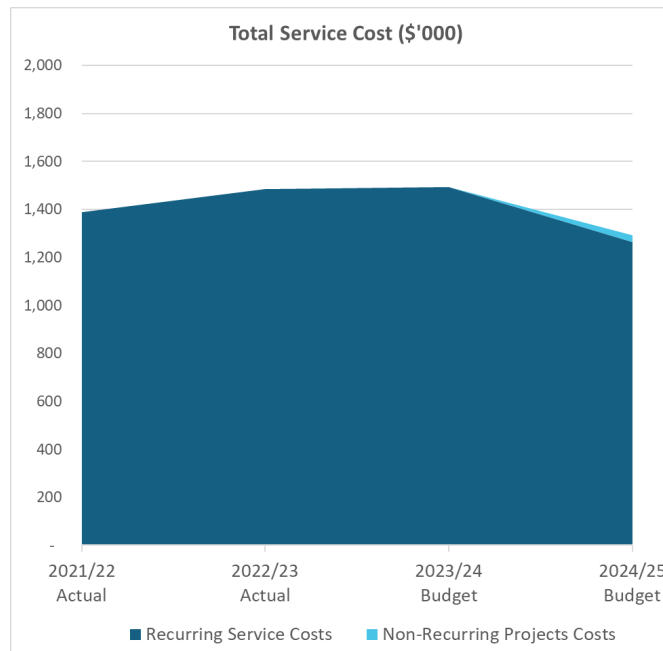
The Planning and Building Department operates within Victoria’s planning framework as set out by the Planning and Environment Act 1987. They are responsible for assessing and determining planning permit applications and associated functions within the Shire. By thoroughly evaluating each application, the Planning and Building Department ensures that new developments contribute positively to the community, preserving the character and integrity of the area. Additionally, the department provides guidance and assistance to applicants throughout the planning process, helping them understand and meet the necessary criteria. This comprehensive approach ensures that all land use and development decisions support sustainable growth and reflect the community's vision and goals.

Who benefits from our Service

- Landowners.
- Developers.
- Planning Consultants.
- Real Estate Agents.
- Building Designers/Architects.
- State Government.
- All Council departments.

Legislation, Policies & Frameworks

- Council is required by legislation to be the planning authority under the *Planning & Environment Act 1987*.
- Planning Compliance component of the service is a discretionary service. Council has no legislative requirement to deliver this service.
- Hepburn Shire Council, *Planning Scheme, A Home in Hepburn Shire: Strategy and Action Plan 2023, Rural Strategy and Township Structure Plans*.
- Hepburn Shire Council, *Affordable Housing Policy 2021*.
- Victorian Government, *Statewide Housing Targets 2024*.
- Victorian Government, *Victoria’s Housing Statement: The decade ahead 2024-2034*.



Operating costs at a glance

Costs **\$3.48** out of every **\$100** rates collected.

39% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	1,111	1,048
Materials & Services	382	217
Utilities & Other Costs	0	0
Total Recurring Service Costs	1,493	1,265
Projects		
Operating Projects	0	26
Capital Projects	0	0
Total Non-Recurring Costs	0	26
Full-Time Equivalent Staffing	10.80	9.80

How we measure success

The *Local Government Performance Reporting Framework* (LGPRF) records the time taken to decide planning applications, number of planning applications decided within required timeframes, cost of statutory planning service and Council planning decisions upheld at VCAT. The formal measures in the shire wide *Community Satisfaction Survey* include the importance to community of planning and building permits and their performance.



Description

What we do

Procurement ensures Council adheres to legislative, governance, and statutory reporting requirements related to procurement, providing Councillors and Executive with information and advice for sound business decisions. The Procurement service ensures compliance with the Procurement Policy when entering contracts for goods, services, or works, and reviews the policy in accordance with the Local Government Act. Procurement supports Council’s corporate strategies, aims, and objectives, achieves demonstrable value for money, and contributes to the continuous improvement of processes and systems. The service spans the entire acquisition lifecycle, taking sustainability considerations into account, and ensures that Council’s contracting, purchasing, and contract management activities are conducted impartially, fairly, and ethically.

How we do it

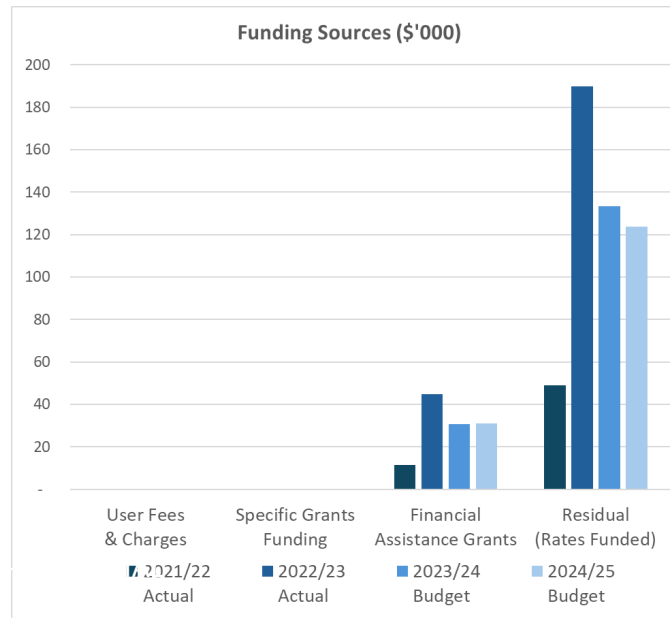
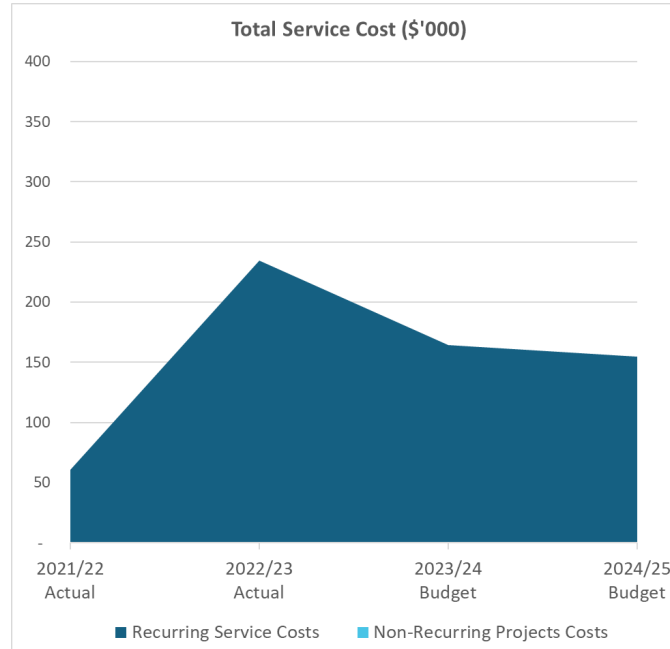
The Procurement business unit promotes collaborative procurement, provides advice and probity oversight to tender evaluation panels, assists with the completion of tender scopes and documentation, offers training to council staff, and oversees contract management. Corporate reporting is completed and advice provided to the CEO and Executive Leadership team.

Who benefits from our Service

- Hepburn Shire residents.
- All Council departments.
- Councillors.
- State and Federal Governments.
- Hepburn Shire Council Audit and Risk Committee.
- Suppliers.
- Financial institutions.

Legislation, Policies & Frameworks

- Procurement is a legislated service for Council to comply with the *Local Government Act 2020*.
- Hepburn Shire Council *Procurement Policy 2023*.



Operating costs at a glance

Costs **\$0.69** out of every **\$100** rates collected.

0% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	156	147
Materials & Services	8	8
Utilities & Other Costs	0	0
Total Recurring Service Costs	164	154
Projects		
Operating Projects	0	0
Capital Projects	0	0
Total Non-Recurring Costs	0	0
Full-Time Equivalent Staffing	1.30	1.30

How we measure success

Procurement is subject to regular internal audit and review. Quarterly council financial management reports and monthly management and cost reports are presented to Council and the Executive. There are currently no formal measures in the *Local Government Performance Reporting Framework* (LGPRF). The shire wide *Community Satisfaction Survey* indicates community sentiment on value for money for services and infrastructure.



Directorate: Infrastructure and Delivery **Department:** Facilities and Circular Economy

Description

What we do

Property and Leasing supports Council to ensure it is meeting its legislative requirements regarding land and property by managing Council’s records and contractual agreements related to property ownership, control, acquisitions, disposals, leases, and licenses. This service aims to maximise benefit in the management of Council-owned and managed assets and optimise occupancy and utilisation to enhance public value and deliver services that support a vibrant community.

How we do it

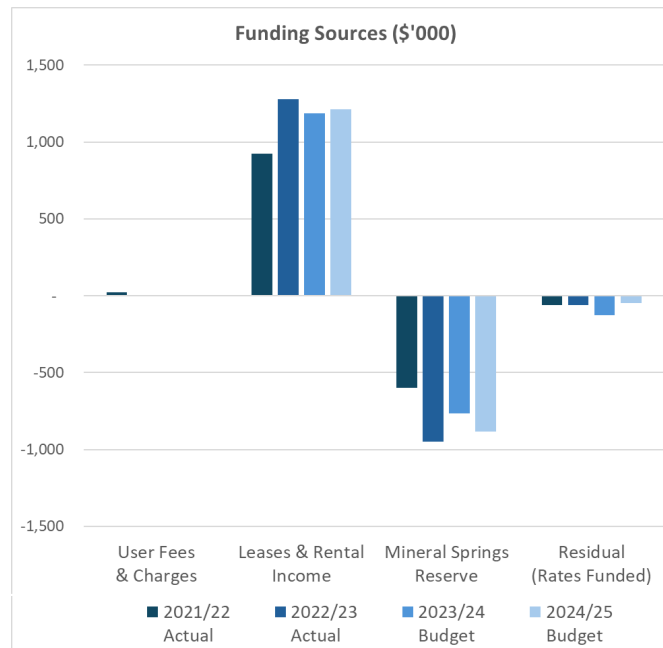
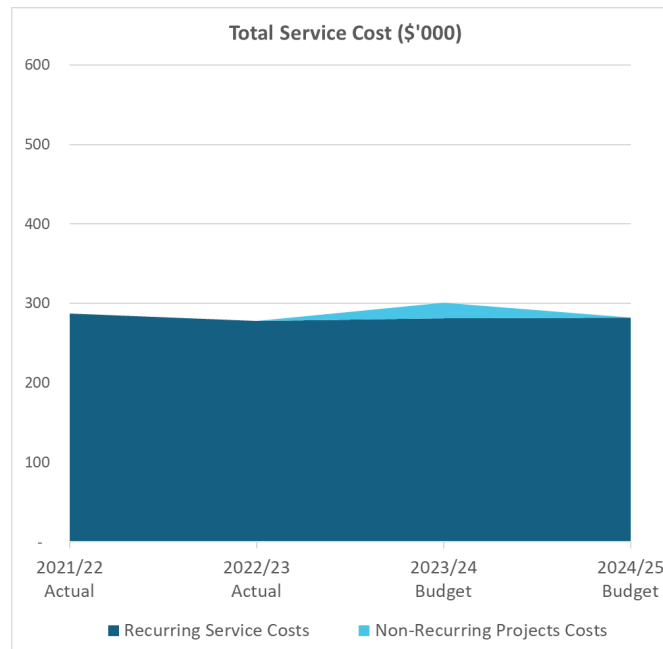
Property and Leasing is responsible for managing Council-owned and administered property. This includes handling occupancy agreements such as leases and licenses, overseeing Council’s role as the appointed Committee of Management of Crown Land, and recommendations regarding the acquisition or disposal of land. Additionally, the service ensures that all property transactions comply with relevant policies and legislative requirements. The department maintains documentation related to Council policies, protocols, and procedures to ensure consistency in applying appropriate standards and practices, which covers property management guidelines, contract documentation, lease and license agreements, contract management procedures, and standards and conditions for Council property leases and licenses, as well as property sale and acquisition.

Who benefits from our Service

- Hepburn Shire residents and visitors.
- DECCA – Victorian Government.

Legislation, Policies & Frameworks

- The power for Council to manage property is granted under the Local Government Act 2020 (LGA20). Additionally, the Council may be appointed as a Committee of Management of Crown land under the Crown Land (Reserves) Act 1978 (CLRA), with related property dealings governed by the CLRA. The LGA20 also empowers Council to appoint Community Asset Committees to manage community assets within the municipal district.
- Hepburn Shire Council, *Asset Plan, Heritage Strategy 2020-2030* and Instruments of Delegation for Community Asset Committees.
- *Heritage Act 2017.*
- *Building Act 1993*, regulations and all Council policies.



Operating costs at a glance

Costs \$0 out of every \$100 rates collected.

100% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	105	126
Materials & Services	125	109
Utilities & Other Costs	51	48
Total Recurring Service Costs	281	282
Projects		
Operating Projects	20	0
Capital Projects	0	0
Total Non-Recurring Costs	20	0
Full-Time Equivalent Staffing	1.10	1.10

Income streams identified in Funding Sources graph include revenue from the Mineral Springs bathhouse rental which is used to fund capital works and maintenance of the Mineral Springs.

How we measure success

Council receives reports on property ownership, acquisition, disposal, transfer, and lease agreements. The current data includes:

- Current Leases = 30
- Current Licences = 32
- Council as tenant or licensee = 11
- Community Asset Committees (CAC) = 6
- Crown Land where Council is Committee of Management = 55 (at least 21 sites contain leases and/or licences plus 1 CAC)
- Council-owned land = 70 (including 5 CACs and 13 leases)

There are no formal measures in the *Local Government Performance Reporting Framework (LGPRF)* and the shire wide *Community Satisfaction Survey*.



Directorate: Infrastructure and Delivery **Department:** Facilities and Circular Economy

Description

What we do

Property Maintenance builds and maintains quality infrastructure that supports and promotes liveability and active living in the community, as well as managing and supporting heritage buildings in accordance with the adopted Hepburn Heritage Strategy 2020-2039. Building maintenance ensures that the 130 buildings under Council's management, including preschools, sports pavilions, public toilets, and heritage buildings, are well-maintained and operational for community use. We endeavour to maintain council-owned buildings and associated assets to acceptable standards, ensuring they are fit for their intended purpose and compliant with regulations and standards.

How we do it

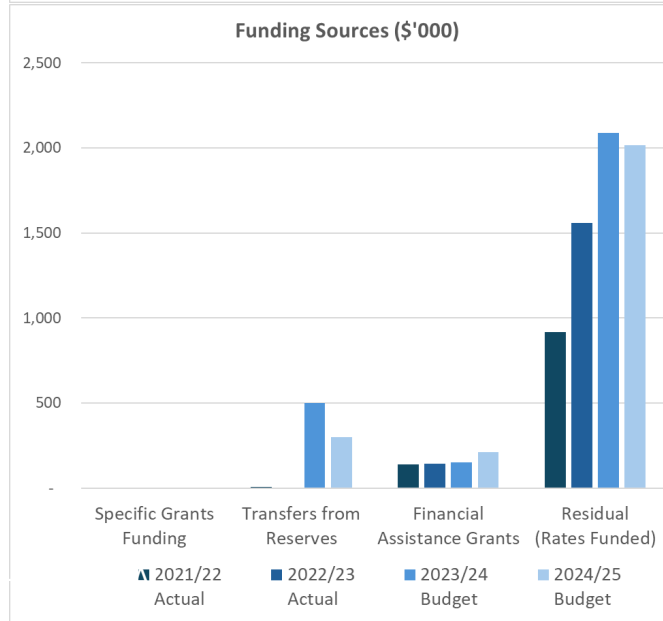
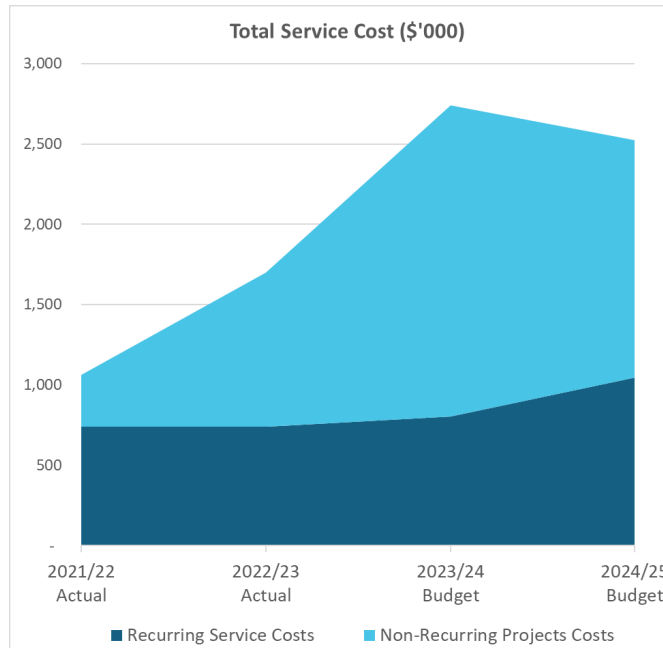
Property Maintenance support a wide range of community services, including preschools, sports pavilions, public toilets, and heritage buildings such as the recently renewed Creswick Town Hall. Services provided include building maintenance, cleaning staff amenities and public conveniences, building renewal of council-owned and managed properties, and capital works delivery. Maintenance work resulting from misuse, accidents, or vandalism is completed. Council building maintenance includes regular inspections, repairs, and upkeep, ensuring that essential safety measures like fire safety systems, emergency exits, and smoke alarms comply with standards. Regular cleaning maintains cleanliness and hygiene, while the capital renewal program plans and implements building maintenance and upgrades, including renovations and equipment updates.

Who benefits from our Service

- All Council departments and employees.
- Hepburn Shire residents and visitors.

Legislation, Policies & Frameworks

- Property Maintenance is a discretionary service.
- Hepburn Shire Council, *Asset Plan*.
- Hepburn Shire Council, *Arts and Culture Strategy 2024*.
- Hepburn Shire Council, *Heritage Strategy 2020-2030*.
- *Heritage Act 2017*.
- *Building Act 1993* and regulations.



Operating costs at a glance

Costs **\$4.70** out of every **\$100** rates collected.

0% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	677	680
Materials & Services	99	121
Utilities & Other Costs	26	246
Total Recurring Service Costs	802	1,047
Projects		
Operating Projects	0	0
Capital Projects	1,937	1,478
Total Non-Recurring Costs	1,937	1,478*
Full-Time Equivalent Staffing	7.46	7.46

*Within the 24/25 adopted budget there is an allocation for Daylesford Town Hall Stage 1 (\$2.03M).

How we measure success

There are no formal measures in the *Local Government Performance Reporting Framework* (LGPRF). The shire wide *Community Satisfaction Survey* indicates community sentiment on value for money for services, infrastructure and the importance of the appearance of public areas. We measure success through compliance with policies and legislative requirements.



Directorate: Development **Department:** Health and Community Safety

Description

What we do

The objective of the Environmental Health Service is to reduce hazards that may affect the health of our community through a comprehensive approach that includes routine monitoring, education, regulation, and enforcement.

How we do it

The Environmental Health Team provides health protection services to the community, focusing on the assessment, correction, control, and prevention of environmental elements that can potentially adversely affect human health.

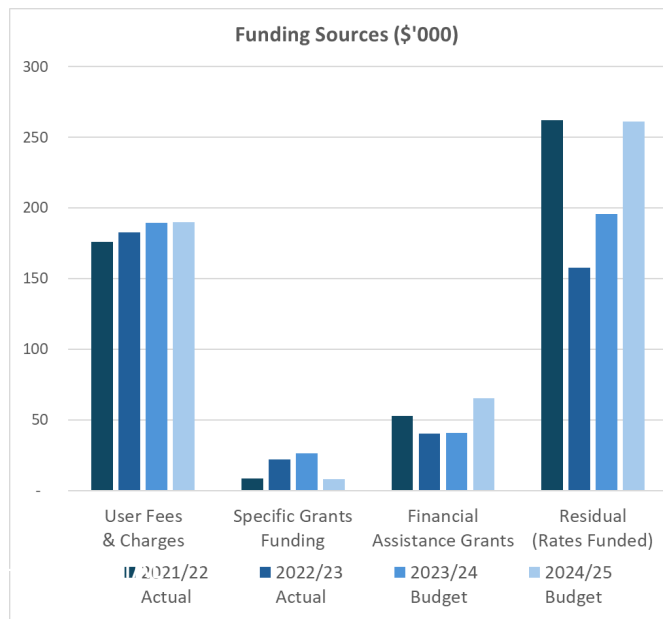
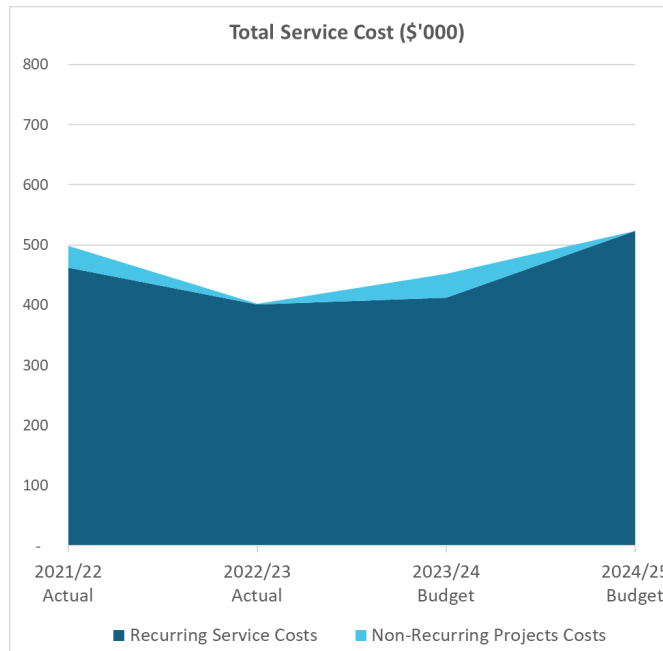
This specifically includes services related to food safety, water quality, infectious disease control, immunisation, pest and vector control, and waste management, including domestic wastewater management in unsewered areas and the management of infectious and hazardous waste. The team also handles tobacco control and education, environmental pollution investigation and control (including noise emissions, air quality, and odour emissions), and public health emergency response and incident management.

Who benefits from our Service

- Hepburn Shire residents and visitors.
- Local businesses and economy.

Legislation, Policies & Frameworks

- Environmental Health is legislated under Local Government Act 1989 and subsequent Local Government Amendment (Rating and Other Matters) Act 2022.
- Emergency Management Act 2013
- Environmental Protection Act 2017 / Environmental Protection Regulations 2021
- Food Act 1984 / Food Standards Code
- Infringements Act 2006 / Infringements Regulations 2016
- Public Health and Wellbeing Act 2008 / Public Health and Wellbeing Regulations 2019
- Residential Tenancies Act 1997 / Residential Tenancies (Caravan Parks and Moveable Dwellings Registration and Standards) Regulations 2020
- Tobacco Act 1987



Operating costs at a glance

Costs **\$1.46** out of every **\$100** rates collected.

38% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	365	498
Materials & Services	47	25
Utilities & Other Costs	0	1
Total Recurring Service Costs	412	524
Projects		
Operating Projects	40	0
Capital Projects	0	0
Total Non-Recurring Costs	40	0
Full-Time Equivalent Staffing	3.50	4.50

How we measure success

Data on Food Safety, Infectious Disease Control, Immunisation, Onsite Wastewater Management, Tobacco Education and Control, and Environmental Pollution Investigations are recorded and reported to Council regularly.

The *Local Government Performance Reporting Framework* (LGPRF) data records the time taken to action food complaints, the number of food safety assessments and the cost of the food safety service. The shire wide *Community Satisfaction Survey* indicates community sentiment on value for money for services and infrastructure.



Directorate: Development **Department:** Health and Community Safety

Description

What we do

Public Safety enhances community safety by reducing hazards through a comprehensive approach that includes routine monitoring, education, regulation, and enforcement.

How we do it

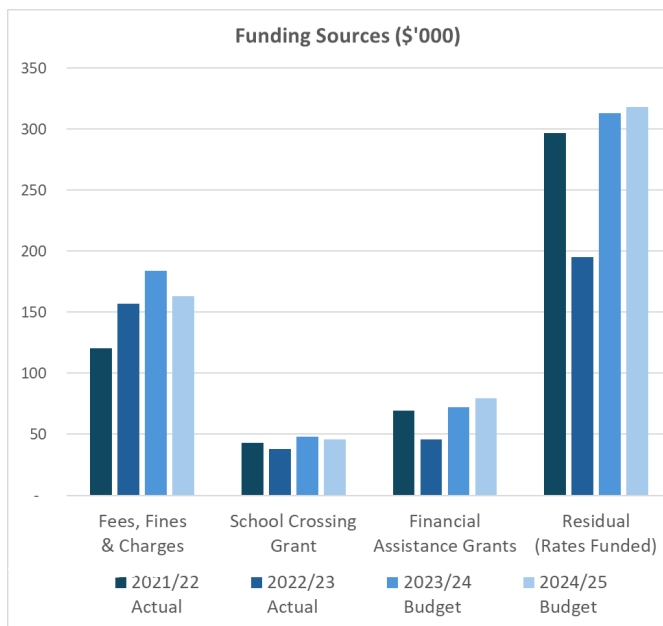
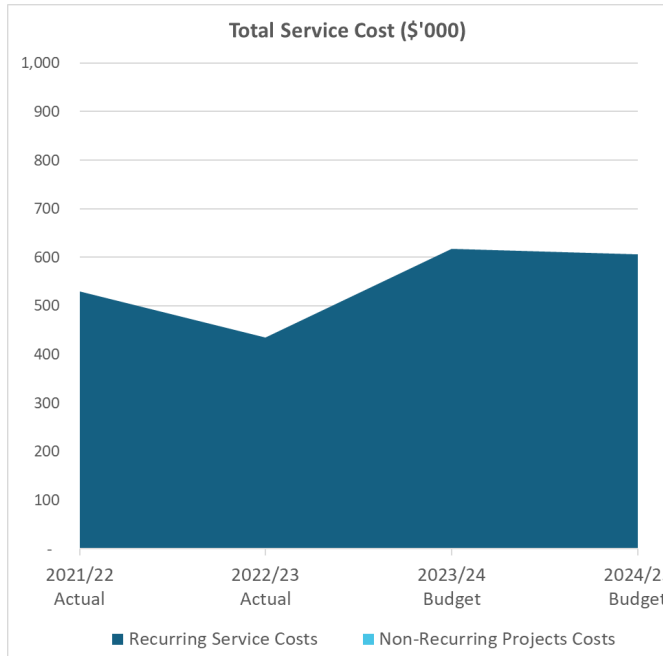
The Community Safety Team is responsible for implementing various programs to protect the safety of our community. These programs specifically include animal management, traffic management related to parking, enforcement of local laws, and the school crossing supervisor program. Additionally, the health and community safety department collaborates closely with the Ballarat Animal Shelter, as there is no 24-hour animal shelter within the shire.

Who benefits from our Service

- Hepburn Shire residents and visitors.
- Local businesses and economy.
- Local VETS

Legislation, Policies & Frameworks

- Public Safety is a discretionary service.
- *Emergency Management Act 2013.*
- *Environmental Protection Act 2017 and Environmental Protection Regulations 2021.*
- *Infringements Act 2006 and Infringements Regulations 2016.*
- *Domestic Animals Act 1994 and Domestic Animals Regulations 2015.*
- *Graffiti Prevention Act 2007.*
- *Hepburn Shire Council General Local Law No. 2 and No. 3 of 2019 – Community Amenity and Municipal Places.*
- *Impounding of Livestock Act 1994*
- *Road Management Act 2004*
- *Road Safety Act 1986 and Road Safety Road Rules 2017.*
- *Summary Offences Act 1966.*



Operating costs at a glance

Costs **\$1.78** out of every **\$100** rates collected.

35% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	483	489
Materials & Services	133	117
Utilities & Other Costs	0	0
Total Recurring Service Costs	617	607
Projects		
Operating Projects	0	0
Capital Projects	0	0
Total Non-Recurring Costs	0	0
Full-Time Equivalent Staffing	5.22	5.11

How we measure success

Data on animal management, animal registrations, the impounding of animals, livestock on roads, dog attacks and dangerous, menacing dog declarations, domestic, local law permits issues, number of infringements issued, school crossings and customer requests are recorded and reported to Council regularly.

The *Local Government Performance Reporting Framework (LGPRF)* data records the time taken to action animal management requests, number of animals reclaimed, number of animals rehomed, cost of animal management service per population, and animal management prosecutions.

The *Community Satisfaction Survey* indicates the enforcement of local laws importance and performance.



Directorate: Community and Corporate **Department:** Financial Services | **Business Unit:** Rates

Description

What we do

Rates and Property Billing manage the issue of rates notices within statutory requirements, produce land information certificates, and maintain the integrity of the property and customer database, particularly for rate revenue purposes. The service handles the issuance of supplementary rate notices and the processing of rateable Council rating valuations, and supports community enquires on rates and billing. Financial Services is responsible for notifying ratepayers of their rates and charges for local government services.

How we do it

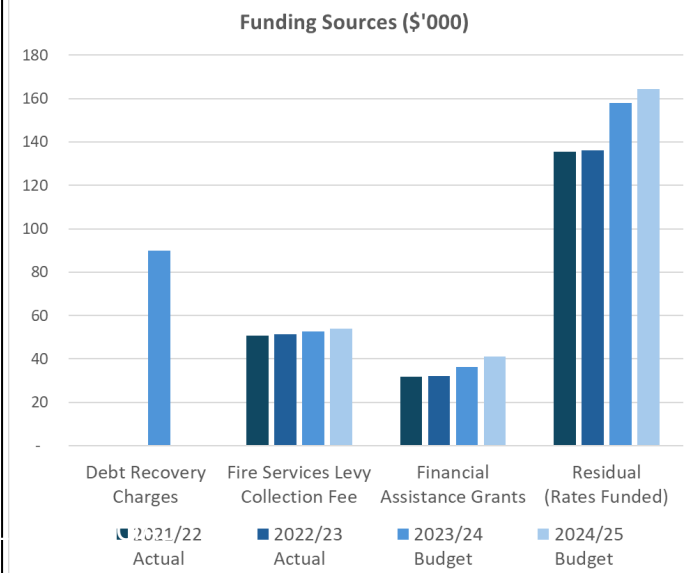
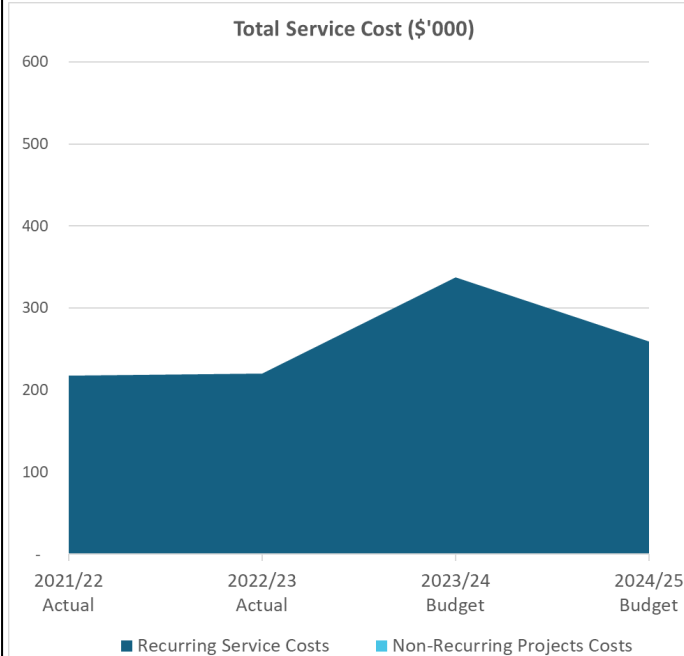
The Rates business unit handles the printing and mailing of annual rates notices, supplementary notices, and levy assessments for special rates schemes. It performs annual rates modelling, calculates rating differentials, and manages the collection of the fire services property levy (FSPL) on behalf of the State Revenue Office (SRO). The service issues land information certificates, administers property and rating record concessions, oversees Council's debt collection, and processes Notices of Acquisition/Disposal. It maintains the property and customer database, conducts property revaluations, handles rating objections, and manages correspondence and complaints related to rating services.

Who benefits from our Service

- Ratepayers
- State Revenue Office
- Valuer General Victoria
- Victorian Electoral Commission
- Essential Services Commission
- Grants Commission
- All Council departments
- Councillors

Legislation, Policies & Frameworks

- Rates is legislated under Local Government Act 1989 and subsequent Local Government Amendment (Rating and Other Matters) Act 2022. Rates and Property Billing is a legislated service for Council to comply with the *Local Government Act 2020*.
- Victorian Government Essential Services Commission Rate Cap and reforms.



Operating costs at a glance

Costs **\$0.92** out of every **\$100** rates collected.

21% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	164	175
Materials & Services	136	46
Utilities & Other Costs	37	38
Total Recurring Service Costs	337	259
Projects		
Operating Projects	0	0
Capital Projects	0	0
Total Non-Recurring Costs	0	0
Full-Time Equivalent Staffing	1.92	1.92

How we measure success

The annual *Local Government Performance Reporting Framework* data published by the Victorian Government records the average rate expenditure per property and average rate per property assessment, rates compared to adjusted underlying revenue and rates compared to property values. The shire wide *Community Satisfaction Survey* indicates community sentiment on value for money, and the rates/services. The 2024 indicate there continues to be a preference for service cuts to maintain current rate levels (52%, up six percentage points) over rate rises to improve services (26%, down two percentage points).



Description

What we do

Recreation and Leisure supports community participation in physical activity by providing community sport and active spaces. The services aims to enhance the health, wellbeing, and safety of residents and visitors to sporting facilities through project management and delivery, advocacy and seeking funding.

How we do it

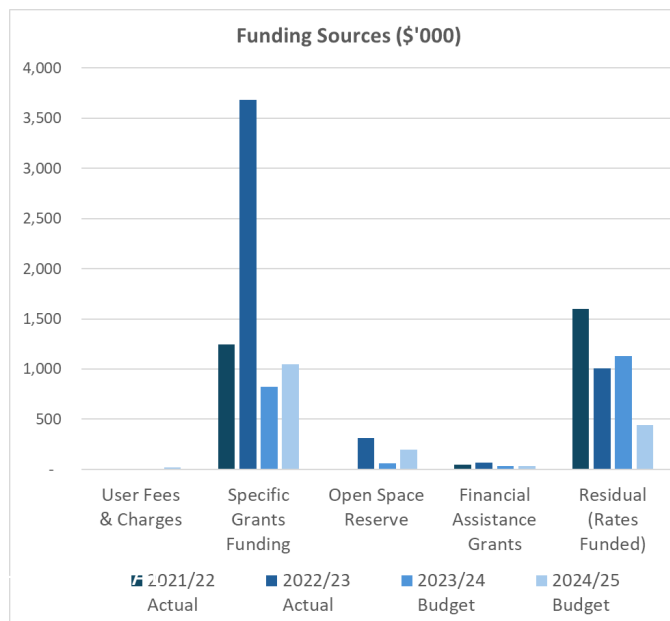
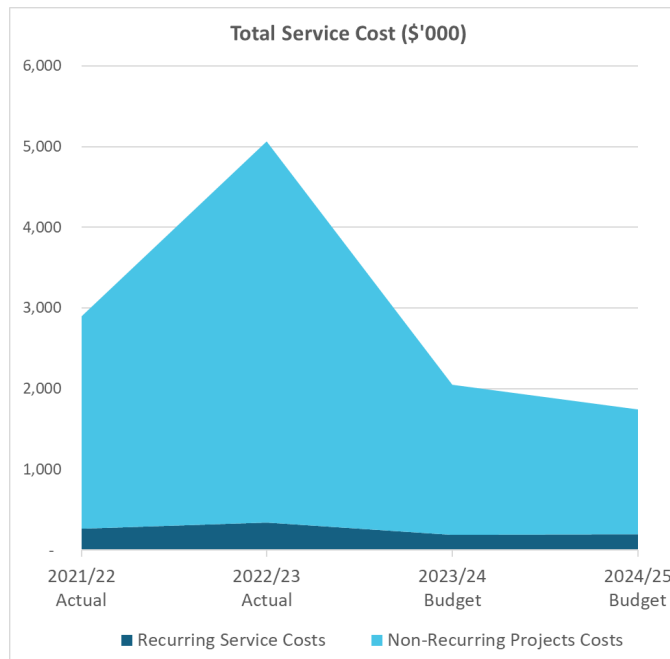
The Sport and Active Recreation business unit fosters relationships with local sport and recreation organisations to activate community spaces and promote diverse participation. The construction of sport and recreation spaces is completed through masterplanning and project management. Advocacy for funding with key partners and various sporting bodies is a focus. The key facilities within the shire include numerous recreational sites like Clunes Recreation Reserve, Clunes Public Tennis Courts, Collins Place Clunes Bocce Court, Doug Lindsay Recreation Reserve, Smeaton Bowls Club, Hammond Park Trail Head, Creswick Trails, Creswick Community Park, Mt Prospect Tennis Facility, Victoria Park Daylesford, Daylesford Speedway, Glenlyon Recreation Reserve, Allendale Motorbike Reserve, Hepburn Recreation Reserve, Trentham Recreation Reserve, Drummond Public Access Tennis Courts, Newlyn Recreation Reserve, Trentham Sportsground Reserve, 33 play spaces, three skate facilities, and various walking and cycling trails and shared pathways throughout the Shire.

Who benefits from our Service

- Hepburn Shire residents and visitors.
- Local businesses and economy.
- Local Community Sports and Active Recreation Organisations.
- Primary and Secondary schools.
- Community Groups and Organisations.
- Community Event Participants.
- Aquatic and Recreation Sector and Industry including Recreation Victoria.

Legislation, Policies & Frameworks

- Recreation and Leisure is a discretionary service.
- Hepburn Shire Council *Fair Access Policy 2024, Active Women & Girls Strategy* and various Sport Facility and Reserves Masterplans.



Operating costs at a glance

Costs **\$0.82** out of every **\$100** rates collected.

10% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	140	148
Grants & Contributions	30	31
Materials & Services	20	21
Utilities & Other Costs	2	2
Total Recurring Service Costs	192	202
Projects		
Operating Projects	0	0
Capital Projects	1,859	1,542
Total Non-Recurring Costs	1,859	1,542
Full-Time Equivalent Staffing	4.00	4.00

The peak identified in the Total Service Cost graph is in part due to Hammond Park Trail Head – recreation and leisure (\$2.67M), Trentham Sports Ground Pavilion (\$2.8M), 22/23 – 23/24 Creswick Bowls Club (\$1.1M) and 23/24 – Newlyn Sports Ground Lighting (\$23K). The 24/25 adopted budget includes allocations to Doug Lindsay Irrigation (\$350K) and Victoria Park Sports Lighting (\$740K).

How we measure success

There are no formal measures in the *Local Government Performance Reporting Framework (LGPRF)*. The shire wide *Community Satisfaction Survey* indicates community sentiment on value for money for services, infrastructure and data on the importance of recreational facilities.



Directorate: Development **Department:** Strategic Planning

Description

What we do

Rural and Township Planning supports the development of the Future Hepburn suite of strategic planning projects. Future Hepburn impacts every resident, business, and visitor of Hepburn Shire, from young to old. Serving as a blueprint for land use and development across the shire over the next 30 years, Future Hepburn aims to guide the region's growth and development.

How we do it

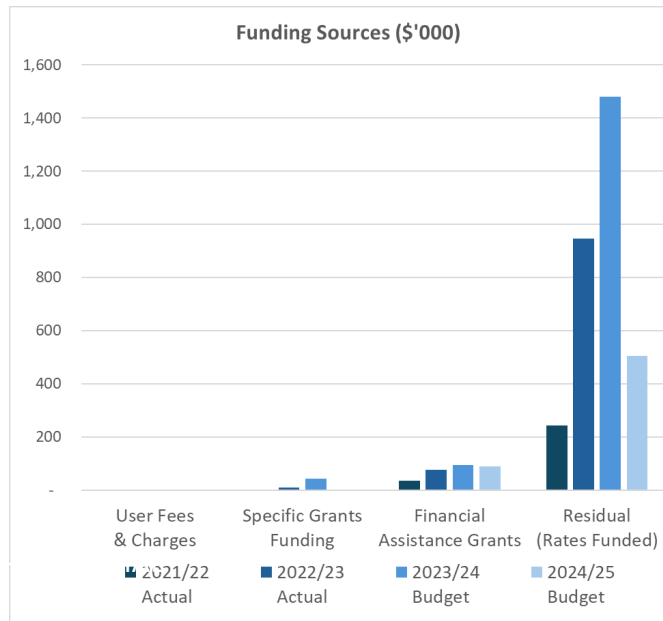
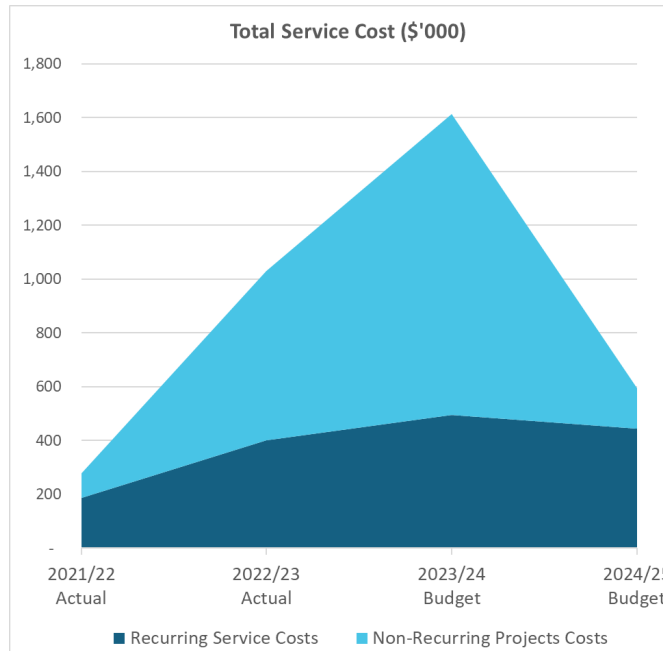
Council's Strategic Planning program, 'Future Hepburn', focuses on updating planning provisions and preparing structure plans for the Shire's main towns: Creswick, Daylesford and Hepburn Springs, Trentham, Clunes, and Glenlyon, in collaboration with the community. This program relies on technical background studies, many requiring community engagement. Key projects include a Shire-wide Integrated Transport Strategy and an Agricultural Land and Rural Settlement Strategy, forming a comprehensive long-term planning framework. The program includes structure plans for major towns, a Land Capacity and Demand Study, an Affordable Housing Strategy, an Agricultural Land and Rural Settlement Strategy, a Strategic Bushfire Risk Assessment, an Integrated Transport Strategy, Urban Design Frameworks, Biodiversity Assessments, Historic Heritage Gap Analyses, and an Aboriginal Cultural Values Assessment. These outputs will be delivered by Council's Strategic Planning Department, supported by specialist consultants, and a community engagement strategy.

Who benefits from our Service

- Hepburn Shire residents and visitors.

Legislation, Policies & Frameworks

- Council is required by legislation to be the planning authority under the *Planning & Environment Act 1987*.
- Hepburn Shire Council, *Planning Scheme, A Home in Hepburn Shire: Strategy and Action Plan 2023, Rural Strategy and Township Structure Plans, Affordable Housing Policy 2021*.
- Victorian Government, *Victoria's Housing Statement: The decade ahead 2024-2034*.



Operating costs at a glance

Costs **\$2.00** out of every **\$100** rates collected.

0% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	325	344
Materials & Services	169	100
Utilities & Other Costs	0	0
Total Recurring Service Costs	494	444
Projects		
Operating Projects*	1,120	150
Capital Projects	0	0
Total Non-Recurring Costs	1,120	150
Full-Time Equivalent Staffing	3.05	2.70

* The significant rise in operating projects is the Future Hepburn program (\$828K). Between 2021-2025, \$1.6M has been allocated to this important work that will support the land use and development across the Shire over the next 30 years.

How we measure success

Community Engagement results for the Future Hepburn project have shown unprecedented engagement for Hepburn Shire. Over 12,000 people have engaged online with the project, and over 600 people in person. Data and reports are regularly reported to Council and shared with community.

There are no formal measures in the *Local Government Performance Reporting Framework (LGPRF)* and the shire wide *Community Satisfaction Survey*. However, the engagement results from the customer satisfaction survey will be impacted by the Future Hepburn project.



Description

What we do

Senior, Disability, and Inclusion Support in Hepburn Shire promotes inclusion, respect, positive aging, and diversity by enhancing access to funded support services and infrastructure. It focuses on priority groups identified in the Municipal Public Health and Wellbeing Plan, including people with disabilities, the LGBTQIA+ community, older adults, and culturally diverse individuals. Positive Ageing targets residents over 55 years and Aboriginal or Torres Strait Islanders over 50 years, aiming to enhance wellbeing and address barriers through strategic actions. The service systematically dismantles access barriers, benefiting both residents and visitors to Hepburn.

How we do it

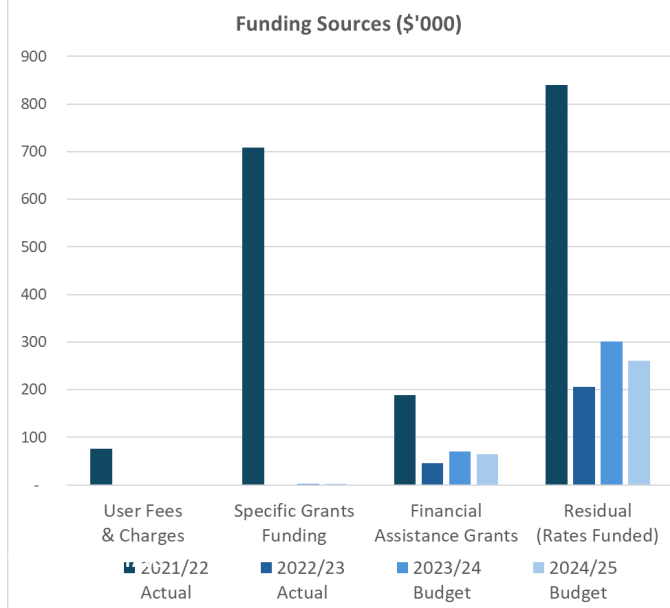
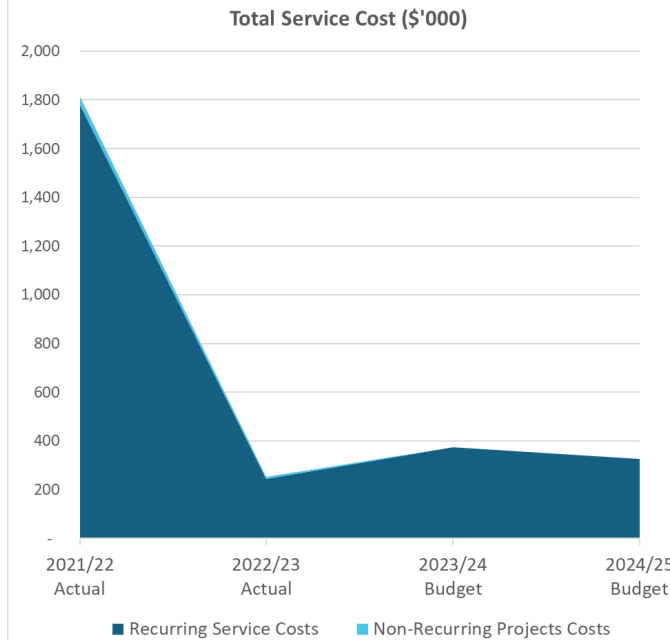
Inclusion and diversity services are essential for Council's role in advocating and ensuring equitable access to services for all residents, regardless of their circumstances, backgrounds, or abilities. The Positive Ageing program at Hepburn Shire embodies this commitment through the implementation of the 'No Barrier' Positive Ageing Strategy 2022 – 2030, which is aligned with the World Health Organisation's Age-friendly Cities Framework and the Commissioner for Senior Victorians' report 'Ageing well in a changing world'. With a median age of 52 years and a significant proportion of residents over 55 (46% compared to the state average of 28%), Hepburn Shire reflects the global trend of an increasingly ageing population.

Who benefits from our Service

- Hepburn Shire residents and visitors.
- Primary and Secondary schools.
- Community Groups and Organisations.

Legislation, Policies & Frameworks

- Senior, Disability and Inclusion Support is a discretionary service.
- Hepburn Shire Council, *The ACE Youth Development Strategy 2022-2030 (12-25 Years)*, *Arts and Culture Strategy 2024*, *Heritage Strategy 2020-2030*, *Events Strategy 2020-2025*, *Positive Aging Strategy 2020-2030* and *Reconciliation Action Plan 2024*, *'No Barrier' Positive Ageing Strategy 2022 – 2030*, *Access and Inclusion Policy*, *Flags and Displays on Council Property Policy*, *Child Safe Policy*.
- *Disability Act 2006 and Disability Discrimination Act 1992*.
- *Charter of Human Rights and Responsibilities Act 2006*.



Operating costs at a glance

Costs **\$1.46** out of every **\$100** rates collected.

1% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	308	237
Materials & Services	63	88
Utilities & Other Costs	3	3
Total Recurring Service Costs	373	328*
Projects		
Operating Projects	0	0
Capital Projects	0	0
Total Non-Recurring Costs	0	0
Full-Time Equivalent Staffing	3.15	3.15

The decline identified 21/22 Total Service Cost graph was due to 2022 being the last year of Age Care service delivery. In 2022 Council transitioned service delivery of aged care and disability services to two new providers due to the on-going aged care reforms. Council undertook a process over several years with the Commonwealth and State Government, the community, and staff to make this decision. As part of the decision to transition out of service delivery, Council made the commitment to continue to invest in positive ageing services, including the development and implementation of the Positive Ageing Strategy.

How we measure success

There are no formal measures in the *Local Government Performance Reporting Framework (LGPRF)*. The shire wide *Community Satisfaction Survey* indicates community sentiment on value for money for services and infrastructure.



Directorate: Infrastructure and Delivery **Department:** Facilities and Circular Economy

Description

What we do

Climate change and biodiversity loss pose critical challenges to human societies. Hepburn Shire Council declared a climate emergency in 2019, responding to urgent warnings from climate scientists about nearing irreversible tipping points. Sustainability, Climate Resilience and Circular Economy drives the *Sustainable Hepburn 2022-2026* strategy, coordinating diverse teams to implement sustainability, climate, and circular economy initiatives. These efforts aim to improve sustainability in council operations and collaborate with the community and regional partners. With a focus on reducing emissions, cutting waste, enhancing biodiversity, promoting ecosystem health, and strengthening community resilience to climate impacts across the Shire.

How we do it

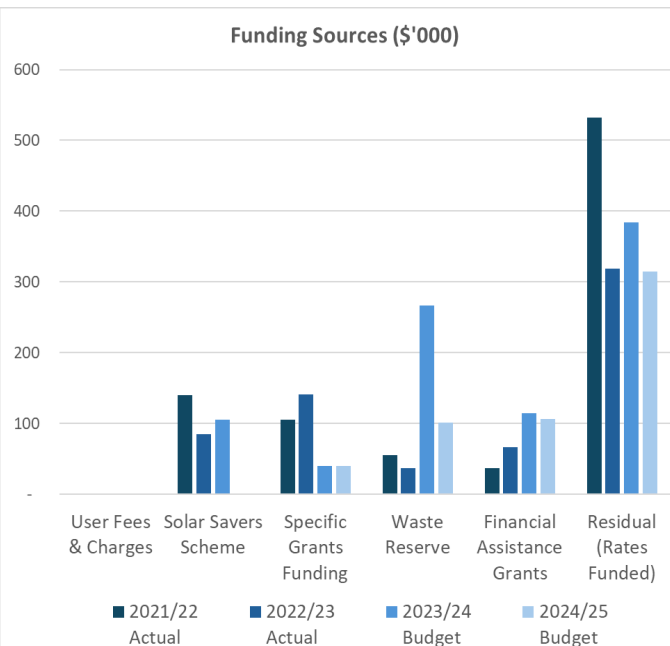
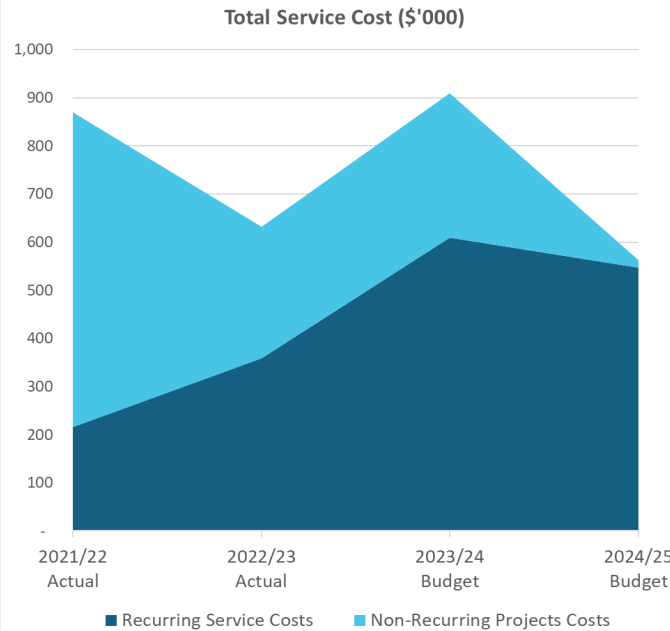
Facilities and Circular Economy department plays a crucial role in addressing climate change and implementing the climate emergency declaration. The team's primary function is to lead efforts in mitigating climate impacts while also coordinating support for other council service areas. They actively promote sustainable tourism, introduce Circular Economy initiatives, and engage the community in responding to climate change through programs like Solar Savers. Additionally, the team participates in regional initiatives such as the ZNET round table and maintains active membership in the Central Victoria Greenhouse Alliance. Advocacy for policy changes that enhance climate resilience at a broader level is a priority.

Who benefits from our Service

- Hepburn Shire residents and visitors.
- Primary and Secondary schools.
- Community Groups and Organisations.

Legislation, Policies & Frameworks

- Sustainability, Climate Resilience and Circular Economy is a discretionary service.
- Hepburn Shire Council *Sustainable Hepburn 2022-2026*.



Operating costs at a glance

Costs **\$1.89** out of every **\$100** rates collected.
0% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	335	356
Grants & Contributions	88	40
Materials & Services	171	138
Utilities & Other Costs	15	13
Total Recurring Service Costs	609	547
Projects		
Operating Projects	301	15
Capital Projects	0	0
Total Non-Recurring Costs	301	15

Full-Time Equivalent Staffing

4.19 (2023/24) / 3.19 (2024/25)
Projects identified in the Total Service Cost graph include Solar Savers program \$305K in 21/22, Biodiversity \$158K fire management and mitigation works in 21/22 -22/23, Sustainable Hepburn Strategy \$81K in 21/22, Sustainable Hepburn Implementation Project \$168K in 23/24.

How we measure success

The Sustainable Hepburn Implementation Report tracks strategy progress quarterly. Annual high-level reports on all actions are shared through Pulse. Councillor briefings update progress and provide a '6-month outlook' every six months. Annual assessments cover greenhouse gas emissions, costs, and council operations. Circular Economy/Resource Recovery monitors waste annually. Z-NET Hepburn audits whole-shire electricity emissions annually. The Sustainable Hepburn Steering Group meets three times a year, and the Project Control Group meets quarterly. Three internal working groups meet monthly. There are no formal measures in the *Local Government Performance Reporting Framework* (LGPRF). The shire wide *Community Satisfaction Survey* indicates community sentiment on the importance of environmental sustainability and performance.



Directorate: People and Transformation **Department:** Transformation and Improvement

Description

What we do

The System Application Management service focuses on facilitating and supporting the implementation of process and service enhancements, particularly through projects like the Technology One CiAnywhere Project, across Council operations. Its primary goal is to modernize outdated technology, processes, and systems to enhance work delivery and provide improved solutions.

How we do it

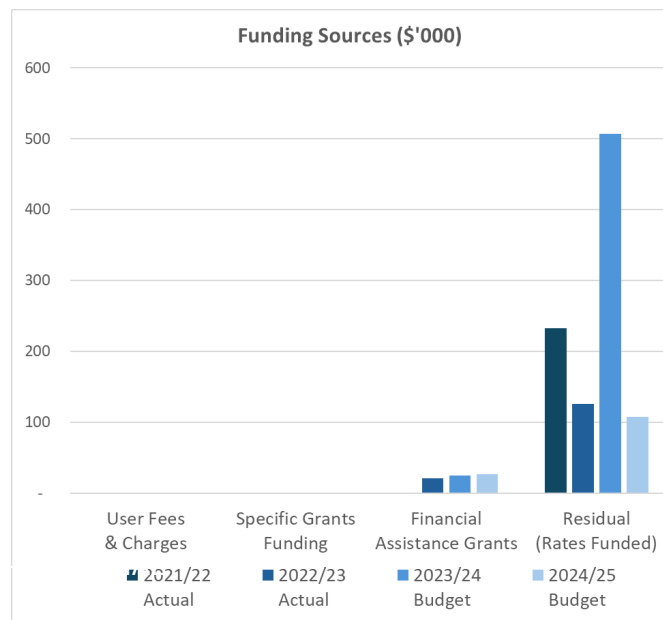
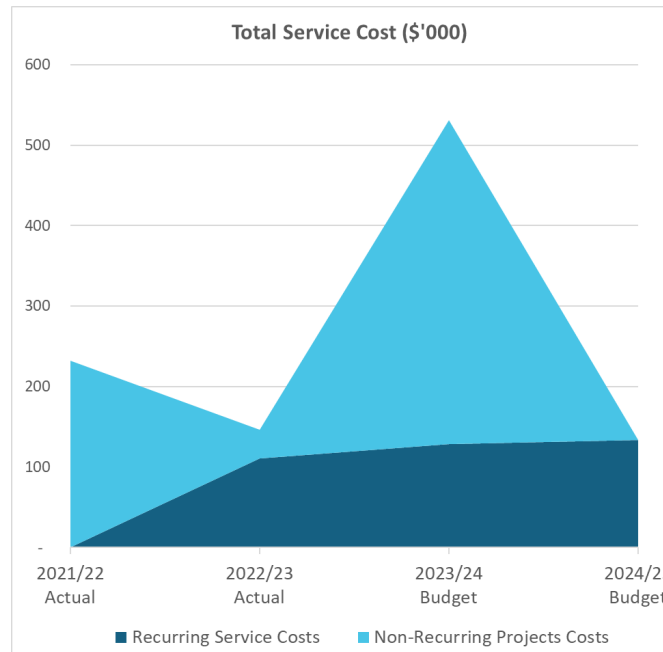
The System Applications Management service encompasses several key functions: documenting and reviewing existing business processes affected by Technology One upgrades, developing new processes to align with upgraded functionality, and driving the implementation of the Technology One CiAnywhere project within Council. It focuses on enhancing process efficiencies while managing technical debt through rigorous testing and documentation of solutions. The service also prioritises building relationships with internal and external stakeholders to ensure solutions meet requirements with minimal customisation.

Who benefits from our Service

- All Council employees and departments.

Legislation, Policies & Frameworks

- System Application Management is a discretionary service.
- Hepburn Shire Council *Information, Communication and Technology Strategy 2023*.
- Hepburn Shire Council *Protective Data Security Plan (PDSP)*.
- Local Government Act 2020, Freedom of Information Act 1982, Privacy and Data Protection Act 2014*.



Operating costs at a glance

Costs **\$0.60** out of every **\$100** rates collected.

0% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	129	134
Materials & Services	0	0
Utilities & Other Costs	0	0
Total Recurring Service Costs	129	134
Projects		
Operating Projects	402	0
Capital Projects	0	0
Total Non-Recurring Costs	402	0
Full-Time Equivalent Staffing	1.00	1.00

The peak in the Total Service Costs in 23/24 is due to the Business Transformation Officer role starting with Council and the project costs associated with the required upgrades to the Technology One platform, which is a multi-year program.

How we measure success

The performance of the Transformation and Improvement service is evaluated through the timely delivery of documentation required for implementation of Technology One modules on the CiAnywhere platform, progress reports back to Council and the completion of project documentation.

There are no formal measures in the *Local Government Performance Reporting Framework (LGPRF)*. The shire wide *Community Satisfaction Survey* indicates community sentiment on value for money for services and infrastructure.



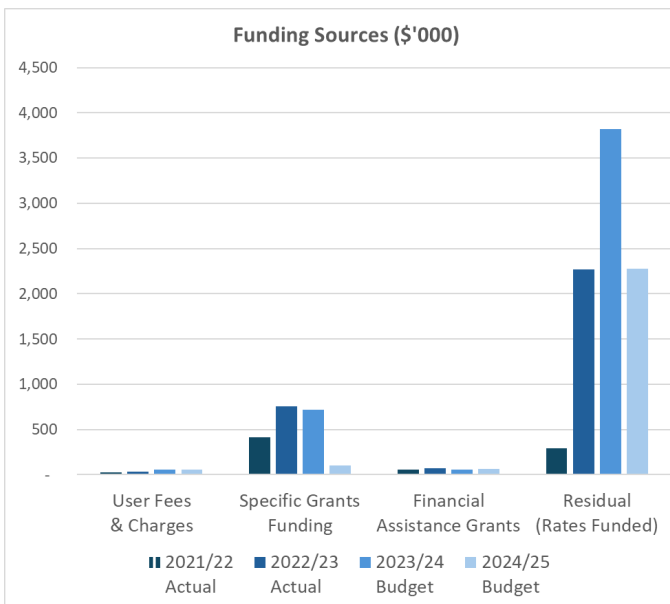
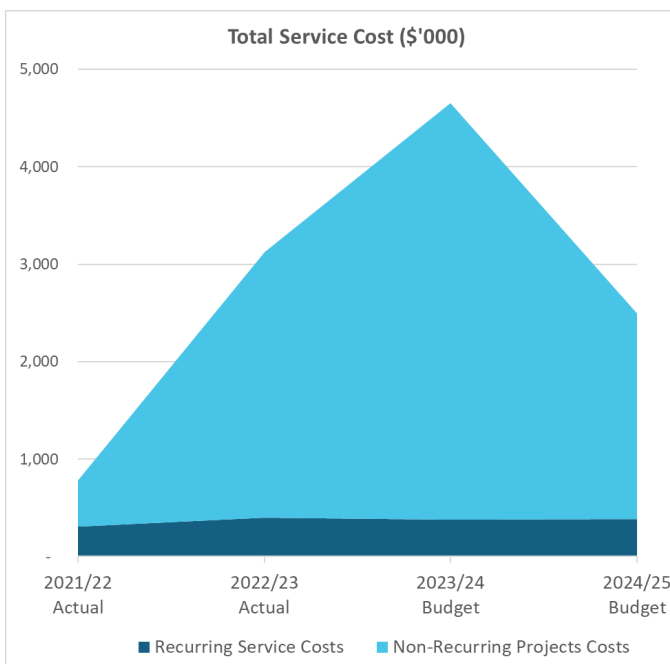
Description

What we do
 Hepburn has been celebrated since 1895 for its traditional wellness bathing and rejuvenating mineral waters. It's renowned for its indulgent atmosphere, relaxation opportunities, and stunning heritage architecture set amidst parks, reserves, and native forests. A favourite destination for both local and international tourists, Hepburn Springs offers easy access from Melbourne, Ballarat, and Bendigo, making it ideal for holidays, health retreats, and day trips. In the year ending March 2023, the Daylesford and Macedon Ranges tourism region saw a significant increase in domestic overnight spending, reaching \$474 million, averaging \$473 per domestic overnight visitor and \$207 per visitor night (Business Victoria). Advocacy to all levels of Government is critical to ensure Hepburn Shire's visitor economy remains strong.

How we do it
 The Tourism service develops strong partnerships across the region via Daylesford Macedon Tourism (DMT) and Tourism Midwest. Together with partners, the service delivers on marketing, communications, advocacy and events. Visitor Information Centres (VICs) serve as invaluable hubs for discovering the best attractions and activities in our region. Council operates VICs in Daylesford, Trentham, Creswick, and Clunes. Djuwang Baring (Creswick Trails) and Hammon Park Trailhead are transformative projects for Creswick and the region. Together they will form a network that will feature 60 kilometres of purpose built mountain bike trails through the Regional Park, State Forest and plantation lands, just outside of Creswick with a trailhead located at Hammon Park. Construction of the Creswick Trails is nearing completion. This service will provide support, marketing and attraction to ensure the trails are a great success for community and the local economy.

- Who benefits from our Service**
- Hepburn Shire residents and visitors.
 - Tourism and Visitor economy sectors.
 - Local businesses including short stay accommodation.

- Legislation, Policies & Frameworks**
- Tourism is a discretionary service. Local Destination Management Plans.
 - DMT Visitor Servicing Strategy.
 - Hepburn Shire Council, *Arts and Culture Strategy 2024, Heritage Strategy 2020-2030, Events Strategy 2020-2025* and *Reconciliation Action Plan 2024*.
 - *Dhelkunya Dja, Dja Dja Wurrung Country Plan 2014-2034*.



Operating costs at a glance

Costs **\$1.47** out of every **\$100** rates collected.

14% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	189	202
Materials & Services	75	66
Utilities & Other Costs	112	115
Total Recurring Service Costs	376	382
Projects		
Operating Projects	29	100
Capital Projects	4,251	2,010
Total Non-Recurring Costs	4,280	2,110
Full-Time Equivalent Staffing	1.91	1.91

Identified in the Total Service Cost for tourism includes major capital projects Djuwang Baring (Creswick Trails) and Hammon Park Trailhead planning, design and construction.

How we measure success

There are no formal measures in the *Local Government Performance Reporting Framework* (LGPRF). The shire wide *Community Satisfaction Survey* indicates community sentiment on the importance of Tourism development and performance.



Directorate: Infrastructure and Delivery Department: Facilities and Circular Economy

Description

What we do

Hepburn Shire Council provides residential and commercial kerbside waste and recycling services across the shire to approximately 9000 properties, and operates three waste transfer stations. The Facilities and Circular Economy department manage the strategic development, operations, capital works, community education, awareness and promotion for Waste.

How we do it

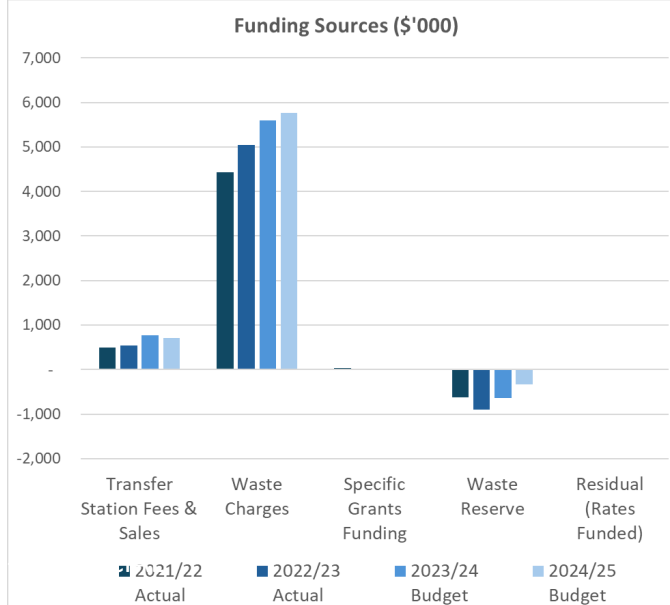
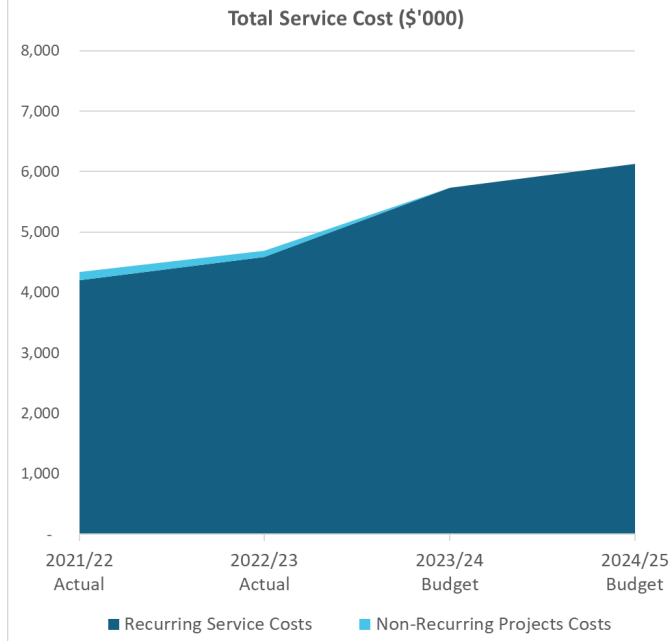
Council must comply with specific legislative requirements outlined in the *Circular Economy (Waste Reduction and Recycling) Act 2021*, which mandate the provision of essential services including municipal residential waste, recycling, glass recycling (by 2027), and food organics and garden organics (FOGO) services (by 2030). Additionally, the legislation sets targets for reducing waste to landfill annually per capita. To align with the Victorian government's Recycling Victoria policy and program, Council must review its waste services to achieve a 15% reduction in total waste generation per capita by 2030, divert 80% of waste from landfill by 2030 (with an interim target of 72% by 2025), and halve the volume of organic material sent to landfill between 2020 and 2030 (with an interim 20% reduction target by 2025). Furthermore, Council is required to ensure that every Victorian household has access to food and garden organic waste and recycling services or local composting facilities by 2030, and to remove glass from the recycling stream by 2027. Council started a weekly kerbside collection of food and garden organics for township residents in April 2024. The organics bins are collected from households in Creswick, Trentham, Daylesford, Hepburn and Hepburn Springs. Food scraps and garden cuttings are transported to Creswick Transfer Station where it is transformed into compost to improve local gardens, soil and farmland.

Who benefits from our Service

- Hepburn Shire residents and visitors.

Legislation, Policies & Frameworks

- Circular Economy (Waste Reduction and Recycling) Act 2021*.
- Hepburn Shire Council *Sustainable Hepburn 2022-2026*.



Operating costs at a glance

Costs \$0 out of every \$100 rates collected.*
*Please note that recurring costs are funded by a Waste Charge, with under/over to the Waste Reserve.

100% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	1,000	1,029
Materials & Services	4,708	5,082
Utilities & Other Costs	23	23
Total Recurring Service Costs	5,730	6,134
Projects		
Operating Projects	0	0
Capital Projects	0	0
Total Non-Recurring Costs	0	0
Full-Time Equivalent Staffing	11.76	11.76

*The budget includes Kerbside Collection & Processing (\$3,904,000), Transfer Stations Operations (\$1,895,000), Street Cleaning (\$108,000) and Education and Sustainable Hepburn (\$228,000).

Identified in the Total Service Cost graph is the increased scope of the service for FOGO in 23/24 to 24/25.

In 2024/25, Council will complete a Service Review to ensure compliance with the Victorian Government's Waste reforms.

How we measure success

The annual *Local Government Performance Reporting Framework* data published by the Victorian Government records the number of kerbside bin collection requests, kerbside collection bins missed, cost of kerbside garbage bin collection service, cost of kerbside recyclables collection service and kerbside collection waste diverted from landfill. The shire wide *Community Satisfaction Survey* indicates community sentiment on value for money for services, infrastructure and the importance of waste management.



Description

What we do

Work Health and Safety (WHS) initiatives at Council are designed to ensure that staff and workplaces fully understand their obligations under legislation. This includes establishing systems, processes, and procedures to effectively manage the risks associated with non-compliance. WHS addresses a range of risks including physical, environmental, psychosocial, and administrative risks through rigorous risk assessments and the implementation of control hierarchies.

How we do it

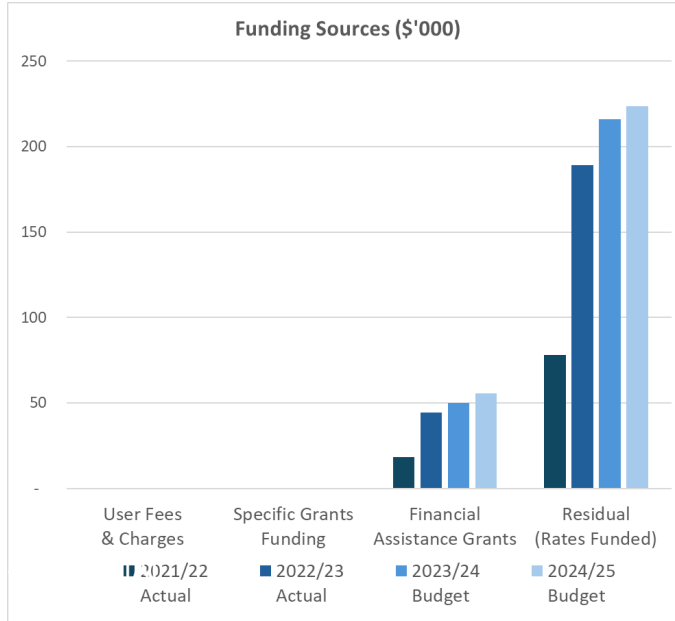
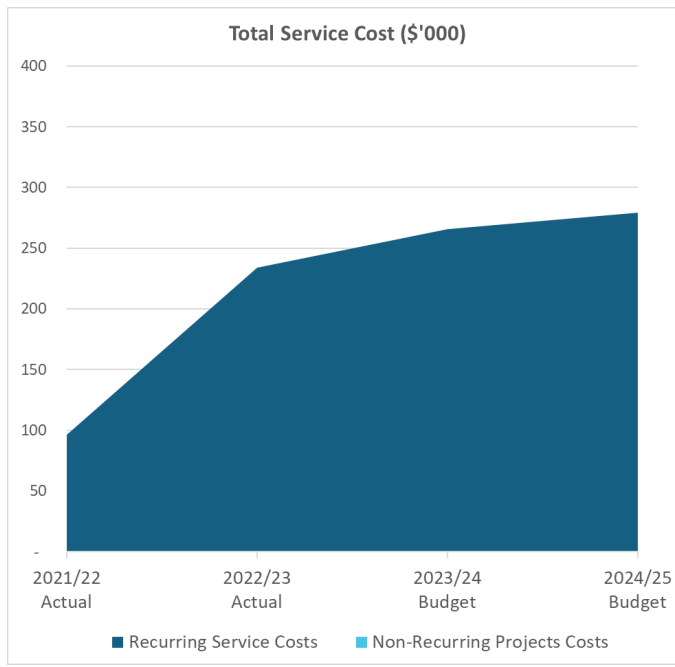
WHS plays a crucial role in supporting Council by providing essential services and expert advice to manage its legislative obligations concerning the health and safety of staff and their workplaces. The Work Health and Safety business unit serves as a cornerstone, delivering comprehensive guidance on occupational health and safety (OHS) and return to work (RTW) plans. They actively cultivate a safety-focused culture throughout the organisation, emphasising safe work systems, coordinating injury and claims management, promoting employee health and well-being initiatives, and continually striving for improvement. Council's approach is to ensure compliance with evolving legislative requirements, minimise the risks of injury and illness, and stay current with safety and workers' compensation regulations.

Who benefits from our Service

All Council employees and departments.

Legislation, Policies & Frameworks

- Work Health and Safety is a legislated service of Council.
- Hepburn Shire Council *Gender Equity Action Plan, HR Strategy and Workforce Plan.*
- *Occupational Health and Safety Act 2004 (OHS Act).*
- *Dangerous Goods Act 1985.*
- *Equipment (Public Safety) Act 1994.*
- *Workers Compensation Act 1958.*
- *Accident Compensation Act 1985.*
- *Accident Compensation (Occupational Health and Safety) Act 1996.*
- *Workplace Injury Rehabilitation and Compensation Act 2013 and accompanying regulations.*



Operating costs at a glance

Costs **\$1.25** out of every **\$100** rates collected.

0% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	239	265
Materials & Services	27	15
Utilities & Other Costs	0	0
Total Recurring Service Costs	266	279
Projects		
Operating Projects	0	0
Capital Projects	0	0
Total Non-Recurring Costs	0	0
Full-Time Equivalent Staffing	2.20	2.20

Acknowledging the importance of Work Health and Safety, Council doubled the FTE staffing in this service in 2021/22 – 2022/23.

How we measure success

Monthly reporting and statistical analysis are conducted. The Local Government Performance Reporting Framework (LGPRF) does not include formal measures for these activities. Customer sentiment on the value for money of services and infrastructure is gauged through the Shire-wide *Community Satisfaction Survey*.



Description

What we do

Council's youth services prioritise advocacy for young people, aiming to support and empower them through various programs and initiatives. The 2022-2025 Youth Strategy, named "ACE" (Advocate, Celebrate, Elevate), serves as a framework guiding Council's approach to addressing current challenges faced by young people. Under this strategy, advocacy involves connecting young people to essential services, fostering community ties, and promoting positive peer and adult role models. It also advocates for programs, educational pathways, and employment opportunities. The strategy emphasises celebrating and supporting young people, recognizing their contributions and achievements within the community. Furthermore, the aim is to elevate young people by ensuring they have safe environments, access to health resources, opportunities for learning, and pathways to economic independence.

How we do it

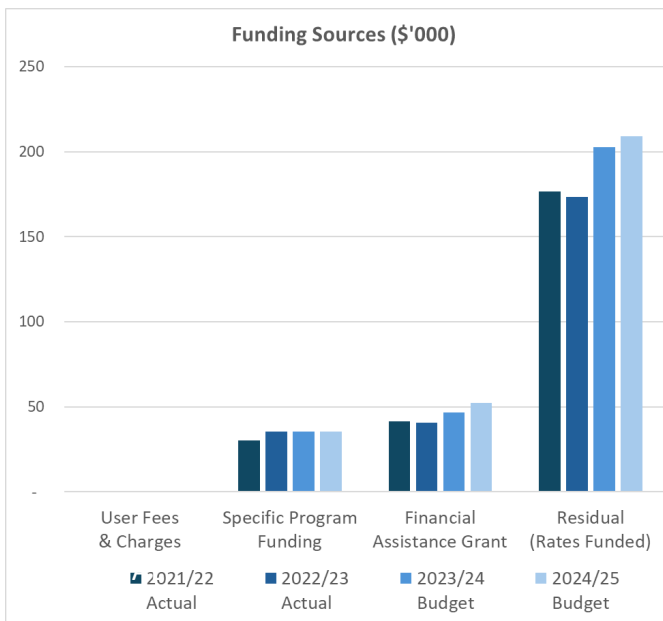
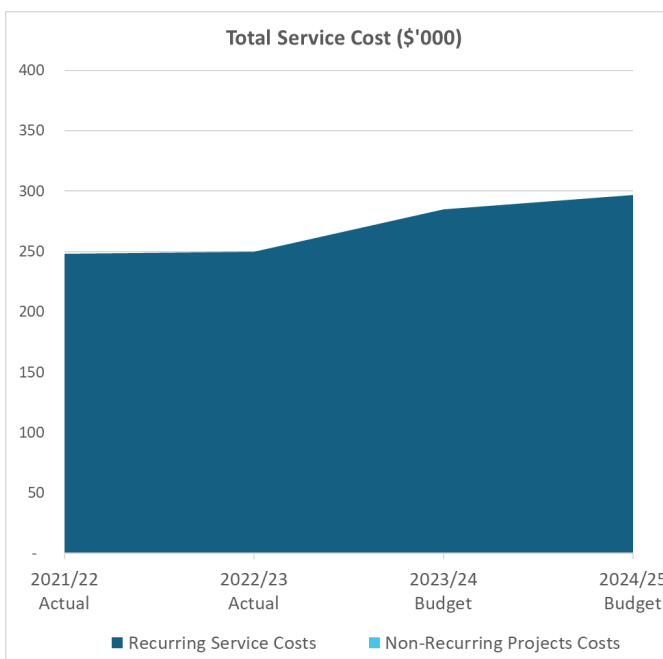
Youth Development fosters partnerships, advocacy and delivers a number of youth programs to connect and support Hepburn Shire's young people. These include the Freeza Program, School-Holiday Programs, Queer Book Clubs, a Queer Youth Forum and initiatives such as Project Rockit and the Young Mayors Program. Council offers Youth Mental Health First Aid Training, underscoring its commitment to fostering the well-being and development of youth in the community. The service is driven to achieve on Council's priorities as outlined in the Municipal Health and Wellbeing Plan and *The ACE Youth Development Strategy 2022-2030 (12-25 Years)*.

Who benefits from our Service

- Hepburn Shire residents and visitors.
- Primary and Secondary schools.
- Community Groups and Organisations.

Legislation, Policies & Frameworks

- Youth Development is a discretionary service.
- Hepburn Shire *The ACE Youth Development Strategy 2022-2030 (12-25 Years)*
- *Health and Wellbeing Act 2008.*
- *Victorian Public Health and Wellbeing plan 2019–2023.*
- *The Charter of Human Rights and Responsibilities Act 2006.*



Operating costs at a glance

Costs **\$1.17** out of every **\$100** rates collected.

12% of recurring costs are recovered through user fees and charges, grants and other income.

	2023/24 \$'000	2024/25 \$'000
Employee costs	216	228
Materials & Services	68	68
Utilities & Other Costs	0	0
Total Recurring Service Costs	285	297
Projects		
Operating Projects	0	0
Capital Projects	0	0
Total Non-Recurring Costs	0	0
Full-Time Equivalent Staffing	2.25	2.25

How we measure success

The Local Government Performance Reporting Framework (LGPRF) does not include formal measures for these activities. Customer sentiment on the value for money of services and infrastructure is gauged through the Shire-wide *Community Satisfaction Survey*.



For further information:

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Financial Vision

Engagement Report

August 2024



Acknowledgement of Country

Hepburn Shire Council acknowledges the Dja Dja Wurrung as the Traditional Owners of the lands and waters on which we live and work. On these lands, Djaara have performed age-old ceremonies of celebrations, initiation and renewal. We recognise their resilience through dispossession, and it is testament to their continuing culture and tradition, which is strong and thriving.

We also acknowledge the neighbouring Traditional Owners the Wurundjeri to our South East and the Wadawurrung to our South West and pay our respect to all Aboriginal peoples, their culture, and lore. We acknowledge their living culture and the unique role they play in the life of this region.

Executive Summary

The Victorian Local Government sector is facing financial challenges due to increased costs of service delivery, inflation, limited revenue resources and recovery from natural disasters.

At Hepburn Shire, our financial environment as with others, has been impacted by rising inflation and costs in the delivery of services, infrastructure delivery, cost shifting from other levels of government, and costs associated with recovery from recent flooding and storm events. Multiple years of State Government prescribed rate cap below inflation has also had a negative impact on our financial sustainability. We have limited opportunities for alternate income streams.

Council is committed to transparency and accountability when delivering on our financial strategy and the delivery of our services. In the 2024/25 budget, Council has committed to making \$1.5 million in operating savings and is now committing to working with community and Councillors to ensure our long-term financial viability.

In 2025/26, Council needs to find an additional \$4 million in long-term savings or additional revenue to develop a financially responsible plan that delivers on our shared Community Vision.

Introduction

Report Purpose

The purpose of this report is to provide a summary of the findings from the engagement on the Financial Vision.

The findings of this report have been used as one of the key inputs for decision making by Officers and Councillors and assisted to inform the draft Financial Vision. The Financial Vision will be considered by the Council at a Special Council Meeting to be held on 10 September 2024.

It is important to note that it was clear during the engagement process that community feedback would form one part of the input process, to the development of a Financial Vision.

The limitations of the engagement process and analysis of the findings are outlined below:

- People who have participated in the engagement have self-selected to take part. As such, whilst every effort has been taken to ensure a diversity of the Shire's community, the information within this report does not reflect the views of the whole community.
- Council tried to reach as many people as possible through a range of communication activities.

Financial Vision Engagement Approach

The Financial Vision project was launched in May 2024. At the Special Meeting of Council on 28 May when Council considered the release of a draft budget for consultation, Council resolved to:

Requests that the Chief Executive Officer works with Councillors to undertake additional Councillor workshops, engage with the community during July and prepare an updated Financial Plan (10-years) for consideration at the September 2024 Council Meeting that addresses the long-term financial sustainability of Council.

A range of drop-in sessions were available across the Shire, key supporting documentation was made available, and a survey was the key engagement activity and available via Participate Hepburn.

The engagement sessions and survey were targeted at three main focus areas:

- To understand communities' priorities in service delivery;
- To understand communities' appetite for a rate increase; and
- Gather thoughts on the management of our buildings and infrastructure.

Engagement Statistics



The engagement period ran between 1 July to 17 July 2024.



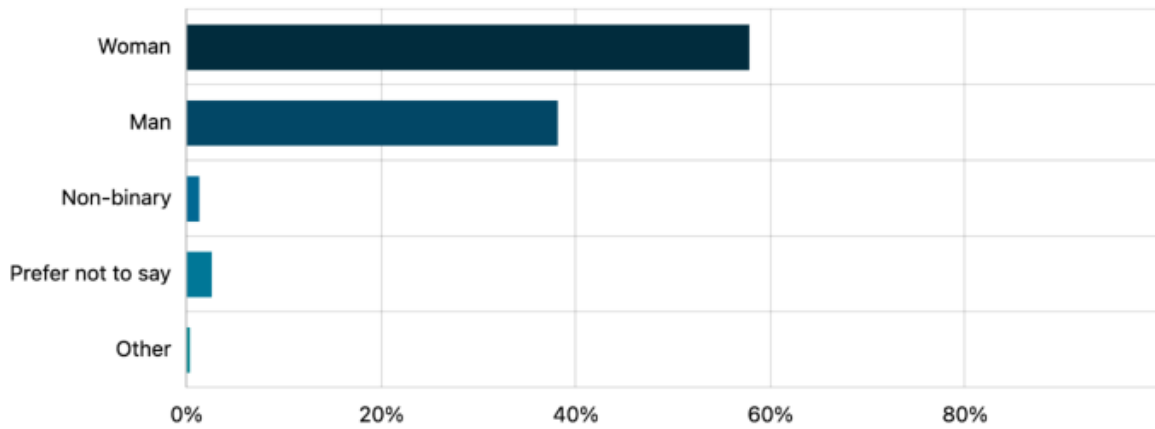
During the engagement period the Financial Vision (Participate Hepburn) project page had 3,473 page views.



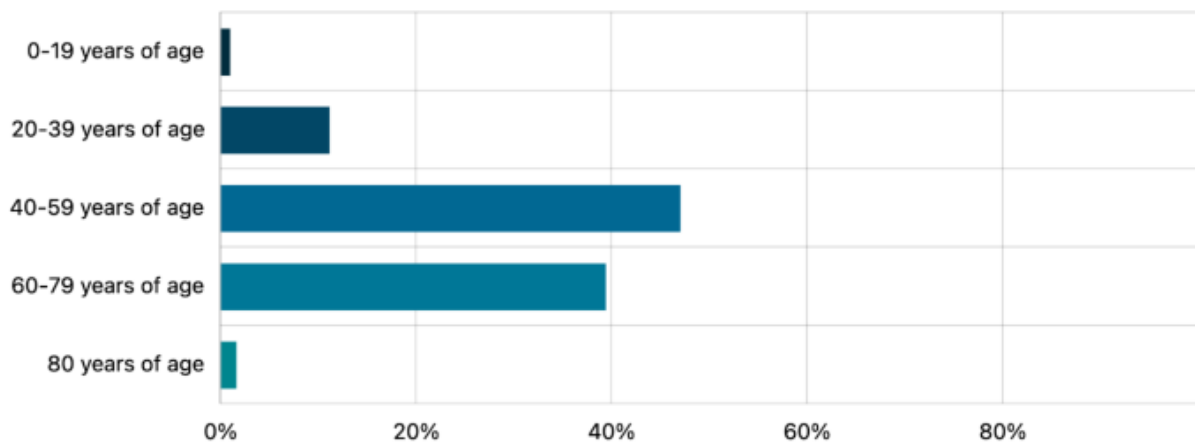
A total of 315 submissions were received from community members.

Demographics

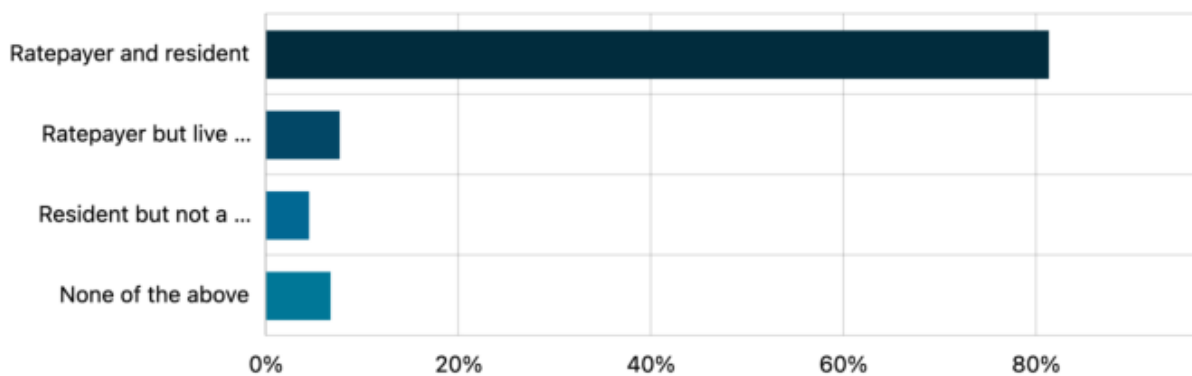
The majority of respondents identified as women.



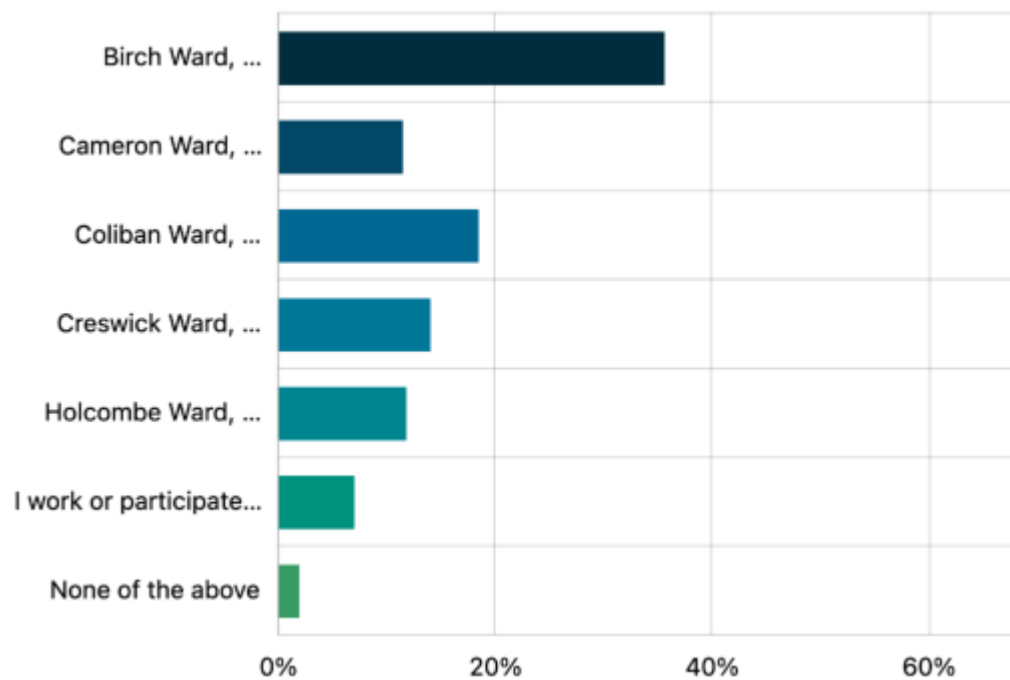
Over 86% of respondents were aged between 40 and 79 years of age.



The vast majority of respondents were a ratepayer and resident.



Birch and Coliban Wards accounted for the majority of respondents.

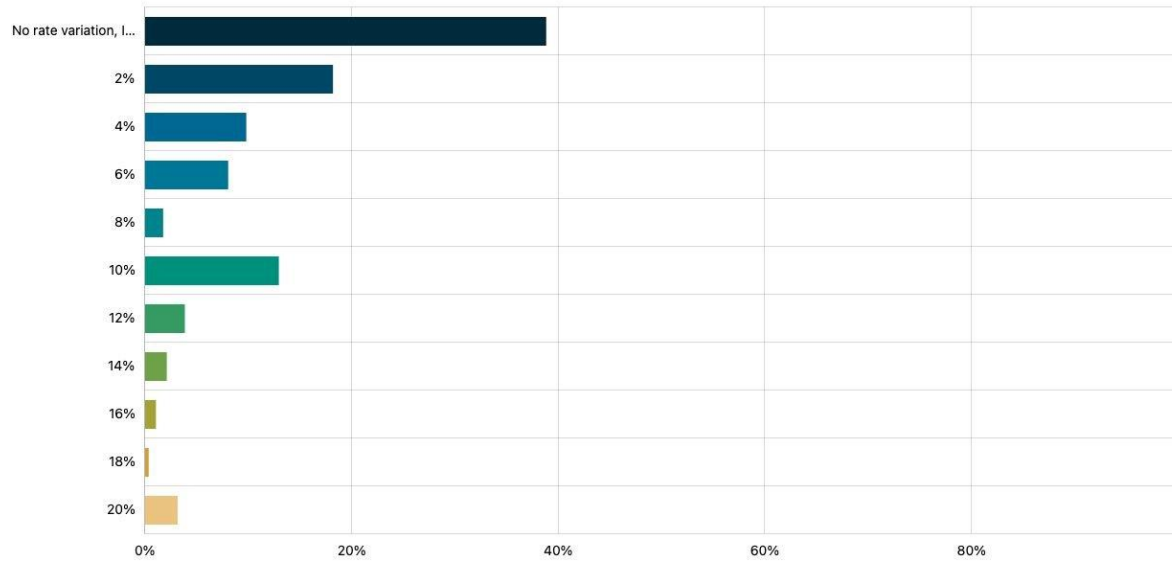


A number of respondents identified as following:

Answer choices	Percent	Count
Aboriginal or Torres Strait Islander	0.96%	3
A person with a disability	7.01%	22
LGBTIQA	13.06%	41
Parent or guardian of a person under 18 years	18.47%	58
English is not my first language	2.87%	9
Carer	10.51%	33
None of the above	54.14%	170

Rating

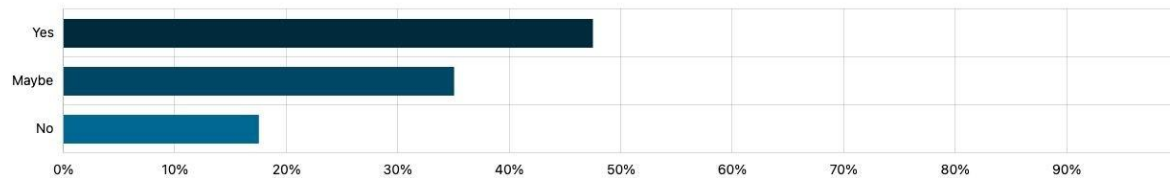
Respondents were asked – *When thinking about increasing rates which of the following you would find most acceptable?*



Results showed that 61.56% of respondents found a rate rise above the imposed State Government rate cap was acceptable.

Services Offered

Respondents were asked – *Would you support Council reducing spending on some services if it meant the same range of services could still be provided but with a reduced provision or availability?*

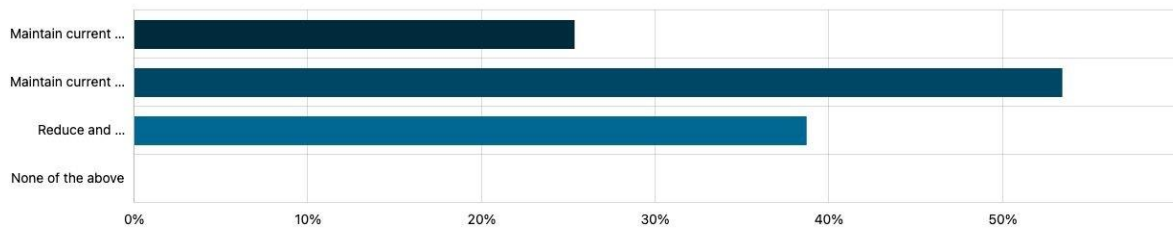


Respondents were asked to also prioritise the services delivered, as shown below:

Service name	Points allocated
Asset Delivery and Construction	2078
Open Space, Parks and Reserves Management	1811
Waste Collection and Recycling	1572
Customer Experience and Libraries	1303
Asset Maintenance	1265
Property Maintenance	1220
Emergency Management	1187
Senior, Disability and Inclusion Support	961
Planning Permits and Compliance	935
Tourism	883
Recreation and Leisure	853
Public Health	852
Public Safety	844
Events	737
Affordable Housing	733
Economic Development and Business Support	724
Community Grants and Grant Seeking	704
Aquatics	665
Rural and Township Planning	659
Early Years	640
Arts and Culture	557
Community Wellbeing	550
Sustainability, Climate Resilience and the Circular Economy	494
Community Engagement	479
Youth Development	477
Building Safety	465
Aboriginal Cultural Heritage and Reconciliation	436
External Communications	350

Community Infrastructure

Respondents were asked – *When considering the management of our community assets which approach would you prefer Council to take in future budgets? (select all that apply)*



Ultimately respondents noted their preferences as:

- Maintain current assets at their current standard, with any significant upgrades to be funded by grants and increased rates - 25.67%
- Maintain current assets at their current standard, with any significant upgrades to be funded in full by grants - 53.00%
- Reduce and consolidate current community assets where possible - 38.33%

Free-Text

The following discussion presents results from the analysis of the free-text question, which captured ideas and opinions from community members during the engagement process.

The free-text question asked contributors – *Are there any additional comments you would like to make on the financial options available to Council?*

The 150 responses received have been categorised into the following key themes:

- Engagement
- Council services
- Rates
- Borrowings
- Staffing
- Amalgamation
- Assets
- Financial management
- Alternate ideas and other general comments

Community Engagement – Written Comments Analysis and Reporting Overview

Please refer to the attached Appendix 1.1.

Next Steps

The Financial Vision will be considered for adoption by Council at a Special Meeting of Council on Tuesday 10 September 2024.

If adopted the actions will be integrated into Council's annual business and project planning and will be allocated to departments and teams for delivery.

Thank You

We would like to take this opportunity to thank all of those who took the time to make a submission to the Financial Vision. We appreciate your time, knowledge, expertise and interest in the Future Hepburn project.

This engagement report has been developed by Hepburn Shire Council. Every effort has been made to represent participant feedback and insights accurately within this document.

Appendix 1.1

Financial Vision Community Engagement - Written comments analysis and reporting overview

The following discussion presents results from the analysis of the free-text question, which captured ideas and opinions from community members during the engagement process. The free-text question asked contributors: *Are there any additional comments you would like to make on the financial options available to Council?*

The 150 responses received have been categorised into the following key themes:

- Engagement
- Council services
- Rates
- Borrowings
- Staffing
- Amalgamation
- Assets
- Financial Management
- Alternate ideas and other general comments

The following summaries present key points made relevant to each of the three key engagement themes: rates, assets and services. A sample of comments has been provided. Appendix One to this document provides all the written comments received. Personal references have been redacted. Please note that all comments have remained unedited and been left as they were received.

How the analysis was completed

To complete the analysis each comment received from the community was read and organised into themes and topics based on the comments made. Most comments held multiple points, relevant to the engagement themes, resulting in many comments being coded multiple times. The engagement themes include:

- Community's appetite for rate rise above the State Government prescribed rate cap.
- The management of Council-owned community assets.
- Service delivery.

Theme One: Summary of comments relating to rates

Twenty-nine comments were categorised as relating to rates. A summary of the suggestions and recommendations are as follows:

- Concern was expressed about the financial impact on ratepayers given increased cost of living pressures.
- Rates were perceived to be too expensive and mismanaged. Council was encouraged to review internal efficiencies, service delivery savings and staffing structure.
- Suggestions put forward to raise Council's revenue and minimise rate related stress, include:
 - increasing rates for short-term holiday rentals and vacant properties.
 - increasing land for development.
 - Providing discounts for early payers.
- Some contributors questioned the value they see from rates, particularly those who lived in rural areas.
- Balancing the comments above, some comments felt Council had a good case to raise rates by CPI.

Comment sample

“I think Councils should be able to raise the rates by up to the CPI. I understand they can raise by about 2.5% and gave the response of 2% above to bring that amount up to around the CPI of 4%.”

“I do not think you should increase rates. Cost of living is an issue for ratepayers on fixed incomes and the state government has substantially increased charges with land tax, vacant land tax, fire services levy etc. I think you need to cut services and focus primarily on those you are mandated to provide.”

“Please understand that many, many ratepayers are greatly struggling financially. Rates are already extremely high and difficult to meet. We are finding it hard just to keep up with mortgage interest rates and food costs. People cannot bear a further financial burden right now. Please instead sell assets or reduce service offerings rather than hike rates again. I know members of the community who live without electricity and struggle from pay to pay.”

“Minimum rates increase, higher rates for tourist properties, much higher rates for vacant property than current.”

Theme Two: Summary of comments relating to community assets

Fourteen comments were categorised as relating to community assets. A summary of the suggestions and recommendations made by contributors are as follows:

- Asset consolidation was a common theme including identifying opportunities for sale and minimising in township service provision such as reducing pools and other sporting assets, transfer stations and Town Halls.
- Optimising the use of buildings by bringing leases up to date and bringing user fees to a fair measure according to ability to pay.
- Delaying, or staging, major capital works such as the Victoria Park lighting and the Daylesford Town Hall.
- Transparency about assets owned and the condition.
- Call for infrastructure that supports creative industries.
- The Rex and its impact on our financial circumstances (11 comments).

Comment sample

“Reduce the significant investment in sporting facilities - and consolidate instead. So many pavilions / halls / grounds : you have been feeding one part of the community and ignoring the rest. How often is the Trentham Pavillion used by non-sports community groups, and what was the business case for ANOTHER bookable public space in The Mechanics. A duplication of assets and an utter waste.”

“Existing faculties have been left to literally collapse - like the Daylesford Town Hall. And yet you open NEW ones in an endless pipeline of projects that you can’t manage, maintain or even staff. Celebrating The Mechanics opening and then closing other sites like Clunes to even staff it shows that you need to really consider the service delivery model BEFORE commencing with new projects.”

“Consolidate operations - why can a ratepayer pay a planning application in 4 physical places, plus over the phone and online. Surrounding Councils have ONE Customer Service Centre - just have the courage to pull the pin on the unnecessary Clunes and Trentham. Transfer stations - seriously why is there three? Trentham residents can drive to Kyneton or Daylesford - the site isn't even powered or have water connection so it either needs investment to be a safe workplace, or just cut it.”

“Pools - why invest so much money into an aquatics strategy with outcomes that are never going to be financially viable. You clearly can't afford to operate the current pools, let alone invest in upgrades. Unless they can be financially sound operations, with creative solutions and partnerships that think outside-the-box, you need to prepare the community for closures as they are well past their asset lifespan.”

“A thorough audit of all Council owned/leased property would be beneficial along with it's inclusion on an asset register which is made available for Public viewing so Ratepayers are able to see what is actually owned etc. along with associated income/costs.”

“Daylesford is an arts town. Physical health and creativity go hand in hand, and the town has suffered for too many years with its creative stifled by a lack of infrastructural support.”

“Previous council lost over \$5million dollars due to mismanagement of the Rex. As a result you need to make up \$4million. Council needs to take responsibility and find the money without cuts to services or rate rise.”

Theme Three: Delivery of services

Service provision attracted the most feedback of all the engagement themes, with 78 comments relating to services. A summary of the suggestions and recommendations are as follows:

- Preference for the reduction of services over an increase in rates. This includes looking for savings, or alternative ways to deliver services or stop some services altogether.
- Strong call for ‘core services’ or ‘back to basics’ services. These are described as having direct benefit to ratepayers/residents, those that we are ‘mandated’ to provide. Anything above this would be a bonus.
- Use volunteers to support and the ongoing development of social capital, to supplement the work that Council does.
- The support of Tourism and Economic development attracted divided commentary, with some seeing it as vital and others seeing it as spending money on visitors and businesses who should be helping themselves. Cultural spending was also not seen as Council's role.

Comment sample

“Stay in Your Lane, in other words do what is in council's remit - roads, rubbish collection, parks & gardens & planning”

“Go back to the basics. Roads, Resource recovery, maintaining parks/assets etc. and outsource the rest.”

“Council tries to do too much. More 'user-pays- attitude please. Cultural spending and activities are not the responsibility of rate payers. That's all.”

“I think council should consider where volunteers could be used, not to replace staff but to support and supplement the work they do for example in maintaining parks and gardens, etc”

“Stop funding so many events and go back to the core services councils used to provide, Waste, roads, Drainage, parks, gardens and heritage protection. Everything provided after these are met is a bonus. If money is taken from the core services, it will take twice the amount if not more to bring them back to a safe standard in the future if they can be at all.”

“There are definitely reasonable cuts the council can make. When money is tight, everyone has to reduce. It shouldn't be the taxpayer having to take the hit once again. Streamline the service offering and focus on opportunities to enhance critical services only - planning, health, waste...”

“Do not keep employing new officers who have very limited ability to create real and beneficial outcomes for the community. I understand that Council is intending to spend \$100,000pa employing a Housing Affordability Officer who will have very little chance of creating real housing. Council should focus more on the critical services that deliver directly to the Community such as roads, child services, seniors services, parks maintenance, maintenance of Council buildings and facilities, and so on. Reduce the number of optional officer positions. Arts Officers have always struggled to achieve much as have Community Wellbeing generalised positions. Information Technology usually swallows huge funds every few years to upgrade systems which were promised to be great just a few years before. This survey, which is way too general, is not effective other than to claim that you consulted the community. The terrible financial position should be addressed by Council directing the staff to cut services that are not essential or important to the wider community. The Officers should understand which services such as a Housing Officer do not deliver major benefits exceeding the \$ investment and then recommend to Council the cuts.”

“It is important to recognise spending on the tourism sector (marketing, assets, operator support) as an investment, not a cost. Tourism is critical to the Shire's economic prosperity. As times become harder for people, a 'weekend away' can be cut from household budgets, so it's important that our Shire gets the visitors...not Yarra Valley etc.”

“We really need our council and councillors to start being practical about what they can actually manage financially from now on. It's time to pause some of these projects and focus on the essential services that our council should prioritise—like garbage collection, maintaining our roads, and supporting community services. Discussions about services that should be handled by higher levels of government, such as housing and sustainability, need to stop.”

“Instead of reducing the level of services, a more useful approach might be to decide on priorities for expenditure. In hard times, we all cut back on luxuries and focus our expenditure on core/essential spending. If that results in a smaller number of quality services/projects that the majority of ratepayers think are essential, then that's fine. When things improve and debt is paid down, other services can be re/introduced. Having many services that can only be accessed by a small number of people or at an inferior level of quality is going to result in many unhappy users or people who are denied services. I appreciate that this approach is confounded by Council acting as a service deliverer for state and commonwealth governments. Council should not be subsidising these services and should make very clear in communications with the public when ratepayers are subsidising services.”

Emerging Themes

Emerging themes from the engagement included:

- Staffing – 29 comments
- Alternate suggestions – 27 comments
- Financial management – 23 comments
- Amalgamation – 8 comments
- Loans and borrowings – 4 comments

A summary of the suggestions and recommendations relating to staffing are as follows:

- Staffing costs (40%) are too high for a Shire the size of Hepburn.
- Council should have a more efficient service model. Themes include:
 - Organisational structure too ‘top heavy’ (Executive, Managers and support staff) and the staffing structure should be ‘flatter’.
 - Review pay structure, pay cuts for both staff and Councillors.
- Structure should be aligned and consolidated in line with Council’s core responsibilities, particularly in services delivering directly to the majority of residents.

Contributor’s alternate suggestions for improving Council’s financial sustainability included:

- Revenue generation through ‘user pays’ e.g., parking and planning fees.
- Apply for more grants and stage capital works.
- Look for opportunities to set up shared services with other organisations and share equipment.
- ‘Bed tax’ for short term accommodation providers.
- Reduce fleet vehicle numbers.
- Improve lease arrangements.
- Reduce the use of consultants.
- Leverage technology to streamline services and reduce operational costs.

Comments on Council’s fiscal management include a focus on managing and streamlining internal operational costs, with a focus on finding internal efficiencies. Perceived opportunities for reduction include catering, Councillor expenses, and improved project management and tendering processes.

Other comments included the call for Hepburn Shire to be dissolved and amalgamated with other councils. Contributors asked that this possibility be investigated. Comments relating to borrowings showed a strong preference for no new borrowings and paying down current debt.

Comment sample

“Reduce senior management positions. Rationalize staff numbers and duties required.”

“As per the mayor in the video on participate Hepburn ‘When any business face situations like we do you go back to basic and do the fundamental things.’ The fundamental thing for a council is to enables the economic, social and cultural development of the municipal area it represents, supports individuals and groups, and provides a wide range of services for the wellbeing of the local community.

The survey sets out that you have ‘considered the following financial levers: alternate income streams, increasing borrowings, and seeking a rate cap variation from State Government’. None of those levers focus on the extraordinary high payroll of 40% of the revenue raised, with an average employee cost in the shire of \$96,300

If the Mayor is genuine in this statement, then back to basic would also be to look at the extraordinary high 40% payroll cost this small council bears. Not just the staff that provides the services for its constituencies, but more importantly, reign in the 10% staff spending on 9 executive positions out of which 4 are executive assistants. Surely as a small council 5 executives is excessive and could not one executive assistant be shared amongst the executives.

It is certainly nice to live in an area where the council engaged in such a diverse focus area, however, when very tight constrains are present then this needs to be looked at seriously. How many managers are employed, how many areas share similar job functions that could be combined? I.E

*External Communications: Manages websites, social media etc.
Economic Development and Business Support team also manages websites etc, why not combine?*

A small shire such as ours, why do we have so many Town Halls?

From the Executive Governance section: “The CEO and Executive ensure financial sustainability for the organisation in conjunction with Council and are responsible for Council assets.” How has this financial sustainability been shown during the current tenure of the CEO and that of the executive team? And the previous CEO’s and executive teams? It is so easy to spend other people’s money, without any accountability. It is a legislated requirement for a local government to have a Chief Executive Officer. Other positions within Executive Governance are discretionary. Why do this small council have 5 executives?”

“Reading the Catalogue carefully (an excellent piece of work), I noted several things:

First, I commend the significant reductions in a range of areas that look to me to be well-advised. Amateur at much of this that I am, I gave a 'tick' to the provisions for Assets; Community Engagement; Corporate Governance; Corporate Property; Council Governance; Libraries; Early Years; Economic Development; Emergency Management; Executive Governance; Financial Management; ICT and Security; Information and Records; People, Culture &

Performance; Planning; Procurement; Property; Property Maintenance; Public Safety; Rates; Sustainability; System Application; Waste; and Youth.

Some particular responses:

- 1. Putting \$123k into Affordable Housing is so little that it is a waste - I'd cut this but ensure that Planning is aware of its importance.*
 - 2. Under Aquatics, the cost per visit of c.\$18 seems excessive. Given its very limited season, which doesn't overlap with school terms, is it worth continuing the Trentham pool?*
 - 3. Community Grants (some of which I have been part of groups receiving them) are increased in 24-25, but could be kept at 22-23 levels, saving \$50k p.a.*
 - 4. Under Asset Maintenance, a new grader is sought (\$1.3mill): much as I want good roads, could this be deferred, or the cost be spread over 2-3 years, or a sponsor found to subsidize it? This item alone is close to the 24-25 deficit.*
 - 5. Events have increased allocation - would return to 20/21 levels do any harm to community spirit?*
 - 6. Open Space workers (who do a great job around Trentham) increase by 2.5 - are these really needed?*
 - 7. Public Health jobs increase from 3.5 to 4.5 - why? COVID is largely past and CHRH has flu etc. in hand.*
 - 8. Under Recreation, could lighting for Victoria Park be delayed for a year or more?*
 - 9. Under Rural Planning, all forms of public transport are problematic: is it worth putting funds into an Integrated Transport Strategy at present, especially with changes to EVs coming quickly? Wait 5 years?*
- More generally, a number of jobs seem to me to be closely related in terms of similar focus or similar work skills: Affordable Housing, Arts, Well-Being, Events, Tourism, Work Health & Safety, and External Communication, Seniors, Disability and Inclusion, totalling 13.61 positions (I think ...) across what looks like at least 17 people. Could some appointments be consolidated - each saved means c. \$100k?"*

"Council needs to think outside the 'safe' zone and start seeking ideas to generate additional income via alternative revenue streams. For example, given that the population of Daylesford triples (the total population of the Shire) every weekend due to visiting tourists and day-trippers, installing parking meters on Vincent and Howe Streets (alone) would generate \$500K per year to Council coffers. And that's just for meterage on weekends only, including providing ratepayers with parking permits or permit codes to enter into meters. I've done some research on this idea and I'd be only too happy to show Council how cost effective this proposal would be."

"Even with a rate increase it seems council's position will be compromised. I would advocate fast tracking the course of council merger or state government funding as required."

Appendix One: All comments as submitted by Contributors

Please note that some redactions have been made as per Council's Privacy Policy.

Question: Are there any additional comments you would like to make on the financial options available to Council?
Tourism must stand alone. The rates must not go to Tourism. There should be a levy tax or fee per visitor, per room or bed or per dwelling. For example \$20 a dwelling or \$10 bed or visitor could enable the Shire to recover costs. If tourists are prepared to pay \$5-\$6 for a cup of coffee then it is not unreasonable for them to pay a daily 'Bed Tax'. The funds from this bed tax would go directly to the Shire to assist with Shire services such as:- Emergency management, Open spaces, parks and reserves management, Public Health and safety, Recreation and leisure, Aquatics.
I am sadly missing the 'Spring in the Step' exercise program which we had for older age group and which has been disbanded in favour of a less stimulating, less enjoyable program. Please bring back this gym program 😊
Don't use any of the services
Council tries to do too much. More 'user-pays- attitude please. Cultural spending and activities are not the responsibility of rate payers. That's all.
I do understand however that increasing rates is the 'easiest' way of increasing revenue but we are all under financial pressure. Loans are no solution as repayments/interest save nothing and cause problems down the line especially with fluctuating rates of interest on large loans. I do not want Council to take out loans to fix finances.
Appointment of a full time grants officer Investment in commercial property
Please refer to our supplementary submission attached.
It would be a good start for Council to manage finances better. The loss which occurred with the Rex debacle should never have happened and the Council should be doing everything to obtain the report from the LGI in relation to that fiasco. Hepburn does not have a good track record having lost millions with the redevelopment of the Spa Complex in Hepburn Springs. The cost of everything is increasing massively and people just cant pay more so the only solution is to reduce services.
Developers continue to make money out of Hepburn but give little back. The Block tv show is just another example. The producers of the show make millions, how much are they giving back to the shire?
Daylesford is an arts town. Physical health and creativity go hand in hand, and the town has suffered for too many years with its creative stifled by a lack of infrastructural support.
Happy to see some rate rise but not over \$300 per household per year. Not above 16% Need to reduce spending in some services - I would cut funds to Economic Development and Business Support. Do not want to see funding cuts to Arts & Culture, Sustainability, climate and Circular Economy, Community Wellbeing, Affordable housing, Early Years, Senior, Disability and Inclusion Support, Reconciliation, Libraries. Consider reducing funds/services in small incremental ways in the other areas not listed above.

I should say that I can afford increased rates as discussed, but many people will not be able to, and hence reduced services will have a disproportionate effect on the lives.

The Council should set in process the formal dissolution of the Hepburn Shire Council. It does not make any financial sense that ratepayers are to be continually asked to agree to increased rates or reduction of service. This is particularly so with the ever increasing costs that will be incurred with the ongoing impacts of Climate Change, of which the Hepburn Shire, due to its geography and extensive forest cover, is increasingly vulnerable.

Council has a duty of care to its residents to ensure that it can provide the services required to meet these ongoing challenges, as well as normal services. Hepburn Shire is too small in terms of population and hence rate base to be economically sustainable. This was acknowledged at the time of amalgamation in 1994. To be financially viable Trentham was included at the very last moment. see attached document from the Midland Express Dec 6th 1994. Trentham was going to be included in the Macedon Ranges Shire.

It is only through economies of scale ie larger LGA's that the future of rural LGA's can be sustainable.

Failure to address the fundamental issue will only increase the financial burden for ratepayers and as such have a direct impact on their future well being

I think council should consider where volunteers could be used, not to replace staff but to support and supplement the work they do for example in maintaining parks and gardens, etc

"contact with or use" DOES NOT indicate I think these services should be retained/maintained

I'm also concerned that some (e.g. Sustainability, Climate + Circular Economy) are portmanteau groupings and don't permit separating specific services for comment or ranking.

As per the mayor in the video on participate Hepburn

“When any business face situations like we do you go back to basic and do the fundamental things.”

The fundamental thing for a council is to enables the economic, social and cultural development of the municipal area it represents, supports individuals and groups, and provides a wide range of services for the wellbeing of the local community.

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Economic Development and Business Support team also manages websites etc, why not combine?

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From the Executive Governance section:

“The CEO and Executive ensure financial sustainability for the organisation in conjunction with Council and are responsible for Council assets.”

How has this financial sustainability been shown during the current tenure of the CEO and that of the executive team? And the previous CEO’s and executive teams?

It is so easy to spend other people’s money, without any accountability.

It is a legislated requirement for a local government to have a Chief Executive Officer. Other positions within Executive Governance are discretionary.

Why do this small council have 5 executives?

Stop funding so many events and go back to the core services councils used to provide, Waste, roads, Drainage, parks, gardens and heritage protection.

Everything provided after these are met is a bonus.

If money is taken from the core services, it will take twice the amount if not more to bring them back to a safe standard in the future if they can be at all.

And Employ more bylaws officers and get them out issuing fines. Make a small fortune on a weekend with the parking alone.

HSC has to understand that "money doesn't grow on trees" and that it can no longer go to the state government - already in massive debt, something like \$160 BILLION due to the fiscal mismanagement of Dan Andrews and Treasurer Tim Pallas - for a handout which might cover poor council decisions.

The looming \$4M shortfall is the result of an accumulaltion, stretching back some years, of poor fiscal management and wanting to be "all things to all people". Sorry, that's just not an option any longer.

Regards,

Councils community engagement has improved greatly over the past 2 years and I have enjoyed attending sessions. These have been important to clarify things for me and my family.
Go back to the basics. Roads, Resource recovery, maintaining parks/assets etc. and outsource the rest.
Discount rate payers who pay rates up front so the Shire can invest this income stream
It is important to recognise spending on the tourism sector (marketing, assets, operator support) as an investment, not a cost. Tourism is critical to the Shire's economic prosperity. As times become harder for people, a 'weekend away' can be cut from household budgets, so it's important that our Shire gets the visitors...not Yarra Valley etc.
What has happened to all the money rate payers already paid as low earnings community a lot of people are struggling so an increase in rates would put more people at disadvantage
Start charging for pools again.
thank you for the opportunity to provide feedback. I would suggest that Council should look to find further savings, either by reducing services, sharing services with other councils, or ceasing providing some services until the the budget is back in the black.
<p>I am particularly interested in advocating for the value of social capital, eg volunteers who contribute significantly to many aspects of Open Space, Parks and Reserves, particularly in [REDACTED]. I am part of the [REDACTED] and a supporter of the [REDACTED] under supervision of DEECA. Along with [REDACTED], the largest sections of open space in [REDACTED] are managed by volunteers with some support from Council. All this local work is mainly developed through funding applications, project managed by the committee personnel.</p> <p>"Open Space" is an obvious feature of our Shire, one that is seen to be highly marketable. It would be good if the Directorate could somehow acknowledge this in terms of the additional value and services provided by community members themselves.</p> <p>In the case of [REDACTED], the past five years have seen significant increase in biodiversity plantings in the Reserve, which has seen upskilling in practices and values of assisted revegetation. This has been supported by [REDACTED], who as part of the [REDACTED] is a key person in carrying out HSC policy with implications also for Climate Change, sustainability, protection and enhancement of waterways which are important for indigenous heritage. These are critical areas which come together in grassroots action, with support provided by Council and specifically through [REDACTED] incredible commitment, knowledge and expertise. Additional social capital is developed where local residents/volunteers feel equipped and supported in acting at the local environmental level, maintaining and developing local landscapes, appreciating greater knowledge of country. This is a huge addition to the value of these two areas of Council activity with flow-on to many other aspects of life in the Shire.</p> <p>This also provides a good model for how social capital can be realised through connections from Council to local community activity, where education, information, and practical assistance empower greater appreciation of where we live and how we live here, acknowledging the 'specialness' of each area of the Shire and committing longterm.</p> <p>A key component for Council is providing information, something where better networks could be developed, again connecting to local community members.</p>

I think Councils should be able to raise the rates by up to the CPI. I understand they can raise by about 2.5% and gave the response of 2% above to bring that amount up to around the CPI of 4%

The council need to stop wasting money on excessive management jobs that are not required . The council is way too top heavy and they do not add any value to the Hepburn shire . In the cost of living crisis the simple things should be provided to the residents a warm and inviting none judgmental place to gather or work from with no costs involved.

The budget shows 1.5 Million dollars allocated for the town hall this will obviously cost a lot more.. The staff turn over is the largest in any town business why ?

Do not keep employing new officers who have very limited ability to create real and beneficial outcomes for the community. I understand that Council is intending o spend \$100,000pa employing a Housing Affordability Officer who will have very little chance of creating real housing. Council should focus more on the critical services that deliver directly to the Community such as roads, child services, seniors services, parks maintenance, maintenance of Council buildings and facilities, and so on. Reduce the number of optional officer positions. Arts Officers have always struggled to achieve much as have Community Wellbeing generalised positions. Information Technology usually swallows huge funds every few years to upgrade systems which were promised to be great just a few years before. This survey, which is way too general, is not effective other than to claim that you consulted the community. The terrible financial position should be addressed by Council directing the staff to cut services that are not essential or important to the wider community. The Officers should understand which services such as a Housing Officer do not deliver major benefits exceeding the \$ investment and then recommend to Council the cuts.

As stated in your catalogue waste collection is not part of rates revenue

Perhaps the council could restructure their spending without having to "cut out".

#1/ Instead of spending \$m on the town hall (daylesford), the mechanics (trentham) and other capital projects, council could invest in smaller maintenance jobs rather than completing everything at once.

#2/ are there more grants to be had?

#3/ can some areas be fine tuned (eg planning and building). From personal experience there seems to be a lot of overlap in these areas. How much was spent at VCAT? over the past few years? Why are things taking so long to process?

#4/ Can council cut back the spending on themselves. Cut back on their lunches. Cut back on being "top heavy" with executives. Employing people to know the job instead of planners who cannot read plans/ heritage people who give out incorrect information

Firstly - this is why councillors are elected. They need to actually make a tough decision instead of outsourcing everything to the community. Ridiculous the people pleasing that is occurring.

Charge for pools. \$100 family season pass. \$50 adults seas pass. \$10 adult use, casual.
Outsource Pools to Belgravia in return for their management of Hepburn Bathhouse. Increase the revenue made from bath house to a larger % of profit.

Remove any new major projects not funded by grants. Will enable a reduction in size of major projects team.

Reduction in size of sustainability team. Align with Council core responsibilities.

Flatten structure. Should be no need of a single coordinator reporting to manager. Where multiple coordinators, sure. But structure can be multiple officers reporting to a manager without the need for additional middle-management.

Increase efficiencies and empower decisions making at a lower level. Reduce internal meetings.

Reduce senior management positions. Rationalize staff numbers and duties required.

It is difficult to ascertain what can be achieved without more detailed information.

A review of the Executive & Council salary packages, including catering

As [REDACTED] we value and rely on the support provided by the event management team and associated grants that we have been able to access in the past. In particular we have relied on the shire to pay for our public liability insurance and our grant applications have been successful in getting funding to pay for kid's entertainment such as face painting and a magician to add to the atmosphere on our regular New Years Day event. As all of our profits are donated back into local community groups, having to pay for these items would severely impact our ability to support as many groups as we do. Also the grounds crew do a magnificent job maintaining the Glenlyon reserve and its associated infrastructure prior to our day. We as a club would be saddened to see any of these services reduced in anyway. Thank you for the opportunity to submit our input.

Stop spending money on unnecessary things like smoking ceremonies.

Possibly the Hepburn Shire should review it's tender process to reduce costs to rate payers due to over costed submissions being accepted. Once the Shire provided more employment and traineeship opportunities across the various aspects of service delivery.

Stay in Your Lane, in others words do what is in council's remit - roads, rubbish collection, parks & gardens & planning

Get it right. No more mistakes

Amalgamation with surrounding shires should be given serious consideration.

Maybe reduce or make redundant some of your job positions within council. Concentrate of roads, rubbish and planning. Forget about cultural diversity, the war in Palestine, advocating about Australia day, the " Yes "campaign, climate change and rewriting our colonial history. Make out red bin collection weekly again. Everyone's expenses have gone up and I've had to adapt. But you as an council don't seem to be accountable for your actions eg " The Rex" Maybe he should take the first step and take a pay cut.

Credit should be given to the council officers for managing the unpleasant language and behavior of an attendee at Trentham Drop-in on Friday night. This woman does not belong in our community. I arrived just after 7 and witnessed her interaction with our Mayor, who also deserves recognition. Perhaps she should consider moving to Macedon if she prefers their council so much.

BE totally open and transparent. The ratepayers would accept decisions made by the Councillor's if the financial borrowing was made public. Past cannot be changed but future can be. It is time for change and if heads fall they do. I am tired of seeing money spent on public facilities and not even partially recouped from the users. And please ensure Holcombe Area gets it fair share of funding. ? from all the new subdivisions in the Ward we should have quite \$ value in Open Space Funding.

We really need our council and councillors to start being practical about what they can actually manage financially from now on. It's time to pause some of these projects and focus on the essential services that our council should prioritise—like garbage collection, maintaining our roads, and supporting community services. Discussions about services that should be handled by higher levels of government, such as housing and sustainability, need to stop.

Honestly, it feels like some councillors are more interested in making speeches and creating a scene at meetings than actually listening to and understanding the struggles of us residents. We need more respect in these meetings too. The last one was particularly tough, and while the Mayor might have been technically correct, the way things were handled felt really disrespectful to everyone involved.

I don't support rate increases in an environment where many people already struggle. I'm mindful of previous waste and poor financial management by Council, that lost so much money! Surplus bureaucracy needs to be cut, but not facilities like libraries. Sport may be relatively over funded. Tighten management and some reduced operational times may be needed. Non-essential infrastructure can be placed on hold or funded by grants. Equity - not excessive support for minority groups is important.

I can't really apportion amounts. Some areas blend into others and some are too broad in definition. Aboriginal Cultural heritage is a non-Council function. Affordable housing - relative to perceived need. Aquatics - Ballarat is close. Arts and Culture - to equal sport investment. Asset Delivery and Maintenance - within boundaries. Community Engagement - ? Community Wellbeing - Bread! Customer Experience and Libraries - part of bread and important Early years - Education and non-council specialist services Events - grants, Communications - non-cost strategies, Open Space, Parks and Reserves Management - Vols, Planning permits - Bad reputation skill up! Senior, disability and inclusion support - Maintain or drop, Sustainability/Waste Collection - ongoing, consistent, Tourism - not now, Youth development - included in other options.

I find the current financial situation and pressure that all LGAs are expected to manage into the future extremely worrying and unsustainable.

For our Shire the situation is of particular concern given the higher than state average ageing population and the limited avenues available to Council to raise revenue to provide much needed services for this demographic.

I am also concerned about the continued increase and emphasis on tourism to towns such as Daylesford and the pressure that this is placing on services, infrastructure and the local amenity for residents. The capacity of residents to continue to absorb further rate increases to enable businesses to benefit from this industry I would suggest has reached its limit and is driving that population out of that town.

I feel strongly that these concerns need to be fed back to the State Government and raised through your local networks.

I would suggest you dont waste money. Eg dont rename buildings or streets and create the need to spend money on new signs or stationary. Dont fund street festivals or fireworks or other non essentials like christmas decorations. Stick to providing garbage collection.

Serious consideration should be given to amalgamation to surrounding local councils. Or equipment and services sharing between adjacent councils to reduce investment and running costs.

Get back to basic services, full stop, and live withing your means. Stop the fluffy stuff to make yourself as Councilors feel better.

██████████ need to stop pushing their own agenda's and get back to basic services. It is obvious there is not the funding available and basic services such as roads, building and rubbish need to be delivered as a priority. Grant funding if available for sustainability and affordable housing should be the only funding made available for these and other non-essential services offered by the Council.

Previous council lost over \$5million dollars due to mismanagement of the Rex. As a result you need to make up \$4million. Council needs to take responsibility and find the money without cuts to services or rate rise.

Get back to basics only.

Close the pools.

I do not think you should increase rates. Cost of living is an issue for ratepayers on fixed incomes and the state government has substantially increased charges with land tax, vacant land tax, fire services levy etc. I think you need to cut services and focus primarily on those you are mandated to provide.

The financial pinch is being felt nationally but our tourist town in Birch Ward have been hard hit and the business closures in Hepburn Springs have reduced us to a ghost town. As residents, we have seen significant rises in our rates on the back of the Covid property value increases. Those values have slumped so it is unreasonable to increase the rates. Council assets should be sold in the first instances and the consideration of relocating the council offices in Daylesford back to the town hall which is being refurbished.

Holiday and Air BnB owners might contribute by paying a licence fee to council for the benefit of running their small businesses. That might also have an impact on the perception of a housing shortage.

I have read through all of accompanying documentation provided and I would question the need for 4 EAs with the Executive team for such a small Council. A root and branch approach to staffing across the Organisation should be the norm. Has Council considered Outsourcing the IT function as this may provide increased knowledge and purchasing power? A thorough audit of all Council owned/leased property would be beneficial along with it's inclusion on an asset register which is made available for Public viewing so Ratepayers are able to see what is actually owned etc. along with associated income/costs.

Given there is a whole dept which manages assets, i find it strange that suddenly there is a need to spend \$1m on Daylesford Town Hall. Any deterioration would have occurred over a number of years and if a check and fix approach had been applied annually, then potentially such a large outlay would not be required in one go? I am astounded at the number of projects and their associated fees which are ongoing. \$1.6m for the Future Hepburn project. Assuming a number of consultants have benefited from these projects and given the level of inaccuracy with some of the data, i would question whether this is money well spent. A back to basic approach should include a through review of vendors such as Gas, Electricity, Office supplies to review costs

I live in Drummond and expect to drive to any council run facilities. Facilities do not need to be on your doorstep.

Cut the amount of executives and managers and consolidate the different departments into a more efficient model. The current model is not working and the idea of rate increases every year is just showing the incompetence of the executive team.

STOP calling rate payers for a \$38 dog registration fee
 What an absolute joke surely the shire council can be more productive with their employees time than this
 Maybe I'll start calling the shire every time they WASTE rate payers money on crap

Please don't raise our rates in Kingston. We get nothing out here.

Focus on the key mandate of councils. Stop all the flag raising, stop hiring expensive consultants and stop vanity projects. We're a rural shire and need good roads, rubbish collected, basic public buildings NOT architectural masterpieces. We need good services to support the elderly. If events are needed and have a valid business case behind them, let them secure funding from elsewhere.

Rationalisation of services to get focus back on core functions of local government is needed

There are definitely reasonable cuts the council can make. When money is tight, everyone has to reduce. It shouldn't be the taxpayer having to take the hit once again. Streamline the service offering and focus on opportunities to enhance critical services only - planning, health, waste...

Halt wasting money , inefficiency, sack the town planners responsible for the latest town planning draft which is riddled with errors and has disregarded the needs of community with total disrespect. The plans put our community through unnecessary grief and are a "money grab" via rates and rezoning which will make land holdings even more expensive which may lead to forced sales

I would vote for new management or disbanding local council with federal, given that there is an abundance of evidence that the local council is failing its ratepayers. In the old days , locals who cared were in management.

I would encourage council to look at reducing the admin / back office costs - while this will impact employment opportunities, it appears that there are multiple assistants / managers. If this is not the case, it's important that the community is aware - more transparency in financial documents / budgets.

Increase the rates of Short term rentals only.
This town is like a graveyard these days.

The rates is already high enough! Any more increase will send people to bankruptcy! Get real and get caring for our community!8

Please utilise skilled locals, instead of expensive consultants who cost a fortune and have no idea about our towns needs.

Stop wasting money on feasibility studies and consultants and get back to the basics.

Consider paid parking in Main Street.

Look at an airBnB levy and extra rate levy for accomodation providers who make a lot of money.

It will get to the point locals won't be able to afford their rates if you keep increasing them! It's already nearly unsustainable for me and I barely use the services.

Reduce staffing costs massively, there are way too many staff for a small council , majj is e it more efficient and streamlined, reduce car fleets, electric vehicles etc..

There is a need to reduce executive employee costs. We dont need a manager for each department. All the CEO talks about is increasing rates to make up the shortfall. About time he earnt his money and make cuts at to top and consolidate departments to a more efficient structure. The executive team needs to be cut to the bare mininium. There is to many so called experts being paid a lot of money to do things that council should not even be involved in. Get back to basics and stop raising rates as your first option. If this executive team were local people they might have more pride in delivering a better outcome for our shire. But unfortunately they are just here to take our money and then just move on. Just look at the time the latest executive team have been here, most of them less that one year.

Council wasted millions on the Rex project and now expect the ratepayers to to take a hike in their rates to fix this problem. Some management positions should be cut or take a pay cut, the renting of the building in Vincent Street is waste of funds. Owner of this building is getting his money back he paid for the rex. Smart move on his behalf. Staff are not turning up to work anyway so why the upgrade.wate of money. Council is a disgrace . Coming into Daylesford unkept ,roadsides,potholes everywhere. The Shire is a disgrace. Put some more funds on the ground so work can be done from the ground . Not top heavy as it is now.

<p>Disregard plans for industrial development on Creswick Road entrance to Clunes. Keep the historic beauty of Clunes township visible to visitors and tourists.</p>
<p>People are struggling financially at the moment, this needs to be considered. Putting up rates (that appear to be already poorly managed) by a small per cent will unlikely cover costs</p>
<p>Please concentrate on services council should be providing and affect us day to day. Several services have been vital to us as carers and these should be prioritised over things like sustainability and affordable housing, which should be taken on at higher levels of government.</p>
<p>Reduce recycling bin collection to once per month.</p>
<p>Realistically the availability of grants from the Victorian Government will not be as generous or available for the next decade. Seriously consider if user pay funding sources provide a sufficient critical mass to finance the Shire's range of non core services over the next decade.</p>
<p>Seeking a rate rise above Victorian government caps is not appropriate, the residents and rate payers did not cause the \$4 million shortfall and should not be made responsible for council mishandling of funds. Cut back on council internal spending. I would prefer the Hepburn shire council to be dissolved and have the areas be absorbed by another council such as Mount Alexander.</p>
<p>Reduce councillors spending as [REDACTED] has claimed way to much in travel and why are rate payers paying for [REDACTED] ? These are not full time employees, they are elected officials who have other jobs and businesses. This needs to be addressed as it's clearly a free for all and we have a right to know who's approving these expenses.</p>
<p>First off, [REDACTED] should not to be claiming over [REDACTED] in travel expenses nor any other councillor. And we should not be paying for [REDACTED] expenses period! [REDACTED] Who approves these budgets ? This is disgraceful !</p>
<p>Some of those services are not available in Creswick.</p>
<p>Minimum rates increase, higher rates for tourist properties, much higher rates for vacant property than current.</p> <p>Feral animals and the control of these, requires to be managed in the region.</p> <p>Don't like to see the volume of development.</p>
<p>Council has put a lot of effort into developing strategies and master plans, and some of them are very good. However, there may be insufficient staff or operating budget to deliver the intended benefit for the community. My request is to do fewer things but do them very well. Major projects such as the Trentham Hub and Creswick bike trails will add to Council's operating and maintenance costs thereby causing other budget cuts (or rate rises). These examples reinforce the need for Councillors to be informed of whole-of-project cost, not just design and construction costs, but also operating (staff, energy, consumables), maintenance and future closure/remediation costs.</p> <p>I suggest Council critically reviews all current masterplans and strategies before commencing work on the next Council Plan. The newly elected Councillors will need to understand the future budget impact of the current 'pipeline' of proposals before (potentially) considering new ones.</p>

Do not reduce access to / facilities at Shire pools.

Get rid of pointless programs, event support, inclusiveness and wellbeing initiatives, environmental grandstanding, and stop supporting wannabe peasants with multiple income streams pretending to farm. Focus on roads, waste management/public health, infrastructure and libraries which deliver genuine public good. Get rid of existing management and put administrators in to instil some financial discipline.

In this current financial climate when everyone and everything is strained and stressed I think it poor management of council to even consider spending more than their current budget and asking residents to assist with rate rises. There has been much miss spent tax and rate payers money over the past 4 years. If businesses need to cut back on spending during this period then local government should do likewise. If nothing else certainly out of respect for those that are challenged at this time when utilities, food, house prices, house rentals and daily living costs are rising due to inflation and poor management of government.

We should never of purchased the Rex & the previous CEO should be personally liable!
 Stop spending money on sculptures, pumps for spring water & events which sponsors should cover costs. We do not need to spend money on tourism because people already know about Daylesford /Hepburn. Focus on community services for residents & keep the pool free!
 We do not need to financially support private business! We need to stop spending rate payers money on things that do not directly contribute to the health & well being of residents.

Yes, a few:

- Council has a good case to increase rates by CPI. Residents would understand this.
- Council should highlight that Hepburn shire currently has very low rates compared to other councils
- Also good to hihglight we are quite a small shire.
- Best to do this with push advertising not pull. Maybe in you rnewsletter or when rates notices come out or in organised comminity live sessions.
- OK to limit projects for now until we can stick to our finance availability. Don't increase debt!

Our health service,

Whilst very ill,

With projected new housing and increase in population, how will our failing services cope.

Yes Hepburn Shire in my option has squandered Tax Payers money. A smoking ceremony apparently costs \$700-\$1500. A welcome to country anywhere between \$300-\$750. I know of one occasion where a welcome ceremony was performed three times in a day. Really what a waste of money. Instead of a welcome to country perhaps an acknowledgement could be given? Honestly better synergies would be had if Hepburn merged into Macedon Ranges.. The rates paid by residents of Trentham are not that far behind a lot of suburbs in Melbourne. And it was suggested that perhaps our rates need to go up by 20 percent to meet current services. I have a better idea how about council stick to Roads, Rubbish and rates and stop trying to think that local govt is actually bigger than it actually is.

Should Council increase rates, I trust there will be a judicious balance between increased revenue and cutting of existing services.

I would propose you take a pay reduction instead of asking people who are already doing it tough with inflation to spend more on rates. It is very tone deaf to ask people to say yes to raising rates when you keep getting enormous pay rises, and purchasing properties such as the old theatre in Daylesford and then wasting money to resell at a loss. I encourage you all to not be selfish and greedy by asking this of the local population.

There are many people who rent out their homes as a holiday let. I believe these people should be the ones to pay a greater share of the rates increase as they are wealthy enough to buy a second (or more) home, and rent it out to receive negative gearing. I also imagine that some income could be made from the amount of illegal parking in the shire, or at least in Daylesford.

Please understand that many many ratepayers are greatly struggling financially. Rates are already extremely high and difficult to meet. We are finding it hard just to keep up with mortgage interest rates and food costs. People cannot bear a further financial burden right now. Please instead sell assets or reduce service offerings rather than hike rates again. I know members of the community who live without electricity and struggle from pay to pay.

Reduce the significant investment in sporting facilities - and consolidate instead. So many pavilions / halls / grounds : you have been feeding one part of the community and ignoring the rest. How often is the Trentham Pavillion used by non-sports community groups, and what was the business case for ANOTHER bookable public space in The Mechanics. A duplication of assets and an utter waste.

Existing faculties have been left to literally collapse - like the Daylesford Town Hall. And yet you open NEW ones in an endless pipeline of projects that you can't manage, maintain or even staff. Celebrating The Mechanics opening and then closing other sites like Clunes to even staff it shows that you need to really consider the service delivery model BEFORE commencing with new projects.

Consolidate operations - why can a ratepayer pay a planning application in 4 physical places, plus over the phone and online. Surrounding Councils have ONE Customer Service Centre - just have the courage to pull the pin on the unnecessary Clunes and Trentham. Transfer stations - seriously why is there three? Trentham residents can drive to Kyneton or Daylesford - the site isn't even powered or have water connection so it either needs investment to be a safe workplace, or just cut it.

Pools - why invest so much money into an aquatics strategy with outcomes that are never going to be financially viable. You clearly can't afford to operate the current pools, let alone invest in upgrades. Unless they can be financially sound operations, with creative solutions and partnerships that think outside-the-box, you need to prepare the community for closures as they are well past their asset lifespan.

Tourism is the lifeblood of the region - this MUST be supported, especially in difficult economic conditions as the flow-on effect is immeasurable. However why don't we have paid parking in Daylesford? Make it a Thurs - Sun paid parking strip and claw back some money for the use of our facilities - reinvested back into toilets etc. At the very least start enforcing the two hour limits - including the bays behind the public toilets that are for the PUBLIC not Council staff who use them all day even though they are allocated 2 hrs.

Amalgamate services - investigate joint partnerships with surrounding Councils for joint procurement with contracts like waste management. City of Ballarat could easily take on Creswick and Clunes. Macedon Ranges can pick up Trentham. And Mt Alexander can work with Hepburn and Daylesford.

Stop producing (paying) for out-of-touch strategies when the actions are not feasible and will never be delivered. Arts & Culture - with what money? Youth? With what money?

Also - review the contract with [REDACTED]. Our community is being short-changed and Council should not

be paying for significant upgrades when the profits (there are definitely profits!!!) flow to another organisation. This has been completely mismanaged and Council just doesn't have the skills or expertise with such contracts. Similarly, lease agreements, many are overdue, and Council doesn't even review or abide by their own terms. Pays out money that it shouldn't and allows the tenants free reign.

If you think that ratepayers should pay more for less, and blame the economic environment that we ALL live in for the financial situation Council is in, you are truly in denial for the abysmal management of Council over many many years.

Commercial and private subdivision Council needs to be more positive and consider working with people to multiply rates eg from one to a dozen. Rezoning from industrial to commercial.

I am interested in Council partnerships

Reading the Catalogue carefully (an excellent piece of work), I noted several things:

First, I commend the significant reductions in a range of areas that look to me to be well-advised.

Amateur at much of this that I am, I gave a 'tick' to the provisions for Assets; Community Engagement; Corporate Governance; Corporate Property; Council Governance; Libraries; Early Years; Economic Development; Emergency Management; Executive Governance; Financial Management; ICT and Security; Information and Records; People, Culture & Performance; Planning; Procurement; Property; Property Maintenance; Public Safety; Rates; Sustainability; System Application; Waste; and Youth.

Some particular responses:

1. Putting \$123k into Affordable Housing is so little that it is a waste - I'd cut this but ensure that Planning is aware of its importance.
2. Under Aquatics, the cost per visit of c.\$18 seems excessive. Given its very limited season, which doesn't overlap with school terms, is it worth continuing the Trentham pool?
3. Community Grants (some of which I have been part of groups receiving them) are increased in 24-25, but could be kept at 22-23 levels, saving \$50k p.a.
4. Under Asset Maintenance, a new grader is sought (\$1.3mill): much as I want good roads, could this be deferred, or the cost be spread over 2-3 years, or a sponsor found to subsidize it? This item alone is close to the 24-25 deficit.
5. Events have increased allocation - would return to 20/21 levels do any harm to community spirit?
6. Open Space workers (who do a great job around Trentham) increase by 2.5 - are these really needed?
7. Public Health jobs increase from 3.5 to 4.5 - why? COVID is largely past and CHRH has flu etc. in hand.
8. Under Recreation, could lighting for Victoria Park be delayed for a year or more?
9. Under Rural Planning, all forms of public transport are problematic: is it worth putting funds into an Integrated Transport Strategy at present, especially with changes to EVs coming quickly? Wait 5 years?

More generally, a number of jobs seem to me to be closely related in terms of similar focus or similar work skills: Affordable Housing, Arts, Well-Being, Events, Tourism, Work Health & Safety, and External Communication, Seniors, Disability and Inclusion, totalling 13.61 positions (I think ...) across what looks like at least 17 people. Could some appointments be consolidated - each saved means c. \$100k?

As residents and businesses we are all tightening our belt and expect council to do the same too.

Council needs to think outside the 'safe' zone and start seeking ideas to generate additional income via alternative revenue streams. For example, given that the population of Daylesford triples (the total population of the Shire) every weekend due to visiting tourists and day-trippers, installing parking meters on Vincent and Howe Streets (alone) would generate \$500K per year to Council coffers. And that's just for meterage on weekends only, including providing ratepayers with parking permits or permit codes to enter into meters. I've done some research on this idea and I'd be only too happy to show Council how cost effective this proposal would be.

Relying on grants will not deliver operational sustainability. Focus on the basics that benefit shire residents and visitors alike ie, better maintenance of streets, parks, gardens and lakes, footpaths, waste collection and signage. Reduce spending on things like the circular economy initiative which really only preach to the converted ie people that are already 'walking the walk'.

Instead of reducing the level of services, a more useful approach might be to decide on priorities for expenditure. In hard times, we all cut back on luxuries and focus our expenditure on core/essential spending.

If that results in a smaller number of quality services/projects that the majority of ratepayers think are essential, then that's fine. When things improve and debt is paid down, other services can be re/introduced.

Having many services that can only be accessed by a small number of people or at an inferior level of quality is going to result in many unhappy users or people who are denied services.

I appreciate that this approach is confounded by Council acting as a service deliverer for state and commonwealth governments. Council should not be subsidising these services and should make very clear in communications with the public when ratepayers are subsidising services.

Unless there is a clear indication of how to improve the financial situation long term, I think the focus should be on minimising ANY further borrowing and paying down current debt. If that means austerity measures in the short term, that's better than council running out of money or being in the same situation in ten years.

It's time for a some strict financial monitoring. I know that current council is hamstrung by the debacle of the purchase and sale of the Rex, but those millions of dollars, if in the council bank account, could have been used to maintain services NOW.

Strict, thorough, open financial monitoring is required, council is yet to demonstrate that they can be trusted with our money.

It's only when funds are tight that SUFFICIENT scrutiny on income and expenses is brought to bear. Otherwise, like the Rex: "there's plenty of money around, no need to scrutinise too closely what this deal means" - well, that didn't turn out well for any of us!

I value the library - I do all the activities and school holiday programs. I do my homework there after school.

The council is not preforming it's duty in a timely manner.

Rates keep going up as new valuations of property goes up so it's not just the yearly rate increase pushing up the rates. For older long term property holders that's is an unfair expense as they did not pay those price for there land.

The planning department needs to be out sourced to people who can get the work on in a timely manner and do it fairly.

So far I have been working on a simple subdivision, and it has taken over 2 years. At one point I was

<p>told that my information had been lost, then later it was found again.</p> <p>Roads are not maintained in a good conditions and from research, apparently most road accidents are caused by poor roads. I think a lot of the road issues comes down to poor design when they initially build them, ie not proper drainage etc. Maybe the builders should be held accountable.</p>
<p>Even with a rate increase it seems council's position will be compromised. I would advocate fast tracking the course of council merger or state government funding as required.</p>
<p>It's just nonsensical that the council wants to spend money on things that aren't essential when they're in such a tight spot financially. The councilors should focus on basic services that we residents actually need, instead of wasting time and money on speeches about Mr. Assange and elaborate sustainability programs dreamt up by a group of few. I believe sustainability efforts should be managed by the community, not by the council.</p>
<p>Council to spend less on consultants and new frameworks and get back to delivery of services for the community. The major of Council funds should be spent on service delivery not on over compliance costs, huge governance costs and the ongoing engagement of consultants for strategies and the development of new frameworks to deliver the same services (less planning and navel gazing meetings, and more delivery!)</p>
<p>Audit the number of associations & groups council belongs to establish value & necessity & stop membership.</p> <p>Do not use consultants for work that should be undertaken by staff.</p> <p>Quit any sister city arrangements.</p> <p>Eliminate positions that do not directly deliver service to residents.</p>
<p>Council needs clear priorities that reflect community values. The council are spending money on areas that reflect only a minority interest . Eg aboriginal culture and reconciliation. This is outside the scope of community expectations of council services. It's not a vital service that builds the fabric of our community. It's a side line distraction like so many other services that are being half delivered.</p> <p>Council needs to focus on delivering value to the majority of the community. With as FEW layers of unproductive management as possible. Hepburn shire is too top heavy and needs to focus on those workers delivering value to rate payers. The bureaucracy of councils is where all the rate payers money is going . What are the key metrics in this area ? Talk to councils that are successfully doing more with less. You will no doubt find that levels of middle management have been removed. Have the courage to seek change rather than reduction mindset .</p>
<p>Cancel should adopt Snap Send Solve as it is a terrific tool for the community and all of my friends and community are using it with great effect.</p>
<p>The Hepburn council has mismanaged ratepayers over many years. The Rex project for example was a blowout of 5 million. The state of its financial affairs is shameful due to their mismanagement. Us rate payers should not now be resolving this mess.</p> <p>It's time Hepburn council ceased and amalgamated with another council and was made accountable .</p>
<p>Reducing spending would be good. Let the small country roads be a bit less well maintained - encourages people to drive slower too.</p>

Council spend should be in line with the demographical profile of the community and provide direct services to these areas - not contract them out and pay for a private provider, tender evaluation and documentation and contract management costs - this is a very expensive service delivery model. Nor should Council spend significant funds for services outside their scope (state or federal government roles) and initiate services for a very small segment of the community that require significant spend.

There should be no more rebranding or renaming as these are significant costs that do not alter services and become an overhead that ratepayers are expected to fund.

No more woke Council actions and policy and stick to the primary role of local government. This includes no political statements from Councillors or management trying to influence individual choices and rights..

Until we become financially sustainable we need to focus on the essentials rather than the nice-to-haves. If we cannot meet these minimum needs/essentials then perhaps more radical options need to be considered rather than just cutting services or increasing rates. Economies of scale can deliver the same level of services at lower cost - joining forces with Mt Alexander Shire or Macedon Ranges Shire is also a long-term option.

I feel that the population of Hepburn does not support a full set of executive level appointments and that council should consider having only a CEO and allowing each department head to drive strategy and development without a intermediate executive above them in the space below the CEO. I am not convinced that there is any significant value provided by the remainder of the council executive.

- Consider amalgamating services with other Shires eg HR and IT.
- Share councillor onboarding costs with other Councils.
- Reduce EFT in internal Council teams such as People & Culture
- Offer Maternal and Child Health and immunisation through another nearby Council, not the health service.

You should allow more subdivision to enable more people to live in the Shire and thus you will get more rate revenue. You have too small a number of ratepayers. Everyone is crying out for more land to be made available so more houses can be built. We are in commuting distance to Melbourne. It is unconscionable that you have 100 acre limit on subdivision in rural areas.

Hello,
Its appreciated that you are asking... instead of doing this. There has to be another option... the buck cannot continue to be passed to the individual. I pay taxes I pay rates and they and everything else continue to go up. There are people, the elderly, those on welfare who really can't afford this. Please there must be a way

I would like to see council focus more of their spending on services that impact residences and customers, and not creating upper management roles. Its seems there are exorbitant dollars being spent on upper management roles when on ground customer facing services such as, Libraries, customer service hubs are facing a reduction in hours that they can service the public. there are a HUGE amount of hours where the libraries and the Customer service center at Duke st are closed over lunch period, when they never use to be. People that want to use these services during their own lunch now cannot. I'm guessing due to staffing reductions ?

Reduce staffing costs where there is no direct service delivery output.

<p>Maintain current service levels of staff that provide vital services like roads, parks and gardens, facility maintenance, community safety, library, customer service.</p> <p>Review jobs that are optional - not vital to providing services to the community/rate payers. The emphasis should be on residents, with a smaller emphasis on tourism (tourism is not primary focus; focus on residents - all age groups and assess how your services provide a positive impact for rate payers - social connection for all ages is vital - maintain and value the services that guarantee that engagement)</p>
<p>I feel the community deserve transparency around the situation that occurred with 'The Rex'.</p>
<p>Given the increasing cost of living and decrease of services such as waste collection, a clear understanding of why the deficit (including how such a big deficit has accumulated) is being passed on to rate payers would be appreciated.</p>
<p>You have taken away our hydrotherapy classes with the rebuilding of the bath house, our cinema and public toilets with the REX Fiasco. IT is time to spend less on business and Tourism, and more on Community Health and wellbeing. This includes a housing officer.</p> <p>An Arts Officer to locate grants and assist in applications can bring in thousands of dollars into the pockets of community individuals and groups.</p> <p>Stop employing consultants to reinvent the wheel each time there is a staff turnover. I remember the consultants who suggested we vote on plans which included land not owned by council , who wanted to destroy the Town Hall as we know it in Daylesford.</p>
<p>Too much emphasis on tourism and business.</p> <p>Council has already taken away our cinema, hydrotherapy for disabled and elderly, with rebuilding of bath house, and public toilets in Daylesford. It is time to think of disabled and elderly residents for a change.</p> <p>Stop wasting money on consultants from out of Shire. (ie that group some years back asked us to vote on plans that covered land and buildings council did not own)</p> <p>Hepburn Shire has many Artists and did have an Arts Committee. Use them .. not out of Shire consultants.</p> <p>Employ an Arts Officer to assist local Artists and all community groups to apply for grants. It will pay for itself</p>
<p>Please don't put our rates up. People are struggling to put food on the table and keep a roof over their heads. The mere suggestion, in a time like this, is deplorable</p>
<p>I feel the council is top heavy in staff numbers and pay too much for staff that are not suitable to the job at hand.</p> <p>I also think council needs to stop trying to up-ease all the different genders, and relationships within the council. For years they have wasted money on the marty gra and the giant rainbow which should have been spent on upgrading sport facilities to keep local families involved in living within the town.</p> <p>I also think council rubbish and waste removal is a joke. With all our recycling and rubbish ending up together at the tip.</p>
<p>My main concern is the transparency of council being honest with residences.. for many years residents would like to know the outcome of the issues in regard to the result of the investigation of the Rex. If the residents were advised of the result , maybe we would have more confidence in the shire and councillors .</p>

Existing rates are substantial enough as is and any increase would create more financial pressure which is already immense.

It is not us as rate payers fault that previous budgeting and spending has not been carried out properly by this council in the past.

Concentrate on rubbish and roads. Everything else is not a core council area. Stop dabbling in things/areas that we can't afford and are not core council business.

Cost of living is phenomenal and we must be given rate relief rather than rate rises.

A good idea would be firstly to have a look at yourselves. How many people are sitting in council offices doing close to nothing getting paid by the rate payer? Maybe reduce yourselves. Don't you think you "locals" have ruined this town enough? And now you want rate payers to pay more? For what? You do NOTHING for the people that live here except constantly gouge our wallets for the benefit of the gucci tourists you are all so desperate to get here. The council itself needs to be reduced. And don't think for a second that ACTUAL LOCALS don't know the extent of the corruption that goes on in there. You should all be ashamed.

Recent changes associated with green waste management do not work for holiday let properties resulting in contractors being paid for a service I cannot practically use. This seems wasteful and I am not aware of any consultation having taken place.

We should try get other income streams outside rates. E.g tourism, festivals (including music and arts).

Miss Management has lead to this loss from council, the Rex is a prime example of major community \$ lost so council is responsible for returning those \$ back to the community, not the rate payer. It's classed as double dipping the rate payer!

I am being charged commercial rates as an accommodation provider by Hepburn shire but are not recognized as a business so do not qualify for any business benefits ie electricity rebates. There needs to be some consistency rather than being used as an additional revenue source. I would much rather see my rates charged as residential and impose a 'city tax' per night per guest for tourism operators as they do in other countries. This way the tourists pay for visiting the region and using the free resources, amenities etc. I'm in Italy at the moment and this is my experience here. It hasn't affected the number of tourists at all!

As a rural resident I don't have the same infrastructure resources as a person in town so why are my rates so high

I believe local government should be abolished as it is double dipping on state government taxes, we already pay too much for not enough of the right priorities. Some things councils need not be involved in.

Reduce expenditure to operate within the budget until things improve.

Improve services by utilising retired skilled Volunteers to help in some services, keeping them engaged with a purposeful life and enriching community connections.

You have failed in all things. Promising things and not delivering.

Keep spending to a minimum whilst also meeting the current needs of rate payers in the shire.

Maybe the Shire could look at what the core business is and rationalise areas that are not core business, even though they might be good to have. There should also be a baseline scorecard of all assets and equity of use established, so that some community groups pay to use whilst others don't. I also think that the actual financial position for the past terms of Council, from 2008 to present should be presented in a form that is easy to understand, as in an overall visual display.

Income generation - sale of assets, increased fees for services, options such as paid parking.
Stop aquatics - spend is just under \$1m, not fit for purpose as can only be used for 3 months of year max due to weather and are estimated to cost several millions in next few years just to maintain to a standard. Need to focus on what Council is mandated to do rather than nice to haves.

The Council could consider implementing a fair and balanced approach to revenue generation by targeting short-term accommodation providers through rates, thereby alleviating the burden on regular residents. This approach would ensure that those who are profiting from our community contribute their fair share.

Additionally, the Council could consider imposing higher planning permit fees for developments related to short-term accommodations, reflecting the significant profits generated by these projects.

Furthermore, the Community Safety Team could be empowered to issue parking tickets, generating revenue across the four townships from visitors. This approach would not only enhance revenue streams but also promote responsible parking practices.

By adopting this strategy, the Council can strike a balance between supporting our community's growth and ensuring that those who benefit from our community contribute to its development.

Thank you for sharing the Council's financial strategy and goals. Achieving \$4 million in long-term savings and/or revenue requires innovative and collaborative approaches that prioritize sustainability and community benefit. Some potential areas to explore for cost savings and efficiency gains across Council could include:

- Process streamlining and digital transformation: Leveraging technology to automate tasks, enhance customer service, and reduce operational costs.
- Shared services and inter-departmental collaborations: Identifying opportunities for cross-functional teamwork, resource sharing, and consolidated services.
- Asset management and infrastructure optimization: Reviewing Council assets, facilities, and infrastructure to ensure optimal utilization and potential divestment or repurposing opportunities.
- Strategic partnerships and grants exploration: Building relationships with local organizations, businesses, and government agencies to secure funding and resources that support community projects and initiatives.
- Community engagement and participatory budgeting initiatives: Involving residents in the budgeting process to ensure that Council priorities align with community needs and aspirations.
- Reduction of CEO wages: Considering a reduction in the CEO's salary to demonstrate leadership by example and allocate resources more efficiently.
- Reduction of Councillor expenses: Implementing measures to reduce Councillor expenses, such as limiting travel expenses, using virtual meeting technologies, and streamlining ward allowances.

Some additional questions to consider:

- Are there any existing programs or services that could be optimized or reimaged to achieve greater efficiency or cost savings?
- How can we leverage data analytics and performance metrics to inform our decision-making and track progress towards our financial goals?
- What opportunities exist for Council to partner with local businesses, educational institutions, or community groups to drive economic growth and innovation?
- Could we explore alternative models for service delivery, such as community-led initiatives or cooperative partnerships?
- How might we prioritize investments in community development projects that generate long-term economic benefits and enhance quality of life?

By working together and exploring these ideas, I'm confident that we can develop a comprehensive plan that achieves the necessary savings while upholding our commitment to transparency, accountability, and community well-being.

Additionally, I would like to propose a reduction of 20% in the CEO's salary and a 15% reduction in Councillor expenses, which would not only demonstrate leadership by example but also free up resources to support community programs and initiatives. This would be a symbolic gesture that shows we are committed to putting the community's needs above individual interests.

Split the shire up

We should be provided with an independent review. Can a shire with the small population base like Hepburn ever be viable. Community needs will only become bigger eg managing climate change risk to infrastructure, supporting young families and children with increasing mental health needs, increasing community expectations for meaningful community engagement, more support for tourism and economic development. Planning approvals in a timely way etc. what would be the saving if we amalgamated council with Ballarat? How much would we save in running a council? We could easily have customer service outlets in the towns, but the operation of council could probably

be more sustainable if we were part of a much bigger council. Please put this option on the table, and investigate cost and benefits.

Just make the right decisions based on the financial options.

Given the facts and the ultimate effects which will be felt by ratepayers from any of the options, it is time to rethink / review where Trentham best fits and where it's services can best be managed - move us in to Macedon Ranges Shire

Our rates are already high in comparison to other Shires. I believe stretching them too high will be catastrophic with the already increased cost of living.

I fail to see where all of the rate's money goes as it is, and if that is a collective voice of other residents, then you're in a bit of trouble expecting people to pay more. They just won't get paid. Council officers working roles could be consolidated. Work smarter, not harder. Reduce your red tape and things will work more efficiently.

30 May 2024

Mr Luke Gosling OAM, MP
Chair - Committee on Regional Development, Infrastructure and Transport
Submitted via email: [REDACTED]

Dear Mr Gosling,

Re: Inquiry into local government sustainability

As a small regional Local Government, Hepburn Shire Council (Hepburn) is pleased to have an opportunity to provide input to the House of Representatives Standing Committee on Regional Development, Infrastructure and Transport for their 'Inquiry into Local Government Sustainability'. We thank the Committee for undertaking this most required review.

Hepburn Shire is a small regional local government serving numerous diverse communities across townships including Daylesford, Creswick, Trentham, Glenlyon and Clunes. With a land area of 1,470km² and servicing a population of more than 16,000 residents, our modest annual budget is a constant challenge when endeavouring to meet community needs and expectations.

Our submission has been prepared to align with the key focus areas detailed in the Inquiry's Terms of Reference.

Financial sustainability and funding of local government

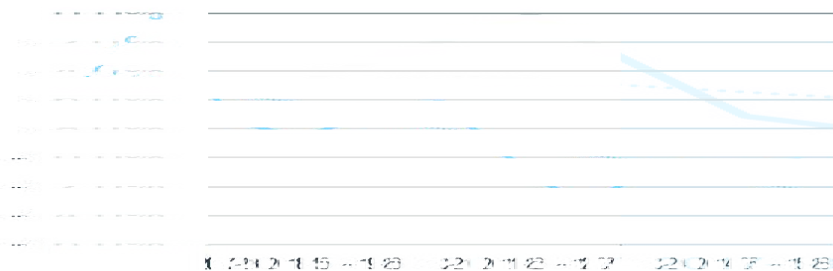
It is now beyond doubt that the ability of regional and rural councils to continue operating and providing the services expected by our communities is on the knife edge.

With the very real risk of imminent service reductions, deteriorating community assets and significant cost increases for service delivery and asset renewal, the financial viability of local Government has never been more challenged. This reality threatens to compromise the livability and prosperity of many smaller and regional communities.

This scenario, when viewed alongside the sector's limited ability to generate additional income through alternate means, is greatly concerning.

The 9 key findings of the international report prepared by Rural Councils Victoria (RCV) titled 'Alternative Sources of Income for Local Government 2022' [Alternative sources of income for local government \(ruralcouncilsvictoria.org.au\)](https://www.ruralcouncilsvictoria.org.au) details these constraints and identifies where additional income may be possible. It is limited to a very small component of the overall funding required.

In Hepburn's case, we are currently managing a rapidly declining underlying result, a forecast negative unrestricted cash position at 30 June 2024 – and the consequent need to significantly increase revenue or decrease expenditure over the coming years. Council's draft budget presented to the community on 28 May 2024 detailed \$1.5 million of operational reductions in 2024/25, new borrowings of \$5.5 million and the need to generate an additional \$4 million of revenue or reduced spending annually from 2025/26. Our situation is consistent with the trend of small councils adjusted underlying result ratio shown below.



Source: AEC Analysis (unpublished), LGV Budget Summary Report data (various years)

Financial Assistance Grants

The Financial Assistance grants are not keeping up with the cost-of-service delivery and a review of indexation methods is required. The indexation applied does need to be commensurate with the cost of delivering local government services, and the limited ability to raise income compared to State and Commonwealth Governments. The current gap from past freezes and low indexation also needs to be addressed.

Vertical fiscal imbalance is a characteristic of the current federation framework, which results in an inability of local government to earn sufficient revenue to fund services,

relying on grant funding from the other levels of government. The imbalance is increasing in the Victorian context, especially as rate revenue is restricted.

Hepburn Shire requests that the Committee note the following:

- As a percentage of total Commonwealth Government taxation revenue (excluding GST), the amount of Financial Assistance Grants made available to local government decreased from 0.76% to 0.57% from 2011/12 to 2021/22.
- That the vertical fiscal imbalance that exists results in the local government sector being vulnerable to policy settings of other levels of government, including the allocation of grant funding and transfer to local government from other levels of government.
- Unlike the Commonwealth and Victorian governments, the revenue base of local government does not expand in line with economic growth, due to the impact of rate capping and the Financial Assistance Grant funding model – due to rates and operating grants contributing 80% of revenue in the local government sector. This means while the Commonwealth and Victorian Governments can respond to demands for higher living standards as the economy grows (e.g. additional funding for better health services and better education), the local government sector is significantly constrained to meet the demand of the community for higher living standards.
- Between 2011/12 and 2021/22, Commonwealth Government taxation revenue (excluding GST) increased by 65% (or 31% in the five years to 2021/22) yet Victorian local government taxation revenue (municipal rates) only increased by 54% (or 16% in the five years to 2021/22).

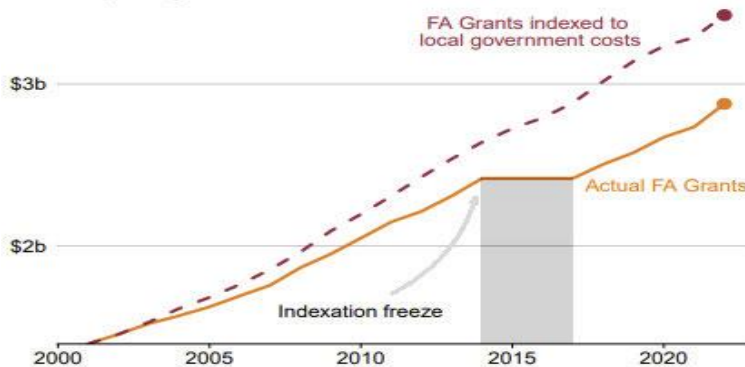
Hepburn Shire Council calls for a fairer share of funding, to assist with the delivery of key services and infrastructure projects. Of note is that the Commonwealth Government taxation revenue (excluding GST) has increased by 65% over the last 10 years and 31% in the last 5 years, while Victorian Government taxation revenue for the states has increased by 98% over the last 10 years and 34% over the last 5 years. By comparison, local government taxation revenue (municipal rates) has only

increased by 54% over the last 10 years and 16% over the last 5 years.



Grattan Institute released their Pot Holes and Pitfall’s report [Potholes and pitfalls: How to fix local roads \(grattan.edu.au\)](http://grattan.edu.au) which clearly demonstrates the growing gap between Actual Financial Assistance Grants provided and proper indexation for the same grant.

Figure 1.1: Federal government funding for local government has not kept up with costs
Financial Assistance Grants 2001-2022, actual value and estimated value if indexed by local government costs



Notes: Values determined by taking value of grants in 2001 and indexing annually according to (a) the method outlined in the Local Government (Financial Assistance) Act 1995 (population and growth in the Consumer Price Index), with an indexation freeze starting in 2014-15 and ending in 2016-17 (orange); (b) population and growth in the SA local government price index (red).

Sources: Department of Infrastructure, Transport, Regional Development, Communications and the Arts 2023a, The South Australian Centre for Economic Studies 2023, ABS 1999.

Source: Grattan Institute - Potholes and pitfalls: How to fix local roads report

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Creswick
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The Warehouse
36 Fraser Street
Clunes
03 5345 3359

With increasing community expectations and changing service delivery obligations, there is significant importance placed on Financial Assistance Grants and we cannot overstate the importance of them being appropriately indexed.

Recommendation

Restore Financial Assistance Grants to at least one per cent of Commonwealth taxation revenue while maintaining other current Commonwealth funding programs.

Recommendation

The Government 'reset the payment cycle' with an additional once-off payment, to address the bring-forward of Financial Assistance Grants and then have a standard payment cycle.

Increasing Cost of Service delivery

Maintenance and renewal of existing infrastructure assets has seen cost increases of between 10-30% over the past 3 years with no commensurate income opportunities. These cost increases, often being realised part way through project delivery, without any increase in grant funding supporting the initial project, have required Local Government to continue to fund the cost escalation to deliver the projects for our communities.

Council has investigated options for other income raising potential, regrettably without any practical options being identified. We have very limited ability to raise revenue from typical sources that are available to large urban centres such as parking fees and enforcement activities. Further, applying increased service fees for important community and social services is also not realistic, especially in the midst of a cost-of-living crisis.

In deliberating on budget constraints over recent months and acknowledging the increased costs and limited ability to generate other sources of income, Council supported two Notices of Motion at the 19 March 2024 Council meeting regarding long term financial sustainability.

In relation to cost increases, Council determined:

That Council resolves to submit the following motion to the 2024 National General Assembly of Local Government:

“The National General Assembly urgently calls on the Australian Government to provide funding for the establishment and ongoing update of an annual Local Government Cost Index, given that the Consumer Price Index (CPI) issued by the Australian Bureau of Statistics (ABS) measures household inflation, which is not a true indication of the cost factors impacting on Local Governments. The Local Government Cost Index could be used to assess annual adjustments to recurrent grant funding.”

Recommendation

That the Committee considers the establishment of a Local Government Cost Index to be used for annual adjustment to recurrent grant funding. This would be a more accurate reflection of cost adjustment for Local Government than the current Consumer Price Index issued by the Australian Bureau of Statistics.

Rate Capping

Although a State Government policy, the Committee should be aware of the impact of the Victorian State Government Fair Go Rates System.

Hepburn has, and continues to be a low rating Council. Prior to the introduction of the Capped Council Rates under the Fair Go Rates system, Hepburn Shire responsibly self-imposed a rate cap model for our communities which allowed ongoing service delivery however also required identification of operational efficiencies. The subsequent introduction of a state-imposed, one size fits all, rate cap, without an attempt to bring councils to a consistent foundation, has resulted in Hepburn being financially penalised with the rate cap being applied to an already low base. This is demonstrated in Hepburn Shire being ranked 61 out of 79 Victorian Councils in terms of lowest rating municipalities.

While deliberating on budget constraints over recent months and acknowledging the required service reductions effective 1 July 2024, council supported two Notices of Motion at the 19 March 2024 Council Meeting to support our long-term financial sustainability.

In relation to the rating system Council determined:

That Council resolves to submit the following motion to the May 2024 MAV State Council meeting:

“That the MAV calls upon the Victorian State Government to undertake a comprehensive, independent review of the workings of the rating system, specific to the rate cap provisions. While acknowledging the State Government’s policy to

apply a rate cap, that the MAV seeks review of the application of the system – with the objective of improving its effectiveness and supports long term sustainability for rural, regional and metropolitan municipalities.”

The requirement for all levels of government to be responsible with public money and deliver cost effective services is well acknowledged and the ability for individual municipalities, in partnership with their communities, to self-determine required service levels, and funding options, with their communities is of utmost importance.

Without this, Council is now preparing to reduce services effective 1 July 2024. We are also working through asset disposal options as a means of reducing costs and generating one-off income in the short term. Additional options are also being considered to secure our longer-term financial position.

Recommendation

That the Committee acknowledges that rate cap systems imposed by State Governments severely impact the ability of Councils to operate in a financial sustainable and responsible manner.

Emergency Management and Recovery from Natural Disasters

Unfortunately, Hepburn Shire has been severely impacted by three (3) declared natural disaster events since 2021 and our community has suffered significant impacts. As expected, these natural disasters also have a devastating impact on community Infrastructure. With the Disaster Recovery Funding Arrangements (DRFA) eligibility criteria tightening every year, the financial burden for repairing public infrastructure is increasingly shifting from other tiers of government to Local Government. We do however acknowledge, and are very appreciative of, the increasing support for mitigation infrastructure. From the last three events (excluding the pandemic) Hepburn Shire is currently covering a funding shortfall of \$4.460M, or nearly 30% of the expenditure incurred. This shortfall is the equivalent of over 20% of our annual rates income. This has required the deferral or cancellation of other services and capital projects to fund this need.

Given the high fire and flood risk environment of Hepburn Shire, the probability of future major natural disaster events is high. For this reason, Council remains mindful of the need to also invest in mitigation infrastructure, as well as make some long-term financial provision for future response and recovery efforts. For many communities and

individuals who are increasingly unable to gain cost effective insurance cover, the community turns to Local Government for these local solutions.

Recommendation

That the current review of the Disaster Recovery Funding Agreements is fast tracked and that reasonable scope for betterment is available for reimbursement as part of the guidelines and how they are interpreted.

Changing infrastructure and service delivery obligations

The increasing obligations placed on Local Government without any financial assistance to support the service delivery needs evaluating. Expectation on Local Government for increased action in many areas such as social and affordable housing, response to climate change, noxious weed management, emission targets, pool fencing compliance and so many other areas have passed a point of equilibrium.

Demands continue to increase, however investment has remained steady and the impact of deteriorating assets becomes more evident. Preliminary asset condition modelling forecasts an increase in assets falling outside service intervention levels. We currently have an annual asset renewal gap of \$1.5 million which is expected to increase as available funding is unable to match cost increases. National funding programs that target specific challenges, in a similar way to the highly valuable Roads to Recovery Program would be one such means of supporting service delivery in these areas. The recently announced increases in the Roads to Recovery Program is greatly appreciated.

There are also opportunities within the administration of many grant programs for efficiencies when local government is a key partner, which include:

- Reducing administrative requirements
- Remove or ease co-contribution requirements
- Allow for more flexible timelines
- Increased grants for planning and feasibility studies (particularly in regional and rural settings)

Recommendation

That the Committee takes steps to ensure that with any increased responsibilities placed on Local Government, they must be accompanied with commensurate funding to allow the requirements to be fully met.

Attraction and retention of a skilled workforce

Hepburn Shire is situated between two regional cities (Bendigo and Ballarat) who are often more attractive options for skilled workforce due to the often-increased remuneration package, greater career path opportunities, and the proximity to housing availability.

These influences make it very difficult to be competitive in the recruitment market for small regional councils. In addition, these larger centres also provide opportunities in the private sector for skilled professionals, which also impacts on Council's ability to attract and retain valuable team members. With the increasing reputational challenge faced by Local Government, and the restricted ability to compete with attractive remuneration packages, the private sector does often become a more attractive proposition.

When this is layered with the overall shortage of trained professionals for many of the traditional Local Government service areas, there is a relatively high staff turnover across the sector. Specific areas of expertise that have been difficult for Hepburn to recruit to include:

- Environmental Health Officers
- Town Planners
- Municipal Building Surveyors
- Asset Engineers
- Community Safety and Local Laws
- Senior Finance roles

A national program to promote the benefits of Local Government, alongside a national training program targeting specific career paths in Local Government would assist the sector greatly and secure a long-term pathway for strong service delivery by the sector.

Recommendation

In collaboration with Local Government implement a program of advertising and training targeted at improving Local Government career paths.

Recommendation

That the Australian Government deem vital roles for Local Government, including statutory planning, as critical occupations and incentivise a new

generation of local government workforce by extending support to students studying in these fields.

Other relevant issues

The cumulative impact of the above items and other impacts not specifically referenced above does result in a financially challenging landscape for the Local Government sector and Hepburn Shire specifically. With the implications of service cost rises, rate capping and other grant income not keeping up with cost escalations, a number of natural disasters, managing the pandemic and increasing community expectations, Hepburn is in an unenviable position for 2024/25 and beyond. This will result in reducing services and possible asset sales to continue base service delivery.

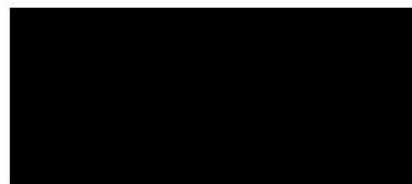
Hepburn Shire greatly appreciates the opportunity to provide a submission to this inquiry. Despite the financial challenges, Local Government has continued to reinvent how services are delivered and value our respective communities. Regrettably this has consumed any of the reserve capacity held in Local Government and is testament to the agility and commitment of the sector. We look forward to our continued partnership with the Federal government, and a shared vision of supporting our communities and allowing them to prosper.

Thank you for considering our submission, and we would welcome the opportunity to present before the Committee. We look forward to the work of this Federal Parliamentary Inquiry.

Yours sincerely,



Cr Brian Hood
Mayor



Bradley Thomas
Chief Executive Officer

28 June, 2024

Georgie Purcell MP
Chair - Legislative Council Economy and Infrastructure Committee
Inquiry into Local Government funding and services
Parliament House
Spring Street
EAST MELBOURNE, VIC 3002
Email: [REDACTED]

Dear Ms Purcell,

Re: Inquiry into Local Government Funding and Services

We are writing on behalf of Hepburn Shire Council to provide insights to the *Inquiry into Local Government funding and services*, outlining current challenges of financial sustainability and service delivery. Situated in a rural landscape, Hepburn Shire spans 1,473 square kilometres, encompassing towns like Clunes, Creswick, Daylesford, Hepburn Springs, Trentham, and various smaller settlements, each with distinct identities. Currently home to 16,157 residents, with projections indicating a rise to 17,700 by 2036. The Shire boasts a rich cultural history, beginning with the Dja Dja Wurrung People the Traditional Owners.

Financial pressures are mounting across all levels of government, businesses, and communities, particularly within Victoria's local government sector. These challenges will demand adjustments to council service offerings and infrastructure investment capacities. Factors such as rate-capping below CPI, a relatively small population base, numerous dispersed settlements, and a modest rating base collectively constrain financial prospects of our shire.

It's important to note that councils often allocate much of their funds for specific purposes like infrastructure projects, rather than holding ample unrestricted cash reserves. Rising costs, construction materials, and services, alongside ongoing capital works programs, add further strain. Escalating expenses such as employee costs, insurance, regulatory compliance, and external factors like natural disasters, legislative changes, and events such as COVID-19 also contribute to financial complexities for Hepburn Shire and the sector.

In this submission we provide comprehensive responses to the following focal points of the inquiry:

1. Cost shifting from state and federal governments to local Councils.
2. Local Government's ability to meet core service delivery.
3. Revenue Structure of Local Government.
4. Alternate Models of Funding
5. Other related matters

1. Cost shifting from state and federal governments to local Councils.

Legislative changes and the shifting of costs from state and federal governments to local councils complicate local administration and exacerbate fiscal imbalances. Increasing responsibilities without corresponding financial support force local governments to reassess their service delivery capabilities. Community expectations of Councils have changed and increased. Communities expect that Councils must address critical areas like social and affordable housing, climate change mitigation, noxious weed management, emission reduction targets, and pool fencing compliance. However, as demands rise and investments remain stagnant, asset deterioration becomes inevitable. Models indicate an annual asset renewal gap across Council cohorts, which is expected to widen as funding fails to keep pace with rising costs.

Key areas where cost-shifting has significantly impacted Hepburn Shire and other rural communities include insufficient funding for community programs such as maternal and child health services, libraries, and emergency management. The escalating costs of waste management and the effects of climate change also heavily burden rural councils. Additionally, new legislated positions or service changes mandated by government reforms, without corresponding funding for administration and review, often deplete the already limited operational budgets of rural councils.

Recommendation: That State Government consult with the sector prior to reform development or review of existing reforms so that the full impact to Council funding and community services is considered.

Community Infrastructure Needs

Meeting the growing community infrastructure needs is becoming increasingly challenging due to critical limitations in asset renewal. Several key factors contribute to this issue:

1. **Extensive Capital Works Programs:** Local councils often undertake large-scale capital works projects, which require significant investment. However, the financial resources allocated for these projects are often insufficient to meet the actual costs, leading to delays and compromises in infrastructure quality.
2. **Inadequate Grant Indexation:** The lack of adequate indexation for grants exacerbates financial constraints. As costs rise over time, the value of grants does not keep pace, resulting in a funding shortfall that hampers the completion and maintenance of infrastructure projects.
3. **Financial Constraints:** Local governments operate within tight budgetary constraints, limiting their ability to fund essential infrastructure projects. This financial pressure is further intensified by rate caps, which restrict the amount of revenue councils can generate through local taxes.
4. **Discrepancies Between Planning and Grant Reliance:** There is often a mismatch between the strategic planning for community infrastructure and the reliance on external grants. This dependency on uncertain grant funding leads to inconsistencies and delays in project implementation, making it difficult to meet community needs effectively.
5. **Population Growth Outpacing Infrastructure Delivery:** Rapid population growth in many areas outpaces the delivery of necessary infrastructure. This creates a gap between the demand for

services and the available infrastructure, putting additional strain on existing assets and necessitating urgent upgrades and expansions.

6. Delays in Funding Decisions: Prolonged delays in funding decisions lead to cost escalations. As projects are postponed, inflation and other economic factors drive up expenses, making it even more challenging to complete infrastructure projects within the original budget.

As a result of these combined factors, local governments face significant financial challenges. The inability to adequately fund and maintain essential infrastructure risks service reductions and the deterioration of critical assets. This jeopardises the liveability and prosperity of smaller and regional communities, potentially leading to decreased quality of life and hindering economic development. Addressing these issues requires a comprehensive approach, including better financial support, timely funding decisions, and strategic planning that aligns with community growth and needs.

Recommendation: Hepburn Shire proposes exploring alternative approaches to establish reliable, long-term funding mechanisms for infrastructure renewal and upgrades. Shifting away from reliance on sporadic grants to more consistent and predictable funding allocations would ensure stability and effectively address the pressing needs of our communities in a sustainable manner.

State-Imposed Rate Capping

Hepburn Shire Council continues to operate as a low-rating council. Before the implementation of the Fair Go Rates system, the council had already voluntarily imposed multiple years of low rate rises to maintain its services and operational efficiencies, mindful that its residents, who are of an older age than the State average, are often asset rich and cash poor. However, the state-imposed, one-size-fits-all rate cap has financially penalised Hepburn by applying it to an already low revenue base. As a result, Hepburn ranks 61st out of 79 Victorian councils in terms of the average rates per property assessment.

While all levels of government must manage public funds responsibly and provide cost-effective services, municipalities should have the freedom to set service levels and funding options in collaboration with their communities. The existing one-size-fits-all rate capping policy significantly hinders the sector. Although the importance of rate capping is recognised, rural and regional councils like Hepburn are at a considerable disadvantage. To bridge the gap between councils' income and expenditure, either increased grant funding or greater flexibility in the application of rate caps is crucial.

Our view is that there is a need to introduce a Local government Cost Index for the setting of the Victorian rate cap, that reflects the actual cost factors most relevant to local government – this should consider as a minimum the Cost Price Index (CPI), Wages Price Index (WPI) and Road and Bridge Construction Index.

Without this flexibility, Hepburn Shire Council has faced the difficult decision to reduce services beginning 1 July, 2024. Council's adopted 2024/25 budget includes a reduction of \$1.5M in operational expenses (4.5% of total operational expenses). To further tackle financial constraints, Council is also considering asset disposal as a means to reduce costs and generate short-term

revenue. Additional measures are under review to ensure long-term financial stability. It is essential for the Victorian Government to provide funding support, particularly where increased levies and additional costs have resulted from state regulations. Such support is necessary for local councils like Hepburn Shire to maintain service levels and address the financial challenges imposed by these regulations.

Recommendation: That the Committee recommend to the Victorian Government that it undertakes a full and independent review to reform the rate capping system to ensure it reflects the cost pressures facing local government, different cost structures of the various Council cohorts and communities capacity to pay, including the development of a Local Government Cost Index.

Waste Management

In line with our Sustainable Hepburn Strategy, the Hepburn Shire Council initiated a weekly kerbside collection of food and organics (FOGO) for township residents starting in April 2024. The recent implementation of the Good Practice Guidelines for waste and recycling charges is expected to adversely impact our community relations as we communicate and prepare for changes in rates and charges, navigating complex discussions concerning our long-term financial strategy. However, councils face challenges in securing adequate funding to support these legislative reforms. While councils manage day-to-day operations effectively, they encounter difficulties in promoting and educating the community about these reforms due to limited financial resources.

Recommendation: There is an opportunity for the sector to work with the Essential Services Commission (ESC) with support from the Minister to create a simplified, one-off rate cap variation to allow Councils to shift this revenue. This simplified process would have the principle that there is no net increase to revenue for Councils, and also potentially assist the ESC deal with a large number of complex rate variation requests.

2. Ability to meet core service delivery.

State funding often falls short of covering the actual costs of delivering services such as school crossings, kindergarten programs, libraries, and immunisations. While the increased funding for the Maternal Child Health service is welcomed, it merely ensures break-even without allowing for expanded service hours within the Hepburn community. Rising service delivery costs and higher community expectations put significant pressure on our small rural council, making it difficult to match the service levels of neighbouring councils. This disparity creates significant inequity for our community, who expect the same level of service for their rates. Attracting and retaining residents is challenging if our service delivery falls short compared to larger neighbouring councils.

Infrastructure maintenance costs have risen 10-30% over the past three years without corresponding income increases, forcing the Council to cover shortfalls. This will ultimately necessitate service changes and cuts. Efforts to find new revenue sources have been unsuccessful due to limited options, such as parking fees and enforcement.

Hepburn Shire faces a financially challenging landscape due to rising service costs, rate capping, stagnant grant income, natural disasters, pandemic management, and increasing community expectations. For 2024/25, this means reducing services and potentially selling assets to maintain basic service delivery. The Hepburn Shire 2024/25 budget projects \$6.95 million in cash reserves by June 30, 2025, with unrestricted cash forecasted at only \$0.29 million. This extremely modest buffer requires the Council to thoroughly consider the most effective means to ensure financial stability and sustainability. The absence of a cash buffer poses undue risk on the organisation as it faces more frequent and severe emergencies and dilutes the confidence in which it can commit to the community on the security of budgeted projects and initiatives.

Council is currently exploring options for shared services with neighbouring local governments, but there are limitations to the services that can be provided under partnering models. Despite efforts to ensure financial sustainability, funding disparities and rising costs challenge Hepburn Shire's ability to deliver core services effectively. The Financial Vision, to be presented to Council in September 2024, will guide service cuts and explore revenue sources such as borrowing, rate increases, and fees. Community input in July 2024 will shape service priorities.

Unless governments urgently address critical issues affecting councils—such as cost shifting, rate capping, growing inflation, and grant and funding shortfalls—councils will continue to struggle with determining which services they can sustain in the long term.

Recommendation: Undertake an independent review to implement a fairer cost sharing arrangement between Local and State Governments.

3. Revenue Structure of Local Government.

Current funding mechanisms, particularly the reduction in Federal Financial Assistance Grants, present significant challenges for local government. In the fiscal year 2023–2024, Financial Assistance Grants to local governments are now about 0.5% of commonwealth tax revenue, marking a sharp decline from 1% in 1996. These grants no longer adequately cover the costs of service delivery, necessitating a review of indexation methods. Indexation must align more closely with the actual costs of providing local government services, considering the limited revenue-raising capacity compared to state and federal governments. Addressing the current gap resulting from past freezes and low indexation rates is crucial.

Local councils bear primary responsibility for providing essential local services such as planning, libraries, and waste management, as well as critical infrastructure like roads, footpaths, parks, sporting grounds, and swimming pools tailored to community needs. The reduction in funding has profound consequences for these services.

In Hepburn Shire, we are facing a steep decline in our underlying financial position, with a projected negative unrestricted cash position at June 30, 2024. To address this, we must either increase revenue or reduce expenditure in the coming years. Our adopted budget for 2024/25 outlines operational reductions totalling \$1.5 million, and the need to generate an additional \$4 million through increased revenue or reduced spending in 2025/26 and subsequent years. This trend is consistent among small councils, as indicated by the adjusted underlying result ratio.

An immediate review of grant funding programs is imperative for regional and rural councils. Additional funding streams are necessary to support the maintenance and replacement of infrastructure, particularly to accommodate population growth and environmental considerations. There are opportunities to improve the administration of grant programs, particularly in partnership with local government. This includes reducing administrative burdens, easing co-contribution requirements, allowing for more flexible timelines, and increasing grants for planning and feasibility studies, especially in regional and rural areas. Hepburn Shire Council urges a fair allocation of funding to better support the delivery of essential services and infrastructure projects aligned with state priorities.

Recommendation: Advocate to the Australian Federal Government for the restoration of financial assistance grants to local government to one percent of tax revenue, with no reduction in other funding pools currently provided to Local Government.

4. Alternate Models of Funding

The 2022 international report by Rural Councils Victoria (RCV), titled "Alternative Sources of Income for Local Government," underscores the challenges faced by small councils in generating additional income. The report reveals that despite extensive searches across Australia and overseas, no single idea or combination of ideas emerged as a substantial alternative revenue source for small councils, particularly those representing small communities. Existing alternative sources only marginally cover the funding requirements necessary for Hepburn Shire's long-term financial sustainability.

Recommendation: Ensure adequate funding allocation to councils to sustain the delivery of essential services amidst rising levies and additional costs imposed by state or federal regulations.

5. Other related matters

Workforce Attraction and Retention

Hepburn Shire, located between Bendigo and Ballarat, faces competition for skilled workers due to superior pay, career prospects, and housing availability in these larger centres. This dynamic poses a significant recruitment challenge for small regional councils, as skilled professionals are drawn to opportunities in the private sector and larger municipalities. High turnover rates are particularly pronounced in roles such as Environmental Health, Town Planning, Building Surveying, Asset Engineering, Community Safety, Local Laws, and Senior Finance positions, further complicating the situation.

The State Government's previous program, Women Building Surveyors Program, was a highly effective program to assist workforce shortage for Local Government but also created a pathway for females to enter a predominately male dominated workforce (building surveyors).

It is also difficult for small rural Councils in particular to offer a graduate program – there maybe an opportunity for the current Victorian Government Graduate Program to be extended to include Local Governments.

Recommendation: That the State Government co-design with the sector a number of initiatives to assist in the attraction and retention of workforce into Local Government, including but not limited to:

- a) A statewide campaign detailing the career opportunities within local governments;*
- b) Creation of similar programs to the Women Building Surveyors Program; and*
- c) Consider allowing Local Government to participate in the Victorian Government Graduate Program.*

Climate Change, Emergency Management and Recovery from Natural Disasters

Hepburn Shire has experienced three severe natural disasters since 2021, significantly impacting community infrastructure. The tightening of Disaster Recovery Funding Arrangements has placed increasing financial burdens on the local government for repairing public infrastructure, resulting in a \$4.4 million shortfall. This necessitates the deferral or cancellation of other projects. Given the high risks of future fires and floods, Council is prioritising mitigation infrastructure and undertaking long-term financial planning to better prepare for potential disasters. The current Disaster Recovery Funding Arrangements are cumbersome, and do not treat Local Government as a partner – and are causing significant delays in repair work being undertaken.

Recommendation: That the Committee support an urgent, independent review of the Disaster Recovery Funding Arrangements to be undertaken, and finalised.

Existing revenue structures for local governments face sustainability challenges due to constraints like rate capping, cost shifting, funding gaps, and rising operational costs.

There is an urgent need for a comprehensive evaluation of revenue models and financial support mechanisms to secure the long-term viability of local government services.

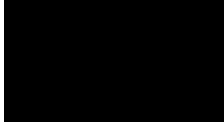
Hepburn Shire Council remains dedicated to delivering for the community by completing ongoing capital projects, investing in asset renewal and community infrastructure, and ensuring effective and efficient service delivery aligned with community priorities.

We appreciate the opportunity to contribute to the Legislative Council Economy and Infrastructure Committee's inquiry. Hepburn Shire Council looks forward to collaborating with the Victorian Government to explore strategies that alleviate financial pressures, thereby safeguarding the long-term sustainability and welfare of our communities.

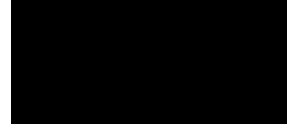
We appreciate the opportunity to provide a submission to the inquiry and would be most willing to host members of the Committee should you wish to undertake further inquiries in the region.

For further information, please contact Karina Lamb, Director Community and Corporate on klamb@hepburn.vic.gov.au or 0477 503 982.

Yours sincerely,



Cr Brian Hood
Mayor



Bradley Thomas
Chief Executive Officer

Gender Impact Assessment (GIA)

Financial Vision 2024 – 2027

THE ISSUES AND CHALLENGE ASSUMPTIONS

A. What issue is the policy, program or service trying to address?

The Financial Vision (FV) is a high-level strategic document – it would be expected that the majority of gender-based and inclusion factors would be further developed at a service/program level, and as such this is a strategic based GIA.

The Financial Vision 2024 – 2027 for Hepburn Shire Council, created in partnership with Council and the community, acts as a strategic guide to detail the provision of services, priorities, and projects that meet community expectations, while ensuring the Council's financial stability over the next ten years.

The FV should be read in context of supporting documents, particularly the Budget. The Budget 2024-25 provides for Hepburn Shire Council operations that include services, assets, facilities, programs and activities. It also includes projects and initiatives identified by Council as priorities in the Council Plan, as well as various Council strategies to be undertaken during the financial year.

B. Key questions:

1. Are the people who are targeted and impacted by the policy, program or service included in the decision making?

Yes. Council has developed the FV in addition to the Financial Plan (10-year Long-Term Financial Plan) and Annual Budget. Both of these documents must be and were developed with the input from the community through engagement and consultation, to meet the requirements of the Local Government Act 2020. In doing so, Council is very aware of the impact to both external and internal stakeholders and beneficiaries including:

- External Stakeholders: ratepayers, community members, business owners and operators across the Shire, users of Council services, people experiencing hardship paying any Council payment, and developers.
- Internal Stakeholders: Councillors and staff of Hepburn Shire Council.

The FV is informed by all strategic work previously undertaken. Many of these strategic initiatives have had community engagement in order to consider community input in decision making.

2. Do you think that people of different genders access this policy, program or service at the same rate?

No. Gender plays a key role in shaping individual outcomes, and people of different genders access the FV in different ways through the services, assets, facilities, programs, and activities that Council fund and deliver. Gender can also impact an individual's capacity to pay, and the FV provides recommendations in regard to annual rating. Council's development of the Budget, Financial Plan, and

its Revenue and Rating Strategy aims to take into consideration the varying needs and interests that result from different genders through the influence of our Council Plan and various Council Strategies. These key documents will be required to be reviewed over the next 12 months as part of compliance with the Local Government Act 2020.

3. Do you think that everyone who accesses this policy, program or service has the same needs from it?

No. As identified above, different genders will have different needs from the services, assets, facilities, programs and activities that Council delivers.

4. Do the different social roles and responsibilities that people take on affect the way people access and use this policy, program or service?

Yes. Numerous socially constructed gender and intersectionality roles impact how people access Council and its services, assets, facilities, programs, rates, revenue and activities. The FV will guide the financial parameters for Council operations, including the various rating strategies, price setting and Council spend, and therefore impacts all Council stakeholders and beneficiaries.

5. What additional needs might there be for people with disabilities, or from different cultural identities, ages, gender identities, sexual orientations or religions?

There are numerous and varied additional needs. Key documents (including the FV, Financial Plan, Budget and the Revenue and Rating Strategy) considers how to best support all our various community members and their individual needs through a range of ways, including the information contained in our adopted strategies, plans and policies. The Budget utilises the Municipal Public Health and Wellbeing Plan, Reconciliation Action Plan, Disability Access and Inclusion Plan, Youth Strategy, Early Years Strategy, Positive Ageing Strategy, Gender Equality Action Plan, Rainbow Action Plan, and many other strategies/plans to guide consideration of the needs of our community and our decision making as we determine the delivery of our operations and capital works.

6. On balance, are the overall gender impacts positive?

Yes. Overall, the FV has provided a balanced approach to how Council will fund its operations delivery, projects and initiatives using the information available through existing strategies. We do see an opportunity to broaden our data and assessment of gender impacts from key documents (including the FV, Financial Plan, Budget and the Revenue and Rating Strategy) as we progress through our capability around GIAs.

C. What will you focus on in your assessment so that you consider how gender shapes the issue?

The FV has provided a balanced approach to how Council will fund its operations delivery, projects and initiatives.

THE POLICY CONTEXT

1. What information is available to understand who is likely to be affected by the policy, program or service?

The Financial Vision (FV) is a high-level strategic document – it would be expected that the majority of gender-based and inclusion factors would be further developed at a service/program level, and as such this is a strategic based GIA.

Council's existing plans and strategies, including the Budget and Council Plan, provide significant data to understand our Financial Vision. Individual programs, projects and initiatives undertake GIAs in accordance with the Gender Equality Act 2020 as part of their implementation, and this data helps inform budget considerations.

Do you already have this information? If yes, where?

Some information is available, but it is not as broad. We have some data, but our approach to GIAs and where this assessment is conducted is growing.

How will you find the further information you need?

- Internal data
- Desktop research
- Stakeholder consultations
- Other – consultation of the Gender Equality Advisory Committee is the development of the Council Plan 2025-29.

RECOMMENDATIONS

Understanding and consideration of the gender impact of the Financial Vision (FV) is key to ensuring our Council operations, projects and initiatives are considered for the whole community and provide equitable outcomes. The FV is a high-level strategic document – it would be expected that the majority of gender-based and inclusion factors would be further developed at a service/program level, and as such this is a strategic based GIA. As we continue to broaden our application of, and data gained through GIAs, the benefit will become more evident.

8 CLOSE OF MEETING

The Meeting closed at 3:40pm