

## 1.1 MAGNITUDE OF THE HIGHER CAP

Following conversation with Liam Jackson on Monday 18 April 2016, the Tab – *Calculating the higher cap* has been amended. Total value of classes of land in the base year have been amended to reflect the 2015/16 Budget document and the Number of assessments as at 1 July 2015 has also been amended to reflect the 2015/16 Budget document. Based on the fall out figures, Buloke Shire Council's request for a higher cap of 3.05% is an extra \$56,028. The amendments have been highlighted in Green.

## 1.7 OTHER INFORMATION

### LOCAL GOVERNMENT PERFORMANCE REPORTING FRAMEWORK (LGPRF) – FINANCIAL INDICATORS

Council's financial position *without* the proposed higher cap (2.5%)

LGPRF indicator	2014-15 (Actual)	2015-16 (forecast actual)	2016-17 (Cap Year)	Forecast		
				2017-18	2018-19	2019-20
<b>Operating position</b>						
Adjusted underlying result (%) (measure 54)	5.4%	-7.41%	9.26%	-2.62%	-3.05%	-2.63%
<b>Liquidity</b>						
Working capital ratio (measure 55)	151%	194.42%	276.23%	361.09%	149.07%	328.27%
Unrestricted cash ratio (%) (measure 56)	32%	106.90%	191.62%	260.27%	114.61%	224.65%
<b>Obligations</b>						
Loans and borrowings (%) (measure 57)	63%	57.69%	56%	54.90%	53.56%	0%
Loans and borrowing repayments (%) (measure 58)	9.7%	4.13%	2.38%	2.33%	2.27%	53.18%
Indebtedness (%) (measure 59)	59%	56.23%	54.98%	53.86%	3.40%	3.32%
Asset renewal (%) (measure 60)	59%	73%	92%	91%	91%	91%

**Council's financial position *with* the proposed higher cap (3.05%)**

LGPRF indicator	2014-15 (Actual)	2015-16 (Forecast actual)	2016-17 (Cap Year)	Forecast		
				2017-18	2018-19	2019-20
<b>Operating position</b>						
Adjusted underlying result (%) (measure 54)	5.4%	-7.41%	9.47%	-2.17%	-2.44%	-1.89%
<b>Liquidity</b>						
Working capital ratio (measure 55)	151%	194.42%	277.81%	365.39%	151.78%	341.06%
Unrestricted cash ratio (%) (measure 56)	32%	106.90%	193.21%	264.58%	117.32%	237.44%
<b>Obligations</b>						
Loans and borrowings (%) (measure 57)	63%	57.69%	55.75%	54.49%	53.02%	0%
Loans and borrowing repayments (%) (measure 58)	9.7%	4.13%	2.37%	2.31%	2.25%	52.51%
Indebtedness (%) (measure 59)	59%	56.23%	54.75%	53.49%	3.37%	3.28%
Asset renewal (%) (measure 60)	59%	73%	92%	91%	91%	91%

**NOTES:-**

- Measure 55 - Working capital is expected to increase gradually in order to build up sufficient cash resources to repay the \$7 million loan borrowing in November 2019. In 2018/19, this \$7 million loan has moved from Non-current liabilities to Current liabilities and hence the fall in ratio between 2017-18 and 2018-19.
- Measure 56 - Besides unspent capital grants at 30 June 2015, restricted cash in 2014/15 included the early payment of the Victoria Grants Commission allocation and the Public Libraries Grant allocation.
- Measure 59 - In 2018/19, this \$7 million loan has moved from Non-current liabilities to Current liabilities and hence the fall in ratio between 2017-18 and 2018-19.

## Clarification of points raised by ESC

Point raised	Comments
<p>Can Council please confirm the amount from the higher cap that will be used to repay its borrowings?</p>	<p>As part of Council's Strategic Resource Plan a rate increase of 6% was planned. The 3.05% rate increase would ensure that Council had the funds to repay the loan in November 2019. Therefor the full variation to the cap would be used for the repayment of the loan.</p> <p><b>Attachment 1 : Strategic Resource Plan</b></p>
<p>What are the immediate (2016-17) and longer term impacts if the higher cap is not approved?</p>	<p>The impacts of the not approving the higher cap would mean for the 2016/17 budget Council would have less of a surplus and therefore a decrease to Council's cash flow. This would compound in future years reducing Council's working capital once the loan had been repaid.</p> <p><b>Attachment 1: Strategic Resource Plan</b></p>
<p>When the \$7m loan was taken out in 2014, what plan was put in place to repay the loan? How is the plan progressing?</p>	<p>The loan was taken out as part of a program offered by the MAV. The loan is as an interest only loan for a period of 5 years. The Strategic Resource Plan outlined rate increases of 6% which would ensure funds were available for the repayment of the loan. An interest component of \$300k per annum has been built into the Strategic Resource Plan for the period of the loan. Interest repayments have been made and Council's cash has increased in line with the Strategic Resource Plan to place in a position to pay the loan when it is due in November 2019</p> <p><b>Attachment 1 : Strategic Resource Plan</b> <b>Attachment 2 : Council minutes authorising loan</b></p>
<p>In its submission, Council outlines financial difficulties faced by the Council in recent years and notes measures have already been taken to put Council back on a financially sustainable path. Can Council please outline these measures?</p>	<p>As part of the development of the 2014/15 Budget, Council conducted Service Reviews to essentially determine services to be reduced. A two year plan was developed to achieve these savings. These changes resulted in a reduction of Council EFT from 133 to 115. This change was made through natural attrition and no redundancies were required. Vehicles were reduced from 59 to 42</p>

## Clarification of points raised by ESC

	<b>Attachment 3 : 2014/15 Budget</b>
What financial strategies are currently in place? Are these available for the Commission?	Council currently has a Strategic Resource Plan in place.
	<b>Attachment 1: Strategic Resource Plan</b>
Does Council have a community engagement plan? If so, can Council please provide a copy or refer the Commission to the relevant website link.	<p>Council has a Community Engagement Strategy which was adopted in February 2015.</p> <p>In relation to the 2014/15 budget, Council conducted community information/feedback sessions in each of the 10 towns. These sessions also focussed on the Strategic Resource Plan in relation to future rate increases and in reduction to services.</p> <p>Council followed the same process for the 2015/16 budget</p>
	<b>Attachment 3: Community Engagement Strategy</b>
Can Council provide actual figures for attendance at the various budget and planning consultations that are mentioned in its submission?	<p>Budget 2014/15</p> <p>Charlton 6</p> <p>Wycheproof 4</p> <p>Nullawil 3</p> <p>Culgoa 6</p> <p>Berriwilllock 3</p> <p>Sea Lake 20</p> <p>Nandaly 0</p> <p>Birchip 8</p> <p>Watchem 2</p> <p>Donald 12</p> <p>Total 64</p> <p>Budget submissions received 9</p> <p>Budget 2015/16</p> <p>Charlton 2</p> <p>Wycheproof 3</p> <p>Nullawil 0</p> <p>Culgoa 12</p> <p>Berriwilllock 1</p>

## Clarification of points raised by ESC

	<p>Sea Lake 0  Nandaly 7  Birchip 2  Watchem 4  Donald 0  Total 31  Budget submissions received 0</p>
<p>Were reports to Council prepared for each of the various consultations undertaken?  Can Council please provide copies.</p>	<p>Many Councillors attended the budget sessions and they were discussed at future briefings. The number in attendance was also mentioned as part of the Council report.</p> <p><b>Attachment 4: Council budget report 2015/16</b>  <b>Attachment 5: Council budget report 2014/15</b></p>
<p>Can Council provide more information about the community forums in the shire?  Such as attendance, objectives, coordination, meeting frequencies, and the nature of communication and engagement between the Council and the participants in the forums.</p>	<p>Each of the 10 towns has a representative forum.  These are incorporated bodies with an executive committee.  Objectives include, maintenance of community plans, advocacy to Council regarding local community priorities and representations to Council operations team regarding to local issues such as roads, footpaths, gardens and parks.  Most Community Forums have representation from a range of service clubs, facilities committees of management and community volunteer groups.  Forums provide feedback to Council regarding budget priorities through the Community Forum Summit.  Councillors attend meetings and in some cases chair Community Forums, these groups provide an important conduit for 2 way communication with individual communities. Forum meetings are regularly attended by Councillors, the CEO and council officers.</p> <p>Some groups provide Council with copies of their minutes, some do not.</p> <p>As well as supporting the forums which are township based, Council also holds Fire Shed meetings which are in the smaller localities. Again these meetings are supported by Councillors and Council officers. These are more</p>

## Clarification of points raised by ESC

	informal in nature and are information sharing gatherings
<p>Can Council provide more information about the Community Forum Summit that occurred in October 2015, including:</p> <ul style="list-style-type: none"> <li>• the number of attendees and the representativeness of the shire.</li> <li>• a copy of the agenda.</li> <li>• a copy of the presentation given to participants about Council's current financial position and the impact of rate capping.</li> <li>• any report prepared about the outcomes of the summit, including any summary of the community's views and confirmation of the community's support.</li> </ul>	<p>The Community Forum Summit was an initiative of Council to bring together representatives from the Forums and Fire Shed meetings to share information both from Council and from individual communities.</p> <p><b>Attachment 6: Council Assembly record from Community Forum Summit</b>  <b>Attachment 7: Finance Presentation to Community Forum</b>  <b>Attachment 8: Summary of discussion points</b>  <b>Attachment 9: Register of Invitees and Attendees to Community Summit</b></p>
<p>In its submission, Council outlines planned measures to put Council back on a financially sustainable path. In particular it notes that a rigorous service review was embarked upon with the aim of reducing Council's annual operating budget by \$4m over two years.</p> <p>Can Council provide any documentation of this review process?</p>	<p>Following the review of services savings were identified and factored into the 2014/15 budget and the Strategic Resource Plan</p> <p><b>Attachment 10: Service Review Document</b></p> <p><b>Attachment 1: 2014/15 Budget (Commencing Page 79)</b></p>
<p>What community consultation occurred during this service review process?</p>	<p>During this service review process the consultation process occurred at the time of the budget release. This was due to the fact that the review occurred in March/April in line with the development of the budget.</p> <p><b>Attachment 11: Communications Plan Budget</b>  <b>Attachment 12: Community Consultation Advert</b>  <b>Attachment 13: Media Release Budget</b></p>
<p>Have the reductions in operating budget been realised?</p>	<p>The savings in the operating budget were realised. The process was to occur over a two year period but for various reasons some of the changes occurred faster than anticipated.</p> <p><b>Attachment 14: Budget implementation timetable</b>  <b>Attachment 15 August 2014 Update</b>  <b>Attachment 16: September 2014 Update</b>  <b>Attachment 17: October 2014 Update</b></p>

## Clarification of points raised by ESC

	<p><b>Attachment 18: November 2014 Update</b>  <b>Attachment 19: January 2015 Update</b></p>
Are the savings ongoing?	As the savings are to the operational budget they are ongoing
Are any further savings expected as a result of these measures?	<p>Further savings are not expected from the original Service Reviews but Council has commenced a 3 year program to review all services to determine where further savings and initiatives can be found</p> <p><b>Attachment 20: Service Review Plan</b></p>
Are any further reviews on council costs planned?	<p>Council has a 3 year program for service review</p> <p><b>Attachment 20: Service Review Plan</b></p>
In addition to the service review, what steps has council taken to ensure its operations are efficient and providing value for money?	As part of the Service Review not only was there consideration given to the level of service but also work practices were examined with some changes; Eg Review of the Road Management Plan
Has the Council undertaken any benchmarking of its costs?	Yes, benchmarking has occurred and continues to occur, particularly in the area of road maintenance as this is our biggest area of expenditure.
Council states that the state average cost per voter for the next Council elections is \$5.40 per voter, but for Buloke the cost will be \$16.00 per voter. Can Council please explain the reasons for the difference in the two estimates?	<p>The cost of the election is determined by the Victorian Electoral Commission. Whilst Council queried these costs we were told they were not negotiable.</p> <p>Correspondence from the Victorian Electoral Commission states the State average voting cost to be \$5.40. The cost to Buloke is approximately \$95,000. Based on our eligible voters this equates to a cost of approximately \$16.00 per voter</p> <p><b>Attachment 21: VEC Advice</b></p>
<p>Can Council please confirm whether the election cost estimate is included in the 2016-17 budget?</p> <p>Has Council considered spreading the costs over the next 4 years rather than including the whole cost in the 2016-17 budget?</p>	<p>Please note that the election cost estimate is included in the 2016-17 budget. Also note that as the election occurs in October 2016 with all costs being due within this financial year, Council cannot spread the cost over 4 years.</p>
<p>When were user fees and charges last reviewed and benchmarked against other Councils?</p> <p>What were the outcomes and were any changes implemented as a result?</p>	<p>User fees and charges are reviewed annually as part of the budget process. Benchmarking occurs on a regular basis and this year Council focussed on Waste Management and Environmental Health fees and adjusted our fees where appropriate. As fees and charges are not a large income stream of Council this made very little impact on the income total. Any increase was</p>

## Clarification of points raised by ESC

	<p>also offset by a decrease in service hours for the Home and Community Care area.</p> <p>Most of Council's fees and charges are received for the area of Home and Community Care. The fee structure for this area is regulated by funding agreements.</p> <p>Other fees and charges which are statutory in nature cannot be increased by Council. These generally increase by less than the annual increased costs in providing the service.</p> <p><b>Attachment 22: Fees and Charges 2016-17</b></p>
<p>Council's 2015-2019 Strategic Resource Plan, as included in its revised Council Plan 2015-2019, states that 'reviews of services will result in budget savings of \$1.28m in 2014/15 and totalling \$4m per annum in subsequent years'.</p> <p>What further service reviews has Council planned?</p>	<p>As previously stated Council is currently undertaking a 3 year Service Review Program</p> <p><b>Attachment 20: Service Review Plan</b></p>
<p>How are these savings reflected in forward projections and how do they relate to Council's application for a higher cap?</p>	<p>Until a service review has been complete it cannot be determined if any further savings can be identified</p>
<p>Council notes that service levels are much reduced from the services enjoyed by its community as recently as two years ago.</p> <p>Can Council please outline how service levels have changed in the past two years and indicate where any further reductions are planned?</p>	<p>Council no longer provides services in the areas of community transport and Youth.</p> <p>There was a reduction in Customer Service outlets from 5 to 1. This will continue into the future.</p> <p>There was a change to the Road Management Plan which changed the classification of some Council controlled roads, thus reducing the Council's Road Management budget.</p> <p>The service levels with regards to Home and Community Care were reduced significantly in the initial service reviews. In the 2016-17 budget there will be a continuation of a reduction of service. These changes will occur where new clients come into service and receive less service and where Council implements the Active Service model which is a State Government initiative to make recipients of Home and Community Care less dependent on the service.</p> <p>Again, as each Service is reviewed consideration will be given to the service levels.</p>



## Clarification of points raised by ESC

---

	<b>Attachment 23: Road Management Plan</b>
<p>Can Council please provide copies of its:</p> <ul style="list-style-type: none"><li>• Long Term Financial Plan</li><li>• Asset Management Plan</li><li>• Most recent Council Plan</li></ul>	<p>Council does not have a separate long term financial plan It has its Strategic Resource Plan Council has an Asset Management Policy and a Sustainable Asset Management Improvement Strategy. The current Council Plan is the Council Plan 2015-19</p> <p><b>Attachment 24: Asset Management Plan</b> <b>Attachment 25: Sustainable Asset Management Improvement Strategy</b> <b>Attachment 26: Council Plan &amp; Strategic Resource Plan</b></p>



# BULOKE SHIRE COUNCIL

## Annual Budget 2014 – 2015

Adopted at Special Council Meeting 25<sup>th</sup> June 2014



<b>Contents</b>	<b>Page</b>
Mayor's introduction	3
Chief Executive Officer's summary	5
Budget processes	8
<b>Overview</b>	
1. Linkage to the Council Plan	9
2. Services, initiatives and service performance indicators	12
3. Budget influences	23
<b>Budget analysis</b>	
4. Analysis of operating budget	26
5. Analysis of budgeted cash position	33
6. Analysis of capital budget	36
7. Analysis of budgeted financial position	39
<b>Long term strategies</b>	
8. Strategic resource plan and financial performance indicators	41
9. Rating information	45
10. Other Strategies	48
<b>Appendices</b>	
A Budgeted statements	51
B Rates and charges	58
C Capital works program	63
D Fees and charges schedule	69
E Service Review Outcomes	79

## Mayor's introduction

It gives me great pleasure to present this Budget to the community of Buloke.

The budget sets a new direction for Buloke Shire Council and puts the framework together to secure the long term sustainability of the Shire.

The Buloke Community and Council have been rebuilding the community assets after the devastating floods in 2010 and 2011. This has seen over \$42 million spent on our road network alone with these works being completed in June 2014. Council's emphasis now needs to be on securing long term financial sustainability.

To this end, Council has considered all of the services that are provided and recognise that strategic decisions on service provision are required to have an impact on financial sustainability. In reviewing services particular emphasis has been based around continuing to support community groups who provide valuable support and services to the community.

These groups rely on extensive volunteer support and are often the life blood of small communities. This budget continues to support these groups and removes much of the red tape for these organisations by committing to funding support without the need for an extensive application process. Council has also considered services that have previously received external funding and these services have been reduced to reflect current funding allocations.

The 2014/15 Budget proposes direct operating expenditure reduction of \$1.3 million and foreshadows further ongoing reductions of \$3.4 million annually. We will increase rates by 6.0 percent in the 2014/15 financial year and the kerbside garbage and recycling service charge will increase to \$380 per service to ensure full cost recovery for the service provided. The Budget proposes a borrowing program of \$7.0mill in the 2014/15 financial year and a total Capital Works program of \$7.78 million, with Council substantially relying on Grant Funds to deliver the program.

To achieve these reductions in operating expenditure Council will need to change service levels. It is recognised that changes in service provision will take time to implement. Further consultation with Staff and the Community is required to ensure the changes are implemented in a manner which minimises the impacts and Council is able to continue its service delivery obligations.

It is further recognised that additional savings are required and Council has requested management to continue to find improvements and efficiencies in services across all areas of Council's operations.

The key initiatives in the Budget are:

- Funding for three key flood mitigation projects that were prioritised out of the Charlton and Donald Flood and Drainage Management Plans. This includes \$225,000 to develop full functional plans, specifications and costings for the Charlton town ring levee bank. \$500,000 for increasing the size of the culverts over Gower Creek on the Charlton-St Arnaud Road. For Donald, \$925,500 has been allocated for the construction of levee banks along the existing Donald Walking Track in Byrne Street and for the extension of the existing levee bank at the Goodwin Village.
- Rationalisation of the community support program which requires youth and economic development to target government funded programs. This will maximise Council's ability to secure funding to the community from external sources and minimise the cost to our community.
- Rationalisation of the Customer Service provision by increasing access for all financial transactions at Post Office outlets and closing the public access at four of Council's District Offices.
- Improvement to Community Halls with a range of upgrade works to kitchens, heating and cooling. Council will also improve the community access to our Halls by removing the fees charged to community groups.

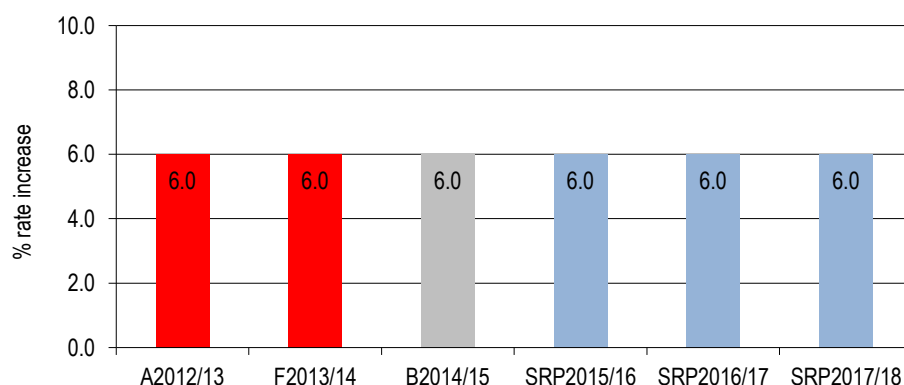
- Injection of \$214,000 into support for recreation reserves across the Shire. This will provide Recreation Maintenance Allocations to 9 townships, provided direct to the local communities.
- Continued development and improvements to Council's 7 swimming pools, with an additional \$106,000 of funding for upgrade works.
- Rationalisation of our work crews with a reduction in grader fleet from 6 to 4 combined with a program to upgrade and modernise Council's outdoor plant fleet.
- Continued renewal of our road network with over \$1.35mill investment in reseals and resheets on roads across the Shire.
- Implementation of the Street Light Sustainability Upgrade program which will see Council's street lights converted to LED technology. This will not only reduce Council's carbon footprint but will see a long term cost saving to the community.
- Continued support of Council's saleyards with a program to upgrade ramps and improvements to fencing.
- Rationalisation of our community grants program to reduce the administrative burden on local community groups. Community groups will now be directly funded from the budget, removing the need for an extensive administrative process. The program includes support for Senior Citizens' Christmas Lunches and administrative support to Township Forums.
- Council will continue to support the Loddon Murray Leadership Program which provides an avenue for emerging community leaders to access a valuable opportunity to develop skills that can be injected back into the local area.

**Cr Reid Mather**  
**Mayor**

## Chief Executive Officer's summary

Council has prepared a Budget for the 2014/15 financial year which seeks to balance the demand for services and infrastructure with the need to secure the long term financial sustainability for Council. Key budget information is provided below about the rate increase, operating result, services, cash and investments, capital works, financial position, financial sustainability and strategic objectives of the Council.

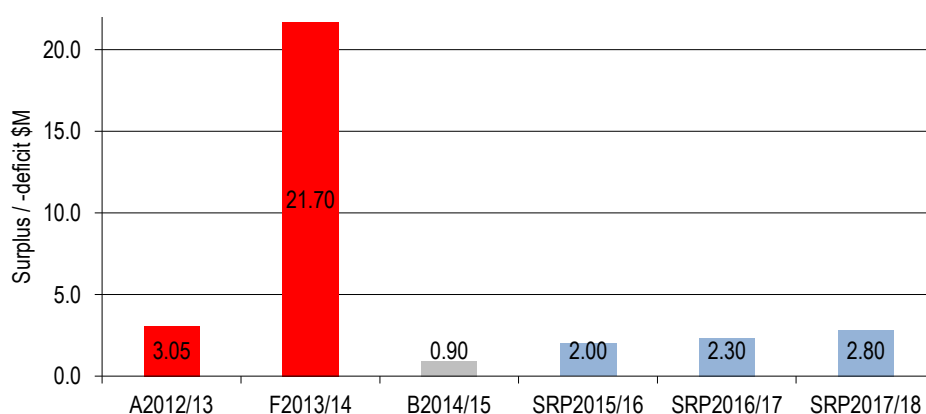
### 1. Rates



A = Actual F = Forecast B = Budget SRP = Strategic Resource Plan estimates

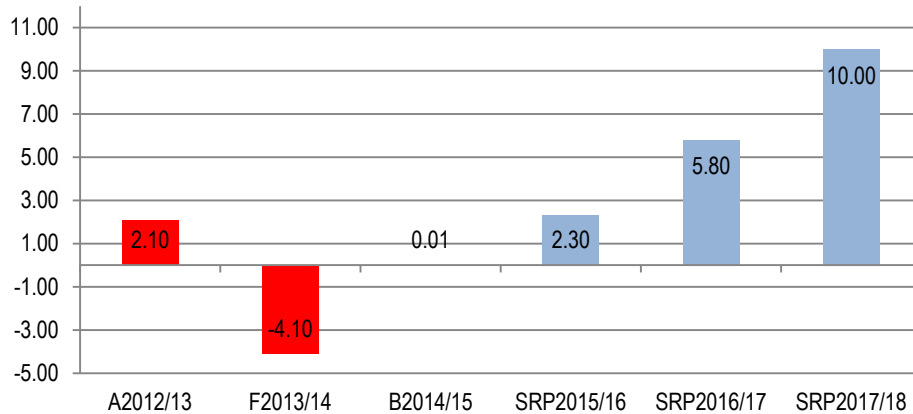
It is proposed that general rates increase by 6.0% for the 2014/15 year, raising total rates and charges of \$11.45 million. This rate increase is in line with the level foreshadowed in Council's Strategic Resource Plan adopted in the previous year. (The rate increase for the 2013/14 year was 6.0%)

### 2. Operating result



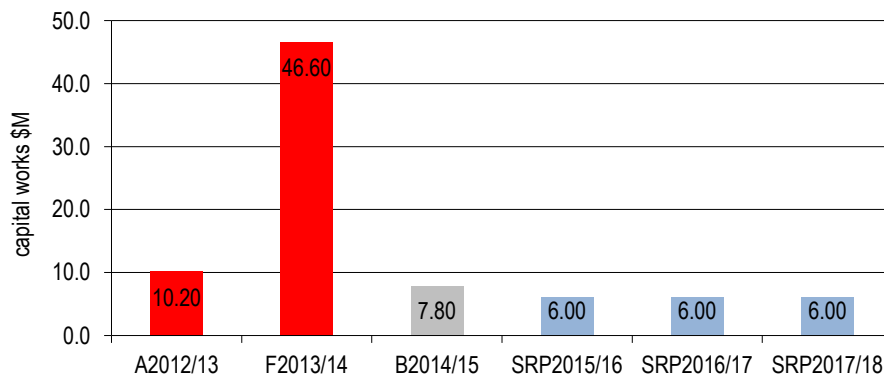
The expected operating result for the 2014/15 year is a surplus of \$0.9 million, which is a decrease over 2013/14. The 2013/14 result was significantly impacted by flood recovery grants. The adjusted underlying result, which excludes items such as non-recurrent capital grants and non-cash contributions is a deficit of \$5.1million, which is an improved position over 2013/14 Budget from a deficit of \$9.1million – refer to point 6 of this summary for further information.

### 3. Cash position



Council's cash position is budgeted to increase by \$4.1 million resulting in a positive cash position at 30 June 2015 of \$0.01 million. This is due to the \$7 million loan provided for in the 2014/15 budget and reduction in capital spend. The improvement in the cash position is expected to improve over time thus providing funds for future works and services and repayment of loan borrowings.

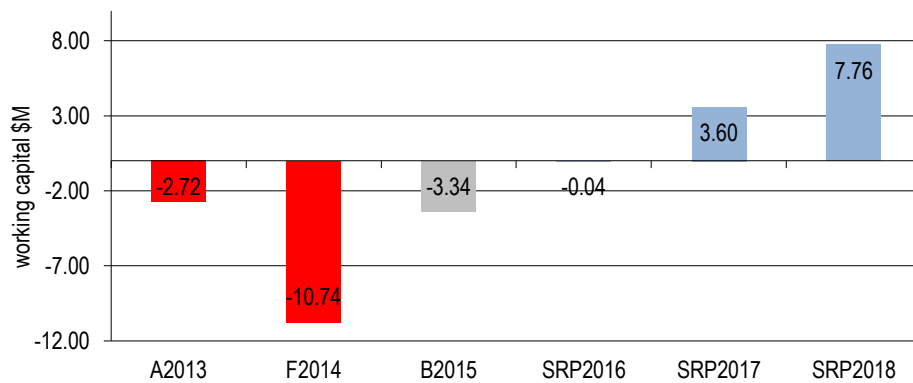
### 4. Capital works



The capital works program for the 2014/15 year is expected to be \$7.78 million of which \$1.88 million relates to projects which will be carried forward from the 2013/14 year. The carried forward component is fully funded from the 2013/14 budget. Of the \$7.8 million of capital funding required, \$6.1 million will come from external grants with the balance from Council cash. The capital expenditure program has reduced to reflect the funds available from operating activities and relies heavily on grant funding in the medium term.

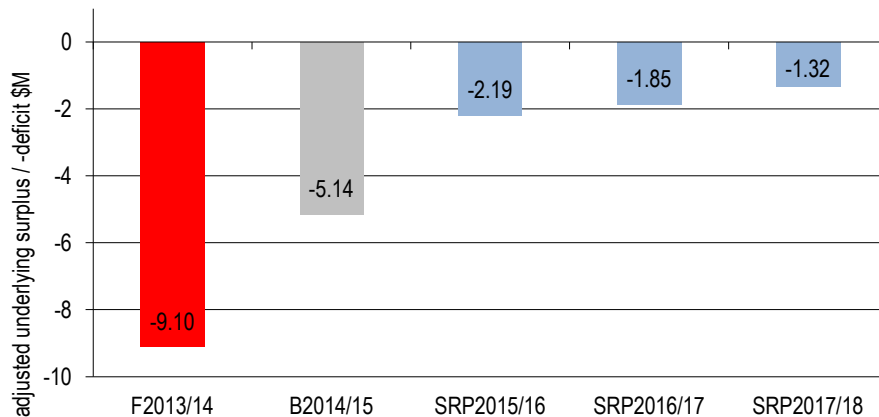
Asset renewal forms over 55% of the capital program, with investment in new assets being significantly influenced by development of flood related infrastructure (\$1.65 million).

## 5. Financial position (working capital)



The financial position is expected to improve with net assets (net worth) to increase by \$0.95 million to \$169.64 million. Net current assets (working capital) will improve by \$7.40 million to negative \$3.34 million as at 30 June 2015. This is mainly due to a large invoice for floodworks of \$2.8 million forecast to be paid in July, reducing Current Liabilities, combined with the effects of the new \$7 million loan facility allowing cash holdings to finish at a positive \$0.01 million.

## 6. Financial sustainability (adjusted underlying result)



A high level Strategic Resource Plan for the years 2014/15 to 2017/18 has been developed to assist Council in adopting a budget within a longer term prudent financial framework. The key objective of the Plan is financial sustainability in the medium to long term. The adjusted underlying result, which is a measure of financial sustainability, shows a decreasing deficit over the four year period.

**John Hicks**  
**Chief Executive Officer (Acting)**



## Budget processes

This section lists the budget processes to be undertaken in order to adopt the Budget in accordance with the *Local Government Act 1989* (the Act) and *Local Government (Planning and Reporting) Regulations 2014* (the Regulations).

Under the Act, Council is required to prepare and adopt an annual budget for each financial year. The budget is required to include certain information about the rates and charges that Council intends to levy as well as a range of other information required by the Regulations which support the Act.

The 2014/15 Budget, which is included in this report, is for the year 1 July 2014 to 30 June 2015 and is prepared in accordance with the Act and Regulations. The Budget includes financial statements being; a budgeted Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows and Statement of Capital Works. These statements have been prepared for the year ended 30 June 2015 in accordance with the Act and Regulations, and consistent with the annual financial statements which are prepared in accordance with Australian Accounting Standards. The Budget also includes information about the rates and charges to be levied, the capital works program to be undertaken, the human resources required, and other financial information Council requires in order to make an informed decision about the adoption of the Budget.

In advance of preparing the Budget, Officers firstly review and update Council's long term financial projections. Financial projections for at least four years are ultimately included in Council's Strategic Resource Plan, which is the key medium-term financial plan produced by Council on a rolling basis. The preparation of the Budget, within this broader context, begins with Officers preparing the operating and capital components of the annual budget during January and February. A draft consolidated budget is then prepared and various iterations are considered by Council at informal briefings during March and April. A 'proposed' budget is prepared in accordance with the Act and submitted to Council in May for approval 'in principle'. Council is then required to give 'public notice' that it intends to 'adopt' the Budget. It must give 28 days notice of its intention to adopt the proposed budget and make the Budget available for inspection at its offices and on its internet web site. A person has a right to make a submission on any proposal contained in the budget and any submission must be considered before adoption of the budget by Council.

To assist interested persons to understand the Budget and make a submission if they wish, Council officers undertake a community engagement process including public information sessions, focus groups and other techniques. The final step is for Council to adopt the budget after receiving and considering any submissions from interested parties. The Budget is required to be adopted by 31 August 2014 and a copy submitted to the Minister within 28 days after adoption. The key dates for the 2014/15 Budget process are summarised below:

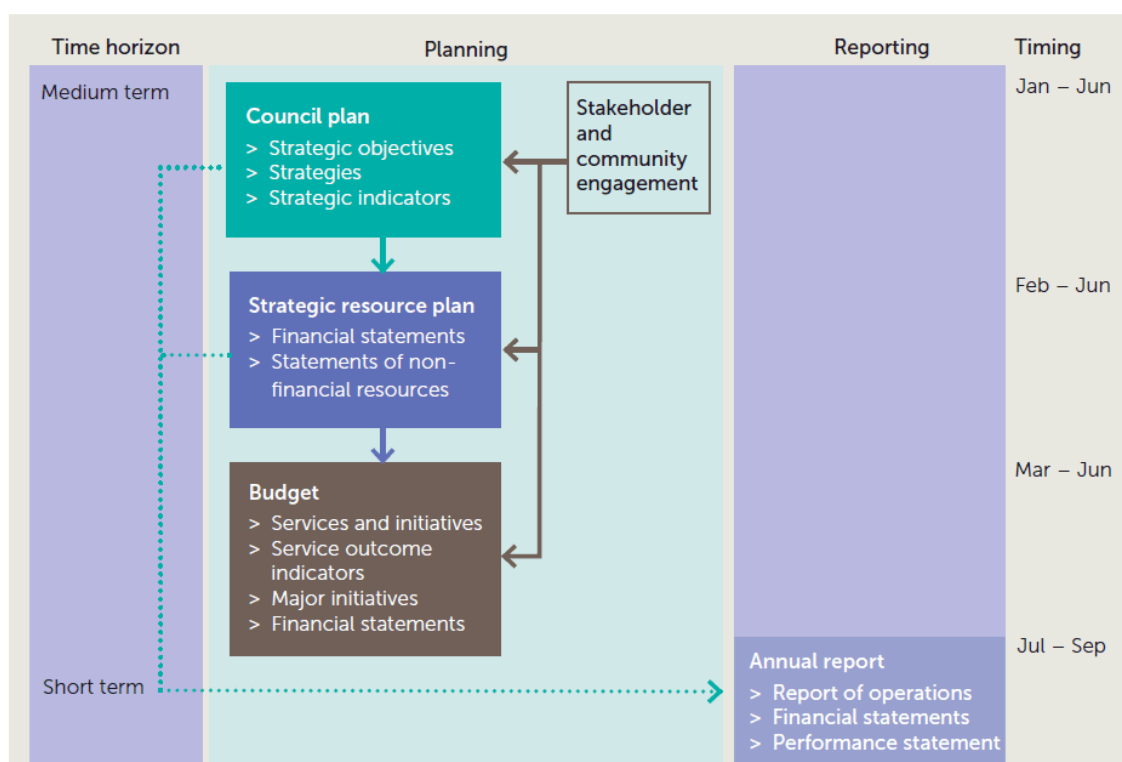
Budget process	Timing
1. Officers update Council's long term financial projections	Dec/Jan
2. Officers prepare operating and capital budgets	Jan/Feb
3. Councillors consider draft budgets at informal briefings	Mar/Apr
4. Proposed budget submitted to Council for approval	May
5. Public notice advising intention to adopt budget	May
6. Budget available for public inspection and comment	May
7. Public submission process undertaken	May/Jun
8. Submissions period closes (28 days)	Jun
9. Submissions considered by Council/Committee	Jun
10. Budget and submissions presented to Council for adoption	Jun
11. Copy of adopted budget submitted to the Minister	Jun/Jul
12. Revised budget where a material change has arisen	Sep-Jun

## 1. Linkage to the Council Plan

This section describes how the Annual Budget links to the achievement of the Council Plan within an overall planning framework. This framework guides the Council in identifying community needs and aspirations over the long term, medium term (Council Plan) and short term (Annual Budget) and then holding itself accountable (Audited Annual Statements).

### 1.1 Planning and accountability framework

The Strategic Resource Plan, included in the Council Plan, is a rolling four year plan that outlines the financial and non-financial resources that Council requires to achieve the strategic objectives described in the Council Plan. The Annual Budget is framed within the Strategic Resource Plan, taking into account the services and initiatives included in the Annual Budget which contribute to achieving the strategic objectives specified in the Council Plan. The diagram below depicts the planning and accountability framework that applies to local government in Victoria.



Source: Department of Transport, Planning and Local Infrastructure

The timing of each component of the planning framework is critical to the successful achievement of the planned outcomes. The Council Plan, including the Strategic Resource Plan, is required to be completed by 30 June following a general election and is reviewed each year in advance of the commencement of the Annual Budget process.

## 1.2 Our purpose

### Our Vision:

Our vision is a sustainable community where everyone participates to enrich the cultural, social and economic viability of the Shire and cares for the natural environment.

### Our mission

Our mission is to ensure the community has the practical tools to make Buloke an amazing place to live. We do this by:

- Providing a range of needed services.
- Engaging with the community to understand emerging needs.
- Advocating on behalf of the community for services to meet needs.
- Good governance and sound financial and risk management practices.
- Involving the community in making decisions that affect them directly and indirectly.
- Celebrating community achievements and milestones together.

### Our values

Accountability for the Future  
Creating the Future  
Financial Sustainability  
Asset-Based Approaches  
Interconnected and Interdependent  
Always Practical  
Service Principles

## 1.3 Strategic objectives

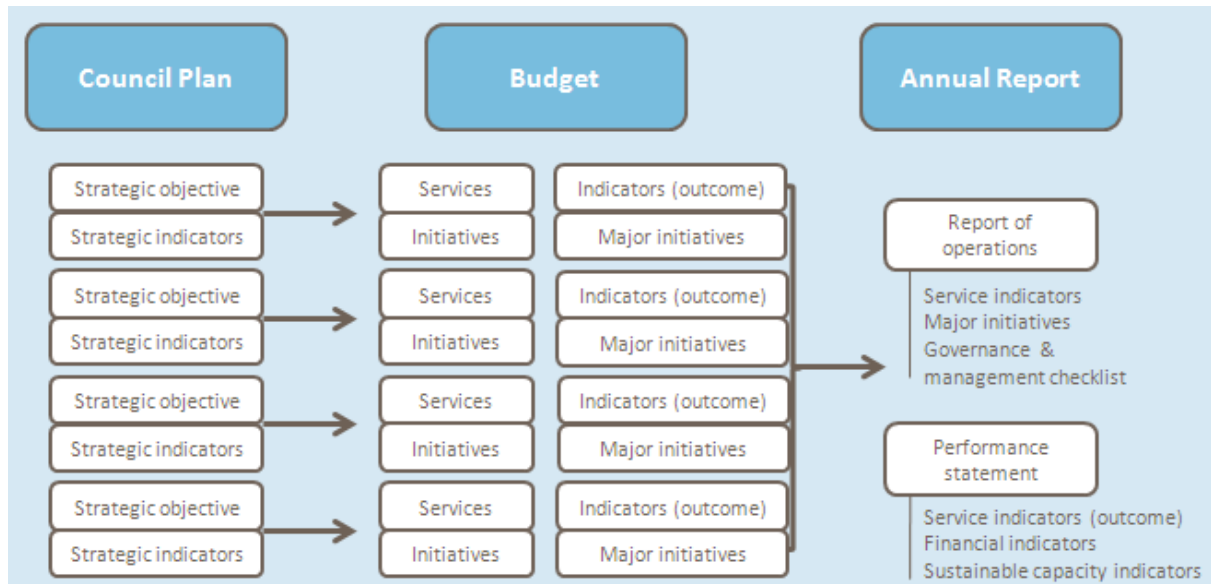
Council delivers services and initiatives under 24 major service categories. Each contributes to the achievement of one of the five Strategic Objectives as set out in the Council Plan for the years 2013-17. The following table lists the five Strategic Objectives as described in the Council Plan.

Strategic Objective	Description
1. Our Community	A Buloke community where people of all ages, backgrounds and abilities are embraced and supported and can access the Council services they need to live healthy and fulfilling lives. A Buloke community connected and involved in shaping decisions that affect them.
2. Our Local Economy	A local economy in which the contribution of the agricultural sector and business sector is recognised and their continued growth actively encouraged and supported. A local economy in which new business is actively encouraged; investment welcomed; employment created; business skills developed and local networks are supported.
3. Our Built Environment	A Shire planned to meet the current and future needs of the agricultural sector while maintaining and enhancing its natural environment. A Shire where roads, drains, public spaces, community facilities, parks and other essential infrastructure are fit for purpose, well maintained and contribute to the well-being of the community.

Strategic Objective	Description
4. Our Natural Environment	A Shire working with the community to reduce our carbon footprint, protect and enhance the natural environment and share experiences and information.
5. Our People and Organisation	An organisation that is responsive to the evolving needs of the community. An organisation that is responsibly governed with a strong emphasis on sustainable financial and risk management. An organisation that values and supports the development of its people and is an employer of choice. An organisation committed to active communication and engagement with our community.

## 2. Services, initiatives and service performance indicators

This section provides a description of the services and initiatives to be funded in the Budget for the 2014/15 year and how these will contribute to achieving the strategic objectives specified in the Council Plan as set out in Section 1. It also includes a number of initiatives, and service performance outcome indicators. The Strategic Resource Plan (SRP) is part of and prepared in conjunction with the Council Plan. The relationship between these components of the Budget and the Council Plan, along with the link to reporting in the Annual Report, is shown below.



Source: Department of Transport, Planning and Local Infrastructure

## 2.1 Strategic Objective 1: Our Community

To achieve our objective of Our Community, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The services, initiatives, major initiatives and service performance indicators for each business area are described below.

### Services

Service area	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Aged and Disability Services <sup>1)2)</sup>	This service provides a range of maintenance and support services to assist frail older people and younger people with a disability to live independently at home. Council's service provides domestic assistance, personal care, respite care, home maintenance, meals services, volunteer coordination, aged transport, aged accommodation and senior citizens centres.	1,763 <u>(1,161)</u> <b>602</b>
Early Years	This service is to advocate for the wellbeing of children and their families and ensure it is supported through planning and service development. The service provides pre-school services in 5 towns, maternal and child health and support for playgroups run by parents.	351 <u>(185)</u> <b>166</b>
Library Services	This service provides mobile library services to the townships of Birchip (co-located with Birchip school), Charlton, Donald, Watchem, Berriwillock, Sea Lake, Culgoa, Nullawil and Wycheproof.	278 <u>(98)</u> <b>180</b>
Recreation <sup>3)</sup>	This service provides recreational facilities and support to community run recreation reserves in 9 towns across the Shire, as well as governance support to community recreation clubs and committees.	315 <u>(0)</u> <b>315</b>
Community Grants <sup>4)</sup>	This service provides donations, allocations and support to groups in the community that contribute to services that connect and involve the local area.	73 <u>(0)</u> <b>73</b>
Environmental Health	This service promotes the health and well-being of the Shire's local communities through a range of Public Health Programs including immunisations, food surveillance and registration of food premises, accommodation standards and waste water management.	149 <u>(30)</u> <b>119</b>

### Initiatives

- 1) The cost of Aged and Disability Services are to be capped to current levels with service delivery efficiencies implemented over the 2014/15 financial year. The service efficiencies will deliver a total saving of \$150,000 in the 2015/16 financial year and beyond.
- 2) The current community transport services, which include the taxi subsidy in Wycheproof, volunteer transport and community bus will not be continued when the vehicles are no longer fit for purpose. This will result in \$30,000 budget savings in 2015/16.
- 3) Council will contribute \$214,000 into support for recreation reserves across the shire. This will provide Recreation Maintenance Allocations to 9 townships, provided directly to the local communities.

- 4) Rationalisation of Council's community grants program will reduce the administrative burden on local community groups. Community groups will now be directly funded from the budget. The following allocations are included in the budget:

Buy Local Christmas Promotion	\$3,500
Senior Citizens' Christmas Functions	\$3,500
School Award Nights	\$850
Township Forum Administrative Support	\$10,000
Event Sponsorships	\$6,300
Community Grants Program	\$20,000
SES Contribution	\$6,500
Agricultural Shows	\$300
Australia Day Celebrations	\$5,000
L2P Funding Charlton College	\$15,000
Friends of Mt Wycheproof allocation	\$2,000

### Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Home and Community Care	Participation	Participation in HACC service (Percentage of the municipal target population who receive a HACC service)	[Number of people that received a HACC service / Municipal target population for HACC services] x100
		Participation in HACC service by CALD people (Percentage of the municipal target population in relation to CALD people who receive a HACC service)	[Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100
Early Years	Participation	Participation in the MCH service (Percentage of children enrolled who participate in the MCH service)	[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100
		Participation in MCH service by Aboriginal children (Percentage of Aboriginal children enrolled who participate in the MCH service)	[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100
Libraries	Participation	Active library members (Percentage of the municipal population that are active library members)	[Number of active library members / municipal population] x100

Service	Indicator	Performance Measure	Computation
Food safety	Health and Safety	Critical and major non-compliance notifications (Percentage of critical and major non-compliance notifications that are followed up by Council)	[Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100

---



## 2.2 Strategic Objective 2: Our Local Economy

To achieve our objective of Our Local Economy, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The services, initiatives, major initiatives and service performance indicators for each business area are described below.

### Services

Service area	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Community Support <sup>5)</sup>	The service develops links between and within the communities in the Shire and works with local communities and groups to access community projects recognised as community priorities and provides a range of youth services that support young people aged between 12 and 25. The service also facilitates economic development throughout the Shire and provides support to local businesses and assists in the promotion of tourism.	541 <u>(105)</u> 436
Saleyards <sup>6)</sup>	This service provides for the management and administration of the Council's Saleyards Precinct at Wycheproof for external Livestock Agents to sell Livestock.	98 <u>(95)</u> 3
Corporate Support <sup>7)</sup>	This service provides donations, allocations and support to groups that will assist council to facilitate an environment that is conducive to a sustainable and growing local business sector and provides opportunities for local residents to improve their skill levels and access employment.	65 <u>(0)</u> 65

### Initiatives

- 5) Council's Community Services has previously been partly funded from drought and flood recovery funding and from the Uniting Church. These funding sources are no longer available. Rationalisation of the Community Support Program, which includes youth and economic development, to Council funding of 1.5 EFT is aimed at targeting government funded programs. This will maximise Council's ability to secure funding to the community from external sources and minimise the cost to our community. Budget savings in the 2014/15 year are \$90,000 with further savings projected in 2015/16 of \$230,000.
- 6) Council's Capital Budget will include upgrades of the ramps and fencing at the saleyards to ensure continued compliance with safety requirements.
- 7) The Budget provides for corporate support for organisations which will enhance economic opportunities and advocate for community issues. The following allocations are provided for in the budget:

Birchip Cropping Group	\$5,000
Buloke & Northern Grampians Landcare network	\$5,000
Regional Strategic Plan Stakeholder Contribution	\$1,500
Wimmera Mallee Tourism	\$5,000
Rural Councils Victoria	\$2,000
Municipal Association of Victoria	\$10,000
STEP Asset Management	\$8,000
Wimmera Regional Transport Group	\$5,200
Sunraysia Hwy Committee	\$1,000
Central Victorian Greenhouse Alliance	\$1,100
Livestock Saleyards Victoria Association	\$1,200

Alliance of Councils for Freight Development	\$2,000
Rate Free Program (phase out)	\$4,000
Loddon Murray Leadership Program	\$7,000
Central Murray Regional Transport Forum	\$3,000

#### Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Economic Development	Economic activity	Change in number of businesses (Percentage change in the number of businesses with an ABN in the municipality)	[Number of businesses with an ABN in the municipality at the end of the financial year /less the number of businesses at the start of the financial year / Number of businesses with an ABN in the municipality at the start of the financial year] x100

## 2.3 Strategic Objective 3: Our Built Environment

To achieve our objective of Our Built Environment, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The services, initiatives, major initiatives and service performance indicators for each business area are described below.

### Services

Service area	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Assets & Project Management	This service is to provide for the management, design and administration of Council's assets and infrastructure services, including planning and management of the capital works program.	160 <u>(50)</u> <b>110</b>
Property Maintenance <sup>8)</sup>	This service is to provide Property Maintenance Services to a range of Council's building-based assets, focussing on the upkeep and renewal of buildings.	999 <u>(47)</u> <b>952</b>
Road Services <sup>9)10)</sup>	This service is to provide road maintenance for the 1100km of Sealed, 650km of Gravel and 3,800km of Earth roads across the Shire.	8,194 <u>(2,233)</u> <b>5,961</b>
Swimming Pools <sup>11)</sup>	This service manages and operates seven seasonal swimming pools, from the third week in November to the third week in March, annually.	676 <u>(0)</u> <b>676</b>
Urban Areas <sup>12)</sup>	This service manages and coordinates Council's Parks & Gardens, Urban Infrastructure & Aerodromes providing routine, preventative and on-going maintenance and improvements.	2,755 <u>(3)</u> <b>2,752</b>
Statutory Compliance <sup>13)</sup>	The purpose of the Statutory and Compliance Service is to provide Statutory Planning, Building Services and Compliance and Local Laws services.	683 <u>(224)</u> <b>459</b>

### Initiatives

- 8) Improvement to Community Halls with a range of upgrade works to kitchens, heating and cooling. Council will also improve the community access to our Halls by removing the fees charged to community groups.
- 9) Rationalisation of our work crews with a reduction in grader crews from 6 to 4 combined with a program to upgrade and modernise Council's outdoor plant fleet. This will be phased in over the 2014/15 financial year with budget savings in the 2015/16 year projected to be \$970,000.
- 10) The Budget provides for the implementation of Council's Road Management Plan which, with new road classifications, reduces Council's long term costs and the roads depreciation reduction of \$556,000.
- 11) Continued delivery of seasonal swimming pools in 7 townships. Council to seek further partnerships with community groups to increase the accessibility to community pools.
- 12) Rationalisation of resources in Urban Areas in Environment will be phased in over the 2014/15 financial year resulting in a 25% reduction in resource levels, delivering a budget saving in 2015/16 of \$270,000.
- 13) Develop a Rural Land Use Strategy for the Buloke Planning Scheme that will plan for long term agricultural productivity alongside complimentary uses within rural zones.

**Service Performance Outcome Indicators**

<b>Service</b>	<b>Indicator</b>	<b>Performance Measure</b>	<b>Computation</b>
Aquatic Facilities	Utilisation	Utilisation of aquatic facilities (Number of visits to aquatic facilities per head of municipal population)	Number of visits to aquatic facilities / Municipal population
Statutory planning	Decision making	Council planning decisions upheld at VCAT (Percentage of planning application decisions subject to review by VCAT and that were not set aside)	[Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100
Roads	Satisfaction	Satisfaction with sealed local roads (Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads)	Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads
Animal Management	Health and safety	Animal management prosecutions (Number of successful animal management prosecutions)	Number of successful animal management prosecutions

## 2.4 Strategic Objective 4: Our Natural Environment

To achieve our objective of Our Natural Environment, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The services, initiatives, major initiatives and service performance indicators for each business area are described below.

### Services

Service areas	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Environmental Planning <sup>14)15)</sup>	This service manages Council's Environmental Compliance and Sustainability Programs and Services.	95 <u>(0)</u> <b>95</b>
Lakes <sup>16)</sup>	This service provides a contribution to the management and development of the Recreational Lakes including Tchum, Green, Wooroonook, Watchem & Folletti Lakes.	42 <u>(0)</u> <b>42</b>
Waste & Environment <sup>17)</sup>	Waste and Environment Services is responsible for the maintenance and improvement of Council's landfills and transfer stations as well as providing a Residential Kerbside Garbage & Recycling service in all towns within the Shire.	1,416 <u>(1,043)</u> <b>373</b>

### Initiatives

- 14) Implementation of the Street Light Sustainability Upgrade program which will see Council's street light converted to LED technology. This will not only reduce Council's carbon footprint but will see a long term cost saving to the community.
- 15) A review of all Council owned and/or operated gravel pits will be commenced in 2014/15 to ascertain the future planning and operation of these assets.
- 16) Council will continue to support lakes with cleaning and litter collection. Contribution to water costs will not be included for funding in the 2014/15 budget; however GWM Water will take over subsidising local lake committees of the water cost by over 50% through the new Recreation Contribution Charge. This has reduced the cost of water delivered to lakes from \$48 per megalitre to \$20 per megalitre.
- 17) Council will provide for full cost recovery for waste management and street cleaning services, resulting in an improved budget position for 2014/15 of \$431,000.

### Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Waste collection	Waste diversion	Kerbside collection waste diverted from landfill (Percentage of garbage, recyclables and green organics collected from kerbside bins that is diverted from landfill)	[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100

## 2.5 Strategic Objective 5: Our People and Organisation

To achieve our objective of Our People and Organisation, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The services, initiatives, and service performance indicators for each business area are described below.

### Services

Service areas	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Customer Services <sup>18)</sup>	This service provides for both internal and external customers by resolving the majority of customer enquiries, requests and payments at the first point of contact.	471 (0) <b>471</b>
Governance & Executive Management	This service provides for Councillors, and Executive Support and associated which provides the overall Governance Services to the Council.	897 (0) <b>897</b>
Information Management	This service is to provide the organisation with Records Management Services and Information and Telecommunications Services.	1,030 (0) <b>1,030</b>
Municipal Emergency Management <sup>19)</sup>	This service develops, coordinates and delivers Council's Municipal Emergency Management Plan and coordination of MECC Centre and associated software.	159 (60) <b>99</b>
Procurement. <sup>20)</sup>	This service reviews and implements all business processes associated with purchasing, contracting and the tendering services and to manage Council's light fleet and community buses.	393 (10) <b>383</b>

### Initiatives

- 18) Rationalisation of the Customer Service provision by increasing access for all financial transactions at Post Office outlets and closing the public access at four of Council's District Offices. This initiative is to be phased in over the 2014/15 financial year resulting in budget savings of \$380,000 in the 2015/16 budget.
- 19) In collaboration with emergency services agencies, Council will complete a full review and implementation of a new Municipal Emergency Management Plan and commence reviews on emergency sub-plans.
- 20) Improved efficiencies in the provision of procurement services to provide the service with 2.5EFT. This initiative will be phased in over the 2014/15 financial year resulting in budget savings in 2014/15 of \$70,000 and total saving in the 2015/16 Budget of \$150,000.

Service	Indicator	Performance Measure	Computation
Governance	Satisfaction	Satisfaction with Council decisions (Community satisfaction rating out of 100 with how Council has performed in making decisions in the interests of the community)	Community satisfaction rating out of 100 with how Council has performed in making decisions in the interests of the community

## **2.6 Performance Statement**

The service performance indicators detailed in the preceding pages will be reported on within the Performance Statement which is prepared at the end of the year as required by section 132 of the Act and included in the 2014/15 Annual Report. The Performance Statement will also include reporting on prescribed indicators of financial performance (outlined in section 8) and sustainable capacity, which are not included in this budget report. The full set of prescribed performance indicators are audited each year by the Victorian Auditor General who issues an audit opinion on the Performance Statement. The major initiatives detailed in the preceding pages will be reported in the Annual Report in the form of a statement of progress in the report of operations.

### 3. Budget influences

This section sets out the key budget influences arising from the internal and external environment within which the Council operates.

#### 3.1 Snapshot of Buloke Shire Council

##### Our Shire

Buloke Shire is located in north-western Victoria, between 210 and 360 kilometres north-west of Melbourne and is bounded by Mildura and Swan Hill Rural Cities in the north, Gannawarra and Loddon Shire in the east, Northern Grampians Shire in the south, and Yarriambiack Shire in the west.

Buloke is a predominantly rural area used largely for agriculture, particularly grain (wheat, oats and barley) production and sheep grazing. The main townships are Birchip, Charlton, Donald, Sea Lake and Wycheproof. Smaller townships include Berriwillock, Culgoa, Nandaly, Nullawil and Watchem.

The Shire encompasses a total land area of approximately 8,000 square kilometres. It is approximately 140 kilometres long and 60 kilometres wide.

##### Our Community

6,388 people live in 3,282 households in Buloke, making it one of Victoria's most sparsely populated municipalities. The community of Buloke is made up of 2,035 (31.9%) of people over the age of 60; 2,900 (45.4%) between 18 and 60 years; 1,119 (14.2%) between 5 and 17 years; and 334 (5.3%) between 0 and 4 years.

The Buloke population is stable, with 4,238 residents (66.3%) living in the Shire for at least five years. 652 residents (10.2%) moved to the Shire from another part of Victoria in the five years prior to 2011. 210 residents (3.3%) moved to the Shire from another part of Australia in the five years to 2011.

The educational qualifications attained by Buloke residents are comparatively less than found in regional Victoria with only 1,703 residents (32.6%) holding postsecondary educational qualifications.

Compared to regional Victoria, in 2011 there was a smaller proportion of high-income households (those earning \$1,500 per week or more) and a larger proportion of low-income households (those earning less than \$600 per week) in Buloke. Overall, 221 Buloke households (8.3%) earned a high income, and 408 (15.4%) were low-income households, compared with 10.3% and 12.3% respectively for regional Victoria.

##### Our Local Economy

Workplaces in Buloke provide approximately 2,725 jobs.

Agriculture is the most substantial employment sector in the Shire, providing 818 jobs (30.0%). This is followed by 319 jobs (11.7%) in the health sector, 227 (8.3%) in the education sector, 214 (7.9%) in the retail trades sector and 155 (5.7%) in the public administration sector. A small number of people work in the manufacturing sector (130 or 4.8%) and the construction sector (149 or 5.5%).

Between 2006 and 2011 the proportion of persons working in the agriculture sector, retail, manufacturing and education sectors all fell. The number of persons who reported working in the agriculture sector fell by 15% (140 jobs over the five-year period). Jobs in the retail sector fell 15% with falls of 6% and 3% respectively in the manufacturing and education sectors. Increases were reported in the transport and technical sectors, but the numbers were small.

Volunteering is an important part of the Buloke economy and is an accepted indicator of community cohesiveness and wellbeing, and of how readily individuals are able to contribute to their community. Analysis of the voluntary work performed in Buloke in 2011 compared to regional Victoria shows that there was a higher proportion of persons participating in volunteer activities in Buloke than in the average of other rural municipalities.



## Drivers of Change

### Increased agricultural productivity

Increased agricultural productivity and the emergence of larger farms across the Shire have resulted in fewer farms and less demand for workers, leading to population loss. This process has been particularly pronounced in recent years and current trends suggest it will continue in the future.

Between 2001 and 2011, the number of farms in the Shire fell from over 710 to under 554.

### Population decline

The general trend across dry land farming areas in Victoria is that towns between one and two thousand people are experiencing continuing population decline due to job losses in agriculture and other sectors where services have been withdrawn, such as banking, government administration and education. As commented earlier this is likely to continue into the future.

### A changing climate

Water availability is a major driver of economic growth, environmental health and liveability in Buloke. Over the next 20 to 50 years climate change is predicted to result in higher average temperatures, lower average rainfall, greater intensity of rainfall, and potentially an increase in the frequency of droughts.

### Global food demand

The expected increase in global food demand will provide opportunities for food producing regions that can successfully adapt to climate change and other factors affecting agriculture, such as energy costs, volatile international commodity markets, varying currency valuations and the impact of new markets in emerging regions for high quality products.

### Liveability factors

Various factors influence people's choices on where to live include availability of employment, choice and affordability of housing, education, health, cultural, family proximity and lifestyle features.

Employment is likely to continue to be the single largest factor impacting on choice to locate in Buloke.

### Migration

Another population trend in rural Victoria has been the outward migration of young people to regional centres and metropolitan Melbourne for education and employment opportunities and the inward migration of people in the 50 to 64 age bracket.

In Buloke there has been a consistent net outward migration of young people to Melbourne or larger regional centres such as Bendigo, Ballarat and Mildura for education and employment over the past 30 years.

Accompanying this loss of younger residents, for the majority of the period since 1981 there has been a net inward migration of residents in the 50 to 64 age bracket. This inward migration has been for liveability and affordability reasons.

Both of these trends are expected to continue into the future.

### **Budget implications**

As a result of the Shire's demographic profile there are a number of budget implications in the short and long term:

- Population decline will result in the rate burden being borne by a smaller rate base. This has resulted in a requirement to review service levels and reduce the operating expenditure of the council. This will see an overall reduction in staff numbers in the 2014/15 and 2015/16 financial years.
- The Shire's reliance on community volunteers has seen the budget retain funding levels to areas of the community which rely on volunteer services.

### **3.2 External influences**

- Consumer Price Index (CPI) increases on goods and services of 2.7% through the year to December quarter 2013 (ABS release 22 January 2014 State-wide CPI is forecast to be 2.5% for the 2014/15 year (Victorian Budget Papers 2013/14).
- Australian Average Weekly Earnings (AWE) growth for Public Sector full-time adult ordinary time earnings in the 12 months to May 2013 was 4.5% (ABS release 15 August 2013). The wages price index in Victoria is projected to be 3.5% per annum in 2014/15 and the subsequent two years (Victorian Budget Papers 2013/14). Council must renegotiate a new Collective Agreement during the 2014/15 year. Completion of the substantial Flood Recovery works will see a significant reduction in external grant funds.
- The Abbott Government introduced the *Clean Energy Legislation (Carbon Tax Repeal) Bill 2013* and related bills to the House of Representatives on the 13th of November 2013, with the intention to abolish the carbon price from 1 July 2014.
- The Fire Services Property Levy will continue to be collected by Council on behalf of the State Government with the introduction of the *Fire Services Property Levy Act 2012*.

### **3.3 Internal influences**

As well as external influences, there are also a number of internal influences which are expected to have a significant impact on the preparation of the 2014/15 Budget. These matters have arisen from events occurring in the 2013/14 year resulting in variances between the forecast actual and budgeted results for that year and matters expected to arise in the 2014/15 year. These matters and their financial impact are set out below:

- The funding partnership from the Uniting Church for Youth services has ended. This will result in a rationalisation of our Youth, Economic Development and Community Services.
- A review of Waste Services has identified a significant shortfall in income from users of the service. The budget makes provision for full cost recovery for Council's garbage charge.

### **3.4 Budget principles**

In response to these influences, guidelines were prepared and distributed to all Council officers with budget responsibilities. The guidelines set out the key budget principles upon which the officers were to prepare their budgets. The principles included:

- Existing fees and charges to be increased in line with CPI or market levels.
- Grants to be based on confirmed funding levels.
- New revenue sources to be identified where possible.
- Salaries and wages to be increased in line with EBA arrangements.
- Real savings in operating expenditure to be implemented over the 2014/15 and 2015/16 financial year.
- Construction and material costs to increase in line with the Engineering Construction Index.
- Operating revenues and expenses arising from completed 2013/14 capital projects to be included.

### **3.5 Long term strategies**

The budget includes consideration of a number of long term strategies and contextual information to assist Council to prepare the Budget in a proper financial management context. These include a Strategic Resource Plan for 2014/15 to 2017/18 (section 8.), Rating Information (section 9.) and Other Long Term Strategies (section 10.) including borrowings and service reviews.

## 4. Analysis of operating budget

This section analyses the operating budget including expected income and expenses of the Council for the 2014/15 year.

### 4.1 Budgeted income statement

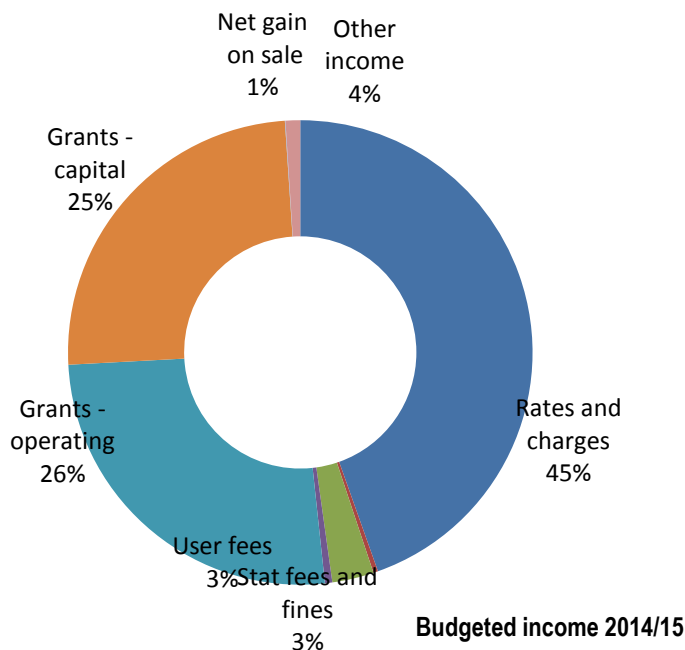
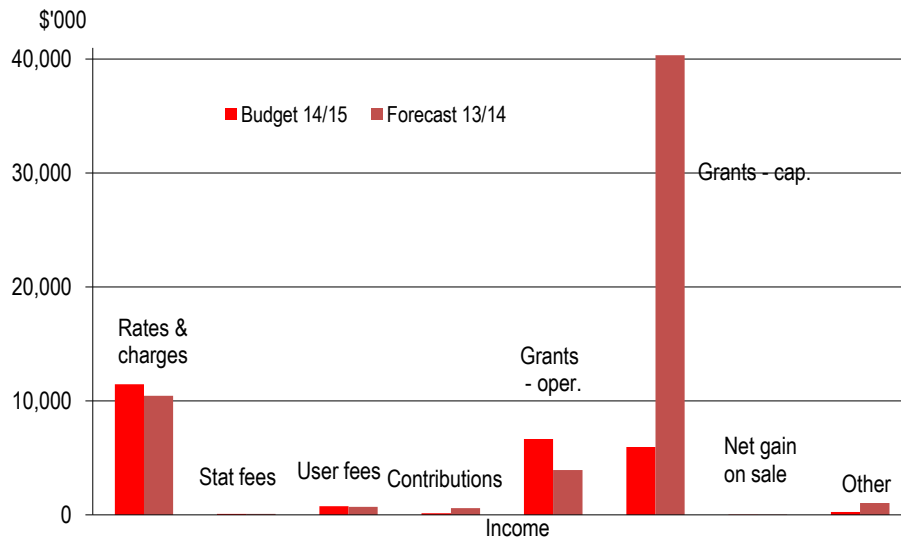
	Ref	Forecast Actual 2013/14 \$'000	Budget 2014/15 \$'000	Variance \$'000
Total income	4.2	57,178	25,319	(31,859)
Total expenses	4.3	(25,411)	(24,370)	1,041
<b>Surplus (deficit) for the year</b>		<b>31,767</b>	<b>949</b>	<b>(30,818)</b>
Grants – capital non-recurrent	4.2.6	(40,350)	(4,969)	35,381
Contributions - non-monetary assets		0	0	0
Capital contributions - other sources	4.2.4	(519)	(1,120)	(601)
<b>Adjusted underlying surplus (deficit)</b>	4.1.1	<b>(9,102)</b>	<b>(5,140)</b>	<b>3,962</b>

#### 4.1.1 Adjusted underlying deficit (\$3.96 million decrease)

The adjusted underlying result is the net surplus or deficit for the year adjusted for non-recurrent capital grants, non-monetary asset contributions, and capital contributions from other sources. It is a measure of financial sustainability and Council's ability to achieve its service delivery objectives as it is not impacted by capital income items which can often mask the operating result. The adjusted underlying result for the 2014/15 year is a deficit of \$5.14 million which is an improvement of \$3.96 million from the 2013/14 year. In calculating the adjusted underlying result, Council has excluded grants received for capital purposes which are non-recurrent and capital contributions from other sources.

### 4.2 Income

Income Types	Ref	Forecast Actual 2013/14 \$'000	Budget 2014/15 \$'000	Variance \$'000
Rates and charges	4.2.1	10,446	11,453	1,007
Statutory fees and fines	4.2.2	86	84	(2)
User fees	4.2.3	709	744	35
Contributions - cash	4.2.4	589	132	(457)
Grants - operating	4.2.5	3,945	6,665	2,720
Grants – capital	4.2.6	40,350	5,969	(34,381)
Net gain on sale of assets	4.2.7	14	10	(4)
Other income	4.2.8	1,039	262	(777)
<b>Total income</b>		<b>57,178</b>	<b>25,319</b>	<b>(31,859)</b>



#### 4.2.1 Rates and charges (\$1.01 million increase)

It is proposed that general rate income be increased by 6.0% over 2013/14 to \$9.514 million. Kerbside waste and recycling charges are proposed to increase to \$1.28 million (49% increase) to reflect full cost recovery. Section 9. "Rating Information" includes a more detailed analysis of the rates and charges to be levied for 2014/15. Information on rates and charges specifically required by the Regulations is included in Appendix B.

#### 4.2.2 Statutory fees and fines (\$0.02 million decrease)

Statutory fees relate mainly to fees and fines levied in accordance with legislation and include animal registrations. These form a minor part of council income stream.

A detailed listing of statutory fees is included in Appendix D.

#### 4.2.3 User fees (\$0.03 million increase)

User charges relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services. These include, use community facilities and the provision of human services such as family day care and home help services. In setting the budget, the key principle for determining the level of user charges has been to ensure that increases do not exceed CPI increases or market levels.

A detailed listing of fees and charges is included in Appendix D.

#### 4.2.4 Contributions - cash (\$0.46 million decrease)

Contributions relate to monies paid by developers in accordance with planning permits issued for property development and by community groups for contributions to capital projects.

Contributions are projected to decrease by \$0.46 million compared to 2013/14 due mainly to the completion of a number of community projects within the municipality during the 2013/14 year.

#### 4.2.5 Grants - operating (\$2.72 million increase)

Operating grants include all monies received from State and Federal sources for the purposes of funding the delivery of Council's services to ratepayers. Overall, the level of operating grants has increased by \$2.72 million compared to 2013/14. The increase in Victoria Grants Commission (VGC) funding, is related to the adjusted timing of which we have been advised with regard to receiving the funding.

A list of operating grants by type and source, classified into recurrent and non-recurrent, is included below.

Operating Grant Funding Types and Source	Forecast	Budget	Variance
	Actual 2013/14 \$'000	2014/15 \$'000	\$'000
<i>Recurrent - Commonwealth Government</i>			
Victorian Grants Commission	2,679	5,469	2,790
Family day care			
General home care	561	563	2
Other (*specify each type)			
<i>Recurrent - State Government</i>			
Primary care partnerships			
Aged care	164	162	(2)
School crossing supervisors	12	12	0
Libraries	99	98	(1)
Maternal and child health	135	130	(5)
Recreation	55	55	0
Community safety	24	24	0
Other (*specify each type)	67	102	35
<b>Total recurrent grants</b>	<b>3,796</b>	<b>6,615</b>	<b>2,819</b>
<i>Non-recurrent - Commonwealth Government</i>			
Drainage maintenance		-	
Environmental planning	80	50	(30)
<i>Non-recurrent - State Government</i>			
Community health	69	0	(69)
Family and children	-		
<b>Total non-recurrent grants</b>	<b>149</b>	<b>50</b>	<b>(99)</b>

#### 4.2.6 Grants - capital (\$34.38 million decrease)

Capital grants include all monies received from State, Federal and community sources for the purposes of funding the capital works program. Overall the level of capital grants has decreases by \$35.39 million compared to 2013/14 due to the completion of flood works in the previous year. Section 6. "Analysis of Capital Budget" includes a more detailed analysis of the grants and contributions expected to be received during the 2014/15 year.

A list of capital grants by type and source, classified into recurrent and non-recurrent, is included below. Some of these grants are subject to funding announcements.

Capital Grant Funding Types and Source	Forecast Actual 2013/14 \$'000	Budget 2014/15 \$'000	Variance \$'000
<i>Recurrent - Commonwealth Government</i>			
Roads to recovery		1,000	1,000
<i>Recurrent - State Government</i>			
Country Roads and bridges	-	-	-
	1,000	1,000	0
<b>Total recurrent grants</b>	<b>1,000</b>	<b>2,000</b>	<b>1,000</b>
<i>Non-recurrent - Commonwealth Government</i>			
Flood Grants	37,900	700	(37,200)
Buildings	50	0	(50)
Community Infrastructure	539	581	42
Drainage		1,558	1,558
Footpaths			
<i>Non-recurrent - State Government</i>			
Buildings	861	1,130	259
<b>Total non-recurrent grants</b>	<b>39,350</b>	<b>3,969</b>	<b>(35,381)</b>

#### 4.2.7 Net gain on sale of assets minor decrease)

Proceeds from the sale of Council assets are forecast to be \$10,000 for 2014/15 which relates to the sale of minor plant.

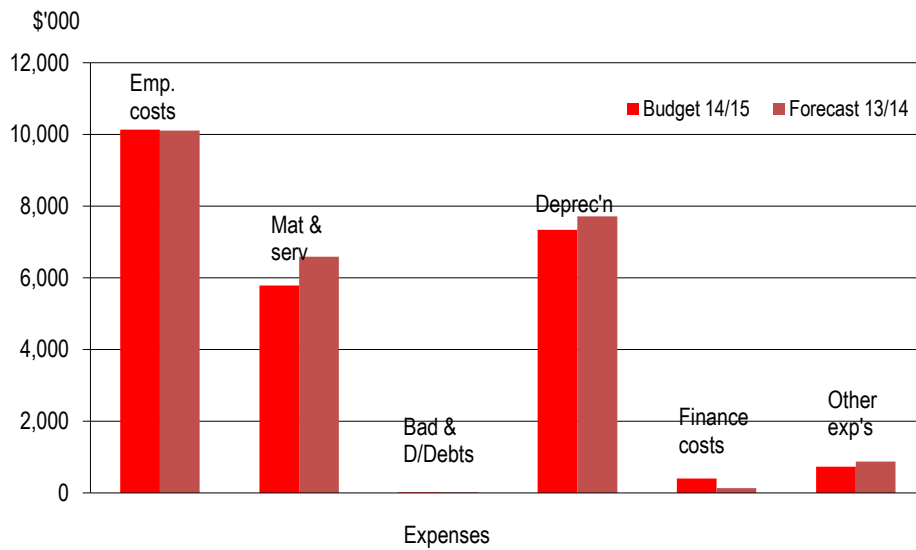
#### 4.2.8 Other income (\$0.88 million decrease)

Other income relates to a range of items such as private works, cost recoups and other miscellaneous income items. It also includes interest revenue on investments and rate arrears.

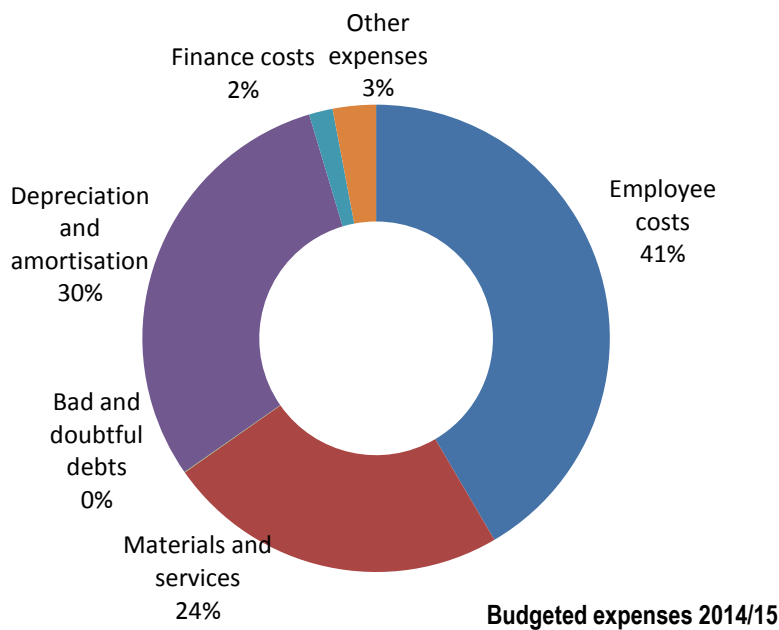
Other income is forecast to decrease by \$0.88 million compared to 2013/14. This is mainly due to the work that was carried out by council works crews on the Flood Contract which will not be available in 2013/14.

### 4.3 Expenses

Expense Types	Ref	Forecast	Budget	Variance
		Actual 2013/14 \$'000	2014/15 \$'000	\$'000
Employee costs	4.3.1	10,107	10,135	28
Materials and services	4.3.2	6,583	5,785	(798)
Bad and doubtful debts	4.3.3	13	11	(2)
Depreciation and amortisation	4.3.4	7,707	7,334	(373)
Finance costs	4.3.5	127	376	249
Other expenses	4.3.6	874	729	(145)
<b>Total expenses</b>		<b>25,411</b>	<b>24,370</b>	<b>(1,041)</b>



Source: Appendix A



#### 4.3.1 Employee costs (\$.03 million increase)

Employee costs include all labour related expenditure such as wages and salaries and on-costs such as allowances, leave entitlements, employer superannuation, rostered days off, etc.

Employee costs are forecast to increase by \$28,000 compared to 2013/14. Staff numbers are projected to decrease by 5 EFT from the 2013/14 budget with salary increases as per the Enterprise Agreement.

A summary of human resources expenditure categorised according to the organisational structure of Council is included below:

Department	Budget 2014/15 \$'000	Comprises	
		Permanent Full time \$'000	Permanent Part Time \$'000
Asset & Infrastructure	1,236	1,116	120
Community Services	1,414	494	920
Corporate Services	1,044	817	227
Finance & Governance	2,032	1,881	151
Works & Construction	3,881	3,558	323
Total permanent staff expenditure	9,607	7,866	1,741
Casuals and other expenditure	528		
Total operating expenditure	10,135		
Capital expenditure	235		
Total expenditure	10,370		

A summary of the number of full time equivalent (FTE) Council staff in relation to the above expenditure is included below:

Department	Budget FTE	Comprises	
		Permanent Full time	Permanent Part Time
Asset & Infrastructure	15.5	14	1.5
Community Services	19.2	6	13.2
Corporate Services	12.4	10	2.4
Finance & Governance	21.4	20	1.4
Works & Construction	54.4	51	3.4
Total permanent operating staff	126	104	22
Casuals and other	7.6		
Total Capital works staff	3	3	
Total staff	133.6		

#### 4.3.2 Materials and services (\$0.79 million decrease)

Materials and services include the purchases of consumables, payments to contractors for the provision of services and utility costs. Materials and services are forecast to decrease by \$0.79 million compared to 2013/14.

The reductions are in a range of areas including consultant fees (\$200,000), road material (\$100,000) and fuel (\$60,000) as well as other areas such as labour hire, IT maintenance and contract.

#### 4.3.3 Bad and doubtful debts (minor decrease)

Bad and doubtful debts is projected to remain at similar level to the previous year with only a \$2,000 decrease.



#### **4.3.4 Depreciation and amortisation (\$0.37 million decrease)**

Depreciation is an accounting measure which attempts to allocate the value of an asset over its useful life for Council's property, plant and equipment including infrastructure assets such as roads and drains. There will be an increase in depreciation of \$161,000 due to the completion of the 2014/15 capital works program and the full year effect of depreciation on the 2013/14 capital works program. This increase will be more than offset by a decrease of \$531,000 in the depreciation on roads due to the adoption by council of the road management plan. Refer to section 6. 'Analysis of Capital Budget' for a more detailed analysis of Council's capital works program for the 2014/15 year.

#### **4.3.5 Finance costs (\$0.25 million increase)**

Borrowing costs relate to interest charged by financial institutions on funds borrowed. The increase in finance costs relate to the \$7.0 million loan provided for in the budget. The taking of a loan will allow council to manage its cash position and negate the need to run a significant overdraft position. This will see an overall savings in finance costs, had council relied on overdraft facilities to fund operating activities and capital works expenditures.

#### **4.3.6 Other expenses (\$0.15 million decrease)**

Other expenses relate to a range of unclassified items.

## 5. Analysis of budgeted cash position

This section analyses the expected cash flows from the operating, investing and financing activities of Council for the 2014/15 year. Budgeting cash flows for Council is a key factor in setting the level of rates and providing a guide to the level of capital expenditure that can be sustained with or without using existing cash reserves.

The analysis is based on three main categories of cash flows:

- **Operating activities** - Refers to the cash generated or used in the normal service delivery functions of Council. Cash remaining after paying for the provision of services to the community may be available for investment in capital works, or repayment of debt
- **Investing activities** - Refers to cash generated or used in the enhancement or creation of infrastructure and other assets. These activities also include the acquisition and sale of other assets such as vehicles, property and equipment
- **Financing activities** - Refers to cash generated or used in the financing of Council functions and include borrowings from financial institutions and advancing of repayable loans to other organisations. These activities also include repayment of the principal component of loan repayments for the year.

### 5.1 Budgeted cash flow statement

	Ref	Forecast Actual 2013/14 \$'000	Budget 2014/15 \$'000	Variance \$'000
<b>Cash flows from operating activities</b>	5.1.1			
<i>Receipts</i>				
Rates and charges		10,400	11,440	1,040
User fees and fines		814	827	13
Grants - operating		3,944	6,665	2,721
Grants - capital		40,350	5,969	(34,381)
Interest		70	50	(20)
Other receipts		927	471	(456)
		<b>56,505</b>	<b>25,422</b>	<b>(31,083)</b>
<i>Payments</i>				
Employee costs		(10,418)	(10,134)	284
Other payments		(7,500)	(6,514)	986
		<b>(17,918)</b>	<b>(16,648)</b>	<b>1,270</b>
<b>Net cash provided by operating activities</b>		<b>38,587</b>	<b>8,774</b>	<b>(29,813)</b>
<b>Cash flows from investing activities</b>	5.1.2			
Proceeds from sales of property, infrastructure, plant and equipment		24	10	(14)
Repayment of loans and advances		(1,582)	0	1,582
Deposits		0	0	0
Payments for property, infrastructure, plant and equipment		(44,146)	(10,465)	33,681
<b>Net cash used in investing activities</b>		<b>(45,704)</b>	<b>(10,455)</b>	<b>35,249</b>
<b>Cash flows from financing activities</b>	5.1.3			
Finance costs		(130)	(376)	(246)
Proceeds from borrowings		1,550	7,000	5,450
Repayment of borrowings		(565)	(782)	(217)
<b>Net cash used in financing activities</b>		<b>855</b>	<b>5,842</b>	<b>4,987</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(6,262)</b>	<b>4,161</b>	<b>10,423</b>
Cash and cash equivalents at the beginning of the period		2,116	(4,146)	(6,262)
<b>Cash and cash equivalents at end of the year</b>	5.1.4	<b>(4,146)</b>	<b>15</b>	<b>4,161</b>

Source: Appendix A

### 5.1.1 Operating activities (\$29.81 million decrease)

The significant decrease in cash inflows from operating activities is due to the reduction in capital grants to fund the flood reconstruction works. Excluding the capital contribution for flood works there is an increase in receipts reflecting the 6% rise in rates and the increase in the kerbside waste and recycling charge (\$0.43 million). In addition to this there is an increase in grants of \$2.72 million which is due to the timing of when we will receive grants commission funding.

The net cash flows from operating activities does not equal the surplus (deficit) for the year as the expected revenues and expenses of the Council include non-cash items which have been excluded from the Cash Flow Statement. The budgeted operating result is reconciled to budgeted cash flows available from operating activities as set out in the following table.

	Forecast Actual 2013/14 \$'000	Budget 2014/15 \$'000	Variance \$'000
<b>Surplus (deficit) for the year</b>	<b>21,665</b>	<b>949</b>	<b>(20,716)</b>
Revaluation	10,102	0	(10,102)
Depreciation	7,707	7,334	(373)
Loss (gain) on sale of assets	(14)	(10)	4
Net movement in current assets and liabilities	(873)	501	1,374
<b>Cash flows available from operating activities</b>	<b>38,587</b>	<b>8,774</b>	<b>(29,813)</b>

### 5.1.2 Investing activities (\$35.25 million decrease)

The large decrease in payments for investing activities represents large capital works expenditure disclosed related to the flood recovery works. It is planned to implement a review and sale of council property. Proceeds from sale of assets of this nature are not forecast in the 2014/15 Budget due to expected settlement of land sales not being received until the 2015/16 year.

### 5.1.3 Financing activities (\$4.99 million increase)

The increase reflects the \$7.0 million loan borrowings for the 2014/15 year. Adjustments have been made to repay the current loans of council (0.78 million) and a subsequent increase in finance costs to repay the interest on the new loan amount.

### 5.1.4 Cash and cash equivalents at end of the year (\$4.16 million increase)

Overall, total cash and investments is forecast to increase by \$4.16 million as at 30 June 2015, reflecting Council's strategy of using borrowings in the medium term to finance operating activities. This is consistent with Council's Strategic Resource Plan (see Section 8), which forecasts a significant reduction in the capital works program from 2014/15 onwards to balance future cash budgets.

## 5.2 Restricted and unrestricted cash and investments

Cash and cash equivalents held by Council are restricted in part, and not fully available for Council's operations. The budgeted cash flow statement above indicates that Council is estimating at 30 June 2015 it will have cash and investments of \$0.015 million, which has been partly restricted as shown in the following table.

		Forecast Actual 2014 \$'000	Budget 2015 \$'000	Variance \$'000
<b>Total cash and investments</b>		<b>(4,146)</b>	<b>15</b>	<b>4,161</b>
Restricted cash and investments				
- Statutory reserves	5.2.1	0	0	0
- Cash held to fund carry forward capital works	5.2.2	3,633	0	3,633
- Trust funds and deposits		116	116	0
<b>Unrestricted cash and investments</b>	5.2.3	<b>(7,895)</b>	<b>(101)</b>	<b>7,794</b>
- Discretionary reserves	5.2.4	0	0	0
<b>Unrestricted cash adjusted for discretionary reserves</b>	5.2.5	<b>(7,895)</b>	<b>(101)</b>	<b>7,794</b>

### **5.2.1 Statutory reserves**

These funds must be applied for specified statutory purposes in accordance with various legislative requirements. Council do not have any Statutory Reserves.

### **5.2.2 Cash held to fund carry forward capital works**

There is no amount shown as cash held to fund carry forward works at 30 June 2015, as it is expected that the capital works budget in the 2014/15 financial year will be fully completed. An amount of \$3.6 million is forecast to be held at 30 June 2014 to fund capital and flood reconstruction works completed but not paid in the 2013/14 financial year. Section 6.2 contains further details on capital works funding.

### **5.2.3 Unrestricted cash and investments (\$NIL)**

The amount shown is in accordance with the definition of unrestricted cash included in the Regulations. These funds are free of statutory reserve funds and cash to be used to fund capital works expenditure from the previous financial year. This has to be a positive number for the cash to be unrestricted.

### **5.2.4 Discretionary reserves (\$NIL)**

These funds are shown as discretionary reserves as, although not restricted by a statutory purpose, Council has made decisions regarding the future use of these funds and unless there is a Council resolution these funds should be used for those earmarked purposes. The decisions about future use of these funds has been reflected in Council's Strategic Resource Plan and any changes in future use of the funds will be made in the context of the future funding requirements set out in the plan.

### **5.2.5 Unrestricted cash adjusted for discretionary reserves (\$NIL)**

These funds are free of all specific Council commitments and represent funds available to meet daily cash flow requirements, unexpected short term needs and any budget commitments which will be expended in the following year such as grants and contributions. The SRP identifies improvements in the unrestricted cash in forward years. This has to be a positive number for the cash to be unrestricted.

## 6. Analysis of capital budget

This section analyses the planned capital works expenditure budget for the 2014/15 year and the sources of funding for the capital budget.

### 6.1 Capital works expenditure

Capital Works Areas	Ref	Forecast Actual 2013/14 \$'000	Budget 2014/15 \$'000	Variance \$'000
<b>Works carried forward</b>	6.1.1			
<b>Property</b>				
Buildings			1,806	1,806
Total property		0	1,806	1,806
<b>Plant and equipment</b>				
Plant, machinery and equipment				
Computers and telecommunications				
Total plant and equipment		0	0	0
<b>Infrastructure</b>				
Rec, leisure and community facilities			78	78
Total infrastructure		0	78	78
<b>Total works carried forward</b>		0	1,884	1,884
<b>New works</b>				
<b>Property</b>	6.1.2			
Buildings		2,392	819	(1,573)
Building improvements				
Total property		2,392	819	(1,573)
<b>Plant and equipment</b>	6.1.3			
Plant, machinery and equipment		595	760	165
Fixtures, fittings and furniture				
Computers and telecommunications		343	150	-193
Library books				
Total plant and equipment		938	910	(28)
<b>Infrastructure</b>	6.1.4			
Roads		42,904	1,494	(41,410)
Bridges		400	400	0
Footpaths and cycleways		3	94	91
Drainage		150	1,760	1,610
Waste management		5		(5)
Parks, open space and streetscapes				
Aerodromes			10	10
Other infrastructure		79	36	(43)
Kerb and Channel		11	87	76
Landfill		44	190	146
Saleyards			99	99
Total infrastructure		43,596	4,170	(39,426)
<b>Total new works</b>		46,926	5,899	(41,027)
<b>Total capital works expenditure</b>		46,926	7,783	(39,143)

Capital Works Areas		Actual 2013/14 \$'000	2014/15 \$'000	\$'000
<b>Represented by:</b>				
Asset renewal expenditure	6.1.5	45,527	4,085	(41,442)
New asset expenditure	6.1.5	1,131	2,042	911
Asset upgrade expenditure	6.1.5	268	1,656	1,388
Asset expansion expenditure	6.1.5			
<b>Total capital works expenditure</b>		46,926	7,783	(39,143)

Source: Appendix A. A more detailed listing of the capital works program is included in Appendix C.

#### **6.1.1 Carried forward works (\$1.884 million)**

At the end of each financial year there are projects which are either incomplete or not commenced due to factors including planning issues, weather delays and extended consultation. For the 2013/14 year it is forecast that \$1.88 million of capital works will be incomplete and be carried forward into the 2014/15 year. These works are for 5 projects the Donald Family Services Centre, Birchip Bowling Green Redevelopment, Charlton 2020 Design Services, Charlton Skate Park and Wycheproof Centenary Park Shade Structure.

#### **6.1.2 Property (\$0.82 million)**

The property class comprises buildings and building improvements including community facilities, municipal offices, sports facilities, swimming pools and pavilions.

For the 2014/15 year, \$0.82 million will be expended on building and building improvement projects. These works include a program of upgrades to kitchens, heating and cooling in Council's Community Halls.

#### **6.1.3 Plant and equipment (\$0.91 million)**

Plant and equipment includes plant, machinery and equipment, computers and telecommunications, and library books.

For the 2014/15 year, \$0.91 million will be expended on plant, equipment and other projects. This includes the replacement of 3 of Council's grader fleet with a new grader.

#### **6.1.4 Infrastructure (\$4.17 million)**

Infrastructure includes roads, bridges, footpaths, drainage, recreation, parks, open space and streetscapes, landfills, aerodromes, saleyards and other structures.

For the 2014/15 year, \$1.56 million will be expended on road projects. These projects are fully funded from the Roads to Recovery program and the Country Roads and Bridges Program.

\$1.68 million will be expended on drainage projects with funding for a detailed Levee design for Charlton, the St Arnaud Road floodway and the stage 1 levee bank development at Donald.

#### **6.1.5 Asset renewal (\$4.08 million), new assets (\$2.04 million) and upgrade (\$1.65 million)**

A distinction is made between expenditure on new assets, asset renewal and upgrade. Expenditure on asset renewal is expenditure on an existing asset, or on replacing an existing asset that returns the service of the asset to its original capability. Expenditure on new assets does not have any element of expansion or upgrade of existing assets but will result in an additional burden for future operation, maintenance and capital renewal.

The major projects included in the above categories, which constitute expenditure on new assets, are for the flood development works, which will develop new infrastructure for flood protection.

## 6.2 Funding sources

Sources of Funding	Ref	Forecast Actual 2013/14 \$'000	Budget 2014/15 \$'000	Variance \$'000
<b>Works carried forward</b>				
<b>Current year funding</b>				
Grants		5,348	1,696	(3,652)
Council cash				
- operations			188	188
<b>Total works carried forward</b>	6.2.1	<b>5,348</b>	<b>1,884</b>	<b>(3,464)</b>
<b>New works</b>				
<b>Current year funding</b>				
Grants	6.2.2	1,582	4,419	2,837
-Flood Grants		37,900		(37,900)
Contributions		590	22	(568)
Borrowings				
Council cash				
- operations	6.2.3	1,506	1,458	(448)
- reserve cash				
<b>Total new works</b>		<b>41,578</b>	<b>5,899</b>	<b>(35,679)</b>
<b>Total funding sources</b>		<b>46,926</b>	<b>7,783</b>	<b>(39,143)</b>

Source: Appendix A

### 6.2.1 Carried forward works (\$1.884 million)

At the end of each financial year there are projects which are either incomplete or not commenced due to factors including planning issues, weather delays and extended consultation. For the 2013/14 year it is forecast that \$1.884 million of capital works will be incomplete and be carried forward into the 2014/15 year. The Donald Family services centre is the major project, which was funded from grants.

### 6.2.2 Grants (\$4.419 million)

Capital grants include all monies received from State and Federal sources for the purposes of funding the capital works program. Significant grants and contributions are budgeted to be received from Roads to Recovery and Country Roads and Bridges program (\$2.0 million). The budget also provides for funding from the Local Infrastructure program and funding for flood related works (\$1.675 mill). All flood related capital works will be completed in the 2013/14 year.

### 6.2.3 Council cash - operations (\$1.458million)

Council will need to use cash from its operating activities, as a funding source for the capital works program. It is forecast that \$1.46 million will be generated from operations to fund the 2014/15 new capital works program.

## 7. Analysis of budgeted financial position

This section analyses the movements in assets, liabilities and equity between 2013/14 and 2014/15. It also considers a number of key performance indicators.

### 7.1 Budgeted balance sheet

	Ref	Forecast Actual 2014 \$'000	Budget 2015 \$'000	Variance \$'000
<b>Current assets</b>	7.1.1			
Cash and cash equivalents		(4,146)	15	4,161
Trade and other receivables		1,210	1,223	13
Financial assets		0	0	0
Other assets		151	151	0
<b>Total current assets</b>		<b>(2,785)</b>	<b>1,389</b>	<b>4,174</b>
<b>Non-current assets</b>	7.1.1			
Property, infrastructure, plant and equipment		186	186	0
Investments in regional library corporation		180,772	181,335	563
<b>Total non-current assets</b>		<b>180,958</b>	<b>181,521</b>	<b>563</b>
<b>Total assets</b>		<b>178,173</b>	<b>182,910</b>	<b>4,737</b>
<b>Current liabilities</b>	7.1.2			
Trade and other payables		4,765	2,335	2,430
Interest-bearing loans and borrowings		985	203	782
Provisions		2,194	2,194	0
<b>Total current liabilities</b>		<b>7,944</b>	<b>4,732</b>	<b>3,212</b>
<b>Non-current liabilities</b>	7.1.2			
Interest-bearing loans and borrowings		0	7,000	(7,000)
Provisions		1,535	1,535	0
<b>Total non-current liabilities</b>		<b>1,535</b>	<b>8,535</b>	<b>(7,000)</b>
<b>Total liabilities</b>		<b>9,479</b>	<b>13,267</b>	<b>(3,788)</b>
<b>Net assets</b>		<b>168,694</b>	<b>169,643</b>	<b>949</b>
<b>Equity</b>	7.1.4			
Accumulated surplus		82,647	83,596	949
Asset revaluation reserve		86,047	86,047	0
<b>Total equity</b>		<b>168,694</b>	<b>169,643</b>	<b>949</b>

Source: Appendix A

#### 7.1.1 Current Assets (\$4.17 million increase) and Non-Current Assets (\$0.56 million increase)

Cash and cash equivalents include cash and investments such as cash held in the bank and in petty cash. These balances are projected to increase by \$4.2 million during the year mainly due to the injection of loan funds into the cash balance.

Trade and other receivables are monies owed to Council by ratepayers, sundry debtors and others. Short term debtors are not expected to change significantly in the budget.

Other assets includes items such as prepayments for expenses that Council has paid in advance of service delivery, inventories or stocks held for sale or consumption in Council's services and other revenues due to be received in the next 12 months. Accrued income is not expected to change during the 2014/15 year.



Property, infrastructure, plant and equipment is the largest component of Council's worth and represents the value of all the land, buildings, roads, vehicles, equipment, etc which has been built up by Council over many years. The increase in this balance is attributable to the proposed capital expenditure being greater than depreciation in this year.

### 7.1.2 Current Liabilities (\$3.12 million decrease) and Non-Current Liabilities (\$7.0 million increase)

Trade and other payables are those to whom Council owes money as at 30 June. These liabilities are budgeted to reduce in the 2014/15 year. It is budgeted that works on the flood reconstruction works will be completed by 30 June 2014; however Council will not have made the final payment to the contractor by that date. This payment of \$2.8 million will be paid in the 2014/15 year therefore reducing Council's liabilities.

Provisions include accrued long service leave, annual leave and rostered days off owing to employees. These employee entitlements are not expected to change over the 2014/15 year.

Interest-bearing loans and borrowings are borrowings of Council. Council is budgeting to borrow \$7.0 million over the year.

### 7.1.3 Working Capital (\$3.75 million increase)

Working capital is the excess of current assets above current liabilities. This calculation recognises that although Council has current assets, some of those assets are already committed to the future settlement of liabilities in the following 12 months, and are therefore not available for discretionary spending.

	Forecast		
	Actual	Budget	Variance
	2014	2015	
	\$'000	\$'000	\$'000
<b>Current assets</b>	(2,785)	1,389	(4,174)
<b>Current liabilities</b>	7,944	4,732	3,212
<b>Working capital</b>	(10,729)	(3,343)	(7,386)
Restricted cash and investment current assets			
- Statutory reserves	0	0	0
- Cash held to fund carry forward capital works	3,633	0	3,633
- Trust funds and deposits	0	0	0
<b>Unrestricted working capital</b>	<b>(7,096)</b>	<b>(3,343)</b>	<b>(3,753)</b>

### 7.1.4 Equity (\$0.95 million increase)

Total equity always equals net assets and is made up of the following components:

- Asset revaluation reserve which represents the difference between the previously recorded value of assets and their current valuations
- Other reserves that are funds that Council wishes to separately identify as being set aside to meet a specific purpose in the future and to which there is no existing liability. These amounts are transferred from the Accumulated Surplus of the Council to be separately disclosed
- Accumulated surplus which is the value of all net assets less Reserves that have accumulated over time. The increase in accumulated surplus of \$0.95 million results directly from the surplus for the year.

## 8. Strategic resource plan and financial performance indicators

This section includes an extract of the adopted Strategic Resource Plan (SRP) to provide information on the long term financial projections of the Council.

### 8.1 Plan development

The Act requires a forward financial plan to be prepared covering both financial and non-financial resources, and including key financial indicators for at least the next four financial years to support the Council Plan.

Council has prepared a Financial Plan for the period 2014/15 to 2017/18 as part of its ongoing financial planning to assist in adopting a budget within a longer term framework.

The key objective, which underlines the development of the Plan, is financial sustainability in the medium term, while still achieving Council's strategic objectives as specified in the Council Plan.

The financial plan for 2014 – 2018 is based on the following key strategies aimed at ensuring the long-term viability and amenity of the Shire:

- To increase revenue from rates and charges over the period of the Plan by a minimum of 6.0% per annum.
- To increase revenue from fees, fines and charges of 2.5% p.a. in 2014/15 and continuing at this level the remainder of the Plan or in line with cost increases or market levels as appropriate.
- To continue to receive untied Financial Assistance Grants from the Commonwealth at levels as determined by the Commonwealth Government.
- To reduce staff costs, with a particular focus on achieving these reductions in the first 2 years of the Plan.
- To contain increases in underlying staff costs over the life of the Plan.
- To base forward capital works funding projections only on known funding sources.
- In preparing the Plan, Council has also been mindful of the need to comply with the following Principles of Sound Financial Management as contained in the Act:
  - Prudently manage financial risks relating to debt, assets and liabilities
  - Provide reasonable stability in the level of rate burden
  - Consider the financial effects of Council decisions on future generations
  - Provide full, accurate and timely disclosure of financial information.

The Plan will be updated on a continuous basis as circumstances and opportunities change, new funding programs announced and the success of current and future grant applications are confirmed. Reference to the Plan will be made in Monthly Financial Management Reports to Council.

## 8.2 Financial resources

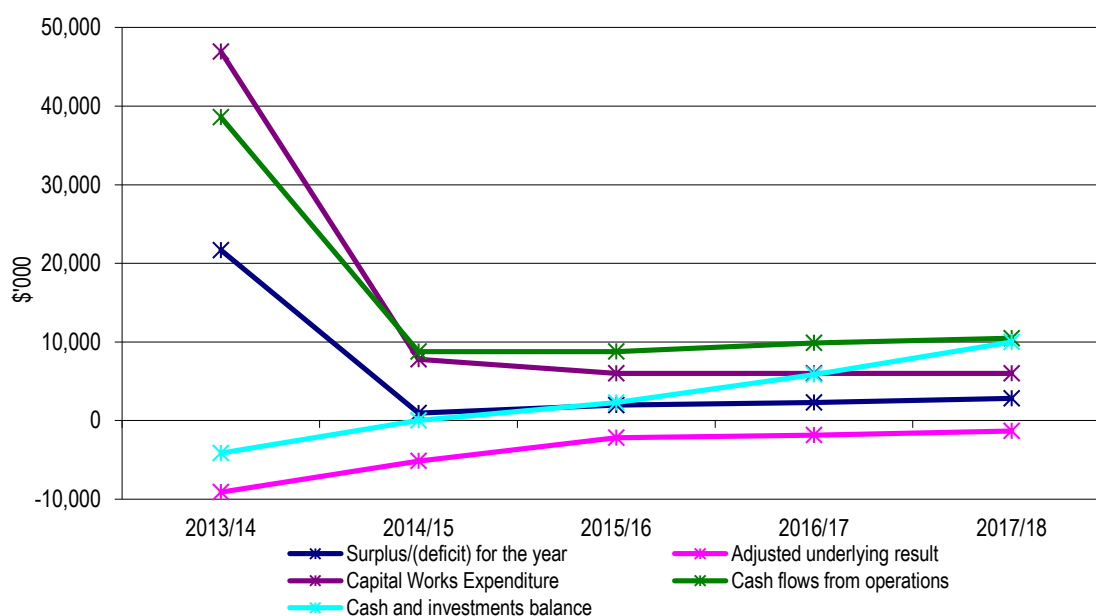
The following table summarises the key financial results for the next four years as set out in the SRP for years 2014/15 to 2017/18. Appendix A includes a more detailed analysis of the financial resources to be used over the four year period.

Indicator	Forecast	Budget	Strategic Resource Plan			Trend +/-
	Actual	2014/15	Projections			
	2013/14	2014/15	2015/16	2016/17	2017/18	
	\$'000	\$'000	\$'000	\$'000	\$'000	
Surplus/(deficit) for the year	21,665	949	1,956	2,290	2,818	+
Adjusted underlying result	(9,102)	(5,140)	(2,186)	(1,852)	(1,324)	+
Cash and investments balance	(4,146)	15	2,278	5,845	9,996	+
Cash flow from operations	38,587	8,774	8,780	9,879	10,463	+
Capital works expenditure	46,926	7,783	6,000	6,000	6,000	o

Key to Forecast Trend:

- + Forecasts improvement in Council's financial performance/financial position indicator
- o Forecasts that Council's financial performance/financial position indicator will be steady
- Forecasts deterioration in Council's financial performance/financial position indicator

The following graph shows the general financial indicators over the four year period.



The key outcomes of the SRP are as follows:

- **Financial sustainability (section 5)** – Councils cash position will improve over the life of the plan, which indicates a balanced budget on a cash basis in each year
- **Rating levels (section 9)** –Rate increases are forecast over the four years at an average of 6.0%, as well as full cost recovery for kerbside garbage and recycling charges.
- **Borrowing strategy (section 10)** – Borrowings are forecast to increase to \$7.0 million in 2014/15 with an interest only period of five years.
- **Service Reviews (section 10)** - Reviews of services will result in budget savings of \$1.28 million in 2014/15 and \$3.35 million in subsequent years.

### 8.3 Financial performance indicators

The following table highlights Council's current and projected performance across a range of key financial performance indicators. These indicators provide a useful analysis of Council's financial position and performance and should be used in the context of the organisation's objectives.

Indicator	Measure	Notes	Forecast	Budget	Strategic Resource Plan			Trend +/-
			Actual 2013/14	2014/15	Projections 2015/16	2016/17	2017/18	
<b>Operating position</b>								
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	-55.8%	-26.7%	-11.0%	-9.0%	-6.2%	+
<b>Liquidity</b>								
Working Capital	Current assets / current liabilities	2	-35.1%	29.3%	98.9%	199.1%	311.8%	+
Unrestricted cash	Unrestricted cash / current liabilities		-68.8%	-23.9%	58.8%	157.7%	269.5%	+
<b>Obligations</b>								
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	3	9.4%	62.9%	57.8%	54.7%	51.8%	-
Loans and borrowings	Interest and principal repayments on interest bearing loans and borrowings / rate revenue		6.6%	10.1%	4.5%	2.6%	2.5%	+
Indebtedness	Non-current liabilities / own source revenue		13.6%	69.3%	65.7%	62.3%	59.1%	-
Asset renewal	Asset renewal expenses / depreciation	4	600.8%	52.4%	81.8%	81.8%	81.9%	o
<b>Stability</b>								
Rates concentration	Rate revenue / adjusted underlying revenue	5	64.1%	59.6%	60.9%	62.1%	62.8%	o
Rates effort	Rate revenue / CIV of rateable properties in the municipality		0.9%	0.9%	1.0%	1.0%	1.1%	o
<b>Efficiency</b>								
Expenditure level	Total expenditure / no. of property assessments		\$4,100	\$3,920	\$3,530	\$3,570	\$3,620	+
Revenue level	Residential rate revenue / No. of residential property assessments		\$733	\$765	\$801	\$841	\$888	-
Workforce turnover	No. of permanent staff resignations & terminations / average no. of permanent staff for the financial year		15%	18%	15%	10%	10%	

Key to Forecast Trend:

- + Forecasts improvement in Council's financial performance/financial position indicator
- o Forecasts that Council's financial performance/financial position indicator will be steady
- Forecasts deterioration in Council's financial performance/financial position indicator

## Notes to indicators

**1 Adjusted underlying result** – An indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. Improvement in financial performance expected over the period, although continued losses means reliance on debt in the short to medium term. A negative result indicates that insufficient revenue is being generated to fund operations and asset renewal.

**2 Working Capital** – The proportion of current liabilities represented by current assets. Working capital is forecast to improve significantly in 2014/15 year due to the taking of a loan. The trend in later years is to continually improve. A result less than 100% indicates there is insufficient current assets to cover liabilities.

**3 Debt compared to rates** - Trend indicates Council's initial reliance on debt to manage its cash position. A figure greater than 60% is generally considered there is risk over councils ability to repay debt from own-source revenue.

**4 Asset renewal** - This percentage indicates the extent of Council's renewals against its depreciation charge (an indication of the decline in value of its existing capital assets). A percentage greater than 100 indicates Council is maintaining its existing assets, while a percentage less than 100 means its assets are deteriorating faster than they are being renewed and future capital expenditure will be required to renew assets. The recent injection of works due to flood recovery means council can manage a lower level in the short term. This trend should be reversed in future years.

**5 Rates concentration** - Reflects extent of reliance on rate revenues to fund all of Council's on-going services. Trend indicates Council will continue to be reliant on rate revenue compared to all other revenue sources.

## 8.4 Non-financial resources

In addition to the financial resources to be consumed over the planning period, Council will also consume non-financial resources, in particular human resources. A summary of Council's anticipated human resources requirements for the 2014/15 year is shown below and further detail is included in section 4.3.1 of this budget. A statement of Human Resources is included in Appendix A.

Indicator	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2013/14	2014/15	2015/16	2016/17	2017/18
Employee costs (\$'000)					
- Operating	10,107	10,135	9,029	9,255	9,486
- Capital	300	235	250	250	250
Total	10,407	10,370	9,279	9,505	9,736
Employee numbers (EFT)	138	133.6	115	115	115

## 9. Rating information

This section contains information on Council's past and foreshadowed rating levels along with Council's rating principles and the impact of changes in property valuations.

### 9.1 Rating context

In developing the Strategic Resource Plan (referred to in Section 8.), rates and charges were identified as an important source of revenue, accounting for 64% of the total revenue received by Council annually. Planning for future rate increases has therefore been an important component of the Strategic Resource Planning process. The level of required rates and charges has been considered in this context, with reference to Council's other sources of income and the planned expenditure on services and works to be undertaken for the Victorian community.

However, it has also been necessary to balance the importance of rate revenue as a funding source with community sensitivity to increases. To ensure that deliberations about future rate increases have been made on an informed basis, comparisons of rating levels were made between Council and other similar sized councils. The following table shows a comparison of the last five years and the average rates per capita for the 2013/14 year.

The following selective benchmarking is based on comparing Buloke Shire with like size Councils in terms of population and geographic character.

Council	Rates as % of Total Revenue	Mun. Charge \$	Garbage Charge \$	Total Rev from Garbage Charge \$	Rates per capita \$	Rates per Assess. \$	Rates per sq km. \$
Buloke	64%	130	255	850,000	1,642	1,683	1,309
Hindmarsh	43%	176	266	699,000	1,189	1,362	915
Loddon	40%	178	277	843,000	1,157	1,133	1,290
Pyrenees	40%	Nil	257	844,000	1,148	1,325	2,237
Towong	59%	230	383	987,000	1,118	1,413	987
Wimmera	40%	121	243	318,000	1,418	1,296	662
Yarriambiack	52%	60	411	902,000	1,411	1,465	1,368
<b>Average</b>	<b>48%</b>	<b>149</b>	<b>299</b>	<b>778,000</b>	<b>1,298</b>	<b>1,382</b>	<b>1,252</b>

#### Benchmarking Observations

When benchmarked with the six small rural Councils deemed similar in terms of population and geographic area and nature, the following broad observations result:

- Buloke is significantly more reliant on rates and charges revenue as a % of total revenue than all the other Councils and is 16% above the base average
- Buloke's municipal charge is the third lowest of the seven benchmarked Councils and is 13% below the base average
- Buloke's garbage charge is the second lowest and is 15% below the base average
- Buloke has the highest 'rates per capita' and is 27% higher than the base average
- Buloke has the highest 'rates per assessment' and is 22% higher than the base average
- Buloke has the second highest 'rates per sq. km' and is 5% higher than the base average.

It can be concluded that Buloke Shire ratepayers are at the higher end of comparative rate payments but pay below the base averages for both the municipal charge and garbage charges.

## 9.2 Current year rate

To achieve future revenue growth while containing costs in order to achieve an almost breakeven operating position by 2017/18 as set out in the Strategic Resource Plan. The \$1.6 million contribution from operations toward capital investment for the 2014/15 year is also much less than the desired levels, unless it can be increased, it will be difficult to maintain robust capital works programs in the future.

In order to achieve these objectives and be able to generate enough cash for capital works, the general rate will increase by a 6.0%, the municipal charge by 15.3%, the kerbside waste and recyclable collection charge by 49%. This will raise total rate and charges for 2014/15 of \$11.45 million. Council's kerbside waste and recycling charges have increased by more than the general rate due to a review of the charge levels against the cost to deliver the service.

The following table sets out future proposed increases in rates and charges and the total rates to be raised, based on the forecast financial position of Council as at 30 June 2014.

Year	General Rate Increase %	Municipal Charge Increase %	Garbage Charge Increase %	Total Rates Raised \$'000
2013/14	6.0	30.0	6.3	10,446
2014/15	6.0	15.4	49.0	11,453
2015/16	6.0	6.0	2.5	12,102
2016/17	6.0	6.0	2.5	12,788
2017/18	6.0	6.0	2.5	13,515

## 9.3 Rating structure

Council has established a rating structure which is comprised of three key elements. These are:

- Property values, which form the central basis of rating under the Local Government Act 1989
- A 'user pays' component to reflect usage of certain services provided by Council
- A fixed municipal charge per property to cover some of the administrative costs of the Council.

Striking a proper balance between these elements provides equity in the distribution of the rate burden across residents.

Council makes a further distinction within the property value component of rates based on the purpose for which the property is used, that is, whether the property is used for residential or commercial or farming purposes.

Council has determined to apply a Capital Improved Value (CIV) basis on the grounds that it provides the most equitable distribution of rates across the municipality. There are currently no plans to change that basis, but Council does review its rating structure every four years.

The existing rating structure comprises three differential rates (residential, commercial and farm). These rates are structured in accordance with the requirements of Section 161 'Differential Rates' of the Act.

The following principles have been applied to the development of Council's rates:

1. The 2014 Revaluation will be used for rating purposes in 2014/15.
2. The basis of valuation will continue to be the Capital Improved Value (CIV).
3. An increase in revenue from rates in 2014/15 of 6%.
4. The Municipal Charge to be retained and applied to every rateable property in the Shire. However, a single farm enterprise which may be conducted on several properties can apply for an exemption which will mean that they will only be charged one Municipal Charge for that enterprise.

5. The amount of rate revenue collected through the Municipal Charge to increase to represent 6.5% of the total revenue raised through General Rates and Service Charges.
6. The Commercial/Industrial Rate to be set at 100% of the General Rate.
7. The Farm Rate to be set at 98% of the General Rate (A Farm rate differential of 2%).
8. The current kerbside waste and recyclable services will be retained and increased to recover 100% of the costs incurred by Council to provide the service and operate land fill and transfer stations across the Shire, including Government levies.
9. The charge for a waste and recyclable service will apply equally to all occupied residential properties where the service is rendered, or is available, whether or not the service is used.
10. A pensioner concession for eligible concession card holders will provide a 50% discount off Council rates up to the maximum amount set by the Victorian Government.

The following table summarises the rates to be determined for the 2014/15 year. A more detailed analysis of the rates to be raised is contained in Appendix B 'Statutory Disclosures'.

Rate type	How applied	2013/14	2014/15	Change
Residential rates	Cents in \$ of CIV	0.007621	0.007606	-0.2%
Commercial rates	Cents in \$ of CIV	0.007621	0.007606	-0.2%
Farm rates	Cents in \$ of CIV	0.007469	0.007455	-0.2%
Municipal charge	\$ per property	\$130	\$150	15.3%
Kerbside collection charge	\$ per property	\$255	\$380	49%

#### 9.4 General revaluation of properties

During the 2013/14 year, a revaluation of all properties within the municipality was carried out and will apply from 1 January 2014 for the 2014/15 year. The outcome of the general revaluation has been an increase in property valuations throughout the municipality. Overall, property valuations across the municipal district have increased by 5%.

Category	CIV	CIV	CIV
	2013/14 \$'000	2014/15 \$'000	Change (Decrease)
Average Residential	291,475	305,700	4.9%
Average Commercial	70,810	77,213	9.0%
Average Farm	840,432	885,497	5.4%
<b>Average total</b>	<b>1,202,717</b>	<b>1,268,410</b>	<b>5.5%</b>

In view of the outcomes of the general revaluation of all properties within the Council's municipal district during the 2013/14 year, Council has chosen not to make any changes to the existing rate differential. In aggregate total rates and charges will increase by 6.0% compared to 2013/14. This will be achieved by reducing the rate in the dollar to offset the 5.5% increase in property valuations across the municipal district following the general revaluation.



## 10. Other Strategies

This section sets out summaries of the borrowing strategy and service reviews that have been developed and incorporated into the Strategic Resource Plan (SRP).

### 10.1 Borrowing Strategy

In developing the SRP (see Section 8), borrowings were identified as an important funding source to manage the deficit cash position Council is faced with in the short to medium term.

Council borrowed \$1.55 million in 2013/14 to pay out the remaining amount of superannuation liability. This loan was for a 2 year period with the final repayment to be made in the 2015/16 year.

A loan of \$7.0 million dollars is included in the Budget for 2014/15. This loan will assist Council to operate in a cash surplus position throughout the year, minimising the need to call on overdraft provisions. An interest only loan for a five year period is proposed to minimise the draw on Council's cash position during this time. The SRP indicates that Council will have a healthy cash position at this time to enable strategic decisions to be made regarding the future requirements of Council's loan position.

The following table sets out future proposed borrowings, based on the forecast financial position of Council as at 30 June 2014.

Year	New Borrowings \$'000	Principal Paid \$'000	Interest Paid \$'000	Balance 30 June \$'000
2013/14	1550	565	130	985
2014/15	7,000	782	376	7,203
2015/16	0	203	340	7,000
2016/17	0	0	340	7,000
2017/18	0	0	340	7,000

The table below shows information on borrowings specifically required by the Regulations.

	2013/14 \$	2014/15 \$
Total amount borrowed as at 30 June of the prior year	0	985,000
Total amount to be borrowed	1,550,000	7,000,000
Total amount projected to be redeemed	(565,000)	(782,000)
Total amount proposed to be borrowed as at 30 June	985,000	7,203,000

## 10.2 Service Reviews

During the preparation of the 2014/15 Budget, Council has implemented a range of initiatives to address the long term financial sustainability of the Council which followed a detailed review of services. This review was as a result of the poor financial health of the Council and in response to the Ernst & Young report - Independent Assessment: Current and Future Financial Health of the Buloke Shire Council. This report identified that

*“...the financial health of the Buloke Shire at 30 June 2011 was very poor and required significant, strategic action to address the immediate and long term sustainability of the Shire”*

The report made three high impact recommendations:

1. Cashflow management and financial reporting:

Monthly cashflow reports are now prepared and reported to council which show a rolling 12 month forecast. The information provided to Council has allowed council to make critical short term decisions to manage cashflow which included increased sundry debtor works on flood reconstruction works, securing advanced funding for flood reconstruction works and restricting expenditure. The 2014/15 Budget and Strategic resource Plan implements a range of structural issues to manage cashflow in the medium to long term. These include loan borrowings and expenditure savings in both operating and capital budgets.

2. Assessment of services/spending – cost v benefit analysis.

A review of Council services has been a major focus in the development of the 2014/15 Budget. This has involved the identification of service profiles, resources used to deliver the services and consideration of options to drive long term structural savings in the budget. It was identified that a reduction of \$4.0 million from operating budget of Council is the objective to improve councils financial position. The service reviews have identified \$ 3.34 million reduction in operating expenditure, to be implemented over a 2 year period. It is recognised that further savings will be required through efficiency improvements. A summary of the results of the service reviews are shown in Appendix E.

3. Council consideration of updated forecasts for sustainability.

Updated forecasts are provided for in the 2014/15 Budget document and have been a basis for the financial strategies adopted in this Budget.

Critically, Council has approached the development of the 2014/15 Budget and service reviews with the following principles:

- Rationalisation of service levels will be a key driver of long term financial sustainability.
- Detailed financial analysis and reporting of the council financial position are essential in facilitating sustainable decision making.
- Councillors, with support of management are in a position to make decisions that will influence the long term sustainability of the Council.

## Appendices

The following appendices include voluntary and statutory disclosures of information which provide support for the analysis contained in sections 1 to 10 of this report.

This information has not been included in the main body of the budget report in the interests of clarity and conciseness. Council has decided that while the budget report needs to focus on the important elements of the budget and provide appropriate analysis, the detail upon which the annual budget is based should be provided in the interests of open and transparent local government.

The contents of the appendices are summarised below:

<b>Appendix</b>	<b>Nature of information</b>	<b>Page</b>
A	Budgeted Statements	51
B	Rates and charges	58
C	Capital works program	63
D	Fees and charges schedule	69
E	Service Review Outcomes	79

## **Appendix A**

### **Budgeted Statements**

This appendix presents information in regard to the Budgeted Financial Statements and Statement of Human Resources. The budget information for the years 2014/15 to 2017/18 has been extracted from the Strategic Resource Plan.

At the end of each financial year Council is required to include in the Financial Statements in its Annual Report a comparison of actual income and expenditure compared with the income and expenditure in the financial statements in the Budget,

The appendix includes the following budgeted information:

- Budgeted Comprehensive Income Statement
- Budgeted Balance Sheet
- Budgeted Statement of Changes in Equity
- Budgeted Statement of Cash Flows
- Budgeted Statement of Capital Works
- Budgeted Statement of Human Resources

## Budgeted Comprehensive Income Statement

For the four years ending 30 June 2018

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2013/14		2014/15	2015/16	2016/17
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Income</b>					
Rates and charges	10,446	11,453	12,102	12,788	13,515
Statutory fees and fines	86	84	86	88	90
User fees	709	744	762	781	801
Contributions - cash	589	132	157	157	157
Contributions - non-monetary assets	0	0	0	0	0
Grants - operating (recurrent)	3,796	6,653	6,682	6,682	6,849
Grants - operating (non-recurrent)	149	12	13	13	14
Grants - capital (recurrent)	0	1,000	1,000	1,000	1,000
Grants - capital (non-recurrent)	40,350	4,969	3,000	3,000	3,000
Net gain on disposal of property, infrastructure, plant and equipment	14	10	10	10	10
Other income	1,039	262	210	217	224
Fair value adjustments for investment property	0	0	0	0	0
Share of net profits/(losses) of associated and joint ventures accounted for by the equity method	0	0	0	0	0
<b>Total income</b>	<b>57,178</b>	<b>25,319</b>	<b>24,022</b>	<b>24,737</b>	<b>25,660</b>
<b>Expenses</b>					
Employee costs	10,107	10,135	9,029	9,255	9,486
Materials and services	6,583	5,785	4,600	4,738	4,880
Bad and doubtful debts	13	11	11	11	12
Depreciation and amortisation	7,707	7,334	7,334	7,332	7,330
Finance costs	127	376	339	337	337
Other expenses	874	729	753	774	797
<b>Total expenses</b>	<b>25,411</b>	<b>24,370</b>	<b>22,066</b>	<b>22,447</b>	<b>22,842</b>
<b>Surplus (deficit)</b>	<b>31,767</b>	<b>949</b>	<b>1,956</b>	<b>2,290</b>	<b>2,818</b>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to surplus or deficit:</b>					
Impairment of fire impacted infrastructure	(10,102)	0	0	0	0
Net asset revaluation increment/(decrement)					
Share of other comprehensive income of associates and joint ventures accounted for by the equity method	0	0	0	0	0
<b>Total comprehensive result</b>	<b>21,665</b>	<b>949</b>	<b>1,956</b>	<b>2,290</b>	<b>2,818</b>

## Budgeted Balance Sheet

For the four years ending 30 June 2018

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2014	2015	2016	2017	2018
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	(4,146)	15	2,278	5,845	9,996
Trade and other receivables	1,210	1,223	1,208	1,236	1,281
Financial assets	0	0	0	0	0
Inventories	0	0	0	0	0
Other assets	151	151	151	151	151
<b>Total current assets</b>	<b>(2,785)</b>	<b>1,389</b>	<b>3,637</b>	<b>7,232</b>	<b>11,428</b>
<b>Non-current assets</b>					
Trade and other receivables	0	0	0	0	0
Investments in regional library corporation	186	186	186	186	186
Property, infrastructure, plant & equipment	180,772	181,335	179,986	178,639	177,292
Investment property	0	0	0	0	0
Intangible assets	0	0	0	0	0
<b>Total non-current assets</b>	<b>180,958</b>	<b>181,521</b>	<b>180,172</b>	<b>178,825</b>	<b>177,478</b>
<b>Total assets</b>	<b>178,173</b>	<b>182,910</b>	<b>183,809</b>	<b>186,057</b>	<b>188,906</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Trade and other payables	4,649	2,219	1,364	1,322	1,355
Trust funds and deposits	116	116	116	116	116
Provisions	2,194	2,194	2,194	2,194	2,194
Interest-bearing loans and borrowings	985	203	0	0	0
<b>Total current liabilities</b>	<b>7,944</b>	<b>4,732</b>	<b>3,674</b>	<b>3,632</b>	<b>3,665</b>
<b>Non-current liabilities</b>					
Provisions	1,535	1,535	1,535	1,535	1,535
Interest-bearing loans and borrowings	0	7,000	7,000	7,000	7,000
<b>Total non-current liabilities</b>	<b>1,535</b>	<b>8,535</b>	<b>8,535</b>	<b>8,535</b>	<b>8,535</b>
<b>Total liabilities</b>	<b>9,479</b>	<b>13,267</b>	<b>12,209</b>	<b>12,167</b>	<b>12,200</b>
<b>Net assets</b>	<b>168,694</b>	<b>169,643</b>	<b>171,599</b>	<b>173,889</b>	<b>176,706</b>
<b>Equity</b>					
Accumulated surplus	82,647	83,596	85,552	87,842	90,659
Reserves	86,047	86,047	86,047	86,047	86,047
<b>Total equity</b>	<b>168,694</b>	<b>169,643</b>	<b>171,599</b>	<b>173,889</b>	<b>176,706</b>

## Budgeted Statement of Changes in Equity

For the four years ending 30 June

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
<b>2015</b>				
Balance at beginning of the financial year	168,694	82,647	86,047	0
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	949	949	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
<b>Balance at end of the financial year</b>	<b>169,643</b>	<b>83,596</b>	<b>86,047</b>	<b>0</b>
<b>2016</b>				
Balance at beginning of the financial year	169,643	83,596	86,047	0
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	1,956	1,956	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
<b>Balance at end of the financial year</b>	<b>171,599</b>	<b>85,552</b>	<b>86,047</b>	<b>0</b>
<b>2017</b>				
Balance at beginning of the financial year	171,599	85,552	86,047	0
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	2,290	2,290	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
<b>Balance at end of the financial year</b>	<b>173,889</b>	<b>87,842</b>	<b>86,047</b>	<b>0</b>
<b>2018</b>				
Balance at beginning of the financial year	173,889	87,842	86,047	0
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	2,818	2,818	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
<b>Balance at end of the financial year</b>	<b>176,706</b>	<b>90,659</b>	<b>86,047</b>	<b>0</b>

## Budgeted Statement of Cash Flows

For the four years ending 30 June 2018

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2013/14	2014/15	2015/16	2016/17	2017/18
	\$'000	\$'000	\$'000	\$'000	\$'000
	Inflows	Inflows	Inflows	Inflows	Inflows
	(Outflows)	(Outflows)	(Outflows)	(Outflows)	(Outflows)
<b>Cash flows from operating activities</b>					
Rates and charges	10,400	11,440	12,103	12,768	13,485
Statutory fees and fines	87	115	86	88	90
User fees	727	712	762	780	799
Contributions	589	132	132	132	132
Grants - operating	3,944	6,665	6,682	6,682	6,849
Grants - capital	40,350	5,969	4,000	4,000	4,000
Interest	70	50	53	56	59
Other receipts	338	339	198	182	179
Net GST refund / payment	0	0	0	0	0
Employee costs	(10,418)	(10,134)	(9,566)	(9,281)	(9,466)
Materials and consumables	(6,626)	(5,785)	(4,874)	(4,752)	(4,870)
External contracts	0	0	0	0	0
Utilities	0	0	0	0	0
Other payments	(874)	(729)	(796)	(776)	(795)
Net cash provided by operating activities	38,587	8,774	8,780	9,879	10,463
<b>Cash flows from investing activities</b>					
Payments for property, infrastructure, plant and equipment	(44,146)	(10,465)	(6,000)	(6,000)	(6,000)
Proceeds from sale of property, infrastructure, plant and equipment	24	10	25	25	25
Trust funds and deposits	0	0	0	0	0
Repayment of loans and advances	(1,582)	0	0	0	0
Net cash used in investing activities	(45,704)	(10,455)	(5,975)	(5,975)	(5,975)
<b>Cash flows from financing activities</b>					
Finance costs	(130)	(376)	(339)	(337)	(337)
Proceeds from borrowings	1,550	7,000	0	0	0
Repayment of borrowings	(565)	(782)	(203)	0	0
Net cash provided by (used in) financing activities	855	5,842	(542)	(337)	(337)
<b>Net (decrease) increase in cash and cash equivalents</b>	(6,262)	4,161	2,263	3,567	4,151
Cash and cash equivalents at beginning of the financial year	2,116	(4,146)	15	2,278	5,845
<b>Cash and cash equivalents at end of the financial year</b>	(4,146)	15	2,278	5,845	9,996



## Budgeted Statement of Capital Works

For the four years ending 30 June 2018

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2013/14 \$'000	2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000
<b>Property</b>					
Land	0	0	0	0	0
Land improvements	0	0	0	0	0
<b>Total land</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Buildings	2,766	2,703	0	0	0
Building improvements	0	0	700	700	700
Leasehold improvements	0	0	0	0	0
Heritage buildings	0	0	300	300	300
<b>Total buildings</b>	<b>2,766</b>	<b>2,703</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>
<b>Total property</b>	<b>2,766</b>	<b>2,703</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>
<b>Plant and equipment</b>					
Plant, machinery and equipment	740	760	760	760	760
Fixtures, fittings and furniture	364	150	150	150	150
Computers and telecommunications	0	0	500	500	500
Heritage plant and equipment	0	0	0	0	0
Library books	0	0	0	0	0
<b>Total plant and equipment</b>	<b>1,104</b>	<b>910</b>	<b>1,410</b>	<b>1,410</b>	<b>1,410</b>
<b>Infrastructure</b>					
Roads	42,762	1,494	3,590	3,590	3,590
Bridges	158	485	0	0	0
Footpaths and cycleways	0	94	0	0	0
Drainage	0	1,675	0	0	0
Recreational, leisure and community facilities	0	0	0	0	0
Waste management	73	190	0	0	0
Parks, open space and streetscapes	0	0	0	0	0
Aerodromes	0	10	0	0	0
Off street car parks	0	0	0	0	0
Other infrastructure	63	222	0	0	0
<b>Total infrastructure</b>	<b>43,056</b>	<b>4,170</b>	<b>3,590</b>	<b>3,590</b>	<b>3,590</b>
<b>Total capital works expenditure</b>	<b>46,926</b>	<b>7,783</b>	<b>6,000</b>	<b>6,000</b>	<b>6,000</b>
<b>Represented by:</b>					
New asset expenditure	1,131	2,042	0	0	0
Asset renewal expenditure	45,527	4,085	6,000	6,000	6,000
Asset expansion expenditure	0	0	0	0	0
Asset upgrade expenditure	268	1,656	0	0	0
<b>Total capital works expenditure</b>	<b>46,926</b>	<b>7,783</b>	<b>6,000</b>	<b>6,000</b>	<b>6,000</b>

## Budgeted Statement of Human Resources

For the four years ending 30 June 2018

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2013/14	2014/15	2015/16	2016/17	2017/18
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Staff expenditure</b>					
Employee costs - operating	10,107	<b>10,135</b>	9,029	9,255	9,486
Employee costs - capital	300	<b>235</b>	250	250	250
<b>Total staff expenditure</b>	<b>10,407</b>	<b>10,370</b>	9,279	9,505	9,736
	EFT	<b>EFT</b>	EFT	EFT	EFT
<b>Staff numbers</b>					
Total staff numbers	138	<b>133.6</b>	115	115	115

## **Appendix B**

### **Rates and charges**

This appendix presents information about rates and charges which the Act and the Regulations require to be disclosed in the Council's annual budget.

## Rates and charges

### 1. Rates and charges

1.1 The rate in the dollar to be levied as general rates under section 158 of the Act for each type or class of land compared with the previous financial year

Type or class of land	2013/14 cents/\$CIV	2014/15 cents/\$CIV	Change
General rate for rateable residential properties	0.007621	<b>0.007606</b>	<b>-0.2%</b>
General rate for rateable commercial properties	0.007621	<b>0.007606</b>	<b>-0.2%</b>
General rate for rateable farming properties	0.007469	<b>0.007455</b>	<b>-0.2%</b>

1.2 The estimated total amount to be raised by general rates in relation to each type or class of land, and the estimated total amount to be raised by general rates, compared with the previous financial year

Type or class of land	2013/14 \$	2014/15 \$	Change
Residential	2,221,551	<b>2,325,280</b>	<b>4.7%</b>
Commercial	540,380	<b>587,312</b>	<b>8.7%</b>
Farming	6,275,341	<b>6,601,408</b>	<b>5.2%</b>
<b>Total amount to be raised by general rates</b>	<b>9,037,272</b>	<b>9,514,000</b>	<b>5.3%</b>

1.3 The number of assessments in relation to each type or class of land, and the total number of assessments, compared with the previous financial year

Type or class of land	2013/14 \$	2014/15 \$	Change
Residential	2,881	<b>2,881</b>	<b>0</b>
Commercial	453	<b>451</b>	<b>-2</b>
Farming	2,850	<b>2,854</b>	<b>3</b>
<b>Total number of assessments</b>	<b>6,184</b>	<b>6,186</b>	<b>2</b>

1.4 The basis of valuation to be used is the Capital Improved Value (CIV)

1.5 The estimated total value of each type or class of land, and the estimated total value of land, compared with the previous financial year

Type or class of land	2013/14 \$	2014/15 \$	Change
Residential	291,475,800	<b>305,700,600</b>	<b>4.9%</b>
Commercial	70,810,600	<b>77,212,900</b>	<b>9.0%</b>
Farming	840,432,250	<b>885,497,200</b>	<b>5.4%</b>
<b>Total value of land</b>	<b>1,202,718,650</b>	<b>1,268,410,700</b>	<b>5.5%</b>

**1.6 The municipal charge under section 159 of the Act compared with the previous financial year**

Type of Charge	Per Rateable Property 2013/14 \$	Per Rateable Property 2014/15 \$	Change
Municipal	130	150	15.4%

**1.7 The estimated total amount to be raised by municipal charges compared with the previous financial year**

Type of Charge	2013/14 \$	2014/15 \$	Change
Municipal	569,671	657,000	15.3%

**1.8 The rate or unit amount to be levied for each type of service rate or charge under section 162 of the Act compared with the previous financial year**

Type of Charge	Per Rateable Property 2013/14 \$	Per Rateable Property 2014/15 \$	Change
Kerbside Garbage & Recycling collection	255	380	49.0%

**1.9 The estimated total amount to be raised by each type of service rate or charge, and the estimated total amount to be raised by service rates and charges, compared with the previous financial year**

Type of Charge	2013/14 \$	2014/15 \$	Change
Kerbside Garbage & Recycling collection	852,432	1,282,120	50.4%

**1.10 The estimated total amount to be raised by the General rates and municipal charges compared with the previous financial year**

	2013/14 \$	2014/15 \$	Change
Rates and municipal charges	9,606,943	10,171,000	6.0%

**1.11 The estimated total amount to be raised by all rates and charges compared with the previous financial year**

	2013/14 \$	2014/15 \$	Change
Rates and all charges	10,459,375	11,453,120	9.5%

**1.12 Any significant changes that may affect the estimated amounts to be raised by rates and charges**

There are no known significant changes which may affect the estimated amounts to be raised by rates and charges.

## 2. Differential rates

### 2.1 Rates to be levied

- A general rate of 0.007606% (0.007606 cents in the dollar of CIV) for all rateable residential and business properties; and
- A concession rate of 0.007455% (0.007455 cents in the dollar of CIV) for all rateable farm properties.
- Each differential rate will be determined by multiplying the Capital Improved Value of rateable land (categorised by the characteristics described below) by the relevant percentages indicated above.

Council believes each differential rate will contribute to the equitable and efficient carrying out of council functions. Details of the objectives of each differential rate, the types of classes of land which are subject to each differential rate and the uses of each differential rate are set out below.

### 2.2 Business land.

Business land is any land which is:

- Occupied for the principal purpose of carrying out the manufacture or production of, or trade in, goods or services or
- Unoccupied but zoned commercial or industrial under the Buloke Shire Planning Scheme.

The objective of this differential rate is to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including (but not limited to) the:

- Construction and maintenance of infrastructure assets
- Development and provision of health and community services
- Provision of general support services.

The types and classes of rateable land within this differential rate are those having the relevant characteristics described above.

The money raised by the differential rate will be applied to the items of expenditure described in the Budget by Council. The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land.

The geographic location of the land within this differential rate is wherever it is located within the municipal district, without reference to ward boundaries.

The use of the land within this differential rate, in the case of improved land, is any use of land.

The characteristics of planning scheme zoning are applicable to the determination of vacant land which will be subject to the rate applicable to commercial land. The vacant land affected by this rate is that which is zoned commercial and/or industrial under the Shire of Buloke Planning Scheme. The classification of land which is improved will be determined by the occupation of that land, and have reference to the planning scheme zoning.

The types of buildings on the land within this differential rate are all buildings already constructed on the land or which will be constructed prior to the expiry of the 2013/14 financial year.

### 2.3 Residential land

Residential land is any land, which is:

- Occupied for the principal purpose of physically accommodating persons or
- Unoccupied but zoned residential under the Shire of Buloke Planning Scheme and which is not commercial land.

The objective of this differential rate is to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including (but not limited to) the:

- Construction and maintenance of infrastructure assets
- Development and provision of health and community services
- Provision of general support services.

The types and classes of rateable land within this differential rate are those having the relevant characteristics described above.

The money raised by the differential rate will be applied to the items of expenditure described in the Budget by Council. The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land.

The geographic location of the land within this differential rate is where it is located within the municipal district, without reference to ward boundaries.

The use of the land within this differential rate, in the case of improved land, is any use of land.

The characteristics of planning scheme zoning are applicable to the determination of vacant land which will be subject to the rate applicable to residential land. The vacant land affected by this rate is that which is zoned residential under the Buloke Shire Council Planning Scheme. The classification of land which is improved will be determined by the occupation of that land, and have reference to the planning scheme zoning.

The types of buildings on the land within this differential rate are all buildings already on the land or which will be constructed prior to the expiry of the 2013/14 financial year.

## 2.4 Farm Land

Farm land is any rateable land:

- That is not less than 2 hectares in area;
- That is used primarily for grazing (including agistment), dairying, pig-farming, poultry farming, fish farming, tree farming, bee keeping, viticulture, horticulture, fruit growing or the growing of crops of any kind or any combination of those activities; and that is used by a business;
- That has significant and substantial commercial purpose or character;
- That seeks to make a profit on a continuous or repetitive basis from its activities on the land;

The types and classes of rateable land within this differential rate are those having the relevant characteristics described above.

The objective of this differential rate is to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including (but not limited to) the:

- Construction and maintenance of infrastructure assets;
- Development and provision of health and community services;
- Provision of general support services;
- To maintain agriculture as a major industry in the municipal district; and,
- To ensure that the concessional rate in the dollar declared for defined Farm Land properties is fair and equitable, having regard to the cost of provision of Council services, and the level of benefits derived from expenditures made by Council on behalf of the farm sector.

The money raised by the differential rate will be applied to the items of expenditure described in the Budget by Council. The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land.

The geographic location of the land within this differential rate is where it is located within the municipal district, without reference to ward boundaries.

The use of the land within this differential rate, in the case of improved land, is any use of land.

## **Appendix C**

### **Capital works program**

This appendix presents a listing of the capital works projects that will be undertaken for the 2014/15 year.



**Capital works program**  
For the year ending 30 June 2015

ASSET DESCRIPTION	TOTAL	RENEWAL	UPGRADE	NEW	EXPANSION	FUNDING SOURCE		
						GRANTS	COMMUNITY CONTRIBUTION	COUNCIL FUNDS
	\$	\$	\$	\$		\$	\$	\$
<b>LAND &amp; BUILDINGS</b>								
<b>Community Facilities</b>								
Local Government Infrastructure Program						461,000		-461,000
Hall Renewal Project	<b>400,000</b>	400,000				300,000		100,000
Essential Services Upgrades - Donald, Sea Lake, Birchip Recreation Reserves	<b>100,000</b>	100,000						100,000
<b>Swimming Pools</b>								
Wycheproof Pool - Fit stainless steel ladders	<b>3,000</b>	3,000						3,000
Pool Blankets Berri, Watchem, Wyche, Birchip & Sea Lake Pools	<b>95,000</b>			95,000		55,000		40,000
Connect Backwash lines to sewer Stage 1 (Charl, Don, Wyche, Bir Pools)	<b>20,000</b>		20,000					20,000
Disinfectant upgrades Berriwillock & Watchem Pools (Worksafe)	<b>35,000</b>		35,000					35,000
<b>Municipal Offices</b>								
Records Shed Roof Replacement	<b>9,000</b>	9,000						9,000
<b>Sports Facilities/Parks and Gardens</b>								
Birchip Community Gym Upgrade	<b>66,000</b>			66,000		44,000	22,000	0
Wooroonook Lakes Safety Upgrade	<b>6,162</b>			6,162		1,742		4,420
Park Furniture (across shire)	<b>10,000</b>	10,000						10,000
Park watering systems (across shire)	<b>20,000</b>	20,000						20,000

ASSET DESCRIPTION	TOTAL	RENEWAL	UPGRADE	NEW	EXPANSION	FUNDING SOURCE		
						GRANTS	COMMUNITY CONTRIBUTION	COUNCIL FUNDS
						\$	\$	\$
<b>Other Council Buildings/Infrastructure</b>								
Street Light Sustainability Upgrade	55,000	55,000						55,000
-								
<b>Sub-Total - Land &amp; Buildings</b>	<b>819,162</b>	<b>597,000</b>	<b>55,000</b>	<b>167,162</b>	<b>0</b>	<b>861,742</b>	<b>22,000</b>	<b>-64,580</b>
<b>FURNITURE, IT &amp; EQUIPMENT</b>								
IT & Equipment replacement	150,000	150,000						150,000
<b>Sub-Total - Furn &amp; Equip</b>	<b>150,000</b>	<b>150,000</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>150,000</b>
<b>PLANT &amp; MACHINERY</b>								
Heavy Plant Replacement	600,000	600,000						600,000
Light Fleet Replacement	150,000	150,000						150,000
Small Plant	10,000	10,000						10,000
<b>Sub-Total - Plant &amp; Machinery</b>	<b>760,000</b>	<b>760,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>760,000</b>
<b>INFRASTRUCTURE</b>								
<b>Roads - Sealing</b>								
Country Roads and Bridges						1,000,000		-1,000,000
Roads to Recovery						1,000,000		-1,000,000
Road Reseal Program	330,000	330,000						330,000
Major Patch Program	100,000	100,000						100,000

ASSET DESCRIPTION	TOTAL	RENEWAL	UPGRADE	NEW	EXPANSION	FUNDING SOURCE		
						GRANTS	COMMUNITY CONTRIBUTION	COUNCIL FUNDS
						\$	\$	\$
<b>Roads - Resheets</b>								
Thompsons Rd (Watchem West) (ch. 2,640-3,685)	35,324	35,324						35,324
Towerhill Road (Donald) (ch. 1,360-2,355)	17,792	17,792						17,792
South Boundary Road (Birchip) (ch. 3140 - 7,925)	125,876	125,876						125,876
Farrells Road (Watchupga) (ch. 4,025 - 5235)	34,998	34,998						34,998
Spicers Road (Birchip) (ch. 0.0 - 3,416)	92,062	92,062						92,062
Gormons Road (Sea Lake) (ch.0.0 - 1.990)	62,307	62,307						62,307
<b>Roads - Shoulder Resheets</b>								
Culgoa Lalbert Road (Culgoa) (ch. 15,400-16,200)	25,500	25,500						25,500
Nullawil Lalbert Road (Nullawil) (ch. 2,735-6,655)	95,706	95,706						95,706
Wilkur Watchupga Road (Birchip) (ch. 26755-31,019)	84,421	84,421						84,421
Sheephills Road (Donald) (Tysons Rd - Davidsons Rd)	132,599	132,599						132,599
Berriwillock - Woomelang Road (Berriwillock) (ch. 12330 - 28875)	357,600	357,600						357,600
<b>Footpaths</b>								
Howard Ln, Sea Lake (45m) Apex Park Toilets	8,000	8,000						8,000
Mudge St, Sea Lake (298m) Kinda to Hannon st	52,000	52,000						52,000
Lewis St, Donald	22,000	22,000						22,000
Broadway West, Wycheproof (70m)	12,000	12,000						12,000
<b>Kerb and Channel</b>								
Broadway, Wycheproof (135m) - Corack St to Elders	50,000	50,000						50,000
Hoban St Watchem (125m) P/O to Park	37,500	37,500						37,500

ASSET DESCRIPTION	TOTAL	RENEWAL	UPGRADE	NEW	EXPANSION	FUNDING SOURCE		
						GRANTS	COMMUNITY CONTRIBUTION	COUNCIL FUNDS
						\$	\$	\$
<b>Bridges, Culverts, Pumps and Drainage</b>								
Charlton Stormwater Re-use Upgrade	85,000		85,000					85,000
Watchupga Culgoa Bridge	400,000	400,000						400,000
<b>Waste Management</b>								
New Landfill Cells (annual)	75,000			75,000				75,000
Landfill Rehabilitation (annual)	50,000	50,000						50,000
Wycheproof Transfer Station- Develop Plans (stage 1)	25,000		25,000					25,000
Landfill Access Track Upgrades	20,000	20,000						20,000
Charlton Landfill fence upgrade (stage 2)	20,000	20,000						20,000
<b>Saleyards</b>								
Upgrade Ramps	25,000	25,000						45,000
Saleyard Kitchen Upgrade	20,000	20,000						20,000
Fence and gate renewal	35,000	35,000						35,000
Sprinkler upgrade	6,000	6,000						6,000
Saleyards and Truck wash Signage upgrade	7,500	7,500						7,500
Killing yard fence extension	2,500	2,500						2,500
Gravel kiosk area	2,500	2,500						2,500
<b>Aerodromes</b>								
Gable markers and cone replacement	10,000	10,000						10,000

ASSET DESCRIPTION	TOTAL	RENEWAL	UPGRADE	NEW	EXPANSION	FUNDING SOURCE		
						GRANTS	COMMUNITY CONTRIBUTION	COUNCIL FUNDS
						\$	\$	\$
<b>Other</b>								
Gravel Pit Restoration	25,000	25,000						25,000
Charlton Flood Study - Levee Detailed Design	250,000			250,000		225,000		25,000
Charlton Flood Study - St Arnaud Road Floodway	500,000			500,000		500,000		0
Donald Flood Study - Levee Development stage 1.	925,000			925,000		832,500		92,500
Watchem Township Signs	3,000	3,000						3,000
Shire Entrance signs	7,500	7,500						7,500
<b>Sub-Total - Infrastructure</b>	<b>4,169,685</b>	<b>2,309,685</b>	<b>110,000</b>	<b>1,750,000</b>	<b>0</b>	<b>3,557,500</b>	<b>0</b>	<b>612,185</b>
<b>GRAND TOTAL NEW WORKS</b>	<b>5,898,847</b>	<b>3,816,685</b>	<b>165,000</b>	<b>1,917,162</b>	<b>0</b>	<b>4,419,242</b>	<b>22,000</b>	<b>1,457,605</b>
<b>WORKS CARRIED FORWARD FROM 2013/14 Community Facilities</b>								
Donald Family Services Centre	1,490,600		1,490,600			1,371,000		119,600
Birchip Bowling Green Redevelopment	240,000	240,000				240,000		
Charlton Park 2020 Design Services	25,000			25,000		25,000		
Charlton Skate Park	100,000			100,000		60,000		40,000
Wycheproof Centenary Park Shade Structure	28,000	28,000						28,000
<b>Sub-Total - Carried Forward from 2013/14</b>	<b>1,883,600</b>	<b>268,000</b>	<b>1,490,600</b>	<b>125,000</b>	<b>0</b>	<b>1,696,000</b>	<b>0</b>	<b>187,600</b>
<b>GRAND TOTAL ALL WORKS</b>	<b>7,782,447</b>	<b>4,084,685</b>	<b>1,655,600</b>	<b>2,042,162</b>	<b>0</b>	<b>6,115,242</b>	<b>22,000</b>	<b>1,645,205</b>

## **Appendix D**

### **Fees and charges schedule**

This appendix presents the fees and charges of a statutory and non-statutory nature which will be charged in respect to various goods and services provided during the 2014/15 year.

## VENUE HIRE - PUBLIC HALLS

No increase in fees for 2014/15

Events or Groups defined by the following categories will be eligible to have hire fees waived:

- Ceremonies held in recognition of Australia Day or Anzac Day.
- **Community Groups - community based non- for-profit organisation or association of persons where open membership** and participation in activities is encouraged. A community group may take part in profit-making activities, but the surplus is reinvested in pursuit of the group's goals. A community group may be:
  - An organisation whose primary aim is to provide services and benefits to the community (e.g. Lions Clubs, Community forums, Business Networks, Schools, Health Related services and Sporting Clubs)
  - Special interest or advocacy groups for particular sections of the community (e.g. Senior Citizens, Probus, Red Cross). This does not include political parties or groups
  - A group of people having a shared ethnic, cultural or religious identity
  - Neighbourhood or shared interest groups

<i>(Casual hire)</i>	<i>Main Hall (max. 6 hours)</i>	<i>Supper Room (max. 6 hours)</i>	<i>Cost p/h (over max. hours)</i>	<i>Kitchen</i>	<i>All day booking (24 hours, full use of venue)</i>	<i>Bond</i>
<b>Birchip</b> (max. 250 people)	\$200.00	\$50.00	\$35.00	\$30.00	\$350.00	\$300.00
<b>Charlton</b> (max. 300 people)	\$200.00	\$50.00	\$35.00	\$30.00	\$350.00	\$300.00
<b>Donald</b> (max. 250 people)	\$200.00	\$50.00	\$35.00	\$30.00	\$350.00	\$300.00
<b>Wycheproof</b> (max. 250 people)	\$200.00	\$125.00	\$35.00	\$30.00	\$350.00	\$350.00*

*A Bond is required for all bookings where alcohol is served. The Bond is refundable if there is no damage or requirement for additional cleaning.*

*\*Inspections will be carried out by Buloke Shire Council's Hall Attendant.*

Casual Hire is defined as: Any group, individual or organisation that hires the facility once off or on an irregular basis.

**SENIOR CITIZENS**

<b>Clubrooms</b>	<b>Charlton</b>	<b>Donald</b>	<b>Wycheproof</b>
<b>Max. 6 hours</b>	\$85.00	\$100.00	\$50.00
Cost per hour over max.	\$20.00	\$20.00	\$20.00

**Regular Hire**

Private or Commercial	\$30.00
-----------------------	---------

*Regular Hire: Any group, individual or organisation that hires the facility on an ongoing basis. To be considered a Regular User, one of the following criteria must be met:*

- *Weekly hire - minimum of 10 consecutive weeks,*
- *Fortnightly hire - minimum of 10 consecutive fortnights,*
- *Monthly hire - minimum of 10 consecutive months*

*Commercial hirers: Those who undertake activities for the purpose of generating a profit.*

*Private/Individual hirers: Those who undertake activities for the purpose of private events and activities.*

**WYCHEPROOF SALEYARDS**

<b>Wycheproof Saleyards</b>	<b>2013/2014</b>	<b>2014/2015</b>
Yard Fees	0.6% of gross sales turnover	0.8% of gross sales turnover
Agent's Fees	12% of yard fees	13% of yard fees
<i>Truck Wash</i>		
Key Deposit (Avdata) Refunded on return of keys	\$24.00	\$25.00
Water Usage	\$0.80 per minute	\$0.80 per minute

**COMMUNITY BUS HIRE**

<b>Bus Fees</b>	<b>2013/2014</b>	<b>2014/2015</b>
Hire rate per day or part thereof	\$14.00	\$14.00
Plus 90 cents per kilometre travelled	\$0.90	\$0.90

**STAND PIPES**

<b>Stand Pipes</b>	<b>2013/2014</b>	<b>2014/15</b>
	\$5.00 per 1,000 litres or part there of	\$10.00 per 1,000 litres or part there of



**ANIMAL CONTROL**

<b>Dog and Cat Registration Fees</b> <i>* Since May 2007 Council can only register animals that have been micro chipped</i>	<b>2013/2014</b>	<b>2014/2015</b>
Dog or Cat (Not Micro chipped or Desexed – only relevant to animals registered prior to May 2007)	\$60.00	\$90.00
Dogs (Micro chipped plus one or more of the following – desexed, not desexed, working or farm dog, over 10 years old or VCA members)	\$20.00	\$30.00
Cats (Micro chipped plus one or more of the following – desexed, not desexed, over 10 years old or Feline Association member)	\$20.00	\$30.00
Pensioner Concession (Half price for all dog and cat registration categories)	\$10.00	\$15.00
Guide dogs, racing dogs (greyhounds), police dogs	No charge	No charge
Replacement lifetime tag/s	No charge	No charge
Registered animals moving to Buloke	No charge	No charge

**IMPOUNDED LIVESTOCK**

<b>Release Fees</b>	<b>2013/2014</b>	<b>2014/2015</b>
Sheep up to 5 head	\$30.00	\$30.00
Sheep per head over 5	\$5.00	\$5.00
Goats and pigs up to 2 head	\$30.00	\$30.00
Goats and pigs per head over 2	\$10.00	\$10.00
Cattle up to 3 head	\$100.00	\$100.00
Cattle per head over 3	\$50.00	\$50.00
Horses per head	\$100.00	\$100.00
<b>Sustenance – per day – per head</b>	<b>2013/2014</b>	<b>2014/2015</b>
Sheep	\$5.00	\$5.00
Goats and Pigs	\$10.00	\$10.00
Cattle and Horses	\$10.00	\$10.00
<b>Dogs and Cats (includes sustenance) – per dog and cat</b>	<b>2013/2014</b>	<b>2014/2015</b>
1 to 4 days	\$55.00	\$60.00
For every day in excess of 4 days (maximum 8 days)	\$11.00	\$12.00
<b>Impounded Vehicles and Caravans – per vehicle</b>	<b>2013/2014</b>	<b>2014/2015</b>
Release fee (plus towing fee incurred)	\$153.00	\$175.00
<b>Impounded Goods – including signage and street furniture - per lot</b>	<b>2013/2014</b>	<b>2014/2015</b>
Release fee (plus any associated costs)	No charge	\$175.00

**SUNDRY DEBTORS**

<b>Hire of Council equipment and operator, including Council appointed contractors, to undertake any sundry debtor works.</b>	<b>2013/2014</b>	<b>2014/2015</b>
Plant	150% of plant hire rate	150% of plant hire rate
Operator (Labour)	\$50.00 per hour plus plant fee – as above	\$50.00 per hour plus plant fee – as above
Sandstone/Gravel from Council quarry	\$10.00 per cubic metre	\$10.00 per cubic metre
Quarry products from non-Council quarry sources	Cost to Council plus plant and operator costs – as above.	Cost to Council plus plant and operator costs – as above.

**WASTE CHARGES**

<b>Waste</b>	<b>2013/2014</b>	<b>2014/2015</b>
Municipal Waste Collection and Disposal Charge (One 120L bin for putrescibles waste (collected weekly) and one 240L bin for recyclables (collected fortnightly). Service is compulsory for all residential properties and available to commercial and farm properties on request.	\$255.00	\$380.00
Optional additional 240L bin for recycling	\$75.00 per bin	\$80.00
<b>Landfill</b>	<b>2013/2014</b>	<b>2014/2015</b>
Up to 3 cubic metres of sorted recyclables, uncontaminated green waste, commercial cardboard. For larger volumes please contact Council to receive a quote.	Free for local residents and businesses only	Free for local residents and businesses only
Car boot per load	N/A	\$10.00
6 x 4 Trailer Load/Ute Load up to 1 cubic metre	\$17.00	\$19.00
Tandem Trailer up to 2 cubic metres	\$34.00	\$36.00
Wheelie bin 120L	\$5.00	\$6.00
Wheelie bin 240L	\$5.00	\$8.00
General Waste to Landfill per cubic metre	\$17.00	\$19.00
Commercial Waste	\$17.00 per cubic m	\$19.00 per cubic m
Builder Waste and Concrete	\$17.00 per cubic m	\$19.00 per cubic m
Concrete uncontaminated	\$17.00 per cubic m	\$19.00 per cubic m
Bricks uncontaminated	\$17.00 per cubic m	\$19.00 per cubic m
White Goods (doors must be removed from refrigerators, ovens and dishwashers)	Free to local residents only	Free to local residents only
Car Bodies	Free to local residents only	Free to local residents only
TV Screens and Computer Monitors	\$10.00	\$10.00
Mattresses	\$25.00	\$30.00

<b>Tyres</b>	<b>2013/2014</b>	<b>2014/2015</b>
Light car tyre	\$5.00	\$6.00
Car tyre on rim	\$20.00	\$20.00
4WD and Light Truck tyre	\$10.00	\$10.00
Truck tyre	\$25.00	\$25.00
Super single tyre	N/A	N/A
Truck tyre on rim	\$40.00	\$40.00
Small tractor tyres	\$80.00	\$80.00
Large tractor tyres	\$140.00	\$140.00
<b>Animal Carcasses</b>	<b>2013/2014</b>	<b>2014/2015</b>
Poultry (including turkeys) per bird	\$5.00	\$5.00
Cats and Dogs	\$5.00	\$5.00
Sheep, Pigs and Goats	\$10.00	\$10.00
Horses and Cattle	\$20.00	\$20.00
<b>SWIMMING POOL FEES</b>		
<b>Season Membership</b>	<b>2013/2014</b>	<b>2014/2015</b>
All fees	No charge	No charge

**BUILDING FEES AND CHARGES**

<b>Dwellings</b>	<b>2013/2014</b>	<b>2014/2015</b>
Building Works - \$0 to \$2,500	\$250.00	\$250.00
Building Works - \$2,501 to \$5,000	\$350.00	\$350.00
Building Works - \$5,000 to \$10,000	\$450.00	\$450.00
Building Works - \$10,001 to \$20,000	\$650.00 plus Levy	\$650.00 plus Levy
Building Works - \$20,001 to \$80,000	\$950.00 plus Levy	\$950.00 plus Levy
Building Works - \$80,001 to \$120,000	\$1,500.00 plus Levy	\$1,500.00 plus Levy
Building Works - \$120,001 to \$200,000	\$value /75 plus Levy	\$value /75 plus Levy
Building Works - \$200,000 plus	\$value /75 plus Levy	\$value /75 plus Levy
<b>Alterations/Additions/Sheds/Carports/Garages</b>	<b>2013/2014</b>	<b>2014/2015</b>
New Dwellings - \$0 to \$120,000	\$1,200.00 plus Levy	\$1,200.00 plus Levy
New Dwellings - \$120,000 to \$200,000	\$1,500.00 plus Levy	\$1,500.00 plus Levy
New Dwellings - \$200,000 to \$312,000	\$1,800.00 plus Levy	\$1,800.00 plus Levy
New Dwellings - \$312,000 plus	\$value /130 plus Levy	\$value /130 plus Levy
<b>Swimming Pools</b>	<b>2013/2014</b>	<b>2014/2015</b>
Swimming Pool and Fence – Above Ground	\$400.00	\$400.00
Swimming Pool and Fence – In-Ground Pool	\$800.00	\$800.00

**Notes:**

A \$34.00 Lodgement Fee applies to all application for works valued at \$5,000 or more.

2014/2015 Fee proposals have been based on fee structure of surrounding Councils.

No fee details' comment indicates that fees for these services were previously set at the discretion of the Building Surveyor.

<b>Commercial Building Work</b>	<b>2013/2014</b>	<b>2014/2015</b>
Commercial Works - \$0 to \$10,000	\$350.00 plus Levy	\$350.00 plus Levy
Commercial Works - \$10,001 to \$20,000	\$650.00 plus Levy	\$650.00 plus Levy
Commercial Works - \$20,001 to \$100,000	\$value x 1.33% plus \$400 plus Levy	\$value x 1.33% plus \$400 plus Levy
Commercial Works - \$100,001 to \$500,000	\$value x 0.44% plus \$1,200 plus Levy	\$value x 0.44% plus \$1,200 plus Levy
Commercial Works - \$500,000+	\$value x 0.25% plus \$2,000 plus Levy	\$value x 0.25% plus \$2,000 plus Levy
<b>Multi-Unit Development</b>	<b>2013/2014</b>	<b>2014/2015</b>
Units - \$0 to \$200,000	\$1,800.00 plus Levy	\$1,800.00 plus Levy
Units - \$200,001 to \$312,000	\$2,000.00 plus Levy	\$2,000.00 plus Levy
Units - \$312,000+	\$value/130 plus Levy	\$value/130 plus Levy
<b>Enforcement</b>	<b>2013/2014</b>	<b>2014/2015</b>
Building Notices/Orders (To allow buildings to remain as constructed, without a Building Permit)	Building Permit Fee plus 25%	Building Permit Fee plus 25%

<b>Miscellaneous Items</b>	<b>2013/2014</b>	<b>2014/2015</b>
Fence	\$200.00	\$200.00
Demolitions or Removals - \$0 to \$5,000	\$350.00	\$350.00
Demolitions or Removals - \$5,000+	\$500.00	\$500.00
Re-Erections of Dwellings – Security Deposit	\$5,000.00	\$5,000.00
Extensions of Time Requests	\$100.00	\$100.00
Amended Plans	\$100.00	\$100.00
Information Request Reg. 326 (1) Permit Info, Final Certifications, Current Orders or Notices	Legislative fee	Legislative fee
Information Request Reg. 326 (2) Flooding, Termite, Bushfire, Snowfall, Designated	Legislative fee	Legislative fee
Information Request Reg. 326 (3) Mandatory notification states, Inspection Dates	Legislative fee	Legislative fee
Request for search of Building Permit Plans	\$60.00	\$60.00
<b>Report and Consent</b>	<b>2013/2014</b>	<b>2014/2015</b>
Planning Authority for Demolition Section 29A of the Act	Legislative fee	Legislative fee
Build Over Council Easement Reg. 310 (1)	Legislative fee	Legislative fee
Report & Consent under Parts 4, 5 or 8	Legislative fee	Legislative fee
Request Legal Point of Discharge for Stormwater Reg. 610 (2)	Legislative fee	Legislative fee
<b>External Inspection (i.e. Private Building Surveyors)</b>	<b>2013/2014</b>	<b>2013/2014</b>
Additional Inspection	\$120.00	\$120.00
Contract Inspection – Foundations, Reinforcement and Finals	\$180.00	\$180.00
Contract Inspection – Frame	\$200.00	\$200.00
Occupancy Permit/Places of Public Entertainment	\$200.00	\$200.00
Travel Time and Vehicle Costs – (where more than 5km from Donald Office)	\$1.00 per km plus \$75.00 per hour	\$1.00 per km plus \$75.00 per hour
<b>Government Levy (only applies if development value over \$10,000)</b>	<b>2013/2014</b>	<b>2014/2015</b>
Additional Inspection	\$120.00	\$120.00

**Notes:**

- A \$34.00 Lodgement Fee applies to all application for works valued at \$5,000 or more.
- 2014/2015 Fee proposals have been based on fee structure of surrounding Councils.
- No fee details' comment indicates that fees for these services were previously set at the discretion of the Building Surveyor.

**ENVIRONMENTAL HEALTH**

<b>Food Act</b>	<b>2013/2014</b>	<b>2014/2015</b>
<b>Class 1 Food Premises</b> – High Risk ready to eat food serves to vulnerable groups. Including hospitals, nursing homes, child care centres. Must have 3 <sup>rd</sup> party audited FSP.	\$250.00	\$300.00
<b>Class 2 Food Premises</b> – High Risk or unpackaged foods. Including hotels, restaurants cafes, takeaway, supermarkets, manufacturers, caterers, milk bars and some service stations. Must have FSPI (may be template or 3 <sup>rd</sup> Party audited)	\$200.00	\$250.00
<b>Class 3 Food Premises</b> – Premises selling low risk pre-packaged food only e.g. Packaged confectionary, soft drink, Newsagents, video stores, some service stations.	\$50.00	\$80.00
<b>Non Profit Organisations &amp; Community Groups</b> – Food is prepared predominately for consumption by members, or for fundraising activities Service Clubs, mostly Sporting Clubs	\$20.00	\$20.00
<b>Street Stalls/Temporary Food Vendor Permits; Non Profit &amp; Community Groups</b> (fetes, sausage sizzle, street stall)		
Single Event Permit	\$20.00	\$20.00
Yearly Permit (up to 12 Events per year)	\$20.00	\$20.00
<b>Private Individuals &amp; Businesses</b> (Markets, Private Stalls)		
Single Event Permit	\$20.00	\$20.00
Yearly Permit (up to 12 Events per year)	\$40.00	\$40.00
<b>Transfers Fees</b>	50% of the current classed fee both Food & Health Act	50% of the current classed fee both
<b>Transfer Inspection Fee</b>	\$75.00	\$75.00
<b>Public Health and Wellbeing Act</b>	<b>2013/2014</b>	<b>2014/2015</b>
<b>Hairdresser/Beauty Therapy /Skin Penetration</b>	\$80.00	\$100.00
<b>Prescribed Accommodation</b> Premises providing accommodation for 5 or more persons including hotels, motels, hostels and camps.	\$80.00	\$100.00
<b>Environmental Protection Act</b>	<b>2013/2014</b>	<b>2014/2015</b>
<b>Septic Tank</b>		
→ New	\$200.00	\$220.00
→ Alteration to Existing	\$150.00	\$150.00

**AGED AND DISABILITY SERVICES**

<b>Home and Community Care (HACC)</b>	<b>2013/2014</b>	<b>2014/2015</b>
HACC General Home Care A	\$2.00	\$2.00
HACC General Home Care	\$5.50	\$6.00
HACC General Home Care B	\$7.00	\$7.00
HACC General Home Care C	\$10.00	\$10.00
HACC General Home Care D	No charge	No charge
HACC General Home Care E	\$1.00	\$1.00
Home Maintenance	\$9.00	\$10.00
Home Maintenance A	\$5.00	\$5.00
Home Maintenance B	No charge	No charge
Materials supplied	\$10/\$15/\$20	\$10/\$15/\$20
HACC Personal Care	\$4.50	\$4.50
HACC Personal Care A	\$1.00	\$1.00
HACC Personal Care B	No charge	No charge
HACC Respite Care HIGH	\$3.50	\$4.00
HACC Respite Care HIGH A	\$1.00	\$1.00
HACC Respite Care HIGH B	No charge	No charge
HACC Respite Care LOW	\$3.50	\$3.50
HACC Respite Care LOW A	\$1.00	\$1.00
HACC Respite Care LOW B	No charge	No charge
HACC Meals on Wheels	\$7.50	\$8.50
HACC Meals on Wheels A	\$3.50	\$3.50
HACC Meals on Wheels B	No charge	No charge
Meals on Wheels \$11 (Full cost recovery)	\$11.00	\$11.00
<b>Brokerage</b>	<b>2013/2014</b>	<b>2014/2015</b>
General Home Care	\$45.10	\$55.00
Personal Care	\$45.10	\$55.00
Home Maintenance	\$45.10	\$55.00
Respite Care LOW	\$45.10	\$55.00
Respite Care HIGH	\$45.10	\$55.00
Travel	0.97	\$2.00
All weekend services	No charge	\$110.00
To complete OH & S Assessment for packaged care client	No charge	\$120.00
To complete a MEPACS/PAV Assessment – personal security alarm for packaged care client	No charge	\$120.00
MEPACS Referral	-	\$50.00

## **Appendix E**

### **Service Review Outcomes**

This appendix presents summary information regarding the service reviews undertaken by Council in the preparation of the 2014/15 Budget and Strategic resource Plan. The review outcomes have been incorporated in the 2014/15 Budget and Strategic Resource Plan.



Service	Savings Budget 2014/15 \$'000	Savings 2015/16 SRP \$'000
<b>Aged and Disability Services</b>		
This service provides a range of maintenance and support services to assist frail older people and younger people with a disability to live independently at home. Council's service provides domestic assistance, personal care, respite care, home maintenance, meals services, volunteer coordination, aged transport, aged accommodation and senior citizens centres.		
The cost of the service is to be capped to current levels with service delivery efficiencies implemented over the 2014/15 financial year.		150
The current community transport services, which include taxi subsidy in Wycheproof, volunteer transport and community bus will not be continued when the vehicles are no longer fit for purpose.		30
<b>Assets &amp; Project Management</b>		
This service is to provide for the management, design and administration of Council's assets and infrastructure services, including planning and management of the capital works program.		
No change in service proposed		
<b>Property Plant &amp; Equipment (Asset Rationalisation)</b>		
Council have a range of assets which include property, buildings and plant which support the operation of council		
Council will continually review properties and implement a rationalisation program. A reduction in light fleet will be implemented in 2014/15. Sale of properties will be realised in 2015/16. The sale of large plant (graders) will also proceed with savings identified in the road services.	50	100
<b>Community Support</b>		
The service develops links between and within the communities in the Shire and works with local communities and groups to access community projects recognised as community priorities and provides a range of youth services that support young people aged between 12 and 25. The service also facilitates economic development throughout the Shire and provides support to local businesses and assists in the promotion of tourism.		
Rationalisation of community support program which includes youth and economic development to council funding of 1.5EFT is aimed at targeting government funded programs.	90	230
<b>Customer Service</b>		
This service provides for both internal and external customers by resolving the majority of customer enquiries, requests and payments at the first point of contact.		
Rationalisation of the Customer service provision by increasing access for all financial transactions at Post Office outlets and closing the public access at four of council District Offices.		380
<b>Early Years</b>		
This service is to advocate for the wellbeing of children and their families and ensure it is supported through planning and service development. The service provides pre-school services in 5 towns, maternal and child health and support for playgroups run by parents		
The majority of costs of this service relate to building maintenance. No change in service proposed.		

Service	Savings Budget 2014/15 \$'000	Savings 2015/16 SRP \$'000
<b>Environmental Health</b>		
This service promotes the health and well-being of the Shire's local communities through a range of Public Health Programs including immunisations, food surveillance and registration of food premises, accommodation standards and waste water management		
This service is a statutory service. No Change in service proposed.		
<b>Environmental Planning</b>		
This service manages Council's Environmental Compliance and Sustainability Programs and Services.		
Council has a range of Statutory obligations for environmental compliance. No change in service proposed.		
<b>Governance &amp; Executive Management</b>		
This service provides for Councillors, and Executive Support and associated support which provides the overall Governance Services to the Council.		
No change in service proposed.		
<b>Information Management</b>		
This service is to provide the organisation with Records Management Services and Information and Telecommunications Services.		
No change in service proposed.		
<b>Lakes</b>		
This service provides a contribution to the management and development of the Recreational Lakes including Tchum, Green, Wooroonook, Watchem & Folletti Lakes.		
Councils will continue to support lakes with cleaning and litter collection. Contribution to water costs will not be included for funding in the 2014/15 budget, however GWM Water will take over subsidising local lake committees of the water cost by over 50% through the new Recreation Contribution Charge.		
	55	55
<b>Library Services</b>		
This service provides mobile library services to the townships of Birchip (co-located with Birchip school), Charlton, Donald, Watchem, Berriwillock , Sea Lake, Culgoa, Nullawil and Wycheproof.		
Review service levels and provisions when library agreements are due for renewal		
<b>Municipal Emergency Management</b>		
This service develops, coordinates and delivers Council's Municipal Emergency Management Plan and coordination of MECC Centre and associated software.		
In collaboration with emergency services agencies, Council will complete a full review and implementation of a new Municipal Emergency Management Plan and commence reviews on emergency sub-plans.		

Service	Savings Budget 2014/15 \$'000	Savings 2015/16 SRP \$'000
<b>Procurement</b>		
This service reviews and implements all business processes associated with purchasing, contracting and the tendering services and to manage Council's light fleet and community buses.		
Improved efficiencies in the provision of procurement services to provide the service with 2.5EFT.	70	150
<b>Property Maintenance</b>		
This service is to provide Property Maintenance Services to a range of Council's building-based assets, focussing on the upkeep and renewal of buildings.		
Improvement to Community Halls with a range of upgrade works to kitchens, heating and cooling. Council will also improve the community access to our Halls by removing the fees charged to community groups		
<b>Recreation Services</b>		
This service provides recreational facilities and support to community run recreation reserves in 9 towns across the Shire, as well as governance support to community recreation clubs and committees		
Council continue support for recreation reserves across the shire. This will provide Recreation Maintenance Allocations to 9 townships, provided directly to the local communities. No change in service proposed.		
<b>Road Services</b>		
This service is to provide road maintenance for the 1100km of Sealed, 650km of Gravel and 3,800km of Earth roads across the Shire		
Rationalisation of our work crews with a reduction in grader crews from 6 to 4 combined with a program to upgrade and modernise councils outdoor plant fleet. This will be phased in over the 2014/15 financial year with the sale of 3 older graders and purchase of a new fully equipped grader.		970
Implementation of councils road management plan which with new road classifications, reducing councils long term costs and roads depreciation	556	556
<b>Saleyards</b>		
This service provides for the management and administration of the Council's Saleyards Precinct at Wycheproof for external Livestock Agents to sell Livestock.		
Service to be cost neutral to council with fees and charges reflecting operating and capital costs.		
<b>Community Grants</b>		
This service provides donations, allocations and support to groups in the community that contribute to services that connect and involve the local area.		
Rationalisation of Councils community grants program to reduce the administrative burden on local community groups. Community groups will now be directly funded from the budget.		
<b>Corporate Support</b>		
This service provides donations, allocations and support to groups that will assists council to facilitate an environment that is conducive to a sustainable and growing local business sector and provides opportunities for local residents to improve their skill levels and access employment		
A review of corporate support for organisations which to focus on enhanced economic opportunities and advocate for community issues.	30.5	30.5

Service	Savings Budget 2014/15 \$'000	Savings 2015/16 SRP \$'000
<b>Statutory Compliance &amp; Strategic Planning</b>		
The purpose of the Statutory and Compliance Service is to provide Statutory Planning, Building Services and Compliance and Local Laws services.		
Develop a Rural Land Use Strategy for the Buloke Planning Scheme that will plan for long term agricultural productivity alongside complimentary uses within rural zones.		
Predominantly statutory & regulatory services. No change in service proposed		
<b>Swimming Pools</b>		
This service manages and operates seven seasonal swimming pools, from the third week in November to the third week in March, annually		
Continued delivery of seasonal swimming pools in 7 townships. Council to seek further partnerships with community groups to increase the accessibility to community pools.		
<b>Urban Areas/Parks &amp; Gardens</b>		
This service manages and coordinates Council's Parks & Gardens, Urban Infrastructure & Aerodromes providing routine, preventative and on-going maintenance and improvements.		
Rationalisation of resources in Urban Areas in Environment will be phased in over the 2014/15 financial year resulting in a 25% reduction in resource levels		<b>270</b>
<b>Waste &amp; Environment</b>		
Waste and Environment Services is responsible for the maintenance and improvement of Council's landfills and transfer stations as well as providing a Residential Kerbside Garbage & Recycling service in all towns within the Shire.		
A review of all Council owned and/or operated gravel pits will be commenced in 2014/15 to ascertain the future planning and operation of these assets.		
Council provide for full cost recovery for waste management and street cleaning services	<b>431</b>	<b>431</b>
<b>Total Budget Savings<sup>1)</sup></b>	<b>1,282<sup>2)</sup></b>	<b>3,352<sup>3)</sup></b>

<sup>1)</sup>The budget savings identified have been included in Councils 2014/15 Budget and Strategic Resource Plan.

<sup>2)</sup>The budget savings for year one have been included in the financial statements in Councils 2014/15 Budget.

<sup>3)</sup>The budget savings identified in future years are inclusive of the savings included in the 2014/15 Budget and have been incorporated into the financial statements in the Strategic Resource Plan 2015/16 and beyond.

It is recognised that further savings of \$648,000 (additional to the \$3.352 million already identified) is required to be implemented to achieve a target of \$4.0 million annual savings. A total saving of \$4.0 million has been incorporated into the financial statements in the Strategic Resource Plan 2015/16 and beyond.



# SPECIAL COUNCIL MEETING

## MINUTES

**Wednesday 28 May 2014**  
**Commencing at 5.00pm**

**Watchem Community Hall**  
**46 Camp Street**  
**Watchem**

*This is to certify that this is a true and correct copy of the original document sighted.*

*Date: 28/7/2014*

*Signed: [Signature]*

**JOHN HICKS**

**CHIEF EXECUTIVE OFFICER**

*[Signature]*  
**John Hicks**  
**Acting Chief Executive Officer**  
**Buloke Shire Council**

**Minutes of the Special Meeting held on Wednesday, 28 May 2014 commencing at 5.00pm in the Watchem Community Hall, 46 Camp Street, Watchem**

**PRESENT**

**CHAIRPERSON:**

Cr Reid Mather Mallee Ward

**COUNCILLORS:**

Cr Ellen White	Mallee Ward
Cr David Pollard	Lower Avoca Ward
Cr Stuart McLean	Lower Avoca Ward
Cr Graeme Milne	Mount Jeffcott Ward
Cr Leo Tellefson	Mount Jeffcott Ward
Cr Gail Sharp	Mount Jeffcott Ward

**OFFICERS:**

Mr John Hicks	Acting Chief Executive Officer
Ms Gaynor Doreian	Director Corporate and Community Services
Mr Anthony Judd	Director Works and Technical Services
Ms Paula Yorston	Acting Manager Community Services
Mr Tom O'Reilly	Acting Manager Finance
Mr Warren Hemopo	Manager Reconstruction

**AGENDA**

**1. COUNCIL PRAYER AND WELCOME**

The Mayor Cr Reid Mather read the Council Prayer and welcome members of the gallery.

**2. RECEIPT OF APOLOGIES**

Nil

**3. REQUESTS FOR LEAVE OF ABSENCE**

Nil

**4. DECLARATION OF PECUNIARY AND CONFLICTS OF INTEREST**

There were no declarations of interest.

**5. GENERAL BUSINESS**

**5.1 MANAGEMENT REPORTS**

4

**5.1.1 MAV LOAN BORROWING FACILITY**

4

**MEETING CLOSED**

Meeting Closed at 5.17pm.

**NEXT MEETING**

THE NEXT ORDINARY MEETING OF COUNCIL WILL BE HELD IN WYCHEPROOF SUPPER ROOM,  
367 BROADWAY, WYCHEPROOF ON WEDNESDAY, 11 JUNE 2014 AT 7.00PM.

**JOHN HICKS**  
**ACTING CHIEF EXECUTIVE OFFICER**



**5. GENERAL BUSINESS**

**5.1 MANAGEMENT REPORTS**

**5.1.1 MAV LOAN BORROWING FACILITY**

**Author's Title:** Acting Manager Finance

**Department:** Finance

**File No:** FM/05/04

**Attachments:** 1 LGFV Participation Agreement  
2 LGFV Term Sheet

**Relevance to Council Plan 2013 - 2017**

**Objective:** An organisation that is responsibly governed with a strong emphasis on sustainable financial and risk management.  
**Strategy:** Ensuring Council is well governed and its finances and risks are managed sustainably and responsibly.  
**Priority:** Review and renew the Council's financial plans to improve financial sustainability as measured by indicators of local government financial sustainability developed by the Victorian Auditor-General's Office.

**MOTION:**

That Council agree to:

- approve the Local Government Funding Vehicle (LGFV) as a new source of funding for future borrowing requirements and
- participate in the first LGFV bond issuance in July 2014 for an interest only loan amount of \$7million over a five year term in accordance with the attached LGFV Term Sheet and LGFV Participation Agreement

*THIS IS TO CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF THE ORIGINAL DOCUMENT SIGNED*

**MOVED:** CR STUART MCLEAN  
**SECONDED:** CR GAIL SHARP

*DATE: 28/7/2014*  
*SIGNED:*

**CARRIED.**

*JOHN HICKS  
CHIEF EXECUTIVE OFFICER*

**1. Executive Summary**

The Municipal Association of Victoria ("MAV") is progressing the establishment of a pooled borrowing vehicle on behalf of its 79 Victorian member Councils, the "Local Government Funding Vehicle" (LGFV). The objective of the LGFV is to raise funding from the public bond market on behalf of participating Councils, providing a more cost competitive financing solution to Victorian Councils.

The LGFV initiative arose following the Vision Super defined benefit superannuation shortfall. A funding options evaluation was undertaken to review the debt procurement model of the sector. The purpose of this review was to determine the optimal funding platform to address the defined benefit shortfall and ongoing borrowing requirements of the sector.



The key benefits of the LGFV for Councils include significant savings, diversification of funding source, low cost, transparency and best practice.

If Councils wish to participate in the LGFV, they are required to pass a resolution confirming this and advise the MAV prior to the end of May 2014. It is for this reason that a Special Council Meeting has been required to consider this matter.

This report seeks Council's endorsement to participate in the LGFV as a source of future borrowing requirements and specifically for \$7 million in July 2014 and in accordance with the borrowings strategy as contained in the Proposed 2014-15 Budget.

## 2. Discussion

### Aggregated Borrowing

The MAV engaged Ernst & Young's (EY) independent Debt & Capital Advisory team to undertake a funding options analysis to evaluate available funding sources and structures to determine the optimal funding platform for Victorian Councils. The EY report identified significant savings could be achieved through aggregating Council borrowings, obtaining a credit rating on a pooled basis and subsequently issuing a bond into the wholesale bond market. Savings identified are as follows:

- Approximately a 100 basis point (i.e. 1%) reduction in the interest rate when compared to borrowing directly from banks through a tender process
- For each \$100m of debt procured via the LGFV, the sector can save up to \$10m over a ten year period
- Based on the total sector debt of \$1bn, the LGFV could save the sector \$100m over ten years

EY assisted MAV in establishing an interim funding facility in June 2013, through conducting a competitive tender on behalf of 23 Councils. The tender was highly successful and confirmed the benefits of scale and collective borrowing. The LGFV long term financing strategy was presented to Councils in November 2013, with 56 Councils responding positively to the expressions of interest ("EoI") totalling in excess of \$450m of borrowing requirements. Based on the widespread Council support, MAV made the decision to proceed with the LGFV financing strategy on behalf of the sector.

### Bank Commitment and Involvement

Commonwealth Bank of Australia and National Australia Bank were appointed by MAV as co-arrangers for the LGFV bond issuance following an EoI. MAV has worked with EY and the banks over the last two months to finalise the LGFV financing structure. MAV presented the final structure to Councils at the end of March 2014 advising that Council commitments for the inaugural July 2014 bond issuance were required by May 2014.

### The bond market

A bond is simply a loan from another source – the wholesale bond market. Cheaper funding is available in the wholesale bond market than from banks for highly rated borrowers such as Councils. The investors (or lenders) in the bond market are institutional investors such as superannuation funds, banks and foreign governments. The bond market is a key source of funding for the Commonwealth Government of Australia, State Governments (e.g. TCV) and major corporations. There are numerous examples of local government bonds in other jurisdictions such as New Zealand, USA, Canada and Europe. The LGFV transaction is a market standard structure of "pooling" loans to access the bond market and is considered tried and tested.

### Inter-generational savings

MAV Procurement has accessed the wholesale market to deliver savings to the Victorian Council sector in other tenders (e.g. trucks). The LGFV represents a change in the debt

procurement model which "cuts out the middle person" to deliver cheaper funding costs by going direct to the wholesale bond market. Banks currently borrow money from the wholesale bond market and on lend these funds to Councils but in the process add in a profit margin. Access to the wholesale bond market is achieved through the credit strength, collective bargaining, scale and diversification that the LGFV delivers.

The savings are estimated at approximately 100bps (i.e. 1%), with pricing savings expected to improve over time. The final pricing will be determined at the time of the first bond issuance via a wholesale market bidding process which ensures transparency, probity and best price. The wholesale market provides a step change improvement in pricing compared to borrowing rates available in the bank market.

#### LGFV loan terms

Aggregated purchasing arrangements lead to savings where there are standard terms. The first bond issue will be on a 5 and/or 7 year basis with a fixed interest rate and repayment of interest only over the term.

Other terms and conditions such as security, conditions precedent, representations and warranties, covenants and undertakings, event of default and reporting requirements will be in line with existing standard terms in the bank market.

While the LGFV first bond issuance necessitates a change in how Councils borrow, the standardised terms proposed will drive an optimal pricing outcome and will be the most advantageous solution for the sector

#### Borrowing process

The borrowing process for Councils will be simplified under the LGFV. Councils submit a drawdown notice to the LGFV, with no requirement to undertake a tender to determine best price. Debt is available on an "as needs" basis during the year through a combination of regular bond issuances (annual or more frequently based on demand by Councils) and an ongoing interim finance facility which provides short term funding which will be refinanced through subsequent bond issuances.

If Councils wish to participate in the LGFV, they are required to pass a resolution confirming this and advise the MAV prior to the end of May 2014. It is for this reason that a Special Council Meeting has been required to consider this matter.

#### Governance

The LGFV will be governed by a small board comprising of representative and independent skills based members, likely to include Council CEOs, or nominees, MAV and independent financial market experts. The skills possessed by board members will include technical expertise relevant to bond insurance (financial/legal).

The LGFV Board will be appointed by the MAV Board for a period of two years.

The role of the LGFV Board will include:

- i. Reporting to councils
- ii. Risk management
- iii. Market review and analysis
- iv. Management / selection of service providers
- v. Future and ongoing strategic decision making

The LGFV Board terms of reference and composition will be finalised by MAV prior to the first bond issuance in July 2014.

### **3. Financial Implications**

The LGFV provides a new source of funding for future Council borrowing requirements in addition to existing bank loans. Analysis suggests the LGFV will provide Councils with an

approximately 100 basis point (i.e. 1%) reduction in the interest rate when compared to a tender process undertaken with the banking sector. This saving is significant when the borrowing amounts are considered.

Cost

A one off LGFV establishment fee of \$4,000 is payable by Councils following confirmation of participation. MAV have invested heavily to date on upfront costs including Ernst & Young (financial advisor), Moody's (credit rating) and legal costs.

**4. Community Consultation**

As this is an administrative matter no community consultation is required.

**5. Legislative / Policy Implications**

The LGFV conforms to all relevant local government legislative requirements.

**6. Environmental Sustainability**

N/A

**7. Conflict of Interest Considerations**

N/A

**8. Conclusion**

The LGFV provides a new source of funding for future Council borrowing requirements in addition to existing bank loans. The key benefits of the LGFV for Councils include significant savings, diversification of funding source, low cost, transparency and best practice.





**[Attachment 1]**

## **Local Government Funding Vehicle (LGFV) Participation**



[Attachment 1]

### Local Government Funding Vehicle (LGFV) Participation

By signing a copy of this correspondence, BULOKE SHIRE Council hereby accepts the conditions outlined in this letter and attached term sheet acknowledges and agrees to participate in the inaugural issuance of the Local Government Funding Vehicle (LGFV).

X \_\_\_\_\_

Signed for and on behalf of BULOKE SHIRE Council by its authorised representative

29/5/14  
Dated (dd/mm/yy)

**Borrowing requirements (councils can select one or both 5 and 7 year tenor):**

Total amount: \$7 million

of which

5 year tenor amount: \$7 million

7 year tenor amount: N/A

*THIS IS TO CERTIFY THAT THIS IS A  
TRUE AND CORRECT COPY OF THE ORIGINAL  
DOCUMENT SIGNED  
DATE: 28/7/14  
SIGNED: JOHN HICKS  
CHIEF EXECUTIVE OFFICER*

NB. If insufficient funds are allocated to either tenor (i.e. <\$100m), the tenor of the first issuance will be determined based upon the majority requirement of councils.

**Upon receipt of this agreement, MAV will raise an invoice to your council for a one off LGFV establishment fee of \$4,000 (excluding GST).**

**Primary Council Contact for LGFV:**

Name: Tom O'Reilly \_\_\_\_\_  
Phone: 03 5478 0103 or mobile 0409 001 927 \_\_\_\_\_  
Position: Acting Finance Manager \_\_\_\_\_  
Email: toreilly@buloke.vic.gov.au \_\_\_\_\_

**Secondary Contact for LGFV:**

Name: Denise Dillon \_\_\_\_\_  
Phone: 03 5478 0122 \_\_\_\_\_  
Position: Accounts Payable Officer \_\_\_\_\_  
Email: DDillon@buloke.vic.gov.au \_\_\_\_\_

Please return this form including a copy of an approved council resolution for participation in the LGFV **ASAP following May council meeting but no later than 30 May 2014** - to Cameron Spence, Manager Commercial Services, [cspence@mav.asn.au](mailto:cspence@mav.asn.au)





**BULOKE**  
SHIRE COUNCIL



# BULOKE COMMUNITY ENGAGEMENT STRATEGY



## CONTENTS

<i>INTRODUCTION</i> .....	3
PURPOSE .....	3
BENEFITS .....	3
SCOPE .....	4
<i>BULOKE ENGAGEMENT STRENGTHS, CHALLENGES, OPPORTUNITIES</i> .....	5
<i>STRATEGY 1 - INFORM:</i> .....	6
METHODOLOGY .....	6
<i>STRATEGY 2 - CONSULT:</i> .....	8
METHODOLOGY .....	8
<i>STRATEGY 3 – INVOLVE:</i> .....	11
METHODOLOGY .....	11
<i>STRATEGY 4 – COLLABORATE:</i> .....	14
METHODOLOGY .....	14
<i>STRATEGY 5 – EMPOWER:</i> .....	17
METHODOLOGY .....	17
<i>PRINCIPLES CHECKLIST</i> .....	19
TERMS USED .....	21
<i>LEGISLATION</i> .....	22
<i>ENGAGEMENT MATRIX</i> .....	24



## **BULOKE COMMUNITY ENGAGEMENT STRATEGY**

### **INTRODUCTION**

Community engagement encompasses a variety of interactions including information sharing, community consultation and, in some instances, active participation in decision making. Engagement may take place informally or formally.

The Strategy seeks to document what has worked in Buloke and is based on experience and research. The strategy recognises the importance of councillors and staff taking an active, formal role in effective community engagement. The strategy also seeks to consider the potential impact of social media on community engagement.

Buloke Shire Council's Community Engagement Strategy is intended to harness the best elements of print and face-to-face consultation whilst investigating the benefits of on-line engagement. It contains three key strategies - inform, consult and involve, collaborate, empower.

### **PURPOSE**

The purpose of this Community Engagement Strategy is to:

- Address community engagement as a priority for Council,
- Establish effective processes for community engagement,
- Ensure those processes are implemented by Council staff and, where relevant, by external consultants employed by Council,
- Ensure that relevant decision making takes account of outcomes acquired from such processes along with relevant legislative requirements and other Council policies, and
- Ensure where appropriate that the community is kept informed of decisions emanating from community engagement.

### **BENEFITS**

There are a number of benefits from having a Community Engagement Strategy, including:

- Committing Council to be open and accountable, as well as aligning Council with its community
- Helping Council plan services better to meet community needs and aspirations,
- Helping Council prioritise services and make better use of resources,
- Allowing broader range of views to be expressed and more information to be assembled prior to making decisions,
- Enabling Council and the community to work together to achieve balanced decisions,
- Offering opportunities for residents to contribute to and influence outcomes which directly affect their lives,
- Providing an opportunity to tap into local knowledge regarding what is likely to work and what is not,
- Providing opportunities for co-learning experiences and critical reflection, building capacity within Council and the community, and
- Delivering networking opportunities, access to information and resources, personal recognition and a sense of contributing to collaborative problem solving.

## SCOPE

### **INFORM**

To provide the community with appropriate and relevant information

### **CONSULT**

To obtain community input on strategic plans, directions, issues, priorities and projects.

### **INVOLVE**

To enable the community to provide ongoing and in-depth input into community planning and into the development of solutions and resources that are best able to meet the community's needs.

### **COLLABORATE**

To partner with the community in each aspect of the decision, including the development of alternatives and the identification of the preferred solution.

### **EMPOWER**

To place final decision-making in the hands of the community.

## *BULOKE ENGAGEMENT STRENGTHS, CHALLENGES, OPPORTUNITIES*

### **Strengths:**

- Number of Buloke households make personal contact possible,
- Recent history of ongoing engagement and communication with rural households,
- Linkage with communities through community forums,
- Council presence in each major community,
- Strong Councillor presence in communities, and
- Strong community planning culture.

### **Challenges:**

- Spread of population across a large geographic area,
- Limited human resources available for community support,
- Limited financial resources,
- Limited online and social media support capacity, and
- Community forum capacity to adequately represent community views and priorities.

### **Opportunities:**

- To further align community and Council actions
- Develop online and social media engagement capacity through relevant policy development, appropriate software systems, staff training, and
- Further develop the role and capacity of community forums to represent community aspirations.

This Community Engagement Strategy notes the exception of notifications in relation to development applications and other related statutory notifications including:

- Planning and building permits
- Local Laws notices

Where legislative requirements or other council policies exist which address specific information and consultation processes, these take precedence, but the implementation of that legislation and those policies should be informed by the Community Engagement Strategy.

## **STRATEGY 1 - INFORM:**

### **GOAL**

To provide the community with appropriate, relevant and timely information on services, events, council decisions, and projects.

Council will continue to analyse the community's preferred methods of receiving information and provide information on how the community can access and inform Council with their information including concerns and suggestions for improvements.

### **PROMISE TO THE COMMUNITY**

We will keep you informed.

### **METHODOLOGY**

#### **MEDIA**

Continue to provide information through:

- The three newspapers serving Buloke via specific media releases featuring events, activities and services undertaken by Council.
- the use of radio interviews and news releases

All media releases are posted on Council's website.

#### **IN-HOUSE PUBLICATIONS**

Continue with the production of:

- Buloke Community Directory providing contact information for groups and organisations in the LGA;
- Calendar of Events;
- Enterprise Buloke information for businesses in Buloke Shire; and
- Community Matters updates on Council activities currently addressing community priorities.

#### **COMMUNITY MEETINGS**

Council will schedule community meetings to provide information on specific, locally relevant topics such as budget impacts,

#### **MAIN STREET STALLS, MARKETS AND AGRICULTURAL SHOWS**

Main Street stalls or "pop ups" improve participation by taking the Council to the people usually in busy areas such as the central business precinct, market days and agricultural show days.

The community can drop in at their convenience and display materials are provided along with staff to answer questions. Main Street "pop up" stalls have a relaxed atmosphere and can enable kitchen table style discussions.

Buloke Shire conducts regular gatherings of farming families at CFA fire sheds. These are effective venues for disseminating information relating to agriculture and relevant support services.

Council Officers door knock householders, farms and urban businesses to present information relevant the particular community or business sector.

### **ON-LINE INFORMATION PROVISION**

Continue to publish all of Council's printed materials on-line, supplemented by additional information, images, audio and video. Information and resources are delivered via Council's website and email lists.

Maintain Council's website [www.buloke.vic.gov.au](http://www.buloke.vic.gov.au) as an authoritative, complete and timely source of information on Council's activities, services and facilities.

Improve and promote email newsletter service and special interest distribution lists such as the existing:

- Buloke farmers
- Buloke businesses
- Historical groups
- Men's sheds
- School principals
- Ministers
- Community forums
- Chambers of Commerce

Ensure digital communication is part of the corporate culture and is considered a core business function. Council will address the need for a Social Media policy and strategy to enable the effective and appropriate use of this resource.

### **WHEN**

Ongoing and as specific events, funding opportunities and projects are scheduled.

### **WHO**

Entire community.

### **EVALUATION**

Feedback received on the processes, results from community interactions, visits to Council's websites.

## **STRATEGY 2 - CONSULT:**

### **GOAL**

To obtain community input on strategic plans, directions, issues, priorities and projects.

The purpose of each consultation process will be conveyed clearly. This will include:

- What the purpose of the consultation is,
- Background information as appropriate, and
- The role of Council and the community.

Community consultation techniques will vary depending on who is being consulted and the nature and complexity of the issue that Council is consulting about. Available resources will also determine the type of consultation techniques that can be utilised including the timeframe available for consultation, the funds available and staffing resource capacity.

### **PROMISE TO THE COMMUNITY**

We will listen to you, consider your ideas and keep you informed about what input was received, an analysis of this input and report back to the community on any of the outcomes including the final decisions reached following reports to Council.

## **METHODOLOGY**

### **COMMUNITY CONVERSATIONS**

Council has conducted community conversations on occasions, notably the community planning workshops in 2007 and 2008. Community plans inform the Council Plan and help to set Council's priorities.

Residents come together in a relaxed environment over refreshments and discuss the issue at hand. They agree on the agenda at the beginning of the community conversation and ideas are recorded during the conversation.

The ideas from each table are fed back to all at the end of the conversation. The ideas are collated and analysed and the outcomes are distributed to attendees and to Councillors. Council has the benefit of listening to and learning about what people think. It can then make decisions taking all ideas into account. All participants are kept informed.

### **SURVEYS AND QUESTIONNAIRES**

Community surveys by telephone may cover a range of subjects and results can be benchmarked against other Councils.

### **FOCUS GROUPS**

Attendance at focus groups will be by invitation targeting specific groups with relevant experience of the subject matter.

Randomly selected focus groups may also be convened from time to time to allow a wider perspective on specific issues.

### **COMMUNITY FORUM BASED CONSULTATION**

Community forum representatives will meet with Council on a six monthly basis for information update and to provide community feedback. Consultation will be based on specific agenda items provided by Council.

### **CONSULTATIVE WORKSHOPS**

Consultative workshops are open to the community with the aim of briefing interested residents on specific projects or to get their feedback prior to the preparation of plans such as the Local Environment Plan.

Examples of relevant target sectors for Buloke:

- Agriculture
- Small business (Chambers of Commerce)
- Community forums
- Landcare groups
- Community thought leaders
- Community resource centres
- Sporting clubs

In view of the challenges presented by the geography of Buloke, building a consultative component into the role of the Community Forums and the creation of Special Interest Groups (SIGs) may be an effective way of consulting both geographic communities and communities of interest. This process will promote the connection between Community Forums with the groups they represent and provide impetus for them to engage more effectively with their local community.

### **INTERVIEWS**

From time to time, for example in the development of operational plans, strategies or a specific service, interviews are conducted. Interviews may be held in the homes of some residents, such as the frail aged, the house bound and carers. The regular fire shed gatherings provide an effective venue for interviews with farming residents.

### **MAIN STREET STALLS**

Main Street stalls or “pop ups” improve participation by taking the Council to the people usually in busy areas such as the central business precinct, market days and agricultural show days.

The community can drop in at their convenience and display materials are provided along with staff to answer questions. Main Street “pop up” stalls have a relaxed atmosphere and can enable kitchen table style discussions. Council recently used this method during the development of the Buloke Aquatic Strategy.

## **ON-LINE COMMENT**

Enhance on-line consultation by providing additional channels for community response; for example, using video, discussion forums or comments tagged by users in their own web spaces and programmatically picked up by Council. Council used “Bang The Table” as an online tool for comment on the draft Council Plan in 2012.

Make consultations listed on Council’s website more convenient to users by incorporating survey or comment forms directly in the web page.

Participate in and build social networks to allow Council to receive community input from those communities. . Council will address the need for a Social Media policy and strategy to enable the effective and appropriate use of this resource.

Provide direct and timely response to comments on-line and publish the results of consultations wherever possible. Commit to the use of clear, jargon-free language.

## **WHEN**

Council will ensure that the community is consulted on issues which impact on, or are of concern to the community in a timely manner to allow adequate community comment to occur and be analysed in order to inform decision making processes.

## **WHO**

All groups or persons who are impacted will be consulted. Stakeholders will vary according to the issue, but could include residents, ratepayers, businesses, volunteers, those who visit or work in the municipality, other service providers and agencies, community groups, other levels of government, peak bodies.

In relation to Council activities stakeholders include:

- Interested residents
- Volunteers
- Councillors
- Staff
- All community organisations
- Schools
- All demographic target groups
- Business community
- Government departments

Invitations would be sent to relevant stakeholders, including the whole community, where appropriate, through the media, the internet, flyers, posters and the like.

## **EVALUATION**

Evaluation processes can include consideration of promotional techniques, who was consulted, numbers involved, methods used, adequacy of timescale, information provided, feedback from participants and number of contributions. Where appropriate this evaluation can be reported to the Council.



### **STRATEGY 3 – INVOLVE:**

#### **GOAL**

To work on an ongoing basis with the community so that community ideas, concerns and aspirations are listened to and understood and that community knowledge is harnessed for the benefit of all.

Community involvement enables the community to provide ongoing and in-depth input into community planning and projects. This involvement empowers the community to implement solutions and access resources to meet the community's needs.

It also enables the community and service users to have substantial input into the development of services. Participatory structures and on-line engagement have the potential to empower communities and to enable residents including young people to gain skills in community participation. In turn they provide for ongoing dialogue with Council and the potential for higher quality and specialist input into Council's planning and decision making processes.

#### **PROMISE TO THE COMMUNITY**

We will work with you on an ongoing basis to ensure that your ideas, concerns and aspirations are considered. We will keep you informed about outcomes including final decisions reached following reports to Council. We will facilitate access to information, networks and resources that support community initiatives to address community priorities.

### **METHODOLOGY**

#### **CONSULTATIVE GROUPS**

Consultative groups are established by Council. Membership is by invitation of the Council and expressions of interest generally advertised in the media and on the web.

It is essential to the balanced operation of any consultative group that membership is reflective of all views, is regularly refreshed and not "hijacked" by strongly held thoughts of non elected people or interest groups.

Outside of the "involving process" it is inappropriate for members to lobby or endeavour to politically influence the Council.

It should be noted that meetings of Council and any of its consultative groups are open to the public and should be advertised accordingly.

Consultative groups have terms of reference which include:

- Role of the group
- Membership
- Meeting times
- Review periods - usually annually
- Meeting procedures
- Minutes and any associated proposals or suggestions to be submitted to Council

Council will establish or continue consultative groups as needed. In view of the challenges represented by the geography of Buloke, building a consultative group component into the role of the community forums and the creation of Special Interest Groups (SIGs) may be an effective way of involving both geographic communities and communities of interest. It will also provide existing groups with a more significant purpose and impetus to engage more effectively with their local community.

Examples of relevant target sectors for Buloke:

- Agriculture
- Small business (Chambers of Commerce)
- Community forums
- Community thought leaders
- Community resource centres
- Sporting clubs

### **WORKING GROUPS**

Council may establish Working Groups from time to time to focus on particular issues at hand. The composition of each working group will be determined by Council, as will specific terms of reference and reporting mechanisms.

These Groups are "sunset" groups which cease to function once Council is satisfied that their work is complete.

### **USER GROUPS**

The encouragement and support of user groups such as recreation reserve committees. The groups are comprised of representatives of sporting clubs who use Council ovals

Other user groups can be facilitated by Council or can be self-forming, they meet as they like, and they receive some administrative support but usually are supported by volunteers. Council works with these groups to facilitate access to information, networks and funding to implement community projects.

### **VOLUNTEER GROUPS**

The encouragement and support of volunteer groups such as:

- Landcare groups
- Senior citizens
- Youth action committees
- Men's sheds
- Service clubs
- Recreation reserve and swimming pool committees

These groups may be facilitated by Council or may be self-forming. They are supported by staff working with them when required. They focus on the specific volunteer area. Attendance is open to all relevant volunteers and interested residents. Council works with these groups to facilitate access to information, networks and funding to implement community projects.

## **COMMUNITY FORUMS**

All ten Buloke communities have their Community Forum, otherwise known as Progress Associations or Community Development Groups, these are formed to promote and coordinate activities that enhance liveability in each community. Community Forums are comprised of concerned residents and representatives of local community groups. In Buloke these organisations are encouraged by Council and supported financially to assist with administration costs. Currently there are ten community forums:

Each group comprises representatives from:

- Local service clubs
- Local business people
- Interested residents
- Local volunteer groups
- Recreation groups
- Community resource centre representation

Relevant Council staff members will attend meeting bi annually together with any other staff members who have business relating to the particular meeting.

Councillors will attend when possible.

## **ON-LINE INVOLVEMENT**

Make more use of on-line spaces – such as blogs and forums - where two-way communication between Council and the community is encouraged and nurtured.

Council will address the need for a Social Media policy and strategy to enable the effective and appropriate use of this resource. Council will formalise moderation guidelines and terms of use to ensure on-line discussions are appropriate, intelligent and lawful.

Acknowledge and mentor those community members who are active participants on-line or who wish to be.

Continue collaborative projects on-line that allow the community to document and share its local knowledge while also participating in other collaborative spaces.

Keep relevant senior staff, managers and key professional officers informed of online discussions and report to Council as appropriate.

## **STRATEGY 4 – COLLABORATE:**

### **GOAL**

To partner with the community in each aspect of the decision, including the development of alternatives and the identification of the preferred solution.

### **PROMISE TO THE COMMUNITY**

We will look to you for direct advice and innovation in formulating solutions and incorporate your advice and Recommendations into the decisions to the maximum extent possible.

### **METHODOLOGY**

#### **CONSULTATIVE GROUPS**

Consultative groups are established by Council. Membership is by invitation of the Council and expressions of interest generally advertised in the media and on the web.

It is essential to the balanced operation of any consultative group that membership is reflective of all views, is regularly refreshed and not "hijacked" by strongly held thoughts of non elected people or interest groups.

Outside of the "collaboration process" it is inappropriate for members to lobby or endeavour to politically influence the Council.

It should be noted that meetings of Council and any of its consultative groups are open to the public and should be advertised accordingly.

Consultative groups have terms of reference which include:

- Role of the group
- Membership
- Meeting times
- Review periods - usually annually
- Meeting procedures
- Minutes and any associated proposals or suggestions to be submitted to Council

Council will establish or continue consultative groups as needed. In view of the challenges represented by the geography of Buloke, building a consultative group component into the role of the community forums and the creation of Special Interest Groups (SIGs) may be an effective way of involving both geographic communities and communities of interest. It will also provide existing groups with a more significant 'raison d'être' and impetus to engage more effectively with their local community.

Examples of relevant target sectors for Buloke:

- Agriculture
- Small business (Chambers of Commerce)
- Community forums
- Community leaders

- Community resource centres
- Sporting clubs

### **WORKING GROUPS**

Council may establish Working Groups from time to time to focus on particular issues at hand. The composition of each working group will be determined by Council, as will specific terms of reference and reporting mechanisms.

These Groups are "sunset" groups which cease to function once Council is satisfied that their work is complete.

### **USER GROUPS**

The encouragement and support of user groups such as recreation reserve committees. The groups are comprised of representatives of sporting clubs who use Council ovals

Other user groups can be facilitated by Council or can be self-forming, they meet as they like, and they receive some administrative support but usually are supported by volunteers. Council works with these groups to facilitate access to information, networks and funding to implement community projects.

### **VOLUNTEER GROUPS**

The encouragement and support of volunteer groups such as:

- Landcare groups
- Senior citizens
- Youth action committees
- Men's sheds
- Service clubs
- Recreation reserve and swimming pool committees

These groups may be facilitated by Council or may be self-forming. They are supported by staff working with them when required. They focus on the specific volunteer area. Attendance is open to all relevant volunteers and interested residents. Council works with these groups to facilitate access to information, networks and funding to implement community projects.

### **COMMUNITY FORUMS**

All ten Buloke communities have their Community Forum, otherwise known as Progress Associations or Community Development Groups, these are formed to promote and coordinate activities that enhance liveability in each community. Community Forums are comprised of concerned residents and representatives of local community groups. In Buloke these organisations are encouraged by Council and supported financially to assist with administration costs.

Each group comprises representatives from:

- Local service clubs
- Local business people
- Interested residents

- Local volunteer groups
- Recreation groups
- Community resource centre representation

Relevant Council staff members will attend meeting bi annually together with any other staff members who have business relating to the particular meeting.

Councillors will attend when possible.

### **ON-LINE INVOLVEMENT**

Make more use of on-line spaces – such as blogs and forums - where two-way communication between Council and the community is encouraged and nurtured.

Council will address the need for a Social Media policy and strategy to enable the effective and appropriate use of this resource. Council will formalise moderation guidelines and terms of use to ensure on-line discussions are appropriate, intelligent and lawful.

Acknowledge and mentor those community members who are active participants on-line or who wish to be.

Continue collaborative projects on-line that allow the community to document and share its local knowledge while also participating in other collaborative spaces.

Keep relevant senior staff, managers and key professional officers informed of online discussions and report to Council as appropriate.

## **STRATEGY 5 – EMPOWER:**

### **GOAL**

To place final decision-making in the hands of the community.

### **PROMISE TO THE COMMUNITY**

We will implement what you decide

### **METHODOLOGY**

#### **PROJECT WORKING GROUPS**

Council has a record of empowering community project Working Groups to resource the implementation of priority community projects.

Council will continue to assist communities to implement local decisions through these working groups.

Examples of relevant target sectors for Buloke:

- Agriculture
- Small business (Chambers of Commerce)
- Community forums
- Community thought leaders
- Community resource centres
- Sporting clubs

#### **USER GROUPS**

The encouragement and support of user groups such as recreation reserve committees. The groups are comprised of representatives of sporting clubs who use Council ovals

Other user groups can be facilitated by Council or can be self-forming, they meet as they like, and they receive some administrative support but usually are supported by volunteers. Council works with these groups to facilitate access to information, networks and funding to implement community projects.

#### **VOLUNTEER GROUPS**

Council will maintain the encouragement and empowerment of volunteer groups such as:

- Landcare groups
- Senior citizens
- Youth action committees
- Men's sheds
- Service clubs
- Recreation reserve and swimming pool committees

These groups may be facilitated by Council or may be self-forming. They are supported by staff working with them when required. They focus on the specific volunteer area. Attendance is open to all relevant volunteers and interested residents. Council works with these groups to facilitate access to information, networks and funding to implement decisions made by these groups within the community.

### **COMMUNITY FORUMS**

Council will continue to work with the community Forums to resource and implement local decisions and community priority projects.

All ten Buloke communities have their Community Forum, otherwise known as Progress Associations or Community Development Groups. Community Forums are formed to promote and coordinate activities that enhance liveability in each community. Community Forums are comprised of concerned residents and representatives of local community groups. In Buloke these organisations are encouraged by Council and supported financially to assist with administration costs. Currently there are ten community forums:

Each group comprises representatives from:

- Local service clubs
- Local business people
- Interested residents
- Local volunteer groups
- Recreation groups
- Community resource centre representation

Relevant Council staff members will attend meeting bi annually together with any other staff members who have business relating to the particular meeting.

Councillors will attend when possible.



## ***PRINCIPLES CHECKLIST***

The Community Engagement Strategy is underpinned by the following principles which should be heeded throughout engagement processes:

### **ACCESSIBILITY**

Ensure that all individuals or groups can access the process.

Be sensitive to the needs of particular individuals or groups to maximise their ability to contribute.

Provide information in a form that is easy to understand and appropriate for all sectors of the community.

Accessibility on-line acknowledges users with a disability as well as those with personal digital assistants (PDAs), mobile devices or older browsers. It also takes into account the ability of other machines to read and process Council content and data programmatically for the benefit of users.

### **CLARITY OF PURPOSE**

Clear definition of why the engagement is occurring and its context in order to plan and resource an effective process.

### **COLLABORATION**

Establishment of partnerships with relevant community groups, State and Federal government, local government partners, other stakeholders, and/or with internal sections within Council.

### **COMMITMENT**

Demonstrated commitment to establish and maintain credibility and accountability.

### **COMMUNICATION**

Establishment of a two way process of providing accurate and timely information and demonstration that feedback is being valued.

### **CONTINUOUS LEARNING**

Establishment of a reporting system to ensure that Council learns from the community engagement activity and is able to monitor and evaluate success to enable improvements.

### **DON'T OVER CONSULT**

The community is consulted about a range of issues and by a range of people in a range of ways. It is important to recognise this and not to over consult which can result in residents feeling that their time is being wasted and comments such as "we have already told you what we want, why are you asking us again?"

This can be avoided by utilising existing research and findings of other consultations that Council or other agencies have conducted, whilst being mindful that contemporary thinking is important to Council's planning.

### **ETHICS**

Members of various consultative groups, along with Councillors and staff to adhere to relevant Code of Conduct including requirements to address pecuniary and non pecuniary interests and to allow the views of all members to be heard.

### **EVIDENCE**

Establishment of good engagement practices that are based on sound research and quality information.

### **FLEXIBILITY & RESPONSIVENESS**

Establishment of engagement plans that are flexible during the process, eg. Time and venue may change due to community feedback.

### **HOSPITALITY**

Friendly, welcoming environment with appropriate refreshments provided.

### **INCLUSIVENESS**

Ensure that a cross section of the community is invited to the community engagement activity.

### **MODERATION OF ON-LINE DISCUSSIONS**

A moderation process to ensure the discussion is appropriate, intelligent and lawful.

Editing will only occur to remove a contribution that:

- Is off-topic,
- Is defamatory, abusive, harassing or hateful,
- Includes any abusive, obscene, indecent or offensive language,
- Endorses commercial products or activities or solicits business,
- Violates copyrights or other forms of licences and consents,
- Invades anyone's privacy, reveals the identity of another user or impersonates anyone,
- Encourages conduct that may or would constitute a criminal offence or give rise to civil liability, or that otherwise violates any local, state, national or international law or regulation anywhere in the world, and
- It will state publicly when and why a contribution has been edited or removed.

### **RESPECT**

Mutual respect for the needs, aspirations and opinions of all within the community.

**TIMELINESS**

Ensure that participants know how long an engagement process is expected to last and when feedback is expected at each stage of the process.

**TERMS USED****COMMUNITY**

People who live, work, visit or invest in the Buloke Local Government Area. The community includes residents, ratepayers, State and Federal Government Agencies, non government agencies, the private sector, community organisations and groups, churches, schools and local government partners.

**COMMUNITY ENGAGEMENT**

The processes through which the community and other interested parties are informed about and/or invited to contribute, through consultation or involvement, to proposals or policy changes relating to Council services, events, strategic plans, issues, projects and the like.

**SOCIAL MEDIA**

Social media are primarily Internet and mobile-based tools for sharing and discussing information among human beings. The term most often refers to activities that integrate technology, telecommunications and social interaction, and the construction of words, pictures, videos and audio.

## LEGISLATION

Council recognises that it has a responsibility to engage effectively with shire residents. While this is not currently a legislative requirement, Council believes that developing, implementing and refining a community engagement strategy reflects best practice and reflects the intent of the Local Government (Best Value Principles) Act below.

*Local Government (Best Value Principles) Act 1999*

**208A. Best Value Principles to be followed**

A Council must comply with the Best Value Principles.

**208B. Best Value Principles**

The Best Value Principles are:

- (a) all services provided by a Council must meet the quality and cost standards required by section 208D;
- (b) subject to section 6(1)(c), all services provided by a Council must be responsive to the needs of its community;
- (c) each service provided by a Council must be accessible to those members of the community for whom the service is intended;
- (d) a Council must achieve continuous improvement in the provision of services for its community;
- (e) a Council must develop a program of regular consultation with its community in relation to the services it provides;
- (f) a Council must report regularly to its community on its achievements in relation to the principles set out in paragraphs (a), (b), (c), (d) and (e).

The Planning and Accountability Framework 2014 gives clear guidance regarding effective reporting by councils, on the spending of public money to deliver services and infrastructure. In view of the fact that this framework is directed at ensuring transparency and accountability to the community.

This framework articulates the relationships the planning and accountability framework for local government and shows that there are opportunities for community and stakeholder input and feedback at each stage of the planning and reporting cycle. This is important to ensure accountability to residents and ratepayers.

The Planning and Accountability Framework states that “Local government, in partnership with other levels of government, is responsible for aspects of everyday life that people care about deeply – from vibrant and safe public spaces, to accessible libraries, to strong local business and employment opportunities. Effective planning and reporting by councils is essential for ensuring transparency and accountability to the community and other levels of government as to how public money is being spent and the quality of services delivered.”

The *Local Government Act 1989* (the Act) states that the primary objective of a council is to endeavour to achieve the best outcomes for the local community having regard to the long-term and cumulative effects of decisions.

The Act sets out that local government in Victoria:

- is a distinct and essential tier of government
- must provide governance and leadership for the local community
- must be accountable to their local communities in the performance of functions and the exercise of powers and the use of resources.

It is a statutory requirement that councils prepare and report on medium and short-term plans in order to discharge their duties of accountability and transparency to their communities.

#### *LOCAL GOVERNMENT ACT 1989 - SECT 3C*

#### **Objectives of a Council**

- (1) The primary objective of a Council is to endeavour to achieve the best outcomes for the local community having regard to the long term and cumulative effects of decisions.
- (2) In seeking to achieve its primary objective, a Council must have regard to the following facilitating objectives—
  - (a) to promote the social, economic and environmental viability and sustainability of the municipal district;
  - (b) to ensure that resources are used efficiently and effectively and services are provided in accordance with the Best Value Principles to best meet the needs of the local community;
  - (c) to improve the overall quality of life of people in the local community;
  - (d) to promote appropriate business and employment opportunities;
  - (e) to ensure that services and facilities provided by the Council are accessible and equitable;
  - (f) to ensure the equitable imposition of rates and charges
  - (g) to ensure transparency and accountability in Council decision making.

Source material from other Councils is acknowledged including; Mosman Bendigo, Ararat, Onkaparinga, along with the Local Government Association of South Australia, Premier's Department of Western Australia, Australian Centre of Excellence for Local Government, the International Association of Public Participation, the Australian Government Information Office and Local Government Victoria .

**ENGAGEMENT MATRIX**

Level	Goal	Tools	Resources	Examples
<b>Inform</b>	To provide the public with balanced and objective information to help them understand the problem, alternatives opportunities and/or solutions	Community Newsletters Council website Media releases Media briefings Community radio Council notices Brochures and printed material Information displays Direct mail Advertising On-Hold messages Council signage CD's Posters Displays Social media Forum groups	<ul style="list-style-type: none"> <li>Media Officer</li> <li>Councillors</li> <li>Budget</li> <li>Photography</li> <li>Printing</li> </ul>	<ul style="list-style-type: none"> <li>Advising the community of a situation or proposal.</li> <li>Informing on a decision or direction.</li> <li>Providing advice on an issue.</li> <li>No response is required, although people are free to seek a further level of participation.</li> </ul>
<b>Consult</b>	To obtain public feedback on alternatives and/or decisions	Written surveys Online surveys Community meetings/briefings Community survey Councillor's briefings Council delegates at Community Forums	<ul style="list-style-type: none"> <li>Relevant Council officers</li> <li>Councillors</li> <li>Budget</li> <li>Research and analysis</li> <li>Meeting presentation</li> <li>Negotiation</li> </ul>	<ul style="list-style-type: none"> <li>Undertaking market research to identify needs or issues.</li> <li>Seeking comment on a proposal, action or issue.</li> <li>Seeking feedback on a service or facility.</li> <li>Requiring a response, but limited opportunity for dialogue.</li> <li>Option for people to seek a further level of participation</li> </ul>
<b>Involve</b>	To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood	Community Meetings Council discussion Forum meetings Focus Groups Workshops Survey and interview tools Scenario Building Visionary Tools Community Panel Social media	<ul style="list-style-type: none"> <li>Relevant Council officers</li> <li>Councillors</li> <li>Budget</li> <li>Research and analysis</li> <li>Meeting presentation</li> <li>Negotiation</li> <li>Conflict resolution</li> <li>Leadership training</li> </ul>	<ul style="list-style-type: none"> <li>Involving the community in discussion and debate.</li> <li>Ensuring informed input through briefings and information.</li> <li>Adopting a more personal and innovative approach through personal</li> </ul>

	and considered		<ul style="list-style-type: none"> <li>• Lobbying</li> <li>• Social Media</li> </ul>	<p>contact and meetings/ sessions that encourage participation.</p> <ul style="list-style-type: none"> <li>• Involving at different times in the planning process, ie keeping informed and enabling further comment.</li> </ul>
<b>Collaborate</b>	To partner with the public in each aspect of decision making including the development of alternatives and identification of the preferred solution	Focus Groups Council Community Committees Strategy group Workshops Forum groups	<ul style="list-style-type: none"> <li>• Relevant Council officers</li> <li>• Councillors</li> <li>• Budget</li> <li>• Leadership training</li> <li>• Conflict resolution</li> <li>• Negotiation</li> <li>• Problem solving</li> <li>• Strong Interpersonal Skills</li> <li>• Research and analysis</li> </ul>	<ul style="list-style-type: none"> <li>• Establishing a structure for involvement in decision making, eg committee.</li> <li>• Enabling ongoing involvement and keeping informed.</li> <li>• Allocating responsibility in achieving initiatives.</li> </ul>
<b>Empower</b>	To place final decision making in the hands of the public	Advisory Groups Boards Management Committees Forums	<ul style="list-style-type: none"> <li>• Relevant Council officers</li> <li>• Councillors</li> <li>• Budget</li> </ul>	<ul style="list-style-type: none"> <li>• Joint Ventures</li> <li>• Citizen juries</li> <li>• Delegated decisions</li> </ul>

## **4.1.2 ADOPTION OF 2015/16 BUDGET**

**Author's Title:** Finance Manager

**Department:** Finance

**File No:** Bud01

**Attachments:** 1 2015/16 Budget

**Relevance to Council Plan 2015 - 2019**

**Strategic Objective:** Delivering our services in a financially sustainable way

### **RECOMMENDATION**

That Council having considered all submissions received in accordance with Section 223 of the *Local Government Act 1989* (the Act) and having complied with the requirements of the Act:

1. Adopts the amended 2015/16 Proposed Budget as the final Adopted Annual Budget of Council for the 2015/16 financial year
2. Authorises the Chief Executive Officer to give public notice of the decision to adopt the Annual Budget and submit a copy to the Minister for Local Government, in accordance with Section 130 of the Act before 30 June 2015
3. Declares a general rate for the period commencing on 1 July 2015 and concluding on 30 June 2016
4. Declares that the general rate be raised by the application of differential rates
5. Declares a total amount of \$12,072,550 as the amount Council intends to raise by General Rates and annual Service Charges, which is calculated as follows:
  - Section 158:General Rates \$10,111,879
  - Section 159:Municipal Charge \$694,671
  - Section 158:Kerbside Garbage and Recycling Collection Annual Service Charge \$1,266,000
6. Declares the Municipal Charge for 2015/16 at \$159 for each rateable assessment in respect of which a Municipal Charge may be levied
7. Declares the annual Service Charge for Kerbside Garbage and Recycling Collection at \$375
8. Makes copies of the 2015/16 Adopted Budget available at the Council office and on the Council website

### **1. Executive Summary**

In relation to the 2015/16 Proposed Budget, Council having received no public submissions and other information contained in this report must resolve whether to:

- a) adopt the 2015/16 Budget following public notice and inspection in accordance with the Act and
- b) declare the amount which the Council intends to raise by rates and charges

This report recommends that Council adopt the amended 2015/16 Proposed Budget attached to this report, as the final Adopted Annual Budget of Council for the 2015/16 financial year.



## 2. Discussion

Under the provisions of the Act, Council is required to prepare and adopt an annual budget for each financial year. The budget is required to include certain information about the rates and charges the Council intends to levy, as well as a range of other information required by the regulations which support the Act e.g. the capital works program to be undertaken and the human resources required.

Importantly, the Budget document contains detailed financial performance indicators which provide a useful analysis of the Council's financial position and performance.

### Revisions to the Proposed Budget

Following the presentation of the Proposed Budget at the Special Council meeting of 6 May 2015, the Council has become aware of new information which impacts on the Budget. This new information has been incorporated into the Proposed Budget resulting in the following amendments:

#### a) Reduced funding for Landcare

The funding for Landcare has been reduced from \$5,000 to \$2,500

#### b) Increased provision for Statutory Planning

An increased allowance of \$20,000 has been allowed for statutory planning relief staff in the event that there is increased planning activity. Should the activity eventuate the cost would also be partially offset by increased planning fees.

#### c) Increased expenditure HACC minor capital

Council received a grant of \$21,867 in June 2015 for expenditure on HACC minor capital. These expenditure of these funds will now be delayed until 2015/16 so an allowance is required for this expenditure.

#### d) Rural Living Campaign

An allowance of \$10,000 has been included to cover expenditure for the Rural Living campaign.

#### e) Community Transport seed funding

Council previously resolved to dispose of the two community buses and for the proceeds to be used as seed funding for Community Transport options. The funds raised were \$7,600 and these have now been included in the budget for expenditure in 2015/16.

## 3. Financial Implications

The annual budget adoption process is a formal process required under Section 127 (1) of the Act and includes the current and future financial implications of Council's operations and capital expenditure requirements. The adopted 2015/16 Budget will provide an overarching financial framework for the Council to implement for the forthcoming year.

## 4. Community Consultation

The Proposed Budget was presented at the Special Council meeting of Wednesday 6 May 2015. The Proposed Budget was then publicly advertised in the Melbourne Age and three local newspapers seeking submissions from interested parties in accordance with Section 223 of the Act.

The Proposed Budget was available for inspection at the Council office and also on the Council's website [www.buloke.vic.gov.au](http://www.buloke.vic.gov.au).

Public Budget Information sessions were held in ten (10) Shire of Buloke townships on 19 May and 20 May 2015. A total of 31 community members attended these sessions.

No budget submissions were received

**5. Internal Consultation**

The Budget has been prepared by the Finance Manager with extensive input from Councillors, the Senior Management team and Budget Managers.

**6. Legislative / Policy Implications**

Council has a statutory responsibility to prepare and adopt a Budget in accordance with the *Local Government Act 1989* and Local Government (Planning and Reporting) Regulations 2014.

The Council must adopt its budget and forward a copy to the Minister for Local Government by 30 June 2015.

**7. Environmental Sustainability**

There are no environmental considerations arising from this report.

**8. Conflict of Interest Considerations**

No officer preparing this report had a conflict of interest.

**9. Conclusion**

Council has complied with all of the relevant requirements of the *Local Government Act 1989* relating to the preparation, presentation and adoption of the 2015/16 Budget.

## **5.1.1 ADOPTION OF BUDGET FOR MUNICIPAL YEAR** **ENDING 30 JUNE 2015**

**Author's Title:** Acting Manager Finance

**Department:** Finance

**File No:** Bud1

**Attachments:** 1 Draft 2014-15 Budget for Adoption

### **Relevance to Council Plan 2013 - 2017**

- Objective:** An organisation that is responsibly governed with a strong emphasis on sustainable financial and risk management.
- Strategy:** Ensuring Council is well governed and its finances and risks are managed sustainably and responsibly.
- Priority:** Review and renew the Council's financial plans to improve financial sustainability as measured by indicators of local government financial sustainability developed by the Victorian Auditor-General's Office.

### **RECOMMENDATION**

That Council having considered all submissions received in accordance with Section 223 of the Local Government Act 1989 (the Act) and having complied with the requirements of the Act:

1. Adopts the amended 2014/15 Proposed Budget as the final Adopted Annual Budget of Council for the 2014/15 financial year
2. Authorises the Acting Chief Executive Officer to give public notice of the decision to adopt the Annual Budget and submit a copy to the Minister for Local Government, in accordance with Section 130 of the Act
3. Notifies in writing the persons who have made submissions in accordance with Section 223 of the Act, of the Council's decision
4. A general rate be declared for the period commencing on 1 July 2014 and concluding on 30 June 2015
5. Declare that the general rate be raised by the application of differential rates
6. Declare a total amount of \$11,453,120 as the amount Council intends to raise by General Rates and annual Service Charges, which is calculated as follows:
  - Section 158:General Rates \$9,514,000
  - Section 159:Municipal Charge \$657,000
  - Section 158:Kerbside Garbage & Recycling Collection Annual Service Charge \$1,282,120
7. Declare the Municipal Charge for 2014/15 at \$150 for each rateable assessment in respect of which a Municipal Charge may be levied
8. Declare the annual Service Charge for Kerbside Garbage & Recycling Collection at \$380
9. Provide for an early full rate payment discount of 1.5% on rates and charges to be granted, if full payment (including any arrears and interest) is received on or before Friday 26 September 2014. (The discount to exclude the Fire Services Property Levy).
10. Make copies of the 2014/15 Adopted Budget available at Council offices and on the Council website

### **1. Executive Summary**

In relation to the 2014/15 Proposed Budget, Council having considered public submissions and other information contained in this report must resolve whether to:

- a) adopt the 2014/15 Budget following public notice and inspection in accordance with the Act and
- b) declare the amount which the Council intends to raise by rates and charges

This report recommends that Council adopt the amended 2014/15 Proposed Budget attached to this report, as the final Adopted Annual Budget of Council for the 2014/15 financial year.

## 2. Discussion

Under the provisions of the Act, Council is required to prepare and adopt an annual budget for each financial year. The budget is required to include certain information about the rates and charges the council intends to levy, as well as a range of other information required by the regulations which support the Act e.g. the capital works program to be undertaken and the human resources required.

Importantly, the Budget document contains detailed financial performance indicators which provide a useful analysis of the Council's financial position and performance.

## 3. Revisions to the Proposed Budget

Following the presentation of the Proposed Budget at the Ordinary Council meeting of 14 May 2014, the Council has become aware of new information which impacts on the Budget. This new information has been incorporated into the Proposed Budget resulting in the following amendments:

### a) Federal Budget Changes:

- The Commonwealth Government intends to pause the indexation of the financial assistance grants for the three years to the end of 2016/17. This impact has resulted in a total combined loss of \$579,849 of grants income being removed from the Proposed Budget for the years 2014/15 to 2017/18.
- The Commonwealth Government has indicated that it does not intend to bring forward any advance payments as has occurred in previous years. The impact has resulted in \$1,322,431 of grants income being removed from the 2013/14 Forecast Actual.

### b) Capital Works Carried Forward From 2013/14

- The Proposed Budget has been amended to reflect the capital works program carried forwards expenditure from 2013/14, increasing from \$1,027,600 to \$1,883,600 due to timing delays in finalising projects before 30 June 2014. These projects have already commenced and will now be completed in the 2014/15 financial year.

### c) Sundry Debtor Flood Works Income

- The Proposed Budget provided for an estimated \$800,000 of income resulting from Council staff undertaking flood recovery road work repairs on behalf of the external contractor for the flood recovery works. The total forecast income for 2013/14 has been revised down by \$100,000.

### d) Flood Grants Income

- Council has been advised to expect receipt of an additional \$400,000 of Capital Flood Grants monies before 30 June 2014. The Proposed Budget has been amended to reflect this timing difference with the Forecast Actual 2013/14 being increased by \$400,000 and the 2014/15 Budget decreased by the same amount; overall a neutral impact.

### e) Loan Borrowings

- The Budget provides for an interest only loan of \$7M over 5 years. Advice has recently been received advising the indicative loan interest rate will be 4.8% fixed. This positive reduction in the indicative loan interest rate reflects an

additional saving of \$20,000 per annum in the 2014/15 Budget and Forecast years.

#### **4. Financial Implications**

The annual budget adoption process is a formal process required under Section 127 (1) of the Act and includes the current and future financial implications of Council's operations and capital expenditure requirements. The adopted 2014/15 Budget will provide an overarching financial framework for the Council to implement for the forthcoming year.

#### **5. Community Consultation**

The Proposed Budget was presented at the Ordinary Council meeting of Wednesday 14<sup>th</sup> May 2014. The Proposed Budget was then publicly advertised in the Melbourne Age and three local newspapers seeking submissions from interested parties in accordance with Section 223 of the Act.

The Proposed Budget was available for inspection at the five Council district offices and also on the Council's website [www.buloke.vic.gov.au](http://www.buloke.vic.gov.au) .

Public Budget Information sessions were held in ten (10) Shire of Buloke townships on 26 May and 27 May 2014.

All written submissions (nine in total including a petition with 384 signatures) received in accordance with Section 223 of the Act, were received at a Special Council meeting held on Wednesday 18<sup>th</sup> June 2014. Several interested parties took the opportunity to provide a verbal presentation to their submission at the meeting for further Council consideration.

#### **6. Internal Consultation**

The Budget has been prepared by the Acting Finance Manager with extensive input from Councillors, the Senior Management team and Budget Managers.

#### **7. Legislative / Policy Implications**

Council has a statutory responsibility to prepare and adopt a Budget in accordance with the Local Government Act 1989 and Local Government (Planning and Reporting) Regulations 2014.

The Council must adopt its budget and forward a copy to the Minister for Local Government by 31 August 2014.

#### **8. Environmental Sustainability**

There are no environmental considerations arising from this report.

#### **9. Conflict of Interest Considerations**

Section 79C(2) of the Local Government Act indicates that if a budget or revised budget to be approved by Council includes funding for a matter of which a Councillor has a Conflict of Interest, the Councillor is taken not to have a Conflict of Interest for the purposes of approving the budget or revised budget if:

- The Council approved the matter and proposed funding previously; and
- The Councillor disclosed the nature of the Conflict of Interest when the decision in respect of the funding was originally considered and made.

#### **10. Conclusion**

Council has complied with all of the relevant requirements of the Local Government Act 1989 relating to the preparation, presentation and adoption of the 2014/15 Budget.

# BULOKE SHIRE COUNCIL

## RECORD

### Assembly of Councillors

---

**Date and Time:** 20 October 2015 **Time:** 6.30pm to 9.30pm

---

---

**Location:** Wycheproof Supper Room (367 Broadway, Wycheproof)

---

**Attendees:** Cr Reid Mather (Mayor)  
Cr Leo Tellefson  
Cr Ellen White  
Cr Stuart McLean  
Cr Graeme Milne

John Hicks –Chief Executive Officer  
Bill Hutcheson – Manager Finance  
Bill Keane – Manager Community Services  
Ann Twyford – Manager Corporate Systems  
Anthony Judd – Director Works and Technical Services  
Mark Remnant – Acting Manager Planning and Community Support  
Travis Fitzgibbon – Media and Communications Officer

---

**Apologies:** Cr Gail Sharp, Cr David Pollard, Greg Nunn, Robert McClelland, Carolyn Olive, Aiden Hommelhoff, De-Anne Ferrier

---

## ITEMS

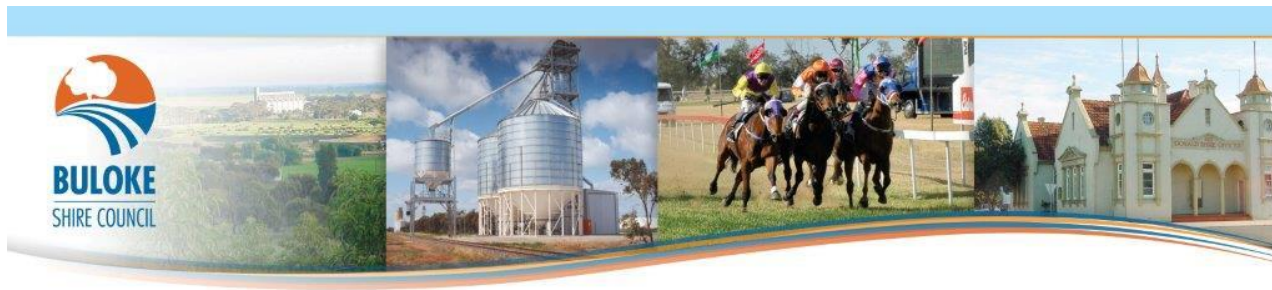
---

NO.	TOPIC	ACTION
1.	Declarations of Conflicts of Interest	Nil
2.	Community Forum Summit	Collate Community Feedback

---



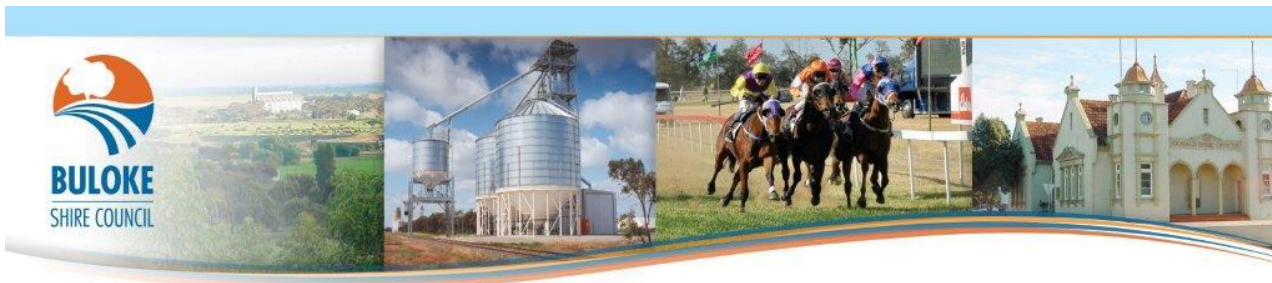
# Financial Sustainability



# Background

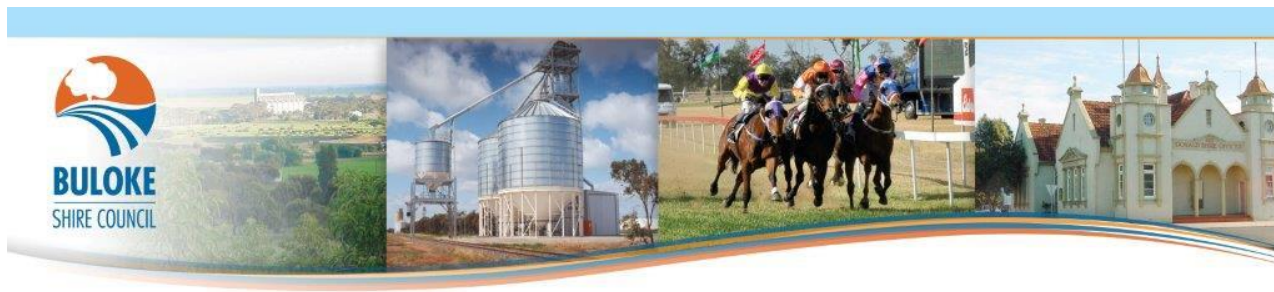
- Financially unsustainable
- Bank account in overdraft
- Forward cash flow projections predicting further debt
- Assets in unsustainable condition





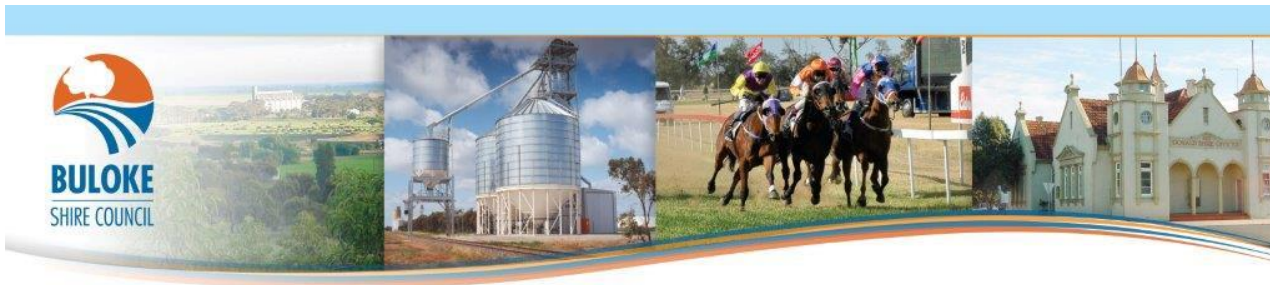
# Measures Taken

- \$7m loan (interest only)
- 17% reduction in staffing levels
- 29% reduction in vehicles
- Reduction in Council services
- Rationalisation of Council assets
- Reduced customer contact points
- Smarter work practices
- 6% Rate increases
- Full cost recovery for garbage collection & disposal



# Borrowings

- \$7m borrowed
- Interest only (4.24%)
- \$7m due in 5 years (Nov 2019)
- Debt level approximately 60% of rate revenue
- Industry practice to be below 40%
- Borrowings are recommended for large capital projects to apportion costs over many years

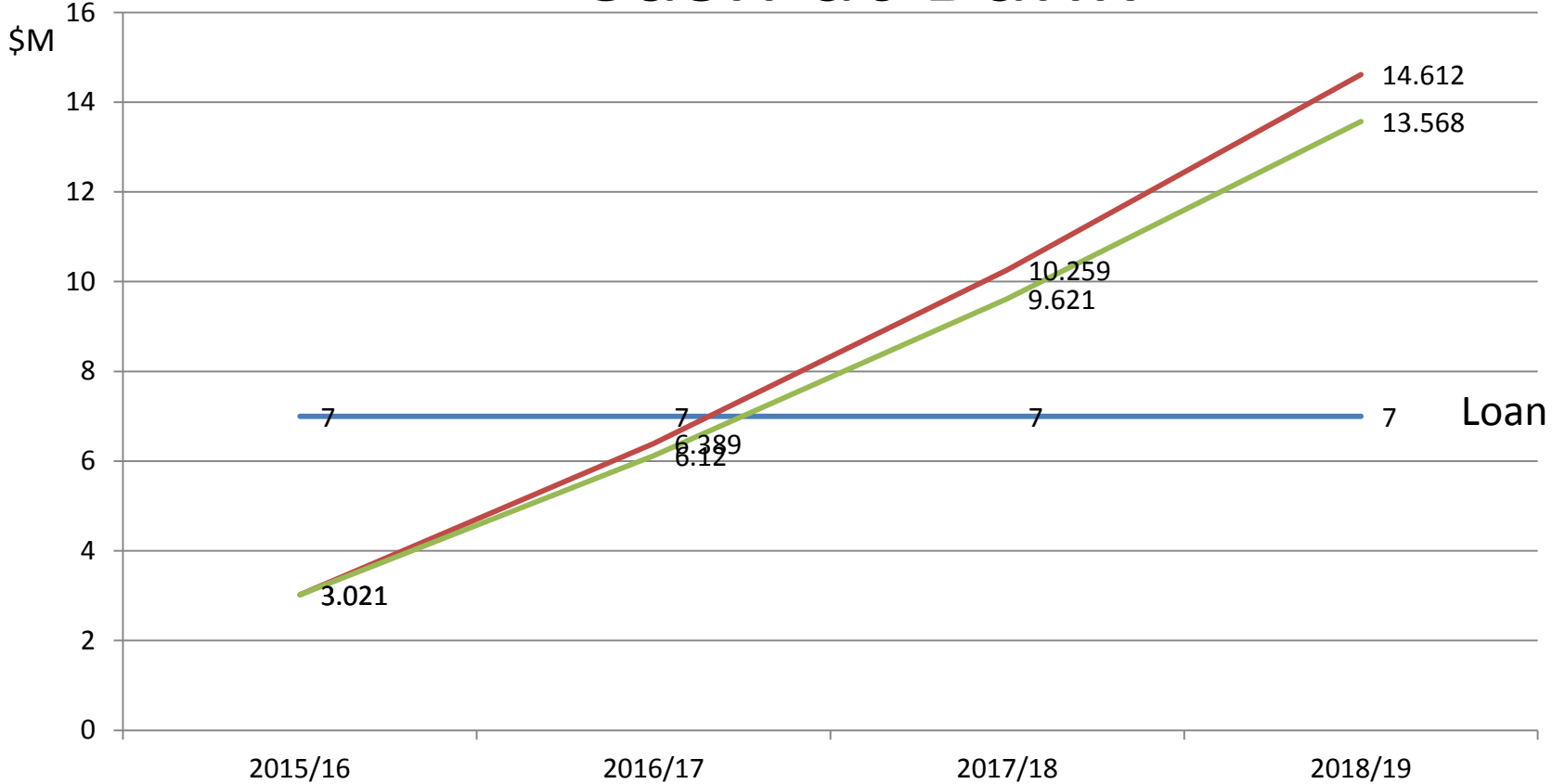


# Rate increases

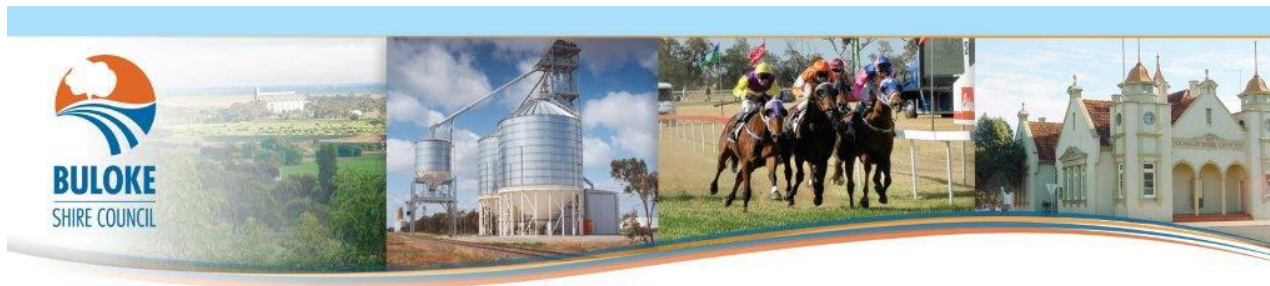
- Strategic Resource Plan 6% per annum
- 1% rate increase raises \$108,000
- Rate Capping
  - 3.05% 2016/17
  - 2.85% 2017/18
  - 2.80% 2018/19



# Cash at Bank



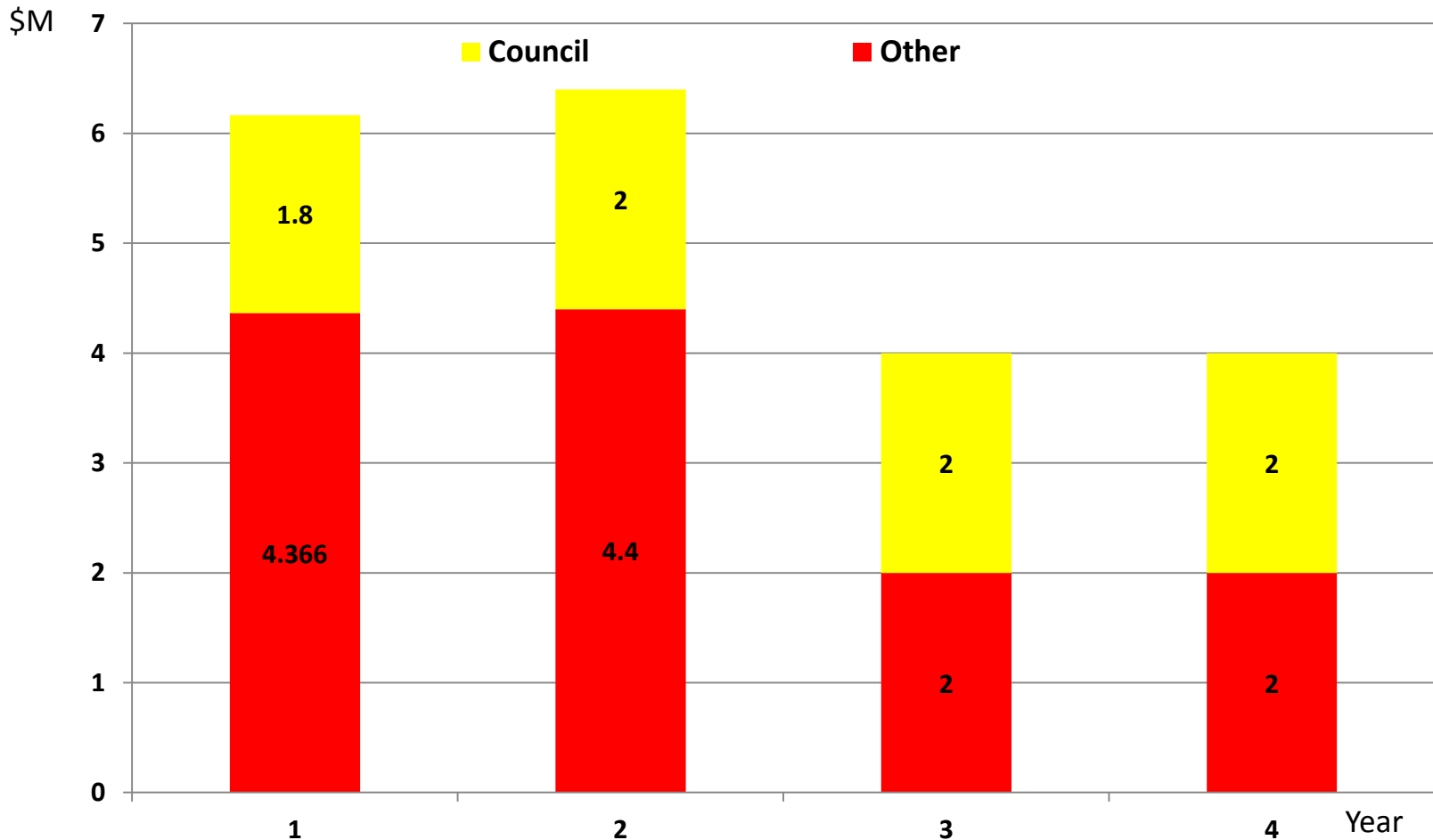
This graph indicates the difference between the two previous scenarios and that at the end of 4 years there will be a cash differential of approximately \$1M .



## The Bottom Line

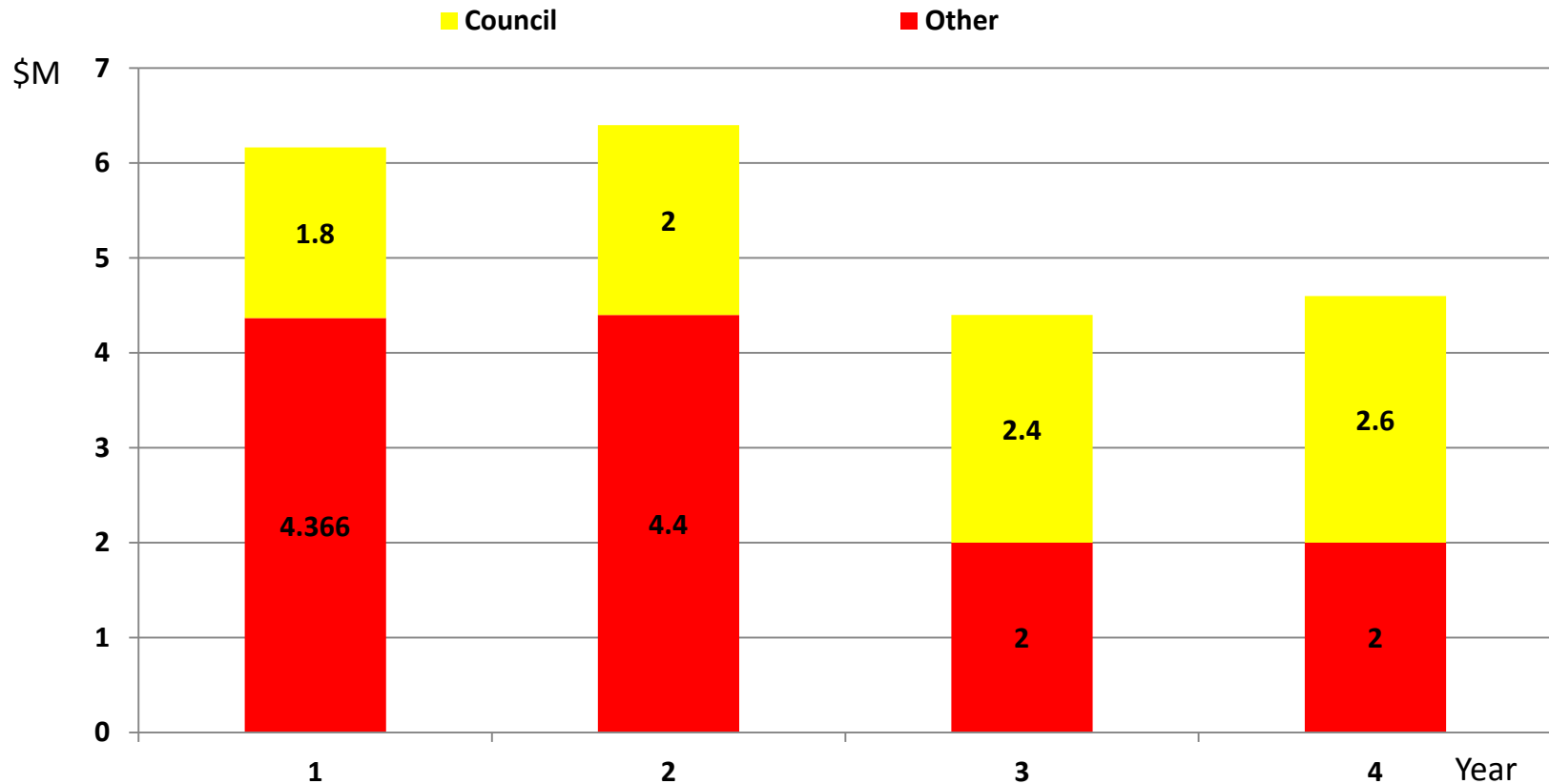
Balance @ 30/6/2019	\$13.6M
Less borrowings due Nov	\$ 7.0M
Less Working Capital	\$ 5.0M
Cash available for infrastructure investment	\$ 1.6M

# Capital Works Expenditure – Current Scenario



This graph shows the income source for the Capital Works Program over the next four years based on known capital grants.

# Capital Works Expenditure with further investment



This graph shows the Capital Works Program over the next 4 years based on known capital grants for year one and two. This also has additional Council funds to reduce the asset renewal gap in years three and four.

## COMMUNITY FORUM SUMMIT; OCTOBER 2015

We had 39 community members attend the Summit and 26 filled in the feedback sheets. We had a broad range of ages, backgrounds and community roles.

Responses on the Feedback sheets were unanimous that the event was worth attending and attendees would come again. All comments were positive about the initiative. Comments were also positive regarding the four discussion groups as a way of having a dialogue between communities and Council. A number of people valued the generation of ideas. These were the themes coming back from the *what was of greatest value to your community* section and the *general comments* section.

The event gave residents the opportunity to engage with Council on what they saw as the key issues relating to the focus areas and to workshop ideas. There were vibrant discussions with some innovative and creative suggestions. It will be important to establish a two-way process of providing accurate and timely information and demonstrating that feedback is being valued.

The tools outlined in the Community Engagement strategy can assist in ensuring that the information gathered on the night effectively informs ongoing decision making operational strategy.

The ongoing use of local media and direct contact via email to participants will be critical to ensuring feedback to all regarding outcomes from the summit. The feedback and information will be critical in communicating how community opinion shapes the budget deliberations, keeping the summit fresh and the concept relevant to the community.

### Economic Development and Business:

What kinds of business opportunities are viable in small rural shires such as Buloke?

**1. Key themes:**

- Intensive Agriculture value adds, e.g. feed mills, processing plants, service industries
- Renewable energy production
- Migrant refugee accommodation
- Aged care services

**2. What are the key competitive advantages?**

- Affordable industrial, agricultural and commercial land
- Affordable housing
- Location on the arterial highways
- Rail access



### 3. How can Council further facilitate opportunities for business improvement?

- Advocate strongly for better connectivity and mobile coverage
- Land use planning, including industrial estates
- Cutting or providing more assistance with regulatory and statutory processes

### Community Services:

- there was a strong appetite for exploration of the possibility of re-locating early years services such as MCH, Kindergarten, Playgroup, etc. into early years hubs at the high schools.
- those with an education background in the groups articulated the need to engage children and families into early years learning services at a young age and supported co-location of services.
- each group was keen to maintain program presence in each of the five main towns, i.e. did not want kindergartens amalgamating to the detriment of one town over another.
- the suite of aged and disability care services currently provided by Council were all considered important with participants acknowledging that the individual circumstances of a client dictated the degree of importance of each service (what is important to one person may be inconsequential to another).
- many indicated that respite care was the most important aged and disability care service even though we don't experience significant demand for that service.
- personal care and domestic assistance were considered important but delivered meals did not garner strong support (interestingly our meals have dropped from a peak of approx. 29,000 p.a. ten years ago to around 13,000 now)
- transport for the elderly too was seen as an important service in helping to maintain independent living.
- one person made comment that the service fees charged by Council were too cheap even though our fees are in line with the Victorian HACC fees policy
- one person expressed disappointment in Council's decision to withdraw support for the youth officer role and two others commented on the need for Council to be involved in activities to keep young people in the Shire.
- one person believed that Council should cease being a provider of HACC services and that it should instead be provided by the health services sector.
- in the context of service costs to Council, the relevance of mobile library services was raised by two or three participants.
- It was suggested that traditional mobile library services may be perceived as outdated and with advanced technologies perhaps there could be a better way of providing access to library resources. Library access was still important but perhaps by alternative means.

Collectively there appeared to be surprise with the level of financial commitment made by the Shire to providing these services (over and above the external funding received). Most people seemed to be under the impression that these programs are fully funded by State and Federal Governments.

## Communication:

- 25 responses in favour of using email and electronic communication methods including apps and website.
- 10 responses favoured a mixture of print and electronic.
- 8 responses wanted newspapers as the preferred communication medium.
- 5 responses wanted continuing face-to-face communication at community forums, however there seemed to be some traction with newsletters in both print and electronic (Council to add content to community newsletters and assist with production of newsletters to make them more professional)
- Setting up spaces for digital communication was rejected, however many said Council could look at partnerships with resource centres. One responded that Council could look at using empty space in Nandaly and Council could consider digital spaces in smaller towns that don't have resource centres.
- There were responses for advocacy for improvements in digital environments with many speaking about the lack of being able to connect.

## Infrastructure:

### 1. What is the asset class that Council should be focussing our capital works focus on in the coming years?

- As expected, the most frequent response was roads. Some focussed on gravel roads and also ensuring that our paddock access roads are properly maintained. Another suggestion was that we should be addressing the dangerous Y intersections.
- Streetscapes were also very popular – many linked this to the survival of our townships and this has reaffirmed the importance of this project in my mind.
- Community and recreation facilities were also a key focus of the discussion. Much of the discussion was that these facilities are the social hub of our towns and a key to retaining our population.
- Swimming Pools were also prominent – particularly amongst Wycheproof residents

Thirty nine people put forward their capital works priorities and the results were as follows (NB: some people put more than one asset class on their post-it note).

- road upgrades - 51%
- sporting facilities upgrades – 48%
- streetscape upgrades – 28%

- kerb and channel/drainage/flood protection – 13%
- footpath upgrades – 13%
- swimming pool upgrades -10%
- community facility/hall upgrades – 5%
- public toilet upgrades – 2%
- landfill/waste facility upgrades – 2%
- youth facility developments – 2%

## **2. Should Council be looking to renew existing assets and replace with new?**

This was a difficult question for many to answer, and most indicated that it depends on the circumstances. There was plenty of discussion on the benefits of both options and the cost of replacement versus renewal.

## **3. Should Council be actively pushing clubs/groups to consolidate into multi-purpose facilities?**

- An overwhelming consensus was that we need to consolidate buildings where possible.
- Instead of ‘pushing’ clubs, we should ‘encourage’ or ‘support’.
- Discussions did centre around that this was not an attractive approach politically.
- Most noted that the smaller five townships had naturally consolidated over recent decades, yet the larger towns still had many underutilised facilities operating in isolation.
- It should be done only if there is an alternate use for the building or an economically viable way to sell or transfer the building.
- There is a limit to this. It can be done to a certain extent, but each town needed to retain a minimum level of facilities.
- Some of the key examples were
  - Libraries into existing school buildings
  - Kindergartens into existing school buildings
  - Underutilisation of facilities such as senior citizens centres and should they be using recreation reserve/tennis/bowling clubs etc.
  - Underutilisation of swimming pools – develop a gymnasium to get better use of good change facilities.
  - A saturation of meeting spaces. An example used was the development of the railway stations as another meeting space – ‘Do our towns really need more meeting spaces?’

## **4. Some clear learnings:**

- The first question gave a good insight into where we should be targeting our capital over the coming years. Roads, streetscape and community sporting facilities was a clear standout.
- In hindsight, the second question probably needed to be worded differently, as it was extremely difficult to answer. However, it did lead the discussion nicely into the third question.
- We need be working with clubs and groups in the larger towns especially to consolidate facilities – this should be a collaborative effort, rather than directive approach. This will tie in

with the work being done by W&TS on the minimum built assets that we should have in our towns.

## Following the Community Forum Summit, where to from here?

Council's Community Engagement Strategy was used for the Community Forum Summit. Attendees expressed satisfaction at the level and clarity of the information provided. The level of consultation allowed attendees to take part in constructive discussions and have their opinions heard.

Having *informed* and *consulted* with these key community representatives we have an opportunity to consider:

- How much further do we wish to engage on the issues raised?
- Do we wish to engage with these attendees on the other three levels of *involving*, *collaborating* and *empowering*?
- How do we work with the Forums and other groups represented by attendees to disseminate information to the general Buloke community? e.g. in the infrastructure discussion, the question was raised:
  - Should Council be actively pushing clubs/groups to consolidate into multi-purpose facilities? Especially given the overwhelming consensus was that we need to consolidate buildings where possible."

## Invitees & Attendees to Community Forum held 20 October 2015

<b>Berriwillock</b>	
Ash Summerhayes	
Caroline Welsh	
Jamie Simpson	
Garry Summerhayes	Attended 2015
<b>Birchip</b>	
Russell Christie	
Fiona Best	
Linc Lehmann	
Simone Christie	
Robyn Ferrier	Attended 2015
John Richmond	Attended 2015
Dan McGloughlan	Attended 2015
Jennifer Blainey	
Josh Richmond	
Louisa Ferrier	
<b>Charlton</b>	
Kelvin Baird	
Harry Brindley	
Zie Brindley	
Lloyd Paterson	
Lachlan Holmes-Brown	
Alan Getley	Attended 2015
Carolyn Olive	Attended 2015
<b>Culgoa</b>	
Ian Mudge	Attended 2015
Steph Kelly	Attended 2015
Anita Barry	
Marg Shirley	
<b>Donald</b>	
Greg Nunn	
Danny Forrest	
Liz Russell	Attended 2015
Kevin Anderson	
Leigh Hardingham	
Paul Aikman	
Daryl Warren	Attended 2015
Bev Darcy	
John McConville	Attended 2015
<b>Nandaly</b>	
Bev Cook	Attended 2015
Sam Brady	Attended 2015
Matt Brady	
Carol Brady	Attended 2015
Terry Kiley	

Rohan Mott	
<b>Nullawil</b>	
Donald Cooper	
Wendy Watts	Attended 2015
Glenn Hogan	
Wade Humphries	
Geoff Brown	
Kaylene James	Attended 2015
Kim Dyall	Attended 2015
<b>Sea Lake</b>	
Bernie Clohesy	
Robert McClelland	
Kate Nunn	
Lauris McClelland	
Pat Amos	Attended 2015
Graeme Forrester	
Livio Bonollo	Attended 2015
<b>Watchem</b>	
Brian Walder	
Stephen Baird	Attended 2015
Chris Colbert	
Courtney Doak	
Arthur Lewis	
Sharon Lewis	
Graeme Milne	Attended 2015
<b>Wycheproof</b>	
Alec Morrison	Attended 2015
Pam Wallace	
Julie McLennan	
Hannah mill	
Christine McKersie	Attended 2015
Amanda Gretgrix	Attended 2015
Ann Durie	
Whitney Boyle	Attended 2015
Allan Milburn	Attended 2015
Jacinta Miller	Attended 2015
Carolyn Sullivan	
<b>Rural</b>	
Adam Campbell	Attended 2015
Des Wood	
Chris Rickard	
Daryl Dunstan	
Stuart Giles	
Peter Watts	



# Communications plan – Council Budget 2014/15

**Prepared by: John Hicks**

**Date: 21 May 2014**

## **1. Project focus**

The budget sets a new direction for Buloke Shire Council and puts the framework together to secure the long term sustainability of the Shire.

## **2. Purpose of this communications plan**

This communications plan is to provide a consistent approach to informing the community about the budget for 2014/15 and seeking submissions in the key proposals.

## **3. Communication and engagement objectives**


- To inform the community about the need to develop a budget that secures the long term financial sustainability of the council
- To inform the community about the 2014/15 budget
- To inform the community of the long term financial benefits of adopting the budget
- To seek feedback from the community on the key proposals in the budget.

## **4. Context and challenges – Background**

Over successive years council has been spending more than it receives on services to the community. This has been masked in a financial sense by the significant funds and works that have been part of the flood recovery works. As identified by the Municipal Monitor, reporting to Council has not been of sufficient accuracy and detail for Council to fully understand its true financial position.

Council has now put in place measures to improve the financial reporting. This has clarified Council's financial position and shows the need to address the structural issues in the budget to enable a return to future financial health.

Buloke is also not immune from changes in government and global outlook. Buloke Shire Council like many other small rural Councils is highly reliant on grants from State and Federal Governments. Much of Buloke's \$26 million annual operating budget is



received from these sources. Both Federal and State Government have introduced a number of measures that reduce this income; to put it simply money is getting tighter.

Council's biggest ever Capital Works Program has been delivered and has seen a \$44 million investment in the road network. To put this into context, Council typically spends approximately \$5 million a year on its road network.

This budget implements a range of service changes that will impact on the community. The development of the budget has been aimed at securing the long term financial sustainability of Council. The budget has also been framed around retention of budget items that provide direct support to the community. It is also Council's aim to make it easier for community and volunteers to work within the community and provide the services that are delivered at a local level.

Council has taken a strong approach to the 2014/2015 budget and has made a number of decisions in building the 2014/2015 draft budget for consideration by our community. We will be holding a series of public meetings on 26 and 27 May 2014 and considering submissions on 18 June 2014 before formally adopting the budget on 25 June 2014.

## 5. Issues likely to arise

Among the key issues likely to arise are:

**Increase in garbage charge to \$380 to achieve full cost recovery.** The garbage charge is a direct service provided to only some of the ratepayers in the community. To ensure that this cost is not borne by members of the community who do not receive the service, the budget proposes full cost recovery from only those who receive the service. Previously ratepayers who did not receive this service were subsidising the service.

**The budget proposes a reduction in expenditure.** In order for Council to be financially sustainable it needs to find savings of \$4 million per annum compared to the service levels provided by the 2013/14 budget. The draft 2014/15 budget finds savings of \$1.3 million with a further \$2.1 million in 2015/16. Another \$0,6 million is yet to be identified.

**The budget proposes a reduction in staff.** The budget has been framed around a long term reduction in staff numbers across the board, in both indoor and outdoor areas. It is proposed that these reductions can occur over the next 2 years, with a heavy reliance on natural attrition. Staff costs are a significant component of the budget and it is a responsible move to ensure that this cost is managed to ensure the long term financial sustainability of Council and to ensure the level of rates are kept to a minimum.

**The budget reduces the number of grader crews from 6 to 4.** Over the past 2 years there has been a \$44mill injection of funding into our road network. This will reduce the need for significant reconstruction and renewal works for the next 5 years. The reduction in work crews allows Council to upgrade the fleet of graders over this period to a more efficient and modern fleet. This will improve the operation of our maintenance works and allow significant improvements in efficiency and productivity resulting in significant cost savings to the community.

**The budget removes the customer service function at offices in 4 towns.** The budget proposes a significant change in service provision by changing the way that the community accesses Council. This is required to reduce costs and will be combined with





a significant broadening of methods by which the community can access Council. Council will be improving its payment options and utilising the local Post Offices in each town to enable all financial transactions to be conducted at the local Post Office, prior to closing this access. This will not only improve the efficiency of the service but will ensure that local businesses will not be disadvantaged from loss of services in each town. Appointments can still be made to meet with staff at the offices.

**The budget proposes a reduction in services in economic development and youth services.** We were fortunate to have a partnership with the Uniting Church to enhance youth services, this funding is no longer available. Economic Development has been enhanced in recent times by disaster recovery funding from the Federal Government, this funding will stop in June 2014. The discipline Council must now adopt is to return to the level of service for which we are funded.

Rationalisation of community support program which includes youth and economic development is aimed at targeting government funded programs. This will maximise Council's ability to secure funding to the community from external sources and minimise the cost to our community.

**Why borrow \$7.0 million.** As previously reported and identified by the Municipal Monitor, Council's financial position means that there is a constant requirement to operate the overdraft facility. This is costly and can also distort the actual liabilities that Council has. The borrowings allow Council to limit its call on overdraft facilities, which saves significant bank fees and charges and provides a more accurate picture of the financial liabilities of Council.

**Why is Council in this position in the first place.** Quite simply, over successive years council has been spending more than it receives on services to the community. This has been masked in a financial sense by the significant funds and works that have been part of the flood recovery works. Added to this, as identified by the Municipal Monitor, the reporting to council has not been of sufficient accuracy and detail for council to fully understand its true financial position. Council has put in place measures to improve the financial reporting and this budget begins to address the structural issues in the budget to ensure future financial health.

## 6. Target audiences

- All community members
- Ratepayers
- Staff


## 7. Communication approaches

A range of approaches can be used including:

- Media releases
- Public meetings
- Meetings between staff and management
- Council meetings
- Word of mouth

## 8. Key messages

The budget sets a new direction for Buloke Shire Council and puts the framework together to secure the long term sustainability of the Shire.



The Buloke Community and Council have been rebuilding the Community Assets after the devastating floods in 2010 and 2011. This has seen over \$44 million spent on our road network alone with these works being completed by June 2014.

Council's emphasis now needs to be on securing long term financial sustainability. Without considerable reduction in expenditure, Council cannot be financially sustainable. The projected operating savings required are \$4 million per annum to achieve a sustainable future for the Buloke Shire.

To this end Council has considered all the services that are provided and recognised that strategic decisions on service provision are required to have an impact on financial sustainability. In reviewing services, particular emphasis has been based around continuing to support community groups who provide valuable support and services to the community.

These groups rely on extensive volunteer support and are often the life blood of small communities. This budget continues to support these groups and removes much of the red tape for these organisations by committing to funding support without the need for an extensive application process. Council has also considered services that have previously received external funding and these services have been reduced to reflect current funding allocations.


The 2014/15 budget proposes direct operating expenditure reduction of \$1.3 million and foreshadows further ongoing reductions of \$3.4 million annually. We will increase rates by 6.0 percent in the 2014/15 financial year and the kerbside garbage and recycling service charge will increase to \$380 per service to ensure full cost recovery for the service provided. The Budget proposes a borrowing program of \$7.0mill in the 2014/15 financial year and a total Capital Works program of \$6.92 million, with Council substantially relying on Grant Funds for the program.

To achieve these reductions in operating expenditure Council will need to change service levels. It is recognised that changes in service provision will take time to implement. Further consultation with Staff and the Community is required to ensure the changes are implemented in a manner which minimises the impacts and Council is able to continue its service delivery obligations.

It is further recognised that additional savings are required and Council have requested management to continue to find improvements and efficiencies in services across all areas of Council's operation.

The key initiatives in the budget are:

- Funding for three key flood mitigation projects that were prioritised out of the Charlton and Donald Flood and Drainage Management Plans. Funding of \$225,000 (toward a total project cost of \$250,000) has been provided to develop full functional plans, specifications and costings for the Charlton town ring levee bank as well as \$500,000 for increasing the size of the culverts over Gower Creek on the Charlton-St Arnaud Road. For Donald, a grant of \$832,500 (toward a total project cost of \$925,000), has been allocated for the construction of levee banks along the existing Donald Walking Track in Byrne Street and for the extension of the existing levee bank at the Goodwin Village.
- Rationalisation of community support program which includes youth and economic development to target government funded programs. Buloke has previously benefitted from Uniting Church support for youth services. We now have to cut our cloth to the resources available to community support programs,



which include youth and economic development, by targeting Government funded programs and maximising Council's ability to secure funding from external sources.

- Rationalisation of the Customer service provision by increasing access for all financial transactions at Post Office outlets and closing the public access at four of council district Offices.
- Improvement to Community Halls with a range of upgrade works to kitchens, heating and cooling. Council will also improve the community access to our Halls by removing the fees charged to community groups.
- Allocation of \$214,000 into support for recreation reserves across the shire. This will provide Recreation Maintenance Allocations to 10 townships, provided direct to the local communities.
- In the works area we have the opportunity for new technology and better scheduling to deliver improved services with less resources. On this basis we will see a reduction in grader crews, from six to four, combined with a program to upgrade and modernise Council's outdoor plant fleet.
- Continued renewal of our road network with over \$1.35mill investment in reseals and resheets on roads across the shire.
- Rationalisation of resources in Urban Areas and Environment will be phased in to achieve a 25% reduction in resource levels.
- Implementation of the Street Light Sustainability Upgrade program which will see councils street light converted to LED technology. This will see a long term cost saving to the Buloke community and also reduce Council's carbon footprint.
- Continued support of councils saleyards with a program to upgrade ramps and to improve fencing.
- Rationalisation of our community grants program to reduce the administrative burden on local community groups. Community groups will now be directly funded from the budget, removing the need for an extensive administrative process. The program includes support for Senior Citizens Christmas Lunches and Administrative support to township forums
- Council will also continue to work with, and support the Loddon Murray Leadership Program which provides an avenue for emerging community leaders to develop valuable leadership skills benefitting the communities in which they live.

## 9. Timelines

The timelines are as follows:

- Council Meeting to adopt Budget for exhibition – 14 May 2014
- Media release – 14 May 2014
- Meetings between staff and management – 19 May 2014
- Public meetings at all towns – 26 & 27 May 2014
- Closing date for written submissions – 13 June 2014
- Consideration of written submissions at Special Council Meeting – 18 June 2014
- Adoption of budget by Council at Special Council Meeting – 25 June 2014
- Adopted 2014/15 budget sent to Minister – 27 June 2014.



**BULOKE COUNCIL DRAFT 2014-2015 BUDGET**  
**COMMUNITY CONSULTATION SESSIONS**

At its meeting of 14 May 2014, the Buloke Shire Council adopted a Draft 2014-2015 Budget for public exhibition and community members are invited to attend any of the following information sessions:

**Monday 26<sup>th</sup> May**

- |                                     |                   |
|-------------------------------------|-------------------|
| - Wycheproof Shire Hall Supper Room | 9.00am – 10.00am  |
| - Charlton Senior Citizens Room     | 10.30am – 11.30am |
| - Donald Memorial Hall Supper Room  | 12.00pm – 1.00pm  |
| - Watchem Public Hall Supper Room   | 1.30pm – 2.30pm   |
| - Birchip Senior Citizens Room      | 3.00pm – 4.00pm   |

**Tuesday 27<sup>th</sup> May**

- |   |                   |
|---|-------------------|
| - Nullawil Recreation Reserve           | 9.00am – 10.00pm  |
| - Culgoa Public Hall                    | 10.30am – 11.30am |
| - Berrillock Community Centre           | 12.00pm – 1.00pm  |
| - Sea Lake Shire Office Council Chamber | 1.30pm – 2.30pm   |
| - Nandaly Public Hall Supper Room       | 3.00pm – 4.00pm   |

Copies of the Buloke Council Draft Budget 2014-2015 are available for inspection during normal working hours of the Shire Offices in Birchip, Charlton , Donald, Sea Lake and Wycheproof. Copies are also available for inspection on the Council website at [www.buloke.vic.gov.au](http://www.buloke.vic.gov.au)

**John Hicks**  
**ACTING CHIEF EXECUTIVE OFFICER**



## Media release

### Buloke Shire Council – proposed 2014/15 Budget

**14 May 2014**

Buloke Shire Council Mayor, Cr Reid Mather, said that the 2014/15 Budget sets a clear new direction for the Shire and puts together the framework to secure Council's long term sustainability.

"The Buloke Community and Council have been rebuilding the community assets after the devastating floods in 2010 and 2011. This has seen over \$44 million spent on our road network alone, with these works being scheduled for completion in June 2014. Council's emphasis now needs to focus on securing long term financial sustainability."

"To this end, Council has considered all the services that it provides and has recognised that strategic changes in service provision are required to ensure financial sustainability," said Cr Mather.

In reviewing its services, particular emphasis has been based around continuing support to community groups who provide valuable support and services to the community. Cr Mather said that "These groups rely on extensive volunteer support and are often the life blood of small communities. The Budget will continue to support these groups, removing much of the red tape by committing to funding support without the need for an extensive application process."

Cr Mather said that "Changes to service levels will be phased in with due consideration to their impact. Further consultation with staff and the community will be undertaken so that changes are implemented in a manner to minimise impacts and deliver Council services-."

The 2014/15 Budget proposes direct operating expenditure reduction of \$1.3 million and foreshadows further ongoing reductions of \$3.2 million annually. "We will increase rates by 6.0% in the 2014/15 financial year; kerbside garbage and recycling service charges will also increase to \$380 per service so that users fully pay for the service without subsidy from other ratepayers; a borrowing program of \$7.0 million in the 2014/15 financial year is proposed; along with a total Capital Works Program of \$6.92 million." said Cr Mather.

Buloke further recognises that additional savings are required and Council has requested management continue to identify improvements and efficiencies in services across all areas of Council operations.

Cr Mather advised that the key initiatives in the draft Budget include:

"Funding of three key Flood Mitigation Projects that were prioritised from the Charlton and Donald Flood and Drainage Management Plans, with funding of \$225,000 to develop full functional plans, specifications and costings for the Charlton town ring levee bank; as well as \$500,000 to increase the size of culverts across Gower Creek on the Charlton - St Arnaud Road and for Donald; as well as an allocation of \$832,500 for the construction of levee banks along the existing Donald Walking Track in Byrne Street and for the extension of the existing levee bank at the Goodwin Village."

“Buloke has previously benefitted from Uniting Church support for youth services. We now have to cut our cloth to the resources available to community support programs, which include youth and economic development, by targeting Government funded programs and maximising Council’s ability to secure funding from external sources. Rationalisation of customer services by closing the public access at four of Council’s District Offices will also occur in conjunction with increasing access for all financial transactions at Post Office outlets within Buloke .”

“The Budget will see an improvement to community halls, with a range of upgrade works to kitchens, heating and cooling. Council will also improve the community’s access to its halls by removing the fees currently charged to community groups for their use.”

“We will also allocate \$214,000 to support Recreation Reserves across the Shire. This will provide recreation maintenance to ten townships direct to the local communities, together with an allocation for continued upgrade to Council’s swimming pools of an additional \$106,000.” Cr Mather said.

“In the works area we have the opportunity for new technology and better scheduling to deliver improved services with less resources. On this basis we will see a reduction in grader crews, from six to four, combined with a program to upgrade and modernise Council’s outdoor plant fleet. Renewal of our road network will continue with over \$1.35 million invested in reseals and re-sheets across the Shire.”

Cr Mather said “The Budget will also see better organisation of resources in the urban works areas phased in to achieve a 25% saving, as well as implementation of the Street Light Sustainability Upgrade Program with Council’s street lights converting to LED technology. This will see a long term cost saving to the Buloke community and also reduce Council’s carbon footprint.”

“Council will continue to support the saleyards, with a program to upgrade ramps and fencing. Our Community Grants Program will reduce the administrative burden on local community groups. Community group support will now be directly funded from the Budget and the Program will also retain funding for administrative support to our senior citizens and township forums,” Cr Mather said.

Council will also continue to work with, and support the Loddon Murray Leadership Program which provides an avenue for emerging community leaders to develop valuable leadership skills benefitting the communities in which they live.

Council is interested in receiving community feedback on its draft budget, and information sessions will be held in late May. The times and dates for these sessions will be advertised. All submissions received will be considered and presentations in support of written submissions will be heard at the Wycheproof Supper Room on Wednesday 18 June at 5 pm.

[Written submissions should be addressed to The Mayor, Buloke Shire Council, PO Box 1, Wycheproof 3527 or emailed to \[buloke@buloke.vic.gov.au\]\(mailto:buloke@buloke.vic.gov.au\)](#)

**Reid Mather, Mayor – Buloke Shire Council**

~(end)~

**Media contact: xxx ph 5478 xxx [This should be the CEO if it is comment being sought.](#)**

## Budget Implementation Reporting:

A draft budget implementation action plan has been developed to provide timeframes as an indicative timetable for the implementation:

<b>Month 2014/15</b>	<b>Item</b>
<b>June 2014</b>	<ul style="list-style-type: none"> <li>• Strategy for reducing cost of water to lakes;</li> <li>• Discussion with PO proprietors;</li> <li>• Identify possible properties for sale;</li> <li>• Draft communication plan for waste management increases;</li> <li>• Assessment of aged and disability services vehicle condition;</li> <li>• Collate ideas for reduction in Community Support Program</li> </ul>
<b>July</b>	<ul style="list-style-type: none"> <li>• Assess reduction of light fleet</li> <li>• Draft communication plan for reduction of support for corporate memberships and community groups.</li> <li>• Identify all customer services and identify possible alternate channels</li> <li>• Identify possible swimming pool partnership activities</li> <li>• Sale of property action plan</li> <li>• Aged and Disability Services discussions with staff</li> </ul>
<b>Aug</b>	<ul style="list-style-type: none"> <li>• Swimming pool partnership action plan</li> <li>• Identify possible urban area efficiencies</li> <li>• Staff consultation for customer service alternatives</li> <li>• Alternate ideas for community transport</li> <li>• Consult staff in regard to reduction in light fleet</li> <li>• Interview managers to identify possible additional savings</li> </ul>
<b>Sep</b>	<ul style="list-style-type: none"> <li>• Action plan to implement new rostering, sell graders and grader purchase</li> <li>• Action plan for community transport</li> <li>• Ideas for efficiencies in Aged and Disability Services</li> <li>• Staff consultation on new rostering, sell graders and grader purchase</li> <li>• RTF for new grader</li> <li>• Action plan for light fleet reduction</li> <li>• Action plan for efficiencies in Aged and Disability Services</li> <li>• Target government funding for Community Support Program</li> <li>• Community consultation re customer service</li> <li>• Review library services</li> <li>• Identify procurement efficiencies and consult staff</li> <li>• Community consultation re road services</li> <li>• Consult staff re urban areas efficiencies</li> <li>• Identify additional savings</li> </ul>
<b>Oct</b>	<ul style="list-style-type: none"> <li>• Action plan for road services efficiencies</li> <li>• Light fleet reduction action plan</li> <li>• Consult staff re library services and identify efficiencies</li> <li>• Finalise additional savings proposals</li> </ul>
<b>Nov</b>	<ul style="list-style-type: none"> <li>• Action plan for Community Support Program efficiencies</li> <li>• Action plan for urban areas efficiencies</li> <li>• Additional savings proposals to Council</li> </ul>
<b>Dec 2015</b>	<ul style="list-style-type: none"> <li>• Action plan for customer service changes.</li> <li>• Action plan for procurement efficiencies</li> <li>• Identify gravel pit opportunities</li> </ul>
<b>Jan</b>	<ul style="list-style-type: none"> <li>• Consult with staff re gravel pit opportunities</li> </ul>

	• Library service documentation
<b>Feb</b>	
<b>Mar</b>	<ul style="list-style-type: none"> <li>• Library service agreement report to Council</li> <li>• Gravel pit action plan</li> </ul>
<b>April</b>	
<b>May</b>	
<b>June</b>	

Please note these milestones are indicative at this stage. Further milestones will arise once the various action plans are adopted.

Financial reporting will also be based on the implementation plan with a monthly target to be set and to be reported against.



# Monthly Report on Implementation of Budget Changes

Report to end August 2014

## 1. Introduction:

This report provides information on the changes being made to implement the 2014/15 Budget and the likely 2015/16 Budget. It provides the timetable for budget implementation as provided to Councillors in July 2014 and reports progress against that timetable. The final section reports actual cost savings against targeted savings.

## 2. Timetable for Budget Implementation:

The budget implementation plan was developed to provide timeframes as an indicative timetable for the implementation and is modified to include greater detail as we progress. Where *Action Plans* are mentioned these will be replaced by further milestones once the Action Plans have been developed.

The budget implementation plan previously provided to Councillors was as follows:

Month 2014/15	Item
June 2014	<ul style="list-style-type: none"> <li>• Strategy for reducing cost of water to lakes;</li> <li>• Discussion with PO proprietors;</li> <li>• Identify possible properties for sale;</li> <li>• Draft communication plan for waste management increases;</li> <li>• Assessment of aged and disability services vehicle condition;</li> <li>• Collate ideas for reduction in Community Support Program</li> </ul>
July	<ul style="list-style-type: none"> <li>• Assess reduction of light fleet</li> <li>• Draft communication plan for reduction of support for corporate memberships and community groups.</li> <li>• Identify all customer services and identify possible alternate channels</li> <li>• Identify possible swimming pool partnership activities</li> <li>• Sale of property action plan</li> <li>• Aged and Disability Services discussions with staff</li> </ul>
Aug	<ul style="list-style-type: none"> <li>• Swimming pool partnership action plan</li> <li>• Identify possible urban area efficiencies</li> <li>• Staff consultation for customer service alternatives</li> <li>• Alternate ideas for community transport</li> <li>• Consult staff in regard to reduction in light fleet</li> <li>• Interview managers to identify possible additional savings</li> </ul>
Sep	<ul style="list-style-type: none"> <li>• Action plan to implement new rostering, sell graders and grader purchase</li> <li>• Action plan for community transport</li> <li>• Ideas for efficiencies in Aged and Disability Services</li> <li>• Staff consultation on new rostering, sell graders and grader purchase</li> <li>• RTF for new grader</li> <li>• Action plan for light fleet reduction</li> <li>• Action plan for efficiencies in Aged and Disability Services</li> <li>• Target government funding for Community Support Program</li> <li>• Community consultation re customer service</li> <li>• Review library services</li> </ul>

	<ul style="list-style-type: none"> <li>• Identify procurement efficiencies and consult staff</li> <li>• Community consultation re road services</li> <li>• Consult staff re urban areas efficiencies</li> <li>• Identify additional savings</li> </ul>
<b>Oct</b>	<ul style="list-style-type: none"> <li>• Action plan for road services efficiencies</li> <li>• Light fleet reduction action plan</li> <li>• Consult staff re library services and identify efficiencies</li> <li>• Finalise additional savings proposals</li> </ul>
<b>Nov</b>	<ul style="list-style-type: none"> <li>• Action plan for Community Support Program efficiencies</li> <li>• Action plan for urban areas efficiencies</li> <li>• Additional savings proposals to Council</li> </ul>
<b>Dec 2015</b>	<ul style="list-style-type: none"> <li>• Action plan for customer service changes.</li> <li>• Action plan for procurement efficiencies</li> <li>• Identify gravel pit opportunities</li> </ul>
<b>Jan</b>	<ul style="list-style-type: none"> <li>• Consult with staff re gravel pit opportunities</li> <li>• Library service documentation</li> </ul>
<b>Feb</b>	
<b>Mar</b>	<ul style="list-style-type: none"> <li>• Library service agreement report to Council</li> <li>• Gravel pit action plan</li> </ul>
<b>April</b>	
<b>May</b>	
<b>June</b>	

### 3. Progress against Items

#### JUNE 2014

- |  |                 |
|--|-----------------|
| <ul style="list-style-type: none"> <li>• <b>Strategy for reducing cost of water to lakes;</b><br/>(summary of action by AJ, no more than 3 lines)</li> </ul>                 | <b>COMPLETE</b> |
| <ul style="list-style-type: none"> <li>• <b>Discussion with PO proprietors;</b><br/>(summary of action by GD, no more than 3 lines)</li> </ul>                               | <b>COMPLETE</b> |
| <ul style="list-style-type: none"> <li>• <b>Identify possible properties for sale;</b><br/>(summary of action by AJ, no more than 3 lines)</li> </ul>                        | <b>COMPLETE</b> |
| <ul style="list-style-type: none"> <li>• <b>Draft communication plan for waste management increases;</b><br/>(summary of action by AJ, no more than 3 lines)</li> </ul>      | <b>COMPLETE</b> |
| <ul style="list-style-type: none"> <li>• <b>Assessment of aged and disability services vehicle condition;</b><br/>(summary of action by GD, no more than 3 lines)</li> </ul> | <b>COMPLETE</b> |
| <ul style="list-style-type: none"> <li>• <b>Collate ideas for reduction in Community Support Program:</b></li> </ul>   | <b>COMPLETE</b> |

(summary of action by GD, no more than 3 lines)

**JULY 2014** (same format as June)

- **Assess reduction of light fleet**
- **Draft communication plan for reduction of support for corporate memberships and community groups.**
- **Identify all customer services and identify possible alternate channels**
- **Identify possible swimming pool partnership activities**
- **Sale of property action plan** (attach action plan milestones as well and substitute these into the front plan milestones for the September report)
- **Aged and Disability Services discussions with staff**

**AUGUST 2014** (same format as June)

- **Swimming pool partnership action plan** (attach action plan milestones as well and substitute these into the front plan milestones for the September report)
- **Identify possible urban area efficiencies**
- **Staff consultation for customer service alternatives**
- **Alternate ideas for community transport**

- **Consult staff in regard to reduction in light fleet**

- **Interview managers to identify possible additional savings**

#### 4. Financial Report

Snapshot	\$000's	%
2014-15 Savings Target:	1,282	100
Savings To Date:	1,084	85%
Balance to achieve Target:	197.51	15%

2014-15 Budget: Se

Re

Service Area	Measure to achieve	Savings 14-15 \$000's							
			Jul		Aug		Sep		
			Target	Actual	Target	Actual	Target	Actual	Tar
Asset Rationalisation	2014/15 Reduce light fleet.	50	12	12					
Community Support	Reduce to 1.5EFT re Youth and Eco Dev	90							
Lakes	No further contribution to water costs	55	55	55					
Procurement	Reduce to 2.5EFT	70							
Road Services	Revised depreciation arising from new Road Management Plan	556	556	556					
Corporate Support	Reduce level of donations and allocations	30.5	30.5	30.5					
Waste & Environment	Full Cost Recovery	431	431	431					
<b>Total Savings as per 2014-15 Budget &gt;&gt;&gt;</b>		<b>1,282</b>	<b>1,084</b>	<b>1,084</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

# Monthly Report on Implementation of Budget Changes

## Report to end September 2014

### 1. Introduction:

This report provides information on the changes being undertaken to implement the 2014/15 Budget and the likely 2015/16 Budget. It shows the timetable for budget implementation as provided to Councillors in July 2014 and reports progress against that timetable. The final section reports actual cost savings against targeted savings.

### 2. Timetable for Budget Implementation:

The budget implementation plan was developed to provide timeframes as an indicative timetable for the implementation and is modified to include greater detail as we progress. Where *Action Plans* are mentioned these will be replaced by further milestones once the Action Plans have been developed.

The budget implementation plan previously provided to Councillors and subsequently modified with the addition of action plan milestones is as follows:

Month 2014/15	Item
June 2014	<ul style="list-style-type: none"><li>• Strategy for reducing cost of water to lakes;</li><li>• Discussion with PO proprietors;</li><li>• Identify possible properties for sale;</li><li>• Draft communication plan for waste management increases;</li><li>• Assessment of aged and disability services vehicle condition;</li><li>• Collate ideas for reduction in Community Support Program</li></ul>
July	<ul style="list-style-type: none"><li>• Assess reduction of light fleet</li><li>• Draft communication plan for reduction of support for corporate memberships and community groups.</li><li>• Identify all customer services and identify possible alternate channels</li><li>• Identify possible swimming pool partnership activities</li><li>• Sale of property action plan</li><li>• Aged and Disability Services discussions with staff</li><li>• Write to Lake Committees officially advising them of Council's budget decision and the implications for their group.</li></ul>
Aug	<ul style="list-style-type: none"><li>• Swimming pool partnership action plan</li><li>• Identify possible urban area efficiencies</li><li>• Staff consultation for customer service alternatives</li><li>• Alternate ideas for community transport</li><li>• Consult staff in regard to reduction in light fleet</li><li>• Interview managers to identify possible additional savings</li></ul>
Sep	<ul style="list-style-type: none"><li>• Action plan to implement new rostering, sell graders and grader purchase</li><li>• Action plan for community transport</li><li>• Ideas for efficiencies in Aged and Disability Services</li><li>• Staff consultation on new rostering, sell graders and grader purchase</li><li>• RTF for new grader</li><li>• Action plan for light fleet reduction</li><li>• Action plan for efficiencies in Aged and Disability Services</li></ul>

	<ul style="list-style-type: none"> <li>• Target government funding for Community Support Program</li> <li>• Community consultation re customer service</li> <li>• Review library services</li> <li>• Identify procurement efficiencies and consult staff</li> <li>• Finalise a List of Saleable Assets with a short term, medium term and long term focus</li> <li>• Consult staff re urban areas efficiencies</li> </ul>
<b>Oct</b>	<ul style="list-style-type: none"> <li>• Light fleet reduction action plan</li> <li>• Consult staff re library services and identify efficiencies</li> <li>• Finalise outcomes of efficiency planning workshops with all works staff</li> <li>• Review A&amp;D policy &amp; procedures for waiting lists &amp; priority of access</li> </ul>
<b>Nov</b>	<ul style="list-style-type: none"> <li>• Action plan for Community Support Program efficiencies</li> <li>• Action plan for urban areas efficiencies</li> <li>• Meet with remnants of pool committees to seek interest in re-establishing advisory committees</li> <li>• Investigation effectiveness and cost of drag-behind grader rollers including demo.</li> <li>• Finalise investigation into completing road slashing in-house</li> <li>• Council report addressing the sale of assets highlighted as short term</li> <li>• Report to SMT following opportunities workshops held with works staff.</li> <li>• Communicate with volunteers re Community Transport planned service phase out</li> <li>• Communicate with transport clients re Community Transport phase out</li> <li>• Consult with Wycheproof Taxi Service Proprietors</li> </ul>
<b>Dec</b>	<ul style="list-style-type: none"> <li>• Action plan for Customer Support Program efficiencies.</li> <li>• Action plan for procurement efficiencies</li> <li>• Begin process of advertising/selling designated short term assets</li> <li>• Assess future impact of \$1million Country Roads and Bridges Program.</li> <li>• Investigate grader crew efficiency gains on 10 hour days (4 days per week)</li> <li>• Award tender for grader/trade-in of old graders</li> <li>• Identify gravel pit opportunities/challenges</li> <li>• Hold town-based meetings with Committees of Management, schools, Sports Assemblies and clubs on use of volunteers to offer programs/opportunities for greater pool use (i.e. volunteer sessions, come and try/fun days, etc)</li> <li>• Consult with current users of taxi service</li> <li>• Present A&amp;D policy &amp; procedures to A &amp; D team &amp; trial application of same through assessment processes</li> </ul>
<b>Jan 2015</b>	<ul style="list-style-type: none"> <li>• Consult with staff re gravel pit opportunities/challenges</li> <li>• Library service documentation</li> <li>• Communicate with A&amp;D clients re possibility of waiting list</li> </ul>
<b>Feb</b>	<ul style="list-style-type: none"> <li>• Provide report on 'Future Structure and Service Level of Road Services in Buloke'</li> <li>• Additional savings proposals to Council</li> <li>• Media advice to general public re Community Transport withdrawal</li> </ul>
<b>Mar</b>	<ul style="list-style-type: none"> <li>• Library service agreement report to Council</li> <li>• Gravel pit action plan</li> </ul>

	<ul style="list-style-type: none"> <li>• Implement Aquatic Strategy recommendations, including further investigation into management models and other cost-saving options.</li> <li>• Withdrawal of Community Transport service</li> <li>• Consider implementation of waiting list in context of a review 14/15 A &amp; D Services Budget Performance</li> </ul>
<b>April</b>	
<b>May</b>	<ul style="list-style-type: none"> <li>• Review and begin process of advertising/selling designated medium term assets</li> </ul>
<b>June</b>	

### 3. Progress against Items

#### JUNE 2014

- **Strategy for reducing cost of water to lakes;** **COMPLETE**

Letters were sent to all Lake Committees of Management outlining the changes and GWM Water notified to change the account holder names.

- **Discussion with PO proprietors;** **COMPLETE**

Visits and follow up correspondence to all 10 Post Office outlets. 8 post offices and Wyche Office will be available for over the counter transactions. Post Office proprietors are in agreement with changes. Five outlets offer direct disabled access and four offer modified access by way of a bell.

- **Identify possible properties for sale;** **COMPLETE**

A preliminary list has been generated and submitted to the Senior Management Team for feedback. A report to go to the October 2014 Council Meeting outlining the properties to be sold in the short term, with a further list to be considered following further community consultation.

- **Draft communication plan for waste management increases;** **COMPLETE**

Full cost recovery for waste management has been communicated through media releases during the 2014/15 budget adoption and is being charged through the rates process.

- **Assessment of aged and disability services vehicle condition;** **COMPLETE**

Analysis of vehicles undertaken and presented to SMT. Build dates from 2004 to 2009 with odometer readings at 30 June 2014 ranging between 104,000 to 227,000 kms. Based on vehicle condition the vehicles will continue to steadily deteriorate

- **Collate ideas for reduction in Community Support Program;** **COMPLETE**

Staff have identified potential funding for 0.5 of Youth Development officer if *Engage* grant is successful which will be know by November. No salary or oncost funding has been identified for Community or Economic Development Officer roles. Proposal to reposition the Community Support team into more of a grant seeking unit was not seen as required for Council needs. Program staff looking at the options of redeployment in to other areas of Council.



## JULY 2014

- **Assess reduction of light fleet**

**COMPLETE**

Vehicles loaded to Outlook MRM booking system. Four vehicles collected for disposal action via public auction. (Reduction of 6% of light fleet). A further vehicle being disposed in October. A further 2 required to meet the 10% reduction target. Boards for keys to be shortly erected at all offices for access to all keys during working hours.

- **Draft communication plan for reduction of support for corporate memberships and community groups.**

**COMPLETE**

List of support reviewed as part of 2013/14 Budget. Support or sponsorships identified as a being reduced have been advised by phone and in writing. Payments approved first week of August and issued by Finance. This item is finalised.

- **Identify all customer services and identify possible alternate channels**

**COMPLETE**

List of 36 over the counter services identified. Business units asked to provide options for service delivery of the 36 items by 23 July 2014. Separate report coming to Councillor Briefing

- **Identify possible swimming pool partnership activities**

**UNDERWAY**

The aquatic strategy was adopted at the August Council Meeting, referencing a greater contribution from Committees of Management. Staff will be organising meetings with CoM's in October to workshop ideas for greater usage of pools and also investigate a Committee of Management model for managing pools.

- **Sale of property action plan**

**COMPLETE**

A preliminary list was developed and discussed by the Senior Management Team. A report will go to the December 2014 Council Meeting, outlining the properties to be sold in the short term, with a further list to be considered following further community consultation.

- **Aged and Disability Services discussions with staff**

**COMPLETE**

High level Action Plan provided to SMT in July. Staff met on 4 August 2014 to discuss development of action plans for each area including HACCC, Meals on Wheels. Work progressing on development of a Priority Of Access Tool (POAT) to help manage expected implementation of waiting list. Home Maintenance and Meals on Wheels programs under discussion with procurement re possible tendering.

## AUGUST 2014

- **Swimming pool partnership action plan**

**COMPLETE**

The aquatic strategy was adopted at the August Council Meeting, referencing a greater contribution from Committees of Management. Staff will be organising meetings with CoM's in November and December to workshop ideas for greater usage of pools and also investigate a Committee of Management model for managing pools.

- **Identify possible urban area efficiencies**

**COMPLETE**

Initial meetings held with superintendents and all staff and the list of possible efficiencies has been developed for further review as part of the overall Works Efficiencies Workshops. The list has been circulated to the SMT. A full report on the efficiencies is to be presented to the SMT in late November.

- **Staff consultation for customer service alternatives** **COMPLETE**

Discussion of CSOs on 7 August 2014 reviewed lists of ideas for over the counter services. List of services with proposed actions provided to SMT meeting on 14 August 2014. Separate report coming to Councillor Briefing

- **Alternate ideas for community transport** **UNDERWAY**

Commenced dialogue with regional volunteer coordination organisations in Horsham and Bendigo to explore possible future options. Sought invitation to participate in consultation process managed through Volunteering Western Victoria to commence later this year.

- **Consult staff in regard to reduction in light fleet** **UNDERWAY**

Consultation yet to occur. New policy developed. Migration strategy underway and will be completed in October prior to consultation with staff.

- **Interview managers to identify possible additional savings** **SAVINGS TO BE REPORTED**

Initial consultations have occurred but many of these savings will need to be tracked over time as it the organisation's capacity to make additional savings in terms of reduced staffing/service levels becomes clearer. A more meaningful response for future reports will be to list the savings being made as they occur.

#### **SEPTEMBER 2014**

- **Action plan to implement new rostering, sell graders and grader purchase** **COMPLETE**

Action plan complete and included in milestones. A drag-behind roller has been hired for one month to trial the efficiency and effectiveness of the single operator grading works. Completion of roadside slashing (currently contracted) to be bought in-house for the 15/16 fire season. Roads to Recovery funding has been confirmed, with the future of the Country Roads and Bridges Program to be known after the state election (outcome will determine revenue levels for internal capital works capacity).

- **Action plan for community transport** **COMPLETE**

Action plan developed for Community Transport including consultation with staff and stakeholders to progress during October and November, and included in milestones.

- **Ideas for efficiencies in Aged and Disability Services** **COMPLETE**

Included in Action Plan developed for Aged and Disability Services and included in milestones.

- **Staff consultation on new rostering, sell graders and grader purchase** **COMPLETE**

Staff consultation undertaken. This will continue in parallel with the Enterprise Agreement work occurring.

- **RTF for new grader** **COMPLETE**

Joint tender has been advertised to purchase new grader and trade in two older graders.

- **Action plan for light fleet reduction** **UNDERWAY**

Consultation yet to occur. New policy developed. Migration strategy underway and will be completed in October prior to consultation with staff.

- **Action plan for efficiencies in Aged and Disability Services** **COMPLETE**

Action plan developed for Aged and Disability Services and included in milestones.

- **Target government funding for Community Support Program** **COMPLETE**

Engage grant for Youth Development funding submitted and announcement expected in the coming weeks. Funding for Community and Economic Development has not been accessible in current grant programs.

- **Community consultation re customer service** **COMPLETE**

Articles were placed in the 3 local papers advising the community when each office is open until closure of public access at 4 offices end of November. Signs placed on each office door advising new opening hours. Letters were sent out to customers with bookings for council halls and senior citizens rooms advising on key access. Letters were sent out to all HACC clients advising new opening hours.

- **Review library services** **NOT COMMENCED**

Initial discussions to commence during October.

- **Identify procurement efficiencies and consult staff** **UNDERWAY**

Some efficiencies identified and initial discussions with staff to commence during October.

- **Finalise a List of Saleable Assets with a short term, medium term and long term focus** **UNDERWAY**

List is being finalised. To be presented to Council at the December Ordinary Council meeting.

- **Consult staff re urban areas efficiencies** **COMPLETE**

Initial meetings held with superintendents and all staff and the list of possible efficiencies was developed for further review as part of the overall Works Efficiencies Workshops.

#### 4. Financial Report

The **2014-15 Budget: Service Reviews Savings Monitor** (as shown below) provides a summary of the key savings measures to be achieved and implemented in each service area throughout 2014/15. The successful implementation of these measures will achieve annual savings of \$1.232m.

At the end of September 2014, the table shows that Council effectively achieved 80% or \$1.020m of the \$1.232m of savings identified in the adopted 2014/15 Budget. The table shows the balance of savings are targeted to be achieved in future months across the financial year.

Of note, the year to date savings achieved in asset rationalisation decreased due to accounting losses on the sale of vehicles and plant. In particular, a \$37,508 loss was brought to account given the street-sweeper aka 'green machine' was carried at a depreciated book value for \$44,781, but realised a loss, given the sale proceeds were \$7,273. Similarly, several vehicles were sold at a book loss given the depreciated value was higher than the actual sale proceeds.

## 2014-15 Budget: Service Reviews Savings Monitor

Report Date: September 2014

Snapshot	\$000's	%
2014-15 Savings Target:	1,282	100
Savings To Date:	1,020	80%
Balance to achieve Target:	261.51	20%

Service Area	Measure to achieve	Savings 14-15 \$000's	<<< 2014-15 >>>																								Annual Total Target Actual	Completion Status		
			Jul		Aug		Sep		Oct		Nov		Dec		Jan		Feb		Mar		Apr		May		June					
			Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual				
Asset Rationalisation	2014/15 Reduce light fleet.	50	12	12				-64			5								20						13		50	-52	-104%	
Community Support	Reduce to 1.5EFT re Youth and Eco Dev	90																			90						90	0	0%	
Lakes	No further contribution to water costs	55	55	55																						55	55	100%	✓	
Procurement	Reduce to 2.5EFT	70																	70								70	0	0%	
Road Services	Revised depreciation arising from new Road Management Plan	556	556	556																						556	556	100%	✓	
Corporate Support	Reduce level of donations and allocations	30.5	30.5	30.5																						30.5	30.5	100%	✓	
Waste & Environment	Full Cost Recovery	431	431	431																						431	431	100%	✓	
Total Savings as per 2014-15 Budget >>>		1,282	1,084	1,084	0	0	0	-64	0	0	5	0	0	0	0	0	0	0	90	0	90	0	0	0	13	0	1,282	1,020		



# Monthly Report on Implementation of Budget Changes

## Report to end October 2014

### 1. Introduction:

This report provides information on the changes being undertaken to implement the 2014/15 Budget and the likely 2015/16 Budget. It shows the timetable for budget implementation as provided to Councillors in July 2014 and reports progress against that timetable. The final section reports actual cost savings against targeted savings.

### 2. Timetable for Budget Implementation:

The budget implementation plan was developed to provide timeframes as an indicative timetable for the implementation and is modified to include greater detail as we progress. Where *Action Plans* are mentioned these will be replaced by further milestones once the Action Plans have been developed.

The budget implementation plan previously provided to Councillors and subsequently modified with the addition of action plan milestones is as follows:

Month 2014/15	Item
June 2014	<ul style="list-style-type: none"><li>• Strategy for reducing cost of water to lakes;</li><li>• Discussion with PO proprietors;</li><li>• Identify possible properties for sale;</li><li>• Draft communication plan for waste management increases;</li><li>• Assessment of aged and disability services vehicle condition;</li><li>• Collate ideas for reduction in Community Support Program</li></ul>
July	<ul style="list-style-type: none"><li>• Assess reduction of light fleet</li><li>• Draft communication plan for reduction of support for corporate memberships and community groups.</li><li>• Identify all customer services and identify possible alternate channels</li><li>• Identify possible swimming pool partnership activities</li><li>• Sale of property action plan</li><li>• Aged and Disability Services discussions with staff</li><li>• Write to Lake Committees officially advising them of Council's budget decision and the implications for their group.</li></ul>
Aug	<ul style="list-style-type: none"><li>• Swimming pool partnership action plan</li><li>• Identify possible urban area efficiencies</li><li>• Staff consultation for customer service alternatives</li><li>• Alternate ideas for community transport</li><li>• Consult staff in regard to reduction in light fleet</li><li>• Interview managers to identify possible additional savings</li></ul>
Sep	<ul style="list-style-type: none"><li>• Action plan to implement new rostering, sell graders and grader purchase</li><li>• Action plan for community transport</li><li>• Ideas for efficiencies in Aged and Disability Services</li><li>• Staff consultation on new rostering, sell graders and grader purchase</li><li>• RTF for new grader</li><li>• Action plan for light fleet reduction</li><li>• Action plan for efficiencies in Aged and Disability Services</li></ul>

	<ul style="list-style-type: none"> <li>• Target government funding for Community Support Program</li> <li>• Community consultation re customer service</li> <li>• Review library services</li> <li>• Identify procurement efficiencies and consult staff</li> <li>• Finalise a List of Saleable Assets with a short term, medium term and long term focus</li> <li>• Consult staff re urban areas efficiencies</li> </ul>
<b>Oct</b>	<ul style="list-style-type: none"> <li>• Light fleet reduction action plan</li> <li>• Consult staff re library services and identify efficiencies</li> <li>• Finalise outcomes of efficiency planning workshops with all works staff</li> <li>• Review A&amp;D policy &amp; procedures for waiting lists &amp; priority of access</li> </ul>
<b>Nov</b>	<ul style="list-style-type: none"> <li>• Action plan for Community Support Program efficiencies</li> <li>• Action plan for urban areas efficiencies</li> <li>• Meet with remnants of pool committees to seek interest in re-establishing advisory committees</li> <li>• Investigation effectiveness and cost of drag-behind grader rollers including demo.</li> <li>• Finalise investigation into completing road slashing in-house</li> <li>• Council report addressing the sale of assets highlighted as short term</li> <li>• Report to SMT following opportunities workshops held with works staff.</li> <li>• Communicate with volunteers re Community Transport planned service phase out</li> <li>• Communicate with transport clients re Community Transport phase out</li> <li>• Consult with Wycheproof Taxi Service Proprietors</li> </ul>
<b>Dec</b>	<ul style="list-style-type: none"> <li>• Action plan for Customer Support Program efficiencies.</li> <li>• Action plan for procurement efficiencies</li> <li>• Begin process of advertising/selling designated short term assets</li> <li>• Assess future impact of \$1million Country Roads and Bridges Program.</li> <li>• Investigate grader crew efficiency gains on 10 hour days (4 days per week)</li> <li>• Award tender for grader/trade-in of old graders</li> <li>• Identify gravel pit opportunities/challenges</li> <li>• Hold town-based meetings with Committees of Management, schools, Sports Assemblies and clubs on use of volunteers to offer programs/opportunities for greater pool use (i.e. volunteer sessions, come and try/fun days, etc)</li> <li>• Consult with current users of taxi service</li> <li>• Present A&amp;D policy &amp; procedures to A &amp; D team &amp; trial application of same through assessment processes</li> </ul>
<b>Jan 2015</b>	<ul style="list-style-type: none"> <li>• Consult with staff re gravel pit opportunities/challenges</li> <li>• Library service documentation</li> <li>• Communicate with A&amp;D clients re possibility of waiting list</li> </ul>
<b>Feb</b>	<ul style="list-style-type: none"> <li>• Provide report on 'Future Structure and Service Level of Road Services in Buloke'</li> <li>• Additional savings proposals to Council</li> <li>• Media advice to general public re Community Transport withdrawal</li> </ul>
<b>Mar</b>	<ul style="list-style-type: none"> <li>• Library service agreement report to Council</li> <li>• Gravel pit action plan</li> </ul>



	<ul style="list-style-type: none"> <li>• Implement Aquatic Strategy recommendations, including further investigation into management models and other cost-saving options.</li> <li>• Withdrawal of Community Transport service</li> <li>• Consider implementation of waiting list in context of a review 14/15 A &amp; D Services Budget Performance</li> </ul>
<b>April</b>	
<b>May</b>	<ul style="list-style-type: none"> <li>• Review and begin process of advertising/selling designated medium term assets</li> </ul>
<b>June</b>	

### 3. Progress against Items

#### JUNE 2014

- **Strategy for reducing cost of water to lakes;** **COMPLETE**

Letters were sent to all Lake Committees of Management outlining the changes and GWM Water notified to change the account holder names.

- **Discussion with PO proprietors;** **COMPLETE**

Visits and follow up correspondence to all 10 Post Office outlets. 8 post offices and Wyche Office will be available for over the counter transactions. Post Office proprietors are in agreement with changes. Five outlets offer direct disabled access and four offer modified access by way of a bell.

- **Identify possible properties for sale;** **COMPLETE**

A preliminary list has been generated and submitted to the Senior Management Team for feedback. A report to go to the December 2014 Council Meeting outlining the properties to be sold in the short term, with a further list to be considered following further community consultation.

- **Draft communication plan for waste management increases;** **COMPLETE**

Full cost recovery for waste management has been communicated through media releases during the 2014/15 budget adoption and is being charged through the rates process.

- **Assessment of aged and disability services vehicle condition;** **COMPLETE**

Analysis of vehicles undertaken and presented to SMT. Build dates from 2004 to 2009 with odometer readings at 30 June 2014 ranging between 104,000 to 227,000 kms. Based on vehicle condition the vehicles will continue to steadily deteriorate

- **Collate ideas for reduction in Community Support Program;** **COMPLETE**

Staff have identified potential funding for 0.5 of Youth Development officer if *Engage* grant is successful which will be know by November. No salary or oncost funding has been identified for Community or Economic Development Officer roles. Proposal to reposition the Community Support team into more of a grant seeking unit was not seen as required for Council needs. Program staff looking at the options of redeployment in to other areas of Council.

## JULY 2014

- **Assess reduction of light fleet**

**COMPLETE**

Vehicles loaded to Outlook MRM booking system. Four vehicles collected for disposal action via public auction. (Reduction of 6% of light fleet). A further vehicle being disposed in October. A further 2 required to meet the 10% reduction target. Boards for keys to be shortly erected at all offices for access to all keys during working hours.

- **Draft communication plan for reduction of support for corporate memberships and community groups.**

**COMPLETE**

List of support reviewed as part of 2013/14 Budget. Support or sponsorships identified as a being reduced have been advised by phone and in writing. Payments approved first week of August and issued by Finance. This item is finalised.

- **Identify all customer services and identify possible alternate channels**

**COMPLETE**

List of 36 over the counter services identified. Business units asked to provide options for service delivery of the 36 items by 23 July 2014. Separate report coming to Councillor Briefing

- **Identify possible swimming pool partnership activities**

**UNDERWAY**

The aquatic strategy was adopted at the August Council Meeting, referencing a greater contribution from Committees of Management. Meetings with CoM's has commenced in October to workshop ideas for greater usage of pools and also investigate a Committee of Management model for managing pools. Further meetings to be held through November and December.

- **Sale of property action plan**

**COMPLETE**

A preliminary list was developed and discussed by the Senior Management Team. A report will go to the December 2014 Council Meeting, outlining the properties to be sold in the short term, with a further list to be considered following further community consultation.

- **Aged and Disability Services discussions with staff**

**COMPLETE**

High level Action Plan provided to SMT in July. Staff met on 4 August 2014 to discuss development of action plans for each area including HACC, Meals on Wheels. Work progressing on development of a Priority Of Access Tool (POAT) to help manage expected implementation of waiting list. Home Maintenance and Meals on Wheels programs under discussion with procurement re possible tendering.

## AUGUST 2014

- **Swimming pool partnership action plan**

**COMPLETE**

The aquatic strategy was adopted at the August Council Meeting, referencing a greater contribution from Committees of Management. Staff will be organising meetings with CoM's in November and December to workshop ideas for greater usage of pools and also investigate a Committee of Management model for managing pools.

- **Identify possible urban area efficiencies** **COMPLETE**

Initial meetings held with superintendents and all staff and the list of possible efficiencies has been developed for further review as part of the overall Works Efficiencies Workshops. The list has been circulated to the SMT. A full report on the efficiencies is to be presented to the SMT in late November.

- **Staff consultation for customer service alternatives** **COMPLETE**

Discussion of CSOs on 7 August 2014 reviewed lists of ideas for over the counter services. List of services with proposed actions provided to SMT meeting on 14 August 2014. Separate report coming to Councillor Briefing

- **Alternate ideas for community transport** **UNDERWAY**

Commenced dialogue with regional volunteer coordination organisations in Horsham and Bendigo to explore possible future options. Sought invitation to participate in consultation process managed through Volunteering Western Victoria to commence later this year.

- **Interview managers to identify possible additional savings** **SAVINGS TO BE REPORTED**

Initial consultations have occurred but many of these savings will need to be tracked over time as it the organisation's capacity to make additional savings in terms of reduced staffing/service levels becomes clearer. A more meaningful response for future reports will be to list the savings being made as they occur.

#### **SEPTEMBER 2014**

- **Action plan to implement new rostering, sell graders and grader purchase** **COMPLETE**

Action plan complete and included in milestones. A drag-behind roller has been hired for one month to trial the efficiency and effectiveness of the single operator grading works. Completion of roadside slashing (currently contracted) to be bought in-house for the 15/16 fire season. Roads to Recovery funding has been confirmed, with the future of the Country Roads and Bridges Program to be known after the state election (outcome will determine revenue levels for internal capital works capacity).

- **Action plan for community transport** **COMPLETE**

Action plan developed for Community Transport including consultation with staff and stakeholders to progress during October and November, and included in milestones.

- **Ideas for efficiencies in Aged and Disability Services** **COMPLETE**

Included in Action Plan developed for Aged and Disability Services and included in milestones.

- **Staff consultation on new rostering, sell graders and grader purchase** **COMPLETE**

Staff consultation undertaken. This will continue in parallel with the Enterprise Agreement work occurring.

- **RTF for new grader** **COMPLETE**

Joint tender has been advertised to purchase new grader and trade in two older graders. Tenders have closed and evaluation commenced. Target is to have report to the December meeting.

- **Action plan for light fleet reduction** **UNDERWAY**

Consultation yet to occur. New policy developed. Migration strategy underway and will be completed in October prior to consultation with staff.

- **Action plan for efficiencies in Aged and Disability Services** **COMPLETE**

Action plan developed for Aged and Disability Services and included in milestones.

- **Target government funding for Community Support Program** **COMPLETE**

Engage grant for Youth Development funding submitted and announcement expected in the coming weeks. Funding for Community and Economic Development has not been accessible in current grant programs.

- **Community consultation re customer service** **COMPLETE**

Articles were placed in the 3 local papers advising the community when each office is open until closure of public access at 4 offices end of November. Signs placed on each office door advising new opening hours. Letters were sent out to customers with bookings for council halls and senior citizens rooms advising on key access. Letters were sent out to all HACC clients advising new opening hours.

- **Review library services** **SUPERCEDED**

Initial discussions to commence during October.

- **Identify procurement efficiencies and consult staff** **COMPLETED**

Some efficiencies identified and initial discussions with staff to commence during October.

- **Finalise a List of Saleable Assets with a short term, medium term and long term focus** **UNDERWAY**

List is being finalised. To be presented to Council at the December briefing.

- **Consult staff re urban areas efficiencies** **COMPLETE**

Initial meetings held with superintendents and all staff and the list of possible efficiencies was developed for further review as part of the overall Works Efficiencies Workshops.

#### OCTOBER 2014

- **Consult staff re library services and identify efficiencies** **UNDERWAY**

Initial discussion held at SMT on 30 October with work to be progressed during November.

- **Review A&D policy & procedures for waiting lists & priority of access** **UNDERWAY**

A & D Waiting List policy and procedures have been reviewed by Manager Community Services and Priority of Access Tool developed and circulated within Coordination Unit for further review.

- **Finalise outcomes of efficiency planning workshops with all works staff** **UNDERWAY**

Staff have provided recommendations through to management for consideration. Management have prepared a draft response, and meeting to be held to present the final outcomes in late November.

- **Action plan for light fleet reduction**

**UNDERWAY**

Consultation held with all staff. New policy under further review with work to be progressed during November. Further consultation with staff to occur prior to migration strategy to be completed during November and December.

#### **4. Financial Report**

The **2014-15 Budget: Service Reviews Savings Monitor** (as shown in the first table below) provides a summary of the key savings measures to be achieved and implemented in each service area throughout 2014/15. The successful implementation of these measures will achieve annual savings of \$1.232m.

At the end of October 2014, the first table shows that Council effectively achieved 80% or \$1.020m of the \$1.232m of savings identified in the adopted 2014/15 Budget. This table shows the balance of savings are targeted to be achieved in future months across the financial year.

The second table provided below highlights the additional significant savings of \$2.718m to be achieved in the 2015/16 financial year. Awareness and focus on the 2015/16 financial year is appropriate at this early stage, to ensure the timely development of strategies to achieve these savings. Of note, the service area where \$648K of savings is targeted to be achieved in 2015/16, has yet to be identified.

## 2014-15 Budget: Service Reviews Savings Monitor

Report Date: October 2014

Snapshot	\$000's	%
2014-15 Savings Target:	1,282	100
Savings To Date:	1,020	80%
Balance to achieve Target:	261.51	20%

Service Area	Measure to achieve	Savings 14-15 \$000's	<<< 2014-15 >>>																								Completion Status				
			Jul		Aug		Sep		Oct		Nov		Dec		Jan		Feb		Mar		Apr		May		June			Annual Total			
			Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual		Target	Actual		
Asset Rationalisation	2014/15 Reduce light fleet.	50	12	12				-64			5								20							13		50	-52	-104%	
Community Support	Reduce to 1.5EFT re Youth and Eco Dev	90																			90							90	0	0%	
Lakes	No further contribution to water costs	55	55	55																								55	55	100%	✓
Procurement	Reduce to 2.5EFT	70																	70									70	0	0%	
Road Services	Revised depreciation arising from new Road Management Plan	556	556	556																								556	556	100%	✓
Corporate Support	Reduce level of donations and allocations	30.5	30.5	30.5																								30.5	30.5	100%	✓
Waste & Environment	Full Cost Recovery	431	431	431																								431	431	100%	✓
Total Savings as per 2014-15 Budget >>>		1,282	1,084	1,084	0	0	0	-64	0	0	5	0	0	0	0	0	0	0	90	0	90	0	0	0	13	0	1,282	1,020			



# Monthly Report on Implementation of Budget Changes

## Report to end November 2014

### 1. Introduction:

This report provides information on the changes being undertaken to implement the 2014/15 Budget and the likely 2015/16 Budget. It shows the timetable for budget implementation as provided to Councillors in July 2014 and reports progress against that timetable. The final section reports actual cost savings against targeted savings.

### 2. Timetable for Budget Implementation:

The budget implementation plan was developed to provide timeframes as an indicative timetable for the implementation and is modified to include greater detail as we progress. Where *Action Plans* are mentioned these will be replaced by further milestones once the Action Plans have been developed.

The budget implementation plan previously provided to Councillors and subsequently modified with the addition of action plan milestones is as follows:

Month 2014/15	Item
<b>June 2014</b>	<ul style="list-style-type: none"> <li>• Strategy for reducing cost of water to lakes;</li> <li>• Discussion with PO proprietors;</li> <li>• Identify possible properties for sale;</li> <li>• Draft communication plan for waste management increases;</li> <li>• Assessment of aged and disability services vehicle condition;</li> <li>• Collate ideas for reduction in Community Support Program</li> </ul>
<b>July</b>	<ul style="list-style-type: none"> <li>• Assess reduction of light fleet</li> <li>• Draft communication plan for reduction of support for corporate memberships and community groups.</li> <li>• Identify all customer services and identify possible alternate channels</li> <li>• Identify possible swimming pool partnership activities</li> <li>• Aged and Disability Services discussions with staff</li> <li>• Write to Lake Committees officially advising them of Council's budget decision and the implications for their group.</li> </ul>
<b>Aug</b>	<ul style="list-style-type: none"> <li>• Swimming pool partnership action plan</li> <li>• Identify possible urban area efficiencies</li> <li>• Staff consultation for customer service alternatives</li> <li>• Alternate ideas for community transport</li> <li>• Consult staff in regard to reduction in light fleet</li> <li>• Interview managers to identify possible additional savings</li> </ul>
<b>Sep</b>	<ul style="list-style-type: none"> <li>• Ideas for efficiencies in Aged and Disability Services</li> <li>• Staff consultation on new rostering, sell graders and grader purchase</li> <li>• RTF for new grader</li> <li>• Target government funding for Community Support Program</li> <li>• Community consultation re customer service</li> <li>• Review library services</li> <li>• Identify procurement efficiencies and consult staff</li> <li>• Finalise a List of Saleable Assets with a short term, medium term and long term focus</li> </ul>



	<ul style="list-style-type: none"> <li>• Consult staff re urban areas efficiencies</li> </ul>
<b>Oct</b>	<ul style="list-style-type: none"> <li>• Light fleet reduction action plan</li> <li>• Consult staff re library services and identify efficiencies</li> <li>• Finalise outcomes of efficiency planning workshops with all works staff</li> <li>• Review A&amp;D policy &amp; procedures for waiting lists &amp; priority of access</li> </ul>
<b>Nov</b>	<ul style="list-style-type: none"> <li>• Action plan for Community Support Program efficiencies</li> <li>• Action plan for urban areas efficiencies</li> <li>• Meet with remnants of pool committees to seek interest in re-establishing advisory committees</li> <li>• Investigation effectiveness and cost of drag-behind grader rollers including demo.</li> <li>• Finalise investigation into completing road slashing in-house</li> <li>• Council report addressing the sale of assets highlighted as short term</li> <li>• Report to SMT following opportunities workshops held with works staff.</li> <li>• Communicate with volunteers re Community Transport planned service phase out</li> <li>• Communicate with transport clients re Community Transport phase out</li> <li>• Consult with Wycheproof Taxi Service Proprietors</li> </ul>
<b>Dec</b>	<ul style="list-style-type: none"> <li>• Action plan for procurement efficiencies</li> <li>• Begin process of advertising/selling designated short term assets</li> <li>• Assess future impact of \$1million Country Roads and Bridges Program.</li> <li>• Investigate grader crew efficiency gains on 10 hour days (4 days per week)</li> <li>• Award tender for grader/trade-in of old graders</li> <li>• Identify gravel pit opportunities/challenges</li> <li>• Hold town-based meetings with Committees of Management, schools, Sports Assemblies and clubs on use of volunteers to offer programs/opportunities for greater pool use (i.e. volunteer sessions, come and try/fun days, etc)</li> <li>• Consult with current users of taxi service</li> <li>• Present A&amp;D policy &amp; procedures to A &amp; D team &amp; trial application of same through assessment processes</li> </ul>
<b>Jan 2015</b>	<ul style="list-style-type: none"> <li>• Consult with staff re gravel pit opportunities/challenges</li> <li>• Library service documentation</li> <li>• Communicate with A&amp;D clients re possibility of waiting list</li> </ul>
<b>Feb</b>	<ul style="list-style-type: none"> <li>• Provide report on 'Future Structure and Service Level of Road Services in Buloke'</li> <li>• Additional savings proposals to Council</li> <li>• Media advice to general public re Community Transport withdrawal</li> </ul>
<b>Mar</b>	<ul style="list-style-type: none"> <li>• Library service agreement report to Council</li> <li>• Gravel pit action plan</li> <li>• Implement Aquatic Strategy recommendations, including further investigation into management models and other cost-saving options.</li> <li>• Withdrawal of Community Transport service</li> <li>• Consider implementation of waiting list in context of a review 14/15 A &amp; D Services Budget Performance</li> </ul>
<b>April</b>	

<b>May</b>	<ul style="list-style-type: none"> <li>Review and begin process of advertising/selling designated medium term assets</li> </ul>
<b>June</b>	<ul style="list-style-type: none"> <li>Aerodrome Review Paper completed and presented to Councillor briefing</li> </ul>

### 3. Progress against Items

#### JUNE 2014

- Strategy for reducing cost of water to lakes; COMPLETE**

Letters were sent to all Lake Committees of Management outlining the changes and GWM Water notified to change the account holder names.

- Discussion with PO proprietors; COMPLETE**

Visits and follow up correspondence to all 10 Post Office outlets. 8 post offices and Wyche Office will be available for over the counter transactions. Post Office proprietors are in agreement with changes. Five outlets offer direct disabled access and four offer modified access by way of a bell.

- Identify possible properties for sale; COMPLETE**

A list has been generated and submitted to the Senior Management Team. A report has been provided to December 2014 Council Meeting outlining the properties to be sold in the short term, with a further list to be considered following further community consultation.

- Draft communication plan for waste management increases; COMPLETE**

Full cost recovery for waste management has been communicated through media releases during the 2014/15 budget adoption and is being charged through the rates process.

- Assessment of aged and disability services vehicle condition; COMPLETE**

Analysis of vehicles undertaken and presented to SMT. Build dates from 2004 to 2009 with odometer readings at 30 June 2014 ranging between 104,000 to 227,000 kms. Based on vehicle condition the vehicles will continue to steadily deteriorate

- Collate ideas for reduction in Community Support Program: COMPLETE**

Staff have identified potential funding for 0.5 of Youth Development officer if *Engage* grant is successful which will be know by November. No salary or oncost funding has been identified for Community or Economic Development Officer roles. Proposal to reposition the Community Support team into more of a grant seeking unit was not seen as required for Council needs. Program staff looking at the options of redeployment in to other areas of Council.

#### JULY 2014

- Assess reduction of light fleet COMPLETE**

Vehicles loaded to Outlook MRM booking system. Four vehicles collected for disposal action via public auction. (Reduction of 6% of light fleet). A further vehicle being disposed in October. A further 2 required to meet the 10% reduction target. Boards for keys to be shortly erected at all offices for access to all keys during working hours.

- **Draft communication plan for reduction of support for corporate memberships and community groups. COMPLETE**

List of support reviewed as part of 2013/14 Budget. Support or sponsorships identified as a being reduced have been advised by phone and in writing. Payments approved first week of August and issued by Finance. This item is finalised.

- **Identify all customer services and identify possible alternate channels COMPLETE**

List of 36 over the counter services identified. Business units asked to provide options for service delivery of the 36 items by 23 July 2014. Separate report coming to Councillor Briefing

- **Identify possible swimming pool partnership activities UNDERWAY**

The aquatic strategy was adopted at the August Council Meeting, referencing a greater contribution from Committees of Management. Meetings with CoM's have been held to workshop ideas for greater usage of pools and also investigate a Committee of Management model for managing pools. A presentation will be given at the February Briefing Session on outcomes of the meetings.

- **Aged and Disability Services discussions with staff COMPLETE**

High level Action Plan provided to SMT in July. Staff met on 4 August 2014 to discuss development of action plans for each area including HACCC, Meals on Wheels. Work progressing on development of a Priority Of Access Tool (POAT) to help manage expected implementation of waiting list. Home Maintenance and Meals on Wheels programs under discussion with procurement re possible tendering.

## **AUGUST 2014**

- **Identify possible urban area efficiencies COMPLETE**

Initial meetings held with superintendents and all staff and the list of possible efficiencies has been developed for further review as part of the overall Works Efficiencies Workshops. The list has been circulated to the SMT. A full report on the efficiencies has been presented to the SMT in November.

- **Staff consultation for customer service alternatives COMPLETE**

Discussion of CSOs on 7 August 2014 reviewed lists of ideas for over the counter services. List of services with proposed actions provided to SMT meeting on 14 August 2014. Separate report coming to Councillor Briefing

- **Alternate ideas for community transport UNDERWAY**

Commenced dialogue with regional volunteer coordination organisations in Horsham and Bendigo to explore possible future options. Sought invitation to participate in consultation process managed through Volunteering Western Victoria to commence later this year.

- **Interview managers to identify possible additional savings SAVINGS TO BE REPORTED**

Initial consultations have occurred but many of these savings will need to be tracked over time as it the organisation's capacity to make additional savings in terms of reduced staffing/service levels becomes clearer. A more meaningful response for future reports will be to list the savings being made as they occur.

### SEPTEMBER 2014

- **Action plan to implement new rostering, sell graders and grader purchase COMPLETE**

Action plan complete and included in milestones. A drag-behind roller has been hired for one month to trial the efficiency and effectiveness of the single operator grading works. Completion of roadside slashing (currently contracted) to be bought in-house for the 15/16 fire season. Roads to Recovery funding has been confirmed. The future of the Country Roads and Bridges Program is still not clear, however officers are not expecting this to continue (outcome will determine revenue levels for internal capital works capacity).

- **Action plan for community transport COMPLETE**

Action plan developed for Community Transport including consultation with staff and stakeholders to progress during October and November, and included in milestones.

- **Ideas for efficiencies in Aged and Disability Services COMPLETE**

Included in Action Plan developed for Aged and Disability Services and included in milestones.

- **Staff consultation on new rostering, sell graders and grader purchase COMPLETE**

Staff consultation undertaken. This will continue in parallel with the Enterprise Agreement work occurring.

- **RTF for new grader COMPLETE**

Joint tender has been advertised to purchase new grader and trade in two older graders. Tenders have closed and report has been prepared for December meeting.

- **Action plan for efficiencies in Aged and Disability Services COMPLETE**

Action plan developed for Aged and Disability Services and included in milestones.

- **Target government funding for Community Support Program COMPLETE**

Engage grant for Youth Development funding submitted and announcement expected in the coming weeks. Funding for Community and Economic Development has not been accessible in current grant programs.

- **Community consultation re customer service COMPLETE**

Articles were placed in the 3 local papers advising the community when each office is open until closure of public access at 4 offices end of November. Signs placed on each office door advising new opening hours. Letters were sent out to customers with bookings for council halls and senior citizens rooms advising on key access. Letters were sent out to all HACC clients advising new opening hours.

- **Review library services SUPERCEDED**

Initial discussions to commence during October.

- **Identify procurement efficiencies and consult staff** **COMPLETED**

Some efficiencies identified and initial discussions with staff to commence during October.

- **Finalise a List of Saleable Assets with a short term, medium term and long term focus** **COMPLETE**

List presented to Council at the December briefing.

- **Consult staff re urban areas efficiencies** **COMPLETE**

Initial meetings held with superintendents and all staff and the list of possible efficiencies was developed for further review as part of the overall Works Efficiencies Workshops.

#### **OCTOBER 2014**

- **Consult staff re library services and identify efficiencies** **UNDERWAY**

Initial discussion held at SMT on 30 October with work to be progressed during November.

- **Review A&D policy & procedures for waiting lists & priority of access** **UNDERWAY**

A & D Waiting List policy and procedures have been reviewed by Manager Community Services and Priority of Access Tool developed and circulated within Coordination Unit for further review.

- **Finalise outcomes of efficiency planning workshops with all works staff** **COMPLETE**

Staff have provided recommendations through to management for consideration. Management have prepared a draft response, and meeting to be held to present the final outcomes in late December/early January.

- **Action plan for light fleet reduction** **UNDERWAY**

Consultation held with all staff. New policy under further review with work to be progressed during November. Further consultation with staff to occur prior to migration strategy to be completed during November and December.

#### **NOVEMBER 2014**

- **Action plan for Community Support Program efficiencies**

A reduction by 1 EFT has occurred through internal redeployment. Efficiencies have been achieved by reallocation of an economic development asset in to the Assets budget at a reduced depreciation.

- **Action plan for urban areas efficiencies** **COMPLETE**

Action plan has been developed and presented to SMT.

- **Meet with remnants of pool committees to seek interest in re-establishing advisory committees** **COMPLETE**

Meetings held with all committees. Councillors to be briefed on outcomes in a February 2015 Briefing Session.

- **Investigation effectiveness and cost of drag-behind grader rollers including demo. COMPLETE**

Draft-behind roller has been in operation for 2 months. Investigations have been completed and the roller has proven to be effective. The officer recommendation is that we purchase the roller (through the hire/buy arrangements) in early 2015.

- **Finalise investigation into completing road slashing in-house COMPLETE**

Investigation completed. Slashing to be completed in-house in 2015/16 and beyond.

- **Council report addressing the sale of assets highlighted as short term COMPLETE**

A councillor workshop was held in early December highlighting short-term saleable properties, along with a longer term recommendation for each land holding.

- **Report to SMT following opportunities workshops held with works staff. COMPLETE**

SMT briefed on outcomes of the workshops with work staff.

- **Communicate with volunteers re Community Transport planned service phase out COMPLETE**

Correspondence sent to all registered volunteer drivers to advise of planned phase out of volunteer transport service by the end of March 2015.

- **Communicate with transport clients re Community Transport phase out COMPLETE**

Correspondence sent to users of the volunteer transport service to advise of phasing out of the service by the end of March 2015.

- **Consult with Wycheproof Taxi Service Proprietors UNDERWAY**

Meeting with proprietors to be held early December

#### **4. Financial Report**

The **2014-15 Budget: Service Reviews Savings Monitor** (as shown in the first table below) provides a summary of the key savings measures to be achieved and implemented in each service area throughout 2014/15. The successful implementation of these measures will achieve annual savings of \$1.232m.

At the end of November 2014, the first table shows that Council effectively achieved 80% or \$1.024m of the \$1.232m of savings identified in the adopted 2014/15 Budget. This table shows the balance of savings are targeted to be achieved in future months across the financial year.

The second table provided below highlights the additional significant savings of \$2.718m to be achieved in the 2015/16 financial year. Awareness and focus on the 2015/16 financial year is appropriate at this early stage, to ensure the timely development of strategies to achieve these savings. Of note, the service area where \$648K of savings is targeted to be achieved in 2015/16, has yet to be identified.

Snapshot	\$000's	%
2014-15 Savings Target:	1,282	100
Savings To Date:	1,024	80%
Balance to achieve Target:	257.51	20%

### 2014-15 Budget: Service Reviews Savings Monitor

Report Date: 30 November 2014



Service Area	Measure to achieve	Savings 14-15 \$000's	<<< 2014-15 >>>																								Completion Status			
			Jul		Aug		Sep		Oct		Nov		Dec		Jan		Feb		Mar		Apr		May		June			Annual Total		
			Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual		Target	Actual	
Asset Rationalisation	2014/15 Reduce light fleet.	50	12	12				-64			5	4							20						13		50	-48	-96%	
Community Support	Reduce to 1.5EFT re Youth and Eco Dev	90																			90						90	0	0%	
Lakes	No further contribution to water costs	55	55	55																						55	55	100%	✓	
Procurement	Reduce to 2.5EFT	70																	70								70	0	0%	
Road Services	Revised depreciation arising from new Road Management Plan	556	556	556																						556	556	100%	✓	
Corporate Support	Reduce level of donations and allocations	30.5	30.5	30.5																						30.5	30.5	100%	✓	
Waste & Environment	Full Cost Recovery	431	431	431																						431	431	100%	✓	
Total Savings as per 2014-15 Budget >>>		1,282	1,084	1,084	0	0	0	-64	0	0	5	4	0	0	0	0	0	0	90	0	90	0	0	0	13	0	1,282	1,024		





# Monthly Report on Implementation of Budget Changes

## Report to end January 2015

### 1. Introduction:

This report provides information on the changes being undertaken to implement the 2014/15 Budget and the likely 2015/16 Budget. It shows the timetable for budget implementation as provided to Councillors in July 2014 with additions since then, and reports progress against that timetable. The final section reports actual cost savings against targeted savings.

### 2. Timetable for Budget Implementation:

The budget implementation plan was developed to provide timeframes as an indicative timetable for the implementation and is modified to include greater detail as we progress. Where Action Plans are mentioned these will be replaced by further milestones once the Action Plans have been developed.

The budget implementation plan previously provided to Councillors and subsequently modified with the addition of action plan milestones is as follows:

Month 2014/15	Item
<b>June 2014</b>	<ul style="list-style-type: none"> <li>• Strategy for reducing cost of water to lakes;</li> <li>• Discussion with PO proprietors;</li> <li>• Identify possible properties for sale;</li> <li>• Draft communication plan for waste management increases;</li> <li>• Assessment of aged and disability services vehicle condition;</li> <li>• Collate ideas for reduction in Community Support Program</li> </ul>
<b>July</b>	<ul style="list-style-type: none"> <li>• Assess reduction of light fleet</li> <li>• Draft communication plan for reduction of support for corporate memberships and community groups.</li> <li>• Identify all customer services and identify possible alternate channels</li> <li>• Identify possible swimming pool partnership activities</li> <li>• Sale of property action plan</li> <li>• Aged and Disability Services discussions with staff</li> <li>• Write to Lake Committees officially advising them of Council's budget decision and the implications for their group.</li> </ul>
<b>Aug</b>	<ul style="list-style-type: none"> <li>• Swimming pool partnership action plan</li> <li>• Identify possible urban area efficiencies</li> <li>• Staff consultation for customer service alternatives</li> <li>• Alternate ideas for community transport</li> <li>• Consult staff in regard to reduction in light fleet</li> <li>• Interview managers to identify possible additional savings</li> </ul>
<b>Sep</b>	<ul style="list-style-type: none"> <li>• Action plan to implement new rostering, sell graders and grader purchase</li> <li>• Action plan for community transport</li> <li>• Ideas for efficiencies in Aged and Disability Services</li> <li>• Staff consultation on new rostering, sell graders and grader purchase</li> <li>• RTF for new grader</li> <li>• Action plan for light fleet reduction</li> <li>• Action plan for efficiencies in Aged and Disability Services</li> </ul>

	<ul style="list-style-type: none"> <li>• Target government funding for Community Support Program</li> <li>• Community consultation re customer service</li> <li>• Review library services</li> <li>• Identify procurement efficiencies and consult staff</li> <li>• Finalise a List of Saleable Assets with a short term, medium term and long term focus</li> <li>• Consult staff re urban areas efficiencies</li> </ul>
<b>Oct</b>	<ul style="list-style-type: none"> <li>• Light fleet reduction action plan</li> <li>• Consult staff re library services and identify efficiencies</li> <li>• Finalise outcomes of efficiency planning workshops with all works staff</li> <li>• Review A&amp;D policy &amp; procedures for waiting lists &amp; priority of access</li> </ul>
<b>Nov</b>	<ul style="list-style-type: none"> <li>• Action plan for Community Support Program efficiencies</li> <li>• Action plan for urban areas efficiencies</li> <li>• Meet with remnants of pool committees to seek interest in re-establishing advisory committees</li> <li>• Investigation effectiveness and cost of drag-behind grader rollers including demo.</li> <li>• Finalise investigation into completing road slashing in-house</li> <li>• Council report addressing the sale of assets highlighted as short term</li> <li>• Report to SMT following opportunities workshops held with works staff.</li> <li>• Communicate with volunteers re Community Transport planned service phase out</li> <li>• Communicate with transport clients re Community Transport phase out</li> <li>• Consult with Wycheproof Taxi Service Proprietors</li> </ul>
<b>Dec</b>	<ul style="list-style-type: none"> <li>• Action plan for Customer Support Program efficiencies.</li> <li>• Action plan for procurement efficiencies</li> <li>• Begin process of advertising/selling designated short term assets</li> <li>• Assess future impact of \$1million Country Roads and Bridges Program.</li> <li>• Investigate grader crew efficiency gains on 10 hour days (4 days per week)</li> <li>• Award tender for grader/trade-in of old graders</li> <li>• Identify gravel pit opportunities/challenges</li> <li>• Hold town-based meetings with Committees of Management, schools, Sports Assemblies and clubs on use of volunteers to offer programs/opportunities for greater pool use (i.e. volunteer sessions, come and try/fun days, etc)</li> <li>• Consult with current users of taxi service</li> <li>• Present A&amp;D policy &amp; procedures to A &amp; D team &amp; trial application of same through assessment processes</li> </ul>
<b>Jan 2015</b>	<ul style="list-style-type: none"> <li>• Consult with staff re gravel pit opportunities/challenges</li> <li>• Library service documentation</li> <li>• Communicate with A&amp;D clients re possibility of waiting list</li> </ul>
<b>Feb</b>	<ul style="list-style-type: none"> <li>• Provide report on 'Future Structure and Service Level of Road Services in Buloke'</li> <li>• Additional savings proposals to Council</li> <li>• Media advice to general public re Community Transport withdrawal</li> </ul>
<b>Mar</b>	<ul style="list-style-type: none"> <li>• Library service agreement report to Council</li> <li>• Gravel pit action plan</li> </ul>

	<ul style="list-style-type: none"> <li>• Implement Aquatic Strategy recommendations, including further investigation into management models and other cost-saving options.</li> <li>• Withdrawal of Community Transport service</li> <li>• Consider implementation of waiting list in context of a review 14/15 A &amp; D Services Budget Performance</li> </ul>
<b>April</b>	
<b>May</b>	<ul style="list-style-type: none"> <li>• Review and begin process of advertising/selling designated medium term assets</li> </ul>
<b>June</b>	

### 3. Progress against Items

#### JUNE 2014

- **Strategy for reducing cost of water to lakes;** **COMPLETE**

Letters were sent to all Lake Committees of Management outlining the changes and GWM Water notified to change the account holder names.

- **Discussion with PO proprietors;** **COMPLETE**

Visits and follow up correspondence to all 10 Post Office outlets. 8 post offices and Wyche Office will be available for over the counter transactions. Post Office proprietors are in agreement with changes. Five outlets offer direct disabled access and four offer modified access by way of a bell.

- **Identify possible properties for sale;** **COMPLETE**

A preliminary list has been generated and submitted to the Senior Management Team for feedback. A report to go to the December 2014 Council Meeting outlining the properties to be sold in the short term, with a further list to be considered following further community consultation.

- **Draft communication plan for waste management increases;** **COMPLETE**

Full cost recovery for waste management has been communicated through media releases during the 2014/15 budget adoption and is being charged through the rates process.

- **Assessment of aged and disability services vehicle condition;** **COMPLETE**

Analysis of vehicles undertaken and presented to SMT. Build dates from 2004 to 2009 with odometer readings at 30 June 2014 ranging between 104,000 to 227,000 kms. Based on vehicle condition the vehicles will continue to steadily deteriorate

- **Collate ideas for reduction in Community Support Program;** **COMPLETE**

Staff have identified potential funding for 0.5 of Youth Development officer if *Engage* grant is successful which will be know by November. No salary or oncost funding has been identified for Community or Economic Development Officer roles. Proposal to reposition the Community Support team into more of a grant seeking unit was not seen as required for Council needs. Program staff looking at the options of redeployment in to other areas of Council.

## JULY 2014

- **Assess reduction of light fleet**

**COMPLETE**

Vehicles loaded to Outlook MRM booking system. Four vehicles collected for disposal action via public auction. (Reduction of 6% of light fleet). A further vehicle being disposed in October. A further 2 required to meet the 10% reduction target. Boards for keys to be shortly erected at all offices for access to all keys during working hours.

- **Draft communication plan for reduction of support for corporate memberships and community groups.**

**COMPLETE**

List of support reviewed as part of 2013/14 Budget. Support or sponsorships identified as a being reduced have been advised by phone and in writing. Payments approved first week of August and issued by Finance. This item is finalised.

- **Identify all customer services and identify possible alternate channels**

**COMPLETE**

List of 36 over the counter services identified. Business units asked to provide options for service delivery of the 36 items by 23 July 2014. Separate report coming to Councillor Briefing

- **Identify possible swimming pool partnership activities**

**COMPLETE**

The aquatic strategy was adopted at the August Council Meeting, referencing a greater contribution from Committees of Management. Meetings with CoM's has commenced in October to workshop ideas for greater usage of pools and also investigate a Committee of Management model for managing pools. Further meetings to be held through November and December.

- **Sale of property action plan**

**COMPLETE**

A preliminary list was developed and discussed by the Senior Management Team. A report will go to the December 2014 Council Meeting, outlining the properties to be sold in the short term, with a further list to be considered following further community consultation.

- **Aged and Disability Services discussions with staff**

**COMPLETE**

High level Action Plan provided to SMT in July. Staff met on 4 August 2014 to discuss development of action plans for each area including HACC, Meals on Wheels. Work progressing on development of a Priority Of Access Tool (POAT) to help manage expected implementation of waiting list. Home Maintenance and Meals on Wheels programs under discussion with procurement re possible tendering.

## AUGUST 2014

- **Swimming pool partnership action plan**

**COMPLETE**

The aquatic strategy was adopted at the August Council Meeting, referencing a greater contribution from Committees of Management. Staff will be organising meetings with CoM's in November and December to workshop ideas for greater usage of pools and also investigate a Committee of Management model for managing pools.

- **Identify possible urban area efficiencies** **COMPLETE**

Initial meetings held with superintendents and all staff and the list of possible efficiencies has been developed for further review as part of the overall Works Efficiencies Workshops. The list has been circulated to the SMT. A full report on the efficiencies is to be presented to the SMT in late November.

- **Staff consultation for customer service alternatives** **COMPLETE**

Discussion of CSOs on 7 August 2014 reviewed lists of ideas for over the counter services. List of services with proposed actions provided to SMT meeting on 14 August 2014. Separate report coming to Councillor Briefing

- **Alternate ideas for community transport** **UNDERWAY**

Commenced dialogue with regional volunteer coordination organisations in Horsham and Bendigo to explore possible future options. Sought invitation to participate in consultation process managed through Volunteering Western Victoria to commence later this year. Met with Birchip community interest group and Sunassist to discuss alternative service options. Will provide assistance to progress workable options as requested.

- **Interview managers to identify possible additional savings** **UNDERWAY**

Initial consultations have occurred but many of these savings will need to be tracked over time as it the organisation's capacity to make additional savings in terms of reduced staffing/service levels becomes clearer. These savings will be identified in the 2015/16 budget process..

#### **SEPTEMBER 2014**

- **Action plan to implement new rostering, sell graders and grader purchase** **COMPLETE**

Action plan complete and included in milestones. A drag-behind roller has been hired for one month to trial the efficiency and effectiveness of the single operator grading works. Completion of roadside slashing (currently contracted) to be bought in-house for the 15/16 fire season. Roads to Recovery funding has been confirmed, with the future of the Country Roads and Bridges Program to be known after the state election (outcome will determine revenue levels for internal capital works capacity).

- **Action plan for community transport** **COMPLETE**

Action plan developed for Community Transport including consultation with staff and stakeholders to progress during October and November, and included in milestones.

- **Ideas for efficiencies in Aged and Disability Services** **COMPLETE**

Included in Action Plan developed for Aged and Disability Services and included in milestones.

- **Staff consultation on new rostering, sell graders and grader purchase** **COMPLETE**

Staff consultation undertaken. This will continue in parallel with the Enterprise Agreement work occurring.

- **RTF for new grader** **COMPLETE**

Joint tender has been advertised to purchase new grader and trade in two older graders. Tenders have closed and evaluation commenced. Target is to have report to the December meeting.

- **Action plan for light fleet reduction** **COMPLETE**

Action plan complete. New policy developed in consultation with staff and stakeholders. Excess vehicles identified for sale in March plus sale of A&D vehicles in May.

- **Action plan for efficiencies in Aged and Disability Services** **COMPLETE**

Action plan developed for Aged and Disability Services and included in milestones.

- **Target government funding for Community Support Program** **COMPLETE**

Engage grant for Youth Development funding submitted and announcement expected in the coming weeks. Funding for Community and Economic Development has not been accessible in current grant programs.

- **Community consultation re customer service** **COMPLETE**

Articles were placed in the 3 local papers advising the community when each office is open until closure of public access at 4 offices end of November. Signs placed on each office door advising new opening hours. Letters were sent out to customers with bookings for council halls and senior citizens rooms advising on key access. Letters were sent out to all HACC clients advising new opening hours.

- **Identify procurement efficiencies and consult staff** **COMPLETE**

Some efficiencies identified and initial discussions with staff to commence during October.

- **Finalise a List of Saleable Assets with a short term, medium term and long term focus** **COMPLETE**

List is being finalised. To be presented to Council at the December briefing.

- **Consult staff re urban areas efficiencies** **COMPLETE**

Initial meetings held with superintendents and all staff and the list of possible efficiencies was developed for further review as part of the overall Works Efficiencies Workshops.

#### OCTOBER 2014

- **Consult staff re library services and identify efficiencies** **UNDERWAY**

Initial discussion held at SMT on 30 October with work to be progressed during November. Met with Goldfields Library Corporation to discuss service.

- **Review A&D policy & procedures for waiting lists & priority of access** **COMPLETE**

A & D Waiting List policy and procedures have been reviewed by Manager Community Services and Priority of Access Tool developed and circulated within Coordination Unit for further review. Policy and procedures adopted and Access Tool being trialled.

- **Finalise outcomes of efficiency planning workshops with all Works staff** **COMPLETE**

Staff have provided recommendations through to management for consideration. Management have prepared a draft response, and meeting held to present the final outcomes.

- **Action plan for light fleet reduction** **COMPLETE**

Consultation held with all staff. New policy under further review with work to be progressed during November. Further consultation with staff to occur prior to migration strategy to be completed during November and December. Final consultation with staff to occur on 19 February.

#### **NOVEMBER 2014**

- **Action plan for Community Support Program efficiencies** **COMPLETE**

A reduction by 1 EFT has occurred.

- **Action plan for urban areas efficiencies** **COMPLETE**

Action plan developed .

- **Meet with remnants of pool committees to seek interest in re-establishing advisory committees** **COMPLETE**

Meetings held with all committees. Councillors to be briefed on outcomes in a February 2015 Briefing Session.

- **Investigate effectiveness and cost of drag-behind grader rollers** **COMPLETE**

Drag-behind roller has been in operation for 2 months. Investigations have been completed and the roller proven to be effective. Roller to be purchased (through the hire/buy arrangements) in early 2015.

- **Finalise investigation into completing road slashing in-house** **COMPLETE**

Investigation completed. Slashing to be completed in-house in 2015/16 and beyond.

- **Council briefing addressing the sale of assets highlighted as short term** **COMPLETE**

A councillor workshop was held in early December highlighting short-term saleable properties, along with a longer term recommendation for each land holding.

- **Report to SMT following opportunities workshops held with Works staff.** **COMPLETE**

SMT briefed on outcomes of the workshops with works staff.

- **Communicate with volunteers re Community Transport planned service phase out.**

**COMPLETE**

Correspondence and communication to all registered volunteer drivers to advise of planned phase out of volunteer transport service by the end of March 2015.

- **Communicate with transport clients re Community Transport phase out** **COMPLETE**

Correspondence and communication to users of the volunteer transport service to advise of phasing out of the service by the end of March 2015.

- **Consult with Wycheproof Taxi Service Proprietors** **COMPLETE**

Meeting with proprietors was held in early December 2014

#### DECEMBER 2014

- **Action plan for Community Support Program efficiencies.** **COMPLETE**  
Plan completed
- **Action plan for procurement efficiencies** **COMPLETE**  
Action plan complete. Reduction to 2 EFT to commence May 2015.
- **Begin process of advertising/selling designated short term assets** **UNDERWAY**  
Presentation to December Councillor Briefing on unused assets. Council report to March 2015 meeting to begin community consultation phase.
- **Assess future impact of \$1million Country Roads and Bridges Program.** **COMPLETE**  
The Country Roads and Bridges Program will not continue under the new Victorian Labor Government. This will take \$1million from our roads capital works program over the next four years.
- **Investigate grader crew efficiency gains on 10 hour days (4 days per week)** **UNDERWAY**  
Management believe that a move to 10 hour days over four days per week will increase efficiencies, through less time travelling/in transit. The ability to do this without paying overtime is dependent on the approval of the new EBA. If approved, trials will commence in early 2015 to gauge efficiency gains.
- **Award tender for grader/trade-in of old graders** **COMPLETE**  
Tender awarded. Delivery in February 2015.
- **Identify gravel pit opportunities/challenges** **UNDERWAY**  
Review of previous risk and gravel quality reports has been completed and on-site audits undertaken. Meetings are scheduled with state government to ascertain additional considerations in re-opening or decommissioning the pits. A consultant brief has been developed to assist with the strategic review.
- **Hold town-based meetings with Committees of Management, schools, Sports Assemblies and clubs on use of volunteers to offer programs/opportunities for greater pool use (i.e. volunteer sessions, come and try/fun days, etc)** **UNDERWAY**  
Ongoing meetings have been held with schools, pool committees and other key users. Staff are to prepare a briefing following the 2014/15 summer, outlining opportunities to increase pool usage.
- **Consult with current users of taxi service** **COMPLETE**  
All users of the Wycheproof taxi service have been advised that although Council subsidisation of the service will cease from 1 July 2015, Praters will continue to operate the taxi service
- **Present A&D policy & procedures to A & D team & trial application of same through assessment processes** **UNDERWAY**



Policy and procedures were reviewed at A & D Coordination staff meeting and Priority of Access Tool is currently being trialled by assessment staff during client assessment process

### **JANUARY 2015**

- **Consult with staff re gravel pit opportunities/challenges** **COMPLETE**  
Discussions have been held with key staff and contractors regarding future of gravel pits
- **Library Service documentation** **UNDERWAY**  
Dialogue continuing with relevant service provider whose Agreement due for renewal.
- **Communicate with A & D clients re waiting list** **COMPLETE**  
New clients referred to Council HACC services are being advised that due to resource constraints a 'waiting list' for service may be required in future to ensure services are targeted to those in highest need.

#### 4. Financial Report

The **2014-15 Budget: Service Reviews Savings Monitor** provides a summary of the key savings measures to be achieved and implemented in each service area throughout 2014/15. The successful implementation of these measures will achieve annual savings of \$1.283m in 2014-15. The table shows that Council expects to achieve the full savings of \$1.283m as per the adopted 2014-15 Budget and further that additional savings will be achieved in 2014-15 to contribute to the savings to be found in 2015-16. The table below was presented at the Councillors Budget Workshop on the 4<sup>th</sup> Feb 2015.

Budget Savings Matrix: Achieving the 2015/16 Budget Forecasts					
Service Area	Measure to achieve	Budgeted savings over 2 years i.e. 14/15 and 15/16	Savings found in 2014/15 Budget	Savings to be identified in 2015/16 Budget	Comment
Aged and Disability Services	Cap to 2014/15 Service Levels	150	130	20	Ongoing balance will be achieved in 2015/16 Budget by: embed the Active Service Model philosophy into our assessment and service practices. • Staff are working closely with Occupational Therapist to encourage clients to be more independent in their homes and thus to be less reliant on HACC services. • Staff have commenced trialling a Priority of Access Tool and Holistic Care Plan with the objective of prioritising client need versus their wants. If necessary a waiting list for non-urgent services may be introduced. • Endeavouring to provide less frequent episodes of service (i.e. domestic assistance being provided on a fortnightly or even monthly basis instead of weekly) where appropriate. • EBA provisions have been negotiated to provide service efficiencies. Department of Health re Council's intention to reduce expenditure in A & D service provision to 20% of the total cost. • Continuing to actively • Advice provided to
Aged and Disability Services	Cease taxi subsidy, volunteer transport and community bus	30	10	20	Ongoing balance will be achieved in 2015/16 Budget by: programs by the end of March 2015. • Phasing out of transport
Asset Rationalisation	2014/15 Reduce light fleet.	50	50	0	Achieved in 14/15 and ongoing
Asset Rationalisation	2015-16 Sale of properties	50	50	0	Achieved in 14/15 and ongoing
Community Support	Reduce to 1.5EFT re Youth and Eco Dev	230	27	203	Ongoing balance to be achieved in 2015/16 Budget by: longer provided by BSC staff member * Reduce depreciation in Economic development Bore project * Youth development no * Reduction in Economic development EFT
Customer Service	Close public access at four offices.	380	110	270	Will be achieved in 2015/16 Budget
Lakes	No further contribution to water costs	55	55	0	Achieved in 14/15 and ongoing
Procurement	Reduce to 2.5EFT	150	70	80	Ongoing balance to be achieved in 2015/16 Budget by: staff to 2EFT numbers and phasing out of transport services in A&D * Reducing Procurement * Reduction of light fleet to reflect current BSC staff
Road Services (depreciation)	Revised dep'n re new Road Management Plan	556	556	0	Achieved in 14/15 and ongoing
Road Services (inc Plant savings)	Reduce 6 graders to 4. Rationalise work crews.	970	350	620	Ongoing balance to be achieved in 2015/16 Budget by: crews (grader, roller and water-tanker) to 3 full grader crews and 2 single person grader/roller combination operations. • Bring slashing contract in-house from 2015 onwards • Anticipate additional staff resignations in 2015 • Restructure management/superintendent will see reduction in wage costs • Reduction of 6 full grader
Corporate Support	Reduce level of donations and allocations	30.5	30.5	0	Achieved in 14/15 and ongoing
Urban Areas/Parks & Gardens	25% reduction in resource levels	270	180	90	Ongoing balance to be achieved in 15/16 budget by: • Alterations to weekend cleaning, on-call services, lake caretaking completed by our full time staff 'non-peak periods' • Anticipate additional staff resignations in 2015 • Restructure management/superintendent will see reduction in wage costs
Waste & Environment	Full Cost Recovery	431	431	0	Achieved in 14/15 and ongoing
Sub Total >>>		3,352	2,049	1,303	
<b>Unidentified Savings to be found in 2015-16</b>					
Unidentified savings as per 2014/15 adopted budget	TBD	648		215	To be found in 2015/16 Budget
<b>Less Unbudgeted Ongoing Savings found in 2014/15</b>					
* Reduced Loan Interest re LGFV loan	Finance		39		Originally budgeted at 4.8% reduced to 4.24% on \$7m loan
* Savings from review of asset register depreciation	Finance		283		Correct depreciation rates assigned
* Building Surveyor Contract	Infrastructure Admin		46		Change to Building Surveying contract - reduction in weekly hours from 24 to 20
* Compliance staff	Compliance		28		0.4 EFT reduction
* Pound efficiencies	Compliance		22		Utilise Loddon pound facility and euthanise felines by firearm to reduce vet fees
* Reduction in legal fees	Compliance		15		Conduct fire infringement reviews internally, reducing legal costs.
Sub Total >>>		648	433	215	
All Totals >>>		4,000	2,482	1,518	<<< Major challenge is to identify 2015/16 savings in red and amber coloured areas. Green areas expected to be achieved.
		^ \$4m As per Adopted 2014/15 Budget			

## Council Service Review Program

SERVICE	2015/16	2016/17	2017/18
Local Laws	X		
Building and Planning	X		
Economic Development	X		
Enviro & Public Health		X	
Immunisation		X	
Community Development			X
School Crossings			X
Youth Development			X
Swimming Pools	X		
Waste & Enviro	X		
Asset Management	X		
Saleyards and Truckwash		X	
Road Services			X
Urban & Parks			X
Recreation		X	
Emergency Management		X	
Plant Management		X	
Property Maintenance			X
Payroll	X		
Return to Work			X
Staff Engagement			X
Employee Relations		X	
OHS		X	
Recruitment			X
Risk Management		X	
Insurance	X		
Library	X		
MCH	X		
Pre-School	X		
Meals on Wheels		X	
Home Care		X	
Brokered Programs			X
Senior Citizens			X
Aged Accommodation			X
Procurement	X		
IT	X		
Media	X		
Records management		X	
Customer Service			X
Revenue Collection			X
Rates	X		
Audit		X	
Creditors			X
Financial Management		X	
Governance	X		



Victorian Electoral Commission  
Level 11, 530 Collins Street  
Melbourne Vic 3000  
T (03) 8620 1100 F (03) 9629 8632  
vec.vic.gov.au

BULOKE SHIRE COUNCIL CENTRAL MAIL REGISTRY FILE NO. <u>40/07/05</u> RECEIVED <u>15 DEC 2015</u> DOCUMENT NO. <u>15-014396</u> DIRECTED TO .....
--

Our ref: D15/22514

11 December 2015

John Hicks  
Chief Executive Officer  
Buloke Shire Council  
PO Box 1  
Wycheproof VIC 3527

Dear Mr Hicks

I am pleased to provide the Victorian Electoral Commission's (**VEC's**) final service plan for the 2016 local government elections along with a cost estimate for the Buloke Shire Council General Elections 2016.

As you will be aware, the *Local Government Amendment (Improved Governance) Act 2015 (LG Amendment)* was recently passed by the Victorian Parliament. The LG Amendment establishes the VEC as the statutory election service provider to the local government sector and makes several other changes that impact on the election program. These changes have been reflected in the final service plan and, where possible, are incorporated in the cost estimate.

### Final election service plan

The final election service plan has been prepared after a series of consultation sessions held across the State during October. These sessions were invaluable for the VEC's planning of the 2016 local government election program and I appreciate the sector's willingness to participate. I hope that council officers found the sessions just as valuable and that the VEC has been able to assist with clarifying aspects of the program or the draft service plan.

In addition to updates from the passage of the LG Amendment, the final plan also incorporates a number of performance targets that the VEC will use to assess its successful delivery of the 2016 local government election program. Importantly, the timelines have been updated and I refer you to the planning calendar on page four, the election timelines for attendance and postal elections in appendix two, and the roll production timeline in appendix three. The final plan also clarifies election office accommodation requirements and introduces the strict security and storage standards that will be used to assess the suitability of prospective election office accommodation.

You will also note that the final plan sets Monday 11 July 2016 as the date for councils to provide primary enrolment data. This date was introduced by the LG Amendment as a consequence of removing the exhibition roll process. Instead, under the new legislation, the registrar for the voters' roll will be required to set the date when primary enrolment data is due from councils. Previously the date for exhibition roll data was Thursday 14 July 2016, so the VEC has kept this in mind when considering the new date.

The compulsory voting enforcement program and information on the costing program for the election have also been updated in the final plan. Chapter six reflects the new legislation, with the VEC as the agency responsible for non-voter follow up, and chapter seven provides further information on how the VEC will invoice various contingency costs, including prosecuting failure to vote offences and responding to inquiries by the Municipal Electoral Tribunal.

I invite you to review the election service plan, which is also available on the VEC's website ([vec.vic.gov.au](http://vec.vic.gov.au)). If you have any questions in relation to the final plan, the VEC's local government team will be happy to assist.

### **Cost estimate**

To assist with budgeting, the VEC has prepared a cost estimate for the Buloke Shire Council General Elections 2016. The estimate is in two parts:

1. An estimate for the preparation of the municipal voters' roll and conduct of the election, which will be invoiced during the 2016-17 financial year.
2. An estimate for compulsory voting enforcement, which will be invoiced during the 2016-17 and 2017-18 financial years, with the possibility that some contingency costs (i.e. prosecution of non-voters) will continue into the out-years.

In summary, the estimated cost for the Buloke Shire Council General Elections 2016 is \$94,858.42 (excluding GST). This includes \$87,518.17 (excluding GST) for preparing the municipal voters' roll and conducting the election and \$7,340.25 (excluding GST) for compulsory voting enforcement.

Your estimate has been prepared using key parameters that were agreed with Buloke Shire Council for the preparation of the VEC's quote in 2012, including local advertising outlets, election office accommodation, candidacy, turnout, and CEO list enrolment, with updated State enrolment information. Where a ward was uncontested in 2012, the VEC has made the assumption for the purpose of preparing the estimate that a minimum number of candidates will be standing in order to have a contested election and preference distribution for each ward. I refer you to the qualifications document attached to the estimate that will assist you with the costing assumptions that have been made.

During consultation on the draft service plan, I identified a number of areas where costs have significantly increased since the 2012 local government elections. One of the areas identified was Australia Post, which advised the VEC of a further price increase for the cost of postage that will come into effect in the New Year. As a result, postage rates alone have increased from 47¢ per item in 2012 to 97¢ per item from 1 January 2016 (for the equivalent targeted delivery). I note that the VEC's costing has shown that the Australia Post price increases have impacted on the average cost of attendance elections only slightly less than for postal elections.

I recognise that the local government sector is operating in a very cost sensitive environment. While the new legislation has not provided an alternative costing model and the VEC has prepared its estimates on the basis of continuing its marginal cost recovery approach, I have also reviewed a number of the administrative costs previously recovered from the local government sector. In May 2015, for example, I ceased the roll maintenance charge that the VEC had introduced in the 1990s to recover the marginal cost of manual processing involved with maintaining local government areas in the Victorian register of electors. The fee was applied annually for each council, adjusted each year for inflation, and tiered according to the number of voters in each council. I considered that the charge was now superseded by improvements in the VEC's systems, which now largely automate the previously manual process of assigning and quality assuring local government data on the State electoral roll.


In relation to election costs more specifically, I have also sought more opportunities for the VEC to absorb or reduce costs for activities that benefit the VEC's non-local government operations. As a result, I have identified more than \$2M of head office activities that may be focused on delivering the 2016 local government election program but will not be recovered from councils. My approach for these sorts of costs has been two-fold—(1) the VEC has been made the statutory election service provider by the LG Amendment and some of these activities are therefore part of its core function, and (2) certain aspects of the preparatory program lead to benefits enjoyed by other VEC activities, such as the ongoing training and development of the VEC's pool of senior election officials.

Incorporating the cost changes, the VEC notes that—based on its costing activity so far—attendance and postal elections have increased in cost by 35.24% and 33.38%, respectively, since the 2012 local government elections, with an overall increase of 33.75% since 2012. Based on the estimates prepared for each council, the average cost per voter is \$7.15 (excluding GST) for attendance elections and \$5.94 (excluding GST) for postal elections.

### **Next steps**

Any queries in relation to this letter, the election service plan, or the cost estimate prepared for the Buloke Shire Council General Elections 2016 can be directed to the VEC's local government team by emailing [LGProgram@vec.vic.gov.au](mailto:LGProgram@vec.vic.gov.au) or calling the VEC's local government program manager, Keegan Bartlett on (03) 8620 1145.

Yours sincerely



Warwick Gately AM  
Electoral Commissioner

## Buloke Shire Council

### Estimate for the provision of election services

<b>1. COMMUNICATIONS CAMPAIGN</b>		
Statewide Component	534.83	
Council specific - Statutory advertisements	5,998.08	
Reminder advertisement	1,451.63	
Multi-language ballot pack leaflet and TIS	335.56	
Vision Australia Mailout	29.42	
Uncontested ward leaflet - if required	<b>\$1.1218</b> per voter	<b>8,349.52</b>
<b>2. RETURNING OFFICER'S COSTS</b>		
Accommodation	0.00	
Computer Equipment	12,217.17	
Forms, Manuals, etc.	423.70	
Voters' Rolls	132.37	
Furniture, Equipment, Stationery & Gen postage	1,239.28	
Telephones	1,626.00	
Couriers	6,359.00	
Motor Vehicle	623.20	
Newspapers (Local)	50.00	
Additional candidate information session(s)	200.00	
Returning Officer	16,311.91	
Deputy Returning Officer	0.00	
Clerical Officers	7,592.63	<b>46,775.26</b>
<b>3. SCRUTINY AND COUNT OF BALLOT-PAPERS</b>		
Extract ballot papers	2,868.44	
Sort to first preferences (manual counts only)	N/A	
Distribution of preferences	10,497.28	<b>13,365.72</b>
<b>4. PRINTING OF BALLOT MATERIAL</b>		
Envelopes	989.98	
Candidates' Statements/Ballot Papers	1,661.83	<b>2,651.81</b>
<b>5. MAIL PROCESSING</b>		<b>643.61</b>
<b>6. POSTAGE</b>		
Despatch	5,651.67	
Return	3,877.63	
Replacement and Unenrolled Votes	24.00	
Mail establishment fees	1,668.80	<b>11,222.10</b>
<b>7. LIST OF NON-VOTERS</b>		<b>97.96</b>
<b>8. MERGING OF VOTERS' LISTS</b>		<b>144.00</b>
<b>9. ADMINISTRATIVE COSTS</b>		
Client relationship and office support	3,416.54	
Communications Officer	402.49	
Help Desk	78.68	
Telephone Overflow	157.57	
Personnel Helpline	66.43	
Print and Mailhouse Supervision	42.59	
Candidate Services	58.13	
VEC website multi-language information	30.07	
Misc Postage, Stationery and Travel expenses	15.69	<b>4,268.19</b>
	Total	<b>\$ 87,518.17</b>
	GST	<b>\$ 8,751.82</b>
	<b>GRAND TOTAL</b>	<b>\$ 96,269.99</b>



## Qualifications to the cost estimate for Buloke Shire Council

### Election cost summary

This estimate includes:

- election costs	\$96,269.99 including GST
- compulsory voting enforcement costs	\$8,074.28 including GST

### Basis of estimate

This estimate has been prepared on the following assumptions:

Method of voting	Postal
Enrolment	5,837 voters, including 0,960 voters on the CEO's List
Expected voter participation	81.41%
Electoral structure	3 wards
Total number of vacancies to be filled at this election	7
Average number of candidates	1.71 per vacancy
Type of count	computer count
Election office accommodation costs	The estimate has been prepared assuming the Council is able to provide satisfactory election office accommodation. Additional costs will apply if suitable election office accommodation is not available.
Election office hours	The estimate has been prepared based on the office hours described in the VEC's local government election service plan.

### Notes

1. The estimate is based on the services described in the VEC's local government election service plan. The VEC will determine final parameters for the preparation of the formal election quotation in consultation with the Council.
2. The estimate is based on election-specific advertising in the following newspaper(s):  
- *St Arnaud North Central News, Sea Lake Wycheproof Times, Donald Buloke Times, The Age (line ad)*  
Newspapers selected for election-specific advertising will be determined in consultation with the Council.
3. The estimate does not include some contingency costs that may apply to an election. Examples of contingency costs are listed in the VEC's local government election service plan and include costs involved with responding to Municipal Electoral Tribunal inquiries, recounts, works required on election office accommodation to meet security standards, and the per call cost of enquiries directed through the VEC's multi-language telephone interpreting service.
4. The estimate is based on unit costs as at November 2015, or anticipated costs for the program. Note that unit costs, assumptions, and parameters are subject to change. The VEC's quotation will be subject to a list of prescribed variations that will allow the cost to varied based on actual candidacy, enrolment, and turnout. These variations will be applied for invoicing.

## Buloke Shire Council

### Estimate for the enforcement of compulsory voting

#### COMPULSORY VOTING ENFORCEMENT

Staff costs	\$	1,689.05	
Mail processing	\$	975.00	
Postage	\$	1,231.80	
Printing, scanning and stationery	\$	279.84	
Prosecution in the Magistrates' Court	\$	3,164.56	\$ 7,340.25
		Total	\$ 7,340.25
		GST	\$ 734.03
		<b>GRAND TOTAL</b>	<b>\$ 8,074.28</b>

---

#### Revenue from compulsory voting enforcement

At the last general election, the Victorian Electoral Commission collected \$5,869.00 on behalf of Buloke Shire Council. These funds were returned to the Council.

---

#### Qualifications

The cost for the enforcement of compulsory voting is based on the following notices being issued:

Apparent failure to-vote notices	487
Infringement notices	345
Penalty reminder notices	230

Costs will increase or decrease by \$3.261 per notice for any variation in the number of notices.

There is no immediate cost for lodging a court file with the Infringements Court. However, costs will also apply where the VEC is required to attend the Magistrates' Court resulting from matters referred from the Infringements Court.

The estimated cost of prosecuting non-voters in the Magistrates' Court assumes 1 prosecution(s). This is the number of enforcement matters that are referred to the Magistrates' Court and estimated from the VEC's experience during non-voter follow up at State elections. The cost includes representation by the Victorian Government Solicitor's Office and lodgement of court documents. The VEC will monitor expenses as matters progress through the Magistrates' Court and will invoice Council on a fee-for-service arrangement.

## VENUE HIRE - PUBLIC HALLS

Events or Groups defined by the following categories will be eligible to have hire fees waived:

- Ceremonies held in recognition of Australia Day or Anzac Day.
- Community Groups - community based non- for-profit organisation or association of persons where open membership and participation in activities is encouraged. A community group may take part in profit-making activities, but the surplus is reinvested in pursuit of the group's goals. A community group may be:
  - An organisation whose primary aim is to provide services and benefits to the community (e.g. Lions Clubs, Community forums, Business Networks, Schools, Health Related services and Sporting Clubs)
  - Special interest or advocacy groups for particular sections of the community (e.g. Senior Citizens, Probus, Red Cross). This does not include political parties or groups
  - A group of people having a shared ethnic, cultural or religious identity
  - Neighbourhood or shared interest groups

<i>(Casual hire)</i>	<i>Main Hall (max. 6 hours)</i>	<i>Supper Room (max. 6 hours)</i>	<i>Cost p/h (over max. hours)</i>	<i>Kitchen</i>	<i>All day booking (24 hours, full use of venue)</i>	<i>Bond</i>
<b>Birchip</b> (max. 250 people)	\$220.00	\$60.00	\$45.00	\$40.00	\$375.00	\$350.00*
<b>Charlton</b> (max. 300 people)	\$220.00	\$60.00	\$45.00	\$40.00	\$375.00	\$350.00*
<b>Donald</b> (max. 250 people)	\$220.00	\$60.00	\$45.00	\$40.00	\$375.00	\$350.00*
<b>Wycheproof</b> (max. 250 people)	\$220.00	\$150.00	\$45.00	\$40.00	\$375.00	\$350.00*

A Bond is required for all bookings where alcohol is served. The Bond is refundable if there is no damage or requirement for additional cleaning.

\*Inspections will be carried out by Buloke Shire Council's Hall Attendant.

Casual Hire is defined as: Any group, individual or organisation that hires the facility once off or on an irregular basis.

## SENIOR CITIZENS

<i>Clubrooms</i>	<i>Charlton</i>	<i>Donald</i>	<i>Wycheproof</i>
<b>Max. 6 hours</b>	\$100.00	\$105.00	\$60.00
Cost per hour over max.	\$25.00	\$25.00	\$25.00

## **Regular Hire**

Private or Commercial \$40.00

*Regular Hire: Any group, individual or organisation that hires the facility on an ongoing basis. To be considered a Regular User, one of the following criteria must be met;*

- *Weekly hire - minimum of 10 consecutive weeks,*
- *Fortnightly hire - minimum of 10 consecutive fortnights,*
- *Monthly hire - minimum of 10 consecutive months*

*Commercial hirers: Those who undertake activities for the purpose of generating a profit.*

*Private/Individual hirers: Those who undertake activities for the purpose of private events and activities.*

## WYCHEPROOF SALEYARDS

<i>Wycheproof Saleyards</i>	<i>2015/2016</i>	<i>2016/2017</i>
Yard Fees	0.8% of gross sales turnover	0.8% of gross sales turnover
Agent's Fees	13% of yard fees	13% of yard fees
Unsold stock fee (per head)	.20cents	.20cents
Destruction and disposal of dead stock fee (per head)	\$10.00	\$15.00
<i>Truck Wash</i>		
Key Deposit (Avdata) Refunded on return of keys	\$26.00	\$26.00
Water Usage	\$0.80 per minute	\$0.80 per minute

## STAND PIPES

<i>Stand Pipes</i>	<i>2015/2016</i>	<i>2016/2017</i>
	\$10.00 minimum charge for under 1,000 litres or \$10.00 per 1,000 litres	\$10.00 minimum charge for under 1,000 litres or \$10.00 per 1,000 litres

## ANIMAL CONTROL

<b>Dog and Cat Registration Fees</b>	<i>2015/2016</i>	<i>2016/2017</i>
<i>* Since May 2007 Council can only register animals that have been micro chipped</i>		
<i>* \$3.50 levy per dog and \$2.00 levy per cat is collected by Council on behalf of the State government</i>		
Dog or Cat (Not Micro chipped or Desexed – only relevant to animals registered prior to May 2007)	\$96.00	\$99.00
Dogs (Micro chipped plus one or more of the following – desexed, not desexed, working or farm dog, over 10 years old or VCA members)	\$32.00	\$33.00
Cats (Micro chipped plus one or more of the following – desexed, not desexed, over 10 years old or Feline Association member)	\$32.00	\$33.00
Pensioner Concession (Half price for all dog and cat registration categories)	\$16.00	\$16.50
Guide dogs, racing dogs (greyhounds), police dogs	No charge	No charge
Replacement lifetime tag/s	No charge	No charge
Registered animals moving to Buloke	No charge	No charge

## IMPOUNDED LIVESTOCK

<i>Release Fees</i>	<i>2015/2016</i>	<i>2016/2017</i>
Sheep up to 5 head	\$60.00	\$60.00
Sheep per head over 5	\$10.00	\$10.00
Goats and pigs up to 2 head	\$60.00	\$60.00
Goats and pigs per head over 2	\$20.00	\$20.00
Cattle up to 3 head	\$200.00	\$200.00
Cattle per head over 3	\$100.00	\$100.00
Horses per head	\$200.00	\$200.00
Transport of livestock	Total cost of transport.	Total cost of transport.

<b><i>Sustenance – per day or part thereof – per head</i></b>	<b><i>2015/2016</i></b>	<b><i>2016/2017</i></b>
Sheep	\$5.00	\$7.50
Goats and Pigs	\$10.00	\$15.00
Cattle and Horses	\$10.00	\$15.00
<b><i>Dogs and Cats (includes sustenance) – per dog and cat</i></b>	<b><i>2015/2016</i></b>	<b><i>2016/2017</i></b>
1 to 4 days	\$60.00	\$75.00
For every day in excess of 4 days (maximum 8 days)	\$12.00	\$15.00
Animal Surrender fee	N/A	\$175.00
<b><i>Impounded Vehicles and Caravans – per vehicle plus other associated costs</i></b>	<b><i>2015/2016</i></b>	<b><i>2016/2017</i></b>
Release fee (plus towing fee incurred)	\$175.00	\$250.00
<b><i>Impounded Goods – including signage and street furniture - per lot – plus other associated costs</i></b>	<b><i>2015/2016</i></b>	<b><i>2016/2017</i></b>
Release fee (plus any associated costs)	\$175.00	\$175.00
Local laws Annual Fee	\$50.00	\$50.00

#### **SUNDRY DEBTORS**

<b><i>Hire of Council equipment and operator where local service alternatives are not available, including compulsory fire clearances.</i></b>	<b><i>2015/2016</i></b>	<b><i>2016/2017</i></b>
Plant	150% of plant hire rate	150% of plant hire rate
Operator (Labour)	\$50.00 per hour plus plant fee – as above	\$50.00 per hour plus plant fee – as above
Quarry products from non-Council quarry sources	Cost to Council plus plant and operator costs – as above.	Cost to Council plus plant and operator costs – as above.

## WASTE CHARGES

<b>Waste</b>	<b>2015/2016</b>	<b>2016/2017</b>
Municipal Waste Collection and Disposal Charge (One 120L bin for putrescibles waste (collected weekly) and one 240L bin for recyclables (collected fortnightly). Service is compulsory for all residential properties and available to commercial and farm properties on request.	\$375.00	\$375.00
Optional additional 240L bin for recycling	\$80.00 per bin	\$87.00 per bin
<b>Landfill</b>	<b>2015/2016</b>	<b>2016/2017</b>
Up to 3 cubic metres of sorted recyclables, commercial cardboard. For larger volumes please contact Council to receive a quote.	Free for local residents and businesses only	Free for local residents and businesses only
Green Waste	\$2.50 per cubic mtr	\$5.00 per cubic mtr/minimum charge
Car boot per load	\$12.00	\$15.00
6 x 4 Trailer Load/Ute Load up to 1 cubic metre	\$20.00	\$22.00
Tandem Trailer up to 2 cubic metres	\$40.00	\$45.00
Wheelie bin 120L	\$8.00	\$9.00
Wheelie bin 240L	\$10.00	\$11.00
General Waste to Landfill (per cubic metre)	\$20.00	\$22.00
Commercial Waste (per cubic metre)	\$20.00	\$22.00
Builder Waste and Concrete (per cubic metre)	\$20.00	\$30.00
Concrete uncontaminated (per cubic metre)	\$22.00	\$30.00
Bricks uncontaminated (per cubic metre)	\$20.00	\$30.00
White Goods (doors must be removed from refrigerators, ovens and dishwashers)	Free to local residents only	Free to local residents only
Car Bodies	Free to local residents only	Free to local residents only
TV Screens and Computer Monitors	\$10.00	\$10.00
Mattresses	\$40.00	\$40.00
<b>Tyres</b>	<b>2015/2016</b>	<b>2016/2017</b>
Light car tyre	\$7.00	\$8.00
Car tyre on rim	\$25.00	\$25.00
4WD and Light Truck tyre	\$12.00	\$15.00
Truck tyre	\$30.00	\$35.00
Super single tyre	N/A	N/A
Truck tyre on rim	\$50.00	\$60.00
Small tractor tyres	\$90.00	\$95.00
Large tractor tyres	\$160.00	\$170.00
<b>Animal Carcasses</b>	<b>2015/2016</b>	<b>2016/2017</b>
Poultry (including turkeys) per bird	\$6.00	\$7.00
Cats and Dogs	\$6.00	\$10.00
Sheep, Pigs and Goats	\$12.00	\$15.00
Horses and Cattle	\$25.00	\$30.00

## BUILDING FEES AND CHARGES

<b>Dwellings</b>	<b>2015/2016</b>	<b>2016/2017</b>
Building Works - \$0 to \$2,500	N/A	N/A
Building Works - \$2,501 to \$5,000	N/A	N/A
Building Works - \$5,000 to \$10,000	N/A	N/A
Building Works - \$0 to \$10,000	\$450.00	\$463.50
Building Works - \$10,001 to \$20,000	\$650.00 plus Levy	\$669.50 plus Levy
Building Works - \$20,001 to \$80,000	\$950.00 plus Levy	\$978.50 plus Levy
Building Works - \$80,001 to \$120,000	\$1,500.00 plus Levy	\$1,545 plus Levy
Building Works - \$120,001 to \$200,000	\$value /75 plus Levy	\$value /75 plus Levy
Building Works - \$200,000 plus	\$value /75 plus Levy	\$value /75 plus Levy
<b>Alterations/Additions/Sheds/Carports/Garages</b>	<b>2015/2016</b>	<b>2016/2017</b>
New Dwellings - \$0 to \$120,000	\$1,200.00 plus Levy	\$1,236 plus Levy
New Dwellings - \$120,000 to \$200,000	\$1,500.00 plus Levy	\$1,545 plus Levy
New Dwellings - \$200,000 to \$312,000	\$1,800.00 plus Levy	\$1,854 plus Levy
New Dwellings - \$312,000 plus	\$value /130 plus Levy	\$value /130 plus Levy
<b>Swimming Pools</b>	<b>2015/2016</b>	<b>2016/2017</b>
Swimming Pool and Fence – Above Ground	\$400.00	\$412.00
Swimming Pool and Fence – In-Ground Pool	\$800.00	\$824.00

### Notes:

- A \$34.00 Lodgement Fee applies to all application for works valued at \$5,000 or more.
- 2015/2016 Fee proposals have been based on fee structure of surrounding Councils.
- No fee details' comment indicates that fees for these services were previously set at the discretion of the Building Surveyor.

<b>Commercial Building Work</b>	<b>2015/2016</b>	<b>2016/2017</b>
Commercial Works - \$0 to \$10,000	\$375.00 plus Levy	\$386.25 plus Levy
Commercial Works - \$10,001 to \$20,000	\$675.00 plus Levy	\$695.25 plus Levy
Commercial Works - \$20,001 to \$100,000	\$value x 1.33% plus \$400 plus Levy	\$value x 1.33% plus \$412 plus Levy
Commercial Works - \$100,001 to \$500,000	\$value x 0.44% plus \$1,200 plus Levy	\$value x 0.44% plus \$1,236 plus Levy
Commercial Works - \$500,000+	\$value x 0.25% plus \$2,000 plus Levy	\$value x 0.25% plus \$2,060 plus Levy
<b>Multi-Unit Development</b>	<b>2015/2016</b>	<b>2016/2017</b>
Units - \$0 to \$200,000	\$1,800.00 plus Levy	\$1,854 plus Levy
Units - \$200,001 to \$312,000	\$2,000.00 plus Levy	\$2,060 plus Levy
Units - \$312,000+	\$value/130 plus Levy	\$value/130 plus Levy
<b>Enforcement</b>	<b>2015/2016</b>	<b>2016/2017</b>
Building Notices/Orders (To allow buildings to remain as constructed, without a Building Permit)	Building Permit Fee plus 25%	Building Permit Fee plus 25%

<b>Miscellaneous Items</b>	<b>2015/2016</b>	<b>2016/2017</b>
Fence	\$200.00	\$206.00
Demolitions or Removals - \$0 to \$5,000	\$350.00	\$360.50
Demolitions or Removals - \$5,000+	\$500.00	\$515.00
Re-Erections of Dwellings – Security Deposit	\$5,000.00	\$5,150.00
Extensions of Time Requests	\$100.00	\$103.00
Amended Plans	\$100.00	\$103.00
Information Request Reg. 326 (1) Permit Info, Final Certifications, Current Orders or Notices	Legislative fee	Legislative fee
Information Request Reg. 326 (2) Flooding, Termite, Bushfire, Snowfall, Designated	Legislative fee	Legislative fee
Information Request Reg. 326 (3) Mandatory notification states, Inspection Dates	Legislative fee	Legislative fee
Request for search of Building Permit Plans	\$60.00	\$62.00
<b>Report and Consent</b>	<b>2015/2016</b>	<b>2016/2017</b>
Planning Authority for Demolition Section 29A of the Act	Legislative fee	Legislative fee
Build Over Council Easement Reg. 310 (1)	Legislative fee	Legislative fee
Report & Consent under Parts 4, 5 or 8	Legislative fee	Legislative fee
Request Legal Point of Discharge for Stormwater Reg. 610 (2)	Legislative fee	Legislative fee
<b>Government Levy (only applies if development value over \$10,000)</b>	<b>2015/2016</b>	<b>2016/2017</b>
Additional Inspection	\$120.00	\$124.00

**Notes:**

- A \$34.00 Lodgement Fee applies to all application for works valued at \$5,000 or more.
- 2015/2016 Fee proposals have been based on fee structure of surrounding Councils.
- No fee details' comment indicates that fees for these services were previously set at the discretion of the Building Surveyor.

**ENVIRONMENTAL HEALTH**

<b>Food Act</b>	<b>2015/2016</b>	<b>2016/2017</b>
<b>Class 1 Food Premises</b> – High Risk ready to eat food serves to vulnerable groups. Including hospitals, nursing homes, child care centres. Must have 3 <sup>rd</sup> party audited FSP.	\$310.00	\$325.00
<b>Class 2 Food Premises</b> – High Risk or unpackaged foods. Including hotels, restaurants cafes, takeaway, supermarkets, manufacturers, caterers, milk bars and some service stations. Must have FSPI (may be template or 3 <sup>rd</sup> Party audited)	\$260.00	\$320.00
<b>Class 3 Food Premises</b> – Premises selling low risk pre-packaged food only e.g. Packaged confectionary, soft drink, Newsagents, video stores, some service stations.	\$100.00	\$220.00
<b>Non Profit Organisations &amp; Community Groups</b> – Food is prepared predominately for consumption by members, or for fundraising activities Service Clubs, mostly Sporting Clubs	N/A	N/A
<b>Street Stalls/Temporary Food Vendor Permits;</b>		
<b>Non Profit &amp; Community Groups</b> (fetes, sausage sizzle, street stall)		
Single Event Permit	N/A	N/A
Yearly Permit (up to 12 Events per year)	N/A	N/A
<b>Private Individuals &amp; Businesses</b> (Markets, Private Stalls)		



Single Event Permit	\$25.00	\$60.00
Yearly Permit (up to 12 Events per year)	\$50.00	\$85.00
<b>Transfers Fees</b>	50% of the current classed fee both Food & Health Act	50% of the current classed fee both Food Act 1984 & Public Health & Wellbeing Act 2008
<b>Transfer Inspection Fee</b>	\$75.00	\$215.00
<b>Late Payment of Registration (more than 1 month late)</b>	N/A	50% of the registration fee
<b>Additional Inspections after first follow up</b>	N/A	\$190.00
<b>Public Health and Wellbeing Act 2008</b>		
	<b>2015/2016</b>	<b>2016/2017</b>
<b>Hairdresser (One off registration fee)</b>	\$100.00	\$170.00
<b>Beauty Therapy</b>	\$100.00	\$170.00
<b>Skin Penetration</b>	\$100.00	\$170.00
<b>More than 1 health activity</b>	\$100.00	\$215.00
<b>Prescribed Accommodation</b>	\$100.00	\$215.00
Premises providing accommodation for 5 or more persons including hotels, motels, hostels and camps.		
<b>Late Payment of Registration (more than 1 month late)</b>	N/A	50% of the current registration fee
<b>Additional Inspections after first follow up</b>	N/A	\$190.00
<b>Home and Community Care (HACC)</b>		
	<b>2015/2016</b>	<b>2016/2017</b>
<b>Septic Tank</b>		
→ New	\$250.00	\$250.00
Alteration to Existing	\$175.00	\$175.00

#### AGED AND DISABILITY SERVICES

<b>Home and Community Care (HACC)</b>		
	<b>2015/2016</b>	<b>2016/2017</b>
HACC General Home Care A	\$2.00	\$2.50
HACC General Home Care	\$6.50	\$7.00
HACC General Home Care B	\$7.50	\$8.00
HACC General Home Care C	\$10.00	\$11.00
HACC General Home Care D	No charge	No charge
HACC General Home Care E	\$1.00	\$1.50
Home Maintenance	\$11.00	\$12.00
Home Maintenance A	\$5.50	\$6.00
Home Maintenance B	No charge	No charge
Materials supplied	\$10/\$15/\$20	\$10/\$15/\$20
HACC Personal Care	\$5.00	\$5.50
HACC Personal Care A	\$1.00	\$1.50
HACC Personal Care B	No charge	No charge
HACC Respite Care HIGH	\$4.00	\$4.00
HACC Respite Care HIGH A	\$1.00	\$1.50
HACC Respite Care HIGH B	No charge	No charge
HACC Respite Care LOW	\$3.50	\$4.00
HACC Respite Care LOW A	\$1.00	\$1.50
HACC Respite Care LOW B	No charge	No charge

HACC Meals on Wheels	\$9.00	\$9.50
HACC Meals on Wheels A	\$4.00	\$4.50
HACC Meals on Wheels B	No charge	No charge
Meals on Wheels \$11 (Full cost recovery)	\$12.00	\$13.00

<b>Brokerage</b>	<b>2015/2016</b>	<b>2016/2017</b>
General Home Care	\$58.30	\$60.50
Personal Care	\$58.30	\$60.50
Home Maintenance	\$58.30	\$60.50
Respite Care LOW	\$58.30	\$60.50
Respite Care HIGH	\$58.30	\$60.50
TRAVEL	\$2.00	\$2.00
All weekend services	\$116.60	\$121.00
To complete OH & S Assessment for packaged care client	\$125.00	\$130.00
To complete a MEPACS/PAV Assessment – personal security alarm for packaged care client	\$125.00	\$130.00
MEPACS Referral	\$55.00	\$60.00

### CARAVAN PARKS

	<b>2015/2016</b>	<b>2016/2017</b>
Unpowered Site (2 people)	\$15.00 per night	\$15.00 per night
<b>Powered Site (2 people)</b>	\$20.00 per night	\$20.00 per night
<b>Weekly fee</b>	\$100.00	\$100.00
<b>Additional people</b>	Extra \$5.00 per night	Extra \$5 per night



# **BULOKE SHIRE COUNCIL**

## **Road Management Plan**

**2016**

**Version 3.1**

### Record of changes

Version Number	Date	Number of figure, table, paragraph or page	Description
3.0	April 2014	Throughout	Total review of the plan, including re-classification to functional hierarchy
3.1	February 2016	Section 7.1 (page 7)	Included reference to 'all weather' condition standard for an Access Road
3.1	February 2016	Section 7.1 (page 7)	Changed name of classification from 'limited access/track' to 'Minor Road' for consistency.
3.1	February 2016	Section 10.0 Inspection frequency table (page 9)	Changes to inspection frequency: <ul style="list-style-type: none"> <li>- Link roads from quarterly to six monthly</li> <li>- Minor Roads from once every five years to 'no periodic inspections – by necessity or request only'</li> <li>- All night time inspections to be done by necessity or request</li> </ul>
3.1	February 2016	Appendix C – Hazard response table (page 14)	Inclusion of a column for minor roads to state that hazards will be responded to based on instruction from Coordinator Works.
3.1	February 2016	Appendix C – Hazard response table (page 14)	Alterations to the response times for collector and link road defects to align with resource availability and work schedules.

## Table of Contents

1. Introduction.....	4
2. Purpose of the Plan.....	4
3. Legislative Basis for the Plan.....	4
4. Roads for which the Plan Applies .....	5
5. Management System .....	5
6. Asset Standards .....	6
7. Classification System.....	6
7.1 Road Classification .....	7
7.2 Footpath Classification .....	8
8. Standards for Upgrading and Renewal of Road Assets.....	8
9. Maintenance Standards.....	8
10. Monitoring System and Response.....	9
11. Force Majeure.....	10
12. Off-Road Paths .....	10
APPENDIX A – ASSET MANAGEMENT SYSTEM.....	11
APPENDIX B – STANDARDS FOR UPGRADING AND RENEWAL OF ROAD ASSETS ....	12
APPENDIX B – STANDARDS FOR UPGRADING AND RENEWAL OF ROAD ASSETS ....	13
APPENDIX C – DESCRIPTION OF HAZARD AND HAZARD RESPONSE .....	14
APPENDIX C – DESCRIPTION OF HAZARD AND HAZARD RESPONSE .....	15
APPENDIX D – ROAD AND FOOTPATH HIERARCHY MAPS.....	16

## 1. Introduction

The Buloke Shire Council (Council) is committed to ensuring that accessible, quality services and facilities are provided to our community.

The development of the Road Management Plan compliments the Council's Council Plan by addressing specific elements of the maintenance and management of the road network, as well as the legislative responsibilities under the Road Management Act 2004.

## 2. Purpose of the Plan

The purpose of this Road Management Plan is to:

- Detail the management systems for the road management functions under the control of Buloke Shire Council,
- Set the relevant standards in relation to the discharge of duties in the performance of those road management functions,
- Ensure the provision of a safe and efficient road network for use by road users and the community.

## 3. Legislative Basis for the Plan

This Road Management Plan is prepared in accordance with, Division 5 of the Road Management Act 2004 (the Act), and in accordance with Ministerial Code of Practice – Road Management Plans.

The Plan reflects the purpose and objective of Council as specified under Sections 6 and 7 of the Local Government Act 1989.

In developing the relevant standards detailed in this Plan, Council has had regard to the following Best Value Principals specified under Section 208B of the Local Government Act 1989.

All services must be:

- Measured against quality and cost standards;
- Responsive to the needs of its community;
- Accessible to those members of the community for whom the service is intended;
- Subject to continuous improvement;
- Linked to a program of regular community consultation; and
- Report regularly to the community.

#### **4. Roads for which the Plan Applies**

This Plan applies to all roads and pathways for which Council is the coordinating road authority in accordance with Sections 36 and 37 of the Act. The roads are listed in Council's Register of Public Roads.

The register provides a list of the roads for which Council is the Responsible Authority, and includes (where applicable) the following;

- Road name
- Locality
- Date Road became a Public Road
- Start and end description
- Length
- Road Classification
- Footpath Classification
- Surface Type
- Ancillary Areas
- Demarcation Responsibility

Council has determined that those roads and footpaths on the Register of Public Roads are those roads that are considered to be reasonably required for public use. The Register of Public Roads has been adopted by Council and is amended from time to time as required. The Register of Public Roads is available for inspection at Council offices.

Council's responsibility for the operation of arterial roads is detailed in the Code of Practice- Operational Responsibility for Declared Freeways and Arterial Roads.

Where applicable, the details of agreements between the Council and other road authorities, made pursuant to Section 15 of the Act, are also included in the Register of Public Roads.

This Plan does not apply to any driveway or pathway providing access from private property to a public road.

#### **5. Management System**

Council's Road Management Plan has been developed within an overall planning framework, which guides Council in identifying community needs and aspirations. Information flow and the decision making process is complex, with the Council Plan, Financial Plan and Annual Budget, providing the framework to a range of supporting Plans and Strategies.

Council's Road Asset Management Plan is a key document in detailing the strategic guidelines and identifying maintenance, renewal and upgrade improvements for the road network. The Road Asset Management Plan takes a lifecycle approach to the management of our road network and identifies the elements necessary for the long term sustainability of our asset. It provides details of the particular actions and resources required to manage the road system.

The management system that Council uses for its road management functions can be summarised in the diagram provided in Schedule A. The flowchart outlines the process for determining asset standards, allocating resources and prioritising works.

## **6. Asset Standards**

Council's road management standards have been developed within the overall planning framework, taking into account community expectations, industry standards, relevant risk factors and available resources.

Maintenance standards and asset performance targets will vary across the road network in line with relevant risk factors such as the nature and volume of traffic using the road, operating speed, the susceptibility of assets to deterioration, the cost effectiveness of repairs and the competing priorities for funding.

For the purposes of the Road Management Plan standards have been defined in terms of:

- The Road and Footpath Classification;
- Standards for Expansion Upgrade and Renewal;
- Standards for Maintenance; and
- Condition Monitoring and Response.

## **7. Classification System**

A new classification system has been developed for both roadways and footpaths, to ensure that appropriate management, engineering standards and planning practices are applied to a road based on its function.

The new functional based classification system also enables more efficient use of resources by allocating funding to those roads that are of higher priority and the costs are better justified.



## 7.1 Road Classification

In developing the road classification system the following guiding principles have been used:

- Classification system is linked with, and consistent to the Austroads National Functional Road Classification system;
- Classification system is function based;
- Traffic volumes, vehicle type, existing road structure, abutting property use, future demand etc, assist in determining appropriate classification; and
- Width of a road or whether it is sealed is not necessarily criteria that influence a classification.

<b>ROAD CLASSIFICATION</b>	
<b>LINK ROAD</b>	<p>A Link Road provides primarily for collecting and distributing traffic from local areas to the wider Arterial Road Network.</p> <p>It provides connectivity to significant town and rural industries, including farm produce, quarries and tourist's activities.</p> <p>Link Roads cater generally for higher traffic volumes (&gt;150ADT), heavy vehicles and higher travel speeds.</p>
<b>COLLECTOR ROAD</b>	<p>A Collector Road provides primarily a feeder service to Link Roads. It provides access to local properties in both rural and town areas and access to moderate local rural industries, including farm produce, quarry and tourist activities.</p> <p>Collector Roads generally cater for moderate traffic volumes (50 - 100 ADT), and medium travel speeds</p>
<b>ACCESS ROAD</b>	<p>An Access Road provides primarily all weather direct access to occupied residential properties and industries in urban and rural areas.</p> <p>It provides access to limited local rural industries, including some intensive farm produce, quarry, and tourist activities.</p> <p>Access Roads cater generally for lower traffic volumes (20 – 100 ADT), and low travel speeds.</p>
<b>MINOR ROAD</b>	<p>A Minor Road provides primarily dry weather access to undeveloped properties in rural areas.</p> <p>It is not required to provide daily access to residences, and may be used for paddock access and fire access</p> <p>Minor Roads cater for very low speeds, low traffic volumes (&lt;10 ADT)</p>

## 7.2 Footpath Classification

The footpath classification system has been developed based on the expected usage of the network.

<b>FOOTPATH CLASSIFICATION</b>	
<b>PRIMARY ACCESS ROUTE</b>	Provides services to areas with expected high volumes of pedestrian traffic. Generally confined to commercial areas.
<b>SECONDARY ACCESS ROUTE</b>	Provides services to areas with lower expected volumes of pedestrian traffic. Predominantly confined to residential areas.

## 8. Standards for Upgrading and Renewal of Road Assets

The Standards for construction of new rural local roads and for the expansion, upgrading and renewal of existing rural local roads, have been developed in accordance with the standards described in Schedule B Standards for Urban streets are determined on an individual basis depending on site conditions, traffic and amenity.

The standards take into account road user requirements relating to operational comfort, convenience, safety and the funding resources available to Council. Compatible cross-section, horizontal and vertical alignment will provide users with an consistent quality of service in terms of ride comfort, convenience and a safe facility.

It is not intended that all roads will comply with adopted Standards, however any new or refurbishment work should be constructed to the desirable Standard, where practicable. In instances where adopted standards cannot be achieved, professional judgements will be adopted.

## 9. Maintenance Standards

Maintenance Standards have been developed in consultation with internal stakeholders, the community, an assessment of available historical data and industry standards.

Standards will vary across the road network in line with relevant risk factors such as the nature and volume of traffic using the road, operating speed, the susceptibility of assets to deterioration, the cost effectiveness of repairs and the competing priorities for funding. The variation of maintenance standard across the network is reflected in Council's road classification system.

Council has identified critical maintenance defects for all roads for which it is responsible. For each defect, the following criteria have been developed:

- The level at which the defect is a potential safety hazard; and
- The level at which a defect reaches a desirable performance standard.

In determining the point at which a defect is identified as a potential hazard, Council has referred to industry standards developed by Austroads and VicRoads.

Schedule C provides the hazard description adopted by Council for roads for which it is responsible. The desirable performance standards describe the standard at which maintenance works are to be implemented. They are based on community consultation, available resources and the optimal time to intervene to maximise the life of the road. The performance standards are under development and will form part of Council's Road Asset Management Plan.

## 10. Monitoring System and Response

Council inspects all roads for which it is responsible on a cyclic basis to identify potential safety hazards, and defects which exceed accepted maintenance standards.

The inspection program reflects the road priority identified in the road classification system and appropriate use of resources.

INSPECTION TYPE	INSPECTION FREQUENCY BY CLASSIFICATION				
	Footpaths (all)	Link Road	Collector Road	Access Road	Minor Road-
Day Time	Yearly	Twice Per Year	Twice per year	Once per year	No periodic inspections – by necessity or request only
Night Time	No periodic inspections – by necessity or request only	No periodic inspections – by necessity or request only	No periodic inspections – by necessity or request only	No periodic inspections – by necessity or request only	No periodic inspections – by necessity or request only

In addition to being identified through the routine monitoring system, defects are logged into Council's Customer Service Request System from other sources, including identification by a customer or road user.

When a defect is identified through routine inspection, or reported from a customer, the defect is logged electronically to identify the nature of the defect, its location, the responsible officer, and the appropriate response.

Bridge Structures are inspected once per year. The VicRoads Level 1 Bridge Inspection form is used to record the annual inspections.

Once identified the defects are then assessed and actioned. Appendix C describes the hazard response adopted by Council for each classification of road.

## **11. Force Majeure**

Council will make every endeavour to meet all aspects of its Road Management Plan. However, in the event of natural disasters and other events including, but not limited to, fires, floods, droughts, and the like, together with human factors, such as lack of Council staff or suitably qualified Contractors, because of Section 83 of the Victorian Wrongs Act 1958, as amended, Council reserves the right to suspend compliance with its Road Management Plan.

In the event that the CEO of Council, has to, pursuant to Section 83 of the above Act, consider the limited financial resources of Council and its other conflicting priorities, meaning Council's Plan cannot be met, they will write to Council's Officer in charge of its Road Management Plan and inform them that some, or all, of the timeframes and response times are to be suspended.

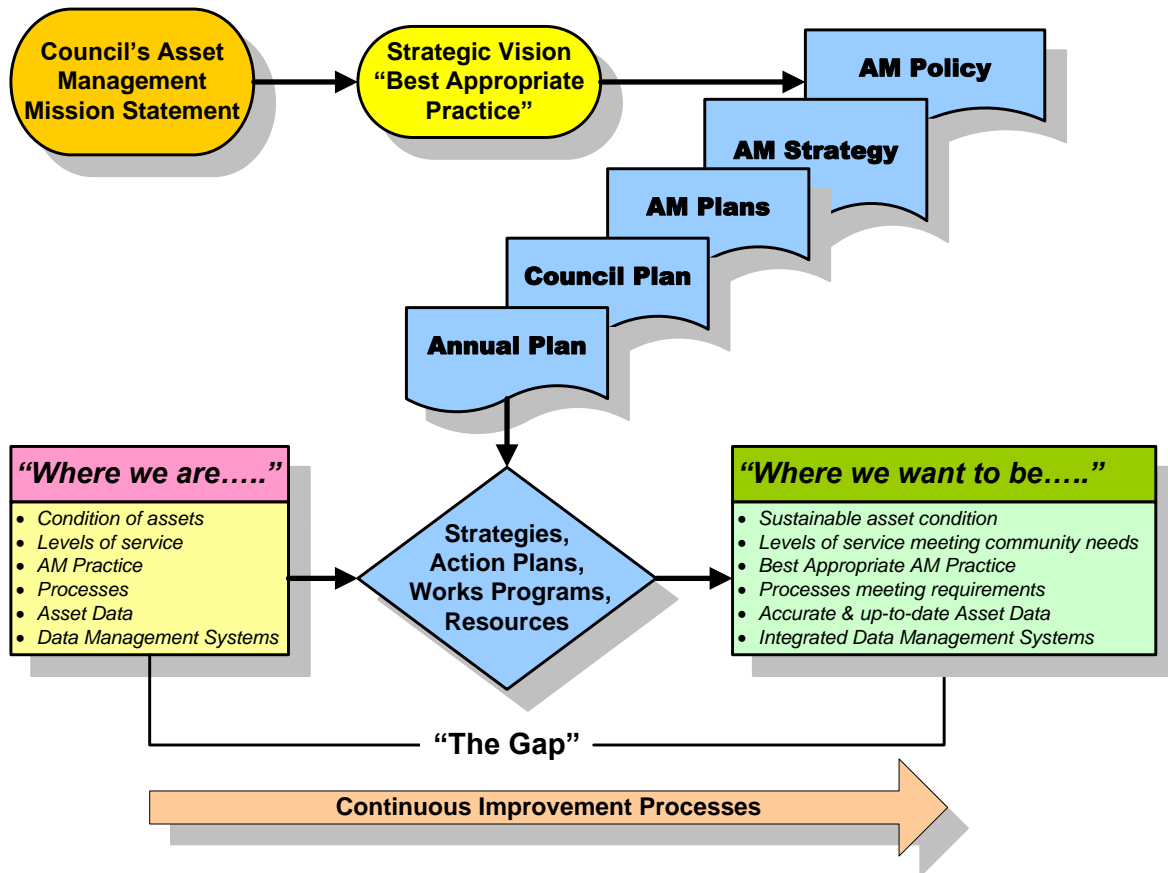
Once the events beyond the control of Council have abated, or if the events have partly abated, Council's CEO will write to Council's Officer responsible for Council's Plan and inform them which parts of Council's Plan are to be reactivated.

## **12. Off-Road Paths**

Paths, walking tracks and trails which are not located on the Public Roads are not included in the Council Register of Public Roads and are excluded from this Road Management Plan.

These paths are considered off-road and are located in recreation reserves, parklands, or properties for which Council has responsibility. These paths are inspected and maintained by Council in a similar way to the Minor Road-" as detailed in the Appendices of this plan.

## APPENDIX A – ASSET MANAGEMENT SYSTEM



### Chart –Planning Process Linkages

Council has commenced the process of developing a robust strategic planning process built around a policy framework established through a careful analysis of economic capacity, risk mitigation and soundly based service standards.

A strong relationship has been developed between asset maintenance, asset renewal and the annual budget decision-making process based on an informed assessment of the resources required to achieve continuous improvement to Council's asset base.

Road expenditure, capital and maintenance, is assessed on the basis of road category, traffic type and volume, road condition, maintenance consumption, associated risk and customer request. A process for evaluating all asset improvement requests has been developed and is in the process of being implemented.

Each year's annual program is based on an annual review of the 10 year forward capital program with current year works being prioritised on the basis of road category, traffic type & volume, road condition, maintenance consumption, associated risk and customer request.

The 10 year forward capital program is regularly reviewed by Council taking into account economic capacity, road category, traffic type and volume, road condition, maintenance consumption, associated risk and customer request.

## APPENDIX B – STANDARDS FOR UPGRADING AND RENEWAL OF ROAD ASSETS

**RURAL LINK ROAD**

0.9 to 1.0m  
Shoulders

Min two 3.1m traffic lanes

Min Carriageway width, 8.0 to 8.2 m

- Predominantly two-lane, two way, all weather sealed road.
- Design speed of 60 to 100km/hr, depending on terrain.
- Delineation is often provided by centre line marking and guide posts.
- In instances where adopted standards cannot be achieved, professional judgements will be adopted.

**RURAL COLLECTOR ROAD**

1.5 to 2.0m    Min single 4.0m traffic lane    Sealed Roads

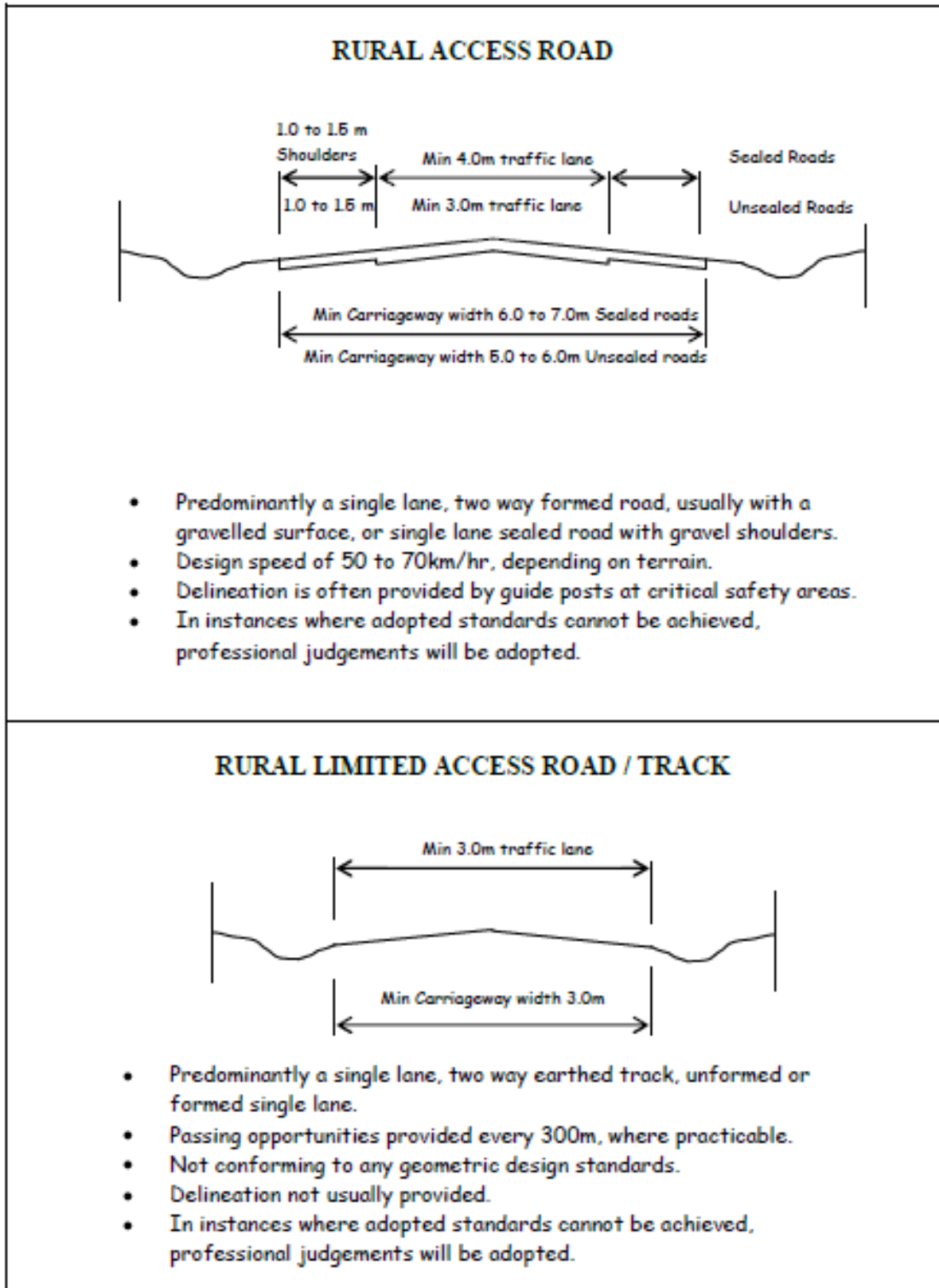
0.5 to 1.0m    Min two 3.0m traffic lanes    Unsealed Roads

Carriageway width 7.0 to 8.0m sealed roads

Carriageway width 7.0 to 8.0m Unsealed roads

- All weather single lane sealed with gravelled shoulders, or two lane formed and gravelled unsealed.
- Design speed of 50 to 80km/hr, depending on terrain.
- Delineation is generally provided by guide posts in rural areas.
- In instances where adopted standards cannot be achieved, professional judgements will be adopted.

## APPENDIX B – STANDARDS FOR UPGRADING AND RENEWAL OF ROAD ASSETS



## APPENDIX C – DESCRIPTION OF HAZARD AND HAZARD RESPONSE

<b>PAVEMENTS</b>				
<b>Description of Hazard</b>	<b>Response Time by Classification</b>			
	<b>Link Road</b>	<b>Collector Road</b>	<b>Access Road</b>	<b>Minor Road</b>
<b>Obstructions and Substances in Traffic Lane</b>				
Materials fallen from vehicles, dead animals, wet clay and other slippery substances, hazardous materials, accumulation of dirt or granular materials on the traffic lane of sealed roads	3 days	1 week	1 week	Minor Roads not generally maintained – recognition of defects and hazards to be in accord with instruction from Coordinator Works
Ponding of water >300mm deep, fallen trees, oil spills, stray livestock.	24 hours	3 days	1 week	As above
<b>Pavement of Surface Defects</b>				
Potholes in traffic lane of a sealed pavement greater than 300mm in diameter and greater than 100mm deep or in the traffic lane of an unsealed pavement greater than 500mm diameter and 150mm deep	1 month	2 months	3 months	As above
Deformations greater than 100mm under a 3m straight edge	1 month	2 months	3 months	As above
Edge drops onto unsealed shoulder greater than 100mm	1 month	2 months	3 months	As above
<b>Drainage</b>				
Damaged or missing drainage pit lids, surrounds, grates, in pedestrian areas or traffic lanes.	1 Month	2 months	3 months	As above
<b>ROADSIDES</b>				
<b>Vegetation - Trees, Shrubs and Grassed Areas</b>				
Tree limbs or trees that have been classified as in danger of falling and causing a danger to the public	24 hours	3 days	1 week	As above
Trees, shrubs or grasses that have grown to restrict design sight distance to intersections or restrict viewing of safety signs	1 month	2 months	3 months	As above
Vegetation intruding within an envelope over roadways from the back of shoulder and/or kerb and a minimum of 5m height clearance over pavement and the trafficable portion of shoulders.	3 months	6 months	12 months	As above
Safety signs missing, illegible or damaged making them substantially ineffective	1 month	2 months	3 months	As above
Guideposts missing or damaged at critical locations making them substantially ineffective	3 months	6 months	12 months	As above
Safety barriers and fencing missing or damaged at critical locations making them substantially ineffective	3 months	6 months	12 months	As above
Pavement markings missing, illegible or confusing at a critical location	1 month-	2 months	3 months	As above
<b>STRUCTURES</b>				
Damage affecting structural performance.	24 hours	24 hours	1 week	As above



## APPENDIX C – DESCRIPTION OF HAZARD AND HAZARD RESPONSE

FOOTPATHS AND PATHWAYS		
Footpath Classification	Primary Access Route	Secondary Access Route
Defective pedestrian areas with a step greater than 25mm	6 months	12 months
Vegetation which presents a physical hazard to the public over pedestrian/bicycle paths, intruding into a clearance envelope between the edges of path and a minimum of 2.5m height clearance over path.	6 months	12 months


When Council inspects or is notified of a hazard, Council will rectify it if possible, or provide appropriate warning within the response time indicated. Where, because of the nature of the repair required, level of resources required or workload, it is not possible to rectify within the time shown, appropriate warning of the hazard is to be provided until the repair can be completed

Appropriate warning could include, for example:

- Provision of warning signs,
- Traffic control action
- Diverting traffic around the site,
- Installation of a temporary speed limit,
- Lane closure,
- Closure of the road to use by certain vehicle (eg a load limit), or
- Road closure
- Or any other measure which reasonably addresses the duty of care to road users.

Minor roads are inspected on an as needed basis and repair works will be attended to when resources become available.

## **APPENDIX D – ROAD AND FOOTPATH HIERARCHY MAPS**

	<b>Policy Location</b>	Works and Technical Services		
	<b>Policy Title</b>	Asset Management Policy		
	<b>Policy No</b>		<b>Date Approved</b>	9 December 2015
	<b>Revision No</b>	1	<b>Revision Date</b>	9 December 2018

### Purpose

This policy is designed to set a framework for undertaking Asset Management in a structured, coordinated, cost effective and financially sustainable manner across the whole organisation and to assess continued "ownership" and the management of risk.

In addition, the policy enables consistency of decision-making and enables Council to ensure that its assets continue to function and meet the needs and expectations of the community.

### Scope

This Asset Management policy applies to Council, Senior Management, Staff, Committees of Management and the community involved in the operations, maintenance, refurbishment, renewal, upgrading and development of Council's existing and new infrastructure assets.

### Definitions

In this policy –

**Asset** An item that has potential value to an organisation, such as buildings, roads, paths, etc

**Asset Management** The systematic and coordinated activities and practices of an organisation to optimally and sustainably deliver on its objectives through the cost-effective lifecycle management of assets.

**Asset Management Plan** Long-term plans (usually 10-20 years or more for infrastructure assets) that outline the asset activities and programs for each service area and resources applied to provide a defined level of service in the most cost-effective way

**Infrastructure Assets** Infrastructure assets are stationary systems (or networks) that serve the community where the system as a whole is intended to be maintained indefinitely, or at least for the foreseeable future, to a specified level of service by the continuing replacement and refurbishment of its components.

**Renewal Gap** The difference between the organisations current asset management practices and the required asset management practices to achieve levels of service. In most cases it is written as a financial amount.

### Policy Statement

The Asset Management policy provides for a flexible approach to ensure the importance of best appropriate practice asset management for the Council's infrastructure assets to meet the demands of the present and future generations.

The policy reflects Council's vision, mission, and asset management objectives as set out in the Council Plan

2015-2019.

The benefits of a strategic approach in establishing an asset management policy, together with a sustainable asset management improvement strategy, include:

- better allocation of limited council resources
- improved alignment of assets with services and community expectations
- reduced demand for new council assets through better integration of service planning and asset planning
- more effective use and maintenance of existing council assets
- improved processes and accountability for capital and recurrent works
- use of non-asset solutions to meet service demand
- increase in the use of sustainable development solutions.

## Principles

To assist in achieving consistency and commitment to asset management decision-making, Council will take into consideration the following key objectives:

1. As custodians/caretakers of community assets and as part of providing quality infrastructure and community facilities, undertake to develop acceptable levels of service that are affordable and financially sustainable without compromising the needs of future generations. These levels of service to be included in asset management plans
2. Ensure that in accordance with the Council Plan and the Long Term Financial Plan, quality infrastructure assets will support services that are appropriate, accessible, responsive and sustainable to the community.
3. Council's long-term Financial Plan will include in its base, the financial impacts of the Asset Management Plans.
4. The management of assets in accordance with relevant local government frameworks,
5. Monitoring and reporting on Council's Asset Management expenditure in terms of operational, maintenance, renewal, new and upgrade costs
6. Management of the assets will include utilising a multi-disciplinary, cross-functional asset management working group to ensure all stakeholders are involved.
7. Development of strategies to maintain a planned approach for the management of all asset portfolios in a systematic and sustainable manner while maintaining focus on asset levels of service to ensure equity within the community.
8. Development of Asset Management Plans for all major asset groups.
9. Involvement and consultation with the community and key stakeholders to assist in the establishment of responsible and best practice asset management plans to ensure whole of life asset function.
10. Council will report to the community on its service performance.
11. Development and implementation of a Capital Evaluation Framework to assist in prioritising projects for consideration within Council's long-term financial plan and annual budget taking into consideration:
  - Demonstrated need and asset function
  - Level of service
  - Community benefits and community goodwill
  - Historical ownership and social fabric considerations
  - Overall community value of asset ownership
12. Undertaking assessment of asset demand to ensure that:

- Assets meet community needs and expectations
  - Assets are regularly maintained and refurbished
  - Asset design, construction, maintenance and refurbishment continue to meet the standards of the day
  - Risk management strategy requirements are met
  - Assets continue to function as built for their full asset life
  - Overall life-cycle costs are reduced
13. Encouragement of continuous improvement, innovation and cost effective methods to improve work practices and processes.
  14. Consideration of new assets after service delivery alternatives have been explored (what does this mean?)
  15. Examination of the whole of life cost implications for new assets including the ongoing costs of maintenance and refurbishment.
  16. Involvement of the community as part of Council's Community Engagement Strategy, best value principles and continuous improvement.

### **Accountability and Responsibility**

#### **Council:**

- Acts as steward for infrastructure assets.
- Sets corporate Asset Management policy and vision with linkage to the Council Plan.
- Sets levels of service, risk and cost standards.
- Provides appropriate resources for asset management.
- Promotes and raises awareness of asset management with the community

#### **Senior Management Team:**

- Continues to refine Asset Management Policy, and Asset Management Plans.
- Fosters and supports the multi-disciplinary, cross-functional implementation of asset management
- Implements and continuously audits and reviews the corporate Asset Management Policy, Strategy and Plans.
- 
- 
- Ensures the community and key stakeholders inputs are integrated into the Asset Management Plan
- Ensurs accurate and reliable information is presented to Council for decision making.
- Promotes and raises awareness of asset management with the Council, staff, users and community.
- Ensures that Asset Management performance, skills and training needs are identified as part of staff performance appraisal process.

### **Policy Review**

This policy will be monitored continuously to ensure its relevance in terms of community needs and expectations, Council goals and targets and statutory requirements. The policy will be reviewed on an ongoing basis and amended as required.

#### **Monitoring of Asset Management will be provided by:**

- MAV Asset Management STEP and National Framework Program
- Internal Audits
- Public consultation and feedback
- Annual reviews of strategies and plans

### **Legislation**

This policy was developed in accordance with the following legislation:

- Local Government Act 1989

**Documents**

This Policy is implemented in conjunction with the following documents:

- Council Plan 2015-2019
- Sustainable Asset Management Improvement Strategy



## **Buloke Shire Council**

# **Sustainable Asset Management Improvement Strategy**

**December 2015**

## Table of Contents

<b>1</b>	<b><i>Introduction</i></b> .....	<b>2</b>
<b>2</b>	<b><i>Scope and Background</i></b> .....	<b>3</b>
<b>2.1</b>	<b>Scope</b> .....	<b>3</b>
<b>2.2</b>	<b>Stakeholders</b> .....	<b>3</b>
<b>3</b>	<b><i>Strategic Context</i></b> .....	<b>5</b>
<b>4</b>	<b><i>Current Status, Future Targets and Actions</i></b> .....	<b>7</b>
<b>4.1</b>	<b>Council Assets</b> .....	<b>7</b>
<b>4.2</b>	<b>Current Status</b> .....	<b>8</b>
<b>4.3</b>	<b>Future Vision and Action</b> .....	<b>9</b>
<b>4</b>	<b><i>Improvement Plan</i></b> .....	<b>0</b>
<b>5</b>	<b><i>Implementation and Review</i></b> .....	<b>10</b>



## 1 Introduction

The decision to invest in assets imposes a responsibility on councils to provide the requisite funds for operating, maintenance, renewal and disposal of the asset over its life cycle. Asset decisions cannot be made in isolation and Government capital and recurrent outlays should be considered within council's overall budget and the impact these assets will have on the future costs and revenues of the Council.

The Shire is custodian of an extensive range of community assets that it provides to facilitate delivery of its services to the community. These include:

- the road & street network, including footpaths, kerb and channel, culverts, bridges, traffic facilities, guard rails, street furniture, bus shelters, street lighting, street name & regulatory signs, and car parks both on and off-street;
- flood protection and stormwater drainage systems;
- waste management facilities, including landfill, waste transfer stations and public place receptacles;
- buildings and facilities of various types that provide a focus for services, such as administrative facilities, child care/health centres, youth centre, kindergartens, community halls and public toilets etc;
- parks and recreation facilities, including active and passive recreation areas, sport centres, playgrounds, swimming pools and lighting, etc.
- plant and equipment, including Workshop and Depot facilities to undertake specific services;
- Information technology networks, including computer and telecommunication systems.

There is increasing demand for resources to provide the various services for which Council has a statutory responsibility as well as those services that the community expects it to provide. At the same time, the ability to adequately fund these assets and services is becoming increasingly difficult due to competing demands and restricted opportunities for revenue.

Council needs to balance this funding of upkeep with increasing the asset base. The means by which Council achieves proper management of its assets is 'asset management'.

By better understanding the extent and condition of its assets, Council is able to more effectively plan and fund its works programs. As a consequence assets will be maintained to an acceptable standard, which will enable Council to competently deliver services to the community.

The purpose of this document is to provide specific actions to be undertaken in order to improve or enhance Council's asset management capability and to achieve strategic objectives.

## **2 Scope and Background**

### **2.1 Scope**

This strategy describes the current status, vision and actions for improving asset management within the Buloke Shire Council.

The Sustainable Asset Management Improvement Strategy establishes the framework that determines the nature and direction of Asset Management. Its objective is to describe how Council will meet its commitment to asset management as documented in its Council Plan and Asset Management Policy. A structured set of actions aimed at enabling improved asset management by the organisation forms the measurable basis for delivering this objective. These structured actions are aimed (in the first instance) at providing Council with a Core level of asset management practice as soon as possible in line with the MAV Regional Asset Management & Services Program.

It is a strategic document with the objective of optimising the lifecycle cost of assets sustainably over the long term, ensuring capital investment is used effectively and in the best interests of the community.

The Strategy has been developed in line with Local Government Victoria's Guidelines for Developing an Asset Management Policy, Strategy and Plan.

The benefits of a strategic approach in establishing an asset management policy, together with an asset management strategy, include:

- better allocation of limited council resources
- improved alignment of assets with services and community expectations
- reduced demand for new council assets through better integration of service planning and asset planning
- more effective use and maintenance of existing council assets
- improved processes and accountability for capital and recurrent works
- use of non-asset solutions to meet service demand
- increase the use of sustainable development solutions.

### **2.2 Stakeholders**

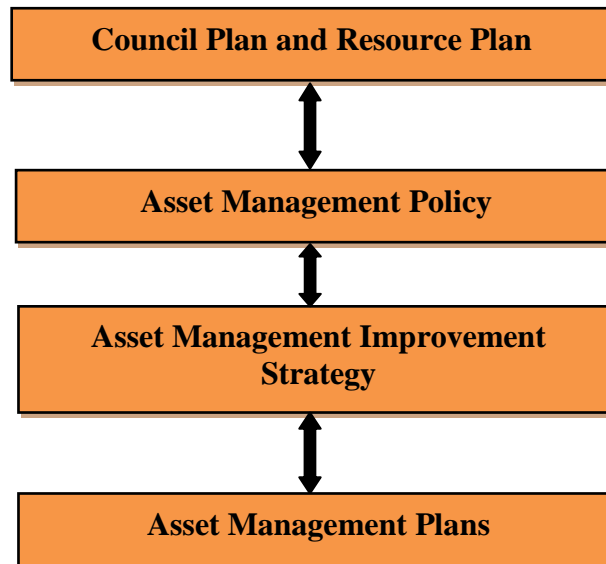
Council is responsible for the operation of its infrastructure and the management of assets to ensure the delivery of services to its stakeholders. The key stakeholders include:

- Residents
- Ratepayers
- Community groups
- Businesses

- Councillors
- Users of Council services
- Travellers
- State and Federal Departments and Agencies
- Developers
- Utility providers
- Employees and volunteers
- Contractors/suppliers
- Insurers

### 3 Strategic Context

The Strategy also forms part of a planning and policy framework within Council itself as demonstrated below.



#### **Council's Asset Management planning framework**

The Council Plan 2015-2019 provides the strategic vision to meet present and future needs of the community. The plan identifies the clear vision:

#### ***A sustainable Council for a liveable community***

The plan has a heavy focus on both improved asset management and asset-based approaches and ongoing financial sustainability.

#### ***Enhance the strategic planning, development and management of Council's physical assets and infrastructure***

The Strategic Resource Plan incorporates long term funding requirements for the maintenance and renewal of Council's various assets and services and feeds into the annual budgeting process.

The Asset Management Policy compliments and builds upon the Council Plan vision to provide a more formalised approach to asset management principles and methodology.

Asset Management Plans are long-term plans which outline the asset activities for the service areas within council.

The Strategy develops the actions through a process of:

- Outlining the required status of asset management practices within council to achieve the future vision as described in Asset Management Policy.
- Describing the current status of asset management practices.
- Identifying actions to close the gap between the required and current status, including resource needs and timelines.

This Strategy also impacts on the following strategies:

- Risk Management Strategy
- Waste Management Strategy
- Township Drainage Improvement Plans
- Road Management Plan
- Roadside Vegetation Management Plan
- Playground Strategy
- Plant Replacement Program
- Recreation Strategy
- Aquatics Strategy
- Municipal Public Health Plan

Further consideration of these strategies will be undertaken as part of the preparation of detailed asset management plans as a number of these are asset specific.

## 4 Current Status, Future Targets and Actions

### 4.1 Council Assets

Council is responsible for management of a wide range of assets. An indicative list of major assets is provided below:

<b>Asset Component</b>	<b>Length (kms)</b>
Sealed Roads – Rural	896
Sealed Roads – Urban	99
Gravel Roads – Rural	1,099
Gravel Roads – Urban	11
Formed Roads - Rural	3,195
Formed Roads - Urban	11
<b>Sub-Total Roads</b>	<b>5,311km</b>
<b>Footpaths</b>	<b>62km</b>
<b>Kerb &amp; Channel</b>	<b>105km</b>
<b>Bridges/Major Culverts</b>	<b>37 No.</b>
<b>Buildings</b>	<b>273 No.</b>
<b>Drainage pipes</b>	<b>28.5km</b>
<b>Drainage pits</b>	<b>690 no.</b>
<b>Parks and Open Space</b>	<b>46 no.</b>

## 4.2 Current Status

Council measures its asset management maturity in the context of the National Asset Management and Financial Management Framework (NAMAF). The NAMAF makes an assessment against 11 elements, as drawn from the Local Government and Planning Ministers' Council National Local Government Sustainability Frameworks.

Appendix B shows Council's current Core Maturity status and assessment matrix.

Council's objective is to achieve Core Maturity for each of the 11 NAMAF elements by December 2017,

Following the most recent assessment, the following table of improvement recommendations was established.

- Amended Asset Management Policy to be adopted by Council
- Add responsibilities, timeframe and resources to AM Strategy Action Plan and Council to adopt AM Strategy.
- Establish service areas and services provided by Council. Develop a roles & responsibilities matrix.
- Investigate Capital Evaluation Model to assess and rank all new and upgrade projects. Including assessment process.
- \*Investigate role and consider the need of an asset management steering committee
- Assess services provided by Council and determine for which services, Service Plans are to be developed. Consider aligning with current budget structure and roles and responsibilities. Assess Regional Asset Service Plan template.
- \*\*Develop a community engagement plan to test draft levels of service against community expectations.
- Complete and adopt General AMP
- Complete a skills matrix. (use Regional Asset Service Model)
- Complete AMP Improvement Action timeframes, responsibilities and resources

\* The Senior Management Team will undertake the role of the asset management steering committee

\*\* Since the assessment, Council has developed and adopted a Community Engagement Strategy

### 4.3 Future Vision and Action

Future Vision (Policy Principles)	Current Status	Actions to Close the Gap between Required and Current
<p><b><u>Community Engagement</u></b></p> <ul style="list-style-type: none"> <li>• Involve and consult with the community and key stakeholders to assist in the establishment of responsible and best practice asset management plans and ensure whole of life asset function in planning for the present and future generations.</li> <li>• Involve the community as part of Best Value principles and the continuous improvement of asset management with the various Asset Hierarchy Management plans and other strategies.</li> <li>• Council will report to the community on its service performance.</li> </ul>	<p>Plans include assumptions on community issues developed from matters raised through the Customer Request System.</p> <p>Council reports via the Annual Report</p>	<p>Council to complete Service Reviews, which will incorporate community consultation in establishing appropriate future service levels.</p> <p>Service levels be reviewed in service review process and reporting process developed.</p> <p>An annual report on asset management performance will be presented to a Council meeting every December</p>
<p><b><u>Asset Management Plans</u></b></p> <ul style="list-style-type: none"> <li>• Develop Asset Management Plans for all major asset groups</li> </ul>	<p>Asset Management Plans have been developed for all major asset groups:</p> <ul style="list-style-type: none"> <li>• Roads &amp; Streets Network</li> <li>• Buildings &amp; Facilities</li> <li>• Urban Stormwater Drainage System</li> <li>• Open Space Asset</li> </ul>	<p>Present AMP snapshots to Council for all asset classes.</p> <p>Review and audit processes to be developed for all AMPs.</p> <p>Develop a process where AMP improvement actions are reported to SMT.</p>



Future Vision (Policy Principles)	Current Status	Actions to Close the Gap between Required and Current
<p><b><u>Service Levels</u></b></p> <ul style="list-style-type: none"> <li>• Undertake to develop acceptable levels of service</li> <li>• Develop strategies to maintain a planned approach for the management of all asset portfolios in a systematic and sustainable manner while maintaining focus on asset levels of service to ensure equity within the community.</li> <li>• Ensure that in accordance with its Council Plan and the financial plan, quality infrastructure assets will support services that are appropriate, accessible, responsive and sustainable to the community.</li> <li>• Undertake assessment of asset demand including. <ul style="list-style-type: none"> <li>– Assets meet community needs and expectations;</li> <li>– Assets are regularly maintained and refurbished;</li> <li>– Asset design, construction, maintenance and refurbishment continue to meet</li> <li>– The standards of the day,</li> <li>– Risk management strategy requirements are met,</li> <li>– Assets continue to function as built for their full asset life, and</li> <li>– Overall life-cycle costs are reduced.</li> </ul> </li> <li>• Consider new assets after service delivery alternatives have been explored.</li> </ul>	<p>Current service levels included in the AMPs are asset based and not necessarily reflective of community expectation or service delivery activities</p>	<p>Develop Service Plans for all major services that address: community expectation, future demand, current service status, future service vision, actions to meet future service vision by 2018.</p> <p>In consultation with the community, undertake minimum standard of service and asset provision for each of the 10 townships by June 2017.</p>

<b>Future Vision (Policy Principles)</b>	<b>Current Status</b>	<b>Actions to Close the Gap between Required and Current</b>
<ul style="list-style-type: none"> <li>Partner with the community to explore asset rationalisation where possible</li> </ul>	<p>Asset rationalisation process started through road hierarchy and sale of assets in 2014/15 and 2015/16</p>	<p>Proactively meet with the community to explore options for asset rationalisation for the low-usage assets.</p>
<p><b><u>Council Processes</u></b></p> <ul style="list-style-type: none"> <li>Council's long-term Financial Plan will include the financial requirements of the AMP</li> <li>Report on the cost to manage assets in accordance with relevant local government frameworks.</li> <li>Monitor and report on council AM expenditure in terms of operational, maintenance, renewal, new and upgrade costs</li> <li>Manage the assets utilising a multi discipline cross-functional asset management working group. This will be the role of the Senior Management Team</li> <li>Encourage continuous improvement, innovation and cost effective methods to improve work practices and processes.</li> </ul>	<p>10 year financial cashflow forecasts are not based on AMPs and renewal modelling estimates.</p> <p>Senior Management Team meets weekly.</p>	<p>Council budgeting and Council plan to include a process to consider financial implications of AMPs can be fully considered within the development of the LTFP.</p> <p>An annual report on asset management performance will be presented to a Council meeting every December</p> <p>The Senior Management Team focus on asset management on a quarterly basis</p> <p>Develop a Roles and Responsibilities matrix which identifies positions responsible for service and asset delivery by April 2016.</p> <p>Investigate and improve data collection procedures and information flow across the organisation and report to SMT by December 2016.</p>

<b>Future Vision (Policy Principles)</b>	<b>Current Status</b>	<b>Actions to Close the Gap between Required and Current</b>
<p><b><u>Project Evaluation</u></b></p> <ul style="list-style-type: none"> <li>• Develop and implement a Capital Evaluation framework</li> <li>• Where new assets are considered, examine the whole of life cost implications including ongoing costs of maintenance and refurbishment of that asset over its life</li> </ul>	<p>A detailed evaluation framework exists for roads renewal works. No detailed framework exists for new and upgrade or renewal works.</p>	<p>Develop a capital Evaluation Framework for new and upgrade projects that addresses whole of life costs by September 2017.</p>

#### 4 Improvement Plan

ACTION	PRIORITY	RESPONSIBILITY	TIMEFRAME	RESOURCES	STATUS
Service Levels for all assets be developed and reporting process developed.	Medium	Service Managers Asset Manager	April 2016	Internal	3-year rolling service review has been developed and circulated to Council. Service Review template has been approved and includes asset service levels.  Level of Service reporting process detailed in Draft General AMP
Develop Service Plans for all major services that address: community expectation, future demand, current service status, future service vision, actions to meet future service vision	High	Service Managers	July 2018	Internal	
Embed AMPs across organisation for all asset classes. <ul style="list-style-type: none"> <li>• Roads &amp; Streets Network</li> <li>• Buildings &amp; Facilities</li> <li>• Urban Stormwater Drainage System</li> <li>• Open Space Asset</li> </ul>	Medium	Coordinator Asset Planning and Delivery	July 2016	Internal	Draft AMPs for all major asset classes completed.  Layout reviewed to follow the regional AMP template.  Snapshots to be presented to Council

<b>ACTION</b>	<b>PRIORITY</b>	<b>RESPONSIBILITY</b>	<b>TIMEFRAME</b>	<b>RESOURCES</b>	<b>STATUS</b>
Review and audit processes be developed for all AMPs.	Medium	Director Works and Technical Services	December 2016	Internal	Process detailed in Draft General AMP
Undertake identification, assessment and treatment plan for infrastructure risks.	Low	Coordinator Asset Planning and Delivery	December 2016	Internal	Draft infrastructure risks have been identified in the draft AMPs. Assessment and treatment actions required.
Council develop a process by which AMP improvement actions are reported to the Senior Management Team	Medium	Director Works and Technical Services	June 2016	Internal	Process detailed in Draft General AMP
Council develops a process by which the financial implications of AMPs can be fully considered within the development of the LTFP.	Medium	Senior Management Team	July 2017	Internal	Provision for financial projections included in the Regional AMP template. Process detailed in Draft General AMP.
Review the roles and responsibilities of the AMWG	Complete	Senior Management Team	April 2016	Internal	Complete. Roles and responsibilities reviewed in AM Policy amendment.
Develop Terms of Reference for the AMWG.	Completed	Senior Management Team	April 2016	Internal	Complete. Terms of Reference included in the AM Policy.
Develop a Roles and Responsibilities matrix which identifies positions	High	Senior Management Team	April 2016	Internal	Example templates developed by the RAS

ACTION	PRIORITY	RESPONSIBILITY	TIMEFRAME	RESOURCES	STATUS
responsible for service and asset delivery.					project.
Develop a Capital Evaluation Framework for new and upgrade projects that addresses whole of life costs.	Low	Director Works and Technical Services	September 2017	Internal	Example templates developed
In consultation with the community, undertake minimum standard of service and asset provision for each of the 10 townships.	Medium	Director Works and Technical Services	June 2017	Internal	Officer's review commenced, consultation in 2016.
Proactively meet with the community to explore options for asset rationalisation for the low-usage assets.	Medium	Director Works and Technical Services	December 2018	Internal	Process commenced, through hierarchical change and sale of assets in 2015. Additional discussions to be held.

## **5 Implementation and Review**

The Review of this strategy will take place every three years in September including:

- Review the AM Strategy.
- Audit the status and implement identified actions as set out in AM Strategy.

The audit and review will be conducted by the Senior Management Team.

## APPENDIX B

**National Framework Core Competency Report Card***Based on 11 Key Framework Elements***Council:- Buloke Shire Council****Review****Date:**

5/10/2012

**Summary Sheet****Outcomes to be Achieved:****Priority Council Actions:**

(maximum of 5 key actions to be identified)

- Action 1: Amended AM Policy to be adopted by Council
- Action 2: 1. Add responsibilities, timeframe and resources to Am Strategy Action Plan. 2. Council to adopt AM Strategy.
- Action 3: Establish service areas and services provided by Council (align with budget?). Develop a roles & responsibilities matrix.
- Action 4: Complete and adopt General AMP
- Action 5: Assess services provided by Council and determine for which Service Plans are to be developed. Consider aligning with current budget structure and roles and responsibilities. Assess Regional Asset Service Service Plan template.

**Performance Scorecard:****Core**

1 Strategic Planning	85 Excellence
2 Annual Budget	94 Excellence
3 Annual Report	85 Excellence
4 Asset Management Policy	80 Excellence
5 Asset Management Strategy	75 Proficient
6 Asset Management Plans	72 Proficient
7 Governance & Management	46 Systematic
8 Levels of Service	50 Systematic
9 Data & Systems	59 Proficient
10 Skills & Processes	50 Systematic
11 Evaluation	33 Systematic



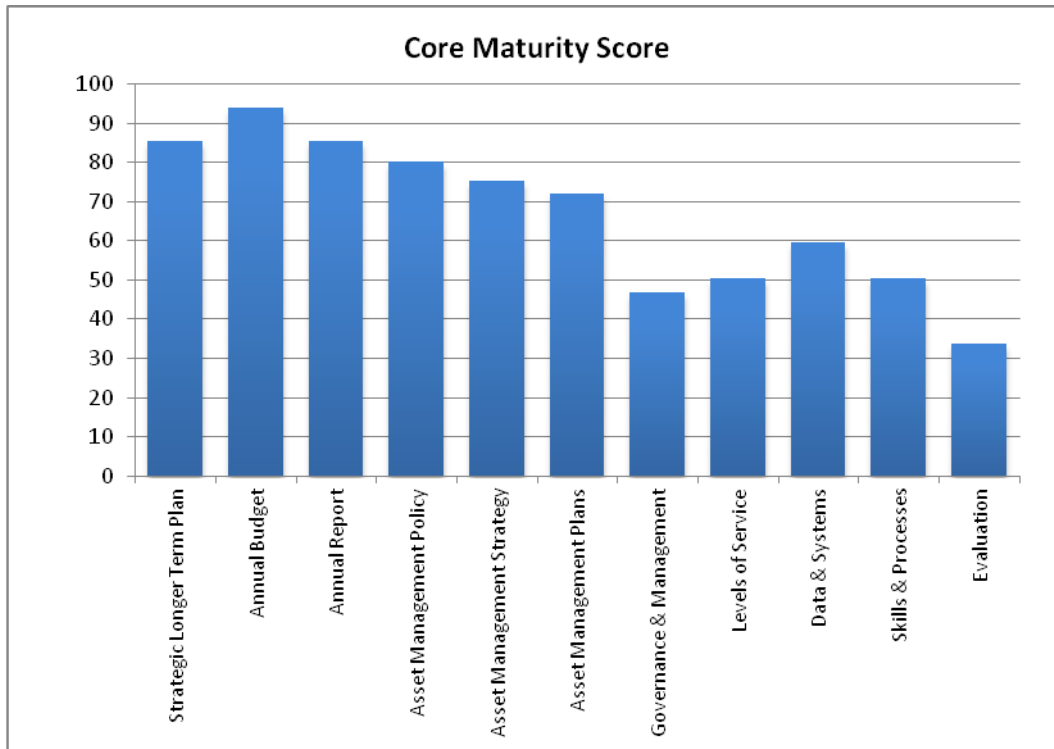
# National Framework Core Competency Report Card

*Based on 11 Key Framework Elements*

**Council:- Buloke Shire Council**

**Review Date:** 5/10/12

**Council Performance - Core Competencies Gap Analysis (Basic Level)**





**BULOKE**  
SHIRE COUNCIL

# **Revised Council Plan 2015 – 2019**



## Where to Contact Us

### Wycheproof District Office

367 Broadway, Wycheproof, Victoria, 3527

Hours: 8.30 am – 5 pm, Monday to Friday

### General Enquiries

Phone: 1300 520 520

Email: [buloke@buloke.vic.gov.au](mailto:buloke@buloke.vic.gov.au)

### Postal Address

P O Box 1

Wycheproof Vic 3527



## Contents

<b><i>Glossary of Terms</i></b> _____	<b>4</b>
<b><i>Preamble</i></b> _____	<b>4</b>
<b><i>What is the Council Plan?</i></b> _____	<b>5</b>
<b><i>How We Revised the Plan</i></b> _____	<b>5</b>
<b><i>How Does the Council Plan Fit in?</i></b> _____	<b>6</b>
<b><i>Draft Council Plan 2015-2019</i></b> _____	<b>7</b>
Our Vision _____	7
Our Mission _____	7
Our Values _____	7
Objectives and Strategies for 2015 - 2019 _____	7
Strategic Objective 1: Delivering our services in a financially sustainable way _____	8
Strategic Objective 2: Engaging with, and facilitating our community to identify and meet its needs. _____	9
Strategic Objective 3: Supporting and enhancing our local economy _____	10
Strategic Objective 4: Working with the community and relevant agencies and groups to enhance and protect our natural environment _____	11
Strategic Objective 5: Influencing governments to improve liveability for rural communities _____	11
Strategic Objective 6: An organisation that is responsibly governed and values and supports the development of its people _____	12
<b><i>Strategic Resource Plan 2015 – 2019</i></b> _____	<b>13</b>
Introduction _____	13
Financial resources _____	14
Financial performance indicators _____	15
Non-financial resources _____	16
Financial statements _____	18
<b><i>List of Council Plans available to the Community (As at 30 June 2013)</i></b> _____	<b>22</b>
<b><i>List of Community Plans (as at 30 June 2013)</i></b> _____	<b>23</b>
<b><i>Buloke Shire – Wards and Councillors</i></b> _____	<b>24</b>



## Glossary of Terms

<b>COUNCIL PLAN (Strategic Plan)</b> (Required under the <i>Local Government Act 1989</i> )	Defines Council’s strategy, direction, and the framework within which it makes decisions on allocating its resources to pursue this strategy.
<b>VISION, MISSION AND VALUES (GUIDING PRINCIPLES)</b>	General statements that define and guide the work that Council undertakes and the future it aspires to.
<b>STRATEGIC OBJECTIVES (WHAT WE WANT TO ACHIEVE)</b>	High-level statements of the future the Council is aspiring to achieve.
<b>STRATEGIES (HOW WE WILL ACHIEVE THE STRATEGIC OBJECTIVES)</b>	Programs, projects, plans or activities which must be accomplished in order to achieve a stated strategic objective.
<b>ACTIONS</b>	Actions Council believes need to be taken to achieve the stated strategies.
<b>STRATEGIC INDICATORS</b>	How we will measure progress in achieving the strategic objectives.
<b>STRATEGIC RESOURCE PLAN (SRP)</b> (Required under the <i>Local Government Act 1989</i> )	Outlines the resources required to achieve Council's commitments as detailed in the Council's Plan.
<b>MUNICIPAL STRATEGIC STATEMENT (MSS)</b> (Required under the <i>Planning and Environment Act 1987</i> )	Outlines objectives for the future development and management of land in the municipality, and sets out strategies to achieve these objectives.
<b>HEALTH &amp; WELLBEING PLAN</b> (Required under the <i>Public Health and Wellbeing Act 2008</i> )	Outlines goals and actions that guide Council in creating a local community in which people can achieve maximum health and wellbeing.

## Preamble

The Buloke Shire Council Plan 2013-2017 was adopted by Council with the proviso that it would be regularly updated; especially if significant changes were to occur within the Council or its environment. Council responded to its deteriorating financial position by adopting a budget for 2014 – 15 that focussed on sustainability; reducing expenditure and services to enable the Council to become financially viable into the future. Further necessary expenditure reductions for 2015 – 16 were also identified at that time.

The budget changes of 2014 – 15 and those identified for 2015 – 16 clearly showed the need for Council to re-assess its vision, mission and strategies for the coming years. Consequently a comprehensive revision of the Council Plan was needed to articulate Council’s new focus and provide consistency for its future actions and strategies.

The revised Plan is based on a 4 year planning horizon in line with the requirements of the Act and Council's Strategic Resource Plan. It is acknowledged that following the Local Government elections due in October 2017 a new Council will be required to develop a Plan for 2017 – 21 to replace this revised Plan. In the meantime the revised Plan gives Council a meaningful planning time frame and guidance for its strategic activity and budgeting processes.

## What is the Council Plan?

The Buloke Council Plan 2015 – 2019 is Council's revised four-year Plan. This revision takes into account the necessity to tailor our investments and expenditures to meet the restricted resources available to us as a community. The revised Plan is good business practice and an essential element of good governance.

This Plan includes:

- a statement of desired future (four-year) development of the Shire
- a statement of the vision, mission and values Council sees as the building blocks of the Plan
- a description of the Shire's population and drivers of change
- a statement of goals, strategic objectives and priorities (action plans) under the following five themes:
  - Financial Sustainability
  - Our Community
  - Our Economy
  - Our Natural Environment
  - Rural Liveability
  - Our People
- The Strategic Resources Plan for the next ten years.

## How We Revised the Plan

Council receives input and feedback from residents, stakeholders and other levels of Government on a regular basis through a range of sources and interactions both formal and informal. In some cases these processes involve the whole community, while in others cases they involve key stakeholder groups.

Councillors and Council are also ongoing participants in a wide range of meetings to discuss community aspirations, future strategies, the strengths and weaknesses of current policies and initiatives and future Commonwealth and Victorian Government directions. Examples of this engagement with the community, individuals and stakeholders include:

- review of the community plans that have been developed by each of the principal communities that make up the Shire (Charlton, Birchip, Berriwillcock, Culgoa, Donald, Nullawil, Nandaly, Sea Lake, Watchem and Wycheproof)
- regular attendance at township forums and progress associations across the Shire
- regular briefings by representatives from township forums, progress associations, Chambers of Commerce and Industry, sporting clubs, committees of management, service clubs and a wide

range of other organisations and individuals at monthly meetings advertised to precede Ordinary Council Meetings

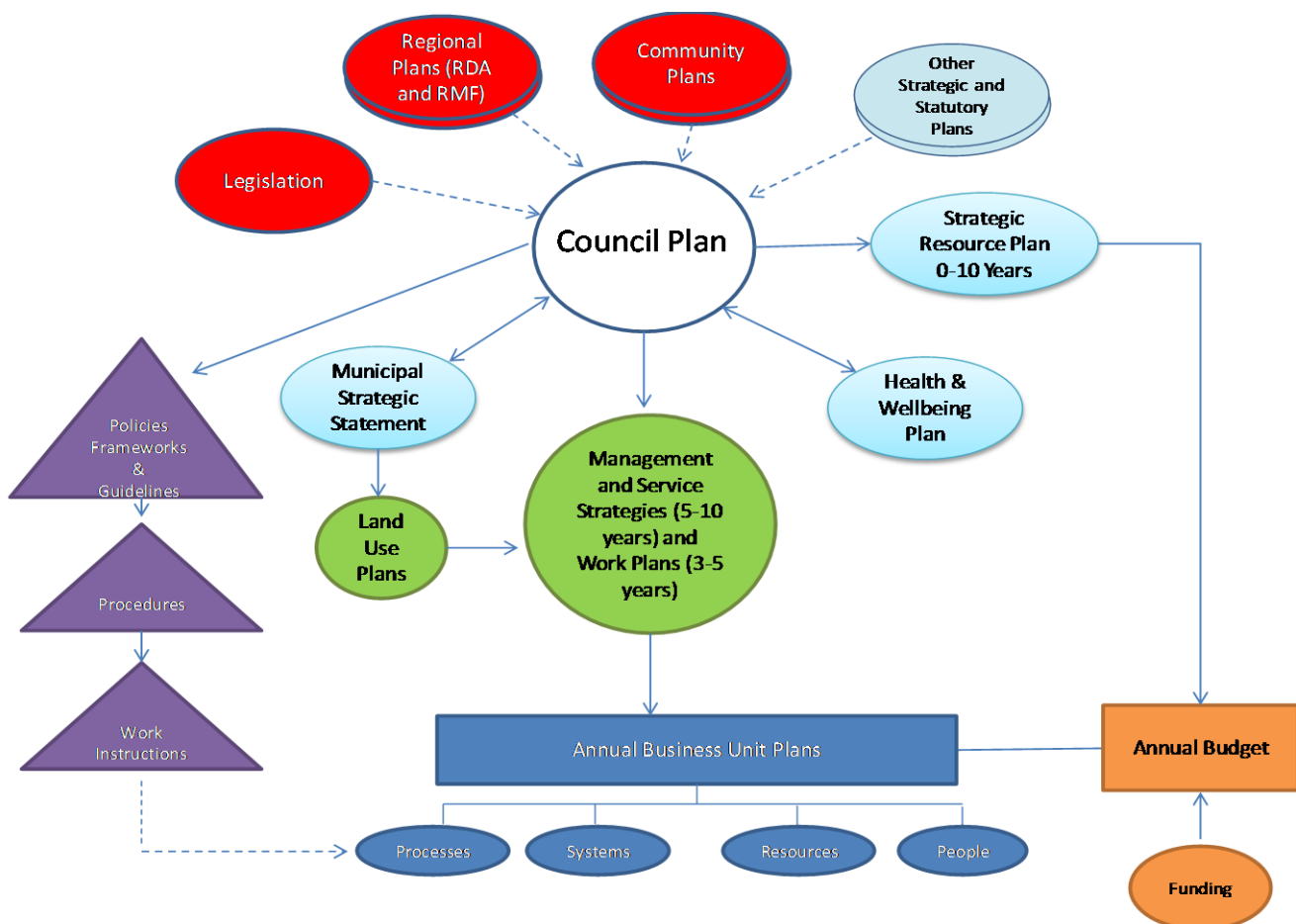
- ‘Fire Shed’ meetings with farm-based families to discuss local needs, local conditions and wellbeing

## How Does the Council Plan Fit in?

Council takes an integrated approach to planning and reporting on its performance, which means there is consistency and alignment of plans so council can work towards long-term goals through its ongoing decision making and operations.

This approach also builds in opportunities for review and renewal to ensure council is responding to what the community is saying and to shifts in the external environment.

The following illustration shows how Council’s plans are linked and reinforce each other.





## Draft Council Plan 2015-2019

### ***Our Vision:***

A sustainable Council for a liveable community

### ***Our Mission:***

Our mission is to work with the people of Buloke to provide a supportive and positive environment enabling them to work to achieve satisfying and productive lives.

### ***Our Values:***

Council address its key values through:

- Constructive engagement.
- Good communication.
- Transparency in decision making.
- Accountability for actions.
- A collaborative approach working with partners.
- Taking responsibility.
- Representation of the community and its needs.
- Being responsive and timely.

## ***Objectives and Strategies for 2015 - 2019***

<b>STRATEGIC OBJECTIVE</b>	<b>STRATEGIES</b>
<p><b>1. Delivering our services in a financially sustainable way</b></p>	<p><b>1.</b> Achieve the adopted Budget 14/15 and the proposed 15/16 Budget.</p> <p><b>2.</b> Monitor service delivery to ensure we are meeting the proposed new service levels.</p> <p><b>3.</b> Adopt increasing surplus budgets over the life of the Council Plan.</p>
<p><b>2. Engaging with, and facilitating our community to identify and meet its needs</b></p>	<p><b>1.</b> Adopt and implement the Buloke Community Engagement Strategy.</p> <p><b>2.</b> Identifying community needs to inform service planning.</p> <p><b>3.</b> Support and assist volunteer participation in our Shire.</p> <p><b>4.</b> Implement and annually review the Municipal Public Health and Wellbeing Plan.</p> <p><b>5.</b> Enhance the strategic planning, development and management of Council's physical assets and infrastructure.</p>





**3. Supporting and enhancing our local economy**

1. Implement the Buloke Shire Economic Development Strategy and report to the community on an annual basis.
2. Facilitate the provision of infrastructure to grow the economic development of the community

**4. Working with the community and relevant agencies and groups to enhance and protect our natural environment**

1. Implement the Buloke Waste Management Strategy.
2. Undertake a strategic review of Council's gravel pits.
3. Review the Roadside Vegetation Management Plan.
4. Identify and implement environmentally sustainable projects.

**5. Influencing governments to improve liveability for rural communities**

1. Engage with other municipalities / agencies to advocate on equitable services.
2. Mobilise the community to participate in advocacy issues.

**6. An organisation that is responsible governed and values and supports the development of its people**

1. Adopt and implement the Buloke Organisational Development Strategy.
2. Action relevant audit reports.
3. Monitor governance processes and practices.

***Strategic Objective 1: Delivering our services in a financially sustainable way***

Strategies – how we're going to achieve our objectives

**1.1 *Achieve the adopted Budget 14/15 and the proposed 15/16 Budget***

**Actions**

- Ensure monthly financial performance reports are prepared and presented at every Ordinary Council Meeting for monitoring and review
- Identify, develop, implement and monitor the practical actions necessary to achieve the service area savings adopted in the budget



## **1.2 Monitor service delivery to ensure we are meeting the proposed new service levels.**

### **Actions**

- Conduct and review Community Satisfaction Survey to monitor service delivery to the community.
- Monitor performance reporting framework measures to ensure service levels are being met.

## **1.3 Adopt increasing surplus budgets over the life of the Council Plan.**

### **Actions**

- Ensure that every Budgeted Statement of Cash Flow as contained in adopted Budgets has a net increase in cash and cash equivalents for each financial year
- Ensure that every Budgeted Comprehensive Income Statement as contained in adopted Budgets reflects a surplus for the full financial year.

## **Strategic Indicators**

- Budgeted Comprehensive Income Statement Surplus is greater than zero.
- Budgeted Statement of Cash Flow net increase in cash flows is greater than zero.

## **Strategic Objective 2: Engaging with, and facilitating our community to identify and meet its needs.**

Strategies – how we're going to achieve our objectives

### **2.1 Adopt and implement the Buloke Community Engagement Strategy.**

#### **Actions**

- Ensure all council identified topics that impact the community utilise the most appropriate engagement method and schedule an engagement program.

### **2.2 Identifying community needs to inform service planning.**

#### **Actions**

- Identify current service levels and utilise appropriate engagement methods to collect and compare data within reportable timeframes.

### **2.3 Support and assist volunteer participation in our Shire.**

#### **Actions**

- Support and recognise existing volunteers whilst strengthening volunteer support networks.

## **2.4 Implement the Municipal Public Health and Wellbeing Plan (PH&WB).**

### **Actions**

- In the annual report demonstrate that the five priorities of the plan and their relevant initiatives are being met in the designated timeframes.

## **2.5 Enhance the strategic planning, development and management of our physical assets and infrastructure.**

### **Actions**

- Review and implement Council's Asset Management Policy, Strategy and Plans
- Review, develop and deliver a strategic ten year capital works program based on key strategic facility reviews, community plans and condition assessments.

### **Strategic Indicators**

- Community Satisfaction Survey
- The PH&WB evaluation tool
- Achievement of the ten year capital works program

## **Strategic Objective 3: Supporting and enhancing our local economy**

Strategies – how we're going to achieve our objectives

### **3.1 Implement the Buloke Shire Economic Development Strategy**

#### **Actions**

- Measure our annual, short term and long term success with the Economic Development strategy actions and advocacy outcomes.

### **3.2 Facilitate the provision of infrastructure to grow the economic development of the community**

#### **Actions**

- Seek funding to develop a town beautification and streetscape improvement program in Donald, Birchip, Sea Lake, Charlton and Wycheproof.
- Conduct annual reviews of Council's Road Management Plan in order to provide a sustainable road network that facilitates movement to key commodity receipt sites.
- Undertake a Rural Land Use Strategy

### **Strategic Indicators**

- Adoption of a Rural Land Use Strategy
- Funding for streetscape received



- Growth in economic output from Buloke

### ***Strategic Objective 4: Working with the community and relevant agencies and groups to enhance and protect our natural environment***

Strategies – how we’re going to achieve our objectives

#### ***4.1 Implement the Buloke Waste Management Strategy.***

##### ***Actions***

- Implement the adopted future directions from the Waste Management Strategy and report annually on waste management services over the life of the Council Plan

#### ***4.2 Undertake a strategic review of Council’s gravel pits.***

##### ***Actions***

- Complete a formal review of Council’s existing gravel pits and develop an action plan for each individual gravel pit.

#### ***4.3 Review the Roadside Vegetation Management Plan.***

##### ***Actions***

- Review, adopt and implement the Roadside Vegetation Management Plan

#### ***4.4 Identify and implement environmentally sustainable projects***

##### ***Actions***

- Conduct a review of the most utilised public buildings and reserves to identify opportunities for energy and water saving initiatives.
- Actively incorporate the Environmental Sustainable Design Guide for Office and Public Buildings when planning and delivering our capital works program.

### **Strategic Indicators**

- Reduction in energy consumption from non-renewable sources and reduction in use of potable water supplies.
- Roadside Vegetation Management Plan adopted by Council by 30 June 2015
- Strategic pit review completed and action plan established for each gravel pit by 30 December 2015

### ***Strategic Objective 5: Influencing governments to improve liveability for rural communities***

Strategies – how we’re going to achieve our objectives



### **5.1 Engage with other municipalities and agencies to advocate on equitable services.**

#### **Actions**

- Develop “minimum service levels” for rural residents for advocacy with Victorian and Commonwealth Governments.

### **5.2 Mobilise the community and rural Councils to participate in advocacy issues.**

#### **Actions**

- Utilise collective advocacy in a range of media fora and platforms

#### **Strategic Indicators**

- Adoption of “minimum service levels” in consultation with our community.
- Advocate “minimum service levels” to other levels of government.

## **Strategic Objective 6: An organisation that is responsibly governed and values and supports the development of its people**

Strategies – how we’re going to achieve our objectives

### **6.1 Endorse and implement the Buloke Organisational Development Strategy**

#### **Actions**

- Take Organisational Development Strategy to Council Briefing
- Implement and promote the Organisational Development Strategy within the organisation

### **6.2 Action relevant audit reports**

#### **Actions**

- Complete the annual internal audit schedule adopted by the Audit Advisory Committee (AAC)
- Respond to all formal audits undertaken by the Victorian Auditor-General’s Office (VAGO) by the due dates established by VAGO
- Provide management responses to all recommendations arising from all audits undertaken by the Council’s appointed Internal Auditors by the due date

### **6.3 Monitor governance processes and practices**

#### **Actions**

- Report to Council on governance review processes and practices

#### **Strategic Indicators**

- All VAGO audits responded to by the due dates established by VAGO
- All Internal Audit Review recommendations responded to by management by the due date
- Development of Organisational Development Strategy action plan



## Strategic Resource Plan 2015 – 2019

### ***Introduction***

Under the *Local Government Act 1989* (the Act), Council is required to prepare a forward financial plan covering both financial and non-financial resources, and including key financial indicators for at least the next four financial years to support the Council Plan.

Council has prepared a five year Financial Plan for the period 2014/15 to 2018/19 as part of its ongoing financial planning to assist in adopting a budget within a longer term framework.

The key objective, which underlines the development of the Plan, is financial sustainability in the medium to long term, while still achieving Council's strategic objectives as specified in the Council Plan.

The financial plan for 2015 – 2019 is based on the following key strategies aimed at ensuring the long-term viability and amenity of the Shire:

- To increase revenue from rates and charges over the period of the Plan by a minimum of 6.0% per annum.
- To increase revenue from fees, fines and charges of 2.5% p.a. (CPI) in 2014/15 and continuing at this level for the remainder of the Plan or in line with cost increases or market levels as appropriate.
- To reduce staff costs, with a particular focus on achieving these reductions in the first 2 years of the Plan.
- To base forward capital works funding projections only on known funding sources.
- In preparing the Plan, Council has also been mindful of the need to comply with the following Principles of Sound Financial Management as contained in the Act:
  - Prudently manage financial risks relating to debt, assets and liabilities
  - Provide reasonable stability in the level of rate burden
  - Consider the financial effects of Council decisions on future generations
  - Provide full, accurate and timely disclosure of financial information.

The Plan will be updated on a continuous basis as circumstances and opportunities change, new funding programs announced and the success of current and future grant applications are confirmed.

## Financial resources

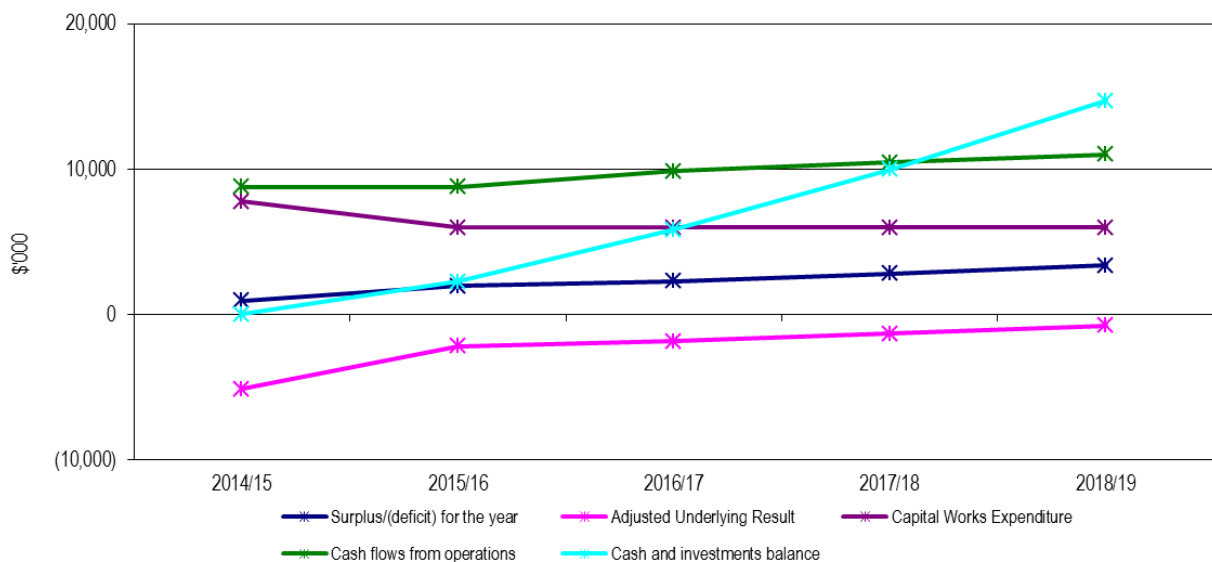
The following table summarises the key financial results for the next five years as set out in the SRP for years 2014/15 to 2018/19. Appendix A includes a more detailed analysis of the financial resources to be used over the four year period.

Indicator	Budget	Strategic Resource Plan Projections				Trend
	2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'001	+/-
Surplus/(deficit) for the year	949	1,956	2,290	2,818	3,382	+
Adjusted underlying result	(5,140)	(2,186)	(1,852)	(1,324)	(760)	+
Cash and investments balance	15	2,278	5,845	9,996	14,711	+
Cash flows from operations	8,774	8,780	9,879	10,463	11,029	+
Capital works expenditure	7,783	6,000	6,000	6,000	6,000	o

Key to Forecast Trend:

- + Forecasts improvement in Council's financial performance/financial position indicator
- o Forecasts that Council's financial performance/financial position indicator will be steady
- Forecasts deterioration in Council's financial performance/financial position indicator

The following graph shows the general financial indicators over the five year period.



The key outcomes of the SRP are as follows:

- **Financial sustainability** – Council's cash position will improve over the life of the plan, which indicates a balanced budget on a cash basis in each year
- **Rating levels** – Rate increases are forecast over the five years at an average of 6.0%, as well as full cost recovery for kerbside garbage and recycling charges.
- **Borrowing strategy** – Borrowings increase to \$7.0 million in 2014/15 with an interest only loan over a period of five years.
- **Service Reviews** - Reviews of services will result in budget savings of \$1.28 million in 2014/15 and totalling \$4 million p.a. in subsequent years.

## Financial performance indicators

The following table highlights Council's current and projected performance across a range of key financial performance indicators. These indicators provide a useful analysis of Council's financial position and performance and should be used in the context of the organisation's objectives.

Indicator	Measure	N o t e	Budget 2014/15	Strategic Resource Plan Projections					Trend +/-
				2015/16	2016/17	2017/18	2018/19	+/-	
<b>Operating position</b>									
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	-27%	-11%	-9%	-6%	-3%	+	
<b>Liquidity</b>									
Working Capital	Current assets / current liabilities	2	29%	99%	199%	312%	437%	+	
Unrestricted cash	Unrestricted cash / current liabilities		-24%	59%	158%	270%	394%	+	
<b>Obligations</b>									
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	3	63%	58%	55%	52%	49%	+	
Loans and borrowings	Interest and principal repayments on interest bearing loans and borrowings / rate revenue		10%	4%	3%	2%	2%	+	
Indebtedness	Non-current liabilities / own source revenue		69%	66%	62%	59%	56%	+	
Asset renewal	Asset renewal expenditure / depreciation	4	52%	82%	82%	82%	82%	o	
<b>Stability</b>									
Rates concentration	Rate revenue / adjusted underlying revenue	5	60%	61%	62%	63%	64%	o	
Rates effort	Rate revenue / CIV of rateable properties in the municipality		1%	1%	1%	1%	1%	o	
<b>Efficiency</b>									
Expenditure level	Total expenditure / no. of property assessments		\$3,920	\$3,530	\$3,570	\$3,620	\$3,700	+	
Revenue level	Residential rate revenue / No. of residential property assessments		\$765	\$801	\$841	\$888	\$932	-	
Workforce turnover	No. of permanent staff resignations & terminations / average no. of permanent staff for the financial year		18.0%	15.0%	10.0%	10.0%	10.0%	+	

Key to Forecast Trend:



- + Forecasts improvement in Council's financial performance/financial position indicator
- o Forecasts that Council's financial performance/financial position indicator will be steady
- Forecasts deterioration in Council's financial performance/financial position indicator

## Notes to indicators

**1 Adjusted underlying result** – An indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. Improvement in financial performance expected over the period, although continued losses means reliance on debt in the short to medium term. A negative result indicates that insufficient revenue is being generated to fund operations and asset renewal.

**2 Working Capital** – The proportion of current liabilities represented by current assets. Working capital is forecast to improve significantly in 2014/15 year due to the taking of a loan. The trend in later years is to continually improve. A result less than 100% indicates there is insufficient current assets to cover liabilities.

**3 Debt compared to rates** - Trend indicates Council's initial reliance on debt to manage its cash position. A figure greater than 60% is generally considered as representing a risk over councils ability to repay debt from own-source revenue.

**4 Asset renewal** - This percentage indicates the extent of Council's renewals against its depreciation charge (an indication of the decline in value of its existing capital assets). A percentage greater than 100 indicates Council is maintaining its existing assets, while a percentage less than 100 means its assets are deteriorating faster than they are being renewed and future capital expenditure will be required to renew assets.

**5 Rates concentration** - Reflects extent of reliance on rate revenues to fund all of Council's on-going services. Trend indicates Council will continue to be reliant on rate revenue compared to all other revenue sources.

## Non-financial resources

In addition to the financial resources to be consumed over the planning period, Council will also consume non-financial resources, in particular human resources. A summary of Council's anticipated human resources requirements is shown below and further detail is included in this section.

### Budgeted Statement of Human Resources

For the five years ending 30 June 2019

	Budget	Strategic Resource Plan Projections			
	2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000
<b>Staff expenditure</b>					
Employee costs - operating	10,135	9,029	9,255	9,486	9,724
Employee costs - capital	235	250	250	250	250
<b>Total staff expenditure</b>	<b>10,370</b>	9,279	9,505	9,736	9,974
	<b>EFT</b>	EFT	EFT	EFT	EFT
<b>Staff numbers</b>					
Total staff numbers	133.6	115	115	115	115



## Employee costs

Employee costs include all labour related expenditure such as wages and salaries and on-costs such as allowances, leave entitlements, employer superannuation, rostered days off, etc.

A summary of the number of full time equivalent (FTE) Council staff in relation to the above expenditure is included below:

Department	Budget FTE	Comprises	
		Permanent Full time	Permanent Part Time
Asset & Infrastructure	15.5	14	1.5
Community Services	19.2	6	13.2
Corporate Services	12.4	10	2.4
Finance & Governance	21.4	20	1.4
Works & Construction	54.5	51	3.5
Total permanent operating staff	123	101	22
Casuals and other	7.6		
Total Capital works staff	3	3	
Total staff	133.6		

A summary of human resources expenditure categorised according to the organisational structure of Council is included below:

Department	Budget 2014/15 \$'000	Comprises	
		Permanent Full time \$'000	Permanent Part Time \$'000
Asset & Infrastructure	1,236	1,116	120
Community Services	1,414	494	920
Corporate Services	1,044	817	227
Finance & Governance	2,032	1,881	151
Works & Construction	3,881	3,558	323
Total permanent staff expenditure	9,607	7,866	1,742
Casuals and other expenditure	528		
Total operating expenditure	10,135		
Capital expenditure	235		
Total expenditure	10,370		

## Financial statements

### Budgeted Comprehensive Income Statement

For the five years ending 30 June 2019

	Budget	Strategic Resource Plan Projections			
	2014/15	2015/16	2016/17	2017/18	2018/19
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Income</b>					
Rates and charges	11,453	12,102	12,788	13,515	14,284
Statutory fees and fines	84	86	88	90	93
User fees	744	762	781	801	821
Contributions - cash	110	132	132	132	132
Contributions - non-monetary assets	-	-	-	-	-
Grants - operating (recurrent)	6,653	6,682	6,682	6,849	7,020
Grants - operating (non-recurrent)	12	13	13	14	14
Grants - capital (recurrent)	1,000	1,000	1,000	1,000	1,000
Grants - capital (non-recurrent)	4,969	3,000	3,000	3,000	3,000
Net gain on disposal of property, infrastructure and equipment	10	10	10	10	10
Other income	284	235	242	249	257
<b>Total Income</b>	<b>25,319</b>	<b>24,022</b>	<b>24,737</b>	<b>25,660</b>	<b>26,630</b>
<b>Expenses</b>					
Employee benefits	(10,135)	(9,029)	(9,255)	(9,486)	(9,724)
Materials and services	(5,785)	(4,600)	(4,738)	(4,880)	(5,027)
Bad and doubtful debts	(11)	(11)	(11)	(11)	(12)
Depreciation and amortisation	(7,334)	(7,334)	(7,332)	(7,330)	(7,328)
Finance costs	(376)	(339)	(337)	(337)	(337)
Other expenses	(729)	(751)	(774)	(797)	(821)
<b>Total Expenses</b>	<b>(24,370)</b>	<b>(22,065)</b>	<b>(22,447)</b>	<b>(22,842)</b>	<b>(23,248)</b>
<b>Surplus (deficit) for the year</b>	<b>949</b>	<b>1,956</b>	<b>2,290</b>	<b>2,818</b>	<b>3,382</b>
<b>Other comprehensive income</b>					
Other	-	-	-	-	-
<b>Comprehensive result</b>	<b>949</b>	<b>1,956</b>	<b>2,290</b>	<b>2,818</b>	<b>3,382</b>

**Budgeted Balance Sheet**

For the five years ending 30 June 2019

	<b>Budget</b>	<b>Strategic Resource Plan Projections</b>			
	<b>2014/15 \$'000</b>	<b>2015/16 \$'000</b>	<b>2016/17 \$'000</b>	<b>2017/18 \$'000</b>	<b>2018/19 \$'000</b>
<b>Current assets</b>					
Cash and cash equivalents	15	2,278	5,844	9,995	14,711
Trade and other receivables	1,223	1,208	1,236	1,281	1,326
Financial assets	-	-	-	-	-
Other assets	151	151	151	151	151
<b>Total current assets</b>	<b>1,389</b>	<b>3,637</b>	<b>7,231</b>	<b>11,426</b>	<b>16,188</b>
<b>Non-current assets</b>					
Trade and other receivables	186	186	186	186	186
Property, infrastructure, plant and equipment	181,335	179,986	178,639	177,294	175,951
<b>Total non-current assets</b>	<b>181,521</b>	<b>180,172</b>	<b>178,825</b>	<b>177,480</b>	<b>176,137</b>
<b>Total assets</b>	<b>182,910</b>	<b>183,809</b>	<b>186,056</b>	<b>188,906</b>	<b>192,325</b>
<b>Current liabilities</b>					
Trade and other payables	2,335	1,480	1,438	1,471	1,507
Interest-bearing loans and borrowings	203	-	-	-	-
Provisions	2,194	2,194	2,194	2,194	2,194
<b>Total current liabilities</b>	<b>4,732</b>	<b>3,674</b>	<b>3,632</b>	<b>3,665</b>	<b>3,701</b>
<b>Non-current liabilities</b>					
Other payables	-	-	-	-	-
Interest-bearing loans and borrowings	7,000	7,000	7,000	7,000	7,000
Provisions	1,535	1,535	1,535	1,535	1,535
<b>Total non-current liabilities</b>	<b>8,535</b>	<b>8,535</b>	<b>8,535</b>	<b>8,535</b>	<b>8,535</b>
<b>Total liabilities</b>	<b>13,267</b>	<b>12,209</b>	<b>12,167</b>	<b>12,200</b>	<b>12,236</b>
<b>Net assets</b>	<b>169,643</b>	<b>171,599</b>	<b>173,889</b>	<b>176,706</b>	<b>180,088</b>
<b>Equity</b>					
Accumulated surplus	83,596	85,552	87,842	90,659	94,041
Asset revaluation reserve	86,047	86,047	86,047	86,047	86,047
Other reserves	-	-	-	-	-
<b>Total equity</b>	<b>169,643</b>	<b>171,599</b>	<b>173,889</b>	<b>176,706</b>	<b>180,088</b>

**Budgeted Statement of Cash Flows**

For the five years ending 30 June 2019

	2014/15	2015/16	2016/17	2017/18	2018/19
	\$'000	\$'000	\$'000	\$'000	\$'000
	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
<b>Cash flows from operating activities</b>					
<b>Receipts</b>					
Rates and charges	11,440	12,103	12,768	13,485	14,253
Grants - operating	6,665	6,696	6,685	6,848	7,019
Grants - capital	5,969	4,001	3,994	3,991	3,991
Interest	50	53	56	59	63
User fees	712	762	780	799	819
Statutory fees and fines	115	86	88	90	92
Other revenue	471	314	317	321	325
	<b>25,422</b>	<b>24,015</b>	<b>24,688</b>	<b>25,593</b>	<b>26,563</b>
<b>Payments</b>					
Employee benefits	(10,134)	(9,566)	(9,281)	(9,466)	(9,701)
Materials and consumables	(5,785)	(4,874)	(4,752)	(4,870)	(5,015)
External contracts	-	-	-	-	-
Utilities	-	-	-	-	-
Other expenses	(729)	(796)	(776)	(795)	(819)
	<b>(16,648)</b>	<b>(15,235)</b>	<b>(14,809)</b>	<b>(15,131)</b>	<b>(15,535)</b>
<b>Net cash provided by operating activities</b>	<b>8,774</b>	<b>8,780</b>	<b>9,879</b>	<b>10,463</b>	<b>11,029</b>
<b>Cash flows from investing activities</b>					
Proceeds from sales of property, plant and equipment	10	25	25	25	25
Repayment of loans and advances	-	-	-	-	-
Deposits	-	-	-	-	-
Payments for property, plant and equipment	(10,465)	(6,000)	(6,000)	(6,000)	(6,000)
<b>Net cash used in investing activities</b>	<b>(10,455)</b>	<b>(5,975)</b>	<b>(5,975)</b>	<b>(5,975)</b>	<b>(5,975)</b>
<b>Cash flows from financing activities</b>					
Finance costs	(376)	(339)	(337)	(337)	(337)
Proceeds from Financial Assets	-	-	-	-	-
Payments for Financial Assets	-	-	-	-	-
Proceeds from borrowings	7,000	-	-	-	-
Repayment of borrowings	(782)	(203)	-	-	-
<b>Net cash provided by (used in) financing activities</b>	<b>5,842</b>	<b>(542)</b>	<b>(337)</b>	<b>(337)</b>	<b>(337)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>4,161</b>	<b>2,263</b>	<b>3,567</b>	<b>4,150</b>	<b>4,716</b>
Cash and cash equivalents at beg of year	(4,146)	15	2,278	5,844	9,995
<b>Cash and cash equivalents at end of year</b>	<b>15</b>	<b>2,278</b>	<b>5,844</b>	<b>9,995</b>	<b>14,711</b>

**Budgeted Statement of Capital Works**

For the five years ending 30 June 2019

	Budget	Strategic Resource Plan Projections			
	2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000
<b>Capital works areas</b>					
Land	-	-	-	-	-
Land improvements	-	-	-	-	-
Buildings	819	-	-	-	-
Building improvements	-	700	700	700	700
Leasehold improvements	-	-	-	-	-
Heritage buildings	-	300	300	300	300
Plant, machinery and equipment	760	760	760	760	760
Fixtures, fittings and furniture	150	150	150	150	150
Computers and telecommunications	-	500	500	500	500
Heritage plant and equipment	-	-	-	-	-
Library books	-	-	-	-	-
Roads	1,494	3,590	3,590	3,590	3,590
Bridges	485	-	-	-	-
Footpaths and cycle ways	94	-	-	-	-
Drainage	1,675	-	-	-	-
Rec, leisure and community facilities	-	-	-	-	-
Waste management	-	-	-	-	-
Parks, open spaces and streetscape	-	-	-	-	-
Aerodromes	10	-	-	-	-
Off street car parks	-	-	-	-	-
Other infrastructure	36	-	-	-	-
Kerb and Channel	87	-	-	-	-
Landfill	190	-	-	-	-
Saleyards	99	-	-	-	-
Carry Forwards	1,028	-	-	-	-
<b>Total capital works</b>	<b>6,927</b>	6,000	6,000	6,000	6,000
<b>Represented by:</b>					
Asset renewal	3,845	6,000	6,000	6,000	6,000
New assets	1,967	-	-	-	-
Asset expansion	-	-	-	-	-
Asset upgrade	1,115	-	-	-	-
<b>Total capital works</b>	<b>6,927</b>	6,000	6,000	6,000	6,000

**List of Council Plans available to the Community (As at 30 June 2013)**

- Disability Action Plan
- Domestic Animal Management Plan
- Economic Development Strategy
- Municipal Emergency Management Plan
- Municipal Fire Management Plan
- Municipal Strategic Statement
- Municipal Waste Strategy
- Positive Ageing Strategy
- Public Health and Wellbeing Plan
- Road Management Plan
- Municipal Recovery Plan
- Water Plan
- Sustainable Water Use Plan
- Weed and Pest Plan

---

**List of Community Plans (*as at 30 June 2013*)**

<b>COMMUNITY PLAN</b>	<b>AUSPICE</b>
Berriwillock Community Plan	Berriwillock Progress Association
Birchip Community Plan	Birchip Forum
Charlton Community Plan	Charlton Forum
Culgoa Community Plan	Culgoa Progress Association
Donald Community Plan	Donald 2000
Nandaly Community Plan	Nandaly Progress Association
Nulawill Community Plan	Nulawill Progress Association
Watchem Community Plan	Watchem Progress Association
Sea Lake Community Plan	Advance Sea Lake
Wycheproof Community Plan	Wycheproof Vision

---



## Buloke Shire – Wards and Councillors



**BACK ROW:** (From Left to Right) Cr Gail Sharp, Cr David Pollard (Deputy Mayor), Cr Reid Mather (Mayor), Cr Ellen White.

**SEATED:** (From Left to Right) Cr Stuart McLean, Cr Graeme Milne, Cr Leo Tellefson

### Councillor Wards and Contact Details:

#### MALLEE WARD

Councillor **Reid Mather**  
Mobile: 0438 306 259  
Email: [crmather@buloke.vic.gov.au](mailto:crmather@buloke.vic.gov.au)

#### MALLEE WARD

Councillor **Ellen White**  
Mobile: 0417 560 706  
Email: [crwhite@buloke.vic.gov.au](mailto:crwhite@buloke.vic.gov.au)

#### MT JEFFCOTT WARD

Councillor **Leo Tellefson**  
Mobile: 0427 320 166  
Email: [crtellefson@buloke.vic.gov.au](mailto:crtellefson@buloke.vic.gov.au)

#### MT JEFFCOTT WARD

Councillor **Gail Sharp**  
Mobile: 0437 090 172  
Email: [crsharp@buloke.vic.gov.au](mailto:crsharp@buloke.vic.gov.au)

#### LOWER AVOCA WARD

Councillor **Stuart Mclean**  
Mobile: 0439 327 839  
Email: [crmclean@buloke.vic.gov.au](mailto:crmclean@buloke.vic.gov.au)

#### LOWER AVOCA WARD

Councillor **David Pollard**  
Mobile: 0458 918 638  
Email: [crpollard@buloke.vic.gov.au](mailto:crpollard@buloke.vic.gov.au)

#### MT JEFFCOTT WARD

Councillor **Graeme Milne**  
Mobile: 0419 126 911  
Email: [crmilne@buloke.vic.gov.au](mailto:crmilne@buloke.vic.gov.au)

