

# Council Meeting

## Agenda

**Date: Wednesday 13 December 2023**

**Time: 5.30pm**

**Venue: Civic Centre (Council Meeting Room)  
13 Mair Street, Benalla**

Any person wishing to participate in Question Time or Public Submissions in accordance with Rule 7.2 and 7.3 of the Governance Rules 2020 should contact the Council by emailing [council@benalla.vic.gov.au](mailto:council@benalla.vic.gov.au) or telephoning the Governance Coordinator Jess Pendergast on (03) 5760 2600.

In accordance with Rule 6.4 of the Governance Rules 2020 the Council Meeting will be livestreamed via the Council's website and an audio recording will be made of the proceedings.

Members of the public are encouraged to watch the live broadcast of the meeting at [www.benalla.vic.gov.au](http://www.benalla.vic.gov.au)

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# Agenda

**Councillors**

- Councillor Danny Claridge (Mayor)
- Councillor Peter Davis
- Councillor Don Firth
- Councillor Bernie Hearn
- Councillor Punarji Hewa Gunaratne
- Councillor Justin King
- Councillor Gail O’Brien

**In attendance**

Dom Testoni	Chief Executive Officer
Robert Barber	General Manager Corporate
Adrian Gasperoni	Manager Assets and Infrastructure
Greg Robertson	Manager Facilities and Information Technology
Keith Biglin	Project Manager
Jessica Beaton	Governance Coordinator

## Opening and Acknowledgment of Country

The Chair will open the meeting and recite the following Acknowledgement of Country.

*We, the Benalla Rural City Council, acknowledge the traditional custodians of the land on which we are meeting. We pay our respects to their Elders past and present and to Elders from other communities who may be here today.*

## Apologies

**Recommendation:**

**That the apology/ies be accepted and a leave of absence granted.**

## Statement of Commitment

The Councillors will recite the following Statement of Commitment:

*I declare,*

*that as a Councillor of Benalla Rural City*

*I will undertake on every occasion*

*to carry out my duties in the best interests of the community*

*and that my conduct shall maintain the standards of our Councillor Code of Conduct*

*so that I may faithfully represent*

*and uphold the trust placed in the Council*

*by the people of Benalla and District.*

## Governance Matters

This Council Meeting is conducted in accordance with the *Local Government Act 2020* and the *Benalla Rural City Council Governance Rules 2020*.

## Recording of Council Meetings

In accordance with the *Governance Rules 2020* clause 6.4 meetings of Council will be audio recorded and made available for public access, with the exception of matters identified as confidential items in the agenda.

## Behaviour at Meetings

Members of the public present at a meeting must remain silent during the proceedings other than when specifically invited to address the Committee.

The Chair may remove a person from a meeting for interjecting or gesticulating offensively after being asked to desist, and the chair may cause the removal of any object or material that is deemed by the Chair to be objectionable or disrespectful.

The Chair may call a break in a meeting for either a short time, or to resume another day if the behaviour at the Council table or in the gallery is significantly disrupting the Meeting.

**Disclosures of Conflict of Interest**

In accordance with the *Local Government Act 2020*, a Councillor must declare any Conflict of Interest pursuant to Section 130 of the Act in any items on this Agenda.

At the time indicated in the agenda, a Councillor with a conflict of interest in an item on that agenda must indicate they have a conflict of interest by clearly stating:

- the item for which they have a conflict of interest;
- whether their conflict of interest is general or material; and
- the circumstances that give rise to the conflict of interest.

Immediately prior to the consideration of the item in which they have a conflict of interest, a Councillor must indicate to the Meeting the existence of the conflict of interest and leave the Meeting.

**Confirmation of the Minutes of the Previous Meeting**

The minutes have been circulated to Councillors and posted on the Council website [www.benalla.vic.gov.au](http://www.benalla.vic.gov.au) pending confirmation at this meeting.

**Recommendation:**

**That the Minutes of the Council Meeting held on 15 November 2023 be confirmed as a true and accurate record of the meeting.**

## 1. Public Question Time

The Council's *Governance Rules 2020* provide the opportunity for members of the public to lodge written questions of broad interest to the Council and the community.

Questions of the Council will not be allowed during any period when the Council has resolved to close the meeting in respect of a matter under section 66 (1) of the *Local Government Act 2020* (the Act).

A question may be on any matter except if it:

- is considered malicious, defamatory, indecent, abusive, offensive, irrelevant, trivial, or objectionable in language or substance;
- relates to confidential information as defined under the Act;
- relates to the personal hardship of any resident or ratepayer; or
- relates to any other matter which the Council considers would prejudice the Council or any person.

No more than two questions will be accepted from any person at any one meeting.

All questions and answers must be as brief as possible, and no discussion may be allowed other than by Councillors for the purposes of clarification.

Like questions may be grouped together and a single answer provided.

The Chair may nominate a Councillor, the Chief Executive Officer or another member of Council staff to respond to a question.

**Recommendation:**

**That the question(s) and answer(s) be noted.**

## 2. Petitions

### Record of Committees

#### 3.1 Recommendations from Finance and Planning Committee

The recommendations of the Finance and Planning Committee meeting held on Wednesday 6 December 2023 are attached as **Appendix 1**.

**Recommendation:**

**That the recommendations of the Finance and Planning Committee meeting held on Wednesday 6 December 2023 be adopted.**

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## Business

### 1. Planning Application – For The Use Of The Land For A Contractor’s Depot At 186 Grant Drive, Benalla

The briefing outlined a planning application received for the use of the land for a contractor’s depot at 186 Grant Drive, Benalla.

It is noted that the following persons addressed the committee:

- John Burke spoke against the planning application.
- Grant Howell spoke against the planning application.

**Cr Davis / Cr O’Brien:**

**That an additional three minutes to address the committee be given to John Burke.**

**Carried**

**Cr Firth / Cr Davis:**

**That Council having caused notice of Planning Application No. P0061/21 to be given under Section 52 of the Planning and Environment Act 1987 and having considered all the matters required under Section 60 of the Planning and Environment Act 1987 decides to refuse a permit under the provisions of the Benalla Planning Scheme in respect of the land known and described as Lot 1 PS533440X 186 Grant Drive, Benalla for the use of the land for a Contractor’s Depot in accordance with the endorsed plans, submitted with the application dated 4 May 2021 subject to the following ground:**

**Grounds of Refusal**

- 1. The proposal is contrary to the objectives of the General Residential Zone in that it provides for a non-residential use that does not serve a local community need.**
- 2. The use may cause unreasonable detriment to adjoining properties with regard to noise, dust and light emissions.**
- 3. The use is industrial in nature which is inappropriate in its surrounding residential context.**

**Carried**

## 2. Planning Application – To Use And Develop The Land For A Dog Breeding Facility At 11 Peck Road, Goorambat

The briefing outlined a planning application received for the use of the land for a Dog Breeding Facility at 11 Peck Road, Goorambat.

It is noted that the following persons addressed the committee:

- Kui Sia spoke in support of the planning application.

**Cr King / Cr O'Brien:**

**That an additional three minutes to address the committee be given to Kui Sia.**

**Carried**

**Cr Gunaratne / Cr King:**

**That standing orders be suspended to allow for discussion on the item.**

**Carried**

Standing orders were suspended at 6.58pm.

**Cr Davis / Cr Claridge:**

**That standing orders resume.**

**Carried**

Standing orders resumed at 7.06pm.

**Cr Claridge / Cr King:**

**That the item be deferred until the Finance and Planning Committee meeting on Wednesday 10 April 2024 to allow for more detailed information to be provided from the applicant.**

**Carried**

### 3. Building and Planning Approvals – October 2023

The report details planning permit applications and building approvals for October 2023.

**Cr Firth / Cr King:**

**That the report be noted.**

**Carried**

### 4. 2023/24 Quick Response Grants Program

The report presented funding applications to the 2023/24 Quick Response Grants program.

**Cr Davis / Cr Gunaratne:**

**That \$500 grants from the 2023/24 Quick Response Grant program be allocated to Tatong Community Centre and Recreation Reserve and Small Town Sing.**

**Carried**

### 5. 2023/2024 Major Event Funding Program

The report presented funding applications to the 2023/24 Major Event Funding program.

**Cr Claridge / Cr King:**

**That a \$2,000 grant from the 2023/24 Major Event Funding program be allocated to the Albert Heaney Oval Committee of Management.**

**Carried**

## 6. Benalla Senior Citizens Community Centre – Proposed Name Change

The report presented a proposal to change the name of the *Benalla Senior Citizens Community Centre*.

**Cr Davis / Cr King:**

**That the proposal for the *Benalla Senior Citizens Community Centre* to be renamed *Benalla Seniors and Community Centre* be placed on public exhibition for a period of at least 28 days.**

**Carried**

## 7. Benalla Street Art Festival Social Media Exemption

The report sought an exemption to Council's *CP24 Social Media Policy* for the purpose of giving curator of the Benalla Street Art Festival Eddie Zammit the ability to post to social media on the Council's behalf.

**Cr Claridge / Cr King:**

**That the Finance and Planning Committee, acting under its delegated authority of the Council, resolve:**

**That the Council provides an exemption to the *Social Media Policy* to allow third party Eddie Zammit to post on the social media profiles known as *@Benalla Street Art Festival* (Facebook) and *@Benalla.Street.Art.Festival* (Instagram) for the purpose of promoting the *2024 Benalla Street Art Festival* until 31 March 2024.**

**Carried**

## 8. Urgent Business

No urgent business was submitted to the meeting.

**Closure of Meeting**

The meeting closed at 7.31pm.

**Confirmed this seventh day of February 2024.**

Signed: \_\_\_\_\_  
**Cr Bernie Hearn (Chair)**

Recommendations of the Finance and  
Planning Committee meeting held  
on Wednesday 6 December 2023



### 3.2 Assemblies of Councillors, Advisory and External Committees

Under Council's *Governance Rules 2020* the Chief Executive Officer is required to provide a written record of the Assemblies of Councillors at a scheduled Council Meeting.

The record of Assemblies of Councillors since the report presented at the meeting on 11 October 2023 are attached as **Appendix 1**.

Copies of the Minutes from the following meetings have been provided to councillors under separate cover.

#### November 2023

3 November 2023	Lakeside Precinct Accessibility Access Working Group
8 November 2023	Assembly of Councillors – Business Review
15 November 2023	Assembly of Councillors – Homes Victoria Briefing
15 November 2023	Communications Advisory Committee
20 November 2023	Benalla Street Art Advisory Committee
21 November 2023	Audit and Risk Committee
22 November 2023	Assembly of Councillors – Benalla Sports Stadium Briefing
29 November 2023	Assembly of Councillors – Business Review
30 November 2023	Assembly of Councillors – ARTC Inland Rail Briefing

**Recommendation:**

**That the report be noted.**

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## Record of Assemblies of Councillors, Advisory and External Committees

November 2023

### Lakeside Precinct Accessibility Access Working Group

Noon Friday 3 November 2023, Civic Centre (Council Meeting Room) 13 Mair Street, Benalla.

<b>Chair:</b>	Councillor Bernie Hearn (Mayor)	Council Representative
<b>Committee:</b>	Susan Campbell OAM	Community Representative
	John Hanlon OAM	Community Representative
	Cheryl-Anne Menere	Community Representative
	David Moore	Community Representative
	Sheryle Stubbs	Community Representative
<b>In attendance:</b>	Adrian Gasperoni	Manager Assets and Infrastructure
	Stacey Nolan	Plant, Fleet and Safety Officer
	Shannon Cooper	Resource Recovery Coordinator
	Bree Glass	Administration Officer
<b>Apologies:</b>	Nil	

**Conflicts of Interest disclosed:** Nil

#### Items discussed:

1. Review of Landscape Architect Proposal
2. Confirmation of Accessible Path Plan, Colour Scheme, Handrail and Commencement
3. General Business

### **Assembly of Councillors – Business Review**

6pm Wednesday 8 November 2023, Civic Centre (Council Meeting Room) 13 Mair Street, Benalla.

**Chair** Councillor Bernie Hearn (Mayor)

**Councillors** Councillor Danny Claridge  
Councillor Peter Davis  
Councillor Don Firth  
Councillor Punarji Hewa Gunaratne  
Councillor Justin King  
Councillor Gail O'Brien

**In attendance** Dom Testoni Chief Executive Officer  
Robert Barber General Manager Corporate  
Catherine Macmillan Business Development Coordinator  
Matthew Currie Project Coordinator Economic Diversification Plan

**Apologies:** Nil.

**Conflicts of Interest disclosed:** Nil.

#### **Items discussed:**

1. Future of Benalla and District Project Regional Context Analysis Update
2. Proposed Name Change for the *Benalla Senior Citizens Community Centre*
3. Benalla Transfer Station Event
4. 2023/2024 Proposed Meeting Cycle of Council and Committee Meetings
5. Appointment of Council Representatives to Advisory Committees, Peak Industry Bodies and Regional and Community-Based Committees

### **Assembly of Councillors – Homes Victoria Briefing**

11am Wednesday 15 November 2023, Civic Centre (Council Meeting Room) 13 Mair Street, Benalla.

**Chair** Councillor Bernie Hearn (Mayor)

**Councillors** Councillor Danny Claridge  
Councillor Peter Davis  
Councillor Don Firth  
Councillor Punarji Hewa Gunaratne  
Councillor Justin King  
Councillor Gail O'Brien

**In attendance** Dom Testoni Chief Executive Officer

**Apologies:** Cr Don Firth, Cr Punarji Hewa Gunaratne, Cr Justin King

**Conflicts of Interest disclosed:** Nil.

#### **Items discussed:**

1. Homes Victoria Benalla West Presentation

**Communications Advisory Committee**

1.30pm Wednesday 15 November 2023, Civic Centre (Council Meeting Room) 13 Mair Street, Benalla.

**Chair** Councillor Bernie Hearn (Mayor)

**Councillors** Councillor Danny Claridge

Councillor Peter Davis

**In attendance** Dom Testoni Chief Executive Officer  
Courtney Naughton Manager Economic Development and Sustainability  
Grant Banks Communications and Engagement Coordinator  
Tracey Beaton Executive Coordinator

**Apologies:** Nil

**Conflicts of Interest disclosed:** Nil

**Items discussed:**

1. Review of actions from meeting held 26 October 2023
2. Media Highlights for the past month
3. Community Engagement activity for the past month
4. Benalla 2023 Festival Debrief
5. Planning for 2023 Christmas Events
6. Benalla Transfer Station Open Day
7. General Business

## **Benalla Street Art Advisory Committee**

5.30pm Monday 20 November 2023, Civic Centre (Council Meeting Room) 13 Mair Street, Benalla

<b>Chair:</b>	Raelene Stratton	Community Representative
<b>Committee:</b>	Councillor Don Firth	Council Representative
	Councillor Gail O'Brien	Council Representative
	Toby Benador	Community Representative
	Ian Gonzaga	Community Representative
	Alex Ross	Community Representative
	Joel Spencer	Community Representative
	Courtney Naughton	Manager Economic Development and Sustainability
<b>In attendance:</b>	Catherine Macmillan	Business Development Coordinator
	Alison Angus	Tourism Coordinator
	Sharon Geer	Events Coordinator
	Charlie Vincent	Tourism North East Victoria
	Eddie Zammit	Curator
	Kirsten Hein	Administration Officer

**Apologies:** Cr Gail O'Brien, Ian Gonzaga, Charlie Vincent and Sharon Geer.

**Conflicts of Interest disclosed:** Nil

### **Items discussed:**

1. Review of Actions Pending
2. Wall Selection
3. Sponsorship Prospectus
4. Community Information Session
5. Street Art Festival Program
6. Volunteer Roles

## **Audit and Risk Committee Meeting**

5pm Tuesday 21 November 2023, Civic Centre (Council Meeting Room), 13 Mair Street, Benalla.

**Chair** Mr Cameron Gray

**Committee** Councillor Peter Davis  
Councillor Bernie Hearn  
Mr Michael Hedderman  
Ms Rita Ruyters  
Mr Justin Reid

**In attendance** Dom Testoni Chief Executive Officer  
Robert Barber General Manager Corporate  
Cathy Fitzpatrick Manager Finance  
Janine McMaster Manager People Performance

**Internal Auditor** Brad Ead AFS

**External Auditor** Jason Gilbert Crowe

**Apologies:** Nil

**Conflicts of Interest disclosed:** Nil

### **Items discussed:**

1. Meeting with Auditors
2. Internal Audit Program
3. Risk Management Update
4. Procurement Process Exemptions
5. Reports From Regulatory and Integrity Agencies
6. Audit and Risk Committee Annual Review
7. Audit and Risk Committee Miscellaneous Items
8. General Business

## **Assembly of Councillors – Benalla Sports Stadium Briefing**

Noon Wednesday 22 November 2023, Civic Centre (Council Meeting Room) 13 Mair Street, Benalla.

**Chair** Councillor Danny Claridge (Mayor)

**Councillors** Councillor Peter Davis  
Councillor Don Firth  
Councillor Bernie Hearn  
Councillor Punarji Hewa Gunaratne  
Councillor Justin King  
Councillor Gail O'Brien

**In attendance** Dom Testoni Chief Executive Officer  
Robert Barber General Manager Corporate  
Adrian Gasperoni Manager Assets and Infrastructure  
Nilesh Singh Manager Development  
Keith Biglin Project Manager

**Apologies:** Cr Peter Davis

**Not in attendance** Cr Punarji Hewa Gunaratne

**Conflicts of Interest disclosed:** Nil.

### **Items discussed:**

1. Benalla Sports Stadium Project Update

## **Assembly of Councillors – Business Review**

6pm Wednesday 29 November 2023, Civic Centre (Council Meeting Room) 13 Mair Street, Benalla.

**Chair** Councillor Gail O'Brien

**Councillors** Councillor Danny Claridge (Mayor)

Councillor Peter Davis

Councillor Don Firth

Councillor Bernie Hearn

Councillor Punarji Hewa Gunaratne

Councillor Justin King

**In attendance**

Dom Testoni	Chief Executive Officer
Robert Barber	General Manager Corporate
Jane Archbold	Manager Community
Adrian Gasperoni	Manager Assets and Infrastructure
Courtney Naughton	Manager Economic Development and Sustainability
Nilesh Singh	Manager Development
Tom Arnold	Community Development Coordinator
Keith Biglin	Project Manager
Joel Ingham	Planning Coordinator
Eric Nash	Benalla Art Gallery Director
Sam Thorp	Social Ventures Australia

**Invitees** Sam Thorp

**Apologies:** Nil.

### **Conflicts of Interest disclosed:** Nil.

### **Items discussed:**

1. Benalla Art Gallery Business Case – Social Ventures Australia
2. Planning Application – For The Use Of The Land For A Contractor's Depot at 186 Grant Drive, Benalla
3. Planning Application – To Use And Develop The Land For A Dog Breeding Facility at 11 Peck Road, Goorambat
4. Draft *Benalla Rural City Council Reflect Reconciliation Action Plan 2024-2026*
5. Review of Quick Response Grants and Community Grants Guidelines
6. Benalla Sports and Equestrian Reserve Committee Nominations
7. Council Plan 2021-2025 Action Plan to 30 June 2025

## **Assembly of Councillors – ARTC Inland Rail Briefing**

Noon Thursday 30 November 2023, Civic Centre (Council Meeting Room) 13 Mair Street, Benalla.

<b>Chair</b>	Councillor Danny Claridge (Mayor)
<b>Councillors</b>	Councillor Peter Davis Councillor Don Firth Councillor Bernie Hearn Councillor Punarji Hewa Gunaratne Councillor Justin King Councillor Gail O'Brien
<b>In attendance</b>	Dom Testoni                      Chief Executive Officer
<b>Invitees</b>	Adam Wiseman                  ARTC Representative
<b>Apologies:</b>	Cr Don Firth and Cr Justin King
<b>Not in attendance</b>	Cr Punarji Hewa Gunaratne
<b>Conflicts of Interest disclosed:</b>	Nil.
<b>Items discussed:</b>	
	1. ARTC Inland Rail Briefing



## Officer Reports

### 4.1 Draft Annual Financial Report and Draft Performance Statement For The Year Ended 30 June 2023

SF/1876-02

Dom Testoni – Chief Executive Officer  
Robert Barber – General Manager Corporate  
Cathy Fitzpatrick – Manager Finance

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#### PURPOSE OF REPORT

The report presents for in principle approval the *Annual Financial Report and Performance Statement* for the year ended June 2023.

#### BACKGROUND

The *Local Government Act 2020* (the Act) requires that the Annual Financial Report and Performance Statement be approved in principle by the Council prior to being submitted to its auditor and the Minister for Local Government.

The Act also requires the completed financial statements and performance statement to be certified by two councillors having regard to the recommendations, if any, from the Victorian Auditor-General.

The *2022/23 Annual Financial Report* (refer **Appendix 1**) and *2022/23 Performance Statement* (refer **Appendix 2**) are provided for in principle approval.

The draft statements were presented to the Audit and Risk Committee at a meeting on 12 November 2023 where the Committee was asked to give its in principle approval to the financial report and the performance statement. Outcomes from the Audit and Risk Committee will be verbally reported to the Council as part of this report.

#### DISCUSSION

##### Annual Financial Report

The Annual Financial Report is prepared in accordance with the applicable Australian Accounting Standards which includes the Australian equivalent to International Financial Reporting Standards (AIFRS). These Standards require the preparation of five mandatory statements.

These statements are:

- **Comprehensive Income Statement** (Operating – Accrual Statement): comprises non-cash items such as depreciation and cost of goods (assets) sold and excludes Capital Expenditure and Transfers to and from Other Reserves.

- **Balance Sheet:** lists the Council’s assets and liabilities. It indicates the overall financial position of the Council.
- **Statement of Changes in Equity:** indicates movements in the Council’s Reserve Funds.
- **Statement of Cash Flows:** indicates all cash expended and received for all activities during the financial year.
- **Statement of Capital Works:** details the Council’s capital works expenditure for the financial year. It sets out the expenditure on creating or buying property, infrastructure, plant and equipment by each category of asset.

The Performance Statement is a key section of the annual report whereby the Council makes itself accountable to the community. The statement must contain the key strategic activities and performance targets and measures specified in the budget and actual results achieved.

Once approved by the Victorian Auditor-General’s Office, the 2022/23 Financial Report and Performance Statement will be certified by the Mayor Cr Danny Claridge, Chair of the Finance and Operations Committee Cr Bernie Hearn and Chief Executive Officer Dom Testoni.

Principal Accounting Officer Cathy Fitzpatrick will also certify the documents.

## Net Result

The net result for the 2022/23 financial year is a surplus of \$1.026 million against a budgeted surplus of \$1.529 million. As per the Comprehensive Income Statement in the Financial Report), the unfavourable variance is due to a variety of factors, including prepaid and unbudgeted (flood related) operating grants offset by less than budgeted capital grants, unbudgeted flood recovery expenditure and more than budgeted depreciation.

An explanation of material variations can be found on page 13 of the 2022/23 Financial Report.

A summary of the Council’s financial position for the past four years as at 30 June is summarised below:

	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	<b>2022/23 \$'000</b>
Total Revenue	35,517	36,589	39,371	<b>45,464</b>
Total Expenses	39,414	31,120	34,520	<b>44,438</b>
Surplus (Deficit)	(3,897)	5,469	4,851	<b>1,026</b>
Total Assets	270,394	289,957	320,640	<b>323,709</b>
Net Assets	249,551	264,724	289,105	<b>297,218</b>
Rates and Charges	18,487	19,027	19,978	<b>21,000</b>
Capital Projects Expenditure	5,119	5,967	6,525	<b>7,458</b>

## Capital Works

During 2022/23 \$7.458 million of capital works were undertaken, with \$1.495 million of new asset expenditure, \$5.156 million of asset renewal expenditure, \$494,000 of asset expansion expenditure, and \$313,000 of asset upgrade expenditure.

Key expenditure areas were:

Buildings	\$2.438 million
Roads	\$2.308 million
Plant, machinery and equipment	\$531,000
Parks, open space and streetscapes	\$419,000
Footpaths and cycleways	\$410,000

## Borrowings

There were no new borrowings in 2022/23. Council's indebtedness continued its downward trend from 52 per cent to 48 percent. Loans at 30 June totalled \$2.855 million down from \$3.786 million at 30 June 2022.

## Landfill Restoration Provision

The provision to restore cells at the Benalla Landfill and Recreation Centre has increased from \$13.308 million to \$13.649 million. The increase is due to changes in the key assumptions used to determine the provision: discount rate and index rate.

Refer to pages 27-29 of the financial report for more information.

## Performance Statement

The Performance Statement is a key component of the Local Government Performance Reporting Framework. The framework is a mandatory system of performance reporting for all Victorian councils. It ensures councils are measuring and reporting on their performance in a consistent way to promote transparency and accountability in the local government sector.

The framework is made up of a range of measures, including roads, planning, animal management and waste. It is complemented by a Governance and Management checklist of 24 items, which shows the policies, plans and procedures in place at each council.

The framework and checklist build a comprehensive picture of council performance.

## Financial Performance Indicators

Financial Performance indicators can be found on pages 10 to 17 of the Performance Statement (**Appendix 2**).

Key Financial Ratios	2019/20	2020/21	2021/22	2022/23
<b>Working Capital</b> (Current assets/current liabilities)	187%	203%	198%	<b>268%</b>
<b>Indebtedness</b> (Non-current liabilities/own source revenue)	52%	50%	59%	<b>55%</b>
<b>Adjusted Underlying Result</b> (Adjusted underlying surplus [deficit]/adjusted underlying revenue)	-21%	7%	6%	<b>-2%</b>
<b>Asset Renewal and Upgrade</b> (Asset renewal and upgrade expense/Asset depreciation)	51%	40%	47%	<b>54%</b>

**COUNCIL PLAN 2021-2025 IMPLICATIONS**

**Leadership**

- *Good governance.*
- *Engaged and informed community.*

**FINANCIAL IMPLICATIONS**

Costs associated with the production of the Annual Report were met from existing budget allocations.

**LEGAL AND STATUTORY IMPLICATIONS**

This report is consistent with sections 98 and 99 of the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020* Part 4.

**COMMUNITY ENGAGEMENT**

In accordance with the Council’s *Community Engagement Policy*, it is proposed that community engagement be undertaken at the ‘Inform’ level under the International Association for Public Participation’s IAP2 public participation spectrum as detailed in the table below:

Level of Public Participation	Promise to the community	Techniques to be used
Inform	We will provide information	<ul style="list-style-type: none"> <li>▪ Annual Report presented in a public report to the Council.</li> <li>▪ Annual Report to be published on Council’s website.</li> </ul>

## OFFICER DECLARATION OF CONFLICT OF INTEREST

No officers involved in the preparation of this report have any general or material conflicts of interest in this matter.

## CONCLUSION

The *Local Government Act 2020* prescribes that the Annual Report, including audited financial statements and audited performance statement, be presented at a Council meeting within four months of the end of the financial year.

The 31 October 2023 deadline was not met as the external audit was delayed by several weeks as Council was unable to provide some of the required information, particularly key data relating to the assets it manages. This included information on assets impaired by the October 2022 flood event.

At the time of writing, the draft financial statements and draft performance statement provided with this report have not been reviewed and approved by the Victorian Auditor-General's Office (VAGO). Any amendments from VAGO will be reported to the Council.

The *Benalla Rural City Council 2022/23 Annual Report* will be presented to the Council Meeting on 20 December 2023.

### Recommendation:

- 1. That Council approves in principle the *Benalla Rural City Council Annual Financial Report for the Year Ended 30 June 2023* and *Benalla Rural City Council Performance Statement for the Year Ended 30 June 2023*.**
- 2. That Mayor Cr Danny Claridge, Cr Bernie Hearn and Chief Executive Officer Dom Testoni be authorised to certify the *Benalla Rural City Council Annual Financial Report For the Year Ended 30 June 2023* and *Benalla Rural City Council Performance Statement For the Year Ended 30 June 2023* in their final form after any changes recommended or agreed to by the auditor have been made.**

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# BENALLA

## RURAL CITY COUNCIL

BENALLA RURAL CITY COUNCIL

# ANNUAL FINANCIAL REPORT

For the Year Ended 30 June 2023

## **Certification of the Financial Statements**

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

*Catherine Fitzpatrick, CPA*  
**Principal Accounting Officer**

**Dated :** <Date>  
*Benalla*

In our opinion, the accompanying financial statements present fairly the financial transactions of the Benalla Rural City Council for the year ended 30 June 2023 and the financial position of the Council as at that date.

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

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

*Danny Claridge*  
**Councillor**  
**Dated :** <Date>  
*Benalla*

*Justin King*  
**Councillor**  
**Dated :** <Date>  
*Benalla*

*Dom Testoni*  
**Chief Executive Officer**  
**Dated :** <Date>  
*Benalla*



**Benalla Rural City Council  
Financial Report  
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## Comprehensive Income Statement For the Year Ended 30 June 2023

	Note	2023 \$'000	2022 \$'000
<b>Income / Revenue</b>			
Rates and charges	3.1	21,000	19,978
Statutory fees and fines	3.2	567	731
User fees	3.3	3,540	3,831
Grants - operating	3.4	16,594	10,401
Grants - capital	3.4	2,584	3,720
Contributions - monetary	3.5	280	391
Contributions - non monetary	3.5	350	139
Other income	3.6	549	180
<b>Total income / revenue</b>		<b>45,464</b>	<b>39,371</b>
<b>Expenses</b>			
Employee costs	4.1	11,937	13,889
Materials and services	4.2	20,329	12,947
Depreciation	4.3	10,218	6,039
Amortisation - intangible assets	4.4	338	253
Amortisation - right of use assets	4.5	336	366
Bad and doubtful debts - allowance for impairment losses	4.6	-	21
Borrowing costs	4.7	138	92
Finance costs - leases	4.8	27	31
Net loss on disposal of property, infrastructure, plant and equipment	4.9	154	71
Other expenses	4.10	961	811
<b>Total expenses</b>		<b>44,438</b>	<b>34,520</b>
<b>Surplus/(deficit) for the year</b>		<b>1,026</b>	<b>4,851</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to surplus or deficit in future periods</b>			
Net asset revaluation increment/(decrement)	6.1	7,087	35,128
<b>Total other comprehensive income</b>		<b>7,087</b>	<b>35,128</b>
<b>Total comprehensive result</b>		<b>8,113</b>	<b>39,979</b>

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

## Balance Sheet As at 30 June 2023

	Note	2023 \$'000	2022 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5.1	9,468	17,782
Trade and other receivables	5.1	6,436	3,681
Other financial assets	5.1	17,042	12,209
Inventories	5.2	54	27
Prepayments	5.2	226	154
<b>Total current assets</b>		<b>33,226</b>	<b>33,853</b>
<b>Non-current assets</b>			
Property, infrastructure, plant and equipment	6.1	286,397	282,303
Right-of-use assets	5.8	488	548
Intangible assets	5.2	3,598	3,936
<b>Total non-current assets</b>		<b>290,483</b>	<b>286,787</b>
<b>Total assets</b>		<b>323,709</b>	<b>320,640</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	5.3	3,239	4,780
Trust funds and deposits	5.3	817	1,053
Unearned income/revenue	5.3	2,676	5,030
Provisions	5.5	4,770	4,987
Interest-bearing liabilities	5.4	650	977
Lease liabilities	5.8	255	270
<b>Total current liabilities</b>		<b>12,407</b>	<b>17,097</b>
<b>Non-current liabilities</b>			
Provisions	5.5	11,633	11,337
Interest-bearing liabilities	5.4	2,205	2,809
Lease liabilities	5.8	246	292
<b>Total non-current liabilities</b>		<b>14,084</b>	<b>14,438</b>
<b>Total liabilities</b>		<b>26,491</b>	<b>31,535</b>
<b>Net assets</b>		<b>297,218</b>	<b>289,105</b>
<b>Equity</b>			
Accumulated surplus		148,840	147,908
Reserves	9.1	148,378	141,197
<b>Total Equity</b>		<b>297,218</b>	<b>289,105</b>

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

## Statement of Changes in Equity For the Year Ended 30 June 2023

2023	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
Balance at beginning of the financial year	8.6	289,105	147,908	140,236	961
Surplus/(deficit) for the year		1,026	1,026	-	-
Net asset revaluation increment/(decrement)	6.2	7,087	-	7,087	-
Transfers to other reserves	9.1	-	(94)	-	94
		<b>297,218</b>	<b>148,840</b>	<b>147,323</b>	<b>1,055</b>
<b>Balance at end of the financial year</b>		<b>297,218</b>	<b>148,840</b>	<b>147,323</b>	<b>1,055</b>

2022		Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
Balance at beginning of the financial year		264,724	143,206	120,706	812
Adjustment to de recognise land balances	8.6	(9,863)	-	(9,863)	-
Adjusted opening balance		<b>254,861</b>	<b>143,206</b>	<b>110,843</b>	<b>812</b>
Surplus for the year		4,851	4,851	-	-
Net asset revaluation increment	6.2	35,128	-	35,128	-
Transfers to other reserves	9.1	(5,735)	-	(5,735)	-
Transfers from other reserves	9.1	-	(149)	-	149
		<b>289,105</b>	<b>147,908</b>	<b>140,236</b>	<b>961</b>
<b>Balance at end of the financial year</b>		<b>289,105</b>	<b>147,908</b>	<b>140,236</b>	<b>961</b>

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

## Statement of Cash Flows For the Year Ended 30 June 2023

	Note	2023 Inflows/ (Outflows) \$'000	2022 Inflows/ (Outflows) \$'000
<b>Cash flows from operating activities</b>			
Rates and charges		20,902	20,122
Statutory fees and fines		567	731
User fees		3,540	3,831
Grants - operating		14,427	9,341
Grants - capital		(172)	3,371
Contributions - monetary		280	391
Interest received		493	57
Net GST refund/payment		2,255	936
Employee costs		(12,199)	(14,066)
Materials and services		(23,823)	(11,160)
Short-term, low value and variable lease payments		(86)	(127)
Receipts from other Income		3	270
Trust funds and deposits repaid		(236)	214
Other payments		(620)	(392)
<b>Net cash provided by/(used in) operating activities</b>		<b><u>5,331</u></b>	<b><u>13,519</u></b>
<b>Cash flows from investing activities</b>			
Payments for property, infrastructure, plant and equipment	6.2	(7,458)	(6,523)
Proceeds from sale of property, infrastructure, plant and equipment		79	-
Payments for investments		-	(20)
Proceeds from sale of investments		(4,833)	(1)
<b>Net cash provided by/(used in) investing activities</b>		<b><u>(12,212)</u></b>	<b><u>(6,544)</u></b>
<b>Cash flows from financing activities</b>			
Finance costs		(138)	(92)
Repayment of borrowings		(931)	(1,117)
Interest paid - lease liability		(27)	(31)
Repayment of lease liabilities		(337)	(365)
<b>Net cash provided by/(used in) financing activities</b>		<b><u>(1,433)</u></b>	<b><u>(1,605)</u></b>
Net increase (decrease) in cash and cash equivalents		(8,314)	5,370
Cash and cash equivalents at the beginning of the financial year		17,782	12,412
<b>Cash and cash equivalents at the end of the financial year</b>		<b><u>9,468</u></b>	<b><u>17,782</u></b>

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

## Statement of Capital Works For the Year Ended 30 June 2023

	Note	2023 \$'000	2022 \$'000
<b>Property</b>			
Buildings		2,438	173
Heritage buildings		-	3
<b>Total buildings</b>		<u>2,438</u>	<u>176</u>
<b>Total property</b>		<u>2,438</u>	<u>176</u>
<b>Plant and equipment</b>			
Art Collection		22	-
Plant, machinery and equipment		531	312
Fixtures, fittings and furniture		350	190
Computers and telecommunications		112	10
Library books		90	89
<b>Total plant and equipment</b>		<u>1,105</u>	<u>601</u>
<b>Infrastructure</b>			
Roads		2,308	2,655
Bridges		170	-
Footpaths and cycleways		410	75
Drainage		246	140
Waste management		237	2,054
Parks, open space and streetscapes		419	331
Off street car parks		70	352
Other infrastructure		55	141
<b>Total infrastructure</b>		<u>3,915</u>	<u>5,748</u>
<b>Total capital works expenditure</b>		<u>7,458</u>	<u>6,525</u>
<b>Represented by:</b>			
New asset expenditure		1,495	3,717
Asset renewal expenditure		5,156	1,720
Asset expansion expenditure		494	-
Asset upgrade expenditure		313	1,088
<b>Total capital works expenditure</b>		<u>7,458</u>	<u>6,525</u>

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



## Notes to the Financial Report For the Year Ended 30 June 2023

### Note 1 OVERVIEW

#### Introduction

The Benalla Rural City Council was established by an Order of the Governor in Council on 28 October 2002 and is a body corporate. The Council's main office is located at the Customer Service Centre, 1 Bridge Street East, Benalla.

#### Statement of compliance

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

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

#### Significant accounting policies

##### 1.1 Basis of accounting

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

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

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

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

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

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

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.1)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.1)
- the determination of employee provisions (refer to Note 5.5)
- the determination of landfill provisions (refer to Note 5.5)
- the determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of AASB 15 Revenue from Contracts with Customers or AASB 1058 Income of Not-for-Profit Entities (refer to Note 3)
- the determination, in accordance with AASB 16 Leases, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is in substance short-term or low value (refer to Note 5.8)
- whether or not AASB 1059 Service Concession Arrangements: Grantors is applicable
- other areas requiring judgements

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

#### Goods and Services Tax (GST)

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

##### 1.2 Impact of Covid-19

During 2022-23 the COVID-19 pandemic has not had any significant impacts on its financial operations:

## Notes to the Financial Report For the Year Ended 30 June 2023

### Note 2 ANALYSIS OF OUR RESULTS

#### 2.1 Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent or \$50,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

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

#### 2.1.1 Income / Revenue and expenditure

	Budget 2023 \$'000	Actual 2023 \$'000	Variance \$'000	Variance %	Ref
<b>Income / Revenue</b>					
Rates and charges	20,679	21,000	321	2%	1
Statutory fees and fines	474	567	93	20%	2
User fees	4,602	3,540	(1,062)	-23%	3
Grants - operating	3,185	16,594	13,409	421%	4
Grants - capital	7,644	2,584	(5,060)	-66%	5
Contributions - monetary	84	280	196	233%	6
Contributions - non monetary	96	350	254	265%	7
Net gain on disposal of property, infrastructure, plant and equipment	25	-	(25)	-100%	8
Other income	73	549	476	652%	9
<b>Total income / revenue</b>	<b>36,862</b>	<b>45,464</b>	<b>8,602</b>	<b>23%</b>	
<b>Expenses</b>					
Employee costs	12,138	11,937	(201)	-2%	10
Materials and services	13,807	20,329	6,522	47%	11
Depreciation	7,489	10,218	2,729	36%	12
Amortisation - intangible assets	477	338	(139)	-29%	13
Amortisation - right of use assets	334	336	3	1%	
Bad and doubtful debts - allowance for impairment losses	14	-	(14)	-100%	14
Borrowing costs	91	138	47	52%	15
Finance costs - leases	35	27	(8)	-23%	16
Net loss on disposal of property, infrastructure, plant and equipment	-	154	154	-100%	8
Other expenses	948	961	12	1%	17
<b>Total expenses</b>	<b>35,333</b>	<b>44,438</b>	<b>9,105</b>	<b>26%</b>	
<b>Surplus/(deficit) for the year</b>	<b>1,529</b>	<b>1,026</b>	<b>503</b>	<b>33%</b>	

## Notes to the Financial Report For the Year Ended 30 June 2023

### 2.1 Performance against budget (cont.)

#### (i) Explanation of material variations

Variance	Reference item	
1	Rates and charges	Increases in rates and charges includes supplementary rates raised \$316,000.
2	Statutory fees and fines	Higher Planning fees \$51,766; Compliance fines \$22,209; Environmental Health fees \$9,870 and Certificate charges \$8,891.
3	User fees	Following the adoption of an Internal Audit recommendation \$1.5m of internal user fees between different Council functions have been eliminated from user fee revenue and materials and services expenses, with these internal charges not having been eliminated within the budget balances. If the eliminated internal user fees were added back into current year balances this would reflect a \$1.1m increase from the budgeted balance.
4	Grants - operating	New grants and 2021/22 carry forwards not included in 2022/23 Original budget. Additional \$5.388 million (Financial Assistance Grants) representing a 100% advancement of 2023/24 financial year grant received in June 2023. Additional income associated with the Natural Disaster flood event October 2022 event \$6.325 million; Council Flood Support Fund October 2022 Victorian Floods \$1 million.
5	Grants - capital	Budgeted grants deferred to unearned income as outcomes not delivered e.g. Art Gallery Redevelopment \$2.5 million and Local Road and Community Infrastructure Fund \$1.068 million
6	Contributions - monetary	Contributions received towards community projects \$170,364 and contributions Public Open space \$24,200.
7	Contributions - non monetary	Higher recognition of Volunteer Services \$254,298 returning post COVID service closures.
8	Net gain/ (loss) on disposal of property, infrastructure, plant and equipment	When assets are replaced renewed or upgraded the underlying book value of the asset must be written out of the asset register. This value is recorded as an incomes when a gain is made or as an expense when a loss results. The amount of the expense depends on the time of completion of works scheduled in the Capital Works Program. An expense of \$154,000 was incurred.
9	Other income	Favourable return on investments due to increased investment rates \$462,985 and higher investment rates and other reimbursements such as insurance \$12,852.
10	Employee costs	Various staff vacancies across the organisation, filled with short term contractors (materials and services).
11	Materials and services	Major increase in Materials and services due to the Flood Recovery costs spent on unsealed road rectification works \$6,165,637. Contractor and consultants expenditure was higher, offsetting the savings in employee costs.
12	Depreciation	Extra depreciation was due to the review of useful life and valuations for two asset groups roads and bridges. This resulted in higher depreciation for bridges \$4.4 million and reduced roads \$0.488 million also offset by delayed 2021/22 Capital works additional assets delivery estimated at \$1.3 million.
13	Amortisation - intangible assets	Delay in operational use of new cell at Benalla Resources and Recovery Centre resulted in reduced airspace consumption.
14	Bad and doubtful debts - allowance for impairment losses	Favourable variance due to the unexpected settlement of \$30,995 that was allowed for as the main impairment loss.
15	Borrowing costs	Unfavourable variance increased interest rates resulted in higher interest expenses on variable loan components \$42,231.
16	Finance costs - leases	Favourable variance due to the purchase of vehicles reducing the actual expense relative to budget.
17	Other expenses	Unfavourable additional contribution to landfill rehabilitation provision \$0.34 million offset by reduced contributions to grant funded community projects yet to be finalised \$0.289 million.

## Notes to the Financial Report For the Year Ended 30 June 2023

### 2.1.2 Capital works

	Budget 2023 \$'000	Actual 2023 \$'000	Variance \$'000	Variance %	Ref
<b>Property</b>					
Buildings	5,850	2,438	(3,412)	-58%	1
<b>Total buildings</b>	<b>5,850</b>	<b>2,438</b>	<b>(3,412)</b>	<b>-58%</b>	
<b>Total property</b>	<b>5,850</b>	<b>2,438</b>	<b>(3,412)</b>	<b>-58%</b>	
<b>Plant and equipment</b>					
Art Collection	-	22	22	100%	2
Plant, machinery and equipment	565	531	(34)	-6%	3
Fixtures, fittings and furniture	520	350	(170)	-33%	4
Computers and telecommunications	512	112	(400)	-78%	5
Library books	96	90	(6)	-6%	
<b>Total plant and equipment</b>	<b>1,693</b>	<b>1,105</b>	<b>(588)</b>	<b>-35%</b>	
<b>Infrastructure</b>					
Roads	2,821	2,308	(513)	-18%	6
Bridges	420	170	(250)	-60%	7
Footpaths and cycleways	749	410	(339)	-45%	8
Drainage	948	246	(702)	-74%	9
Recreational, leisure and community facilities	100	-	(100)	-100%	10
Waste management	2,305	237	(2,068)	-90%	11
Parks, open space and streetscapes	547	419	(128)	-23%	12
Aerodromes	65	-	(65)	-100%	13
Off street car parks	60	70	10	17%	
Other infrastructure	495	55	(440)	-89%	14
<b>Total infrastructure</b>	<b>8,510</b>	<b>3,915</b>	<b>(4,595)</b>	<b>-54%</b>	
<b>Total capital works expenditure</b>	<b>16,053</b>	<b>7,458</b>	<b>(8,595)</b>	<b>-54%</b>	
<b>Represented by:</b>					
New asset expenditure	2,970	1,495	(1,475)	-50%	
Asset renewal expenditure	10,439	5,156	(5,283)	-51%	
Asset expansion expenditure	-	494	494	100%	
Asset upgrade expenditure	2,644	313	(2,331)	-88%	
<b>Total capital works expenditure</b>	<b>16,053</b>	<b>7,458</b>	<b>(8,595)</b>	<b>-54%</b>	

## Notes to the Financial Report For the Year Ended 30 June 2023

### 2.1.2 Capital works

#### (i) Explanation of material variations

Variance Ref	Item	Explanation
1	Buildings	\$2.5 million Benalla Art Gallery Redevelopment project - planning and design in 21/22 and 22/23. Construction contractors to be procured in 23/24. Benalla Visitor Information Centre Redevelopment project - started June 2022 will be finished in September 2023.
2	Art Collection	Unbudgeted contribution to the purchase of additional art collection items.
3	Plant, machinery and equipment	Major plant purchases impacted by COVID-19 supply issues.
4	Fixtures, fittings and furniture	Audio system transferred from Building Asset type (\$62,176). Benalla Town Hall Interior Upgrade project partly delivered in 22/23, but impacted by COVID-19 supply issues.
5	Computers and telecommunications	Information Technology items delivery delays due to COVID-19 supply chain issues. Computer system purchases delayed due to collaborative IT project.
6	Roads	Road works delayed due to October 2022 flood event and January 2023 storm event.
7	Bridges	\$139,000 of unbudgeted bridge works undertaken due to October 2022 flood event. \$390,000 of budgeted Bridge works delayed due to October 2022 flood.
8	Footpaths and cycleways	Footpath works delayed due to October 2022 flood event, primarily, Lakeside Boardwalk renewal \$150,000 and Mair Street, Benalla footpath replacement \$139,000
9	Drainage	Various Drainage Strategy works delayed due to October 2022 flood event.
10	Recreational, leisure and community facilities	\$100,000 Skate Park works delayed. Community consultation undertaken in 22/23. Project to be delivered in 23/24.
11	Waste management	Landfill Rehabilitation \$2.074 million to be delivered 23/24 due to a delay in the submission of plans to the Environment Protection Authority.
12	Parks, open space and streetscapes	\$100,000 dog park. Community consultation and design in 22/23. Project to be completed in first-half of 2023/24. \$100,000 Mural Precinct upgrades and \$75,000 Mitchell Street Lakeside Park delayed due to October 2022 flood event.
13	Aerodromes	All aerodrome project works suspended until 23/24.
14	Other infrastructure	Baddaginnie Road Street Light installation partly delivered and will be finalised in 23/24. Bridge Street, Benalla Streetscape Upgrade - planning and community consultation started in 22/23, but suspended due to October 2022 flood event.

## Notes to the Financial Report For the Year Ended 30 June 2023

### 2.2 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

Chief Executive Officer Division

Corporate Division

#### 2.2.1 Chief Executive Officer Division

The Chief Executive division oversees the running of the entire organisation.

#### 2.2.2 Corporate Division

The Corporate Division coordinates a wide range of services for the community through its various programs: Arts, Communication, Economic Development, Environment and Sustainability, Tourism and Events, Capital Projects, Community, Development, Facilities, Finance, Operations and People and Performance.

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

	Income / Revenue	Expenses	Surplus/ (Deficit)	Grants included in income / revenue	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2023</b>					
Chief Executive Officer Division	6	811	(805)	-	-
Corporate Division	45,458	43,627	1,831	19,178	323,709
	45,464	44,438	1,026	19,178	323,709

	Income / Revenue	Expenses	Surplus/ (Deficit)	Grants included in income / revenue	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2022</b>					
Chief Executive Officer Division	18	709	(691)	-	-
Corporate Division	39,282	33,740	5,542	14,121	320,640
	39,300	34,449	4,851	14,121	320,640

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

**Note 3 FUNDING FOR THE DELIVERY OF OUR SERVICES**

**3.1 Rates and charges** **2023** **2022**

**\$'000** **\$'000**

Council uses Capital Improved Value as the basis of valuation of all properties within the municipal district. The Capital Improved Value of a property is its land plus all improvements on that land.

The valuation base used to calculate general rates for 2022/23 was \$4.489 billion (2021/22 \$3.669 billion).

General rates	14,176	13,736
Municipal charge	2,054	1,987
Waste management charge	4,000	3,730
Cultural and Recreational Properties	-	20
Supplementary rates and rate adjustments	317	203
Interest on rates and charges	53	56
Revenue in lieu of rates	400	246
<b>Total rates and charges</b>	<b>21,000</b>	<b>19,978</b>

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

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

Cultural and Recreational Properties are excluded from Rates cap.

**3.2 Statutory fees and fines**

Infringements and costs	34	28
Court recoveries	21	6
Town planning fees	259	364
Land information certificates	18	22
Permits	235	311
<b>Total statutory fees and fines</b>	<b>567</b>	<b>731</b>

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

**3.3 User fees**

Aged and health services	12	478
Leisure centre and recreation	497	415
Parking	-	23
Registration and other permits	242	273
Building services	-	9
Waste management services	2,732	2,423
Operations	42	94
Other fees and charges	15	116
<b>Total user fees</b>	<b>3,540</b>	<b>3,831</b>

**User fees by timing of revenue recognition**

User fees recognised at a point in time	3,540	3,831
<b>Total user fees</b>	<b>3,540</b>	<b>3,831</b>

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

Notes to the Financial Report  
For the Year Ended 30 June 2023

	2023 \$'000	2022 \$'000
<b>3.4 Funding from other levels of government</b>		
Grants were received in respect of the following :		
<b>Summary of grants</b>		
Commonwealth funded grants	9,126	8,339
State funded grants	10,051	5,782
<b>Total grants received</b>	<u>19,178</u>	<u>14,121</u>
<b>(a) Operating Grants</b>		
<b>Recurrent - Commonwealth Government</b>		
Financial Assistance Grants	6,545	5,725
General home care	-	907
<b>Recurrent - State Government</b>		
Aged care	149	331
School crossing supervisors	81	74
Libraries	161	159
Maternal and child health	303	364
Creative Arts Victoria	105	105
Youth Programs & Family Support	610	585
Emergency Resourcing	120	73
Fire Services Property Levy Administrative Support Funding	94	-
Social Inclusion Action Group SAIG	220	-
<b>Total recurrent operating grants</b>	<u>8,388</u>	<u>8,323</u>
<b>Non-recurrent - Commonwealth Government</b>		
Paid Parental Leave	10	83
Local Road and Community Infrastructure	195	30
<b>Non-recurrent - State Government</b>		
Environmental Projects	53	162
Youth Programs & Family Support	176	37
Planning Projects	119	120
Economic Development	100	606
Building Surveyors Program	-	75
COVID-19 Support	78	-
Natural Disaster Claim	7,325	959
Library Programs	21	-
Art Gallery Project - Living Local	30	-
Living Heritage Grants Program, Benalla Migrant Camp Conservation	98	-
Other	1	6
<b>Total non-recurrent operating grants</b>	<u>8,206</u>	<u>2,078</u>
<b>Total operating grants</b>	<u><b>16,594</b></u>	<u><b>10,401</b></u>



Notes to the Financial Report  
For the Year Ended 30 June 2023

3.4 Funding from other levels of government (cont.)

	2023 \$'000	2022 \$'000
<b>(b) Capital Grants</b>		
<b>Recurrent - Commonwealth Government</b>		
Roads to recovery	975	975
<b>Total recurrent capital grants</b>	<b>975</b>	<b>975</b>
<b>Non-recurrent - Commonwealth Government</b>		
Drought Communities Funding	89	-
Local Road and Community Infrastructure	1,312	618
<b>Non-recurrent - State Government</b>		
Benalla Foreshore Funding	28	856
Department of Treasury & Finance - NDF	(665)	668
Department of Jobs, Precincts and Regions - AGRI Links	-	356
Department of Jobs, Precincts and Regions - Outdoor Activation Plan	213	87
Department of Jobs, Precincts and Regions - Outdoor Eating & Entertainment	74	160
Department of Environment, Land, Water and Planning - Emergency Water Supply	42	-
L2P Funding for New Vehicle	20	-
Department of Justice & Community Safety - Lighting the Lake	32	-
Department of Jobs, Precincts and Regions - Art Gallery Redevelopment	425	-
Department of Jobs, Precincts and Regions - Art Gallery Redevelopment	38	-
<b>Total non-recurrent capital grants</b>	<b>1,609</b>	<b>2,745</b>
<b>Total capital grants</b>	<b>2,584</b>	<b>3,720</b>

**(c) Recognition of grant income**

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

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

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

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

**Income recognised under AASB 1058 Income of Not-for-Profit Entities**

General purpose	6,647	5,834
Specific purpose grants to acquire non-financial assets	2,584	3,720
Other specific purpose grants	8,983	2,792

**Revenue recognised under AASB 15 Revenue from Contracts with Customers**

Specific purpose grants	963	1,774
	<b>19,177</b>	<b>14,121</b>

**2023**  
**\$'000**

**2022**  
**\$'000**

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

**Operating**

Balance at start of year	158	259
Received during the financial year and remained unspent at balance date	91	158
Received in prior years and spent during the financial year	-	(259)
Balance at year end	<b>249</b>	<b>158</b>

**Capital**

Balance at start of year	4,866	4,546
Received during the financial year and remained unspent at balance date	20	1,972
Received in prior years and spent during the financial year	(2,466)	(1,652)
Balance at year end	<b>2,420</b>	<b>4,866</b>

Unspent grants are determined and disclosed on a cash basis.

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>3.5 Contributions</b>		
Monetary	280	391
Non-monetary	350	139
<b>Total contributions</b>	<b>630</b>	<b>530</b>

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

Art Collection	-	43
Recognition of Volunteer Services	350	96
<b>Total non-monetary contributions</b>	<b>350</b>	<b>139</b>

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

**3.6 Other income**

Interest	493	57
Other	56	123
<b>Total other income</b>	<b>549</b>	<b>180</b>

Interest is recognised as it is earned.

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

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**Notes to the Financial Report  
For the Year Ended 30 June 2023**

	2023	2022
	\$'000	\$'000
<b>Note 4 THE COST OF DELIVERING SERVICES</b>		
<b>4.1 (a) Employee costs</b>		
Wages and salaries	10,482	12,396
WorkCover	317	321
Superannuation	1,077	1,129
Fringe benefits tax	61	43
<b>Total employee costs</b>	<b>11,937</b>	<b>13,889</b>

**(b) Superannuation**

Council made contributions to the following funds:

**Defined benefit fund**

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	37	46
	37	46

**Accumulation funds**

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	480	522
Employer contributions - Hesta Superannuation Fund	53	73
Employer contributions - Australian Superannuation Fund	71	65
Employer contributions - VicSuper Superannuation Fund	41	40
Employer contributions - REST Superannuation Fund	-	35
Employee contributions - Australian Retirement Trust	33	-
Employer contributions - Hostplus Superannuation Fund	32	29
Employer contributions - other fund	329	319
	1,039	1,083
Employer contributions payable at reporting date.	82	79

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

**4.2 Materials and services**

Contract Payments	5,913	5,548
Materials and Services	7,832	1,363
Environmental Protection Authority Levy	1,248	1,115
Services non contract	1,175	950
Vehicle Expenses	584	882
Insurance	484	525
Electricity and Utilities	600	476
Repairs and Maintenance	399	338
Contract Staff	217	223
Consultants General	126	236
Cleaning Expenses	207	167
Memberships and Subscriptions	186	157
Management Committees	90	136
Advertising and Promotion	104	111
Exhibition/Performance Costs	207	110
Legal Expenses	160	107
Training and development	157	105
Telephone	104	103
Volunteers Services	350	96
Postage	44	49
Machine Hire	27	26
Other	115	124
<b>Total materials and services</b>	<b>20,329</b>	<b>12,947</b>

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

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>4.3 Depreciation</b>		
Property	700	515
Plant and equipment	598	645
Infrastructure	8,920	4,879
<b>Total depreciation</b>	<b>10,218</b>	<b>6,039</b>

Refer to note 5.2(c), 5.8 and 6.1 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

**4.4 Amortisation - Intangible assets**

Software	12	30
Airspace at Landfill	326	223
<b>Total Amortisation - Intangible assets</b>	<b>338</b>	<b>253</b>

**4.5 Amortisation - Right of use assets**

Vehicles	275	281
Plant, machinery and equipment	61	85
<b>Total Amortisation - Right of use assets</b>	<b>336</b>	<b>366</b>

**4.6 Bad and doubtful debts - allowance for impairment losses**

Other debtors	-	21
<b>Total bad and doubtful debts - allowance for impairment losses</b>	<b>-</b>	<b>21</b>

**Movement in allowance for impairment losses in respect of debtors**

Balance at the beginning of the year	31	13
New provisions recognised during the year	29	21
Amounts already provided for and written off as uncollectible	-	-
Amounts provided for but recovered during the year	(31)	(3)
Balance at end of year	29	31

An allowance for impairment losses in respect of debtors is recognised based on an expected credit loss model. This model considers both historic and forward looking information in determining the level of impairment.

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

	2023	2022
	\$'000	\$'000
<b>4.7 Borrowing costs</b>		
Interest - Borrowings	138	92
<b>Total borrowing costs</b>	<u>138</u>	<u>92</u>

Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council.

**4.8 Finance Costs - Leases**

Interest - Lease Liabilities	27	31
<b>Total finance costs</b>	<u>27</u>	<u>31</u>

**4.9 Net loss on disposal of property, infrastructure, plant and equipment**

Proceeds of sale	(79)	-
Written down value of assets disposed	233	71
<b>Total net loss on disposal of property, infrastructure, plant and equipment</b>	<u>154</u>	<u>71</u>

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

**4.10 Other expenses**

Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	54	49
Auditors' remuneration - Internal Audit	5	8
Councillors' allowances	239	221
Contributions - Community Support and Events Street Art	323	113
Recognition of increase / (reduction) landfill rehabilitation	340	420
<b>Total other expenses</b>	<u>961</u>	<u>811</u>

Notes to the Financial Report  
For the Year Ended 30 June 2023

**Note 5 OUR FINANCIAL POSITION**

	2023	2022
	\$'000	\$'000
<b>5.1 Financial assets</b>		
<b>(a) Cash and cash equivalents</b>		
Cash on hand	1	1
Cash at bank	9,467	17,781
<b>Total cash and cash equivalents</b>	<u>9,468</u>	<u>17,782</u>
<b>(b) Other financial assets</b>		
<b>Current</b>		
Term deposits - current	17,042	12,209
Total current other financial assets	<u>17,042</u>	<u>12,209</u>
Total non-current other financial assets	-	-
<b>Total other financial assets</b>	<u>17,042</u>	<u>12,209</u>
<b>Total financial assets</b>	<u>26,510</u>	<u>29,991</u>

Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts.

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

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

**(c) Trade and other receivables**

<b>Current</b>		
<i>Statutory receivables</i>		
Rates debtors	1,220	1,122
Net GST receivable	226	194
<i>Non statutory receivables</i>		
Other debtors	5,019	2,396
Provision for doubtful debts - other debtors	(29)	(31)
<b>Total current trade and other receivables</b>	<u>6,436</u>	<u>3,681</u>

Short term receivables are carried at invoice amount. A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred. Long term receivables are carried at amortised cost using the effective interest rate method.

**(d) Ageing of Receivables**

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

Current (not yet due)	4,756	2,268
Past due by up to 30 days	157	53
Past due between 31 and 180 days	71	12
Past due between 181 and 365 days	2	31
Past due by more than 1 year	4	1
<b>Total trade and other receivables</b>	<u>4,990</u>	<u>2,365</u>

**(e) Ageing of individually impaired Receivables**

At balance date, other debtors representing financial assets with a nominal value of \$29,000 (2022: \$31,000) were impaired. The amount of the provision raised against these debtors was \$29,000 (2022: \$31,000). They individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

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

Current (not yet due)	(2)	-
Past due by up to 30 days	-	-
Past due between 31 and 180 days	(7)	-
Past due between 181 and 365 days	(15)	(31)
Past due by more than 1 year	(5)	-
<b>Total trade &amp; other receivables</b>	<u>(29)</u>	<u>(31)</u>

## Notes to the Financial Report For the Year Ended 30 June 2023

### 5.2 Non-financial assets

	2023	2022
(a) Inventories	\$'000	\$'000
Inventories held for distribution	54	27
<b>Total inventories</b>	<b>54</b>	<b>27</b>

Inventories held for distribution are measured at cost, adjusted when applicable for any loss of service potential. All other inventories, including land held for sale, are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.

### (b) Other assets

Prepayments	226	154
<b>Total other assets</b>	<b>226</b>	<b>154</b>

### (c) Intangible assets

Software	44	56
Landfill air space	3,554	3,880
<b>Total intangible assets</b>	<b>3,598</b>	<b>3,936</b>

	Software	Landfill	Total
	\$'000	\$'000	\$'000
<b>Gross carrying amount</b>			
Balance at 1 July 2022	135	4,954	5,089
Additions from internal developments	-	-	-
Other additions	-	-	-
Balance at 30 June 2023	135	4,954	5,089
<b>Accumulated amortisation and impairment</b>			
Balance at 1 July 2022	79	1,074	1,153
Amortisation expense	12	326	338
Balance at 30 June 2023	91	1,400	1,491
Net book value at 30 June 2022	56	3,880	3,936
Net book value at 30 June 2023	<b>44</b>	<b>3,554</b>	<b>3,598</b>

Intangible assets with finite lives are amortised as an expense on a systematic basis over the asset's useful life. Amortisation is generally calculated on a straight line basis, at a rate that allocates the asset value, less any estimated residual value over its estimated useful life. Estimates of the remaining useful lives and amortisation method are reviewed at least annually, and adjustments made where appropriate.

## Notes to the Financial Report For the Year Ended 30 June 2023

	2023	2022
<b>5.3 Payables, trust funds and deposits and unearned income/revenue</b>	<b>\$'000</b>	<b>\$'000</b>
<b>(a) Trade and other payables</b>		
<b>Current</b>		
<i>Non-statutory payables</i>		
Trade payables	2,568	3,441
Accrued expenses	671	1,339
<b>Total current trade and other payables</b>	<b>3,239</b>	<b>4,780</b>
 <b>(b) Trust funds and deposits</b>		
<b>Current</b>		
Refundable deposits	645	413
Retention amounts	122	140
Other refundable deposits	50	500
<b>Total current trust funds and deposits</b>	<b>817</b>	<b>1,053</b>
 <b>(c) Unearned income/revenue</b>		
<b>Current</b>		
Grants received in advance - operating	249	158
Grants received in advance - capital	2,420	4,866
Other	7	6
<b>Total current unearned income/revenue</b>	<b>2,676</b>	<b>5,030</b>

Unearned income/revenue represents contract liabilities and reflect consideration received in advance from customers in respect of grants received. Unearned income/revenue are derecognised and recorded as revenue when promised goods or services are transferred to the customer. Refer to Note 3.

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

**Purpose and nature of items**

Retention Amounts - Council has a contractual right to retain certain amounts until a contractor has met certain requirements or a related warrant or defect period has elapsed. Subject to the satisfactory completion of the contractual obligations, or the elapsing of time, these amounts will be paid to the relevant contractor in line with Council's contractual obligations.



## Notes to the Financial Report For the Year Ended 30 June 2023

5.4 Interest-bearing liabilities	2023	2022
	\$'000	\$'000
<b>Current</b>		
Other borrowings - secured	650	977
Total current interest-bearing liabilities	<u>650</u>	<u>977</u>
<b>Non-current</b>		
Other borrowings - secured	2,205	2,809
Total non-current interest-bearing liabilities	<u>2,205</u>	<u>2,809</u>
<b>Total</b>	<u><b>2,855</b></u>	<u><b>3,786</b></u>

Borrowings are secured by a charge over general rates.

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

Not later than one year	650	977
Later than one year and not later than five years	1,577	1,885
Later than five years	628	924
	<u>2,855</u>	<u>3,786</u>

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

### 5.5 Provisions

	Employee	Landfill	Total
	\$ '000	restoration \$ '000	\$ '000
<b>2023</b>			
Balance at beginning of the financial year	3,016	13,308	16,324
Additional provisions	725	1,041	1,766
Amounts used	(962)	-	(962)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(25)	(700)	(725)
Balance at the end of the financial year	<u>2,754</u>	<u>13,649</u>	<u>16,403</u>
<i>Provisions - current</i>	2,540	2,230	4,770
<i>Provisions - non-current</i>	214	11,419	11,633
<b>2022</b>			
Balance at beginning of the financial year	3,193	9,008	12,201
Additional provisions	959	3,972	4,931
Amounts used	(912)	-	(912)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(224)	328	104
Balance at the end of the financial year	<u>3,016</u>	<u>13,308</u>	<u>16,324</u>
<i>Provisions - current</i>	2,757	2,230	4,987
<i>Provisions - non-current</i>	259	11,078	11,337

## Notes to the Financial Report For the Year Ended 30 June 2023

5.5 Provisions (cont.)	2023	2022
(a) Employee provisions	\$'000	\$'000
<b>Current provisions expected to be wholly settled within 12 months</b>		
Annual leave	966	1,052
Long service leave	169	120
	<b>1,135</b>	<b>1,172</b>
<b>Current provisions expected to be wholly settled after 12 months</b>		
Annual leave	-	-
Long service leave	1,405	1,585
	<b>1,405</b>	<b>1,585</b>
Total current employee provisions	<b>2,540</b>	<b>2,757</b>
<b>Non-current</b>		
Long service leave	214	259
Annual leave	-	-
Total non-current employee provisions	<b>214</b>	<b>259</b>
Aggregate carrying amount of employee provisions:		
Current	2,540	2,757
Non-current	214	259
Total aggregate carrying amount of employee provisions	<b>2,754</b>	<b>3,016</b>

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

#### *Annual leave*

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

- nominal value if the Council expects to wholly settle the liability within 12 months
- present value if the Council does not expect to wholly settle within 12 months.

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

#### *Long service leave*

Liability for long service leave (LSL) is recognised in the provision for employee benefits. Unconditional LSL is disclosed as a current liability as the Council does not have an unconditional right to defer settlement. Unconditional LSL is measured at nominal value if expected to be settled within 12 months or at present value if not expected to be settled within 12 months. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non-current liability and measured at present value.

#### Key assumptions:

- discount rate	4.07%	3.43%
- index rate	1.85%	1.85%

## Notes to the Financial Report For the Year Ended 30 June 2023

5.5 Provisions (cont.)	2023	2022
(b) Landfill restoration	\$'000	\$'000
Current	2,230	2,230
Non-current	11,419	11,078
	<u>13,649</u>	<u>13,308</u>

Council is obligated to restore Benalla Landfill and Resource Recovery Centre landfill site located at Old Farnley Road, Benalla to a particular standard. The forecast life of the site is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs. Council reviews the landfill restoration provision on an annual basis, including the key assumptions listed below.

Key assumptions:

- discount rate	4.10%	3.69%
- index rate	4.70%	4.30%

### 5.6 Financing arrangements

The Council has the following funding arrangements in place as at 30 June 2023.

Credit card facilities	100	100
Fixed Rate Loan Facilities	2,855	3,786
Total facilities	<u>2,955</u>	<u>3,886</u>
Used facilities	2,904	3,835
Unused facilities	<u>51</u>	<u>51</u>

## Notes to the Financial Report For the Year Ended 30 June 2023

### 5.7 Commitments

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

#### (a) Commitments for expenditure

2023	Not later than	Later than 1	Later than 2	Later than 5	Total
	1 year	year and not later than 2 years	years and not later than 5 years		
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Operating</b>					
Kerbside waste, recyclables, organics collection	1,800	-	-	-	1,800
Management of Aquatic Centre	721	721	-	-	1,442
Recycling	330	-	-	-	330
Cleaning contracts for council buildings	223	130	-	-	353
Organics acceptance and processing	206	-	-	-	206
Cinema - Design and equipment	109	-	-	-	109
Lighting River Walk Section F / Botanical Gardens	102	-	-	-	102
Animal Management	100	17	-	-	117
Dry Hire of landfill compactor	69	11	-	-	80
Building Surveyor Services	45	-	-	-	45
Professional Services	41	41	-	-	82
Building HVAC Maintenance	25	25	-	-	50
Insurance Broking	22	-	-	-	22
After Hours Call Management	12	12	-	-	24
MAV Procurement Training	5	4	-	-	9
<b>Total</b>	<b>3,810</b>	<b>961</b>	<b>-</b>	<b>-</b>	<b>4,771</b>
<b>Capital</b>					
Buildings	296	-	-	-	296
<b>Total</b>	<b>296</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>296</b>
<b>2022</b>					
	Not later than	Later than 1	Later than 2	Later than 5	Total
	1 year	year and not later than 2 years	years and not later than 5 years	years	
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Operating</b>					
Kerbside waste, recyclables, organics collection	1,600	1,600	-	-	3,200
Management of Aquatic Centre	850	850	4,242	850	6,792
Recycling	330	330	-	-	660
High Country Library Network	210	-	-	-	210
Organics acceptance and processing	241	241	-	-	482
Cleaning contracts for council buildings	43	-	-	-	43
Powerline Clearance, Property Service Line Clearance & Auditing Service	100	-	-	-	100
Animal Management	100	100	17	-	217
Insurance Broking	20	22	-	-	42
Landfill dry hire compactor	58	58	58	-	174
Landfill - Consulting and reporting	75	-	-	-	75
After Hours Call Management	12	12	24	-	48
HLCN RFID Supply, Installation & Maintenance	4	4	12	8	28
Building HVAC Maintenance	25	25	75	-	125
Food Services - Meals for delivery	10	-	-	-	10
<b>Total</b>	<b>3,678</b>	<b>3,242</b>	<b>4,428</b>	<b>858</b>	<b>12,205</b>
<b>Capital</b>					
Buildings	2,598	-	-	-	2,598
Drainage	175	-	-	-	175
<b>Total</b>	<b>2,773</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,773</b>

## Notes to the Financial Report For the Year Ended 30 June 2023

### 5.8 Leases

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

As a lessee, Council recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date less any lease incentives received; plus
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, an appropriate incremental borrowing rate. Generally, Council uses an appropriate incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that Council is reasonably certain to exercise, lease payments in an optional renewal period if Council is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless Council is reasonably certain not to terminate early.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Under *AASB 16 Leases*, Council as a not-for-profit entity has elected not to measure right-of-use assets at initial recognition at fair value in respect of leases that have significantly below-market terms.

- Nature and term of leases such as any qualitative information about restrictions on use of asset, information about lease term, description of underlying assets.

## Notes to the Financial Report For the Year Ended 30 June 2023

### 5.8 Leases (cont.)

<b>Right-of-Use Assets</b>	Property	Vehicles	Total
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Balance at 1 July 2022	346	202	548
Additions	-	276	276
Amortisation charge	(61)	(275)	(336)
Balance at 30 June 2023	<b>285</b>	<b>203</b>	<b>488</b>

### Lease Liabilities

	2023	2022
	<b>\$'000</b>	<b>\$'000</b>
Maturity analysis - contractual undiscounted cash flows		
Less than one year	275	294
One to five years	258	316
More than five years	-	-
Total undiscounted lease liabilities as at 30 June:	<b>533</b>	<b>610</b>

Lease liabilities included in the Balance Sheet at 30 June:

Current	255	270
Non-current	246	292
Total lease liabilities	<b>501</b>	<b>562</b>

### Short-term and low value leases

Council has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets (individual assets worth less than existing capitalisation thresholds for a like asset up to a maximum of AUD\$10,000), including IT equipment. Council recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

	2023	2022
	<b>\$'000</b>	<b>\$'000</b>
<b>Expenses relating to:</b>		
Short-term leases	43	47
Leases of low value assets	43	80
<b>Total</b>	<b>86</b>	<b>127</b>

Notes to the Financial Report  
For the Year Ended 30 June 2023

Note 6 ASSETS WE MANAGE

6.1. Property, infrastructure plant and equipment

Summary of property, infrastructure, plant and equipment

	Carrying amount 30 June 2022	Additions	Revaluation	Impairment losses recognised in operating result	Impairment losses recognised in revaluation reserve	Depreciation	Disposal	Write-off	Transfers	Carrying amount 30 June 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property <sup>1</sup>	67,802	-	2,059	-	-	(700)	-	-	-	69,161
Plant and equipment	33,278	891	9	-	-	(598)	(12)	-	-	33,568
Infrastructure	178,380	3,573	9,316	(174)	(4,298)	(8,920)	-	(46)	2,420	180,251
Work in progress	2,842	2,994	-	-	-	-	-	-	(2,420)	3,416
<b>Total</b>	<b>282,303</b>	<b>7,458</b>	<b>11,384</b>	<b>(174)</b>	<b>(4,298)</b>	<b>(10,218)</b>	<b>(12)</b>	<b>(46)</b>	<b>-</b>	<b>286,397</b>

Summary of Work in Progress

	Opening WIP \$'000	Additions \$'000	Transfers \$'000	Closing WIP \$'000
Property	240	2,438	-	2,678
Plant and equipment	-	214	-	214
Infrastructure	2,602	342	(2,420)	524
<b>Total</b>	<b>2,842</b>	<b>2,994</b>	<b>(2,420)</b>	<b>3,416</b>

<sup>1</sup> Restatement of opening balance, refer note 8.6

Notes to the Financial Report  
For the Year Ended 30 June 2023

6.1. Property, infrastructure plant and equipment (cont.)

(a) Property

	Land - specialised <sub>1</sub>	Land - non specialised <sub>1</sub>	Land under Roads	Total Land & Land Improvements	Heritage buildings	Buildings	Total Buildings	Work In Progress	Total Property
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2022	22,427	1,190	14,047	37,664	936	58,744	59,680	240	97,584
Accumulated depreciation at 1 July 2022	-	-	-	-	(874)	(28,668)	(29,542)	-	(29,542)
	22,427	1,190	14,047	37,664	62	30,076	30,138	240	68,042
<b>Movements in fair value</b>									
Additions	-	-	-	-	-	-	-	2,438	2,438
Revaluation	-	-	-	-	66	4,110	4,176	-	4,176
	-	-	-	-	66	4,110	4,176	2,438	6,614
<b>Movements in accumulated depreciation</b>									
Depreciation and amortisation	-	-	-	-	(16)	(684)	(700)	-	(700)
Revaluation	-	-	-	-	(62)	(2,055)	(2,117)	-	(2,117)
	-	-	-	-	(78)	(2,739)	(2,817)	-	(2,817)
At fair value 30 June 2023	22,427	1,190	14,047	37,664	1,002	62,854	63,856	2,678	104,198
Accumulated depreciation at 30 June 2023	-	-	-	-	(952)	(31,407)	(32,359)	-	(32,359)
Carrying amount	22,427	1,190	14,047	37,664	50	31,447	31,497	2,678	71,839

<sub>1</sub> Restatement of opening balance, refer note 8.6



Notes to the Financial Report  
For the Year Ended 30 June 2023

6.1. Property, infrastructure plant and equipment (cont.)

(b) Plant and Equipment

	Art Works	Plant machinery and equipment	Fixtures fittings and furniture	Computers and telecomms	Library books	Work In Progress	Total plant and equipment
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2022	30,156	4,044	1,427	1,221	825	-	37,672
Accumulated depreciation at 1 July 2022	-	(1,948)	(1,119)	(879)	(448)	-	(4,394)
	30,156	2,096	308	342	377	-	33,278
<b>Movements in fair value</b>							
Additions	22	531	136	112	90	214	1,105
Contributions	-	-	-	-	-	-	-
Revaluation	-	-	-	-	(15)	-	(15)
Disposal	-	(209)	-	-	(47)	-	(256)
	22	322	136	112	29	214	835
<b>Movements in accumulated depreciation</b>							
Depreciation and amortisation	-	(261)	(71)	(181)	(85)	-	(598)
Accumulated depreciation of disposals	-	197	-	-	47	-	244
Revaluation	-	-	-	-	24	-	24
	-	(64)	(71)	(181)	(14)	-	(330)
At fair value 30 June 2023	30,178	4,366	1,563	1,333	853	214	38,507
Accumulated depreciation at 30 June 2023	-	(2,012)	(1,190)	(1,060)	(462)	-	(4,724)
Carrying amount	30,178	2,354	373	273	391	214	33,783

Notes to the Financial Report  
For the Year Ended 30 June 2023

6.1. Property, infrastructure plant and equipment (cont.)  
(c) Infrastructure

	Roads	Bridges	Footpaths and cycleways	Drainage	Recreational, leisure and community facilities	Waste Management	Parks open space and streetscapes	Aerodromes	Off street car parks	Other Infrastructure	Work In Progress	Total Infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2022	227,344	68,298	9,122	28,521	776	3,888	2,385	5,047	2,140	162	2,602	350,284
Accumulated depreciation at 1 July 2022	(96,831)	(43,230)	(4,825)	(17,274)	(352)	(2,591)	(433)	(2,993)	(758)	(15)	-	(169,302)
	130,513	25,068	4,297	11,247	424	1,297	1,952	2,054	1,382	147	2,602	180,982
<b>Movements in fair value</b>												
Additions	2,304	140	374	163	-	70	407	-	70	45	342	3,915
Revaluation	15,300	-	-	-	-	-	-	-	-	-	-	15,300
Write-off	(287)	-	-	-	-	-	-	-	(58)	-	-	(345)
Transfers	100	-	-	83	-	2,218	19	-	-	-	(2,420)	-
Impairment losses recognised in operating result	(24,629)	(140)	-	-	-	-	-	-	-	-	-	(24,769)
	(7,212)	-	374	246	-	2,288	426	-	12	45	(2,078)	(5,899)
<b>Movements in accumulated depreciation</b>												
Depreciation and amortisation	(2,786)	(4,884)	(131)	(285)	(27)	(394)	(170)	(188)	(40)	(15)	-	(8,920)
Accumulated depreciation of Write-off	240	-	-	-	-	-	-	-	59	-	-	299
Impairment losses recognised in operating result	24,475	124	(4)	-	-	-	-	-	-	-	-	24,595
Impairment losses recognised in revaluation reserve	(4,297)	-	-	-	-	-	(1)	-	-	-	-	(4,298)
Revaluation	(5,984)	-	-	-	-	-	-	-	-	-	-	(5,984)
	11,648	(4,760)	(135)	(285)	(27)	(394)	(171)	(188)	19	(15)	-	5,692
At fair value 30 June 2023	220,132	68,298	9,496	28,767	776	6,176	2,811	5,047	2,152	207	524	344,385
Accumulated depreciation at 30 June 2023	(85,183)	(47,990)	(4,960)	(17,559)	(379)	(2,985)	(604)	(3,181)	(739)	(30)	-	(163,610)
Carrying amount	134,949	20,308	4,536	11,208	397	3,191	2,207	1,866	1,413	177	524	180,775

## Notes to the Financial Report For the Year Ended 30 June 2023

### 6.1. Property, infrastructure plant and equipment (cont.)

#### Acquisition

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

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

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

	Depreciation Period	Threshold Limit
Asset recognition thresholds and depreciation periods		<b>\$'000</b>
Land & land improvements		
land	-	-
land improvements	60 - 100 years	5
Buildings		
buildings	60 - 100 years	5
building and leasehold improvements	60 - 100 years	5
Plant and Equipment		
heritage plant and equipment	4 - 33 years	5
plant, machinery and equipment	4 - 33 years	5
Infrastructure		
roads - pavements, substructure, formation and earthworks	15 - 200 years	5
roads - kerb, channel and minor culverts and other	80 - 100 years	5
bridges - deck and substructure	80 - 100 years	5
bridges - others	80 - 100 years	5
footpaths and cycleways	80 - 100 years	5
aerodromes	80 - 100 years	5
others	80 - 100 years	5
Intangible assets	1 - 10 years	5

#### Land under roads

Council recognises land under roads it controls at fair value.

#### Depreciation and amortisation

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

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

Road earthworks are not depreciated on the basis that they are assessed as not having a limited useful life.

Straight line depreciation is charged based on the residual useful life as determined each year.

Depreciation periods used are listed above and are consistent with the prior year unless otherwise stated.

#### Repairs and maintenance

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

## Notes to the Financial Report For the Year Ended 30 June 2023

### 6.1. Property, infrastructure plant and equipment (cont.)

#### Valuation of land and buildings

Valuation of land and buildings were undertaken at 30 June 2022 by a qualified independent valuer a qualified independent valuer Marcus L W Hann, AAPI, Certified Practising Valuer, of LG Valuation Services. The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement. An indexed based revaluation of Building assets, was conducted in the current year, this valuation was based on Victorian Valuer General building cost indexation factor for Victoria for the period from 1 July 2022 to 30 June 2023 for rural commercial 7%.

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

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

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2023 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation	Indexed	Type of Valuation
Non - specialised Land	-	22,427	-	Jun-22		Full
Specialised land	-	-	1,190	Jun-22		Full
Land under roads	-	-	14,047	Jun-22		Full
Heritage Buildings	-	-	50	Jun-23	Jun-23	Indexed Valuation Valuer General (VGV)
Buildings	-	-	31,447	Jun-23	Jun-23	Indexed Valuation Valuer General (VGV)
<b>Total</b>	-	<b>22,427</b>	<b>46,734</b>			

#### Valuation of infrastructure

Roads were valued as at 30 June 2019 based on a condition assessment conducted by Moloney Asset Management Systems. A unit rate and effective life review was conducted Council's Asset Management Officer and at the 30 June 2023 indexed valuation Rawlinsons BPI 30 June 2023 7.56% was applied. The basis of valuation was current replacement cost.

Bridges have been revalued by external consultants Pitt and Sherry January 2022.

Footpaths and Aerodrome were valued as at 30 June 2019 based on a condition assessment conducted by Moloney Asset Management Systems. A unit rate and effective life review was conducted by Council's Asset Management Officer and Indexed valuation ABS Producer Prices Index 9% applied at 30 June 2022.

All other valuation of infrastructure assets has been determined by the Council's Asset Management Officer.

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

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2023 are as follows:

	\$'000	\$'000	\$'000	Date of Valuation	Indexed	Type of Valuation
	Level 1	Level 2	Level 3			
Roads	-	-	134,949	Jun-19	Jun-23	Indexed valuation Rawlinsons BPI 30 June 2023 7.56% (Rawlinsons 2023 Edition 41).
Bridges	-	-	20,308	Jun-22		Chris Morton Principal Bridge Engineer, Pitt and Sherry Jan 2022
Footpaths and cycleways	-	-	4,536	Jun-19	Jun-22	Index 30/06/2022 Council's Asset Management Officer
Drainage	-	-	11,208	Jun-21	Jun-22	Index 30/06/2022 Council's Asset Management Officer
Recreational, leisure and community facilities	-	-	397	Jun-22		Full valuation Marcus L W Hann, AAPI, Certified Practising Valuer, of LG Valuation Services
Waste management	-	-	3,191	Jun-22		Council's Asset Management Officer
Parks, open space and streetscapes	-	-	2,207	Jun-22		Full valuation Marcus L W Hann, AAPI, Certified Practising Valuer, of LG Valuation Services
Aerodromes	-	-	1,866	Jun-19	Jun-22	Indexed Council's Asset Management Officer
Off street car parks	-	-	1,413	Jun-19	Jun-22	Indexed Council's Asset Management Officer
Other infrastructure	-	-	177	Jun-19		Council's Asset Management Officer
<b>Total</b>	-	-	<b>180,251</b>			

## Notes to the Financial Report For the Year Ended 30 June 2023

### 6.1. Property, infrastructure plant and equipment (cont.)

#### Valuation of Art Work

Valuation of art work assets has been determined by qualified independent valuer Simon Storey RSV, of Simon Storey Valuers, valued the collections on the basis of Fair Value under the Australian Accounting Standards Board (AASB13) "Fair Value Measurement" and (AASB116) "Property Plant & Equipment", and other relevant accounting and valuations directives and guidance.

The standard AASB13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The assets valued in the Benalla Art Gallery Collection are considered to be level 2 in the AASB 13 Fair Value hierarchy. Briefly, level 2 is a measure of value against similar items in a similar market. Values ascribed were obtained from current market values of like items as at 30 June 2022.

#### Description of significant unobservable inputs into level 3 valuations

**Specialised land and land under roads** is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 20% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$1,200 and \$4.4 million per hectare.

**Specialised buildings** are valued using a current replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs are calculated on a square metre basis and ranges from \$300 to \$400,000 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 1 years to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

**Infrastructure assets** are valued based on the current replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 1 years to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

	2023	2022
	\$'000	\$'000
Land under roads	14,047	14,047
Land - specialised	22,427	26,215
<b>Total specialised land</b>	<b>36,474</b>	<b>40,262</b>

## Notes to the Financial Report For the Year Ended 30 June 2023

### Note 7 PEOPLE AND RELATIONSHIPS

#### 7.1 Council and key management remuneration

##### (a) Related Parties

###### Parent entity

Benalla Rural City Council is the parent entity.

##### (b) Key Management Personnel

Key management personnel (KMP) are those people with the authority and responsibility for planning, directing and controlling the activities of Benalla Rural City Council. The Councillors, Chief Executive Officer and General Manager are deemed KMP.

Details of KMP at any time during the year are:

	2023 No.	2022 No.
<b>Councillors</b>		
Councillor Bernie Hearn (Mayor) (July 22 - 30 June 2023)	1	1
Councillor Justin King (Deputy Mayor) (July 22 - 30 June 2023)	1	1
Councillor Danny Claridge (July 22 - 30 June 2023)	1	1
Councillor Peter Davis (July 22 - 30 June 2023)	1	1
Councillor Don Firth (July 22 - 30 June 2023)	1	1
Councillor Punarji Hewa Gunaratne (July 22 - 30 June 2023)	1	1
Councillor Gail O'Brien (July 22 - 30 June 2023)	1	1
Dom Testoni (Chief Executive Officer)	1	1
Robert Barber (General Manager Corporate)	1	1
<b>Total Number of Councillors</b>	7	7
<b>Total of Chief Executive Officer and other Key Management Personnel</b>	2	2
<b>Total Number of Key Management Personnel</b>	9	9

##### (c) Remuneration of Key Management Personnel

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

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

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

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

**Termination benefits** include termination of employment payments, such as severance packages.

	2023 \$'000	2022 \$'000
Total remuneration of key management personnel was as follows:		
Short-term employee benefits	645	620
Other long-term employee benefits	17	11
Post-employment benefits	44	39
Total	706	670

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

	2023 No.	2022 No.
\$20,000 - \$29,999	5	4
\$30,000 - \$39,999	1	1
\$40,000 - \$49,999	-	1
\$50,000 - \$59,999	-	1
\$70,000 - \$79,999	1	-
\$200,000 - \$209,999	-	1
\$210,000 - \$219,999	1	-
\$230,000 - \$239,999	-	1
\$250,000 - \$259,999	1	-
	9	9

## Notes to the Financial Report For the Year Ended 30 June 2023

### 7.1 Council and key management remuneration (cont.)

#### (d) Remuneration of other senior staff

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

	2023 \$'000	2022 \$'000
Total remuneration of other senior staff was as follows:		
Short-term employee benefits	448	846
Other long-term employee benefits	21	42
Post-employment benefits	49	89
Total	518	977

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

Income Range:	2023 No.	2022 No.
\$151,000 - \$159,999	-	2
\$160,000 - \$169,999	2	3
\$170,000 - \$179,999	-	1
\$180,000 - \$189,999	1	-
	3	6

Total remuneration for the reporting year for other senior staff included above, amounted to: 518                      977

\* Due to a definitional change the comparative figures in this note may not align with the previous year's annual report, which included disclosure of senior officers as defined in the *Local Government Act 1989*.

### 7.2 Related party disclosure

#### (a) Transactions with related parties

During the period Council entered into the following transactions with related parties.

During the period a key management person had a child receiving remuneration as a casual employee of Council.

16                      15

#### (b) Outstanding balances with related parties

There are nil balances outstanding at the end of the reporting period in relation to transactions with related parties.

-                      -

#### (c) Loans to/from related parties

There are no loans to / from related parties.:

-                      -

#### (d) Commitments to/from related parties

There are no commitments to / from related parties.

-                      -

## Notes to the Financial Report For the Year Ended 30 June 2023

### Note 8 MANAGING UNCERTAINTIES

#### 8.1 Contingent assets and liabilities

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

##### (a) Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council.

*Council has no contingent assets as at 30 June 2023 (2022: Nil).*

##### (b) Contingent liabilities

Contingent liabilities are:

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

#### Superannuation

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

#### Landfill

Council operates a landfill at Lot 27B Old Farnley Road, Benalla. Council will have to carry out site rehabilitation works in the future and has been requested by the Environment Protection Authority to provide a \$400,000 Bank Guarantee as financial assurance in respect of this operation. At balance date Council has recognised a landfill rehabilitation provision to reflect the financial implications of such assurances.

Council has two Landfill Acceptance and Disposal contracts for the receipt of municipal waste which require Council to provide a total of \$164,960 Bank Guarantee as security in respect of these contracts. Each Landfill Acceptance and Disposal contract covers 9 years duration ending 30 June 2024.

#### Insurance claims

Council is not aware of any major insurance claims that could have a material impact on future operations.

#### Legal matters

Council is not aware of any major legal matters that could have a material impact on future operations.

#### Liability Mutual Insurance

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



## Notes to the Financial Report For the Year Ended 30 June 2023

### 8.2 Change in accounting standards

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2023 reporting period. Council assesses the impact of these new standards. As at 30 June 2023 there were no new accounting standards or interpretations issued by the AASB which are applicable for the year ending 30 June 2024 that are expected to impact Council.

### 8.3 Financial instruments

#### (a) Objectives and policies

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

#### (b) Market risk

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

#### Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes council to fair value interest rate risk / Council does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

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

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

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

Interest rate movements have not been sufficiently significant during the year to have an impact on the Council's year end result.

#### (c) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council have exposure to credit risk on some financial assets included in the balance sheet. Particularly significant areas of credit risk exist in relation to outstanding fees and fines as well as loans and receivables from sporting clubs and associations. To help manage this risk:

- council have a policy for establishing credit limits for the entities council deal with;
- council may require collateral where appropriate; and
- council only invest surplus funds with financial institutions which have a recognised credit rating specified in council's investment policy.

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

There are no material financial assets which are individually determined to be impaired.

Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when council provide a guarantee for another party. Details of our contingent liabilities are disclosed in Note 8.1(b).

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

## Notes to the Financial Report For the Year Ended 30 June 2023

### 8.3 Financial instruments (cont.)

#### (d) Liquidity risk

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

To help reduce these risks Council:

- have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- have readily accessible standby facilities and other funding arrangements in place;
- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitor budget to actual performance on a regular basis; and
- set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

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

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

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

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

#### (e) Sensitivity disclosure analysis

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

- A parallel shift of + 1.5% and -1.5% in market interest rates (AUD) from year-end rates of 3.62%.

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

## Notes to the Financial Report For the Year Ended 30 June 2023

### 8.4 Fair value measurement

#### *Fair value hierarchy*

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

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

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

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

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

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

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

#### *Revaluation*

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

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 3 to 5 years. The valuation is performed either by experienced council officers or independent experts. The following table sets out the frequency of revaluations by asset class.

Asset class	Revaluation frequency
Land	3 to 5 years
Buildings	5 to 7 years
Roads	5 to 7 years
Bridges	5 to 7 years
Footpaths and cycleways	5 to 7 years
Drainage	3 to 5 years
Recreational, leisure and community facilities	3 to 5 years
Waste management	3 to 5 years
Parks, open space and streetscapes	3 to 5 years
Aerodromes	2 to 3 years
Art Works	2 to 3 years

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

## Notes to the Financial Report For the Year Ended 30 June 2023

### 8.4 Fair value measurement (cont.)

#### Impairment of assets

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

### 8.5 Events occurring after balance date

Benalla Rural City was impacted by two major flood events in June 2023 and October 2023. Whilst the financial impact of the damage to Council assets and clean-up cost could not be reliably estimated at the time this financial report was adopted, an initial claim has been submitted to the Natural Disaster Financial Assistance scheme.

### 8.6 Adjustments directly to equity

Following a review of the Property Assets Register and Infrastructure Asset register as part of the revaluation process in 2022, Council identified land assets not owned by Council to the value of \$9.863 million, that were reflected in Council's asset registers. In the year ended 30 June 2023, these assets adjustments have been brought to account as an adjustment to the Council's opening Asset Revaluation Reserve in the 2021-22 year.

#### Adjustments recorded to de recognise Land balances:

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Property, infrastructure plant and equipment - Property</b>		
Land - specialised	-	(3,788)
Land - non specialised	-	(6,075)
<b>Total Land &amp; Land Improvements</b>	-	<b>(9,863)</b>

#### Reserves

##### (a) Asset revaluation reserves

#### Property

Land and land improvements	-	(9,863)
<b>Total Land &amp; Land Improvements</b>	-	<b>(9,863)</b>

The effect of Council removing land assets not owned in the 2022/23 year is a decrease to that year's opening balance of \$9.863 million and a decrease to property, infrastructure, plant and equipment of \$9.863 million.

### Reconciliation of changes to the 2021-2022 Balance Sheet and Statement of Changes in Equity

	<b>2021-2022 Original Balances</b>	<b>Impact Increase/ (decrease)</b>	<b>Restated 2021-2022 Balances</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Balance sheet</b>			
Land - specialised	26,215	(3,788)	22,427
Land - non specialised	7,265	(6,075)	1,190
<b>Total Land &amp; Land Improvements</b>	<b>47,527</b>	<b>(9,863)</b>	<b>37,664</b>
<b>Property, infrastructure, plant and equipment</b>	<b>292,166</b>	<b>(9,863)</b>	<b>282,303</b>
<b>Total non-current assets</b>	<b>296,650</b>	<b>(9,863)</b>	<b>286,787</b>
<b>Total Assets</b>	<b>330,503</b>	<b>(9,863)</b>	<b>320,640</b>
<b>Net assets</b>	<b>298,968</b>	<b>(9,863)</b>	<b>289,105</b>
Reserves	151,060	(9,863)	141,197
<b>Total Equity</b>	<b>298,968</b>	<b>(9,863)</b>	<b>289,105</b>
	<b>2021-2022 Original Balances</b>	<b>Impact Increase/ (decrease)</b>	<b>Restated 2021-2022 Balances</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Statement of Changes in Equity</b>			
Asset Revaluation Reserve	150,099	(9,863)	140,236
<b>Total Equity</b>	<b>298,968</b>	<b>(9,863)</b>	<b>289,105</b>

## Notes to the Financial Report For the Year Ended 30 June 2023

### Note 9 OTHER MATTERS

	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
<b>9.1 Reserves</b>			
<b>(a) Asset revaluation reserves</b>			
<b>2023</b>			
<b>Property</b>			
Land and land improvements <sup>1</sup>	15,565	-	15,565
Land under Roads	6,668	-	6,668
Buildings	13,894	2,059	15,953
	<u>36,127</u>	<u>2,059</u>	<u>38,186</u>
<sup>1</sup> Restatement of opening balance, refer note 8.6			
<b>Plant and Equipment</b>			
Art Works	21,017	-	21,017
Library Stock	97	9	106
	<u>21,114</u>	<u>9</u>	<u>21,123</u>
<b>Infrastructure</b>			
Roads	64,996	5,019	70,015
Bridges	13,156	-	13,156
Drainage	2,431	-	2,431
Footpaths and cycleways	1,168	-	1,168
Waste management	785	-	785
Aerodromes	323	-	323
Parks, open space and streetscapes	77	-	77
Off Street Car Parks	59	-	59
	<u>82,995</u>	<u>5,019</u>	<u>88,014</u>
<b>Total asset revaluation reserves</b>	<b><u>140,236</u></b>	<b><u>7,087</u></b>	<b><u>147,323</u></b>
<b>2022</b>			
<b>Property</b>			
Land and land improvements	26,483	(1,055)	25,428
Land under Roads	2,496	4,172	6,668
Buildings	5,884	8,010	13,894
	<u>34,863</u>	<u>11,127</u>	<u>45,990</u>
<b>Plant and Equipment</b>			
Art Works	16,287	4,730	21,017
Library Stock	24	73	97
	<u>16,311</u>	<u>4,803</u>	<u>21,114</u>
<b>Infrastructure</b>			
Roads	60,454	4,542	64,996
Bridges	5,494	7,662	13,156
Drainage	1,507	924	2,431
Footpaths and cycleways	835	333	1,168
Waste management	806	(21)	785
Aerodromes	201	122	323
Parks, open space and streetscapes	235	(158)	77
Offstreet car parks	-	59	59
	<u>69,532</u>	<u>13,463</u>	<u>82,995</u>
<b>Total asset revaluation reserves</b>	<b><u>120,706</u></b>	<b><u>29,393</u></b>	<b><u>150,099</u></b>

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

## Notes to the Financial Report For the Year Ended 30 June 2023

### 9.1 Reserves (cont.)

	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Balance at end of reporting period \$'000
<b>(b) Other reserves</b>			
<b>2023</b>			
Resort and Recreation	248	24	272
Winton Land	10	-	10
Benalla Urban Grown Headworks Charge	78	-	78
Lake Mokoan inlet Channel	625	70	695
<b>Total Other reserves</b>	<b>961</b>	<b>94</b>	<b>1,055</b>
<b>2022</b>			
Resort and Recreation	168	80	248
Winton Land	10	-	10
Benalla Urban Grown Headworks Charge	78	-	78
Lake Mokoan inlet Channel	556	69	625
<b>Total Other reserves</b>	<b>812</b>	<b>149</b>	<b>961</b>

#### Reserve Nature and Purpose

**Resort and Recreation** Contributions made by developers for recreation purposes (minimum of 5% for any new developments for open space reserves).

**Winton Land** Originated from the former Shire of Benalla for a community project within the Winton township.

**Benalla Urban Growth Headworks Charge** Contributions made by developers for connection to the Benalla Urban Growth drainage system.

**Lake Mokoan Inlet Channel** A reserve of \$69,500 is to be made annually to re-instate the compensation of \$695,000 received from Goulburn Murray Water in relation to the transfer of assets of the decommissioned Lake Mokoan Inlet Channel. The funding received under the terms of the agreement was to compensate the Council for the ongoing renewal of these assets and was not restricted.

## Notes to the Financial Report For the Year Ended 30 June 2023

	<b>2023</b>	<b>2022</b>
<b>9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)</b>	<b>\$'000</b>	<b>\$'000</b>
Surplus/(deficit) for the year	1,026	4,851
Depreciation/amortisation	10,893	6,658
Profit/(loss) on disposal of property, infrastructure, plant and equipment	154	71
Borrowing Cost	138	92
Finance Cost - leases	27	31
Landfill Rehabilitation Provision adjustment accounted for as an expense	(340)	(402)
Contributions - Non-monetary assets	-	(43)
<i>Change in assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	(2,755)	(1,616)
Increase/(decrease) in prepayments	(72)	18
(Increase)/decrease in trade and other payables	(1,541)	2,787
(Increase)/decrease in unearned income /revenue	(2,354)	207
Increase/(decrease) in inventories	(27)	7
(Decrease)/increase in provisions	418	644
Increase/(decrease) in Trust Funds and deposits	(236)	214
Net cash provided by/(used in) operating activities	<b>5,331</b>	<b>13,519</b>

### 9.3 Superannuation

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

#### **Accumulation**

The Fund's accumulation category, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2023, this was 10.5% as required under Superannuation Guarantee (SG) legislation (2022: 10%)).

#### **Defined Benefit**

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

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

#### **Funding arrangements**

Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary. A triennial actuarial investigation is currently underway for the Defined Benefit category which is expected to be completed by 31 December 2023. Benalla Rural City Council was notified of the 30 June 2023 VBI during August 2023 (2022: August 2022). The financial assumptions used to calculate the 30 June 2023 VBI were:

Net investment returns 5.7% pa  
Salary information 3.5% pa  
Price inflation (CPI) 2.8% pa

## Notes to the Financial Report For the Year Ended 30 June 2023

### 9.3 Superannuation (cont.)

As at 30 June 2022, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 102.2%. The financial assumptions used to calculate the VBI were:

Net investment returns 5.5% pa  
Salary information 2.5% pa to 30 June 2023, and 3.5% pa thereafter  
Price inflation (CPI) 3.0% pa

Council was notified of the 30 June 2022 VBI during August 2022 (2021: August 2021). Vision Super has advised that the estimated VBI at June 2023 was 104.1%

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2022 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

#### **Employer contributions**

##### *(a) Regular contributions*

On the basis of the results of the 2022 interim actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2023, this rate was 10.5% of members' salaries (10% in 2021/22). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part of the 30 June 2022 interim valuation.

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

##### *(b) Funding calls*

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

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

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

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

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

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

#### **The 2022 interim actuarial investigation surplus amounts**

An actuarial investigation is conducted annually for the Defined Benefit category of which Council is a contributing employer. Generally, a full actuarial investigation is conducted every three years and interim actuarial investigations are conducted for each intervening year. An interim investigation was conducted as at 30 June 2022 and the last full investigation was conducted as at 30 June 2020.

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

	2022 (Interim) \$m	2021 (Interim) \$m
- A VBI Surplus	44.6	214.7
- A total service liability surplus	105.8	270.3
- A discounted accrued benefits surplus	111.9	285.2



## Notes to the Financial Report For the Year Ended 30 June 2023

### 9.3 Superannuation (cont.)

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2022.

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2022.

The discounted accrued benefit surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2022.

#### The 2023 triennial actuarial investigation

A triennial actuarial investigation is being conducted for the Fund's position as at 30 June 2023. It is anticipated that this actuarial investigation will be completed by 31 December 2023. The financial assumptions for the purposes of this investigation are:

#### Superannuation contributions

	2023 Triennial investigation	2020 Triennial investigation
Net investment return	5.7% pa	5.6% pa
Salary inflation	3.5% pa	2.5% pa
		for the first two years and 2.75%pa thereafter
Price inflation	2.8% pa	2.0% pa

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2023 are detailed below:

Scheme	Type of Scheme	Rate	\$'000	\$'000
Vision super	Defined benefits	10.5% (2022:10.0%)	37	46
Vision super	Accumulation	10.5% (2022:10.0%)	480	522
Hesta Superannuation Fund	Accumulation	10.5% (2022:10.0%)	53	73
Australian Superannuation Fund	Accumulation	10.5% (2022:10.0%)	71	65
VicSuper Superannuation Fund	Accumulation	10.5% (2022:10.0%)	41	40
REST Superannuation Fund	Accumulation	10.5% (2022:10.0%)	-	35
Hostplus Superannuation Fund	Accumulation	10.5% (2022:10.0%)	33	-
Employer contributions - other funds	Accumulation	10.5% (2022:10.0%)	32	29

There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2023.

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2024 is \$35,000.

### Note 10 CHANGE IN ACCOUNTING POLICY

There have been no changes to accounting policies in the 2022-23 year.



# BENALLA

## RURAL CITY COUNCIL

BENALLA RURAL CITY COUNCIL

# PERFORMANCE STATEMENT

For the Year Ended 30 June 2023

# Performance Statement

## For the year ended 30 June 2023

### Description of municipality

The Benalla Rural City Council (the Council) is situated 193 kilometres north east of Melbourne. It includes the eight rural townships of Benalla, Baddaginnie, Devenish, Goorambat, Swanpool, Thoona, Tatong and Winton. Benalla Rural City is renowned for its beautiful and picturesque rural landscape and welcoming rural towns.

Benalla's features include a central lake, Botanical Gardens and Riverine Parklands, walking paths and an attractive and vibrant town centre. Key industries include manufacturing, agriculture, retail and construction. The council covers an area of 235,059 hectares and has a population of 14,450.

### Overview of 2023

During the financial year the council income totalled \$45.464 million and expenditure \$44.438 million resulting in a surplus of \$1.026 million. Delivery of services was impacted by a major flood event in October 2023 and a significant storm event in January 2023. Council also experienced supply issues for labour, materials and services which was consistent with issues experienced by many across Victoria during the year because of post COVID supply issues and Flood events. Capital Works for the year totalled \$7.458 million. The delivery of these works was across major asset types of Infrastructure \$3.915 million, Property \$2.438 million and Plant and Equipment \$1.105.

A flood event in October 2022 and storm in January 2023 caused significant damage to civil infrastructure resulting in significant impairment of Council assets.

Unbudgeted works associated with the flood and storm events required rectification works on unsealed road totalled \$6.165 million in the year. Future repairs works are estimated to cost \$10 million, however, Council is eligible for assistance under the Natural Disaster Financial Assistance scheme.

## Sustainable Capacity Indicators

For the year ended 30 June 2023

<i>Indicator / Measure [formula]</i>	Results				Material Variations
	2020	2021	2022	2023	
<b>Population</b>					
<b><i>Expenses per head of municipal population</i></b> [Total expenses / Municipal population]	\$2,808	\$2,285	\$2,438	\$3,075	There has been a 25 per cent increase in expenses per head of municipal population since last year impacted by the October 2022 Flood Recovery extra expense.
<b><i>Infrastructure per head of municipal population</i></b> [Value of infrastructure / Municipal population]	\$15,345	\$15,316	\$17,312	\$17,213	No material variation.
<b><i>Population density per length of road</i></b> [Municipal population / Kilometres of local roads]	10	10	10	11	No material variation.
<b>Own-source revenue</b>					
<b><i>Own-source revenue per head of municipal population</i></b> [Own-source revenue / Municipal population]	\$1,688	\$1,691	\$1,744	\$1,775	No material variation.
<b>Recurrent grants</b>					
<b><i>Recurrent grants per head of municipal population</i></b> [Recurrent grants / Municipal population]	\$531	\$558	\$656	\$648	No material variation.

## Sustainable Capacity Indicators

For the year ended 30 June 2023

Indicator / Measure [formula]	Results				Material Variations
	2020	2021	2022	2023	
<b>Disadvantage</b>					
<b>Relative socio-economic disadvantage</b> [Index of Relative Socio-economic Disadvantage by decile]	2	2	2	3	The result of this measure has increased due to the Australian Bureau of Statistics' Socio-Economic Indexes for Areas (SEIFA) ranking improving from two to three.
<b>Workforce turnover</b>					
<b>Percentage of staff turnover</b> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	7.5%	11.7%	8.5%	29.6%	The result for this measure has increased due to the cessation of the Aged and Disability Services program resulting in several staff redundancies in July 2022.

# Sustainable Capacity Indicators

For the year ended 30 June 2023

## Definitions

"adjusted underlying revenue" means total income other than:

- (a) non-recurrent grants used to fund capital expenditure; and
- (b) non-monetary asset contributions; and
- (c) contributions to fund capital expenditure from sources other than those referred to above.

"infrastructure" means non-current property, plant and equipment excluding land.

"local road" means a sealed or unsealed road for which the council is the responsible road authority under the *Road Management Act 2004*.

"population" means the resident population estimated by council.

"own-source revenue" means adjusted underlying revenue other than revenue that is not under the control of council (including government grants).

"relative socio-economic disadvantage", in relation to a municipality, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipality is located according to the Index of Relative Socio-Economic Disadvantage (Catalogue Number 2033.0.55.001) of SEIFA.

"SEIFA" means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet website

"unrestricted cash" means all cash and cash equivalents other than restricted cash.

## Service Performance Indicators

For the year ended 30 June 2023

Service / Indicator / Measure	Results				Material Variations
	2020	2021	2022	2023	
<b>Aquatic facilities</b>					
<b>Utilisation</b>					
<i>Utilisation of aquatic facilities</i>	5	2	4	5	The result for this measure has increased due to a successful marketing campaign that aimed to increase enrolments in the Learn to Swim program and increase general membership numbers.
[Number of visits to aquatic facilities / Municipal population]					
<b>Animal management</b>					
<b>Health and safety</b>					
<i>Animal management prosecutions</i>	0%	100%	60%	100%	The result for this measure has increased due to all prosecutions being successful in 2022/23.
[Number of successful animal management prosecutions / Number of animal management prosecutions] x 100]					
<b>Food safety</b>					
<b>Health and safety</b>					
<i>Critical and major non-compliance outcome notifications</i>	100%	0%	0%	0%	No critical and major non-compliance outcome notifications for the 2022 calendar year.
[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about a food premises] x100					



## Service Performance Indicators

For the year ended 30 June 2023

Service / Indicator / Measure	Results				Material Variations
	2020	2021	2022	2023	
<b>Governance</b>					
<b>Satisfaction</b>					
<i>Satisfaction with council decisions</i> [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	54	57	48	43	No single issue identified that has caused this decrease.
<b>Libraries</b>					
<b>Participation</b>					
<i>Active library borrowers in municipality</i> [Number of active library borrowers in the last three years / The sum of the population for the last three years] x100	17%	15%	13%	12%	No material variation.
<b>Maternal and child health</b>					
<b>Participation</b>					
<i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	79%	78%	88%	85%	No material variation.
<i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	76%	75%	89%	96%	No material variation.

## Service Performance Indicators

For the year ended 30 June 2023

Service / Indicator / Measure	Results				Material Variations
	2020	2021	2022	2023	
<b>Roads</b>					
<b>Satisfaction</b>					
<i>Satisfaction with sealed local roads</i>	49	53	45	42	No material variation.
[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]					
<b>Statutory Planning</b>					
<b>Decision making</b>					
<i>Council planning decisions upheld at VCAT</i>	50%	0%	33%	0%	One decision was determined by VCAT in 2022/23 which was 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					
<b>Waste Collection</b>					
<b>Waste diversion</b>					
<i>Kerbside collection waste diverted from landfill</i>	61%	61%	60%	59%	No material variation.
[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100					

## Service Performance Indicators

For the year ended 30 June 2023

### Definitions

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"Aboriginal child" means a child who is an Aboriginal person.

"Aboriginal person" has the same meaning as in the *Aboriginal Heritage Act 2006*.

"active library member" means a member of a library who has borrowed a book from the library.

"annual report" means an annual report prepared by a council under section 98 of the Act.

"class 1 food premises" means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 1 food premises under section 19C of that Act.

"class 2 food premises" means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 2 food premises under section 19C of that Act.

"critical non-compliance outcome notification" means a notification received by council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to council by an authorised officer under that Act, of a deficiency that poses an immediate serious threat to public health.

"food premises" has the same meaning as in the *Food Act 1984*.

"local road" means a sealed or unsealed road for which the council is the responsible road authority under the *Road Management Act 2004*.

"major non-compliance outcome notification" means a notification received by a council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to council by an authorised officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken.

"MCH" means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age.

"population" means the resident population estimated by council. Council has utilised the March 2022 Australian Bureau of Statistics release of population estimate.

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## Financial Performance Indicators

For the year ended 30 June 2023

Dimension / Indicator / Measure	Results				Forecasts				Material Variations
	2020	2021	2022	2023	2024	2025	2026	2027	
<b>Efficiency</b>									
<b>Expenditure level</b>									
<i>Expenses per property assessment</i>	\$4,874	\$3,995	\$4,219	\$5,363	\$4,588	\$4,460	\$4,541	\$4,598	There has been a 27 per cent increase in expenses per property assessment since last year impacted by October 2022 flood recovery expenditure.
[Total expenses / Number of property assessments]									
<b>Revenue level</b>									
<i>Average rate per property assessment</i>	\$1,850	\$1,913	\$1,951	\$1,997	\$2,052	\$2,096	\$2,127	\$2,158	No material variation.
[General rates and Municipal charges / Number of property assessments]									

## Financial Performance Indicators

For the year ended 30 June 2023

Dimension / Indicator / Measure	Results				Forecasts				Material Variations
	2020	2021	2022	2023	2024	2025	2026	2027	
<b>Liquidity</b>									
<b>Working capital</b>									
<i>Current assets compared to current liabilities</i>	187%	203%	198%	268%	165%	195%	197%	174%	There has been a 35 per cent increase in current assets compared to current liabilities since last year due to decrease in unearned income/revenue due to delivery of funded projects.
[Current assets / Current liabilities] x100									
<b>Unrestricted cash</b>									
<i>Unrestricted cash compared to current liabilities</i>	63%	26%	52%	26%	125%	151%	147%	120%	There has been a 50 per cent decrease in unrestricted cash compared to current liabilities since last year. Unrestricted cash has fallen by \$5.665 million as a result of significant reduction in cash and the remaining balance still being in part tied to grant projects.
[Unrestricted cash / Current liabilities] x100									

## Financial Performance Indicators

For the year ended 30 June 2023

Dimension / Indicator / Measure	Results				Forecasts				Material Variations
	2020	2021	2022	2023	2024	2025	2026	2027	
<b>Obligations</b>									
<b>Loans and borrowings</b>									
<i>Loans and borrowings compared to rates</i> [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	21%	26%	19%	14%	10%	12%	10%	7%	There has been a 28 per cent decrease in loan and borrowings compared to rates since last year. Principal repayments of \$931,000 have reduced total borrowings.
<b>Loans and borrowings</b>									
<i>Loans and borrowings repayments compared to rates</i> [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	5%	5%	6%	5%	3%	3%	3%	2%	There has been a 16 per cent decrease in loans and borrowings repayments compared to rates since last year. Increased interest rates have slowed principal repayments on a reducing loan base.

## Financial Performance Indicators

For the year ended 30 June 2023

Dimension / Indicator / Measure	Results				Forecasts				Material Variations
	2020	2021	2022	2023	2024	2025	2026	2027	
<b>Obligations</b>									
<b>Indebtedness</b>									
<i>Non-current liabilities compared to own source revenue</i>	52%	50%	59%	55%	53%	58%	52%	48%	No material variation.
[Non-current liabilities / Own source revenue] x100									
<b>Asset renewal and upgrade</b>									
<i>Asset renewal and upgrade compared to depreciation</i>	51%	40%	47%	54%	209%	183%	59%	64%	The result for this measure has increased due to an increase in the renewal and upgrade capital works spend.
[Asset renewal and upgrade expense / Asset depreciation] x100									

## Financial Performance Indicators

For the year ended 30 June 2023

Dimension / Indicator / Measure	Results					Forecasts			Material Variations
	2020	2021	2022	2023	2024	2025	2026	2027	
<b>Operating position</b>									
<b>Adjusted underlying result</b>									
Adjusted underlying surplus (or deficit).	-21%	7%	6%	-2%	-11%	-6%	-7%	-7%	There has been a 132 per cent decrease in adjusted underlying surplus since last year impacted by October 2022 flood recovery expenditure and review of roads and bridges assets useful life and associated depreciation expense.
[Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100									



## Financial Performance Indicators

For the year ended 30 June 2023

Dimension / Indicator / Measure	Results				Forecasts				Material Variations
	20120	2021	2022	2023	2024	2025	2026	2027	
<b>Stability</b>									
<b>Rates concentration</b>									
<i>Rates compared to adjusted underlying revenue</i>	57%	55%	55%	48%	64%	64%	64%	64%	The has been a 12 per cent decrease in rates compared to adjusted underlying revenue since last year as the current year adjusted underlying revenue is inflated by one-off grants for October 2022 Flood recovery.
[Rate revenue / Adjusted underlying revenue] x100									
<b>Rates effort</b>									
<i>Rates compared to property values</i>	0.63%	0.62%	0.59%	0.47%	0.41%	0.42%	0.42%	0.43%	The has been a 20 per cent decrease in rates compared to property values since last year as a result of substantial increases in capital improved valuations.
[Rate revenue / Capital improved value of rateable properties in the municipality] x100									

## Financial Performance Indicators

For the year ended 30 June 2023

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### Definitions

"adjusted underlying revenue" means total income other than:

- (a) non-recurrent grants used to fund capital expenditure; and
- (b) non-monetary asset contributions; and
- (c) contributions to fund capital expenditure from sources other than those referred to above

"adjusted underlying surplus (or deficit)" means adjusted underlying revenue less total expenditure

"asset renewal expenditure" means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability

"current assets" has the same meaning as in the AAS

"current liabilities" has the same meaning as in the AAS

"non-current assets" means all assets other than current assets

"non-current liabilities" means all liabilities other than current liabilities

"non-recurrent grant" means a grant obtained on the condition that it be expended in a specified manner and is not expected to be received again during the period covered by a council's Strategic Resource Plan

"own-source revenue" means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)

"population" means the resident population estimated by council.

"rate revenue" means revenue from general rates, municipal charges, service rates and service charges

"recurrent grant" means a grant other than a non-recurrent grant

"residential rates" means revenue from general rates, municipal charges, service rates and service charges levied on residential properties

"restricted cash" means cash and cash equivalents, within the meaning of the AAS, that are not available for use other than for a purpose for which it is restricted and includes cash to be used to fund capital works expenditure from the previous financial year

"unrestricted cash" means all cash and cash equivalents other than restricted cash.

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## Other Information

For the year ended 30 June 2023

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### 1. Basis of preparation

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

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

The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the council's strategic resource plan. *The Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

The forecast figures included in the performance statement are those adopted by council in its financial plan on 28 June 2023 and which forms part of the council plan. The financial plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General-Purpose Financial Statements. The financial plan can be obtained by contacting council.

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## Certification of the Performance Statement

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

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Catherine Fitzpatrick CPA  
**Principal Accounting Officer**

**Dated:** 13 December 2023

In our opinion, the accompanying performance statement of the *Benalla Rural City Council* for the year ended 30 June 2023 presents fairly the results of council's performance in accordance with the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020* (as per the transitional provisions of the *Local Government Act 2020*).

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

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

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

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Cr Danny Claridge  
**Mayor**

**Dated:** 13 December 2023

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Cr Justin King  
**Councillor**

**Dated:** 13 December 2023

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Dom Testoni  
**Chief Executive Officer**

**Dated:** 13 December 2023

## 4.2 2023/24 Quick Response Grants Program and Major Event Funding

SF/2857

Tom Arnold – Community Development Coordinator  
Jane Archbold – Manager Community

### PURPOSE OF REPORT

The report presents funding applications for 2023/24 Quick Response Grants and Major Event Funding.

### BACKGROUND

The Quick Response grant program enables local community groups, clubs and organisations to seek funding to increase their capacity to work in partnership with the Council and others to address local needs and enhance the local community.

The program distributes grants up to \$500 allowing local clubs, groups and organisations the opportunity to seek funds when the need arises.

The Council's Major Event Funding Program enables local community groups, clubs, organisations and external event groups to seek up to \$2,000 in funding to assist in the staging of events that will provide measurable economic benefit and enhance the image and liveability of Benalla Rural City.

### DISCUSSION

Applications for consideration under the 2023/24 Quick Response Grant program are detailed in the table below.

Applicant	Details	Amount Requested	Proposed Assistance
Thoona Memorial Hall and Public Library	Community BBQ and Carols. A community barbeque will be held on 15 December 2023 to bring the Thoona community together to relax and socialise. The barbeque will be followed by carols in the Thoona Hall. Funding will go toward catering and gifts for children.	\$500	\$500
<b>Total</b>		<b>\$500</b>	<b>\$500</b>

Applications for consideration under the 2023/24 Major Event Funding program are detailed in the table below.

Applicant	Details	Amount Requested	Proposed Assistance
Benalla Lawn Tennis and Croquet Club inc.	<p>Six Days of Tournament Tennis.</p> <p>2 January to 4 January 2024 the Benalla Lawn Tennis Club will host its annual three-day tournament (the club's 98th).</p> <p>The event will attract approximately 200 players. Competing in graded singles and doubles competitions. On 5 January to 7 January 2024 the club will host the inter-regional championships. Over 250 players from all over Victoria, along with their families, will be in Benalla competing in this prestigious event.</p> <p>Funding will go toward event expenses including trophies, new netting and court preparation.</p>	\$2,000	\$2,000
<b>Total</b>		<b>\$2,000</b>	<b>\$2,000</b>

**COUNCIL PLAN 2021-2025 IMPLICATIONS**

**Community**

- *A healthy, Safe and resilient community.*
- *A connected, involved and inclusive community.*

**Leadership**

- *Engaged and informed community.*

**COMMUNITY ENGAGEMENT**

In accordance with the Council’s *Community Engagement Policy*, it is proposed that community engagement be undertaken at the ‘Inform’ level under the International Association for Public Participation’s IAP2 public participation spectrum.

Level of Public Participation	Promise to the community	Techniques to be used
Inform	We will provide information	<ul style="list-style-type: none"> <li>▪ Promotion of program via media, website and social media.</li> <li>▪ Program presented in public reports to the Council.</li> <li>▪ Outcomes advised directly to applicants.</li> <li>▪ Outcomes detailed in Annual Report.</li> </ul>

**FINANCIAL IMPLICATIONS**

The *2023/24 Budget* allocates \$15,000 to the Quick Response Grant program and \$12,000 to Major Event Funding. In the current financial year, \$2,900 in Quick Response Grant funding has been allocated and \$4,000 in Major Event Funding.

**OFFICER DECLARATION OF CONFLICT OF INTEREST**

No officers involved in the preparation of this report have any general or material conflicts of interest in this matter.

**Recommendation:**

- 1. That a \$500 grant from the 2023/2024 Quick Response Grant program be allocated to Thoona Memorial Hall and Public Library.**
- 2. That a \$2,000 grant from the Major Event Funding program be allocated to Benalla Lawn Tennis and Croquet Club Inc.**

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### 4.3 Benalla Indoor Recreation Centre Redevelopment Project

SF/1239

Adrian Gasperoni – Manager Assets and Infrastructure

Keith Biglin – Project Manager

#### PURPOSE OF REPORT

The report outlines the community consultation program for the *Benalla Indoor Recreation Centre (BIRC) Redevelopment project*.

#### BACKGROUND

On 23 May 2023 the Honorable State Member for Northern Victoria – Jaclyn Symes announced \$15 Million funding for the redevelopment of the Benalla Indoor Recreation Centre (BIRC).

The Council, at its meeting on 11 October 2023, resolved to award the Benalla Indoor Recreation Centre Redevelopment Architectural Services Contract to architects Brand & Co Pty Ltd.

#### DISCUSSION

Brand & Co Pty Ltd architects have completed a feasibility study of three potential sites for the *Benalla Indoor Recreation Centre (BIRC) Redevelopment project*.

The three potential sites are:

- current Benalla Indoor Recreation Centre – Ackerly Avenue, Benalla.
- disused Benalla P-12 College Barkly Street Campus – 41-55 Barkly Street; Benalla.
- Churchill Recreation Reserve – 103 Waller Street, Benalla

As part of the feasibility study, Brand & Co Pty Ltd architects have considered each site individually, focusing on the following principles and characteristics.

- Site conditions
- Site services
- Site planning and layout
- Town planning
- Construction
- Geotechnical analysis.

A summary of the feasibility study is attached as **Appendix 1**.

A review of the *Benalla Indoor Recreation Centre Masterplan 2019* has been completed and inclusions and considerations from the Masterplan were considered as a part of the feasibility study.

Brand & Co Pty Ltd architects aim to build upon the *Benalla Indoor Recreation Centre Masterplan 2019* and previous strategic work undertaken by the Council.

A community and stakeholder engagement process be undertaken to ensure the site selection and final design of the facility are fit for purpose.

#### **COUNCIL PLAN 2021-2025 IMPLICATIONS**

##### **Community**

- *A healthy, safe and resilient community.*
- *A connected, involved and inclusive community.*

##### **Livability**

- *Vibrant public spaces and places.*

##### **Economy**

- *Thriving business and industry.*
- *Population growth.*

##### **Environment**

- *Healthy and protected natural environment.*
- *Sustainable practices.*

##### **Leadership**

- *Good governance.*
- *High performance culture.*
- *Engaged and informed community.*
- *Effective and responsive advocacy.*

#### **COMMUNITY ENGAGEMENT**

In accordance with the *Community Engagement Policy*, it is proposed that community engagement be undertaken at the 'Involve' level under the International Association for Public Participation's IAP2 public participation spectrum as detailed in the *Benalla Indoor Recreation Centre Redevelopment Project Community Engagement Plan* (refer **Appendix 2**).

Initial user group consultations have begun with Churchill Recreation Reserve Committee of Management and Benalla Indoor Recreation Centre Committee of Management.

Following the community engagement program, Brand & Co Pty Ltd architects will continue to work in partnership with the Council to manage tasks and priorities with ongoing consultation with the Benalla Rural City community.

## LEGISLATIVE AND STATUTORY IMPLICATIONS

It is considered that the report is consistent with the *Charter of Human Rights and Responsibilities Act 2006* and *Gender Equality Act 2020*.

## FINANCIAL IMPLICATIONS

The Victorian State Government has allocated \$15 million towards the *Benalla Indoor Recreation Centre (BIRC) Redevelopment project*.

The Council at its meeting on 11 October 2023 resolved to award the BIRC Architectural Services Contract to architects Brand & Co Pty Ltd.

## OFFICER DECLARATION OF CONFLICT OF INTEREST

No officers involved in the preparation of this report have any general or material conflicts of interest in this matter.

## CONCLUSION

The *Benalla Indoor Recreation Centre (BIRC) Redevelopment project* provides the Council with an opportunity to enhance community assets with a modern, purpose built and ‘state of the art’ facility to complement existing community infrastructure.

The community engagement process will provide the Council with an opportunity to work with the Benalla Rural City community to ensure their concerns and aspirations are directly reflected in the *Benalla Indoor Recreation Centre (BIRC) Redevelopment project*.

### Recommendation:

1. That the *Benalla Indoor Recreation Centre Redevelopment Project Community Engagement Plan* be adopted.
2. That the *Benalla Indoor Recreation Centre Redevelopment Project* be placed on public exhibition for a period of at least 28 days.

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# Project Overview



# Benalla Sports Stadium



**Benalla Indoor Recreation Centre**  
The existing Benalla Indoor Recreation Centre (BIRC), located in Ackerley Ave (Site 1), is now 40 years old and is experiencing issues with meeting current community needs, and has some aging infrastructure and compliance issues as well as experiencing frequent flooding occurrences.



**Potential Sites**  
Benalla Rural City Council has been funded to deliver a new indoor community sports stadium and we are currently investigating 3 potential sites;  
-1. Ackerley Avenue Reserve (Existing BIRC site)  
-2. Churchill Recreation Reserve  
-3. Barkly Street (former education site)



**Objectives**  
To build on the 2019 Masterplan and deliver a high-quality indoor sports stadium for our diverse and growing community.



**Priorities**  
To promote an inclusive community sporting hub and promote active and healthy lifestyles for all ages. Cater for future sports and community growth.

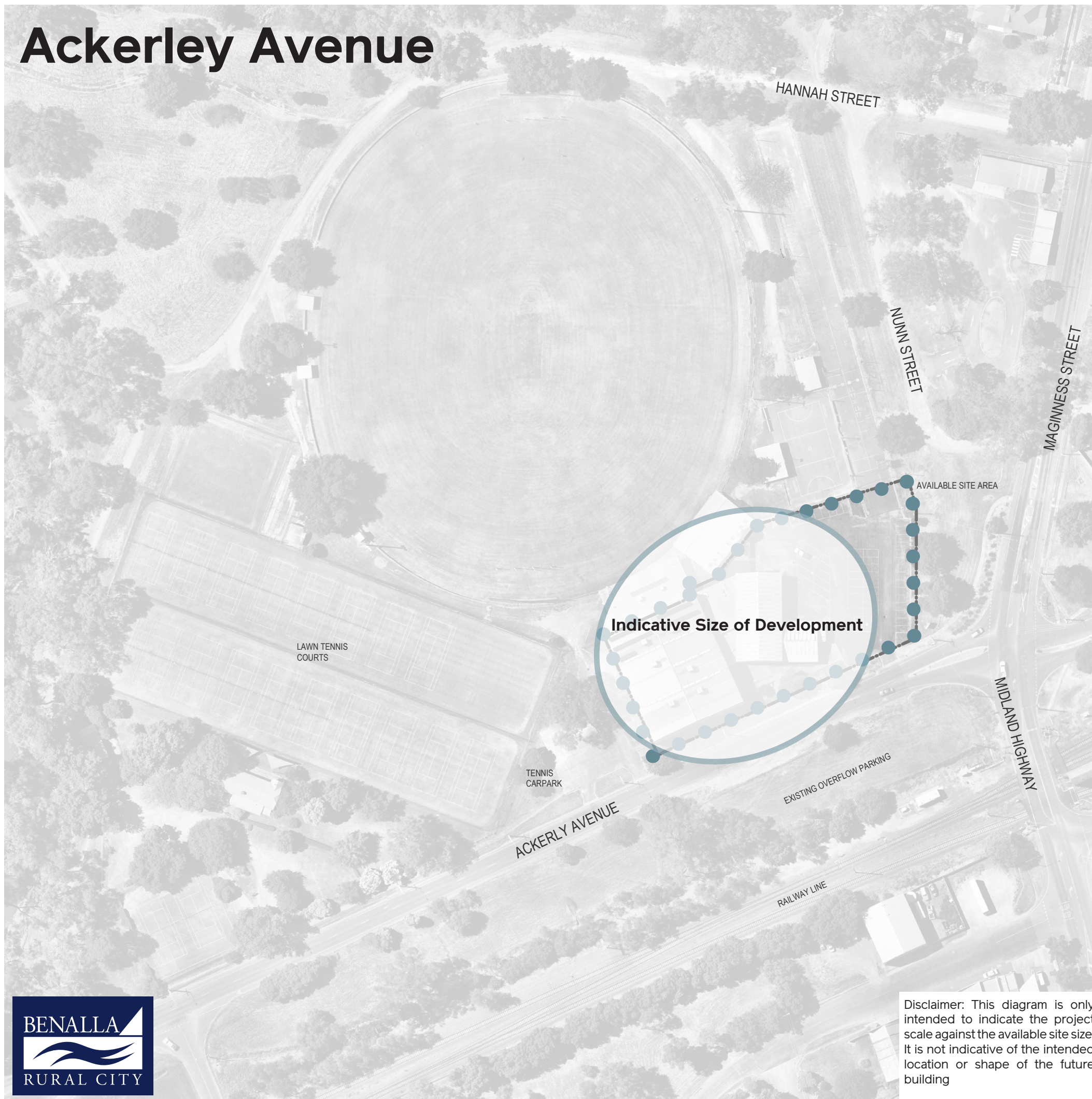


**Environment**  
Council would like the new stadium to provide a benchmark for environmental sustainability in design for the greater Benalla area, and seeks to provide a building that responds to, and can adapt to, community needs and climate change over its lifespan.



**Opportunities**  
This project presents an opportunity for the community to have a say in the selection of the site, and later, on-going consultation and engagement will seek community input on the vision for the new facility.

# Ackerley Avenue



Disclaimer: This diagram is only intended to indicate the project scale against the available site size. It is not indicative of the intended location or shape of the future building



# Benalla

Sports Stadium



### Site Conditions

This site is located just east of the Broken River subjected to annual flood inundations and north of the railway line, and is the home of the existing Benalla Indoor Recreation Centre. The site is also home to the Benalla Lawn Tennis and Croquet Club, the Benalla All Blacks Football and Netball Club. There is limited on-site carparking.



### Site Services

The site is already connected to essential building services (electrical, water, sewer and fire services); however these will require upgrading for any future re-development.



### Site Planning, Layout and Opportunities

Any new development will be constrained to the existing area occupied by the BIRC, and is unlikely to cope with future expansions. Car parking will be an ongoing issue due to lack of space. The site is subject to regular flooding, restricting access to the sites for periodic times. Due to flooding, the site is not suitable as a place of refuge in a natural disaster.



### Town Planning

The site is owned by the State Government and leased to council, and zoned for Public Park and Recreation (PPRZ). The site is also designated as an Urban Floodway Zone. There are several other potential overlays affecting the site, including, but not limited to heritage, bushfire and cultural heritage sensitivity.



### Future Steps

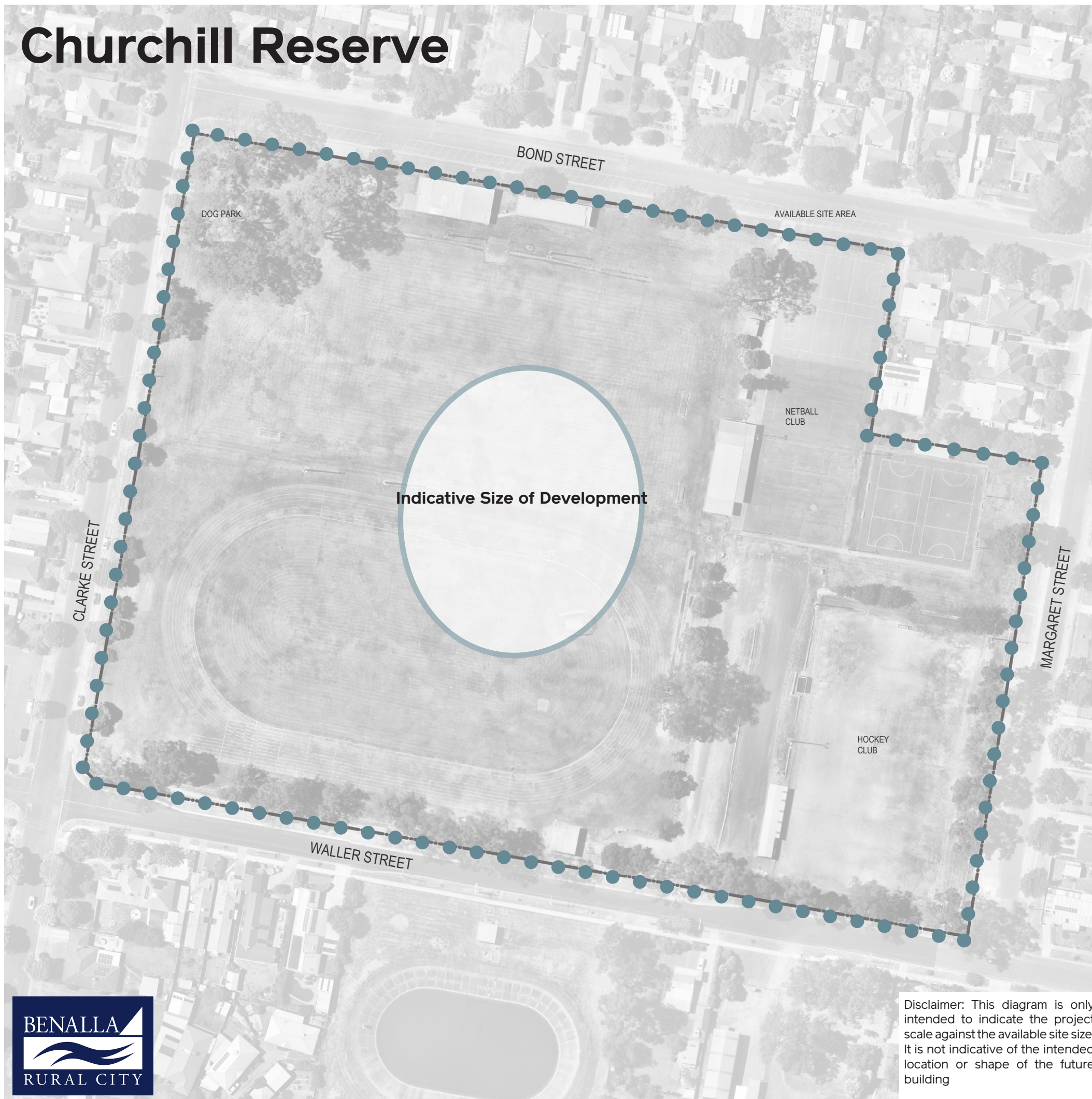
If selected as the site for the new Benalla Sports Stadium, consultation would need to take place with existing on site sporting clubs, community groups and nearby residents to understand the implications and future steps.



### Construction

Due to the small site area, there would be limited to no access to sporting facilities on site during an 18 month construction period. This has potential impacts to the financial viability of existing clubs.

# Churchill Reserve



Indicative Size of Development

Disclaimer: This diagram is only intended to indicate the project scale against the available site size. It is not indicative of the intended location or shape of the future building



# Benalla Sports Stadium

## Site Conditions

The Churchill Recreation Reserve is located west of the Broken River, and is an established sporting precinct within a residential neighborhood. It is situated 350m from Benalla Primary School.



The Reserve is home to the Benalla Hockey Club, Benalla Netball Association, Benalla Rovers Soccer Club, Benalla Astronomy Club and the Benalla Little Athletics Club. A community Dog Park is situated on the north west corner and the Benalla Astronomy Club meets in the Hockey Club rooms.



## Site Services

The site is already connected to essential building services (electrical, water, sewer and fire services); however these will require upgrading for any future re-development.



## Site Planning, Layout and Opportunities

The site is generally level and open, with some established trees around the perimeter. The size of the site is excellent to allow for the development of an indoor sports stadium within an established sporting precinct, while still retaining ample area for outdoor recreation. Access to existing on site parking is from Waller Street, and on-street parking is located on Bond Street.



The site provides an ideal location as a place of refuge in the event of natural disaster, for the area of Benalla located west of the Broken River.

## Town Planning

The site is owned by Council, and zoned for Public Park and Recreation (PPRZ)



## Future Steps

If selected as the site for the new Benalla Sports Stadium, consultation would need to take place with existing on-site clubs, community groups and nearby residents to understand the implications and future steps.



## Construction

This site provides good access for construction, which could be achieved with minimal disruption to the Dog Park, Netball and Hockey Clubs.

Construction of any new facility within this site will impact the soccer and athletics clubs, and prior agreements for on-going facilities would need to be in place before any new developments are considered on the current site.

# Barkly Street



Disclaimer: This diagram is only intended to indicate the project scale against the available site size. It is not indicative of the intended location or shape of the future building



# Benalla

Sports Stadium

### Site Conditions

This site is located east of the Broken River, and was an educational site within a residential area. It is located immediately east of the Benalla CBD as well as the Avon Street campus of Benalla P-12 College. The site has no current use. There is a range of existing buildings and reported easements on site. There is also a significant number of existing mature trees.



### Site Services

The site is already connected to essential building services (electrical, water, sewer and fire services); however these will require upgrading for any future re-development.



### Site Planning, Layout and Opportunities

The site is generally level and open, with established trees around the site. Development on this site will require demolition of a number of existing structures and trees.



### Town Planning

The site is owned by the State Government, and zoned for Public Use Zone (PUZ2). Council is currently in the process of taking over management of this site from the State Government under a long-term lease arrangement, and a number of possible community uses are being considered for this site. Master planning for this site will likely become part of future community consultation and engagement sessions to ensure that the site is used to its maximum potential.



### Future Steps

If selected as the site for the new Benalla Sports Stadium, consultation would need to take place with existing on site sporting clubs, community groups and nearby residents to understand the implications and future steps.



### Construction

This site provides reasonable access for construction, which could be achieved without disrupting adjacent existing users and minimise disruptions to adjacent residents.





# Have Your Say



## Benalla Sports Stadium

### Consultation

Benalla Rural City Council is seeking community input to help select the location for the Benalla Sport Stadium.



The potential sites under consideration include:

- Existing Benalla Indoor Recreation Centre (BIRC), Ackerly Avenue
- Churchill Recreation Reserve
- Barkly Street, former education site

Information displays will be located at:  
Benalla Council Offices  
Benalla Indoor Recreation Reserve  
Benalla Library



**Site 1**  
Ackerly Avenue, Benalla

- An existing sporting and recreation precinct.
- Development restricted by existing assets.
- Site subject to flooding.
- Area available for development is small.
- Location not suitable as an emergency shelter.
- Existing clubs would not be able to operate during 18 month construction period.

Considerations	Poor	Fair	Good	Favourable
Site Conditions			●	
Site Services			●	
Site Planning & Layout	●	●		
Town Planning			●	
Construction	●	●		



**Site 2**  
Churchill Reserve, Benalla

- An existing sporting and recreation precinct.
- All existing clubs can continue to operate during construction.
- Location is suitable as an emergency refuge for the area of Benalla located west of the river.

Considerations	Poor	Fair	Good	Favourable
Site Conditions			●	
Site Services			●	
Site Planning & Layout				●
Town Planning				●
Construction				●



**Site 3**  
Barkly Street, Benalla

- Site does not have an existing Masterplan.
- Site could be made available for a number of community uses.
- Available space for an indoor stadium is limited and would involve removal of mature trees.
- There is an existing emergency shelter on the east side of the river, so stadium would not be required as an emergency refuge.

Considerations	Poor	Fair	Good	Favourable
Site Conditions				●
Site Services			●	
Site Planning & Layout		●		
Town Planning		●		
Construction				●

Disclaimer: The above assessments were developed by Brand Architects based on information derived from site visits, and available site information. Each consideration includes a detailed list of criteria, that was rigorously applied to each site to reach the assessment shown above.



# BENALLA

RURAL CITY COUNCIL

BENALLA RURAL CITY COUNCIL

# BENALLA INDOOR RECREATION CENTRE REDVELOPMENT PROJECT

Community Engagement Plan

December 2023

# Benalla Indoor Recreation Centre Redevelopment Project Community Engagement Plan

## Background

On 23 May 2023 the Honorable State Member for Northern Victoria – Jaclyn Symes announced \$15 Million funding for the redevelopment of the Benalla Indoor Recreation Centre (BIRC).

The Council, at its meeting on 11 October 2023, resolved to award the Benalla Indoor Recreation Centre Redevelopment Architectural Services Contract to architects Brand & Co Pty Ltd.

Brand & Co Pty Ltd architects completed a feasibility study on three potential sites for the *Benalla Indoor Recreation Centre (BIRC) Redevelopment project*.

The three potential sites are:

- current Benalla Indoor Recreation Centre – Ackerly Avenue, Benalla.
- disused Benalla P-12 College Barkly Street Campus – 41-55 Barkly Street; Benalla.
- Churchill Recreation Reserve – 103 Waller Street, Benalla

## Community Engagement – Site Selection

There are two key priorities for community engagement during *Site Selection*. The first is to launch the *Benalla Indoor Recreation Centre Redevelopment Project* to the community and provide details on the future stages as the project progresses towards completion.

The other priority is to determine the site for the stadium to be built. Brand & Co Pty Ltd architects conducted assessments of the three potential sites to determine their suitability as a future location for the redeveloped BIRC.

The assessment, potential sites and other supporting information will be presented to the Benalla Rural City community for feedback during December 2023 and January 2024.

The decision on the selected site will occur in February 2024 after taking into consideration Brand & Co Pty Ltd architects recommendations, Council input and the results of a community engagement program.

Specific site and stadium design feedback will be sought at a future time during the *Concept Design Stage*.

### **What we want to communicate:**

- Architects have been appointed to the *Benalla Indoor Recreation Centre (BIRC) Redevelopment project*.
- Funding for the project has been confirmed.
- Next steps and project timeline.

### **What do we want to learn?**

- community opinion on preferred site.

### **Timing Considerations**

Most sports that operate in the current *Benalla Indoor Recreation Centre* will be on Christmas break during the December 2023 – January 2024 community consultation.

A focus on signage in prominent locations will be important to capture feedback. This will be complimented by a strong social media campaign and tapping into the networks of local sporting groups.

Community Consultation may lead to community members seeking additional information that go beyond the site selection stage. Where possible engagement collateral should seek to address this and be clear about when the community can provide input on specific site and design considerations.

### **Site Stakeholders**

#### **Benalla Indoor Recreation Centre – Ackerly Avenue, Benalla**

Badminton, Lifeball, Table Tennis, North East Bushrangers Basketball, Benalla Basketball Association, Tennis and Croquet Club, All Blacks FNC, Squash and Racquetball Association, Committee of Management, BIRC Secretary.

#### **Churchill Recreation Reserve – 103 Waller Street, Benalla**

Hockey, Soccer, Little Aths, Benalla Netball Assoc., Astronomy Club, Committee of Management, nearby homes and businesses.

#### **Disused Benalla P-12 College Barkly Street Campus – 41-55 Barkly Street; Benalla.**

Nearby homes and businesses, interest groups, Department of Education.

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## Engagement Tools

**Media Releases and Social Media** – Includes background information on funding, appointment of Brand, work so far to assess three sites, how people can provide feedback. Supported by branding and visuals prepared by Brand.

**Survey** – Three sites presented including details on preference and supporting details. Community vote by placing sites in preference order with option of supporting comment.

**Posters and Signage** – Basic project information with tag line and QR Code to drive engagement through the Have Your Say page.

**Have Your Say Page** – Site maps for three locations with supporting information, site assessments and preferred location, survey for community to vote on their preference and include supporting comments, project timeline, FAQ document, Brand Benalla Sports Stadium PDF.

**Forums, Staff Pop Up and Workshops** – Bringing together user groups, committees and community members to share ideas and discuss project opportunities.

**Local reference and working groups** - Targeted emails to members with project information and links to Have Your Say Page.

## Community Engagement Process

The table below maps out the community engagement process for the *Site Selection* stage of the *Benalla Indoor Recreation Centre Redevelopment Project*.

Target Group	Engagement Tool	Resources Required	Location	Comments / Details	Who	Timeframe
<b>Benalla Municipality</b>	<ul style="list-style-type: none"> <li>▪ Benalla Ensign</li> <li>▪ Social Media</li> <li>▪ Council website</li> </ul>	<ul style="list-style-type: none"> <li>▪ Media brief</li> <li>▪ Visual material</li> <li>▪ QR Code</li> <li>▪ Project Collateral</li> </ul>		<ul style="list-style-type: none"> <li>▪ Launch Project to community.</li> <li>▪ Site Selection Process.</li> <li>▪ Next Steps.</li> <li>▪ Media releases to launch project, boost engagement in early January, final reminder late January.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Comms</li> <li>▪ Brand</li> <li>▪ Council staff</li> </ul>	December 2023 – January 2024
	<ul style="list-style-type: none"> <li>▪ Have Your Say</li> </ul>	<ul style="list-style-type: none"> <li>▪ FAQs</li> <li>▪ Survey</li> <li>▪ Project information</li> </ul>	<ul style="list-style-type: none"> <li>▪ Online</li> </ul>	<ul style="list-style-type: none"> <li>▪ Online Survey, project summary, timelines, site summaries, FAQs.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Council Staff</li> <li>▪ Brand</li> </ul>	December 2023 – January 2024
	<ul style="list-style-type: none"> <li>▪ Corflute Signage</li> </ul>	<ul style="list-style-type: none"> <li>▪ Visual material with QR code</li> </ul>	<ul style="list-style-type: none"> <li>▪ Site locations</li> <li>▪ Library</li> <li>▪ Council Offices</li> </ul>	<ul style="list-style-type: none"> <li>▪ Basic project information on 3 sites with QR code to further info and voting.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Council Staff</li> </ul>	December 2023 – January 2024
	<ul style="list-style-type: none"> <li>▪ Posters / Information Displays</li> </ul>	<ul style="list-style-type: none"> <li>▪ Visual material with QR code</li> </ul>	<ul style="list-style-type: none"> <li>▪ Waminda</li> <li>▪ Site locations</li> <li>▪ Council Offices and Library</li> </ul>		<ul style="list-style-type: none"> <li>▪ Council Staff</li> </ul>	December 2023 – January 2024
	<ul style="list-style-type: none"> <li>▪ Staff Pop Up</li> </ul>	<ul style="list-style-type: none"> <li>▪ Visual material</li> <li>▪ QR Code</li> <li>▪ Project information</li> <li>▪ FAQs</li> <li>▪ Survey</li> </ul>	<ul style="list-style-type: none"> <li>▪ Benalla CBD</li> </ul>	<ul style="list-style-type: none"> <li>▪ Hard copy Surveys', project summary, timelines, site summaries, FAQs.</li> <li>▪ Basic project information on 3 sites with QR code to further info and voting.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Council Staff</li> </ul>	December 2023 – January 2024

Target Group	Engagement Tool	Resources Required	Location	Comments / Details	Who	Timeframe
<b>User Groups and Committees of Management</b>	<ul style="list-style-type: none"> <li>Discussion Forums/ Workshops</li> </ul>	<ul style="list-style-type: none"> <li>Project collateral</li> </ul>	<ul style="list-style-type: none"> <li>online and in-person</li> </ul>	<ul style="list-style-type: none"> <li>Early opportunity to discuss project with those most impacted and the process moving forward.</li> </ul>	<ul style="list-style-type: none"> <li>Brand</li> <li>Council staff</li> </ul>	TBC based on availability
<b>New project site neighbourhoods</b>	<ul style="list-style-type: none"> <li>Signage</li> </ul>	<ul style="list-style-type: none"> <li>Project Poster</li> <li>Project Collateral</li> </ul>	<ul style="list-style-type: none"> <li>3 Site precincts</li> </ul>	<ul style="list-style-type: none"> <li>Ensuring that neighbours to the project sites are aware of the project</li> </ul>	<ul style="list-style-type: none"> <li>Council Staff</li> </ul>	December 2023 – January 2024
<b>Current BIRC community users</b>	<ul style="list-style-type: none"> <li>Signage</li> <li>Survey Box</li> <li>Club networks (Facebook, newsletters)</li> </ul>	<ul style="list-style-type: none"> <li>Survey box</li> <li>Information display</li> </ul>	<ul style="list-style-type: none"> <li>BIRC</li> </ul>	<ul style="list-style-type: none"> <li>Targeting current users who are not on CoM e.g. families, young people</li> </ul>	<ul style="list-style-type: none"> <li>Council Staff</li> </ul>	December 2023 – January 2024
<b>Funded Sporting Bodies (SRV, Valley Sport)</b>	<ul style="list-style-type: none"> <li>Direct contact</li> </ul>	<ul style="list-style-type: none"> <li>Project Update</li> </ul>	<ul style="list-style-type: none"> <li>Online and in-person</li> </ul>	<ul style="list-style-type: none"> <li>Discuss project progress and plans for feedback</li> </ul>	<ul style="list-style-type: none"> <li>Council Staff</li> </ul>	Mid-December 2023
<b>Council Reference Groups –</b> <i>Accessibility Reference Group, Aboriginal and Torres Strait Islander working group, Youth groups</i>	<ul style="list-style-type: none"> <li>Emails and other forms of direct contact</li> <li>Include as agenda item if meeting during the period</li> </ul>	<ul style="list-style-type: none"> <li>Project Information</li> </ul>	<ul style="list-style-type: none"> <li>Online or in-person</li> </ul>	<ul style="list-style-type: none"> <li>Ensure that accessibility, cultural and community issues are considered in site selection.</li> </ul>	<ul style="list-style-type: none"> <li>Council Staff</li> </ul>	December 2023 – January 2024

## Final Steps

- Close the community feedback loop.
- Public report presented to the Council on feedback received from community engagement program.
- Public report presented to the Council on site selection decision and next steps in the Benalla Indoor Recreation Centre Redevelopment Project.
- Feedback results and site selection decision to be promoted on Council's website and social media accounts.



#### 4.4 Benalla Sports and Equestrian Reserve Committee

SF/1797

Dom Testoni – Chief Executive Officer  
 Jess Pendergast – Governance Coordinator

##### PURPOSE OF REPORT

The report discusses nominations received for appointment to the *Benalla Sports and Equestrian Reserve Committee*.

##### BACKGROUND

The *Benalla Sports and Equestrian Reserve Committee* was established as a Community Asset Committee under s 47(1)(b) of the *Local Government Act 2020* (Act) by Council at its meeting on 24 May 2023.

The purpose of a Community Asset Committee is to control, manage and maintain the community asset in an efficient and effective manner, in the best interests of Council, the local community and users of the community asset.

##### DISCUSSION

A revised *Instrument of Sub-Delegation from the Chief Executive Officer to Community Asset Committees* is attached as **Appendix 1**.

An update has been made in the membership section of the *Instrument of Sub-Delegation* following the call for nominations to the committee (refer page 14 of **Appendix 1**).

Current wording	Revised wording
The Committee shall have up to ten members comprising of: <ul style="list-style-type: none"> <li>▪ no less than four representatives of the local community that is served by the community asset.</li> <li>▪ up to one representative from each of the user groups of the community asset corresponding to each committee.</li> </ul>	The Committee shall have up to ten members: <ul style="list-style-type: none"> <li>▪ Up to four representatives of the local community that is served by the community asset.</li> <li>▪ Every user group will be invited to nominate one representative.</li> </ul>

User groups outlined at the beginning of the *Instrument of Sub-Delegation from the Chief Executive Officer to Community Asset Committees* for the Benalla Sports and Equestrian Centre are:

- Benalla Bandits Baseball Club
- Benalla and District Adult Riders Club
- Benalla Darts Association
- Benalla Pony Club
- Big Valley Quarter Horse Association

Any person appointed to the committee shall hold office for a period of three years. Members of the committee shall be eligible for re-appointment for a further term or terms. A member of the committee may resign their position at any time.

Community representative nominations were invited through the Benalla Ensign, the Council’s corporate website and social media. eight nominations were received as detailed in the following table:

Nominee	Representative
Cameron Symes	Community Member
Melissa Mounsey	Community Member
Michele McCrohan	Community Member
Ron Waddell	Community Member.
Glenna Davidson-Finnie	Community Member Big Valley Quarter Horse Association
Annette Boyd	Big Valley Quarter Horse Association.
Gina Rand	Big Valley Quarter Horse Association Benalla and District Adult Riders Club
Kyra Rheese	Benalla and District Adult Riders Club
Summer Barber	Benalla Bandits Baseball Club
Adrian Dowell	Benalla Pony Club

Nominations forms have been provided under separate cover in the councillors MS Teams group as they contain confidential information.

No nominations were received from the Benalla Darts Association.

***COUNCIL PLAN 2021-2025 IMPLICATIONS***

**Community**

- *A connected, involved and inclusive community.*

**Livability**

- *Vibrant public spaces and places.*

**Economy**

- *Thriving business and industry.*
- *Flourishing tourism.*

**Leadership**

- *Good governance.*
- *High performance culture.*
- *Engaged and informed community.*

**COMMUNITY ENGAGEMENT**

In accordance with the Council’s *Community Engagement Policy* community engagement was undertaken at the ‘Inform’ level under the International Association for Public Participation’s IAP2 public participation spectrum.

A public report was presented to the Council at its meeting on 24 May 2023 to establish the *Benalla Sports and Equestrian Reserve Committee* as a Community Asset Committee and call for expressions of interest to obtain representatives to join the Committee.

A report was presented to the Assembly of Councillors briefing on 29 November 2023 to discuss the nominations received for appointment to *Benalla Sports and Equestrian Reserve Committee*.

Level of Public Participation	Promise to the community	Techniques to be used
Inform	We will provide information.	<ul style="list-style-type: none"> <li>▪ Public report presented to the Council and published on Council’s website.</li> </ul>

**LEGISLATIVE AND STATUTORY IMPLICATIONS**

It is considered that the report is consistent with the *Charter of Human Rights and Responsibilities Act 2006* and *Gender Equality Act 2020*.

**FINANCIAL IMPLICATIONS**

The *2023/24 Budget* allocates \$30,000 to the *Benalla Sports and Recreation Reserve* for maintenance and operational costs associated with running the facility.

**LEGISLATIVE AND STATUTORY IMPLICATIONS**

It is considered that the report is consistent with the *Charter of Human Rights and Responsibilities Act 2006* and *Gender Equality Act 2020*.

**OFFICER DECLARATION OF CONFLICT OF INTEREST**

No officers involved in the preparation of this report have any general or material conflicts of interest in this matter.

**Recommendation:**

In exercise of the powers conferred by s 63 of the *Local Government Act 2020* (the Act), the Council resolves that:

1. The revised *Instrument of Sub-Delegation from the Chief Executive Officer to Community Asset Committees* be adopted.
2. The purposes of the Community Asset Committee are those set out in the revised *Instrument of Sub-Delegation from the Chief Executive Officer to Community Asset Committees*.
3. The members of the Community Asset Committee be delegated the powers, duties and functions set out in the *Instrument of Sub-Delegation from the Chief Executive Officer to Community Asset Committees*:
  - a. upon the signing of the Instrument; and
  - b. remains in force until the Council determines to vary or revoke it.
4. The powers, duties and functions conferred on the members of the Community Asset Committee by the Instrument must be exercised in accordance with any guidelines or policies Council may from time to time adopt.
5. The instrument be signed by the Chief Executive Officer and the Mayor.
6. That the following nominees be appointed to the Benalla Sports and Equestrian Reserve Committee as Community Representatives:
  - 
  - 
  - 
  -
7. That the following nominees be appointed to the Benalla Sports and Equestrian Reserve Committee as user group Representatives:
  - 
  - 
  - 
  -

# BENALLA

## RURAL CITY COUNCIL

BENALLA RURAL CITY

# Instrument of Sub-Delegation from the Chief Executive Officer to Community Asset Committees

December 2023

## Instrument of Sub-Delegation from the Chief Executive Officer to Community Asset Committees

<b>Responsible Officer:</b>	Chief Executive Officer
<b>Adoption Date:</b>	13 December 2023
<b>Version number:</b>	V2
<b>Approved By:</b>	Council

Revised

## Instrument of Sub delegation

In exercise of the power conferred by s 47(1)(b) of the *Local Government Act 2020* (Act), I, as Chief Executive Officer of Benalla Rural City Council (the Council), by this instrument of sub-delegation:

1. delegate to each person who is from time to time appointed as a member of a community asset committee, established by resolution of Council passed on 24 May 2023 and set out in Schedule 1 (the committee), each power and/or function and/or duty set out in Schedule 2; declare that this instrument of sub-delegation:
  - 1.1 comes into force immediately upon its execution;
  - 1.2 remains in force until Council resolves to vary or revoke it;
  - 1.3 is subject to the conditions and limitations set out in paragraph 4 and 5, and in Schedule 2; and; and
2. declare that the delegate must comply with specified governance requirements to ensure appropriate standards of probity are met and monitor and report on the activities and performance of the committee;
3. declare that the delegate must not determine the issue, take action or do the act or thing if the determining of the issue, the taking of the action or the doing of the act or thing cannot be the subject of a lawful delegation, whether on account of section 47 of the Act or otherwise

Revised

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This instrument of sub-delegation is dated 24 May 2023 and is made by the Chief Executive Officer.

Signed by the Chief Executive Officer:

\_\_\_\_\_  
Dom Testoni

In the presence of:

\_\_\_\_\_  
Councillor Danny Claridge (Mayor)

Revised



## Schedule 1

Committee	Community Asset	User Groups
Benalla Sports and Equestrian Reserve Committee	Benalla Racecourse and Recreation Reserve situated at 5809 Midland Hwy, Benalla VIC 3672 on Crown Allotment 33A Section S parish of Benalla.	<ul style="list-style-type: none"><li>▪ Benalla Bandits Baseball Club</li><li>▪ Benalla and District Adult Riders Club</li><li>▪ Benalla Darts Association</li><li>▪ Benalla Pony Club</li><li>▪ Big Valley Quarter Horse Association</li></ul>

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## Schedule 2

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# 1. Powers and Functions

Each committee described in Schedule 1 is to manage the corresponding community asset, set out and for that purpose:

## 1.1 Objective

To control, manage and maintain the community asset in an efficient and effective manner, in the best interests of Council, the local community and users of the community asset.

## 1.2 Administration

The power to do all things necessary or convenient to be done for or in connection with the performance of the following functions, duties and powers:

## 1.3 Management

- a. The duty to manage, operate and control the community asset efficiently and economically in association with Council;
- b. The duty to avoid waste and extravagance;
- c. The duty to act as a coordinating body between Council and the community, clubs, schools, users and potential users of the community asset;
- d. The duty to be the point of contact for the public with respect to the operation of the community asset;
- e. The duty to promote public interest in and support for the management and development of the community asset;
- f. The duty to promote the use of the community asset by the residents of the local community and neighbouring areas, by sporting groups, schools, community organisations, business organisations and other interested bodies;
- g. The duty to promote the use of the community asset as a venue for entertainment, recreational and cultural events, both locally and regionally;
- h. The duty to maintain the highest level of cooperation between Council, the committee and the local community;
- i. The duty to advise and assist Council to maintain all of the assets of the community asset;
- j. The duty to ensure that the decisions and policies of Council are implemented and adhered to without delay;

## **1.4 Community Asset Use**

- a. The power to make and implement policies, terms and conditions for the use and hire of the community asset;
- b. The power to negotiate and enter into agreements with casual hirers of the community asset in accordance with conditions of hire developed by the Committee;
- c. The power to set dates and times for opening and closing the community asset;
- d. The duty to ensure that the community asset is used only for purposes appropriate to the community asset;
- e. The duty to ensure that users of the community asset comply with the policies, terms and conditions for the use and hire of the community asset established by the Committee and relevant Council policies and Local Laws;
- f. The duty to ensure that users of the community asset make good any wilful or accidental damage caused during use;

## **1.5 Maintenance**

- a. The duty to carry out regular inspections of the community asset to identify, report and remedy, if practical, any risk issues, non-compliance with laws and regulations relating to the use and occupation of the community asset and to ensure that relevant maintenance programs are implemented;
- b. The duty to engage qualified personnel, relative to the task being performed, on maintenance tasks;
- c. The duty to forward to Council all certificates of compliance upon completion of maintenance tasks;

## **1.6 Risk**

- a. The duty to protect and maintain the community asset;
- b. The duty to make security arrangements for money collected;
- c. The duty to ensure that all liabilities incurred by the committee are properly authorised;
- d. The duty to maintain a register of keys issued by the committee;
- e. The duty to provide Council with a full set of keys to all external and internal locks;
- f. The power to implement changes to the locking system of the community asset which must be in accordance with Council's general locking system;
- g. The duty to ensure that the community asset is maintained in a manner that meets all legal obligations;

## **1.7 Planning**

- a. The power to carry out research, investigations, surveys or inquiries into the use and operation of the community asset;
- b. The power to convene, or arrange to be convened, meetings, seminars, workshops, forums, lectures and other events which will assist the Committee to understand the future needs of the community asset;
- c. The power to consult with organisations who use the community asset, to consider and recommend on proposals to update facilities or provide new facilities; and ensure that any new facilities are planned and coordinated with existing facilities;
- d. The power to prepare strategic plans and reports for the future development of the community asset;
- e. The power to establish working groups of members to advise on the most efficient and effective means of performing its powers, duties and functions and of attaining its objectives;
- f. The duty to advise Council by 31 March each year on the need and desirability of making capital improvements to the community asset;

## **1.8 Finance**

- a. The duty to maintain accounts in a form that generally complies with the Australian Accounting Standards;
- b. The function of recommending to Council a Schedule of Fees and Charges to be levied for the use of the community asset for the following financial year by 31 March each year that will enable the Committee to meet all of its liabilities and to return an annual surplus on its operations;
- c. The power to institute an efficient and effective system of collection and recording of fees and charges;
- d. The power to collect, retain and expend all fees paid for the use of the community asset;
- e. The duty to ensure that moneys due are properly collected;
- f. The power to accept and retain donations, grants and endorsements made to the Committee and to ensure that the funds are expended for the purposes for which they are provided;
- g. The duty to recommend to Council items for inclusion in Council's annual budget for the community asset and to advise Council on the budget prior to its being adopted by Council;
- h. The duty to ensure that the Committee's financial decisions do not affect the integrity of Council's budget;
- i. The duty to prepare annually a budget of the Committee's operations and to manage expenditure within the limits of that budget which covers the Committee's financial year commencing on 1 July in each year and ending on 30 June in the following year;
- j. The power to enter into contracts, and to incur expenditure, up to \$5,000;
- k. The duty to refer any capital works, extensions or additions proposed which materially alter the buildings or surrounds of the community asset or exceed the amount of \$5,000 to Council for approval;

- l.** The power to open and maintain a bank account at a bank and branch approved by Council, into which all monies received by the Committee shall be paid;
- m.** The power to draw all cheques and transactions on the Committee's bank account following authorisation of payments by any two of the following office bearers:
  - Chair;
  - Vice Chair;
  - Secretary; or
  - Treasurer.
- n.** The duty to authorise expenditure correctly and expend money correctly;
- o.** The power to establish reserve funds for capital works, into which can be paid the net surplus of the Committee, obtained in the previous financial year;
- p.** The duty to pay all utility, municipal and water charges incurred in operating the community asset;
- q.** The duty to undergo an annual financial audit;

### **1.9 Meetings**

- a.** The duty to prepare an agenda and record the minutes for each meeting of the Committee;
- b.** The duty to distribute, or arrange to be distributed, copies of the agenda of Committee meetings to members of the Committee and to Council;
- c.** The duty to distribute, or arrange to be distributed, copies of the minutes of Committee meetings to members of the Committee and to Council;
- d.** The duty to ensure that a financial report is included in the agenda of each Committee meeting and recorded in the minutes of each Committee meeting;
- e.** The duty to ensure that the financial report includes a list of accounts for payment for the Committee's approval;
- f.** The duty to hold an Annual General Meeting of the Committee between 1 July and the 31 August each year unless circumstances related to safety and wellbeing do not permit, in which case the annual general meeting should be held as soon as circumstances permit after 1 July;
- g.** The duty to conduct meetings of the Committee in accordance with the Council's *Governance Rules* governing meeting procedures;

## 1.10 Reporting

- a. The duty to provide Council with an agenda and minutes of each meeting of the Committee;
- b. The duty to prepare an annual report and annual statement of accounts of the operations of the Committee in the preceding financial year for presentation at the Annual General Meeting of the Committee prior to 31 August each year. The annual report should include information and commentary regarding:
  - Patronage;
  - User groups;
  - Risk incidents and issues;
  - Maintenance and improvements;
  - Evaluation of effectiveness;
  - Any other matter considered relevant by the Committee;
- c. The duty to forward to Council a copy of the annual report and annual statement of accounts of the operations of the Committee in the preceding financial year by 31 August each year;

## 1.11 Review

- a. The duty to conduct an evaluation of the effectiveness of the operations and management of the committee in the preceding financial year prior to 31 August each year;
- b. The power to request that Council carry out a special review of this instrument of sub-delegation;



## 2. Exceptions, Conditions And Limitations

The committee is not authorised by this Instrument to:

1. enter into contracts, or incur expenditure, for an amount which exceeds the approved budget;
2. enter into contracts, or incur expenditure, for an amount which exceeds \$5,000;
3. spend Council funds other than funds expressly allocated by Council to the Committee for Committee purposes;
4. undertake any capital works, extensions or additions to the community asset which materially alter the buildings or surrounds of the community asset or exceed the amount of \$5,000 without Council approval;
5. make and implement policies, terms and conditions for the use and hire of the community asset without Council's approval of such policies, terms and conditions;
6. prepare strategic plans for the future development of the community asset without Council's approval of such strategic plans;
7. promote and undertake research in all matters associated with the planning, marketing and management of the activities of the community asset;
8. employ people without the prior consent of Council;
9. enter into leases without the prior consent of Council;
10. exercise the powers which, by force of section 47 of the Act, cannot be delegated.

Revised

## 3. Governance

### 3.1 Membership

1. Each committee shall have up to ten members:
  - a. Up to four representatives of the local community that is served by the community asset;  
and
  - b. Every user group will be invited to nominate one representative.
2. Any person appointed to the committee shall hold office for a period of three years;
3. Members of the committee shall be eligible for re-appointment for a further term or terms;
4. A member of the committee may resign their position at any time;
5. If a member of the committee resigns, the committee shall follow the procedure as outlined in Clause 3.1(8) of this charter to fill the vacancy;
6. If any member fails to attend more than three consecutive meetings of the committee without leave of the committee, that member may be deemed to have resigned their position on the committee. The committee shall follow the procedure as outlined in Clause 3.1(8) of this charter to fill the vacancy;
7. Any person appointed to fill a vacancy on the committee shall hold office for the unexpired portion of the previous member's term of office;
8. All appointments to the committee will be made by Council in accordance with the Council policy governing appointments to Council committees;
9. If any member representing an organisation specified in Clause 3.1(1) is unable to attend a meeting of the Committee, that organisation may appoint another person to attend the meeting as an observer. The chairperson may permit the observer to speak on matters relating to the organisation he or she represents, but the observer must not move, second or vote upon any motion;
10. Council may at any time remove a member from a committee in accordance with the Council policy governing appointments to Council committees;
11. The Chief Executive Officer of Council may appoint an officer or officers of Council to attend meetings of the committee from time to time. The Chief Executive Officer shall advise the committee of such appointments. The Council officers attending meetings of the committee do not have voting rights;
12. The Chief Executive Officer of Council shall appoint an officer of Council to liaise with the committee on financial and accounting matters;

### 3.2 Office Bearers and Sub-Committees

1. The Committee at each Annual General Meeting shall elect the following office bearers:
  - Chairperson;
  - Vice Chairperson;
  - Secretary; and
  - Treasurer.
2. The role of the Chairperson includes the following:
  - a. chair all meetings of the committee which are attended by the chairperson;
  - b. act as the liaison person between the committee and the Council;
  - c. arrange dates for all the committee meetings;
  - d. sign minutes of meetings upon them being confirmed by the committee;
  - e. act as a signatory for the committee's bank account;
  - f. vote on all matters before the chair. Where there is a tied vote, the chairperson has a casting vote; and
  - g. arrange for an annual report of the committee to be prepared for presentation at the Annual General Meeting and to Council.
3. The role of the Secretary includes the following:
  - a. provide notice of each meeting to all Committee members, Council and the public;
  - b. prepare and distribute an agenda for each meeting of the Committee to members of the committee and Council;
  - c. take minutes at each meeting of the committee;
  - d. forward minutes of each meeting of the Committee to Council;
  - e. manage the administration and correspondence of the committee; and
  - f. prepare the annual report and submit to Council the annual report and annual statement of accounts of the operations of the committee;
4. The role of the Treasurer includes the following:
  - a. keep proper books of accounts showing all monies received and paid by, or on account of the committee in the exercise of its functions, duties and powers;
  - b. provide to the committee at the annual general meeting a statement of accounts of the operations of the committee as at 30 June and a full statement of all monies received and paid during the period of twelve months ending on 30 June;
  - c. pay all monies received by the committee into the committee bank account;
  - d. present all accounts received by the committee to the committee which may authorise payment thereof;
  - e. arrange payment of accounts authorised for payment by the committee;
  - f. keep all books of accounts and documents relating to the activities of the Committee open for inspection by the Chief Executive Officer of Council or any other person authorised by the Council;

5. If an office bearer is not present at a meeting of the committee, the committee shall appoint another person to undertake the duties of the person who is absent for that meeting;
6. The committee at each Annual General Meeting may establish any sub-committees which it considers necessary to carry out its functions;

### **3.3 Dissolution**

1. The committee may, at any meeting of the committee, resolve to recommend to Council that the committee be dissolved. In this event the committee must notify Council in writing of the committee's resolution as soon as practicable before dissolution;
2. Council may dissolve the committee at any time in accordance with the Council policy governing Council committees;
3. The Chairperson of the committee is obliged to make the following arrangements within one month of dissolution of the committee:
  - a. a statement of accounts must be prepared and presented to Council;
  - b. the committee's bank account must be closed and the balance immediately forwarded to Council;
  - c. books of accounts and minutes of the committee must be forwarded to Council;

### **3.4 Audit**

1. Council shall arrange for the annual audit of the committee's accounts;
2. Council shall bear the costs of the audit;

### **3.5 Insurances**

Council shall arrange and maintain an insurance portfolio to cover risks, including a Personal Accident Policy for members, a Volunteer Worker's Policy and an Indemnity Policy for members of the Committee;

### **3.6 Referenced Documents**

1. The following documents are to be read in conjunction with this Schedule:
  - a. Sections of the Act relevant to community asset committees and members of community asset committees;
  - b. Benalla Rural City Council Governance Rules;





# BENALLA

RURAL CITY COUNCIL

Revised

Benalla Rural City Council  
(Insert Date)

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BENALLA VIC 3671

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## 4.5 Council Plan 2021/2025 Action Plan To 30 June 2025

SF/2695-02  
Robert Barber – General Manager Corporate

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### PURPOSE OF REPORT

The report presents for consideration actions to be incorporated into the *Council Plan 2021-2025 Action Plan To 30 June 2025*.

### BACKGROUND

At its meeting on 27 October 2021 the Council adopted the *Council Plan 2021-2025*.

At its meeting on 1 December 2021, the Council adopted the *Council Plan 2021-2025 Action Plan to 30 June 2023*.

The Action Plan detailed projects and programs to be delivered to achieve the Council Plan strategies under its five themes: Community, Liveability, Economy, Environment and Leadership.

### DISCUSSION

Following the expiry of the Council's first Action Plan, councillors and staff have participated in several facilitated workshops to develop actions to be delivered by the current Council and the next Council between 1 July 2023 and 30 June 2025 (refer **Appendix 1**).

The final *Council Plan 2021-2025 Action Plan To 30 June 2025* will be professionally formatted and widely promoted to the community.

Status updates on the 44 actions will be provided to the Council via quarterly departmental activity reports.

### **COUNCIL PLAN 2021-2025 IMPLICATIONS**

#### **Community**

- *A healthy, Safe and resilient community.*
- *A connected, involved and inclusive community.*

#### **Livability**

- *Vibrant public spaces and places.*
- *Connected and accessible roads, footpaths, transport and parking.*

**Economy**

- *Thriving business and industry.*
- *Flourishing tourism.*
- *Diverse education and employment*
- *Population growth.*

**Environment**

- *Healthy and protected natural environment.*
- *High quality efficient and sustainable waste management.*
- *Sustainable practices.*

**Leadership**

- *Good governance.*
- *High performance culture.*
- *Engaged and informed community.*
- *Effective and responsive advocacy.*

**COMMUNITY ENGAGEMENT**

In accordance with the Council’s *Community Engagement Policy* it is proposed that community engagement be undertaken at the ‘Inform’ level under the International Association for Public Participation’s IAP2 public participation spectrum as detailed in the table below:

<b>Level of Public Participation</b>	<b>Promise to the community</b>	<b>Techniques to be used</b>
Inform	We will provide information	<ul style="list-style-type: none"> <li>▪ Report to the Council</li> <li>▪ Action plan published and promoted to the community via the <i>Benalla Ensign</i>, social media and the Council’s website.</li> <li>▪ Quarterly status updates reported to the Council.</li> <li>▪ Status updates regularly promoted to the community.</li> </ul>

**FINANCIAL IMPLICATIONS**

Costs associated with the development of actions for the *Council Plan 2021-2025 Action Plan To 30 June 2023* have been met from existing budget allocations.

Funding allocations will be required to deliver many of the actions. Funding requests will be considered by the Council during development of the *2024/25 Budget*.



**LEGISLATIVE STATUTORY IMPLICATIONS**

It is considered that the report is consistent with the *Charter of Human Rights and Responsibilities Act 2006* and *Gender Equality Act 2020*.

**OFFICER DECLARATION OF CONFLICT OF INTEREST**

No officers involved in the preparation of this report have any general or material conflicts of interest in this matter.

**Recommendation:**

- 1. That the actions detailed in Appendix 1 be incorporated into the *Council Plan 2021-2025 Action Plan To 30 June 2025*.**
- 2. That quarterly updates on the status of the actions detailed in Appendix 1 be reported to the Council.**

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**Appendix 1: Council Plan 2021-2025 Action Plan To 30 June 2025**

**Theme 1: Community**

**Objective 1.1: A healthy, safe and resilient community**

Strategy	Action
Work closely with community and key stakeholders to plan for emergencies and build community resilience.	<ul style="list-style-type: none"> <li>▪ Investigate Benalla Rural City’s preparedness to respond to emergencies.</li> </ul>
With our community and key stakeholders address the priorities of the Victorian Public Health and Wellbeing Plan 2019-2023: healthy eating and active living; mental wellbeing, sexual and reproductive health, reducing tobacco related harm and harmful alcohol and drug use and preventing violence and injury, drug-resistant infections and climate change and its impact on health.	<ul style="list-style-type: none"> <li>▪ Implement and monitor Benalla Rural City Municipal Health and Wellbeing Action Plan.</li> </ul>
Work together with key health, welfare and community organisations and networks to support better learning, development and wellbeing outcomes for community members.	<ul style="list-style-type: none"> <li>▪ Work with the State Government to plan for future Benalla Rural City kindergarten infrastructure and workforce needs.</li> </ul>
Offer programs, services, activities and events that support, develop and connect community members of all abilities and lead the community in being age friendly and child and Covid safe.	<ul style="list-style-type: none"> <li>▪ Adopt and implement the Disability Action Plan.</li> </ul>

**Appendix 1: Council Plan 2021-2025 Action Plan To 30 June 2025**

**Theme 1: Community**

**Objective 1.2: A connected, involved and inclusive community**

Strategy	Action
Support and promote opportunities for the community to participate in a range of social, recreational, and arts and cultural programs, activities and events.	<ul style="list-style-type: none"><li>▪ Investigate development of an off-leash dog park in the east of Benalla.</li><li>▪ Investigate the feasibility of creating a 'Barkley Street Community Precinct' at the former Benalla P-12 College campus.</li></ul>
Encourage, support, value and celebrate volunteering in the community.	<ul style="list-style-type: none"><li>▪ Develop and implement a Volunteer Engagement strategy.</li></ul>
Celebrate and promote history and cultural diversity.	<ul style="list-style-type: none"><li>▪ Create opportunities for new culturally diverse citizens to be actively involved in Council programs and activities.</li></ul>
Continue to respectfully engage, include, celebrate and promote Aboriginal and Torres Strait Islander culture and people.	<ul style="list-style-type: none"><li>▪ Develop and implement <i>Benalla Rural City Council Aboriginal Reconciliation Plan</i>.</li></ul>
Promote, support and actively engage with smaller rural communities.	<ul style="list-style-type: none"><li>▪ Develop and implement <i>Rural Township</i> plans.</li></ul>

**Appendix 1: Council Plan 2021-2025 Action Plan To 30 June 2025**

**Theme 2: Liveability**

**Objective 2.1: Vibrant public spaces and places**

Strategy	Action
<p>Maintain and develop sport and recreation facilities and reserves, parks, gardens, playgrounds, and walking and cycling paths to increase passive and active community participation and social connection.</p>	<ul style="list-style-type: none"> <li>▪ Deliver Mitchell Street Lakeside Park project.</li> <li>▪ Meet agreed key milestones of the Benalla Indoor Recreation Centre Redevelopment project.</li> <li>▪ Deliver Benalla Art Gallery Redevelopment project.</li> <li>▪ Adopt and start implementation of the <i>Fawkner Drive Precinct Masterplan</i>.</li> </ul>
<p>Ensure open spaces and public places in existing and developing communities are thoughtfully planned, connected up, green, sustainable, accessible, engaging and inclusive and consider the needs of an ageing community.</p>	<ul style="list-style-type: none"> <li>▪ Develop a concept plan to link the Benalla Station Precinct and Benalla Central Business District.</li> <li>▪ Develop and adopt an <i>Open Space</i> strategy.</li> <li>▪ Install all abilities playground equipment.</li> </ul>
<p>Beautify streetscapes, landscaping, signage and town entrances.</p>	<ul style="list-style-type: none"> <li>▪ Deliver the Bridge Street Streetscape project.</li> <li>▪ Upgrade town signage and entry gateways.</li> </ul>
<p>Enhance and maintain key places of significance.</p>	<ul style="list-style-type: none"> <li>▪ Update Benalla Airport Master Plan.</li> </ul>
<p>Advocate for and act on opportunities to protect, maintain and preserve heritage assets.</p>	<ul style="list-style-type: none"> <li>▪ Adopt <i>Benalla Rural City Heritage Study</i>.</li> </ul>

**Appendix 1: Council Plan 2021-2025 Action Plan To 30 June 2025**

**Theme: Liveability**

**Objective 2.2: Connected and accessible roads, footpaths, transport and parking**

Strategy	Action
Deliver and maintain accessible and safe footpaths and cycle paths in existing and new neighbourhoods.	<ul style="list-style-type: none"><li>▪ Review and update <i>Pathways to the Future – Shared Path Project</i> strategy.</li><li>▪ Deliver Kerb and Channel Replacement program.</li></ul>
Maintain and improve drainage, bridges, parking and road networks to meet the needs of the current and future population.	<ul style="list-style-type: none"><li>▪ Implement Benalla Rural City Council Drainage strategy.</li><li>▪ Finalise Devenish Drainage Upgrade project.</li></ul>
Plan for population growth and accessibility for all.	<ul style="list-style-type: none"><li>▪ Develop <i>Benalla Rural City Growth</i> strategy.</li></ul>

**Appendix 1: Council Plan 2021-2025 Action Plan To 30 June 2025**

**Theme 3: Economy**

**Objective 3.1: Thriving business and industry**

Strategy	Action
Work together with key stakeholders to engage, support, strengthen, enhance and diversify local business.	<ul style="list-style-type: none"><li>▪ Develop the <i>Economic Diversification</i> plan.</li><li>▪ Develop a <i>Benalla Rural City Economic Development Strategy</i>.</li></ul>
Attract new investment, business and industry to the Benalla Rural City to facilitate business growth and job creation.	

**Theme 3: Economy**

**Objective 3.2: Flourishing tourism**

Strategy	Action
Strengthen the visitor economy through growth of events and promotion of unique assets and experiences and visitor attractions.	<ul style="list-style-type: none"><li>▪ Review and update the <i>Events and Tourism</i> strategy.</li></ul>
Grow, enhance and promote sports, arts and culture tourism opportunities.	<ul style="list-style-type: none"><li>▪ Reinvigorate and deliver the Benalla Street Art Festival.</li></ul>

**Theme 3: Economy**

**Objective: 3.4 Population growth**

Strategy	Action
Proactively plan for new residential development to support increased population and growth.	<ul style="list-style-type: none"><li>▪ Advocate to the State Government to complete and deliver the Benalla West masterplan.</li></ul>

**Appendix 1: Council Plan 2021-2025 Action Plan To 30 June 2025**

**Theme 4: Environment**

**Objective 4.1: Healthy and protected natural environment**

Strategy	Action
Partner with agencies and the community to manage and enhance our natural environmental assets, water quality and river health across Benalla Rural City and support the Goulburn Broken Catchment Management Authority Regional Catchment Strategy and other regional environmental strategies.	<ul style="list-style-type: none"> <li>▪ Review, update and adopt the <i>Environment Strategy</i>.</li> </ul>

**Theme 4: Environment**

**Objective 4.2: High quality, efficient and sustainable waste management**

Strategy	Action
Actively promote responsible behaviours to reduce waste.	<ul style="list-style-type: none"> <li>▪ Implement recommendations from the Waste Reduction Working group.</li> </ul>
Provide efficient and sustainable waste management services.	<ul style="list-style-type: none"> <li>▪ Finalise disposal arrangements for environmentally sustainable disposal of kerbside-collected food organics and garden organics.</li> </ul>

**Theme 4: Environment**

**Objective 4.3: Sustainable practices**

Strategy	Action
Partner with business, industry and community to plan and implement local approaches and initiatives that respond to climate change.	<ul style="list-style-type: none"> <li>▪ Review, update and adopt <i>Environment Strategy</i>.</li> </ul>
Advocate, promote, support and encourage the use of renewable and clean energy and technology.	<ul style="list-style-type: none"> <li>▪ Encourage and facilitate the installation of more electric vehicle chargers in and around the Benalla CBD.</li> </ul>



**Appendix 1: Council Plan 2021-2025 Action Plan To 30 June 2025**

**Theme 5: Leadership**

**Objective 5.1: Good governance**

Strategy	Action
Deliver responsible budget outcomes linked to strategy that maintain financial sustainability and deliver value for money and rating fairness.	<ul style="list-style-type: none"> <li>▪ Annually review, update and adopt the Benalla Rural City Council Long-term Financial Plan.</li> <li>▪ Develop and implement a Project Management framework.</li> <li>▪ Implement a best practice asset management approach.</li> </ul>

**Theme 5: Leadership**

**Objective 5.2: High performance culture**

Strategy	Action
Improve customer experience through timely, efficient, well planned, and accessible services.	<ul style="list-style-type: none"> <li>▪ Review and update the <i>Customer Relations</i> strategy.</li> <li>▪ Review, update and implement the <i>Benalla Rural City Council Information Technology and Communications</i> strategy.</li> <li>▪ Participate in the Lower North Eastern Digital Transformation Partnership (CODI).</li> </ul>
Develop a skilled, efficient and high performing customer focussed workforce.	<ul style="list-style-type: none"> <li>▪ <i>Adopt and implement a Benalla Rural City Council Workforce plan.</i></li> </ul>

**Theme 5: leadership**

**Objective 5.3: Engaged and informed community**

Strategy	Action
Create opportunities for deliberative engagement prior to decision making and actively improve and enhance Council's community engagement practices.	<ul style="list-style-type: none"> <li>▪ Continue to improve community engagement processes and new ways to engage.</li> </ul>



**4.6 Mayor and Councillors’ Attendance at Committees and Civic Functions**

SF/808-09

Tracey Beaton - Executive Coordinator

The Mayor and Councillors, listed in alphabetical order, attended meetings and events as detailed below during the period from 6 November 2023 to 10 December 2023.

<b>Mayor Claridge Danny Claridge</b>	
8 November	Benalla Business Coffee Connections
	Councillor Only Time
	Assembly of Councillors – Business Review
11 November	Remembrance Day Service
	Past; Present; Future Show and Shine
	Live Art Benalla at the Mural
	Benalla by the Lake including spectacular fireworks display
12 November	A Day in the Gardens Market
14 November	Benalla Art Gallery Committee Meeting
15 November	Briefing on Benalla West Draft Master Plan and Big Housing Build Project
	Councillor Only Time
	Communications Advisory Committee Meeting
	Council Meeting
16 November	MAV Rural and Regional Forum
17 November	Child Safe Training Session
20 November	Mayoral Video Update
21 November	Official Opening of the new Benalla Mental Health and Wellbeing Local
	Benalla Family Research Group Committee Meeting
22 November	Assembly of Councillors - Benalla Sports Stadium Project Briefing
24 November	Benalla Art Gallery launch of exhibition, Mark Dober: Wetlands
25 November	State Gliding Centre Annual General Meeting
28 November	Cooinda Annual General Meeting
29 November	Councillor Only Time
	Municipal Emergency Management Planning Committee Meeting
	Assembly of Councillors – Business Review
30 November	Meeting with Gretals Australia
	ARTC Inland Rail Briefing
	Benalla Street Art Festival 2024 - Business and Community Information Session
1 December	Judging of the Christmas Window Display
	Christmas Celebration and ‘Lighting of the Tree’
4 December	FCJ College Annual Awards for Excellence Evening

<b>Mayor Councillor Danny Claridge cont.</b>	
5 December	Airport Advisory Committee Meeting
6 December	Councillor Only Time
	Benalla Health Annual General Meeting
	Benalla Historical Society Committee Meeting
	Finance and Planning Committee Meeting
7 November	Meeting with members of the Benalla Art Gallery Foundation

<b>Councillor Peter Davis</b>	
8 November	Councillor Only Time
	Assembly of Councillors – Business Review
11 November	Remembrance Day Service
	Past; Present; Future Show and Shine
	Live Art Benalla at the Mural
	Benalla by the Lake including spectacular fireworks display
12 November	A Day in the Gardens Market
15 November	Briefing on Benalla West Draft Master Plan and Big Housing Build Project
	Councillor Only Time
	Communications Advisory Committee Meeting
	Council Meeting
21 November	Audit and Risk Committee Meeting
28 November	Cooinda 2023 Annual General Meeting
29 November	Councillor Only Time
	Assembly of Councillors – Business Review
30 November	ARTC Inland Rail Briefing
	Benalla Street Art Festival 2024 - Business and Community Information Session
5 December	Airport Advisory Committee Meeting
6 December	Councillor Only Time
	Finance and Planning Committee Meeting
7 November	Meeting with members of the Benalla Art Gallery Foundation
8 December	Lima School Community Christmas Catch Up

<b>Councillor Don Firth</b>	
8 November	Councillor Only Time
	Assembly of Councillors – Business Review
13 November	Benalla Indoor Recreation Centre Committee Meeting
15 November	Councillor Only Time
	Council Meeting
20 November	Benalla Street Art Advisory Committee
22 November	Assembly of Councillors - Benalla Sports Stadium Project Briefing
29 November	Councillor Only Time
	2023 Benalla Festival Review
	Assembly of Councillors – Business Review
1 December	Christmas Celebration and ‘Lighting of the Tree’
6 December	Councillor Only Time
	Finance and Planning Committee Meeting
7 November	Meeting with members of the Benalla Art Gallery Foundation

<b>Councillor Punarji Hewa Gunaratne</b>	
8 November	Assembly of Councillors – Business Review
11 November	Benalla by the Lake including spectacular fireworks display
14 November	Benalla Art Gallery Committee Meeting
15 November	Council Meeting
17 November	Child Safe Training Session
28 November	Cooinda 2023 Annual General Meeting
29 November	2023 Benalla Festival Review
29 November	Assembly of Councillors – Business Review
30 November	Benalla Street Art Festival 2024 - Business and Community Information Session
1 December	Christmas Celebration and ‘Lighting of the Tree’
6 December	Finance and Planning Committee Meeting

<b>Councillor Bernie Hearn</b>	
8 November	Councillor Only Time
	Assembly of Councillors – Business Review
10 November	Official Opening Goorambat Veterans' Retreat
11 November	Remembrance Day Service
	Benalla by the Lake including spectacular fireworks display
12 November	A Day in the Gardens Market
	9th National and International Benalla Short Film Festival
13 November	Benalla Indoor Recreation Centre Committee Meeting
14 November	Mayoral Video Update
15 November	Briefing on Benalla West Draft Master Plan and Big Housing Build Project
	Councillor Only Time
	Communications Advisory Committee Meeting
	Council Meeting
21 November	Official Opening of the new Benalla Mental Health and Wellbeing Local
	Australia Day Advisory Committee Meeting
	Audit and Risk Committee Meeting
22 November	Assembly of Councillors - Benalla Sports Stadium Project Briefing
29 November	Councillor Only Time
	2023 Benalla Festival Review
	Assembly of Councillors – Business Review
30 November	ARTC Inland Rail Briefing
	Benalla Indoor Recreation Centre Community Briefing
4 December	Benalla Local Safety and Traffic Liaison Committee
5 December	Accessibility Reference Group Meeting
6 December	Road Maintenance and Road Safety Engagement Session with the Minister
	Finance and Planning Committee Meeting

<b>Councillor Justin King</b>	
8 November	Councillor Only Time
	Assembly of Councillors – Business Review
11 November	Remembrance Day Service
	Past; Present; Future Show and Shine
	Live Art Benalla at the Mural
	Benalla by the Lake including spectacular fireworks display
12 November	A Day in the Gardens Market
15 November	Councillor Only Time
	Council Meeting
22 November	Assembly of Councillors - Benalla Sports Stadium Project Briefing
28 November	Churchill Reserve Committee of Management Briefing
29 November	Councillor Only Time
	2023 Benalla Festival Review
	Assembly of Councillors – Business Review
30 November	Benalla Showgrounds and Recreation Reserve Committee of Management Meeting
1 December	Christmas Celebration and ‘Lighting of the Tree’
4 December	Benalla Local Safety and Traffic Liaison Committee
6 December	Finance and Planning Committee Meeting
8 December	Benalla Rural City Council Staff Awards
	Lima School Community Christmas Catch Up

<b>Councillor Gail O’Brien</b>	
8 November	Benalla Business Coffee Connections
	Councillor Only Time
	Assembly of Councillors – Business Review
11 November	Remembrance Day Service
	Past; Present; Future Show and Shine
	Benalla by the Lake including spectacular fireworks display
12 November	A Day in the Gardens Market
15 November	Briefing on Benalla West Draft Master Plan and Big Housing Build Project
	Councillor Only Time
	Council Meeting
17 November	Child Safe Training Session
22 November	Assembly of Councillors - Benalla Sports Stadium Project Briefing
28 November	Churchill Reserve Committee of Management Briefing

<b>Councillor Gail O’Brien cont.</b>	
29 November	Councillor Only Time
	Assembly of Councillors – Business Review
30 November	ARTC Inland Rail Briefing
30 November	Benalla Street Art Festival 2024 - Business and Community Information Session
1 December	Christmas Celebration and ‘Lighting of the Tree’
5 December	Accessibility Reference Group Meeting
6 December	Councillor Only Time
	Live4Life Benalla Partnership Meeting
	Benalla Health Annual General Meeting
	Finance and Planning Committee Meeting

**Recommendation:**  
**That the report be noted.**



#### 4.7 Council Actions Pending

Council Actions Pending are detailed in **Appendix 1**.

**Recommendation:**

**That the report be noted.**

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## Council Actions Pending

Action No.	Meeting Name	Item	Action	Officer	Status/notes
1.	F&P Committee 6-Dec-23	7	<b>Benalla Street Art Festival Social Media Exemption</b> That the Council provides an exemption to the <i>Social Media Policy</i> to allow third party Eddie Zammit to post on the social media profiles known as <i>@Benalla Street Art Festival</i> (Facebook) and <i>@Benalla.Street.Art.Festival</i> (Instagram) for the purpose of promoting the <i>2024 Benalla Street Art Festival</i> until 31 March 2024.	MEDAS	In progress
2.	F&P Committee 6-Dec-23	6	<b>Benalla Senior Citizens Community Centre – Proposed Name Change</b> That the proposal for the <i>Benalla Senior Citizens Community Centre</i> to be renamed <i>Benalla Seniors and Community Centre</i> be placed on public exhibition for a period of at least 28 days.	MC	In progress
3.	F&P Committee 6-Dec-23	5	<b>2023/2024 Major Event Funding Program</b> That a \$2,000 grant from the 2023/24 Major Event Funding program be allocated to the Albert Heaney Oval Committee of Management.	MC	Completed
4.	F&P Committee 6-Dec-23	4	<b>2023/24 Quick Response Grants Program</b> That \$500 grants from the 2023/24 Quick Response Grant program be allocated to Tatong Community Centre and Recreation Reserve and Small Town Sing.	MC	Completed
5.	F&P Committee 6-Dec-23	2	<b>Planning Application – To Use And Develop The Land For A Dog Breeding Facility At 11 Peck Road, Goorambat</b> That the item be deferred until the Finance and Planning Committee meeting on Wednesday 10 April 2024 to allow for more detailed information to be provided from the applicant.	MD	A report will be presented to the Finance and Planning Committee meeting on Wednesday 10 April 2024.

Action No.	Meeting Name	Item	Action	Officer	Status/notes
6.	F&P Committee 23-Aug-23	7	<p><b>Cessation of Grant Management and Event Project Policy</b></p> <ol style="list-style-type: none"> <li>1. That the <i>Grant Management - Infrastructure and Event Projects Auspiced by Council Policy</i> be ceased.</li> <li>2. That the <i>Project Proposal Application for Grant Funding</i> form be amended to serve as a guide for community groups and Council staff.</li> </ol>	MC	<ol style="list-style-type: none"> <li>1. Completed</li> <li>2. Completed</li> </ol>
7.	Council Meeting 28-June-23	4.6	<p><b>Fawckner Drive Precinct Masterplan</b></p> <p>That the draft <i>Benalla Fawckner Drive Masterplan</i> be endorsed for public exhibition for a period of at least 28 days.</p>	MC	Submissions were considered at the F&P Committee on 27 September 2023. A report will be presented to the Council at a future meeting.
8.	Council Meeting 19-Apr-23	4.4	<p><b>Climate Change Adaptation Action Plan 2013-2025 and the Environment Strategy 2016-2020 Review</b></p> <ol style="list-style-type: none"> <li>1. That the report be noted.</li> <li>2. That a draft <i>Benalla Rural City Council Climate and Environment Strategy</i> be developed.</li> <li>3. That the <i>Benalla Rural City Council Climate and Environment Strategy Communications and Stakeholder Engagement Plan</i> be endorsed.</li> </ol>	MEDAS	<ol style="list-style-type: none"> <li>1. Completed</li> <li>2. In progress</li> <li>3. Completed</li> </ol>

Action No.	Meeting Name	Item	Action	Officer	Status/notes
9.	Council Meeting 15-Mar-23	4.2	<p><b>Proposed Tesla Carpark Lease</b></p> <ol style="list-style-type: none"> <li>1. That submissions be received.</li> <li>2. That in-principle support be given to the installation of an electric vehicle supercharger in the carpark at the rear of 49-59 Smythe Street, Benalla.</li> <li>3. That licence agreement negotiations be finalised with Tesla Motors Australia Pty Ltd for the use and occupancy of land at the rear of 49-59 Smythe Street, Benalla.</li> <li>4. That a report on licence agreement negotiations be presented to the Finance and Planning Committee meeting on 5 April 2023.</li> <li>5. That submitters be advised of the Council's decision.</li> </ol>	MEDAS	<ol style="list-style-type: none"> <li>1. Completed</li> <li>2. Completed</li> <li>3. Completed</li> <li>4. Negotiations are continuing. Report was expected in August 2023, now expected in early 2024.</li> <li>5. Completed</li> </ol>
10.	F&P Committee 1-Mar-23	3	<p><b>Planning Scheme Review Amendment – Benalla Planning Scheme Review</b></p> <p>That Council resolves to:</p> <ol style="list-style-type: none"> <li>1. Note and forward the <i>Benalla Planning Scheme Review 2022</i> to the Minister for Planning in accordance with Section 12B (5) of the <i>Planning and Environment Act 1987</i>.</li> <li>2. Seek assistance from Regional Planning Hubs to prepare and exhibit a planning scheme amendment to implement the <i>Benalla Planning Scheme Review 2022</i>.</li> </ol>	MD	<ol style="list-style-type: none"> <li>1. Completed</li> <li>2. In progress</li> </ol>
11.	F&O Committee 15-Jun-22	9.	<p><b>Financial Hardship Policy Review</b></p> <ol style="list-style-type: none"> <li>1. That the <i>Financial Hardship Policy</i> be adopted.</li> <li>2. That the <i>Financial Hardship Policy</i> be reviewed once the <i>Local Government legislation Amendment (Rating Reform and Other Matters) Bill 2022</i> becomes legislation.</li> </ol>	MF	<ol style="list-style-type: none"> <li>1. Completed</li> <li>2. Legislation has been passed. A report will be presented once further clarification has been received.</li> </ol>



## 5. Reports by Councillors

**Recommendation:**

**That the report(s) be noted.**

## 6. Notices of Motion

## 7. Notices of Rescission Motion

## 8. Urgent Business

Business can only be admitted as urgent business by resolution of the council, and only then if it:

- relates to or arises out of a matter which has arisen since distribution of the agenda; and
- cannot be deferred until the next Council Meeting without having a negative impact on the Council, the municipality or the local community; and
- cannot be addressed through the Customer Request Management System.

A Councillor proposing that a matter be admitted as urgent business must lodge it in writing with the Chief Executive Officer by 4pm on the day of the meeting.

The Chief Executive Officer will advise the Mayor of any matter that the Chief Executive Officer determines appropriate for the Council to consider admitting as urgent business.

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## 9. Confidential Business

It is proposed that the following items be considered in confidential business pursuant to the *Local Government Act 2020* as they contain personal information or private commercial information that would result in the unreasonable disclosure of information about a person, their personal affairs or expose the business, commercial or financial undertaking if released:

- 9.1 Collaborative Digital Innovation (CODI) Information Management Pricing Update
- 9.2 Confidential Reports by Councillors
- 9.3 Confidential Council Actions Pending

**Recommendation:**

**That the meeting be closed to the public for the consideration of the confidential business item noted above pursuant to Sections 3(1) and Section 66(2)(a) of the *Local Government Act 2020*.**

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## 10. Reopening of the meeting to the public

**Recommendation:**

**That the meeting be reopened to the public.**

## Closure of the meeting