



## STRATHBOGRIE SHIRE COUNCIL

Notice is hereby given that an Extraordinary Meeting of the Strathbogrie Shire Council will be held virtually on Tuesday 29 June 2021, commencing at 5.00 p.m.

**Chair:** Chris Raeburn (Mayor) *(Honeysuckle Creek Ward)*

**Councillors:** Melanie Likos (Deputy Mayor) *(Lake Nagambie Ward)*  
Laura Binks *(Mount Wombat Ward)*  
Reg Dickinson *(Lake Nagambie Ward)*  
Sally Hayes-Burke *(Seven Creeks Ward)*  
Paul Murray *(Hughes Creek Ward)*

**Officers:** Julie Salomon Chief Executive Officer *(CEO)*  
David Roff Director, Corporate Operations *(DCO)*  
Amanda Tingay Director, Community and Planning *(DCP)*  
Kristin Favaloro Executive Manager, Communications and Engagement *(EMCE)*

### **BUSINESS**

1. Welcome
2. Acknowledgement of Traditional Land Owners  
*'I acknowledge the Traditional Owners of the land on which we are meeting. I pay my respects to their Elders, past and present'*

3. Apologies

Councillor Kristy Hourigan *(Seven Creeks Ward)*  
Dawn Bray Executive Manager, Governance and Customer Service *(EMGCS)*

4. Disclosure of Conflicts of Interest
5. Officer Reports
6. Confidential Business

Julie Salomon  
**CHIEF EXECUTIVE OFFICER**

25 June 2021

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## 5. REPORTS

### 5.1 Adoption of Budget, Revenue and Rating Plan, Fees and Charges and Declaration of Rates and Charges for the 12 Months Ending 30 June 2022

Responsible Director: Director Corporate Operations

#### **EXECUTIVE SUMMARY**

Council has now complied with the legislative requirements for the preparation and public notification of its Budget for the twelve (12) months ending 30 June 2022.

The Draft Budget was considered at a meeting on 20 April 2021 and was placed on public exhibition for 28 days, with submissions closing on Monday 24 May 2021. Fifty-nine submissions to the draft Budget were received - a summary (Schedule 6) is attached and these have been considered by Council.

As a result of the submissions, a number of amendments to the advertised budget have been made and will be responded to individually. Some submissions have been addressed in future years. Recent receipt of Government funding has assisted in funding some of these initiatives.

As a result of submissions, the following changes have been made to the 2021/22 Draft Budget

<b>Operating Expense</b>	
Street Tree Planting (4 years)	35,000
Street Tree maintenance	27,382
Painting and exhaust fans Nagambie Bowls Club	6,627
Master Plan for Longwood Open Spaces	20,000
Street activation workshop and implementation	35,000
	<b>124,009</b>
<b>Capital Expense</b>	
Sewer Euroa Tennis Club and vicinity (plus \$80,000 carry over)	95,000
Additional toilet Friendlies Reserve – further longer-term planning to occur also	50,000
Ruffy Recreation Reserve Verandah	10,000
Digital screen and projector – Avenel Hall	13,000
Tablelands Community Centre – additional funding to finalise kitchen renovation	4,007
Solar Battery Heat refuge Avenel Hall	29,000
Southern Aurora gardens viewing platform contribution	30,000
	<b>231,007</b>

In addition to these projects, a number of projects have been identified for detailed scoping, with a view to future consideration for funding.

Further amendments have been necessitated by:

- changed circumstances following the budget advertising including :
  - grant for construction of Nagambie Foreshore path and associated expenditure
  - Local Roads and Community Infrastructure funding available from January 2022 – projects to be scoped prior to allocation of funds

5.1 Adoption of Budget, Revenue and Rating Plan, Fees and Charges and Declaration of Rates and Charges for the 12 Months Ending 30 June 2022 (cont.)

- Bringing forward of Grants Commission funding in Federal Budget (timing)
- Other grants and associated expenditure
- Increased provision for insurance costs
- Review of predicted result for 2020/21

A summary of amendments is provided below:

**Budget Reconciliation**

<b>Operating Budget</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Advertised</b>	<b>5002</b>	<b>2044</b>	<b>1567</b>
Grants NR-OP (State) - Greening Euroa		30	
Grants NR-OP (State) - Growing Cooler Green Urban Spaces		60	
Roadside weeds spraying		(60)	
Rates		21	21
Grants R-OP (Commw) - Grants Commission - Financial Assistance		(36)	
Grants NR-OP (State) - Women Building Surveyors Program	75	75	
Building control		(150)	(52)
Grants NR-OP (State) - Waterways Management		48	
Waterways management		(48)	
Grants R-OP (Commw) - Local Roads - Financial Assistance		18	
Strategic planning		(70)	
Grants NR-CP (State) - Nagambie Foreshore Walk		3,000	
Grants NR-CP (Commw) - LRCI Infrastructure Funding-Stage 3		1,440	1,440
Contributions - Nagambie foreshore path		98	
Other Community Expenses		(16)	(7)
Employee Expenses		(11)	(11)
Employee Expenses On Costs		(5)	(5)
Grants-Others		15	
Street tree planting/maintenance (additional budget)		(63)	(99)
Building maintenance (additional budget)		(6)	(6)
Insurance premium increase		(40)	(40)
Community workshops		(35)	(25)

5.1 Adoption of Budget, Revenue and Rating Plan, Fees and Charges and Declaration of Rates and Charges for the 12 Months Ending 30 June 2022 (cont.)

Community garden Euroa		(10)	
Master Plan for Longwood		(20)	
Visitor economy		(15)	
Landfill rehabilitation design	380		
Contribution - Greening Euroa GVW	(37)		
Sustainability Service Delivery Expenses	44		
Strategic planning	70		
Emergency management	(65)		
	<b>467</b>	<b>4,220</b>	<b>1,216</b>
<b>Adopted budget</b>	<b>5,469</b>	<b>6,264</b>	<b>2,783</b>

<b>Cashflow</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Advertised budget cash at the end</b>	<b>12046</b>	<b>6726</b>	<b>5233</b>
Changes in opening cash	0	6,162	697
Rates		21	21
Grants Commission 50%	2,918	(2,918)	
COVID relief grant		15	
Hydrological Survey grant		48	
Growing Greener spaces grant		60	
Building Surveyor grant		75	
Grants Commission		12	
Other grants	42	0	212
Other contribution (GMV)		98	102
Foreshore Path State	2,400	300	300
Foreshore Path Fed	280	70	
Grants RLCI 3		1,440	1,440
Other receipts	92	(11)	
Employee cost		(16)	(16)
Material and services	440	(543)	(714)
Other payments	(10)	21	22
Capital works payments		(4,311)	(1,594)
Net change	<b>6162</b>	<b>523</b>	<b>470</b>
<b>Adjusted budget cash at the end</b>	<b>18208</b>	<b>7249</b>	<b>5703</b>

In accordance with Section 94 of the Local Government Act 2020, Council is required to adopt the budget by 30 June 2021, and give public notice of its decision.

A copy of the adopted Strathbogie Shire Council 2021/22 Budget will be appended to the Minutes of the meeting for identification purposes.

5.1 Adoption of Budget, Revenue and Rating Plan, Fees and Charges and Declaration of Rates and Charges for the 12 Months Ending 30 June 2022 (cont.)

***That Council:***

1. ***Adopt the Budget, and Revenue and Rating Plan as amended, for the year ending 30 June 2022.***
2. ***Declare the Rates and Charges for the year ending 30 June 2022 in accordance with the following recommendations:***

1. ***Amount Intended To Be Raised***

***An amount of \$20,578,250 (or such other amount as is lawfully raised as a consequence of this resolution) be declared as the amount which Council intends to raise by general rates, annual service charges and environmental levy (described later in this Resolution), which amount is calculated as follows:***

<i>General Rates</i>	<i>17,678,041</i>
<i>Annual Service Charges</i>	<i>2,690,374</i>
<i>Environmental Levy</i>	<i>209,835</i>
	<b><i>20,578,250</i></b>

2. ***General Rates***

- 2.1 ***A general rate be declared in respect of the 2021/22 Financial Year;***
- 2.2 ***It be further declared that the general rate be raised by the application of differential rates;***
- 2.3 ***A differential rate be respectively declared for rateable land having the respective characteristics specified below, which characteristics will form the criteria for each differential rate so declared:***

***Residential Land***

***All land used primarily for residential purposes or obviously adapted to being used primarily for residential purposes but excluding farm land.***

***Vacant Residential Land***

***All vacant land which may be used primarily for residential purposes or obviously adapted to being used primarily for residential purposes but excluding farm land.***

5.1 Adoption of Budget, Revenue and Rating Plan, Fees and Charges and Declaration of Rates and Charges for the 12 Months Ending 30 June 2022 (cont.)

**Farm Land**

**Any land zoned Farming under the Strathbogie Planning Scheme which is not less than 40 hectares in area and is not classified as having a commercial or industrial use.**

**Land situated within the Farming zone of less than 40 hectares in area may be considered for the farm differential rate, subject to satisfying Council's criteria for recognition as a bone fide farming activity.**

**Commercial / Industrial Land**

**All land used primarily for commercial or industrial purposes or obviously adapted to being used primarily for commercial/industrial purposes.**

**Vacant Commercial / Industrial Land**

**All vacant land which may be used primarily for commercial or industrial purposes or obviously adapted to being used primarily for commercial/industrial purposes.**

- 2.4 **Each differential rate will be determined by multiplying the Capital Improved Value of each rateable land (categorised by the characteristics described in paragraph 2.3) by the relevant percentages indicated in the following table:**

<b>Category</b>	<b>Percentage</b>
<b>Residential Land</b>	<b>0.45965% (or 0.0045965 cents in the dollar of the Capital Improved Value)</b>
<b>Vacant Residential Land</b>	<b>0.96527% (or 0.0096527 cents in the dollar of the Capital Improved Value)</b>
<b>Farm Land</b>	<b>0.36772% (or 0.0036772 cents in the dollar of the Capital Improved Value)</b>
<b>Commercial / Industrial Land</b>	<b>0.55158% (or 0.0055158 cents in the dollar of the Capital Improved Value)</b>
<b>Vacant Commercial/Industrial Land</b>	<b>0.96527% (or 0.0096527 cents in the dollar of the Capital Improved Value)</b>



5.1 Adoption of Budget, Revenue and Rating Plan, Fees and Charges and Declaration of Rates and Charges for the 12 Months Ending 30 June 2022 (cont.)

**2.5 It be recorded that Council considers that each differential rate will contribute to the equitable and efficient carrying of Council functions, and that:**

**2.5.1 the respective objectives of each differential rate be those specified in the Schedule to this Resolution;**

**2.5.2 the respective types or classes of land which are subject to each differential rate be those defined in the Schedule to this Resolution;**

**2.5.3 the respective uses and levels of each differential rate in relation to those respective types and classes of land be those described in the Schedule to this Resolution; and**

**2.5.4 the relevant:**

**(a) uses of;**

**(b) geographical locations of;**

**(c) planning scheme zoning of; and**

**(d) types of buildings on**

**the respective types or classes of land be those identified in the Schedule to this Resolution**

**2.6 It be confirmed that no amount is fixed as the minimum amount payable by way of general rate in respect of each rateable land within the municipal district.**

**3. Municipal Charge - No Municipal charge be declared in respect of the 2021/22 Financial Year.**

**4. Annual Service Charge**

**4.1 An annual service charge be declared in respect of the 2021/22 Financial Year;**

**4.2 An annual service charge be declared for the collection and disposal of refuse from land;**

5.1 Adoption of Budget, Revenue and Rating Plan, Fees and Charges and Declaration of Rates and Charges for the 12 Months Ending 30 June 2022 (cont.)

**4.3** *The annual service charge be in the sum of, and be based on the criteria, set out below but dependent upon which option is chosen:*

**4.3.1** *for the collection and disposal of recyclables, \$185 per annum;*

**4.3.2** *for the collection and disposal of waste and organics (80 litre or 120 litre bins), \$391 per annum; and*

**4.3.3** *for the collection and disposal of waste and organics (240 litre bins), \$780 per annum.*

*in respect of each rateable land (or part) to which the service of collection and disposal is made available;*

**4.4** *An annual service charge be declared for a Roadside Tree Management Program, \$30 per annum in respect of each rateable land (or part)*

**5. Rebates & Concessions**

**Pensioner Rebate**

**5.1** *It also be recorded that Council grants to each owner of rateable land who is an "eligible recipient" within the meaning of the State Concessions Act 1986, a rebate as determined by the Victorian State Government, in respect of each rateable land; and*

**5.2** *The rebate described in paragraph 5.1 be granted to assist the proper development of the municipal district, and to provide a concession to ratepayers whose circumstances may limit their capacity to pay.*

**Elloura Resort Rebate**

**5.3** *It be recorded that Council grants a rebate to each owner of rateable land within the Elloura Resort who qualifies for a rebate under the Owners Corporation No. ("Elloura") Agreement. The current agreement expires at the end of the 2021/22 Financial Year; and*

**5.4** *The rebate be granted to assist the proper development of part of the municipal district, and to facilitate the demand for increased levels of service to residents of the Elloura Resort without requirement for additional or redeployed Council resources. The cost of increased service levels will be fully funded by residents of the Elloura Resort.*

5.1 Adoption of Budget, Revenue and Rating Plan, Fees and Charges and Declaration of Rates and Charges for the 12 Months Ending 30 June 2022 (cont.)

**6. Payment**

**6.1 All rates and charges to be paid in four instalments, in accordance with Section 167 (1) and (2) of the Local Government Act 1989.**

**7. Consequential**

**7.1 It be confirmed that, subject to sections 171 and 172 of the Local Government Act 1989, Council will require a person to pay interest on any rates and charges which:**

**7.1.1 that person is liable to pay; and**

**7.1.2 have not been paid by the date specified for their payment.**

**7.2 The Director Corporate Operations be authorised to levy and recover the general rates and annual service charge in accordance with the Local Government Act 1989.**

**8. That Fees and Charges for 2021/22 be adopted as per the draft Budget, with no alterations, except where set by legislation.**

**PURPOSE AND BACKGROUND**

The proposed budget was considered by Council at the Council meeting held on 20 April 2021. Subsequent to that meeting, public notice of the proposed budget was given in local newspapers calling for submissions. The proposed budget was made available for inspection at various locations throughout the Shire and on Council's website and *Share Strathbogie* platform.

Fifty-nine submissions were received and noted at an Extraordinary Meeting of Council on 8 June 2021. They were subsequently reviewed and considered by Council.

The Council is proposing a 1.5% increase in the average rate for 2021/22. This increase is in line with the State Government requirement under the 'Fair Go Rates' legislation. This level keeps maintenance of existing service levels, funding of a number of new initiatives and continue to allocate sufficient funds for the continuing strategic renewal of Council's infrastructure. Waste charges will increase by 2% to fund ongoing waste collection and disposal commitments.

The 2021/22 Budget provides for a \$21.57 million capital works program.

5.1 Adoption of Budget, Revenue and Rating Plan, Fees and Charges and Declaration of Rates and Charges for the 12 Months Ending 30 June 2022 (cont.)

New Capital Works proposed include:

ACTIVITY	EXPENDITURE (m)
Roads - including resealing, resheeting and rehabilitation	3.855
Road Bridges and Culverts	1.400
Drainage	0.753
Pedestrian Bridges and Paths	3.989
Plant and Machinery	0.902
Buildings/Property	1.143
Information Technology	0.350
Recreation , Leisure and Community Facilities	2.425
Aquatic Facilities	1.423
Parks, Open Spaces, Streetscapes	0.331
Landfill Rehabilitation	5.000

The Budget and Long Term Financial Plan produces the following indicators which are considered prudent:

	2021/22	2022/23	2023/24	2024/25
Adjusted Underlying Result	-2%	-1.0%	-1.0%	0 %
Working Capital Ratio	1.38	1.26	1.21	1.09
Debt servicing/repayment as % of Rate Revenue	2.7%	2.3%	2.2%	1.8%
Asset Renewal and upgrade expenditure/Depreciation	228.7%	102.5%	107.3%	104.8%
Capital Works Expenditure	\$21.6 m	\$10.3 m	\$7.4 m	\$7.7 m
Cash and Investments	\$7.25 m	\$5.70 m	\$5.34 m	\$4.61 m
Cash Flow from Operations	\$10.13 m	\$10.71 m	\$8.21 m	\$7.86 m

**COMMUNITY ENGAGEMENT**

Council's planned and staged community engagement program was delivered in four stages, which are outlined below.

**Stage one:** The goal of this stage was simple. We wanted to understand our community's values. During this stage we held face-to-face *Share Strathbogie* sessions in all our townships ensuring proactive feedback and generating hundreds of conversations.

5.1 Adoption of Budget, Revenue and Rating Plan, Fees and Charges and Declaration of Rates and Charges for the 12 Months Ending 30 June 2022 (cont.)

At each Share Strathbogie session participants were able to complete an exercise that allowed them to prioritise Council services and infrastructure. Participants were given 200 points and were asked to put their points towards the infrastructure and services that mattered to them.

This exercise was designed with two goals in mind:

1. To provide every person living in Strathbogie Shire with an opportunity to share their priorities with Council.
2. To ensure we understand our community's priorities to inform the 2021/22 Budget, Community Vision and Council Plan.

Through this activity we identified our community's top service and infrastructure priorities and we were able to reflect this in the Draft Budget.

**Stage two:** To ensure our community knew how to seek information on the 21/22 Draft Budget and exactly how they could have their say we created a communications campaign that included public notices and ongoing advertising in local newspapers, media releases, emails seeking feedback, social media, website and Share Strathbogie content.

The goal of this stage was to inform the community how to participate. Our social media campaign alone achieved a reach of more than 6200 and more than 600 post engagements.

**Stage three:** Our online engagement hub [www.share.strathbogie.vic.gov.au](http://www.share.strathbogie.vic.gov.au) created opportunities for feedback like never before. Using this tool we were able to:

- Ensure feedback opportunities for all members of our community.
- Use a submission tools to capture thoughts and feedback
- Use submission tools to create a "pitch my project" opportunity for our community to pitch for funding
- Use a prioritisation tool allowed people to rank capital projects.

The submission period was open to 5pm on 24 May 2021. On this innovative channel there were more than 400 project views and 66 contributions across the capital works prioritisation tool and submission form and pitch my project initiative.

**Stage four:** To close-the-loop with our community we will again run a communications campaign to ensure they know how to find the 2021/21 Budget and how their input created change. This will include public notices and ongoing advertising in local newspapers, media releases, emails to stakeholders, letters to submitters, social media, website and Share Strathbogie content and information in the MyStrathbogie Bulletin which is delivered throughout the Shire.

On [www.share.strathbogie.vic.gov.au](http://www.share.strathbogie.vic.gov.au) we will also seek feedback from the community on the engagement process, including ideas for improvements.

5.1 Adoption of Budget, Revenue and Rating Plan, Fees and Charges and Declaration of Rates and Charges for the 12 Months Ending 30 June 2022 (cont.)

***POLICY CONSIDERATIONS***

The author of this report considers that the report is consistent with Council Policies, key strategic documents and the Council Plan. Specifically, the proposed budget is prepared in the context of the Council Plan and Council's long term financial planning.

***LEGAL CONSIDERATIONS***

The Local Government Act 2020 requires that Council adopt the budget by 30 June 2021.

No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a direct or indirect interest in relation to the matter of the report.

***FINANCIAL CONSIDERATIONS***

Fifty-nine submissions to the budget were received and a number of amendments to the advertised budget have been made as a result of those submissions. Amendments have also been necessitated as a result of changed circumstances following the budget advertising. The amendments are primarily of a timing nature and as a result of budget submissions, expected capital works carryovers from 2020/21, bringing forward of 50% of Grants Commission payment, receipt of additional grant funds and review of the capital works program.

***SOCIAL CONSIDERATIONS***

The Budget contains a range of actions designed to improve the community's way of life in a range of areas including :

- (a) sense of community
- (b) provision of community services
- (c) improving community health and well-being – e.g. recreation facilities, public safety, health services and facilities or public health implications;
- (d) transport – e.g. safety for travelers, emissions and fuel consumption, public transport usage, provision of a safe road network, walking and cycling or transportation needs of all people.

***HUMAN RIGHTS CONSIDERATIONS***

There are no human rights considerations arising from the issues discussed in this report.

***CONCLUSION***

This report finalises a process to prepare and adopt the Council Budget which provides for a range of outcomes to be achieved in the 2021/22 year.

5.1 Adoption of Budget, Revenue and Rating Plan, Fees and Charges and Declaration of Rates and Charges for the 12 Months Ending 30 June 2022 (cont.)

**ATTACHMENTS**

**Attachment 1:** Schedule 1 – Residential Land

**Attachment 2:** Schedule 2 – Vacant Residential Land

**Attachment 3:** Schedule 3 – Farm Land

**Attachment 4:** Schedule 4 – Commercial / Industrial Land

**Attachment 5:** Schedule 5 – Vacant Commercial / Industrial Land

**Attachment 6:** Schedule 6 - Submissions to 2021/22 Budget

**TABLED REPORT**

- 2021/22 Strathbogie Shire Council Budget
- 2021/22 Revenue and Rating Plan
- 2021/22 Fees and Charges

The adopted Strathbogie Shire Council 2021/22 Budget and associated documents will be appended to the Minutes for identification purposes.

## **ATTACHMENT 1:**

### **SCHEDULE 1**

#### **RESIDENTIAL LAND**

**Objective:**

To ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

1. Construction and maintenance of public infrastructure;
2. Development and provision of health and community services; and
3. Provision of general support services.

**Types and Classes:**

Rateable land having the relevant characteristics described in the Resolution.

**Use and Level of Differential Rate:**

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council.

The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

**Geographic Location:**

Wherever located within the municipal district.

**Use of Land:**

Any use permitted under the Strathbogie Planning Scheme.

**Planning Scheme Zoning:**

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the Strathbogie Planning Scheme.

**Types of Buildings:**

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2021/22 Financial Year.



## **ATTACHMENT 2:**

### **SCHEDULE 2**

#### **VACANT RESIDENTIAL LAND**

##### **Objective:**

To ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

1. Construction and maintenance of public infrastructure;
2. Development and provision of health and community services; and
3. Provision of general support services.

##### **Types and Classes:**

Rateable land having the relevant characteristics described in the Resolution.

##### **Use and Level of Differential Rate:**

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council.

The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

##### **Geographic Location:**

Wherever located within the municipal district.

##### **Use of Land:**

Any use permitted under the Strathbogie Planning Scheme.

##### **Planning Scheme Zoning:**

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the Strathbogie Planning Scheme.

##### **Types of Buildings:**

All buildings and other improvements which are now constructed on the land or which are constructed prior to the expiry of the 2021/22 Financial Year and whose total value does not exceed \$20,000.

## **ATTACHMENT 3:**

### **SCHEDULE 3**

#### **FARM LAND**

##### **Objective:**

To ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

1. Construction and maintenance of public infrastructure;
2. Development and provision of health and community services; and
3. Provision of general support services.

##### **Types and Classes:**

Rateable land having the relevant characteristics described in the Resolution.

##### **Use and Level of Differential Rate:**

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council.

The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

##### **Geographic Location:**

Wherever located within the municipal district.

##### **Use of Land:**

Any use permitted under the Strathbogie Planning Scheme.

##### **Planning Scheme Zoning:**

Rural Zone under the Strathbogie Planning Scheme.

##### **Types of Buildings:**

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2021/22 Financial Year.

## **ATTACHMENT 4:**

### **SCHEDULE 4**

#### **COMMERCIAL / INDUSTRIAL LAND**

##### **Objective:**

To ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

1. Construction and maintenance of public infrastructure;
2. Development and provision of health and community services; and
3. Provision of general support services.

##### **Types and Classes:**

Rateable land having the relevant characteristics described in the Resolution.

##### **Use and Level of Differential Rate:**

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council.

The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

##### **Geographic Location:**

Wherever located within the municipal district.

##### **Use of Land:**

Any use permitted under the Strathbogie Planning Scheme.

##### **Planning Scheme Zoning:**

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the Strathbogie Planning Scheme.

##### **Types of Buildings:**

All buildings and other improvements which are now constructed on the land or which are constructed prior to the expiry of the 2021/22 Financial Year.

## **ATTACHMENT 5:**

### **SCHEDULE 5**

#### **VACANT COMMERCIAL / INDUSTRIAL LAND**

**Objective:**

To ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

1. Construction and maintenance of public infrastructure;
2. Development and provision of health and community services; and
3. Provision of general support services.

**Types and Classes:**

Rateable land having the relevant characteristics described in the Resolution.

**Use and Level of Differential Rate:**

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council.

The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

**Geographic Location:**

Wherever located within the municipal district.

**Use of Land:**

Any use permitted under the Strathbogie Planning Scheme.

**Planning Scheme Zoning:**

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the Strathbogie Planning Scheme.

**Types of Buildings:**

All buildings and other improvements which are now constructed on the land or which are constructed prior to the expiry of the 2021/22 Financial Year and whose total value does not exceed \$20,000.

## **ATTACHMENT 6:**

### **SCHEDULE 6**

#### **SUMMARY OF SUBMISSIONS TO DRAFT 2021/22 BUDGET**

- Upgraded facilities Friendlies Reserve
- Shadforth Reserve painting and murals
- Female change facilities Memorial Oval
- Ruffy Recreation Reserve works
- Avenel Hall digital projector and screen
- Objections to proposed rate increase
- Cultural Art and Information Centre Euroa
- Nagambie Bowls Club works
- Tablelands Community Centre Works
- Solar battery heat refuge Avenel Hall
- Red bridge over Honeysuckle Creek
- Street tree planting
- Ripping and Tyning of drainage basins
- Cycle routes/bicycle tracks between towns
- Various playgrounds
- Seal Saleyards car par
- Safety barriers Buntings Hill Road
- Passing area Weibye Track
- Drainage Hurley Street Longwood
- Reseal Meadows Lane Footers Road Horse Gully Road
- Wattlevale Road sealing
- Improvements to Baxters Road Goulburn Weir
- Burns Avenue sealing
- Seal Creek Drive between White Street and Sevens Avenue
- Reseal Armstrong Street
- Seal one km Nagambie Rushworth Road
- Fix Bonnie Doon Road from Harrys Creek Road to Boundary Hill Road
- Seal Drysdale Road
- Repair old Avenel Police Station and Courthouse
- Southern Aurora Gardens
- Reclassify part of Weibye track

- Speed limit Buntings Hill Road
- Relocate green seating outside Euroa Post Office
- Reseal Euroa CFA track
- Longwood Open Space Master Plan
- Reinvigorate Major Mitchell Touring route
- Euroa Street activation
- Murals – Euroa and region
- Youth program
- Shop facades Euroa

## 5.2 **Determination of Mayoral and Councillor Allowances**

Author: Chief Executive Officer

### ***EXECUTIVE SUMMARY***

Mayors and Councillors are entitled to receive an allowance for performing their duties as an elected official under section 39 of the Local Government Act 2020 (the 2020 Act).

The introduction of the 2020 Act has seen a change in the approach to setting allowances for the Mayor, Deputy Mayor and Councillors through a determination by the Victorian Independent Remuneration Tribunal (the Tribunal) under the *Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019*.

However, the Minister for Local Government is yet to request the Tribunal to review allowances. This means that the former provisions of section 74(1) of the *Local Government Act 1989* (the 1989 Act) are still in force until the Tribunal makes its first determination. Section 39(6) of the 2020 Act provides for this transitional arrangement.

Council must, therefore, undertake a review of Mayoral and Councillor allowances by 30 June 2021.

Under the 1989 Act, allowances for Mayors and Councillors are set through an Order in Council by the Minister for Local Government dated 13 November 2019. There are three tiers of Councils with varying levels of allowance ranges. Strathbogie Shire is in Category 1 (small rural Councils), with the Mayor being able to be paid an allowance up to \$62,884 and Councillors between \$8,833 – \$21,049. The allowances are also subject to the addition of the equivalent superannuation guarantee, which is currently 9.5% and will increase to 10% as of 1 July 2021.

A remote area travel allowance of \$40 per day (and up to a maximum of \$5,000 per annum) per Councillor is a separate allowance that is able to be claimed when travel of more than 50 kilometres from home is required to attend official meetings or functions that are subject to a resolution of Council (eg ordinary Council meetings, committee meetings for which a Councillor is the nominated representative or Committee of Council meetings).

In reviewing allowances, Council sought public input through the formal section 223 process under the 1989 Act, by way of a public notice allowing a minimum of 28 days for written submissions to be received. At the close of the submissions period on Monday 21 June 2021, six (6) submissions regarding the review were received. No submitters requested to be heard in support of their written submission.

A Committee of Council meeting was held at 4.00 p.m. today, Tuesday 29 June 2021, at which time the submissions were formally accepted and reviewed.

After considering the submissions, Councillors must consider the allowances as set in accordance with Category 1 (small rural Councils). It is proposed that Councillors maintain the current allowances as previously determined until such time that Victorian Independent Remuneration Tribunal makes its determination.

5.2 Determination of Mayoral and Councillor Allowances (cont.)

**RECOMMENDATION**

***That Council, under section 74 of the Local Government Act 1989:***

- 1. Sets the allowance level for Councillors and the Deputy Mayor at \$21,049, subject to any automatic future annual adjustments prescribed by the Minister for Local Government and announced in the Victoria Government Gazette, plus an amount equivalent to the superannuation guarantee levy, currently 9.5% and to increase to 10% as of 1 July 2021; and***
- 2. Sets the allowance level for the Mayor at \$62,884, subject to any automatic future annual adjustments prescribed by the Minister for Local Government and announced in the Victoria Government Gazette, plus an amount equivalent to the superannuation guarantee levy, currently 9.5% and to increase to 10% as of 1 July 2021.***

**PURPOSE AND BACKGROUND**

Following a review of the review of Mayoral and Councillor allowances and after consideration of the submissions, this report seeks Council endorsement of the proposed allowances plus superannuation guarantee levy and any future annual adjustments prescribed by the Minister for Local Government and announced in the Victoria Government Gazette.

**ISSUES, OPTIONS AND DISCUSSION**

One of the overarching governance principles in section 9 of the *Local Government Act 2020* is that priority is to be given to achieving the best outcomes for the municipal community, including future generations.

The Local Government Act 2020 provides for a different approach to setting allowances for the Mayor, Deputy Mayor and Councillors. The Minister for Local Government will request the Victorian Independent Remuneration Tribunal (the Tribunal) to make a determination within six months of the request being made.

As the Minister is yet to request the Tribunal to review allowances, Council is bound by the provisions of the former the 1989 Act until the Tribunal makes its first determination.

This means Council must undertake a review of Mayoral and Councillor allowances by 30 June 2021 after undertaking a public consultation process under section 223 of the 1989 Act.

The Minister has not indexed Mayoral or Councillor allowances in the past 18 months and therefore there has been no change to the ranges for Councillor allowances or the allowance set for a Mayor.



## 5.2 Determination of Mayoral and Councillor Allowances (cont.)

Currently, our Mayor and Councillors are paid the maximum permissible allowance. All receive the superannuation equivalent of 9.5% of their allowance. Under section 39(5) of the 2020 Act, Councillors and the Mayor can decide to receive all, part or none of the Councillor and Mayoral allowance. However, these provisions will only come into effect at the end of the year so, at present, Councillors can either elect to receive all of the allowance or no allowance at all.

It should also be noted that, at present, there is no differentiation between the allowance for a Deputy Mayor, now recognised under the 2020 Act as a distinct role, and other Councillors. This is expected to change when the Tribunal makes its first determination in late 2021.

Table 1 below sets out the current range of allowances payable to Category 1 Councils such as Strathbogie Shire Council.

**Table 1 Mayoral and Councillor Allowances set by Minister Somyurek 13 November 2019**

	<b>Allowance Range</b>	<b>9.5% equivalent Superannuation Guarantee Contribution</b>	<b>Total Range</b>
Mayor	Up to \$62,884	Up to \$5974	Up to \$68,858
Councillors	\$8,833 – \$21,049	\$839 -2000	\$9672 – 23,049

**Note:** An indexation of allowances has not been undertaken by the Minister since 2019. Usually, allowances are indexed to the rate capping figure.

After considering the submissions, Councillors must consider the allowances as set in accordance with Category 1 (small rural Councils) with the following two options:

*Option 1:*

Maintain the current Mayoral and Councillor annual allowances as previously determined by Council resolution and as follows:

- a) Mayoral Allowance: \$\$62,884 plus the equivalent Superannuation Guarantee Contribution; and
- b) Councillor Allowance: \$21,049 plus the equivalent Superannuation Guarantee Contribution.

*Option 2:*

Amend the current Mayoral and Councillor Allowances in accordance with the allowances ranges as set by the Minister for Local Government as between the ranges as follows:

- a) Mayoral Allowance: Up to \$62,884 plus the equivalent Superannuation Guarantee Contribution; and
- b) Councillor Allowance: Between \$8,833 – \$21,049 plus the equivalent Superannuation Guarantee Contribution.

## 5.2 Determination of Mayoral and Councillor Allowances (cont.)

Given there has been no change to the quantum allowance amounts since 2019, it is proposed that the allowance rates for the Mayor and Councillors remain at current levels as detailed in Option 1. The allowances are also subject to the addition of the equivalent superannuation guarantee, which is currently 9.5% and will increase to 10% as of 1 July 2021. The legislated superannuation guarantee rate is scheduled to progressively increase by half a percent (0.5%) each year up until 2025, bringing the total employer super to 12% by July 2025.

Further, Council may wish to give particular consideration to the ability to claim a remote area allowance. The relevant current Order in relation to remote area allowances is from 5 July 2012 and states:

### **Remote area travel allowance**

....6. *If a Councillor, including the Mayor, normally resides more than 50kms by the shortest possible practicable road distance from the location or locations specified for the conduct of ordinary, special or committee meetings of the Council, or any municipal or community functions which have been authorised by Council resolution for the Councillor to attend, he or she must be paid an additional allowance of \$40.00 in respect of each day on which one or more meetings or authorised functions were actually attended by that Councillor, up to a maximum of \$5000 per annum.....*

Section 75(A)(3) of the 1989 Act, which is still in force during the transition arrangement states:

(3) *A Council does not have to pay an allowance to a Councillor or Mayor who does not want to receive an allowance.*

In relation to the remote area allowance, Councillors need to nominate on their monthly expense forms whether or not they wish to claim the allowance on each occasion the criteria for the allowance is met.

### **COMMUNITY ENGAGEMENT**

One of the overarching governance principles in section 9 of the Local Government Act 2020 is that the municipal community is to be engaged in strategic planning and strategic decision making.

Members of the community had an opportunity to make a written submission to Council providing their views on the allowance review and to also request an opportunity to make a verbal presentation to the Committee of Council appointed to consider submissions on 29 June 2021.

### **POLICY CONSIDERATIONS**

#### Council Plans and Policies

The payment of allowances is consistent with the Council Expenses Policy adopted by Council in June 2020.

#### Regional, State and National Plans and Policies

One of the overarching governance principles in section 9 of the *Local Government Act 2020* is that regional, state and national plans and policies are to be taken into account in strategic planning and decision-making.

## 5.2 Determination of Mayoral and Councillor Allowances (cont.)

The allowance review is in accordance with the Order in Council made by the Minister for Local Government in relation to Strathbogie Shire as a Category 1 Council.

### **LEGAL CONSIDERATIONS**

One of the overarching governance principles in section 9 of the *Local Government Act 2020* is that Council decisions are to be made and actions taken in accordance with the relevant law.

The transition from the 1989 Act provisions relating to Mayor and Councillor allowances to the 2020 Act is complex. Although the 1989 Act's provisions have been repealed, section 39(6) of the 2020 Act allows the provisions of the 1989 Act to remain in force until the Tribunal makes its first determination.

All aspects of the 1989 and 2020 Acts are met through undertaking this review and calling for public submissions through the formal section 223 process. All written submissions were considered by a Committee of Council prior to setting allowances through a resolution.

### **Conflict of Interest Declaration**

All officers, and/or contractors, involved in the preparation of this report have signed a written declaration that they do not have a conflict of interest in the subject matter of this report.

### **Transparency**

One of the overarching governance principles in section 9 of the *Local Government Act 2020* is that the transparency of Council decisions, actions and information is to be ensured.

In keeping with the principles of Council's Public Transparency policy, this report seeks maximum disclosure of the allowance review. There was also the opportunity for the public to submit comments for Council's consideration in their final determination of allowance levels until the Victorian Independent Remuneration Tribunal has made its first determination.

### **FINANCIAL VIABILITY CONSIDERATIONS**

One of the overarching governance principles in section 9 of the *Local Government Act 2020* is that the ongoing financial viability of the Council is to be ensured.

The current 2020-21 budget and draft 2021-22 budget currently out for public comment funds Mayoral and Councillor allowances at the levels identified by this review.

A remote area allowance has not been factored into either the current budget or the forward financial plan as this has not been claimed previously.

Should Councillors determine that they wish to claim the allowances on the days that the criteria set by the Order in Council are met, there will be a shortfall in the funding allocated to Councillor allowances.

## 5.2 Determination of Mayoral and Councillor Allowances (cont.)

It is difficult to identify the additional budget allocation required to fund the remote area allowance given it is dependent on the location of meetings that are held and the number of meetings attended by each Councillor. This is because Councillors would be able to claim a \$40 per day allowance when required to travel more than 50 kilometres from home to attend a Council meeting set by a resolution of Council (eg scheduled Council meetings).

Two Councillors live in locations further than 50 kilometres from the Council Office and there are occasions when meetings are held in excess of 50 kilometres from other Councillors' residences.

It could be in the vicinity of an additional \$2 - 5,000 per annum.

### **SUSTAINABILITY CONSIDERATIONS**

One of the overarching governance principles in section 9 of the *Local Government Act 2020* is that the economic, social and environmental sustainability of the municipal district, including mitigation and planning for climate change risks, is to be promoted.

This report is not considered to raise any on economic, social, environmental or climate change issues or concerns.

### **INNOVATION AND CONTINUOUS IMPROVEMENT**

One of the overarching governance principles in section 9 of the *Local Government Act 2020* is the pursuit of innovation and continuous improvement.

This report ensures compliance with former and current legislative requirements and seeks to explain the transition to new mechanisms for the setting of Councillor and Mayoral allowances.

### **COLLABORATION**

One of the overarching governance principles in section 9 of the *Local Government Act 2020* is that collaboration with other councils, levels of government and statutory bodies is to be sought.

This report and review have been prepared in accordance with advice from Local Government Victoria published in February 2021 stating that all Councils across Victoria were required to review allowances by 30 June 2021.

### **HUMAN RIGHTS CONSIDERATIONS**

There are no significant impacts or consideration arising from this report in relation to the Charter of Human Rights and Responsibilities Act 2006 aside from the ability of the community to make a submission on the review and receive a fair hearing of their views prior to a decision being made.

### **CONCLUSION**

A review of Mayoral and Councillor allowances is required to be undertaken prior to June 30 and it is considered that the current allowances be maintained until such time that the first determination by the Victorian Independent Remuneration Tribunal is made.

## 5.2 Determination of Mayoral and Councillor Allowances (cont.)

All aspects of the 1989 and 2020 Local Government Acts have been considered and complied with in undertaking this review.

The section 223 public consultation process provided the community with an opportunity to voice their opinions and shape the outcome of the review.

On balance, given there has been no change to the quantum allowance amounts since 2019, it is proposed that the allowance rates for the Mayor and Councillors remain at current maximum levels as detailed in Option 1 of the report. The allowances are also subject to the addition of the equivalent superannuation guarantee, which is currently 9.5% and will increase to 10% as of 1 July 2021.

### **ATTACHMENTS**

Nil.

**6. CONFIDENTIAL BUSINESS**

Nil.

***THERE BEING NO FURTHER BUSINESS, THE MEETING CLOSED AT ..... P.M.***