



South Gippsland
Shire Council

Come for the beauty, Stay for the lifestyle

COUNCIL MINUTES

**ORDINARY MEETING NO. 370
WEDNESDAY 26 JUNE 2013
COUNCIL CHAMBERS, LEONGATHA
COMMENCED AT 2PM**

PRESENT:

Mayor: Cr Kieran Kennedy
Deputy Mayor: Cr Nigel Hutchinson-Brooks
Councillors: Mohya Davies, James Fawcett, Jeanette Harding, Robert Newton, Lorraine Brunt, Andrew McEwen and Don Hill.

OFFICERS:

Tim Tamlin	Chief Executive Officer
Anthony Seabrook	Director Engineering Services
Jan Martin	Director Community Services
June Ernst	Director Corporate Services
Luke Anthony	Manager Governance Services
David Roche	Governance Coordinator
Natasha Berry	Governance Officer
Tom Lovass	Manager Finance
Ned Dennis	Manager Community Strengthening
Geoff McKinnon	Manager Sustainability
Paul Stampton	Manager Strategic Planning and Development

MISSION

To effectively plan and provide for the social, built, economic and natural environments that ensure the future wellbeing of South Gippsland Communities.

SOUTH GIPPSLAND SHIRE COUNCIL

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Tim Tamlin
Chief Executive Officer

SECTION A - PRELIMINARY MATTERS

A.1 Welcome

Please ensure Mobile phones remain 'off' during the Council Meeting.

A.2 Opening Prayer - Cr McEwen

We pray to God to guide us so that the thoughts we have and the decisions we make this day, are in the best interests of the people of the South Gippsland Shire.

Amen

A.3 Acknowledgement of Traditional Custodians - Cr McEwen

The South Gippsland Shire Council respectfully acknowledges the Traditional Custodians of this Land, Elders past and present, their Spirits and Ancestors.

A.4 Apologies

Nil

A.5 Confirmation of Minutes

RECOMMENDATION

That the Minutes of the South Gippsland Shire Council Ordinary Meeting No. 369, held on 22 May 2013 in the Council Chambers, Leongatha be confirmed.

MOVED: Cr Hutchinson-Brooks

SECONDED: Cr Davies

**THAT THE MINUTES OF THE SOUTH GIPPSLAND SHIRE COUNCIL
ORDINARY MEETING NO. 369, HELD ON 22 MAY 2013 IN THE COUNCIL
CHAMBERS, LEONGATHA BE CONFIRMED.**

CARRIED UNANIMOUSLY

A.6 Requests for Leave of Absence

Nil

A.7 Declaration of Conflict of Interest for Councillors

Any interest that a Councillor or staff member has deemed to be significant and has disclosed as either a direct or an indirect interest is now considered to be a conflict of interest. Conflict of interest legislation is in sections 77A, 77B, 78, 78A-D and 79 of the Local Government Act 1989. This legislation can be obtained by contacting the Council's Organisational Development Department (Governance) or by accessing the Victorian Legislation and Parliamentary Documents website at www.legislation.vic.gov.au. An interest may be by close association, financial, conflicting duties or receipt of gifts.

If a Councillor or staff member discloses any interest in an item discussed at any Council Meeting (whether they attend or not) they must:

- Complete a disclosure of interest form prior to the Meeting (forms are available from the Organisational Development Department – Governance).
- Advise the Chair of the interest immediately before the particular item is considered (if attending the Meeting).
- Leave the Council Chamber or Meeting room while the item is being discussed and during any vote taken (if attending the Meeting).

The Councillor or staff member will be advised to return to the Council Chamber or Meeting room immediately after the item has been considered and the vote is complete.

Councillors should check the Minutes of the Council Meeting to ensure their disclosure is recorded accurately.

Councillors are not required to disclose conflict of interest in relation to matters only considered at Meetings they do not attend.

Detailed information is available in Conflict of Interest in Local Government – A Provisional Guide with amendments to 1 October 2010.

Type of Interest		Example of Circumstance
Direct Interest		Reasonably likely that your benefits, obligations, opportunities or circumstances will be directly altered. Reasonably likely to receive a direct benefit or loss measurable in money. Reasonably likely that your residential amenity will be directly affected.
Indirect Interest	Close Association	A member of your family has a direct interest or an indirect interest. A relative has a direct interest. A member of your household has a direct interest.
	Indirect financial Interest	Likely to receive a benefit or loss, measurable in money, resulting from a change to another person's interest. Holding shares in a company or body that has a direct interest (subject to threshold) When a person with a direct interest owes money to you.
	Conflict of Duty	Manager or member of the governing body of an organisation with a direct interest. Trustee for a person with a direct interest. Past dealings in relation to the matter as duty to another person or body.
	Applicable Gift	Gifts valued at \$500 in previous 5 years. Election donations valued at or above \$500 in previous 5 years. Gifts other than election campaign donations that were received more than 12 months before a person became a Councillor are exempt.
	Party to the Matter	Initiated or became party to civil proceedings in relation to the matter.

Privacy

Council is required to keep minutes of each Council meeting. The minutes contain details of proceedings which may include personal information about community members disclosed as part of presentations, submissions and questions. The minutes of Council meetings are a public record and can be inspected by members of the public.

Council undertakes audio recordings of Council Meetings as a contribution to good governance and accuracy of minutes. An audio recording of this meeting is being made for the purpose of verifying the accuracy of minutes of the meeting. In some circumstances the recording may be disclosed, such as where Council is compelled to do so by court order, warrant, and subpoena or by any other law such as the Freedom of Information Act 1982. It should be noted that other people present at the meeting may be recording the meeting and Council has limited power to regulate this. Council has developed a policy to regulate recordings, "Sound Recording of Council Meetings". A copy of this policy is located on Council's website www.southgippsland.vic.gov.au. Further information or a copy of the policy or can be obtained by contacting Council's Organisational Development Department (Governance).

Councillor Hutchinson-Brooks declared a conflict of interest in Council Reports Item E.21 ADOPTION OF AMENDMENT C72 - LOCH, NYORA, POOWONG AND MEENIYAN STRUCTURE PLAN IMPLEMENTATION as he has a conflicting duty in that he has previously been engaged by a land holder in the affected area.

Councillor Brunt declared a direct conflict of interest in Council Reports Item E.21 ADOPTION OF AMENDMENT C72 - LOCH, NYORA, POOWONG AND MEENIYAN STRUCTURE PLAN IMPLEMENTATION as she is a land holder in the affected area.

A.8 Declaration of Conflict of Interest for Staff

Sections 80B and 80C of the Local Government Act 1989 require members of Council staff who have delegated functions and /or provide advice to Council or a Special Committee to disclose conflicts of interest. If Council staff have written, provided information/advice or approved a Council Report and have a conflict of interest it is the responsibility of that staff member to disclose the interest. Guidance to identifying and disclosing a conflict of interest is contained in Department of Planning and Community Development in '*Conflict of Interest A Guide for Council staff*', October 2011.

Nil

A.9 Petitions

Petitions (and Joint letters) are written requests that have been signed by a number of community members. According to the Local Law No.3 2010 petitions may be presented to Council by a Councillor. A petition presented to the Council must lay on the table until the next Ordinary Meeting of the Council and no motion, other than to receive the petition, may be accepted by the Chair unless the Council agrees to deal with it earlier.

The lead petitioner or person organising the petition may in presenting the petition to a Councillor at the Council Meeting speak briefly to its contents. At the same meeting a Councillor would accept the petition and introduce it to Council for formal noting and actioning by Council.

The Councillor presenting the petition is responsible for ensuring that they are familiar with the contents and purpose of the petition and that it is not derogatory or defamatory.

Cr Fawcett left the Meeting at 2.03pm.

Cr McEwen tabled a petition signed by approximately 680 residents, the prayer of the petition indicated a request for the redevelopment of the Old Korumburra Shire Offices so as to provide 'A Fair Go For Korumburra'.

MOVED: Cr McEwen

SECONDED: Cr Newton

THAT COUNCIL:

- 1. RECEIVE AND NOTE THE PETITION; AND,**
- 2. THE PETITION LAY ON THE TABLE UNTIL THE COUNCIL MEETING OF 24 JULY 2013 TO ENABLE OFFICERS TO PREPARE A REPORT TO COUNCIL.**

CARRIED UNANIMOUSLY

Cr Fawcett returned to the Meeting at 2.04pm.

A.10 Councillor Reports

Cr Kennedy addressed Council regarding attendance at Parliament in Canberra and noted lobbying activities and the importance of this undertaking for our Shire. Cr Kennedy highlighted that along with the Chief Executive Officer that further lobbying will be undertaken in the coming weeks.

Cr Newton addressed Council regarding the opening of the Ivy O'Neil Park in Korumburra and relayed it was an honour to open as Ivy O'Neil was a hard working women who raised her four children on her own in the late 1920s.

Cr Kennedy addressed Council regarding attendance at a Rotary Changeover Dinner and noted what a fantastic event it was.

Cr Hutchinson-Brooks addressed Council regarding attendance at:

- **Fish Creek Tea Cosy Festival and noted awarding prizes for Bush Ballads.**
 - **Municipal Association Victoria (MAV) Planning Committee and noted one of the significant items discussed included the decision for definition for new industrial zones throughout the state planning schemes.**
 - **Launch by Ms Jeanette Powell MP of the Department Transport Planning and Local Infrastructure and noted the new department includes a range of Government activities; including planning, transport, crown land and sport and recreation.**
 - **Fish Creek Active Towns Meeting.**
 - **Teddy Bears Picnic at Coal Creek.**
 - **Mirboo North Pool Workshop.**
 - **Visit by Mr Hugh Delahunty MP who awarded \$60,000 grant towards the Meenyan Dumbalk United (MDU) Football Netball Club towards a revamp of netball facilities. Cr Hutchinson-Brooks also noted the impressive contribution by the Club of \$55,000 and Council \$55,000 towards this project.**
-

Cr Davies addressed Council regarding:

- **The great work of Parks Victoria and congratulated them for the repairing work post floods in and around Sealers Cove walk and Fern Glade at Wilsons Promontory.**
 - **The great work of volunteers in tidying up the old railway station area at Foster in anticipation of the opening of the extension of the Great Southern Rail Trail from Foster to Toora.**
 - **Canberra Referendum for recognition of Local Government in September 2013 and noted that there is support for the referendum and encouraged electors to consider a 'Yes' vote as there are many opportunities for Local Government.**
-

Cr Hill addressed Council regarding the results of a survey that he and Cr McEwen undertook in respect of the Council Budget.

The Mayor indicated that the survey was undertaken by Crs Hill and McEwen and was not endorsed by Council.

Cr Hill displayed a power point presentation, the accompanying notes that were read are included below.

Community Feedback from Cr Hill and Cr McEwen's SurveyMonkey Survey on the South Gippsland Shire 2013-14 Budget

Executive Summary

Introduction

The SurveyMonkey survey was a *resounding success* in terms of the number of respondents in comparison to direct responses to Council on the budget. It was also highly successful in getting a relatively clear consensus from the sample on most key issues.

This survey was undertaken by Cr Hill and Cr McEwen, as part of their duties under the Local Government Act as a Councillor, to seek feedback and to listen to the opinions from their constituents. It would be preferable in the future for Council to seek similar social media feedback, based on a well published and advertised survey and or other social media mechanism. Nonetheless it is an important way of giving people the opportunity to directly participate in democracy.

Some 180 people responded to the online survey. The survey was publicised in the local papers and was distributed through community and individual email lists. It is not a proper random sample and *can only be taken as an indicative sample* of opinion. None the less there is a *fairly high degree of consistency* in responses. Clearly the numbers of responses are some 900% greater than the direct responses to Council. If Council is genuine in wanting to raise the level of engagement, social media is a critical approach particularly for engaging those less than 40 years of age.

Quantitative results

There was overwhelming support for the need for Council to review its top heavy management structure with some 81% wanting to streamline Council's management structure and reducing the number of managers and directors vs. 6% wanting to increase it. There was some support for reducing capital works budget 32%, but far less for cutting services 17%. This result is very interesting because there is a commonly held view or at least expressed view that infrastructure and capital expenditure is more important than services. *Almost twice as many people believed cutting capital expenditure was more desirable than cutting services.*

50% of respondents wanted service levels to remain the same but only 8% were prepared to pay more than 5% rate rises to keep those service levels unchanged. 57% of those wanting service levels to remain unchanged only wanted to pay CPI rate rise of 4%

There was overwhelming support (88%) to conduct a review of services to maximise efficiency and effectiveness and (84%) to develop a shared services approach with other Councils to curb rate rises. There was almost 50% support (48%) to strategically invest in services such as Coal Creek and caravan parks to reduce cost and increase revenue vs. 29% or 1.6 people to 1 opposed.

There was no clear support for growing the population as fast as possible to 40,000 people to become more financially sustainable. Opinion was sharply divided, with some 47% against and 37% in favour of growing as fast as possible to 40,000 people to become more financially sustainable.

Of particular note is that 50% of people would support rates rise to maintain service levels but only 22% were prepared to pay a rate rise above CPI (of 4%) to do so.

There was considerable concern at the consultation and engagement by Council with *48% of people believing it was very poor or poor and only 12% good or very good*. There was overwhelming support for the need to improve engagement with some 80% strongly agree or agree vs. 10% strongly disagree or disagree.

General qualitative comments

- 16 respondents commented directly on the perceived high and excessive level of rate rises
- 5 respondents indicated they would be happy with rate rise if services and infrastructure improve
- 3 comment on the need for better equity in services and 3 on the need for better engagement

Suggested solutions

The following were the key suggested solutions

- Restructure and reduce the number of Managers and Directors-top heavy. (14)
- Streamline and reduce staff- make them more productive (11)
- Minimise the use of Consultants (11)
- Zero based budgeting:- Review all services and programs (10)
- Close Coal Creek:- Too much money spent on Coal Creek (8)
- Review staff numbers. Staff number keep expanding (7)
- Shared services approach (5)
- Council needs to be more entrepreneurial to diversify revenues and reduce costs (5)
- Spend less on bureaucracy and office-based staff - decrease numbers & staff benefits (5)

Population

There was a clear divide on growing the population in line with quantitative results with

- Concern about the affect of population increase and its potential costs. (18)
- 40,000 people good for financial, economic and social sustainability (10)

Conclusion

In a democracy people can and do have strongly differing views that colour their thinking. Contrary to many people's opinion there is a significantly higher level of support to maintain services over a view that construction and infrastructure is the most important priority. A ratio of 1.6 in favour of maintaining the level of service to 1 wanting to maintain the level of capital infrastructure. Similarly half the respondents support rate increases (50%) where they are undertaken to maintain current service levels. A council genuinely wishing to listen to this feedback would ensure appropriate investments in both services and infrastructure.

The current level of managers and directors, which is 30% above the regional average, is problematic and the most cited are of concern and area for reducing pressure on rate rises. There is also significant support for Council to assume a more strategic and business approach to addressing ways to curb rate rises. 88% of people supported a review of services and 84% supported a shared services approach. There was also significant support 48% vs. 29% for investing strategically in Council's services to reduce costs and increase revenue. The Councils' proposed plan includes a number of these initiatives that clearly have the support of the community. One note of concern is the reduction of the proposed funds for strategic initiatives of Council in the budget before Council. This in our view is short-sighted; as such investments would reduce pressure on rate rises. As the old saying goes 'you have to spend money to save money or make money'.

We believe and will continue to advocate for a strategic business approach to reducing pressure for rate rises. The 'more of the same administrative approach' to cost plus budgeting won't address our financial sustainability issues. Council is a \$60m plus business and should be run using strategic business principles. As many people commented, we cannot continue to raise rates into the future at 6%, which is significantly above CPI and indeed Council's cost index which is currently around 3%.

We are both heartened by the level of responses and the willingness for people to not only respond but gives at times detailed and thoughtful suggestions. Clearly Council has an opportunity with its proposed development of a social media strategy to deepen the level of engagement and partnership approach with the community. We believe such approaches will reinvigorate local democracy and enhance the level of trust of people in Council and its good governance.

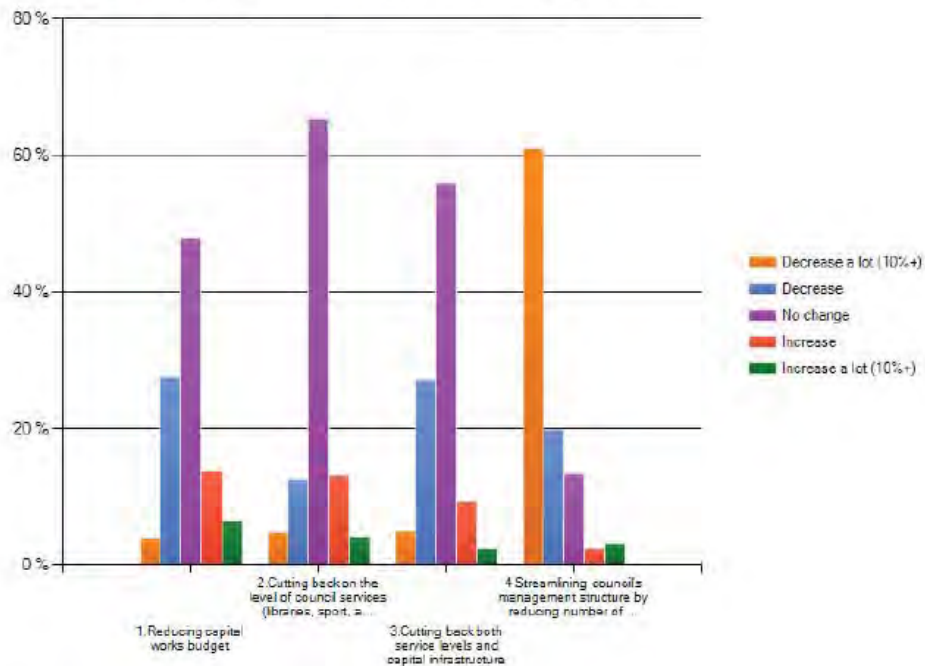
Quantitative Findings

Ward location of respondents

Answer Choices	Responses	
Tarwin Valley Ward	23.89%	43
Strzelecki Ward	37.78%	68
Prom Coast Ward	23.33%	42
Don't Know	15%	27
Total		180

Preferred way to reduce rate rise?

Could you please tick you preferred approach to reducing rate rise:



Preferred approach to reducing rate rise

- 81% Streamlining Council's management structure and reducing numbers of managers and directors vs. 6% to increase
- 33% Cutting back on services levels and capital infrastructure vs. 12% to increase
- 32% Reducing the capital works budget vs. 20% to increase
- 17% Cutting back on services (libraries, sports, aged care, pools) vs. 17% to increase

Rates rise to maintain service levels or service reduction too reduce rates

Keeping services levels the same and increase rates (note that CPI means a 4% rise is needed to cover normal inflation levels.)

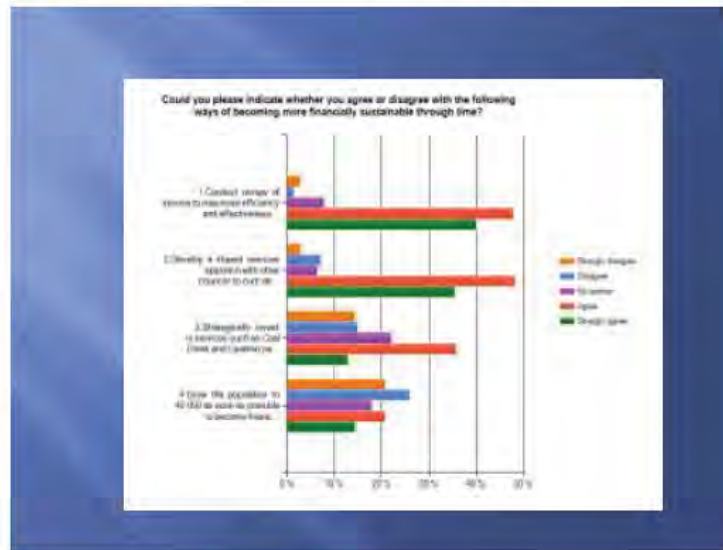
50% agree to increase rates to maintains service levels

What level of rate rise do you want? (These percentages are from 91 respondents)



- 57% want a 4% rise
- 26% want a 5% rise
- 7% want a 6% rise
- 7% want a 7% rise
- 3% want a 10% rise

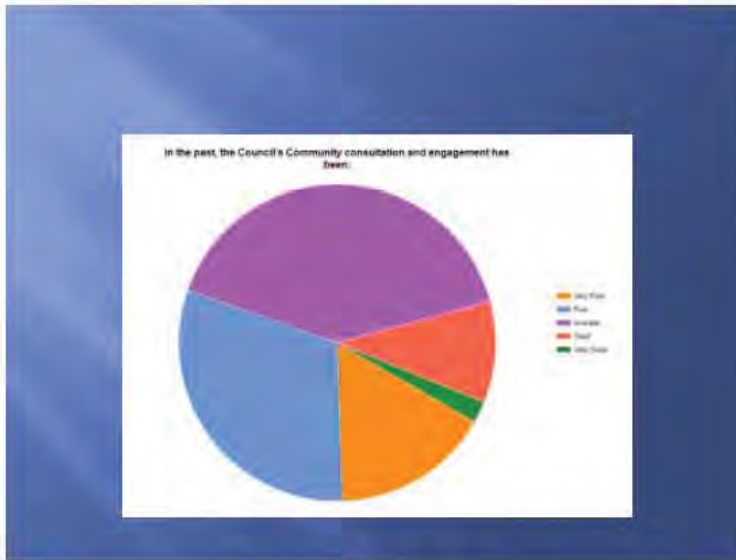
How to become more financially sustainable?



Could you please indicate whether you agree or disagree with the following ways of becoming more financially sustainable through time?

- 88% Conduct a review of services to maximise efficiency and effectiveness vs. 4% disagree
- 84% Develop a shared services approach with other Councils to curb rate rises vs. 10% disagree
- 48% strategically invest in services such as Coal Creek and caravan parks to reduce costs and increase revenues. Vs. 29% disagree
- 35% Grow the population to 40,000 as soon as possible to become financially Sustainable. Vs. 47% disagree

Satisfaction with current Council Community Consultation and Engagement

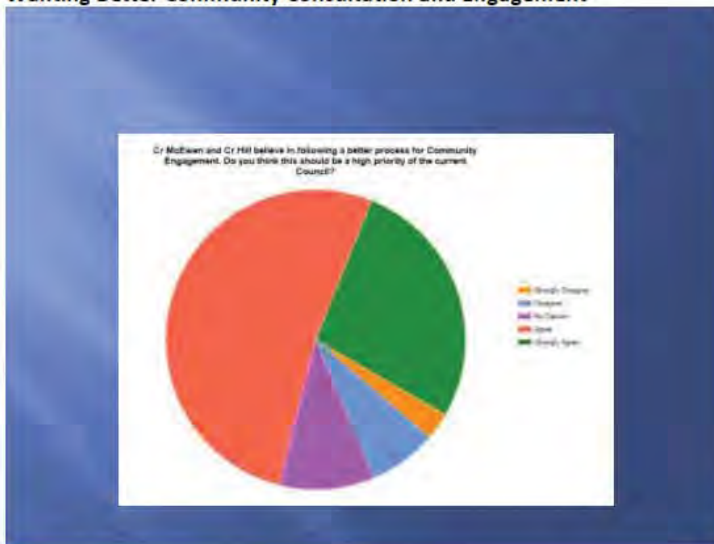


In the past Councils Community consultation and engagement has been

- 48% Very Poor or Poor
- 40% Average
- 12% Good or very good

Clearly there is significant are for improvement which is also reflected in the declining levels of satisfaction with consultation and engagement and it's below average performance in the State. This should be a clear priority for the new council as is indicated in its draft Council Plan.

Wanting Better Community Consultation and Engagement



Cr McEwen and Cr Hill believe in following a better process for community consultation and engagement. Do you think that this should be a high priority of the current Council?

- 80% Strongly agree and agree
- 10% Strongly disagree and disagree
- 10% No opinion

SUMMARY OF THE GENERAL COMMENTS

This is a sorting and aggregation of open ended questions from the survey. The number at the end of each comment represents the number of people making similar comments.

- Happy with rate rise if services and infrastructure improve (5)
- Continued rates rises are not sustainable through time (5)
- Proposed rate rise far too high (4)
- Implement better community engagement (3)
- Everyone needs to pull their belt in (We are a rural shire!) (3)
- More *equity* in services for all parts of the shire (3)
- State Government should contribute to superannuation (2)
- Services levels not good for the high level of rates (2)
- Local Government charges rising faster than wages (2)
- Don't cut services (2)
- Restore free Green waste
- City rates lower than South Gippsland rates (2)
- Unhappy with Councils conservation efforts (1)
- Arts Community doing a good job (1)
- Satisfied with management it has improved recently(1)
- Community services provide social cohesion (1)
- Allow farmers to dump on own property (1)
- Don't sell open space land (1)
- Libraries need to be more proactive (1)
- Increase pensioner discount (1)

SUGGESTED SOLUTIONS

- Concern about the affect of population increase and its potential costs. (18)
- Restructure and reduce the number of Managers and Directors-top heavy. (14)
- Streamline and reduce staff - make them more productive (11)
- Minimise the use of Consultants (11)
- 40,000 people good for financial, economic and social sustainability (10)
- Zero based budgeting:- Review all services and programs (10)
- Close Coal Creek:- Too much money spent on Coal Creek (8)
- Review staff numbers. Staff number keep expanding (7)
- Shared services approach (5)
- Council needs to be more entrepreneurial to diversify revenues and reduce costs (5)
- Spend less on bureaucracy and office-based staff - decrease numbers & staff benefits (5)
- Fix the roads properly the first time(4)
- Fewer Councillors less catering (4)
- Better procurement(3)
- Time to be more innovative and creative (2)
- Cut unnecessary expenditures get back to basics (3)
- Competency and expenditure (2)
- Spend on 3 R's rates, roads and rubbish only basic services no frills (2)
- Reduce car fleet (2)
- Reducing Capital works (1)
- Avoid duplication (1)
- Rise is above CPI (1)
- CEO determining staffing (1)
- Pressure VIC roads (1)
- Attracting business and investments (1)
- Reduce tourist staffing (1)
- Invest in local farming (1)
- Amalgamate Bass Coast and South Gippsland Shires (1)
- Attract more businesses (1)
- User pays charges (1)
- Tighter control of spending (1)

- Rationalise services and facilities (1)
- More emphasis on environment versus development (1)
- Rising expectations and costs (1)
- Community needs and seeking grants (1)
- Caravan parks short term residents only
- Better advocacy (1)
- Developer contributions(1)
- Creating inflation through expansion of services (1)
- Shire should change its direction to attract retirees and associated business (1)
- Explore renewable energy (1)
- Consider shire partnerships for Conference/Tourist facilities. (1)
- Forget about tourists not worth it (1)

VERBATUM GENERAL COMMENTS

Happy with rate rise if services and infrastructure improve (5)

- Very hard to determine appropriate rate rise without getting into the detail of the budget. Am happy for rates to increase above CPI if there is a meaningful increase in either capital works that provide long term benefit to ratepayers and/or service levels, with more delegation to appropriate level of Council officer and ensuring that internal processes add value and/or real oversight (rather than somebody simply signing off on what is put in front of them) to help reduce costs
- You need people to deliver services
- I think it is fine to increase rates to meet service and capital works needs. rate rises have been too low in the past
- Obviously we want to see (dream of seeing!) improved service and a more positive and proactive approach from Council to new initiatives, and are quite happy to support CPI++ level of rates increase to see these come to fruition
- Rates should go up if we want better services

Continued rates rises are not sustainable through time (5)

- A thoughtless increase
- The shire's solution > we just increase rates! That is not sustainable
- Councils should aim to provide services within the level of inflation.
- I feel unable to provide an opinion as do not know where overspending could be cut without penalizing community services. But would ask why our rates are rising at this level?
- 25k approx rate payers 300 plus staff unsustainable \$1.7m recent increase in wages

Proposed rate rise far too high (4)

- Current planned increase exorbitant - prepared for a small increase, but not all at once. Try all measures to reduce costs over time
- Shires bordering our shire are able to manage with considerably lower rate increases. ...7.5% is way too much!
- think the Council needs to consider that there are people that are on low incomes that are struggling to pay mortgages that will be sadly hit
- Prepared to support smaller rate increase than that proposed

Implement better community engagement (3)

- Community Engagement is no use if action is not taken. Whilst the listening is important, the real communication does not happen because the Council does not realise it is there solely for the purpose of the ratepayers, not themselves or their rules or their control. Kieran Kennedy broke this mould when he listened and acted on the Coal Seam Gas concerns - far more of this is necessary. Too much complacency.
- The reason I" say that Council community engagement has been very poor, is because, those providing the rates aren't happy to continually get robbed like happens at the moment.
- engage local communities in setting priorities for capital works and services -but clearer focus on outcomes - not the current community plan process which involves marginal projects mainly reduce focus on sealing rural roads which only support small number of residents I do not support reduction in service levels as they are not high compared with other LGA's so need to increase productivity and efficiency

Everyone needs to pull their belt in (We are a rural shire!) (3)

- Everyone is cutting cost, and it is just easy to put up your cost? This is why people stop spending in the private sector because of poor management in the public sector! Have a hard look at yourself as a shire? you were vote in to make it better and these costs are being wasted on existing dead wood
- Cut your suit to the size of the cloth annual rate increases and like 7.5% not sustainable especially in the agriculture sector. I do believe we are a rural shire !!!!!
- Keep the rates to CPI increases and maximise the performance of the existing staff and equipment.

More Equity in services for all parts of the Shire (3)

- We don't receive many services here in Mount Eccles if you reduced the services heaven knows what the roads would be like, No rubbish collection in fact nothing at all which benefits us here in Mount Eccles. Keep complaining for no result - feel much neglected for the \$2000 rates!!
- The community of Mirboo North needs to have an increase in service levels. There is an inequitable distribution of assets in the shire. Leongatha has Splash and there's provision in the budget for a hydro therapy pool. So the residents in Leongatha have their cake and potential icing, while the residents of Mirboo North have to justify why we should be entitled to keep 'our cake'. All ratepayers should be treated EQUAL.
- We have seen a major reduction in service levels to our area (Sandy Point) as rates have increased significantly

State Government should contribute to superannuation (2)

- Get the state government to fulfil their obligations and pay for the superannuation of the employees of the local Councils employees eligible for those payments prior to the state shire amalgamations - pretty simple!!!!
- Don't fix the super stuff up with our money that will bail me out if I don't pay my staffs super?

Services levels not good for the high level of rates (2)

- I think it is fine to increase rates to meet service and capital works needs. rate rises have been too low in the past
- It is hard to justify the proposed increase of 7.5% for the services provided.

Local Government charges rising faster than wages (2)

- The reality is that people's wages are only going up by 2 to 3 %, but State and Local government charges are going up 3 to 10 fold every year, not to mention electricity prices, etc. That is not sustainable for the average person.
- % is wrong 2.5 is enough we must rain in all spending the party is over and as a

Don't cut services (2)

- There are so many opportunities to improve efficiencies and productivity and save money that our focus should be on those ... not on cutting services.
- I think that rate rises along with increases in energy, fuel and general costs of living are inevitable. I believe that Council should focus on providing a high standard in all services it delivers. I pay rates, but to me they are just another bill that needs to be budgeted for. I would like my elected Councillors to debate decisions on my behalf.

Restore free Green waste

- There should NOT be any charge for green waste disposal at Walkerville [or elsewhere].It is a pathetic, irritating gesture that would only lead to less clearing of fire hazards or more dumping on the roadside etc.
- Transfer station is inadequate as it does not take all green waste free of charge which can only lead to an increased fire hazard. If we are to pay for green waste disposal perhaps the Council could provide each rateable property with three free tip vouchers after all we get very little else for our rates.

City rates lower than South Gippsland rates (2)

- I live in the best part of Canterbury and the rates are proportionally miles lower than Sandy Point for much greater service
- Over those years I have seen the rates go up to what I would say was an astonishing amount of money and now outweighs our rates in Melbourne by 200%,

Unhappy with Council's conservation efforts (1)

- I am sick of spending my time on volunteer work to keep protect endangered remnants of indigenous trees. I am horrified that your Council ignores the obligation after clearing land for wall to wall home which invade others privacy and the lack of effort by Council to replace the removed plants. Many of these are speculation homes with land held by a local real estate agent and the rates collected from this area are not put back. Profit from Tarwin Valley is not justified unless you look after the reason we live here. Animal habitat and deaths of wombats requires a full time ranger - that is what we would like. Apart from the Pipi collectors. We had to fight that Council tooth and nail to retain what is the major carbon sink our Coastal Peat and Wetlands - just now being recognised by the educated few.

Arts Community doing a good job (1)

- The arts communities are doing a fabulous job - the recent Sea Change festival including cultures in a pop up gallery in Ray Dower's mechanic shop!!!), the 'Something for Kate' silent auction which raised over \$15,000 and the Fish Creek Tea Cosy Festival.

Satisfied with management it has improved recently (1)

- I am satisfied with current management and improvements in recent years

Community services provide social cohesion

- 2 services need to continue they provide social cohesion in our community

VERBATUM SUGGESTED SOLUTIONS

Restructure and reduce the number of Managers and Directors-top heavy. (14)

- The CEO & Managers should take a pay decrease for failing to control the staff costs.
- I don't see any value in increasing management structure. We pay very high rates as it is.
- Review of staffing, tendering and management structures.
- Employing too much management in proportion to productive staff is inefficient
- It is time for a review of the management structure
- There is a deep and growing concern in the community about costly inefficiencies at management and operational level that, if dealt with, could deliver improved outcomes and valuable cost savings why have Councils become so top-heavy with management and administration?
- Can't solve it put on another manager call in some consultants pleasssse !!!!!
- Councils administration needs to be streamlined with less managers
- Start at the top and work down. Administration is usually a title used by a person in a company that really doesn't have a job!! The shire is to top heavy so fix it just like Murray Goulburn
- Council should be leaner and meaner as all organisations strive to do. There comes a point with taxes that people just can't pay. That's what's happened in Europe
- Reduce the amount of Managers/ salaries in Council. It's too top heavy and inefficient. Charge those living outside the Shires limits to dump green-waste at the Transfer stations. Give those within it, when pay rates, a car sticker or number of free passes a year .We are fed up with paying more money for less services... And let's not start about the roads.....
- Reduce number of senior staff and salary packages offered
- Review of staffing, tendering and management structures.
- Why have Councils become so top-heavy with management and administration?

Shared services approach (5)

- Shared resources with other Councils were a good suggestion, especially with staff.
- Sharing resources and minimising unnecessary administrative processes and approvals are very attractive and worthwhile but am unsure of how significant a contribution they would make
- Shared services only if it doesn't cost the earth and create more managers
- Possible amalgamation of some services where usage is low. Lateral thinking of how a particular service can still be provided in a more cost effective manner
- Shared services as a preliminary to eventual amalgamation would probably assist both over the long term.

Streamline and reduce staff- make them more productive (11)

- Reviews are a waste of time. Get the CEO into a meeting, tell them that head count is to go down by "X" over coming year, same with other costs, he'll know where the money is currently being wasted.
- The best thing is to cut the staff costs. Our CEO has not done a very good job so far & he needs to lift his game & show some leadership to staff & ratepayers
- Consider there are too many staff, every week there seems to be an advertisement for a position which seems to be unnecessary
- Make staff more efficient and reduce the numbers South Gippsland has nearly as many staff members as the Councils' in Melbourne have and the population here is nothing like what it is in Melbourne. Every time I ask why the rates are so high I get told we haven't the population they have in Melbourne - so why do we need so many staff members??
- Streamline the number of staff the Shire has, there are a lot of positions there that get paid a lot more than anywhere else in Leongatha.
- Cut Council staffing levels
- Reduce staff numbers at Council.
- Less staff at Council offices
- Control Staff numbers and wages
- A review of the Council Staffing/Processes would be a priority as there could be underperforming staff or excessive salaries paid for little value
- I believe updating the administration would be a cost saving. My experience with Council suggests administration could move into the 21st century. This would save time, frustration and money.

Minimise the use of Consultants (11)

- Hiring of outside consultants for 'tick the box' exercises at a great cost to the communities, just because State and Federal money is available, and then shelved, i.e.: ageing in the community, town infrastructure planning and work, employment and tourism.
- Also perhaps spend less \$\$'s on speculative planning (e.g. Leongatha Railway station precinct) and expensive consultants
- As a consultant I have been paid well for undertaking research and planning projects that have been nothing more than a 'tick the box' activity that went nowhere and sat collecting dust on someone's shelf. A total waste of money.
- Can't solve it put on another manager call in some consultants pleasssse !!!!!
- Minimise use of external consultants (expensive!!) to tell Council things that locals could have told them. e.g. Consultants to 'review services' would be an unnecessary expense. How would the population be attracted? If new residents are all on Govt support/pensions can't see it helping curb rate rises??

- Reduce consultants reports (surely there are sufficiently experienced Council staff to fill some of those roles), feasibility studies and the like.
- Do not engage consultants
- How much work is undertaken by external consultants - are there opportunities to have much of this undertaken by contract staff employed for specific projects, would have added benefit of increasing in-house knowledge and skills.
- Review the amount being spent on 'no outcome' consultation processes
- Money must be used effectively. Endless use of consultants on projects that have no budgets must stop. Council must direct money and effort to projects that are within its budgetary means
- It is concerning that reviews seem to be expensive exercises and do seem to focus on the few amenities available in small towns...e.g. libraries and pools. There appears to be little or no reviewing of efficiencies within Council itself. Talk of expensive hubs and even a new Council building from time to time suggest a total lack of connection to and empathy with ratepayers.

Close Coal Creek: - Too much money spent on Coal Creek (8)

- Over the past few years the Council has spent too much money on Coal Creek & needs to spend more in other parts of the Shire.
- Coal Creek is a lame duck that has been drip fed funding for years. No Govt. or Council has the intestinal fortitude to close it, and take on the small, vocal minority who wish it to continue. The money could be better spent elsewhere
- Close Coal Creek it's a waste of money
- Coal Creek and caravan parks should be sold to private operators. If this is not possible then close them
- Coal Creek study was poorly run and could have generated many more sustainable ideas if the community had of been listened to, and not some of the grandiose ideas of the researchers. The historical precinct is good the rest either too ambitious in scope, poorly conceived or wrongheaded. Go back to our strengths - proximity to the growth areas of Melbourne, tourism, food production and natural bio resources as the basis for growth
- Stop funding Coal Creek - it sucks the life blood out of local business.
- I do not agree with the proposed investment in a fancy restaurant/ light show/ electronic information for Coal Creek. Doesn't fit the environment/ community- likely more money wasted. The current approach of additional community group usage of the park, plus more (paying) community activities using the park, plus entry charge and improved café facilities is more likely to help matters.
- Allowing private investment in a school camp development on the land may be a good idea, but Council directly funding the development is financially risky.

Zero based budgeting: - Review all services and programs (10)

- But in hard times you need to cut waste, put in programs for growth and hold the course to achieve the goals that are set out. I would suggest a cost benefit audit of services and infrastructure spending to determine I would suggest a cost benefit audit of services and infrastructure spending to determine which areas are essential to maintain the regions capacity to attract growth and more non essential will need to be cut perhaps with assistance so that they may be able to find private or non profit organizational assistance.
- There may be some service facilities that can reduce costs whilst maintaining service The Bass Coast Shire Council is doing a review re costs - so too should South Gippsland levels?
- I believe it is possible to cover that 4% rise by implementing option 4 (streamlining, but not drastic) and efficiency overhauls in the delivery of services.
- There are so many opportunities to improve efficiencies and productivity and save money that our focus should be on those ... not on cutting services.
- There would be minimum need to increase rates, if the shire worked affectively and spent money where it was needed
- Maximise service efficiency through an open and transparent review process that is available to all rate payers through reports issued with rates and on request.
- There appears to be little or no reviewing of efficiencies within Council itself
- Doubt costs can be reduced by enough amounts to impact budgets to the degree required.
- There seems to be little accountability and quality control to ensure that plans, decisions, policies etc are followed through
- We understand that Bass Coast Shire is reviewing ALL staffing levels and services provided. This Shire should also undertake an independent review of ALL staffing and service provision/delivery with a view to reducing oncost, allowances, and tenure. Perhaps a restructure is necessary - even as in other states a review of the viability of smaller municipal boundaries in this state. i.e. should we reduce the size of the

Review staff numbers. Staff number keep expanding (7)

- It seems to be that Council staff numbers have increased out of control over the past 5 years.
- Money seems to be no object for Council employees....jobs are created too freely and perks too frequent
- I believe staffs are paid extra in this shire to compensate for the isolation?
- Reduce staff numbers at Council
- Reduce staffing levels to a minimum to contain costs
- Reduce Council staffing, do we really need a CEO?
- Review of staffing levels. Accountability of expenditure.

Council needs to be more entrepreneurial to diversify revenues and reduce costs (5)

- What are the Council services doing to be entrepreneurial?
- Become an Energy Provider and build infrastructure to deliver income back to the community
- Spend money to make money, i.e. develop key regional assets including the rail trail. Increase staff training. Develop a long term plan for the region, not knee jerk reactions to the concerns of the big mouthed small minds
- Look for ways of increasing revenue e.g. user pays for discretionary services, Shire operate facilities e.g. Coal Creek, Caravan parks as you are already doing.
- Council needs to be conducted with a more strategic business approach. The Executive team needs to cooperate with Council in reducing costs through innovation and real productivity measures

Spend less on bureaucracy and office-based staff - decrease numbers & staff benefits (5)

- Maintaining current levels could be obtained without rate rises by cutting the current staff levels and payroll
- I don't know of any other organisation that is so top heavy with administrative staff. Cut the red tape, cut the paper shuffling and reduce inefficiencies between departments which in turn should mean cost reductions across the board
- I do not expect a reduction in rates, but I do expect value for money. Too much bureaucracy & paper shuffling, not enough on ground action.
- Less people standing around on job sites and better management of resources
- There is a surfeit of desk staff and not enough ground staff - too much talk and too little action.

Fix the roads properly the first time (4)

- One big expense is the repair of roads. Fix the roads correctly the first time instead of putting a bandaid on the surface, only to be doing it again within a month.
- And the shambolic way that our roads are repaired - and need to be re-repaired within 12 months - is a total waste.
- when the shire does repairs to the roads DO IT RIGHT ONCE
- cut back on dodgy repairs they are a total waste of money

Fewer Councillors less catering (4)

- Fewer Councillors No paid 'receptions' for 'dignitaries' Councillors pay for own meal catering No farewell dinners for Councillors
- reduce the number of Councillors Council is not an employment agency
- Councillors pay packets
- Reduce Councillor's freebies as a show of your commitment (meals, alcohol car allowances discretionary funds etc.

Better procurement (3)

- Has the cost of capital works been compared to other Councils / statutory bodies / private industry to look at options for reducing tenders and/or alternative tendering arrangements where the benefit of reduced actual costs compared to tender costs are shared equally between successful contractor and Council?
- Is there a consistency across the whole of Council in the way works are undertaken (e.g. contracts, accredited contractors, standards of workmanship, etc) and are there any opportunities in this area. Thank you for this opportunity, it is greatly appreciated!!!
- Review of staffing, tendering and management structures.

Time to be more innovative and creative (2)

- Now is the time to be creative and for the SGSC to show some leadership - not the hand-wringing buck passing they did on the pothole saga, or the Stony Creek battery hen farm (NOT the 'way of the future'). There are too many excuses made: 'not our problem' rather than 'it IS our problem and we will lobby and make a noise and advocate for you our rate payers' - remember the initial dismissal of the Coal Seam Gas concerns? . What are other small Councils doing? Maybe it's time to amalgamate????
- Grasp innovative ideas early, look at developing energy resources from renewable sources (e.g. cow manure), promote cycling to reduce wear and tear on roads, promote team work and working with the Council rather than opposing it, not working as a team with Council (which is always going to be there) wastes time and money and causing disillusionment.

Cut unnecessary expenditures get back to basics (3)

- Scrap Councillor discretionary fund * Cut back on cost of running the Council, inc
- You guys need to go back to the basics in tougher economic times. Funding allowances, expenses and hospitality
- Times are hard remove overheads that are not meeting there KPI

Competency and expenditure (2)

- I see no need to keep raising rates if monies are spent wisely and are not wasted on Unnecessary items
- Better management of funds, less waste on redundant items and reviews

Spend on 3 R's rates, roads and rubbish only basic services no frills (2)

- Reduce funding to arts, bands and other non infrastructure activities. Council should only concentrate on roads, rubbish and other infrastructure.
- We now want Council to concentrate on providing the necessary and basic services. No frills!

Reduce car fleet (2)

- A need to reduce the Council fleet of cars by car pooling. 400 employees don't need 100+ cars e.g. Murray Goulbourn, Leongatha have similar staff numbers and how many of their employees have company cars?considerably less cars
- get rid of 3/4 of the Council cars that just sit there all day

Reducing Capital works

- Preferred approach reducing capital works
- It is time for a review of non - care services

Avoid duplication

- Avoid duplication which is apparent

Rise is above CPI

- CPI is currently 2.5% NOT 4%

CEO determining staffing

- Role of Council is NOT determining the staffing\

Pressure VIC roads

- The shire really needs to put pressure on Vic Roads via the State elected politicians to update poorly lit and marked intersections around the Shire.

Attracting business and investments

- We need to make it attractive for new business and investment so as to boost the population and therefore rate base. It is dangerous to cut services and infrastructure at the same time as trying to induce new residents and businesses to come to the area

Reduce tourist staffing

- Reduce office staff and tourism promotion as this is mostly done online now

Invest in local farming

- Invest in the local farming communities. Make it easier for them to employ people, cover cost of farming, and the rest will follow... Start from the grass roots!!

Amalgamate bass Coast and South Gippsland Shires

- A better way forward, is for the shires of South Gippsland and Bass Coast to amalgamate.

Increase pensioner discount

- Pensioner the discount is also is too small this must be increased our pension is too small to afford any increases in anything.

Attract more businesses

- Get more viable business into town so the rates are evenly distributed. Have a reasonable rate charge taking into consideration the properties involved

User pays charges

- Charge rates based on the consumption of Council services not averaged out across whole community.

Tighter control of spending

- There appears to be many areas within Council where cutbacks could easily be made. E.g. general shire expenses need to be more tightly kept in check....money seems to flow very freely without considering the need to budget .e.g. catering at public meetings, catering for volunteer celebrations...not expected or required! Huge amounts appear to be spent on office furniture ,computers and fittings...yearly

Rationalise services and facilities

- Consolidate duplicates facilities - e.g. number of under-used halls in various towns.

More emphasis on environment versus development

- More emphasis on environment as opposed to growth of housing/population & infrastructure for the sake of infrastructure

Rising expectations and costs

- we expect more so we have to participate more financially

Community needs and seeking grants

- More emphasis on community needs. A strategic approach to obtaining grants for community projects/services.

Caravan parks short term residents only

- Caravan Parks short term only, no permanent residents.

Better advocacy

- What I would recommend is running training courses in advocacy for all Council staff i.e. how to advocate on behalf of their employers i.e. the ratepayers, to State and Federal governments

Developer contributions

- A bit of lateral thinking about increased developer contributions that will have the effect of attracting higher quality sustainable development

Creating inflation through expansion of services

- we are creating inflation by increasing services

Shire should change its direction to attract retirees and associated business

- This Shire should be in the retirement business being so closely located to Melbourne. This will be a big industry in the coming 30 years! Allow people to settle down and enjoy their retirement! It is all income for the shire. It is time that the shire completely changes its direction. The Housing Settlement Strategy continues that old thinking

Explore renewable energy

- Have small scale renewable / energy conservation projects been investigated, such as solar panels on the roofs of Council depots, connecting light switches to motion sensors, etc

Allow farmers to dump on own property

- Just keep services simple allowing land holders to do basic service jobs and allowing refuse dumps to continue at various points so landholders can maintain their properties with minimal cost and outlay.

Don't sell open space land

- sell the less than 1% of open space down here (Venus bay)

Libraries need to be more proactive

- The libraries need to wake up and be more proactive - what about a book/author festival?

Consider shire partnerships for Conference/Tourist facilities.

- Would like to talk to you are a facility like the EDEN environmental tourist/educational facility in Wales. Some might think too big for South Gippsland, but it could be a major attraction and income source.

Forget about tourists not worth it

- Forget about tourist all they generally do is pick up a free cuppa at the SES on the way through on a long weekend or spend money at McDonalds that employs local minors for minimal wages. Their wages have minimal impact back into the local economy. Local business have started and grown on a supply of local work not from tourists. Look after what you already have and until you can do that don't bother encouraging more people into the area. Because if you milk 200 cows and can't handle it why would you try and milk 300 that aren't EVER going to pay their way!!

VERBATUM COMMENTS POPULATION INCREASE TO ASSIST BECOMMING MORE FINANCIALLY SUSTAINABLE

Concern about population increase

- will lose rural character and cost more money
- Extra population means extra money will need spending on services for them & maintaining extra wear & tear on infrastructure & extending infrastructure. Will also lose rural character.
- population growth creates only more demand which yet has not been met to date and often only centralises expenditure leaving the rural areas behind Hence unsustainable Grows a bigger public service
- As with so many things, qualifications are needed - increasing population may increase taxpayers but they may rent property, live in share housing etc and may not end up as more ratepayers.
- ...and as previously written, growing the population may better be done through amalgamation.
- The population myth is the one that is sending quality of life down the gurgler - for 90% of the year at least 1200 homes are empty here.
- How can you grow the population to 40k without providing/expanding existing services? The more the population, the more servicing required, which in turn means that rates would have to go up initially to provide the necessary infrastructure increases.
- we base population growth to inflation no population no inflation easy
- Growing population simply puts more pressure on Council requirements for more services, infrastructure & ongoing maintenance requiring ever more rate rises just to keep up. This then leads to a push for more development. None of this accounts for environmental sustainability, water supply (of which there is precious little in South Gippsland Shire.) There needs to be a paradigm shift away from growth at any cost (usually environment). Let's work with what we have and work towards a much more sustainable lifestyle that includes environment, climate change a respect for our natural environment.
- With the growth of the population comes the need to increase the infrastructure of new builds. The present growth rate of Leongatha is correct and manageable. Planning for 40,000 is not possible in the next 30 years considering the stats of the last 10 years.

- It seems pointless to grow the population to curb rate rise to find we have increased the servicing liability with people with an unrealistic expectation which eventually leads to an increase in rates. Nb. Increased population will lead to increased friction between the rural communities and the incomers and add greater pressure on farm land. There will be a greater demand for rain fed farm systems, which our shire can meet but which will be put at risk or at least made more difficult if we thoughtlessly increase our population.
- need to ensure appropriate infrastructure to support population rises and I do not support growth in farming/rural areas
- If people want the population density which can support low rates and high services then they should stay living in the city and just come here for holidays! Rapid population increase is unsustainable and will ruin the very reason most people are here. It's the lazy politician's way of making things appear better.
- Why grow population to create even more demand on already struggling services and infrastructure?
- Population growth is a vexed issue. Already in Australia we have stuffed the land, rivers, streams and oceans with the population that we have. Our native wildlife extinction rates are a global disgrace. Our ability to grow food is increasingly under pressure. Being financially sustainable is only part of the equation ... it's the short-term equation ... being ecologically and environmentally sustainable is what will ensure our viability into the future. If we can do that with an increased population in South Gippsland then that's good, but doing it without taking the triple bottom line into account is criminally flawed.
- I would like to know how growing the population to 40,000 will make us financially stable when we don't have the infrastructure, jobs etc to warrant that comment. Ridiculous!!
- Population growth will not curb rate rises, you still have to provide infrastructure for the new population and responsibility for the cost of infrastructure rests with Council.
- I think that increasing the population in such a productive area is the wrong way to go as our food growing areas are already disappearing thanks to over population

40,000 people good for economic and social sustainability

- However I do not believe in a massive increase in population. 40,000 sound a good number for economic & social sustainability.
- I am not sure that Korumburra has the infrastructure at this stage to support a larger population.....parking, shopping, medical, etc. But this beautiful town is worthy of a bigger population and better facilities to support it. In the 14 years I have lived in the area the housing expansion is evident but the facilities in the town have declined.....the sale yards site is still a huge deterrent to the image of Korumburra although I must say the roadside area opposite with the tree planting is beautiful. The fact that I say no opinion is that I am not sure of the current population and how much of an increase would be required to reach 40,000. I have had a long time dream of Korumburra becoming the restaurant strip for Gippsland.
- Encourage rural living would increase rate income, and smaller town living instead of concentrating growth in major towns.
- If population growth were to be in town/city areas, I think I would have no objection.
- There needs to be a discussion within the Shire for each town to have an opinion on where growth takes place and how many people are desired by each town.
- Allow houses to be built on land smaller than 40 hectares and you'd increase your rate base. This would also increase the productivity of hilly land in the Strzelecki's for small scale agriculture / horticulture. This land is presently almost entirely changing over to beef or sheep fattening. On the Bena-Kongwak road there were 25 dairy farms between Twite's Road and the South Gippsland Highway in 1975, now there are only 3. All other have gone to beef or sheep fattening. On all the properties on this stretch of road only five have children who have taken up farming, on the family farm. The others watch their parents working year in and out for an average wage of \$30-40K and think they would like to spend their lives more comfortably by taking up other professions. There are no young farmers, the land owners and farmers are aged between 55 and 95. Who will farm the land? Since I moved here 13 years ago there are properties in this that have been advertised for sale for 8 years without any buyers,
- Council MUST become more pro development, having due regard for the level of economic prosperity of the farming community whilst encouraging job opportunities and small business development.
- By promoting all types of development within our area. Control lengthy delays experienced by all developers to allow population growth, which would create a larger rate base. A more positive approach to encourage industry to our area. Councils answer to rectify poor performance in many key areas is not to increasing efficiency but simply hire more staff. Give confidence back to the people that voted all Councillors in.
- treat our smaller towns and outlying communities as a strength
- At the moment Council is known for its culture blocking ideas as opposed to enabling progress. It thinks of everything in terms of how much it will cost to maintain and say NO. We need (a) to change the NO culture and (b) to change the attitude that Council needs to do everything in isolation. We appreciate that state and local government feed off each other, but there are other partners that we could work with to achieve outcomes. The bottom line is that WE CAN DO MORE if only we are only open to the possibilities. We need to become a 'Can Do' shire and a shire that is genuinely committed to sustainability

Cr Brunt addressed Council regarding attendance at:

- **Meeting at Spring Street with the Mayor, CEO and Mr Peter Walsh MP regarding the Loch, Nyora reticulated sewerage scheme and noted that it is a matter of time when the scheme will be implemented.**
- **Parliament in Canberra to lobby Ministers was a success.**
- **Korumburra Farmers Market and noted the Korumburra Secondary School program that supports children learning.**
- **Meeting regarding Milpara Community Centre Korumburra extension and noted the extensive services offered by the community centre; including a food bank through support by IGA Korumburra.**

Cr McEwen addressed Council regarding attendance at:

- **Youth Council Advisory Committee meeting.**
- **Pool Meeting.**
- **Housing and Settlement Strategy meeting.**
- **Coal Seam Gas meeting at Kongwak.**

Cr McEwen noted that with the new era of social media he and Cr Hill undertook a “Council Budget survey” with good response rates and hoped that Council would conduct the survey next year and was pleased that Council is getting together a social media policy. Cr McEwen noted some of the results of the survey.

SECTION B - NOTICES OF MOTION AND/OR RESCISSION

B.1 NOTICE OF RESCISSION NO. 656 – DIFFERENTIAL RATES 2014/2015

PURPOSE/INTRODUCTION

The justification of Differential Rates is a statutory requirement set out in the *Local Government Act (1989)* for all Councils using the Capital Improved Valuation system for the valuing of land.

I am of the opinion that not all Councillors understood the intent or potential ramifications of the Not of Motion B.1 Differential Rates 2014/2015 – passed by Council on 22 May 2013. The Ministerial Guidelines must be addressed by Council to address the objectives of equity, fairness and capacity to pay.

The proposed Steering Committee that would consist of representatives from key stakeholder groups, whom as individuals may benefit or be disadvantaged by the Committee's recommendations to Council, does not allow for independent review, analysis of the available data and objectivity in the recommendations that will inform the decision to be made.

This approach creates a major risk for Council if the resulting recommendations are perceived by the broader community to be a failure of good governance due to a lack of independence and objectivity within the review. The risk is that Council's image may be tarnished due to a flawed process.

Council has to review its Differential Rates to align with the Ministerial guidelines. To achieve this requirement Council has established an action in the Draft 2013-2014 Annual Plan to review the Rating Strategy, which includes the Differential Rates. As the justification of Differential Rates is a statutory requirement of section 161 of the Local Government Act, Council needs to get the process correct to achieve the right outcome for Council and all ratepayers.

MOTION

I, Councillor Lorraine Brunt, advise that I intend to submit the following motion to the Ordinary Council Meeting scheduled to be held on 26 June 2013.

MOVED: Cr Brunt

SECONDED: Cr Davies

THAT THE FOLLOWING MOTION IN RESPECT OF ITEM B1 CARRIED AT THE ORDINARY MEETING OF COUNCIL HELD ON 22 MAY 2013 BE RESCINDED -

THAT COUNCIL:

- 1. SET UP A COMMITTEE IN JULY 2013 COMPRISING OF 4 MEMBERS OF REPRESENTATIVE GROUPS IN THE COMMUNITY (I.E. COMMERCIAL, INDUSTRIAL, FARMING AND RESIDENTIAL SECTORS), THE MAYOR AND THREE COUNCILLORS TO INVESTIGATE AND PROPOSE A WORKABLE MODEL FOR DIFFERENTIAL RATES BASED UPON THE VICTORIAN GUIDELINES.**
- 2. DURING JULY- DECEMBER 2013 DEVELOP A WORKABLE MODEL FOR DIFFERENTIAL RATES CONSIDERING THE VICTORIAN GOVERNMENT GUIDELINES AND FEEDBACK FROM THE COMMITTEE. THE MODEL IS EXPECTED TO FULLY DETAIL AND JUSTIFY THE VARIOUS DIFFERENTIAL RATES SET FOR THE CATEGORIES PROPOSED USING THE COMPARATIVE PRINCIPLES AND EQUITY PRINCIPLES AS DETAILED IN THE GOVERNMENT PAPER ON DIFFERENTIAL RATE GUIDELINES.**
- 3. THE COMMITTEE TO PRESENT ITS FINDINGS AND RECOMMENDATIONS TO COUNCIL FOR CONSIDERATION IN THE DEVELOPMENT OF THE COUNCIL'S BUDGET 2014-2015 PROCESS."**

THAT THE FOLLOWING MOTION IN RESPECT OF ITEM B1 CARRIED AT THE ORDINARY MEETING OF COUNCIL HELD ON 22 MAY 2013 BE RESCINDED -

THAT COUNCIL:

- 1. SET UP A COMMITTEE IN JULY 2013 COMPRISING OF 4 MEMBERS OF REPRESENTATIVE GROUPS IN THE COMMUNITY(I.E. COMMERCIAL, INDUSTRIAL, FARMING AND RESIDENTIAL SECTORS), THE MAYOR AND THREE COUNCILLORS TO INVESTIGATE AND PROPOSE A WORKABLE MODEL FOR DIFFERENTIAL RATES BASED UPON THE VICTORIAN GUIDELINES.**
- 2. DURING JULY- DECEMBER 2013 DEVELOP A WORKABLE MODEL FOR DIFFERENTIAL RATES CONSIDERING THE VICTORIAN GOVERNMENT GUIDELINES AND FEEDBACK FROM THE COMMITTEE. THE MODEL IS EXPECTED TO FULLY DETAIL AND JUSTIFY THE VARIOUS DIFFERENTIAL RATES SET FOR THE**

CATEGORIES PROPOSED USING THE COMPARATIVE PRINCIPLES AND EQUITY PRINCIPLES AS DETAILED IN THE GOVERNMENT PAPER ON DIFFERENTIAL RATE GUIDELINES.

- 3 THE COMMITTEE TO PRESENT ITS FINDINGS AND RECOMMENDATIONS TO COUNCIL FOR CONSIDERATION IN THE DEVELOPMENT OF THE COUNCIL'S BUDGET 2014-2015 PROCESS.**

CARRIED UNANIMOUSLY

B.2 NOTICE OF MOTION NO. 657 – RESPONDING TO THE MINISTERIAL GUIDELINES ON DIFFERENTIAL RATES

PURPOSE

Council is required to review its Differential Rates to align with the Ministerial guidelines. To achieve this Council has established an action in the Draft 2013-2014 Annual Plan to review the Rating Strategy, which includes the Differential Rates. As the justification of Differential Rates is a statutory requirement of Government it is imperative that Council develop a process that achieves the right outcome for all land use categories.

A good governance framework needs to be established for this project to ensure that the review is conducted in an objective, fair, unbiased and transparent manner. If this is not achieved, Council risks a tarnished reputation and image.

MOTION

I, Councillor Lorraine Brunt, advise that I intend to submit the following motion to the Ordinary Council meeting scheduled to be held on 26 June 2013.

“That Council:

- 1. Instruct the Chief Executive Officer to prepare a report for presentation at the 28 August Council Meeting that examines the intent and requirements of the Ministerial Guidelines for Differential Rates and sets out the following:**
 - a. An appropriate good governance framework for the Rating Strategy project.**
 - b. Terms of reference for a Steering Committee made up of interested Councillors, relevant Council Officers and up to 4 community members to oversee the project.**
 - c. Identify information sources and relevant data that can inform the review in regard to capacity to pay, equity and fairness and how the various objectives for the differentials can be justified.**
 - d. Outline an engagement process that allows various stakeholders to participate by providing submission into the review.**

MOVED: Cr Brunt

SECONDED: Cr Hill

THAT COUNCIL:

- 1. INSTRUCT THE CHIEF EXECUTIVE OFFICER TO PREPARE A REPORT FOR PRESENTATION AT THE 28 AUGUST 2013 COUNCIL MEETING THAT EXAMINES THE INTENT AND REQUIREMENTS OF THE MINISTERIAL GUIDELINES FOR DIFFERENTIAL RATES AND SETS OUT THE FOLLOWING:**
 - a. AN APPROPRIATE GOOD GOVERNANCE FRAMEWORK FOR THE RATING STRATEGY PROJECT.**
 - b. TERMS OF REFERENCE FOR A STEERING COMMITTEE MADE UP OF INTERESTED COUNCILLORS, RELEVANT COUNCIL OFFICERS AND UP TO 4 COMMUNITY MEMBERS TO OVERSEE THE PROJECT.**
 - c. IDENTIFY INFORMATION SOURCES AND RELEVANT DATA THAT CAN INFORM THE REVIEW IN REGARD TO CAPACITY TO PAY, EQUITY AND FAIRNESS AND HOW THE VARIOUS OBJECTIVES FOR THE DIFFERENTIALS CAN BE JUSTIFIED.**
 - d. OUTLINE AN ENGAGEMENT PROCESS THAT ALLOWS VARIOUS STAKEHOLDERS TO PARTICIPATE BY PROVIDING SUBMISSION INTO THE REVIEW.**

CARRIED UNANIMOUSLY

SECTION C - COMMITTEE REPORTS

Nil

SECTION D – PROCEDURAL REPORTS

D.1 REPORT ON ASSEMBLY OF COUNCILLORS - MAY 2013

Corporate Services Directorate

EXECUTIVE SUMMARY

As part of Council's ongoing efforts to enhance community engagement in Council processes, matters discussed at Councillor Briefing Sessions (other than those matters designated to be of a confidential nature) are reported on at Ordinary Council Meetings.

The matters listed in this report were presented or considered, at either an Advisory Committee Meeting, Councillor Strategic Briefing Session or Public Presentation Session in May 2013.

Copies of responses to written questions presented and asked that were not answered at the meetings will be either provided as an attachment to this report or to a subsequent Council Meeting as is practicable to enable the development of a proper and informed response.

Document/s pertaining to this Council Report

Nil

LEGISLATIVE / ACTION PLANS / STRATEGIES / POLICIES

Local Government Act 1989, Section 3D and Section 80A

COUNCIL PLAN

Strategic Goal:	5.0	A Leading Organisation
Outcome:	5.1	Good Governance
Strategy No:	5.1.3	Community Engagement

REPORT

Meeting Title	Councillors Attending and Disclosures of Conflict of Interest	Topics Discussed
Wednesday 1 May 2013		
Special Committees of Council – review of delegation	<p>Councillors Attending: Crs Newton, Kennedy, Hutchinson-Brooks, Davies and Brunt.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Special Committee Instrument of Delegation Schedule • Primary and Ordinary Returns
Building Asset Management Plan	<p>Councillors Attending: Crs Newton, Kennedy, Hutchinson-Brooks, Davies and Brunt.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed: Council were provided information on the Building Asset Management Plan (BAMP).</p>
Executive Update	<p>Councillors Attending: Crs Newton, Kennedy, Hutchinson-Brooks, Davies and Brunt.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Priority projects
Planning Application – Aldi Leongatha Store	<p>Councillors Attending: Crs Newton, Kennedy, Hutchinson-Brooks, Davies and Brunt.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed: Councillors were provided information on the planning application submitted by Aldi Stores to develop a new store in Leongatha’s town centre.</p>
Gippsland Integrated Land Use	<p>Councillors Attending: Crs Newton, Kennedy, Hutchinson-Brooks, Davies and Brunt.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed: Councillors were provided information on Gippsland Regional Growth Plan.</p>

Meeting Title	Councillors Attending and Disclosures of Conflict of Interest	Topics Discussed
Wednesday 8 May 2013		
South Gippsland VicRoads Update	<p>Councillors Attending: Crs Fawcett, Harding, Newton, Kennedy, Hutchinson-Brooks, McEwen and Brunt.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • VicRoads operations update
Executive Update	<p>Councillors Attending: Crs Fawcett, Harding, Newton, Kennedy, Hutchinson-Brooks, McEwen and Brunt.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Constitutional Recognition • Draft Briefing Timetable
Planning Committee	<p>Councillors Attending: Crs Kennedy, Hutchinson-Brooks, Brunt, Newton, McEwen, Harding and Fawcett.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • VCAT Decisions • Statutory Planning Applications • Strategic Planning Update • Housing Settlement Strategy • Planning Enforcement Strategy
Monday 13 May 2013		
Volunteer Week Celebration	<p>Councillors Attending: Crs Kennedy, Newton, Brunt and Davies.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Launch of South Gippsland Shire Volunteer DVD • Thank you extended for Volunteer contribution
Tuesday 14 May 2013		
Mirboo North Pool Community Consultation	<p>Councillors Attending: Crs Hill and Hutchinson-Brooks.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Draft Pool Master Plans

Meeting Title	Councillors Attending and Disclosures of Conflict of Interest	Topics Discussed
Wednesday 15 May 2013		
Risk Register Review	<p>Councillors Attending: Crs Fawcett, Harding, Newton, Kennedy, Hutchinson-Brooks, Brunt and Davies.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed: Councillors were provided with information relating to the implementation of Council's Risk Management Framework (RMF) and Policy.</p>
Community Grants – Round 2	<p>Councillors Attending: Crs Fawcett, Harding, Newton, Kennedy, Hutchinson-Brooks, Brunt and Davies.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed: Councillors were provided with information regarding the recommended outcomes for the community grants round 2.</p>
<p>Policy Review:</p> <p>Arts and Culture Policy</p>	<p>Councillors Attending: Crs Fawcett, Harding, Newton, Kennedy, Hutchinson-Brooks, Brunt and Davies.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • The policy was reviewed.
Bald Hills Wind Farm - Update	<p>Councillors Attending: Crs Fawcett, Harding, Newton, Kennedy, Hutchinson-Brooks, Brunt and Davies.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Bald Hills Wind Farm situation update

Meeting Title	Councillors Attending and Disclosures of Conflict of Interest	Topics Discussed
Wednesday 15 May 2013		
<p>Public Presentation Session</p> <p>DAY SESSION</p> <p>Mr Ron Brown addressed Council regarding the Turton's Creek Strategic Plan.</p>	<p>Councillors Attending: Crs Fawcett, Harding, Newton, Kennedy, Hutchinson-Brooks, Brunt and Davies.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Presentations were made to Council by the following community member.</p>
<p>Council Agenda Topics 22 May 2013</p>	<p>Councillors Attending: Crs Fawcett, Harding, Newton, Kennedy, Hutchinson-Brooks, Brunt, Hill and Davies.</p> <p>Conflict of Interest: Cr Fawcett left the room with a declared conflict of interest for two items.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Ordinary Council Agenda – 22 May 2013
<p>Executive Update</p>	<p>Councillors Attending: Crs Fawcett, Harding, Newton, Kennedy, Hutchinson-Brooks, Brunt, Hill and Davies.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Priority Projects – updates on Federal Advocacy • Councillor Workshop • Resolution of Council – Essential Services Commission • Leongatha Rotary Masquerade Ball • Special Meeting of Council • Constitutional Recognition Referendum • Nerrena Road Traffic Management
<p>Coal Creek Steering Committee</p>	<p>Councillors Attending: Cr Hutchinson-Brooks.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Draft Coal Creek Development Strategy • Financial impacts – site rationalisation
Thursday 16 May 2013		
<p>Korumburra Pool Community Consultation</p>	<p>Councillors Attending: Crs Newton and Brunt</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Draft Pool Master Plans

Meeting Title	Councillors Attending and Disclosures of Conflict of Interest	Topics Discussed
Tuesday 21 May 2013		
Youth Council Advisory Committee	<p>Councillors Attending: Cr McEwen.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Young people and gambling • Change it up program • 'The Push' event management training
Wednesday 22 May 2013		
Ordinary Council Agenda Topics – 22 May 2013	<p>Councillors Attending: Crs Fawcett, McEwen, Harding, Newton, Kennedy, Hutchinson-Brooks, Davies and Brunt.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Ordinary Council Agenda – 22 May 2013
Public Presentation Session	<p>Councillors Attending: Crs Fawcett, McEwen, Harding, Kennedy, Hutchinson-Brooks, Davies and Brunt.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Presentations were made to Council by the following community members:</p> <p>Mr Chris Pippo, representing Taylors Consulting addressed Council regarding Council Agenda item E.7 - HOUSING AND SETTLEMENT - DRAFT STRATEGY FOR EXHIBITION.</p> <p>Ms Melinda Meade addressed Council regarding Council Agenda Item E.4 - AMENDMENT TO THE HOURS OF OPERATION FOR AN EXISTING HEALTH CLUB 2010/49/A.</p> <p>Mr David Amor addressed Council regarding a petition that he intendeds to submit to Council regarding the future of the Korumburra community hub.</p>
Ordinary Council Agenda Topics – 22 May 2013	<p>Councillors Attending: Crs Fawcett, McEwen, Harding, Newton, Kennedy, Hutchinson-Brooks, Davies, Hill and Brunt.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Ordinary Council Agenda – 22 May 2013

Meeting Title	Councillors Attending and Disclosures of Conflict of Interest	Topics Discussed
Friday 31 May 2013		
Access and Inclusion Advisory Committee	Councillors Attending: Cr Newton. Conflict of Interest: Nil disclosed.	Topics Discussed: <ul style="list-style-type: none">• Municipal Health and Wellbeing Plan• Promoting HACC services• GippsSport update• Korumburra Town Centre Framework Plan• Housing Settlement Strategy• Access and Inclusion Plan• Councillor professional development

RECOMMENDATION

That Council receive and note this report.

STAFF DISCLOSURE OF INTEREST

Nil

MOVED: Cr Kennedy

SECONDED: Cr Harding

THAT THE RECOMMENDATIONS OF ITEMS D.1, D.2 AND D.3 BE ADOPTED.

CARRIED UNANIMOUSLY

D.2 COUNCILLOR DISCRETIONARY ALLOCATION REPORT

Corporate Services Directorate

EXECUTIVE SUMMARY

Each Councillor, subject to an annual budget and in accordance with the Councillor Discretionary Fund Policy, has the discretion to nominate Council funds to community groups and / or individuals in accordance with the guidelines developed for this purpose.

This report details Councillors allocations for the period between 17 April 2013 and 22 May 2013.

INTERNAL POLICIES / STRATEGIES / DOCUMENTS

Councillor Discretionary Fund Policy 2009

COUNCIL PLAN

Strategic Goal:	1.0	A Vibrant, Engaged Community
Outcome:	1.2	Active, Resilient Community
Strategy No:	1.2.1	Community Partnerships

REPORT

Background

The following applications have been allocated funding from the stated Councillor's 2012 / 2013 Discretionary Fund:

- South Gippsland Community House Network: to assist with the operational costs of the South Gippsland Community House Network.

Cr Mohya Davies - \$100

Cr Jeanette Harding - \$100

Cr Lorraine Brunt - \$100

Cr James Fawcett - \$100

Cr Andrew McEwen - \$200

Cr Don Hill - \$100

Cr Hutchinson-Brooks - \$100
- Welshpool and District Advisory Group: to assist with costs of purchasing and installing a hot water system at Welshpool Opportunity Shop and Nursery.

Cr Jeanette Harding - \$600

- Meeniyah Golf Club Inc: to assist with costs of purchasing a new Defibrillator.

Cr Andrew McEwen - \$200

- Poowong Amateur Swimming and Lifesaving Club Inc: to assist with costs of purchasing netting and tie down ropes which will be used to cover the outdoor pool during the winter months preventing ducks from accessing the pool.

Cr Andrew McEwen - \$200

Cr Lorraine Brunt - \$608

- Bena Community Group Inc: to assist with costs for an event to launch a history book titled 'Stories of Bena - The People and the Country'.

Cr Andrew McEwen - \$100

Cr Nigel Hutchinson-Brooks - \$250

- Poowong Recreation Reserve Committee Inc: to assist with the costs of purchasing a 15 Litre back pack sprayer.

Cr Andrew McEwen - \$100

FINANCIAL CONSIDERATIONS

Each Councillor is allocated \$4,000 from the Councillor Discretionary Fund in the 2012 / 2013 Financial Budget. An additional \$2,000 has been allocated to the Mayor to cover a broader focus across the entire Municipality.

The previous Council had a pro-rata allocation of \$1,300 per Councillor from the 2012 / 2013 Financial Budget for their remaining term within Council. The Mayor had an additional pro-rata allocation of \$650 for his remaining term from the 2012 / 2013 Financial Budget. The remaining pro-rata funds have been distributed to the newly appointed Council in accordance with the Guidelines. This has equated to \$2,818 per Councillor and \$1,800 for the Mayor for the remainder of the financial year.

CONCLUSION

The remaining balances of Councillor Discretionary Funds for the 2012 / 2013 Financial Year as of 22 May 2013 are as follows:

- Cr Mohya Davies - \$258
- Cr Jeanette Harding - \$608
- Cr Kieran Kennedy - Nil

- Cr Lorraine Brunt - Nil
- Cr Robert Newton - Nil
- Cr Andrew McEwen - \$408
- Cr James Fawcett - \$151
- Cr Don Hill - \$2,058
- Cr Hutchinson-Brooks - \$1,768
- Mayoral Fund - Nil

RECOMMENDATION

That Council receive and note this report.

STAFF DISCLOSURE OF INTEREST

Nil

NOTE: The recommendation was CARRIED UNANIMOUSLY as part of a single motion, refer to page 36.

D.3 DOCUMENTS SEALED AND CONTRACTS AWARDED UNDER CHIEF EXECUTIVE OFFICER DELEGATION - MAY 2013

Corporate Services Directorate

EXECUTIVE SUMMARY

Under the Victorian Local Government Act, each Council is a body corporate and a legal entity in its own right. Each Council must have a common seal (like any corporate entity) that is an official sanction of that Council.

Sealing a document makes it an official document of Council as a corporate body. Documents that require sealing include agreements, contracts, leases or any other contractual or legally binding document that binds Council to another party.

Council's Procurement Policy requires that Council be advised of the award of contracts after a public tender process that fall within the Chief Executive Officer's delegation.

LEGISLATIVE/ ACTION PLANS/ STRATEGIES/ POLICIES

Local Government Act 1989, Section 5 and 186

Local Law No. 3 2010

South Gippsland Shire Council Procurement Policy

SOUTH GIPPSLAND SHIRE COUNCIL INSTRUMENT OF DELEGATION TO THE CHIEF EXECUTIVE OFFICER COUNCIL PLAN

Strategic Goal:	5.0	A Leading Organisation
Outcome:	5.2	Active, Resilient Community, 5.2 Systems and Processes
Strategy No:	5.2.5	Risk Management

REPORT

DOCUMENTS SEALED

The Local Government Act 1989 requires that every Council must have a common seal and all courts, judges and persons acting judicially must take judicial notice of the imprint of the common seal of a Council on any document.

Local Law No. 3 2010, Part 9, Section 107 (f) (iv) – The Common Seal of Council, states that 'If the Chief Executive uses the Common Seal in a manner prescribed by sub-clause (c) then he/she must advise Council of such use on a regular basis.'

In accordance with the Local Law, the following are presented to Council as documents sealed in the month of May 2013.

1. Section 173 Agreement of the Planning and Environment Act 1987 between South Gippsland Shire Council and the owner of 12 Ross street, Port Welshpool in relation to Single Dwelling – Seal Applied 6 May 2013.
2. Section 173 Agreement of the Planning and Environment Act 1987 between South Gippsland Shire Council and the owner of 300 Yarragon Road, Wooreen in relation to Subdivision (Boundary Realignment) into 3 lots – Seal Applied 10 May 2013.
3. Section 173 Agreement of the Planning and Environment Act 1987 between South Gippsland Shire Council and the owner of 495 Whitelaws Track, Stony Creek & 32 Moyes Road Stony Creek in relation to 2 lot Subdivision (Boundary Realignment)– Seal Applied 29 May 2013.
4. Contract SGC13/20 between South Gippsland Shire Council and LifeWorks Relationship Counselling and Education Services in relation to Delivery of Learning and Development Programs - Seal Applied 31 May 2013.

CONTRACTS AWARDED UNDER CHIEF EXECUTIVE OFFICER DELEGATION

The Chief Executive Officer's delegation of power from the Council allows the Chief Executive Officer to award contracts up to the value of \$250,000.00 (inclusive of GST) after a public tender process subject to the exercise of this power being reported to the Council meeting after the contract is awarded.

All of the legislative requirements of section 186 of the Local Government Act 1989 and the requirements of Council's Procurement Policy were met in respect of the tender/s.

Procurement Policy requires recording in the Council minutes all contracts over the statutory threshold set out in the Local Government Act 1989 (\$150,000.00 inclusive of GST for goods and services and \$200,000.00 inclusive of GST for works) for a public tender which shows the contracts purpose, a brief description of the goods, services and works that is being procured, the successful tenderer and the total contract price.

There were no Contracts Awarded Under Chief Executive Office Delegation for the month of May 2013

RECOMMENDATION

That Council note the listed documents have been signed and sealed.

STAFF DISCLOSURE OF INTEREST

Nil

NOTE: The recommendation was CARRIED UNANIMOUSLY as part of a single motion, refer to page 36.

SECTION E - COUNCIL REPORTS

E.1 **MIRBOO NORTH AND KORUMBURRA POOL MASTER PLANS**

Community Services Directorate

EXECUTIVE SUMMARY

The exhibition period for the draft Mirboo North and Korumburra Pool Master Plans closed on 24 May 2013 with 23 written submissions received. All relate to the Mirboo North pool.

Submissions indicate strong support for a pool in Mirboo North with a preference for it to remain on the existing site. There are a range of views regarding alternate sites and ideas for a new facility.

Council's Strategic Directions for Aquatic Facilities 2012-16 identified that the provision for renovation of the outdoor pools in the Shire would require a partnership approach with the community and was dependent on community fundraising, external grants and/or commercial sponsorship.

The master plans and this early consultation phase provide an opportunity for collaborative planning with both the Mirboo North and Korumburra community to determine an affordable and sustainable investment in aquatic facilities in the two towns.

Document/s pertaining to this Council Report

- **Confidential Appendix 1** - Mirboo North and Korumburra Pool Master Plan Community Submissions and Summary

A copy of **Confidential Appendix 1** has been separately distributed to Councillors and the Executive Leadership Team.

INTERNAL POLICIES / STRATEGIES / DOCUMENTS

Strategic Direction for Aquatic Facilities in South Gippsland 2012 - 2016

Future capital investment in outdoor pools will be informed through the development of Master Plans (including Asset Management Plans) for each facility.

COUNCIL PLAN

Strategic Goal:	1.0	A vibrant and engaged community
Outcome:	1.2	Health and Wellbeing
Strategy No:	1.1.1	Active Lifestyles

CONSULTATION

The draft plans were available on the Council website and promoted through media release which generated ongoing comment in the local media.

Public information / drop in sessions were offered in Mirboo North and Korumburra. Councillors and staff provided the opportunity for interested community members to discuss the draft master plans, ask questions and seek further information.

At Mirboo North approximately 30 people attended the drop in information sessions and an extended meeting was held with the Mirboo North pool committee, including members of the extended Swimming Pool Master Plan Steering Committee.

At Korumburra a long term pool employee attended the information session to provide views on the draft master plan.

Twenty three (23) written submissions have been received in response to the draft master plans. All submissions relate to the Mirboo North Pool.

REPORT

Background

In February 2012 the Council adopted a Strategic Direction for Aquatic Facilities in South Gippsland 2012-2016. The strategy states that future capital investment will be informed through the development of master plans commencing with Mirboo North and Korumburra in 2012/13. In addition the Council determined that there was inadequate provision in the Long Term Financial Plan for renovation of all of the outdoor pools and that any funding shortfall would need to be met through community fundraising, external grants or commercial sponsorship before works commenced.

At the 22 February 2012 Council Meeting the Strategic Direction for Aquatic Facilities in South Gippsland 2012-2016 was adopted:

That Council:

- 1. Adopt the Strategic Direction for Aquatic Facilities in South Gippsland, February 2012 which is consistent with Option 3 – Renovate all outdoor pools;**
- 2. Consider the allocation of \$40,000 in the 2012/13 budget and \$60,000 in 2013/14 budget to prepare Master Plans (including Asset Management Plans) in consultation with the local pool committee and community, for Korumburra and Mirboo North in 2012/13, Poowong, Foster and Toora in 2013/14 to guide the future capital investment in these facilities; and,**

- 3. Acknowledge that Option 3 – Renovate all outdoor pools requires an average \$103,000 per annum above the Long Term Financial Plan projections and anticipates this to be met through community fundraising, external grants or commercial sponsorship.**

In September 2012, consultants HM Leisure Planning were appointed to develop the master plans. With over thirty years' experience in recreation and leisure planning, HM Leisure has completed similar projects at over 100 councils across Australia over the past decade. The draft plans were developed through a process of community consultation, using the technical expertise of aquatic leisure planners, engineers and aquatic facility architects.

At the 24 April 2013 Council Meeting the Draft Mirboo North and Korumburra Outdoor Pools Master Plans were released for public comment:

That Council:

- 1. Exhibit the draft Mirboo North and Korumburra Pool Master Plans for a period of 28 days;**
- 2. Invite written submissions from the community until the closing date of 24 May 2013; and**
- 3. Review all written submissions and provide a report to Council detailing the community submissions at the 26 June 2013 Ordinary Council Meeting.**

Discussion

The draft master plans provided recommendations on the future provision of aquatic facilities for both the Mirboo North and Korumburra communities. The following section contains a summary of the directions for each of the facilities and the responses received from the community.

Korumburra Pool Master Plan Summary

Infrastructure at Korumburra requires modernisation but is basically sound.

The main recommendations for Korumburra include:

- Undertake pool and plant repairs and maintenance works as identified by the technical review to ensure the effective continued operation of the venue. Proposed works have been identified as immediate, medium term and long term;
- Redevelop the interior of the change facilities in the two storey building and install high quality, compact, heated facilities with hot showers and secure spaces to meet the needs of the whole venue. Provide pool deck showers as part of this; and

- Integrate the indoor heated pool fully with the facilities and services for the outdoor pool.

The Plan also recommends integration and diversification of operations and programming to maximise the benefits of any investment in redevelopment.

Korumburra Pool Master Plan Submissions Summary

No written submissions have been received.

Mirboo North Pool Master Plan Summary

While the Mirboo North Swimming Pool occupies an attractive site, it is the site itself that creates a range of significant and costly problems for any future redevelopment. The Plan recommends that the pool be relocated and integrated with other community facilities.

Consultants have identified that developing new infrastructure at the existing site would require over \$3 million of site and drainage works prior to the development of any aquatic infrastructure. The existing contours of the site would also present significant accessibility challenges in designing new infrastructure.

Investing further capital funding into the existing site is unlikely to either improve the amenity or extend the lifespan of the facility. The Master Plan recommends that future investment should be directed towards the development of a new facility.

Development of a new modern replacement facility is estimated at approximately \$4 million.

A copy of the Mirboo North and Korumburra Pool Master Plan Community Submissions and Summary can be found in Confidential Appendix 1.

The Mirboo North submissions indicate there is not a consensus view on the best aquatic provision model and location for the town but there is strong support for the pool to remain at the existing site.

The condition of the existing pool and the cost of necessary improvements to the site were challenged during consultation with the committee and community. The consultants formed the opinion that the current infrastructure is at the end of its useful life based on inspection of the site and various reports into the condition of the assets previously completed.

These reports included:

- Soil tests
- Pressure testing of filtered and soiled water lines
- Concrete core tests

- Infrastructure audits
- Previous capital expenditure

A Facility Upgrade and Refurbishment Study completed by SGL Group in 2009 confirms the need for substantial works to renovate the pool on its existing site. The report identified issues around drainage of the site and ground water filtering and stated "if leakage to the pool shell and ground water problems continue to give further problems, consideration should be given to constructing a new facility to another more appropriate and flatter site".

At the end of the 2012/13 season over 30,000 litres of water per day was leaking from the pool system. Without the system that captures and returns this water to the pool, this leakage would cause the pool system to cease filtering water within 24 hours. Collecting and returning this water to the system allows the facility to continue to operate. In the longer term the damage caused through these leaks increases the risk of the pool shells failing.

Due to the contours of the site, the adjoining bush reserve and local subdivisions, a large area of land drains through the existing pool site. The existing drainage network is not effectively diverting this water around the pool shells. With the weight of over 1 million litres of water (1000 tonnes) in the pools, the stability of the shells, concourse and pipework is being compromised. The combination of excessive amounts of water in the ground, both from outside the site and from the pools and a soil profile showing fill to a depth of 4m create major issues with the future development of this picturesque site.

Establishing new facilities at the site would require the following works:

- Demolish existing pool concrete and surrounds
- Excavate fill from site up to depth of 4m
- Establish solid base with rock
- Install new pipework to control water through the site
- Earthworks to ensure compliant access

Without a detailed design the aquatic engineers identified the cost to address the drainage, accessibility and soil conditions at the site would be in excess of \$3 million. The recommendation of the consultants was that rather than invest additional money into developing detailed designs and cost estimates to address site constraints that the community should be considering alternative sites and aquatic provision models.

The consultants have estimated a replacement outdoor pool at \$4 million. This is well in excess of the \$2 million identified towards Mirboo North Pool in

the future Capital Works Program. However, it was always the Council's expectation that renovation of the outdoor pools in the Shire required a partnership approach with the community and was dependent on community fundraising, external grants and/or commercial sponsorship.

Opportunities to access State Government funds for an outdoor pool appear limited. Under existing funding programs development of an outdoor pool would only be eligible for funding up to \$200,000.

With the community expecting an increase in service level and range of facilities there is an opportunity for open dialogue between the Council and the community about the financial challenges facing Council and the importance of collaborative planning and funding to achieve an affordable and sustainable aquatic facility in Mirboo North. Meeting the expectation of the community cannot be achieved by Council alone. Major funding partners from other levels of government and the community itself will be required to develop the range of facilities identified in the submissions.

A number of the submissions commented on the need for the pool to be 8 lanes to accommodate school and swim club carnivals. While desirable to have an 8 lane pool it is not essential to enable carnivals to operate. The Korumburra pool currently hosts a far greater number of carnivals with a 6 lane 50m pool.

Some schools or clubs may choose to attend other venues if an eight lane pool is not available in Mirboo North. The community will need to determine whether an 8 lane pool is a priority for the allocation of finite resources for a new or renovated pool in Mirboo North.

Potential sites for a relocated pool also drew varying responses from the community. Of the sites considered, Baromi Park, Baths Road, Recreation Reserve or co located with education facilities, only the recreation reserve, due to poor access was considered an unsuitable site. Of the remaining sites some considered Baromi Park an ideal location, while others were strongly opposed to more facilities taking away from the town's central open space. The Baths Road site was considered a viable option if the challenges of the existing site could not be overcome. The opportunity to collocate with education facilities is seen as having potential benefits.

Proposal

The master plans and this early consultation phase provide an opportunity for collaborative planning with both the Mirboo North and Korumburra community to determine an affordable and sustainable investment in aquatic facilities in the two towns.

Further consultation will be required with the Mirboo North community to determine an appropriate location and any additional facilities provided.

FINANCIAL CONSIDERATIONS

Due to the value and condition of these assets the financial implications of the Master Plan recommendations are significant.

The draft forward budget contains over \$5.5 million within the next 10 years towards the redevelopment of aquatic facilities at Korumburra and Mirboo North. Based on the estimated costs this allocation appears inadequate. However the Council's Strategic Directions for Aquatic Facilities 2012-16 expected that any upgrade or renovation was dependent on community fundraising, external grants and/or commercial sponsorship.

RISK FACTORS

There is a strong level of community interest, particularly within Mirboo North over the future direction of aquatic facilities. The conflict between the desired improvements from the community and what is financially affordable remains the biggest challenge and risk.

The continued operation of the facilities creates no different risk to Council than previous seasons. However the likelihood of significant failure of infrastructure at the sites continues to increase each year that capital investment is delayed.

CONCLUSION

The Draft Mirboo North and Korumburra Pools Master Plans provide a comprehensive analysis of leisure trends, community views and aspirations, a technical assessment of the pool assets and recommended actions for improvement including design and cost estimates.

These recommendations need to be considered in the broader context of Council's entire asset base and what is an affordable and sustainable level of resources that can be provided to the ongoing operation and improvement of aquatic venues.

The Master Plans provide Council with an opportunity to work collaboratively with the community to plan and fund aquatic facilities in Mirboo North and Korumburra.

RECOMMENDATION

That Council:

1. Note the information contained within the Mirboo North and Korumburra Pool Master Plans and the feedback received through submissions;
2. Thank submitters for their feedback on the draft plans and provide written notification of Council's decision; and
3. Facilitate a collaborative community engagement process with the Korumburra and Mirboo North community to plan for and share the funding of an affordable and sustainable future aquatic facility in each town in accord with Council's Strategic Direction for Aquatic Facilities 2012-2016.

STAFF DISCLOSURE OF INTEREST

Nil

MOVED: Cr Brunt

SECONDED: Cr Davies

THAT COUNCIL:

1. **NOTE THE INFORMATION CONTAINED WITHIN THE MIRBOO NORTH AND KORUMBURRA POOL MASTER PLANS AND THE FEEDBACK RECEIVED THROUGH SUBMISSIONS;**
2. **THANK SUBMITTERS FOR THEIR FEEDBACK ON THE DRAFT PLANS AND PROVIDE WRITTEN NOTIFICATION OF COUNCIL'S DECISION; AND**
3. **FACILITATE A COLLABORATIVE COMMUNITY ENGAGEMENT PROCESS WITH THE KORUMBURRA AND MIRBOO NORTH COMMUNITY.**

CARRIED UNANIMOUSLY

E.2 MUNICIPAL PUBLIC HEALTH AND WELLBEING PLAN 2013-2017

Community Services Directorate

EXECUTIVE SUMMARY

The Public Health and Wellbeing Act 2008 requires Council to prepare a Municipal Public Health and Wellbeing Plan (MPHWBP) within 12 months of each Council election.

The draft South Gippsland Shire Council Municipal Public Health and Wellbeing Plan 2013-2017 was endorsed for public exhibition at the Ordinary Council Meeting on 27 March 2013.

During the public exhibition period one formal submission was received. This has resulted in two amendments being made to the final MPHWBP, both of which have been endorsed by the Public Health and Wellbeing Reference Group.

The purpose of this report is to present Council with the final version of the MPHWBP 2013-2017 for formal adoption together with the Council's Implementation Plan for 2013-14.

Document/s pertaining to this Council Report

- **Attachment 1** - Submission from West Gippsland Regional Library Corporation
- **Attachment 1** - Letter of Support from Department of Health
- **Appendix 1** - South Gippsland Shire Council Municipal Public Health & Wellbeing Plan 2013-2017
- **Appendix 2** - South Gippsland Shire Council MPHWP Implementation Plan 2013-2014

A copy of South Gippsland Shire Council Municipal Public Health & Wellbeing Plan 2013-2017 (**Appendix 1**) and South Gippsland Shire Council MPHWP Implementation Plan 2013-2014 (**Appendix 2**) is available on Council's website: www.southgippsland.vic.gov.au or by contacting 5662 9200.

LEGISLATIVE / ACTION PLANS / STRATEGIES / POLICIES

- Victorian Public Health and Wellbeing Plan 2011-2015
- Public Health and Wellbeing Act 2008
- South Coast Primary Care Partnership Health Promotion Catchment Plan 2010-2012

- South Coast Primary Care Partnership Community Wellbeing Profile 2009

INTERNAL POLICIES / STRATEGIES / DOCUMENTS

- Council Plan 2010 - 2014
- Annual Plan 2012 - 2013
- Municipal Public Health and Wellbeing Plan 2010 - 2012
- Access and Inclusion Plan 2009 - 2012
- Municipal Early Years Plan 2012 - 2016
- Sustainability Strategy 2011
- Active Ageing Plan 2012 -2016
- Community Transport Review 2013
- Improving Liveability for Older People 2011 -2013

COUNCIL PLAN

Strategic Goal:	1.0	A Vibrant Engaged Community
Outcome:	1.2	Health and Wellbeing
Strategy No:	1.2.2	Community Health

CONSULTATION

Community consultation was undertaken via online and print survey, focus groups, meetings with key community groups and service provider forums. Over 400 people from the South Gippsland community have been engaged through the consultation process. **Appendix 3** of the MPHWP provides an overview of the survey and consultation results.

A Reference Group has been actively involved throughout the development of the draft MPHWP. The Reference Group has endorsed the draft MPHWP and the amendments to the draft document following the exhibition period.

The Reference Group includes representation from:

- Department of Health
- Gippsland Southern Health Service
- Salvation Army GippsCare
- South Coast Primary Care Partnership

- South Gippsland Hospital Service
- Uniting Care Gippsland
- South Gippsland Shire Council

The draft MPHWPB was placed on public exhibition until 29 April 2013.

A briefing document was provided to Council in May 2013 through InfoSum which included the one submission received from the West Gippsland Regional Library Corporation and Council's response.

The Public Health and Wellbeing Reference Group endorsed two amendments suggested by the West Gippsland Regional Library Corporation at their meeting on 21 May 2013. They also decided to add key success indicators in the final version of the MPHWPB and to strengthen the commentary around partnerships between Council and the health and community sector.

REPORT

Background

Under Section 27 of the Public Health and Wellbeing Act 2008, a Council must prepare a MPHWPB within the period of 12 months after each general election of the Council.

Through this Act, Local Government seeks to protect, improve and promote public health and wellbeing by creating an environment which supports the health of community members and strengthens their capacity. It achieves this through the development of a MPHWPB that provides a strategic direction and identifies local priorities for local public health planning, policy development and service delivery.

The MPHWPB has been developed through the collection and analysis of data, benchmarking against regional, state and national health priorities, consultation with a broad range of the community and a range of health and community service organisations. It sets out a strategic direction for the next four years for Council and other health and community service providers working in the Shire.

Discussion

This plan sets out the broad strategic direction and priorities for planning for improved health and wellbeing for the South Gippsland community. The MPHWPB has 4 key areas of priority - Health Protection, Community Wellbeing, Lifestyle and the Built and Natural Environment.

Under each of these four priority areas are specific strategies providing a focus for local action. The MPHWPB will provide guidance for Council

operational plans and consistency of health and wellbeing planning for a broad range of organisations in South Gippsland.

A Council implementation plan has been developed in consultation with the relevant Council departments and will be embedded in business plans for the 4 year life of the MPHWP with progress reported to Council through the Quarterly Performance Report. It is expected that other agencies and organisations will use the strategic document to inform their respective business plans. An annual evaluation on the effectiveness of the MPHWP will be managed by the Reference Group and reported to Council.

Public Exhibition

At the conclusion of public exhibition on 29 April 2013, one submission was received from West Gippsland Regional Library Corporation (WGRLC) (**Attachment 1**).

Points raised in this submission include the following:

Issue Raised	Response
A lack of recognition in the Plan that WGRLC had contributed through the consultation process	This was an oversight and WGRLC's contribution through the consultation process is now acknowledged in Appendix 1 on Page 27.
That the library provides social connection through a range of programs, activities and public access to internet services.	No agency is specifically singled out in the MPHWP for its contribution to social connection. The third dot point of the Strategies on page 19 has been amended to read "including digital infrastructure" which acknowledges the important social connection achieved through the internet, not only through services provided by WGRLC but more broadly. The implementation plan has a number of specific actions linked to the WGRLC four year strategic direction
That the library provides literature based promotion of positive mental health and availability of literature in various mediums.	No agency is specifically singled out in the MPHWP for the resources it holds on mental health.

The submission has been addressed through two amendments to the Plan, which have been endorsed by the Reference Group and through the specific actions in the Council's Implementation Plan.

A letter of support for the MPHWP was received from the Department of Health after the Public Exhibition period (**Attachment 2**).

Amendments by the Reference Group

At its meeting on 21 May the Public Health and Wellbeing Reference Group decided to include success indicators in the heading of each of the 4 key priority areas in the MPHWP (page 17, 19, 23 and 25). Inclusion of success indicators, with a baseline established, will provide an opportunity for Council to measure the positive impact of the strategic plan and its implementation over the next four years in relation to improved health and wellbeing of the South Gippsland community. The benefit of longer term success indicators has been highlighted under the heading of How Will We Know We've Made a Difference on page 13.

The Reference Group also agreed on the need to strengthen wording in the MPHWP around the partnerships between Council and health and community organisations with additional sentence added on page 10 of the MPHWP.

FINANCIAL CONSIDERATIONS

The cost of the development of the MPHWP was funded in the 2012-13 budget, \$26,000 for the consultant plus staff time. The Implementation Plan will be incorporated into relevant department business plans without incurring additional costs to Council. Should a new initiative be identified that has not been budgeted, that initiative will be presented to Council for consideration through the annual budgetary process.

External organisations will implement strategies within their own planning and budget guidelines.

RISK FACTORS

There is a risk that there will be no measurable improvement in the health and wellbeing of the community over the next 4 years. To mitigate this risk a Council implementation plan has been developed and progress will be reported quarterly, an annual evaluation process has been established and the Victorian Health Indicators survey will be conducted again in 2015.

CONCLUSION

The MPHWP demonstrates Council's commitment to the health and wellbeing of the South Gippsland community and sets the strategic direction and priorities over the next four years. It aims 'To provide safe, supportive environments for our communities to be the healthiest they can be and to flourish'.

RECOMMENDATION

That Council:

1. Acknowledge the submission and advise the submitter of Council's response; and
2. Adopt the South Gippsland Shire Council Municipal Public Health and Wellbeing Plan 2013-2017 and endorse the South Gippsland Shire's Implementation Plan for 2013-14.

STAFF DISCLOSURE OF INTEREST

Nil

MOVED: Cr Davies

SECONDED: Cr Harding

THAT COUNCIL:

1. **ACKNOWLEDGE THE SUBMISSION AND ADVISE THE SUBMITTER OF COUNCIL'S RESPONSE; AND**
2. **ADOPT THE SOUTH GIPPSLAND SHIRE COUNCIL MUNICIPAL PUBLIC HEALTH AND WELLBEING PLAN 2013-2017 AND ENDORSE THE SOUTH GIPPSLAND SHIRE'S IMPLEMENTATION PLAN FOR 2013-14.**

Cr Fawcett left the Meeting at 2.44pm.

Cr Fawcett returned to the Meeting at 2.45pm.

CARRIED UNANIMOUSLY

Attachment 1

Submission from West Gippsland Regional Library Corporation

West Gippsland Regional Library Corporation
65 Victoria Street,
Warragul, Victoria 3820
P: 03 5622 2849
F: 03 5622 3089
ABN 90 793 610 846

24th April, 2013

Ms Jan Martin
Director Community Services
South Gippsland Council

Draft Municipal Public Health & Wellbeing Plan 2013-2017

Dear Ms Martin,

The Corporation would like to take the opportunity to provide feedback on the **Draft Municipal Public Health & Wellbeing Plan 2013-2017**, currently being exhibited for public comment in our libraries.

The development of a **Public Health and Wellbeing Plan** by Council is welcomed and supported by the Corporation. We are keen to ensure that when Council is forming partnerships with "key health and community service organisations and community members" that the role of the Corporation and public libraries is not overlooked.


In 2012 the Corporation responded to the Council's data gathering and consultation as part of the development of this plan. We noted that despite their well-recognised role in promoting Health & Wellbeing the public libraries had not been mentioned.

We now note that the draft plan, while including a priority of **Community Wellbeing** and strategies for *Social Connection, Mental Wellbeing, Access & Inclusion* and *Community Safety*, makes no explicit mention of the role of libraries in achieving these strategies.

The Corporation is a significant provider of direct services to the members of the South Gippsland community on behalf of Council, however, it is easy for the complementary role between that of libraries and council to be lost, particularly if public libraries are seen in a solely "cultural" context.

In general our libraries are highly relevant in delivering the strategies of *Social Connection* and *Access and Inclusion* through our range of programs, activities, public access internet and more traditional library resources and services. The **little book of public libraries** published by the Australian Library and Information Association in 2009 provides a concise summary of this role. Public libraries:

- Are taking the place in communities of a new "village green" meeting place or third space outside the home and work



www.wgrlc.vic.gov.au
wgrlc@wgrlc.vic.gov.au

West Gippsland Regional Library Corporation

65 Victoria Street,
Warragul, Victoria 3820

P: 03 5622 2849

F: 03 5622 3089

ABN 90 793 610 846

- Improve the quality of life
- Build safer, stronger, sustainable communities
- Make citizens healthier
- Support formal and informal learning and literacy development for all ages
- Expand the digital economy by providing an essential portal for e-government services as well as bridging the digital divide for those without home access to the internet and edevices
- Freely provide digital infrastructure (including devices, computers and broadband access) for community use.
- Freely provide workshops and initial support to enable people to use their digital devices, particularly as government service provision moves into the model of digital delivery.

The recent **Internet and PC Usage in Victorian Public Libraries** report found that "In 2010–11, users of public libraries in Victoria spent around 3.5 million hours using their libraries' public access computers and fixed or wireless internet services. Without this, they would have been less connected with society and their families, would have had less access to education and employment opportunities, and would have had poorer and less enjoyable lives." As the Draft Strategy recognises, *Social Connection* and *Access and Inclusion* are key drivers of a healthy community and will assume increasing importance as digital models for business, entertainment and information become more firmly entrenched. The public libraries, both static and mobile, are a key player in delivering accessible internet services for both residents and visitors.

The strategy of *Mental Wellbeing* can be directly approached through a literature based program known as Bookwell, where the trained facilitator uses a range of books and literary forms to promote positive mental health. The Corporation has experience delivering this program, and is currently conducting one based in Warragul.

While the traditional picture of a library is based on bricks and mortar, the Corporation provides a mobile library service that covers communities from Nyora to the coastal district in the south. We have the capacity to extend mobile library services to new communities as they grow – a flexibility that is not possible when requiring fixed sites for service delivery.

We look forward to working closely with Council over the next four years in supporting the implementation of this important plan.

Yours,



John Murrell
Chief Executive Officer



www.wgrlc.vic.gov.au

wgrlc@wgrlc.vic.gov.au

Attachment 2

Submission from Department of Health



Department of Health

Incorporating: Health, Mental Health and Ageing

Gippsland Region
64 Church Street
PO Box 1661
Traralgon
3844
Telephone: 03 5177 2500
Facsimile: 03 5177 2657
www.health.vic.gov.au
DX 219282

Our Ref:
Your Ref:

22 May 2013

Ms Jan Martin
Director Community Services
South Gippsland Shire Council
9 Smith Street (Private Bag 4)
LEONGATHA VIC 3953

Dear Ms Martin, *Jan*

Re: Municipal public health and wellbeing plan 2013-17

Local government has an important role in creating supportive environments for health. This ability to influence the health of local community through leading local policies and developing programs and infrastructure is recognised internationally. The *Public Health and Wellbeing Act 2008* (Act) describes that the function of councils is 'to seek to protect, improve and promote public health and wellbeing within the municipal district'. The development and implementation of the Municipal public health and wellbeing plan (MPHWP) is a key mechanism for fulfilling this function.

The department has appreciated the opportunity to be part of the Public Health and Wellbeing Reference Group to contribute to the development of the MPHWP. Although the department did not make a written submission during the formal consultation period, we have had numerous opportunities to provide input through the Reference Group processes. At the most recent meeting we suggested South Gippsland Shire Council consider identify a set of high level 'outcome' oriented indicators that could be monitored over the long term. Such an indicator set would also allow the Council and other partners to remain focussed on the outcomes of interest as the activities to be undertaken are refreshed each year.

We would also welcome a commitment from the Council to be involved in the Victorian Prevention and Health Promotion Achievement Program: Healthy workplaces and workforces. This provides an ideal mechanism to demonstrate your commitment to public health to the community and other workplaces in South Gippsland. Further details are available at http://www.health.vic.gov.au/prevention/achieve_workforce.htm

We commend the Council's approach on pursuing the integration of public health and wellbeing goals across Council, and your approach to the active engagement of stakeholders, partners and the local community throughout the MPHWP development process.



I look forward to hearing of your progress with implementation and of the health and wellbeing outcomes for the community. This knowledge will be important to state government in its development of the next state public health and wellbeing plan in 2015.

The department is committed to supporting councils and other stakeholders to undertake high quality public health and wellbeing planning, implementation and evaluation and I encourage you to continue to work closely with the department over the duration of this plan.

I look forward to receiving a copy of the Municipal Public Health and Wellbeing Plan 2013-17 once adopted by Council.

Yours sincerely



Tim Owen
**Manager Public Health, Primary Health and Planning
Gippsland**

E.3 2013-2017 COUNCIL PLAN AND 2013-2014 ANNUAL PLAN

Corporate Services Directorate

EXECUTIVE SUMMARY

The Council Plan 2013-2017 (Council Plan), contained in **Appendix 1**, has been prepared to guide the outcomes, objectives and strategies for the four year term of Council. It is supported by the Annual Plan 2013-2014 (Annual Plan), contained in **Appendix 2**, which sets out the first year actions and targets towards achieving the Council Plan. The Annual Budget 2013-2014 (Budget), contained in a separate report, provides the resources to achieve the Council Plan and Annual Plan.

The Council Plan has been developed in accordance with requirements of Sections 125 and 223 of the Local Government Act 1989 (Act) and is presented to Council for its consideration. It is recommended Council adopt the Council Plan and Annual Plan. The adopted Council Plan and Annual Plan will then be provided to the Minister for Local Government by the legislated timeline of 30 June 2013.

Document/s pertaining to this Council Report

- **Appendix 1** - Council Plan 2013-2017
- **Appendix 2** - Annual Plan 2013-2014
- **Appendix 3** - Council Plan Proposed Amendments
- **Appendix 4** - Annual Plan Proposed Amendments

A copy of **Appendix 1**, **Appendix 2**, **Appendix 3** and **Appendix 4** are available on Council's website: www.southgippsland.vic.gov.au or by contacting 5662 9200.

LEGISLATIVE / ACTION PLANS / STRATEGIES / POLICIES

Local Government Act 1989, sections 125, 129 and 223

Local Government Planning and Reporting Better Practice Guide, February 2013

INTERNAL POLICIES / STRATEGIES / DOCUMENTS

- Communication and Consultation Policy
- Councillor Code of Conduct
- Strategy and Plan Management Policy
- Public Submission Process (Section 223)

COUNCIL PLAN

Strategic Goal:	5.0	A Leading Organisation
Outcome:	5.1	Good Governance
Strategy No:	5.1.1	Direction Setting

CONSULTATION

Extensive internal discussions and briefings have been held during the period of December 2012 to June 2013. These have included:

- 4 and 5 December 2012 - workshop to discuss future direction of Council;
- 24 and 25 January 2013 - workshop to continue discussions on the future direction of Council and priorities for the next four years;
- Council Meeting 27 February 2013 - Council established the themes to inform the development of the draft Council Plan and corresponding Annual Plan and committed resources to develop a Community Vision 2050 and Community Engagement Charter;
- 6 March 2013 - Department Budgets and Service Summaries, Capital Works Program, New Initiatives, planning schedule and overall staff EFT (effective full time) summary;
- 13 March 2013 - Draft Council Plan, Draft Annual Plan and Council services for review,
- 20 March 2013 - Council services review continued and employee data update;
- 27 March 2013 - Legislative Requirements for the Council Plan and Budget, Organisational Structure, Interactive Modelling of the Draft Budget, Capital Works Program, New Initiatives and Fees and Charges;
- 3 April 2013 - Draft Council Plan, Draft Annual Plan and Draft Revised Budget; and
- 10 April 2013 - Special Council Meeting to finalise components of the Council Plan, Annual Plan, Capital Works Program and New Initiatives.
- 5 June 2013 - Council briefing to preview submissions received from the section 223 consultation process.
- 12 June 2013 - Special Council Meeting to hear and consider draft Council Plan, Annual Plan and Budget submissions that may impact these plans. 25 Submissions were received. Nine submitters spoke to their submissions

- 12 June 2013 - Public Presentation Session - several speakers provided specific feedback to Council on the Council Plan, Annual Plan and Budget.
- 12 June 2013 - Council briefing to discuss amendments required to the draft Council Plan, draft Annual Plan and draft Budget in response to the public submissions received, to allow final documents to be prepared for Council's consideration at the 26 June Ordinary Council Meeting.

Council has conducted a formal Section 223 Public Submission process from 29 April to 28 May 2013, calling for public comment on the endorsed draft Council Plan, draft Annual Plan and draft Budget. The submissions received and previous consultation activities with the community have been used to inform the final Council Plan 2013-2017 in **Appendix 1** and Annual Plan 2013-2014 in **Appendix 2**. The two plans and the Annual Budget 2013-2014 (set out in a separate report) have been amended in response to community requests and concerns outlined in the public submissions.

The development of the Council Plan and Annual Plan has also taken into consideration has also been given to the previous planning and community feedback activities including, but not limited to:

- 2012 Community Satisfaction Survey
- Municipal Public Health Plan
- Community Directions Statements
- Housing and Development Strategy
- Aquatic Strategy

REPORT

Background

The role of Council is to provide leadership for the good governance of the Shire. This is achieved by establishing strategic directions articulated in the Council Plan and for services provided by Council. To this end the Council, elected in October 2012, has been considering the priority outcomes, objectives, strategies and services to be achieved and/or provided over the coming four years.

Council is required under Section 125 of the Local Government Act 1989 (the Act) to prepare and approve a Council Plan by 30 June 2013. The Council Plan must include a four year Strategic Resource Plan. The Budget forms the first year of the Strategic Resource Plan (SRP).

A formal Section 223 Public Submission is required prior to adoption of the Council Plan. This requirement has been completed and submissions were

heard and considered by Council at a Special Meeting of Council on 12 June 2013.

Discussion and Proposals

Council has listened to the concerns raised by the community, particularly in relation to the impact a 7.5% rate rise would have to struggling community members, farmers and local businesses. A number of submissions outlined various ways by which Council could reduce the rates. A reduction in rates would result in reduced funds available to undertake Council services and new initiatives.

Any significant change to services requires community involvement, as many people would be affected by such changes. Council has committed to reviewing all its services in 2013-2014 using a zero based budgeting review. It is deemed appropriate that this review process provides the best means of identifying potential changes to services for the future.

While it is difficult to change services without further extensive public consultation, Council has indicated that changes to both previous decisions of Council and new initiatives proposed for implementation in 2013-2104, could be amended to reduce the proposed rate burden initially endorsed by Council. To this end the following proposed amendments are presented for Council's consideration.

Amendments Proposed to the Council Plan

Very few amendments have been required to the Council Plan in response to the public consultation submissions. There have been no changes made to the Outcomes or Objectives. A few minor wording changes have been incorporated in a couple of the strategies. The proposed amendments from the endorsed Council Plan to the final Council Plan are outlined in **Appendix 3**. The main change proposed to the Council Plan relates to Strategy 2.1.1, encompassing the development of a Community Vision 2050 and a Community Engagement Charter in partnership with the community.

Complete removal, deferral or a scaled back approach to the Community Vision 2050, were raised in numerous public submissions. Informal community sentiment along the same lines was also provided to various Councillors throughout the submission period. In response to the submissions, Council resolved at the Special Meeting on 12 June 2013 to continue the Community Vision 2050 project but undertake it in a more efficient manner.

Council also needs to be mindful of its resolution on 24 February 2013 which stated:

That Council:

1. ESTABLISH A COMMUNITY VISION 2050 COMMITTEE TO COMMENCE WORK ON A COMMUNITY ENGAGEMENT PROCESS FOR THE DEVELOPMENT OF A COMMUNITY VISION 2050 AND A COMMUNITY ENGAGEMENT CHARTER.
2. APPOINT THREE COUNCILLORS, ONE COUNCILLOR FROM EACH WARD, TO THE STEERING COMMITTEE TO DEVELOP THE COMMUNITY VISION AND CHARTER AND OTHER COUNCILLORS ARE ABLE TO ATTEND AS DESIRED OR REQUIRED. COUNCILLOR DAVIES, COUNCILLOR MCEWAN AND COUNCILLOR HUTCHINSON-BROOKS BE APPOINTED.
3. AUTHORISE THE THREE APPOINTED COUNCILLORS TO THE COMMITTEE, THE DIRECTOR CORPORATE SERVICES AND COMMUNITY SERVICES TO ESTABLISH THE REMAINDER OF THE COMMITTEE WITH RELEVANT KEY STAFF AND UP TO 10 COMMUNITY MEMBERS WHO ARE REPRESENTATIVES OF VARIOUS SECTORS, WARDS AND BROADER COMMUNITY INTERESTS.
4. ALLOCATE A BUDGET OF \$60,000 FROM SALARY VACANCIES YEAR TO DATE TO COMMENCE THE PROJECT IMMEDIATELY AND APPROVE THE APPOINTMENT OF A PROJECT OFFICER OF 1 EFT TO THE COMMITTEE TO AN INITIAL PERIOD OF 10 MONTHS.
5. AUTHORISE THE CHIEF EXECUTIVE OFFICER TO ESTABLISH AND INCLUDE A BUDGET ALLOCATION IN THE 2013-2014 BUDGET WITH THE AIM TO COMPLETE THE PROJECT BY DECEMBER 2013.
6. UTILISE THE THEMES OUTLINED IN THIS REPORT AS A COMMENCEMENT POINT TO INFORM THE DEVELOPMENT OF THE COUNCIL PLAN 2013-2017 AND THE COMMUNITY VISION 2050.

THESE THEMES INCLUDE:

- a. WORK TOWARDS IMPROVING SUSTAINABILITY OF FINANCES FOR THE SHIRE, INCLUDING THE DIVERSIFICATION OF REVENUE STREAMS;
- b. PURSUE BEST PRACTICE IN ORGANISATIONAL DEVELOPMENT AND OPERATIONS OF THE ORGANISATION;
- c. BETTER ENGAGE AND COMMUNICATE WITH THE COMMUNITY AND WORK COLLABORATIVELY WITH THEM;

- d. UPDATE AND DEVELOP MODERN COMMUNITY FACILITIES AND SERVICES, AS COUNCIL CAN AFFORD THEM;
- e. WORK WITH THE BUSINESS COMMUNITY TO ATTRACT NEW BUSINESSES AND TO DIVERSIFY BUSINESS AND EMPLOYMENT OPPORTUNITIES;
- f. RAISE THE POLITICAL AWARENESS OF STATE AND FEDERAL DECISION MAKERS OF LOCAL AND REGIONAL ISSUES.

CARRIED UNANIMOUSLY

In responding to the community's concerns, it is proposed that Council move a motion to abandon and take no further action on the Council decision made on 24 February 2013 to develop a Community Vision 2050 and Community Engagement Charter. In its place, it is proposed that Council adopt a new motion that states:

That Council:

- 1. Develop new approaches to engage community participation in creating a continually evolving Vision for the Shire, with a report presented to Council outlining approaches to be introduced in 2013-2014 by 30 September 2013;
- 2. Reallocate funds set aside in the 2013-2014 Budget, originally set aside for the Community Vision 2050 project, to commence implementation of these revised approaches, with the intent of achieving end of year savings from this budget allocation.

This new motion still enables Council to engage with its communities to evolve the Shire's vision by building on what has gone before, is currently in place and determine where it wants to go in the future. This will be achieved in a more efficient and effective manner through community participation in a wide range of Council planning and operational activities. Rather than create a stand-alone Vision document that is in place for the next decade or so, the Vision for the Shire will evolve over time as the community's needs and desires change and as the financial capacity of the Shire and its people allows.

This changed direction has a flow on effect to wording in the Council Plan and the Annual Plan, where amendments to the endorsed plans need to be made. To this end, the following changes are provided for Council's consideration.

Proposed changes to the Council Plan wording of Strategy 2.1.1 and the corresponding action in the Annual Plan are:

Strategy 2.1.1: We will develop a continually evolving Vision for the Shire that encourages community participation in defining what it wants, needs and can afford to guide rationalisation, consolidation and achievement of desired community outcomes.

2013-2014 Action: Develop and commence implementation of new approaches to engage community participation in creating a continually evolving Vision for the Shire.

2013-2104 Target: A report presented to Council outlining approaches to be introduced in 2013-2014 by 30 September 2013.

In addition, the draft Council Plan indicator relating to the Community Vision 2050 needs to be removed. **Appendix 1** and **Appendix 2** contain all of these amendments.

Further Amendments Proposed to the Annual Plan

The draft Annual Plan contained quite a number of new initiatives with funding allocated to achieve them. In light of community concerns relating to the large rate increase, it is recommended that many of these projects either be removed from the Annual Plan or scaled back, so that funds originally allocated to many of these actions can be used to reduce the rate burden on the community. A marked up version of the proposed amendments to the Annual Plan are outlined in **Appendix 4 - Annual Plan Proposed Amendments**.

A number of the amendments relate to the Key Strategic Activities (KSA's). The KSA Annual Plan actions have an increased scrutiny associated to them as they are assessed by the Auditor General as part of Council's performance review at the end of each financial year. Corresponding amendments have been made to these KSA's. As a couple of the KSA's have been removed completely, several additional actions from the Annual Plan have been included in the KSA's. These include advocacy for Council's priority projects and the weighted financial ratios. Proposed amendments to the KSA's are shown in **Appendix 4** and the final inclusions shown in **Appendix 2**. The Annual Budget 2013-2104 has been updated to include the amended KSA's.

It is proposed that all amendments be adopted to release the necessary funds to accommodate a reduced rate rise from the Budget.

Options

Council is asked to determine if the proposed changes to the Council Plan strategies will or will not be adopted. The main proposed change relating to Strategy 2.1.1 has been proposed as a result of community concerns that the project should be cancelled, deferred or scaled back significantly. If the new proposal with its associated motion is supported, it will require Council's previous decisions of 24 February and 12 June 2013 relating to the development of a Community Vision and Community Engagement Charter to be abandoned, as outlined above.

Council is asked to determine if the proposed changes to the Annual Plan will or will not be adopted. The changes have been made to scale back the number of new initiatives and their associated budgets that were to be introduced in 2013-2014. These cut backs have been made as a response to

the community's concerns that the endorsed 7.5% rate rise was too high and that a lower rate increase would be preferred by the community. Some projects have been removed completely, while others have been scaled back. Any of the actions that were further set aside as Key Strategic Activities have been amended in line with the proposed changes in both the Annual Plan and the Budget.

If Council would prefer to reverse any of the amendments, then corresponding changes would be required to provide the funds to complete them. Any increases/changes to the Annual Plan actions could result in changes to the Budget.

FINANCIAL CONSIDERATIONS

Council is required under the Act to establish an Annual Budget and a rolling four year Strategic Resource Plan that sets out the revenue, expenditure and assets required to achieve the strategic objectives specified in the Council Plan, together with a summary of the financial results forecast over a minimum of four years.

The financial resources to fund the Council Plan and Annual Plan have been established by Council. These are set out in the Annual Budget 2013-2014 being considered as a separate report by Council. Changes have been made to these plans to enable Council's consideration of a reduced rate rise to the community in response to the community's concerns.

RISK FACTORS

Council has legislated time constraints and specific responsibilities set out in the Act for establishing a Council Plan. Failure to meet these timelines and obligations would result in Council's failure being published in the Annual Report of the Office of Local Government. Adoption of the Council Plan today will allow the required timelines and requirements to be met.

CONCLUSION

A number of amendments and inclusions to the endorsed Council Plan and Annual Plan are recommended for Council's consideration. These amendments are in response to Council's consideration of feedback received through the formal Public Submission process.

A revised Council Plan is set out in **Appendix 1** and a revised Annual Plan is set out in **Appendix 2** incorporating all the recommended amendments.

The Strategic Resource Plan is a requirement of the Act that must be included in the Council Plan. The Strategic Resource Plan sets out the resources required to deliver the Council Plan and Council services over the coming four years. The draft Budget forms the first year of the Strategic Resource Plan. A revised Strategic Resource Plan has been incorporated into the Council Plan (**Appendix 1**) from the revised 2013-2014 Budget being

presented in a separate report to Council. Any adjustments to the Budget will require an adjustment to the Strategic Resource Plan.

The Key Strategic Activities (KSA's) for 2013-2014 form part of the Annual Plan and are included in the Budget in accordance with the legislative requirements. The KSA's are set out in the last section of the Annual Plan (**Appendix 2**). Any amendments to the Annual Plan KSA's will require a corresponding amendment in the Budget. These KSA's are audited for completion at the end of the financial year by the external auditor. Progress against all the Annual Plan items, including the KSA's will be monitored and reported to Council through the Quarterly Performance Report.

The Council has dedicated an extensive amount of time over the past eight months to set a strategic direction in place and fund it responsibly.

This report seeks Council's adoption of the Council Plan 2013-2017 in **Appendix 1** that sets out the strategic directions of Council for the four year term of this Council.

The report further seeks Council's adoption of the Annual Plan 2013-2014 in **Appendix 2** that sets out the first year actions required to progress the achievement of Council's strategic directions.

The two plans have been provided to the community for comment and 25 submissions have helped to influence the final plans presented to Council for adoption in this report.

To ensure Council meets its legislated requirements, once adopted the Council Plan will be provided to the Minister of Local Government by 30 June 2013.

RECOMMENDATION

That Council:

- 1. Abandon and take no further action on the Council decision made on 24 February 2013 to develop a Community Vision 2050 and Community Engagement Charter. In its place:**
 - a. Develop new approaches to engage community participation in creating a continually evolving Vision for the Shire, with a report presented to Council outlining approaches to be introduced in 2013-2014 by 30 September 2013.**
 - b. Reallocate funds set aside in the 2013-2014 Budget, originally for the Community Vision 2050 project, to commence implementation of these revised approaches, with the intent of achieving end of year savings from this budget allocation.**
- 2. Adopt the Council Plan 2013-2017 as set out in Appendix 1.**

- 3. Adopt the Annual Plan 2013-2104, highlighting the Key Strategic Activities as set out in Appendix 2.**
- 4. Provide a copy of the adopted Council Plan 2013-2017 and Annual Plan 2013-2014 to the Minister for Local Government by or on 30 June 2013.**
- 5. Publish and make available the Council Plan 2013-2017 and Annual Plan 2013-2014 on www.southgippsland.vic.gov.au, at the Council Offices Leongatha, upon request and as an announcement in the next available Council Newsletter.**

STAFF DISCLOSURE OF INTEREST

Nil

MOVED: Cr Fawcett

SECONDED: Cr Newton

THAT COUNCIL:

- 1. ABANDON AND TAKE NO FURTHER ACTION ON THE COUNCIL DECISION MADE ON 24 FEBRUARY 2013 TO DEVELOP A COMMUNITY VISION 2050 AND COMMUNITY ENGAGEMENT CHARTER. IN ITS PLACE:
 - a. DEVELOP NEW APPROACHES TO ENGAGE COMMUNITY PARTICIPATION IN CREATING A CONTINUALLY EVOLVING VISION FOR THE SHIRE, WITH A REPORT PRESENTED TO COUNCIL OUTLINING APPROACHES TO BE INTRODUCED IN 2013-2014 BY 30 SEPTEMBER 2013.**
 - b. REALLOCATE FUNDS SET ASIDE IN THE 2013-2014 BUDGET, ORIGINALLY FOR THE COMMUNITY VISION 2050 PROJECT, TO COMMENCE IMPLEMENTATION OF THESE REVISED APPROACHES, WITH THE INTENT OF ACHIEVING END OF YEAR SAVINGS FROM THIS BUDGET ALLOCATION.****
- 2. ADOPT THE COUNCIL PLAN 2013-2017 AS SET OUT IN APPENDIX 1.**
- 3. ADOPT THE ANNUAL PLAN 2013-2014, HIGHLIGHTING THE KEY STRATEGIC ACTIVITIES AS SET OUT IN APPENDIX 2.**
- 4. PROVIDE A COPY OF THE ADOPTED COUNCIL PLAN 2013-2017 AND ANNUAL PLAN 2013-2014 TO THE MINISTER FOR LOCAL GOVERNMENT BY OR ON 30 JUNE 2013.**
- 5. PUBLISH AND MAKE AVAILABLE THE COUNCIL PLAN 2013-2017 AND ANNUAL PLAN 2013-2014 ON WWW.SOUTHGIPPSLAND.VIC.GOV.AU, AT THE COUNCIL OFFICES LEONGATHA, UPON REQUEST AND AS AN ANNOUNCEMENT IN THE NEXT AVAILABLE COUNCIL NEWSLETTER.**

CARRIED UNANIMOUSLY

E.4 ADOPTION OF 2013/14 ANNUAL BUDGET AND DECLARATION OF RATES AND CHARGES

Corporate Services Directorate

EXECUTIVE SUMMARY

The purpose of this report is to adopt Council's budget for the 2013/14 financial year and to declare the rates and charges for that year. This report references **Appendix 1** South Gippsland Shire Council 2013/14 Annual Budget (Annual Budget) incorporating the 15 year Long Term Financial Plan. This is the Annual Budget for the 2013/14 financial year that has been prepared pursuant to Section 127 of the Local Government Act 1989.

There have been a number of changes made to the 'prepared budget' presented to the 24 April 2013 Council Meeting. These are summarised below:

Income Statement	Prepared Budget (April) \$'000	Annual Budget (June) \$'000	Variation Projected to Current budget \$'000	
Recurrent income	51,215	49,005	(2,210)	(Decrease)
Recurrent expenditure	50,975	53,757	2,782	Increase
Underlying result	240	(4,752)	(4,992)	(Unfav)
Capital Income	5,963	5,963	0	(Nil)
Operating result	6,203	1,211	(4,992)	(Unfav)
Expenditure	13,102	15,247	2,145	Increase

The major changes to income and expenditure budgets include:

Recurrent Income

1. \$223,000 less 'rates & charges' income – rate increase reduced from 7.75% to 6.75%;
2. \$1.98m less 'operating grants' income- \$4m less Victoria Grants Commission allocation (funds received in June 2013) and \$1.9m Storm damage / Severe rain event funds originally expected in 2012/13 now will be received in 2013/14.

Recurrent Expenditure

1. \$2.56m additional 'material & consumable' expenditure - predominantly grant funded expenditure being carried forward from 2012/13 for uncompleted projects. These projects are described within this report;
2. \$307,000 less 'Other' expenditure – reduced Councillor project and initiative funds.

Capital Expenditure

1. \$2.15 million additional 'capital expenditure' - funds being carried forward from 2012/13 for uncompleted capital projects. These projects are described within this report.

Financial impact

The budget adjustments have not compromised the integrity of both the 2013/14 Annual Budget and the budgeted financial statements in the Long Term Financial Plan.

Document/s pertaining to this Council Report

- **Appendix 1** - 2013/14 Annual Budget incorporating the 15 year Long Term Financial Plan.

A copy of **Appendix 1** - 2013/14 Annual Budget incorporating the 15 year Long Term Financial Plan is available on Council's website: www.southgippsland.vic.gov.au or by contacting 5662 9200.

LEGISLATIVE / ACTION PLANS / STRATEGIES / POLICIES

- Local Government Act 1989, Section 127

INTERNAL POLICIES / STRATEGIES / DOCUMENTS

- Long Term Financial Strategy

COUNCIL PLAN

Strategic Goal:	5.0	A Leading Organisation
Outcome:	5.2	Systems and Processes
Strategy No:	5.2.3	Financial Management

CONSULTATION

Council has actioned the resolutions required from the 26 April Council Meeting for Item 'E10 - Proposed 2013/14 Budget incorporating the 15 year Long Term Financial Plan'. Council was required to seek and consider written

submissions from the public on the proposed Budget and Councillor Allowances.

25 written submissions were received by the due date. Nine submitters asked to be heard in regard to their submissions. These were heard in the Public Submission Hearing at the Special Meeting of Council held on 12 June 2013. The Council then formally considered all submissions. Two late submissions were received. These submitters were provided with an opportunity to present their concerns to Council at a Public Presentation Session.

Council resolutions from that meeting that had a direct impact on the 2013/14 budget included:

- a. Amending the proposed increase to Food Act registration fees to 7.5% to be consistent with other increases to Council's fees and charges; and
- b. Increasing the fees and charges for septic tank permits by 7.5%, which are no longer regulated by legislation.

These resolutions have been updated into the Annual Budget.

REPORT

Background

At the Special Council Meeting held on 24 April 2013 Council considered and prepared an 'Annual Budget' for the purposes of Section 127 of the Local Government Act 1989.

Council resolved in part that the Annual Budget be referred to the Ordinary Council Meeting to be held on 26 June 2013 for adoption.

As required under the provisions of Section 129 of the Local Government Act 1989 the necessary public notices have been given. The information required to be made available under Regulation 8 of the Local Government Regulations 2004 has been complied with.

Council had also determined that any submissions on the Annual Budget made in accordance with Section 129 (2) and Section 223 of the Local Government Act 1989 be considered and heard at a Hearing of Submissions Meeting on 12 June 2013.

Discussion

The 2013/14 Budget has been developed with service levels for services generally remaining the same as 2012-13. A summary of the main changes or cost events that have been accommodated in the 2013/14 Budget include:

- Increased funding received for Home and Community Care support to allow the service to be provided to an increased number of clients,

however this does not cover the full cost of an hour of service, particularly in rural communities where travel is a high cost;

- Introduction of the Active Service Model of delivery for HACCC which has resulted in increased costs for assessment, co-ordination and administration;
- Increased State legislation changes in Waste Management in relation to landfill compliance costs and the significant increase in the landfill levy;
- The landfill operations have been reviewed and as result have reverted from a contracted service to an in-house provided service by Council staff, with budget savings in the order of \$1m anticipated over ten years as a result;
- Introduction of a green waste service with associated fees and charges, including a free amnesty period prior to the fire season;
- The Fire Services Levy has become a Council responsibility to be collected on behalf of the State Government. System upgrades, valuations of non-rateable properties and customer service requests are being accommodated. The State Government has provided some funds to assist the initial set up arrangements of this cost shifting requirement, however it does not cover additional changes to Council's system upgrades to a point that allows the data to be adequately managed. It is unknown at this stage if funds will be on-going to cover the costs associated with collecting the levy in future years;
- Council received one quarter less Victoria Grants Commission (VGC) allocations in 2012/13 which has a one off \$2.02 m impact. Council was also advised that the Commonwealth Government made an over payment of VGC funds in 2011/12 to all Victorian Councils due to an over estimation of inflation and population growth forecasts. As a result Council received \$325,000 less income in 2012/13. This has a compounding \$165,000 per annum negative impact on forward budgets in the Long Term Financial Plan;
- In August 2012 Council was informed that its share of the unfunded superannuation liability was \$4.6m. Prior to this, Council had been advised that the likely funding call would be in the vicinity of the previous funding call of \$873,000;
- Workcover premium for 2012/13 increased by \$55,000 due to obligations to calculate the premium on employee costs that must include a portion of the unfunded superannuation, which is required to be accounted for as an employee expense;
- Legislative changes to the way councils have to calculate and charge interest on overdue rates and charges means that Council will receive less revenue;

- Flow on negative impacts from Reserve Bank reducing official interest rates on several occasions last year. This results in a reduction in income being generated on investments;
- An expected reduction of \$223k for private sealing works;
- The required increase in superannuation contributions from 9.00% to 9.25%;
- A 4.01 increase in Effective Full Time (EFT) across all four directorates from 2012/13. The additional positions include two additional engineering staff which are funded from capital funding and are only for the duration of the respective projects. Two other positions are associated with delivering home care services and are part grant funded;
- An increased allocation of \$150k has been provided to support the recreation reserves;
- An allocation of \$50k has been provided to undertake remaining new initiatives for Community Budgeting, Economic Development – Business Attraction, Korumburra Roundtable Pilot Project and Safe, Health and Active Communities;
- An increased allocation to maintain gifted infrastructure assets arising from new developments;
- Increased depreciation costs (non-cash) for periodic revaluation of infrastructure asset classes and completion of capital works program;
- Increased finance costs due to borrowing \$4m;
- Increase of \$2.4m capital funding for several Engineering services projects, and \$560k for capital works associated with storm response / recovery events;
- Utility cost increases by up to 10% (partly a result of the carbon tax) and increased safety regulations increasing the cost of pool management;
- Vaccination against the Human Papilloma Virus for teenagers (vaccine cost met but not staff costs);
- Requirement for Emergency Management Co-ordination – a position that was the result of the Royal Commission into Black Saturday and the incremental increase in scope and responsibility of the role to facilitate the development of a number of key shire-wide, inter-agency plans such as the Flood Plan, the Pandemic Plan, the Fire Management Plan in addition to the Municipal Emergency Management Plan. All with no State Government funding;

- The new Local Government Performance indicators will have a one off impact when Council updates systems to provide the 'financial' indicators. They are also likely to impact through increasing incremental resource requirements to report against all the new indicators. Further indicators are still to be developed and introduced;
- WorkSafe Integrated Approach Program has required additional compliance activities and a higher level of staff experience and knowledge;
- Internal Audits and improvement to Council's Audit Committee have required a significant program of work to be developed around compliance activities;
- Risk Management Framework, administration of the Risk Register and the administration of internal committees to manage strategic, operation and occupational health and safety risks. The increased focus on Occupational Health and Safety has resulted in some savings to Work-safe premiums as a result of reduced claims;
- Compliance requirements for Procurement will require significant effort in 2013/14 to update Council's procedures and systems and to conduct training to ensure contracts are administered appropriately and procurement attains best value for money;
- Amendments to the DEPI Code of Practice for the Operation of Shelters and Pounds which are estimated to have increased the Dog and Cat Pound Contract by approximately \$20,000 per year from 1 July 2013;
- Amendments to the Domestic Animals Act require the maintenance of a Dangerous Dog Registry and tighter requirements around restricted breeds;
- Amendments to the Infringements Act and Road Safety Act require increased reporting each year;
- Amendments to Impounding of Livestock Act has increased the amount of time and effort for the administration activities of unclaimed livestock;
- Changes to the Bushfire Management Overlay has increased the number of planning permits assessed by Council;
- Changes to the Tobacco Act 1987 have required Council to undertake greater compliance inspections e.g. signage, pubs/clubs and beaches; and
- Changes to Food Act 1984 legislation allows mobile traders to register in a central state database, however inspections are conducted but no fees collected.

Budget adjustments

The forecast projections for 2012/13 and the 2013/14 Annual Budget have been updated. The changes are summarised below.

Victoria Grants Commission Allocation – Advance Payment:

Council has received an advanced payment of \$4M of the 2013/14 Victoria Grants Commission allocation. The forecast income for 2012-13 from grants has therefore been increased by \$4M and the 2013/14 budgeted income decreased by the same amount. This does not present as a strategic concern.

Fire Services Levy - Implementation

Council has been advised that it will receive \$104k funds to offset customer service costs associated with implementing the Fire Services Levy. \$35k has been paid in advance. Customer Services Department have increased labour hire budget by \$25k in 2013/14. The budget projections for both 2012/13 and 2013/14 have been amended accordingly.

Fire Inspection infringement – Fees adjustment

The estimate on fine revenue for Fire Inspection infringements have been lowered due a higher compliance rate as a result of significantly increased fines. This has a \$14k budget impact for 2013/14 and a 15 year \$258k adverse cost impact.

Food Act and Septic tank fees – Fees adjustment

The Section 223 Council resolution amending the proposed Food Act registration fees and increasing the fees and charges for septic tank permits has a \$9k budget impact for 2013/14 and a 15 year \$195k unfavourable cost impact.

Insurance cost - increases:

The Municipal Association of Victoria (MAV) in early June advised that public liability insurance premiums were likely to increase by 20-25% which has a \$34k budget impact for 2013/14.

Additional funding for Recreation reserves:

Additional \$150k funding for recreation reserves in 2013/14 and \$125k additional funds each year thereafter (assigning \$125k portion of Council initiative funding in 2013/14 budgets and \$25k reallocated from the Community Vision project budget in 2013/14).

Reduction of Council project and initiative budget:

\$400k reduced by \$225k – The balance of \$175k has been flagged for Community budgeting (\$5k), Economic Development Committee (\$20k),

Korumburra Community Roundtable (\$5k), Safe Health and Active Communities (\$20k) and \$125k reallocated to recreation reserves (refer above).

Rate income – reduced rate rise

Rate increase reduced from 7.75% to 6.75% resulting in \$223,000 less 'rates & charges' income.

Final Budget Projections for 2012/13 and Budgeted 'Carry Forwards':

Departments have reviewed their final budget projections for 2012/13, with the aim being that at financial year end (30 June) actual costs incurred correlate closely to cost projected.

As part of this process there are a number of capital and grant funded projects identified that will not be completed by financial year end. The budget projections for these projects have been reduced in 2012/13 and corresponding increases have been made to budgets in 2013/14.

This will distort the financial KPI's between the two financial years but does not present as a strategic concern. The funding implications of 'budgeted carry forwards' between the two years are net neutral.

Grant funded projects that have had funds carried forward from 2012/13 to 2013/14 include:

Cost Centre	Cost Centre Name	Activity Name	Account Name	\$
3365	Early Years Services	Universal Access to Early Childhood Education	Consultancies	10,000
3290	Aged and Disability Services Management	Minor Capital	Minor Furniture and Equipment	25,000
3105	Corporate Services Management	Community Vision Project	Contractors	30,000
2452	Storm Damage 25/05/2012	Milford Road	Contractors	90,000
2452	Storm Damage 25/05/2012	Mirboo Road	Contractors	81,000
2452	Storm Damage 25/05/2012	General	Non Recurrent Grant - State Gov	(100,121)
2453	Storm Damage 03/06/2012	Toora Gonyah Road, Mt Best	Materials	257,000
2453	Storm Damage 03/06/2012	Ross and Witherdons Rd	Materials	120,000

Cost Centre	Cost Centre Name	Activity Name	Account Name	\$
2453	Storm Damage 03/06/2012	Dollar Woorarra West Road	Materials	102,000
2453	Storm Damage 03/06/2012	General	Non Recurrent Grant - State Gov	(819,079)
2454	Severe Rain Event 21 June 2012	LOCH WONTHAGGI ROAD	Materials	90,000
2454	Severe Rain Event 21 June 2012	Pines Rd (Mirboo Nth)	Materials	20,000
2454	Severe Rain Event 21 June 2012	Grandridge Road - Trida	Materials	63,453
2454	Severe Rain Event 21 June 2012	Bena Kongwak Road	External Plant Hire	96,538
2454	Severe Rain Event 21 June 2012	General	Non Recurrent Grant - State Gov	(990,499)
8885	Corner Inlet Tourism - Great Southern Rail Trail	General	Contractors	395,545
8271	Dredging Toora Channel	General	Contractors	56,918
8097	Community Hall Projects	Mt Best Hall	Contractors	158,000
8097	Community Hall Projects	Hedley Hall	Contractors	84,271
2430	Municipal Building	Bushfire Planning Permit Project	Contractors	20,000
2510	Tourism Development and Promotion	Yanakie Information Bay	Consultancies	5,000
3115	Community Services Management	Health and Wellbeing Project	Consultancies	2,000
2455	Environment	Green Street Lighting Project	Contractors	23,607
2425	Biodiversity	Jim Harvey Biodiversity Fund	Contractors	20,000
2425	Biodiversity	Fire Management Planning	Contractors	22,540
2115	Sustainability Services	Sustainability Wiki	Contractors	5,000
2115	Sustainability Services	Sustainability Wiki	Materials	1,747
2410	Strategic Planning	Housing and Settlement Strategy	Consultancies	69,478

Cost Centre	Cost Centre Name	Activity Name	Account Name	\$
2410	Strategic Planning	MSS Review	Consultancies	4,768
2410	Strategic Planning	Eastern Districts Structure Planning	Consultancies	12,286
2410	Strategic Planning	Korumburra Town Centre Framework Plan	Contractors	34,762
2410	Strategic Planning	Port Welshpool Master Plan	Materials	45,185
2410	Strategic Planning	Industrial Land Study - Leongatha	Contractors	22,386
2410	Strategic Planning	Leongatha Traffic Study	Consultancies	140,978
2410	Strategic Planning	Korumburra Traffic Study	Consultancies	110,000
2410	Strategic Planning	Drainage - Functional Design Nyora Sth.	Consultancies	40,000
3375	Community Building	Gippsland Car Pool and Ride Share	Non Recurrent Grant - State Gov	(42,500)
3105	Corporate Services Management	Community Vision Project	Ordinary Labour - Payroll Use Only	18,740
3105	Corporate Services Management	Community Vision Project	Oncost - Payroll Use Only	4,540
8097	Community Hall Projects	Toora Hall	Contractors	27,229
3290	Aged and Disability Services Management	Projects	Contractors	5,000
3290	Aged and Disability Services Management	Improving Liveability for Older People	Materials	16,495
2454	Severe Rain Event 21 June 2012	Buchanans Road	Materials	56,000
2454	Severe Rain Event 21 June 2012	Canavans Rd	Materials	82,000
2454	Severe Rain Event 21 June 2012	Foster Boolarra Road	Materials	203,000

Cost Centre	Cost Centre Name	Activity Name	Account Name	\$
2454	Severe Rain Event 21 June 2012	Leongatha Yarragon Road	Materials	147,000
2454	Severe Rain Event 21 June 2012	MAIN SOUTH ROAD	Materials	108,000
2454	Severe Rain Event 21 June 2012	Old Canavans	Materials	110,000

Capital projects that have had funds carried forward from 2012/13 to 2013/14 include:

Cost Centre	Cost Centre Name	Activity Name	Account Name	\$
8004	Office Accommodation	General	Contractors	440,855
9425	Buildings - Korumburra Child Care Hub	General	Contractors	215,756
8314	Civil - Foster Streetscape (Main and Station Street)	General	Contractors	9,625
9510	Recreation - Port Welshpool - Public Jetty Upgrade	General	Contractors	120,864
9515	RECREATION - Leongatha McIndoe Park Rotunda Extension	General	Contractors	42,900
9739	Roads - Anderson St , Leongatha - Entrance (LGIP)	General	Contractors	16,294
9815	Roads - Stony Creek Dollar Road Improvements	General	Contractors	180,000
8050	Plant / Fleet - Plant Purchases	Hino 500 series flocon	Plant Purchases	307,631
8050	Plant / Fleet - Plant Purchases	Jetpatcher - SUY064	Plant Sales - Major Items	(40,000)
1670	Other - CCHV - Capital Projects	General	Contractors	87,179
8568	Waste - Landfill ET Cap	General	Consultancies	24,002
9748	Roads - Kongwak Inverloch Rd, Kongwak (R2R)	General	Contractors	260,000

Cost Centre	Cost Centre Name	Activity Name	Account Name	\$
9790	Roads - 239-Bridge Street, Korumburra (LGIP)	General	Contractors	64,720
9816	Buildings - Sandy Point Neighbourhood Safer Place	Car Park Construction	Contractors	172,155
9816	Buildings - Sandy Point Neighbourhood Safer Place	Vegetation Works	Contractors	18,508
9816	Buildings - Sandy Point Neighbourhood Safer Place	Land Acquisition	Land Purchases	7,326
9816	Buildings - Sandy Point Neighbourhood Safer Place	Building Modifications	Materials	22,500
9816	Buildings - Sandy Point Neighbourhood Safer Place	New Stove	Materials	10,000
8567	Waste - Koonwarra Cell Construction	Design Cell 3 Stage 2	Contractors	20,400
8567	Waste - Koonwarra Cell Construction	Design Rehab Cells 1 and 2	Contractors	4,420
8567	Waste - Koonwarra Cell Construction	Design of Cell 4	Contractors	30,000
8567	Waste - Koonwarra Cell Construction	Road Earthworks	Materials	24,226
8567	Waste - Koonwarra Cell Construction	Survey / Design	Contractors	8,927
9570	Recreation - Venus Bay Footpath - Existing to CBD	General	Contractors	80,000
9814	Roads - Deviation of Koonwarra-Pound Creek Road, Leongatha	Land Acquisition	Contractors	21,000

Both the financial data and commentary as appropriate has been updated in the Annual Budget

FINANCIAL CONSIDERATIONS

The projected financial results for 2012/13 and budgeted financial statements for 2013/14 are distorted by the need to recognise income in one financial

year and corresponding expenditure in the following year. This mismatching of income and expenditure between two financial years impacts the financial KPI's (favourably for 2012/13 and unfavourably for 2013/14) but does not present as a long term strategic concern.

Importantly, the budget adjustments have not compromised the integrity of both the Annual Budget and the budgeted financial statements in the Long Term Financial Plan.

Due to a combination of favourable budget projections for 2012/13 and bringing forward \$1m funding for Country Roads and Bridges program from 2014/15 to 2012/13 the overall expected financial position for 2013/14 and forward budgets is marginally stronger than what was presented to Council on 24 April 2013.

The table below shows a series of key performance indicators to assess the financial integrity of the budgeted financial statements in the Long Term Financial Plan.

2013/2014 ADOPTED BUDGET

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Financial performance															
Underlying result	-9.70%	4.37%	4.95%	6.93%	7.47%	8.01%	8.16%	8.94%	9.34%	22.87%	10.30%	10.67%	11.46%	12.10%	12.88%
Underlying Working Capital	1.44	1.31	1.33	1.46	1.76	1.78	2.18	1.70	1.48	2.16	1.78	1.92	2.35	2.50	2.38
Funding capacity															
Self-financing	16.99%	29.49%	26.94%	30.19%	29.08%	30.12%	30.47%	32.16%	32.86%	33.32%	34.81%	35.17%	35.91%	36.45%	37.10%
Sustainability Index	133%	159%	138%	115%	103%	107%	123%	161%	106%	175%	165%	95%	129%	149%	167%
Borrowing capacity															
Indebtedness	8.27%	6.58%	5.14%	3.74%	2.41%	1.19%	1.26%	1.33%	1.40%	1.23%	1.54%	1.60%	1.67%	1.73%	1.78%
Total Debt as a % of Rate revenue	10.35%	8.17%	6.35%	4.60%	2.96%	1.44%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Debt servicing costs as a % of Total revenue	0.37%	0.28%	0.24%	0.18%	0.13%	0.08%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Note: Ratios coloured red indicate either short term / immediate sustainability concerns, yellow denotes medium risk and green low risk.

The underlying result in 2013/14 is impacted by a combination of being prepaid half of its Victoria Grants Commission allocation in the preceding 2012/13 financial year and budgets being carried forward for grant funded projects that will not be completed by 30 June.

The underlying working capital ratio still falls below the strategic target of 1.50 to 1 from 2013/14 through to 2016/17 and once again in 2021/22. Although it does not present as an immediate financial concern it does indicate that Council has less financial capacity to accommodate unforeseen strategic opportunities or unavoidable cost events that may arise in that period of time.

Council will have net cash outflows for both 2013/14 and 2014/15. During this time there is a likelihood that Council may have further cash outflow pressures from a potential funding call for unfunded liabilities of the defined benefit superannuation scheme. There may also be additional cash outflows required for taking over operational control of caravan parks. Longer term it

would be expected that the caravan parks would provide positive net cash inflows.

For the 2013/14 financial year the:

- Operating expenditure (including depreciation) will be \$53.76m;
- Capital expenditure will be \$15.25m;
- Total debt redemption will be \$0.62m;
- Total cash outflows will be \$60.23m;
- Total cash inflows will be \$58.22m;
- Cash at end of financial year will be \$7.64m;
- Increase in rates & charges will be 6.48% (6.75% increase in rates, 2.5% increase in Waste Services Charges).

RISK FACTORS

Annual Budgets are 'best estimates' of cost requirements to deliver a defined level of services and strategic projects and initiatives. Throughout the financial year there is reasonable likelihood that:

- some costs incurred may vary materially to what was budgeted;
- unavoidable cost events or increases may occur; and / or
- strategic opportunities may arise that require funding.

As mentioned previously it is probable that Council will have to bring to account and manage the financial implications of additional costs for unfunded defined benefits superannuation obligations as well as for caravan parks.

Adjustments made may not only have a financial impact for the current financial year, but future years as well.

Council will strategically manage these events by utilising 'rolling budget' management processes. On a monthly basis, management will review 'actual' financial performance to 'year to date' budgets. An exception based summary for material variations and changes to annual and longer term budget projections, will be circulated to Councillors.

Budget projections for annual and forward budgets will be updated when it is known that the year end result will vary materially with original budgets. This process ensures that management and Council are at all times aware of likely year end results and longer term financial impact. This provides opportunity

for Council to demonstrate sound financial management by strategically managing financial risks faced by Council throughout the year.

Throughout the course of the financial year the actual financial performance is performance managed by:

- Comparing year to date actual financial performance with the year to date budgets.
- Monitoring the financial impact of changes made to budget projections on the forecast financial results at year end; and
- Monitoring the longer term financial ramifications and comparing to the originally adopted long term financial plan's budgeted financial statements.

The financial performance indicators used to develop the annual and longer term budgets are also used to monitor projected financial outcomes at year end (financial KSA) and on the longer term financial ramifications.

CONCLUSION

A number of key financial performance indicators are used to assess the financial integrity of the annual and forward budgets. The budgeted financial statements of the 2013/14 Annual Budget and Long Term Financial Plan referenced in Appendix -1 are financially viable and sustainable.

RECOMMENDATION

That Council:

1. Adopt the 2013/14 Annual Budget annexed to this resolution.
2. Authorise the Chief Executive Officer to give public notice of this decision to adopt the Annual Budget 2013/14 budget in accordance with Section 130(2) of the Local Government Act 1989.
3. Determine that it intends to raise the following amounts by way of general rates, municipal charges and service charges:

General Rate	\$25,082,131
Municipal Charge	\$6,270,533
Service Charges	\$2,077,770
Total	\$33,430,434

General Rates

- 4.1 Determine that the rates set out below shall be levied on rateable land within the municipal district for the twelve months commencing on 1 July 2013 and ending on 30 June 2014:
 - a. Land located within the municipality that is residential, meaning rateable land upon which is erected a private dwelling which is used primarily for residential purposes, and land located within the municipality that is rural living, meaning land which is generally outside the established townships and which is primarily used and developed for residential purposes in a rural location, 0.379739% of the Capital Improved Value of the rateable land.
 - a. Land located within the municipality that is commercial, meaning rateable land, which is used primarily for business or commercial purposes, including structures, which are used in conjunction with or for purposes ancillary to business or commercial purposes, 0.379739% of the Capital Improved Value of the rateable land.
 - b. Land located within the municipality that is cultural or recreational land, as defined in Section 2 of the Cultural and Recreational Land Act 1960, 0.151896% of the Capital Improved Value of the rateable land.
 - c. Land located within the municipality that is industrial, meaning land upon which is erected a factory or workshop which is primarily used for industrial purposes and includes any land which is used in conjunction with or for purposes ancillary to industrial purposes for which the factory or workshop is being used, industry including but

not being limited to the operations included in the definition of industry in the South Gippsland Shire Council Planning Scheme, 0.379739% of the Capital Improved Value of the rateable land.

- d. Land located within the municipality that is vacant, meaning land upon which no improvements have been made, improvements being work actually done or material use on and for the benefit of the land, so far as the work done or material used increases the value of the land which is capable of being developed for residential, commercial, rural living or industrial purposes, as defined in Clauses (a), (b) and (d) of this resolution, 0.569609% of the Capital Improved Value of the rateable land.
- e. Land located within the municipality that is vacant restricted use properties, meaning land upon which no improvements have been made, and where residential development has been disallowed due to planning restrictions, 0.379739%
- f. Land located within the municipality that is farm land as defined in Section 2 of the Valuation of Land Act 1960, 0.341765% of the Capital Improved Value of the rateable land.

4.2 Determine, in relation to residential / rural residential, commercial, cultural / recreational, industrial, vacant and farm land:

- a. That the characteristics of the land that is subject to differential rates in paragraphs 4.1 (a), (b), (c), (d), (e), (f) and (g) of this resolution shall be that such respective rateable land is land that is residential / rural residential, commercial, cultural/recreational, industrial, vacant, vacant land restricted use and farm land as defined in the paragraphs 4.1 (a), (b), (c), (d), (e), (f) and (g) of this resolution and the criteria contained in paragraphs 4.1 (a), (b), (c), (d), (e), (f) and (g) in respect of the definitions of each such type of rateable land shall define the characteristics and the criteria for declaring the aforesaid differential rates.
- g. That the definitions of the classes of land which are subject to the differential rates are those definitions contained in paragraphs 4.1 (a), (b), (c), (d), (e), (f) and (g) of this resolution.
- h. That the reasons for the use and level of each differential rate in relation to each class of land are in respect of residential / rural residential, commercial, cultural / recreational, industrial, vacant, vacant land restricted use and farm land, is to ensure that the burden of the payment of general rate is fairly apportioned across all rateable land and is appropriately and fairly rated having regard to the use to which such land is put, fairness being assessed on the characteristics of the property and equity being between the classes created, not between the members of each class.

- i. The reasons for the use and level of the differential general rate in respect of residential / rural residential, commercial, cultural / recreation, industrial, vacant, vacant land restricted use and farm land are these categories of property have been adopted as all rateable land can be divided into these categories according to the nature and use of the land and such categories are well understood and easily identified by ratepayers.
- j. The level of the differential general rates were determined after Council decided that it was fair to adopt a municipal charge so that all ratepayers contributed equally to a portion of Council's administrative costs.
- k. That the balances of rates were to be apportioned among the seven classes on the basis of land use.

Municipal Charge

5. That a municipal charge be levied on all rateable land within the municipal district for the twelve months commencing on 1 July 2013 and ending on 30 June 2014 for the purposes of recovering some of the administrative costs of the Council.
6. That the municipal charge be levied in respect to all rateable land, other than rateable land that is exempt from a municipal charge by reason of Section 159(3) of the Local Government Act 1989.
7. That the municipal charge be \$343.65.
8. That new applications for municipal charge waiver will be accepted within the rating year only on the form determined by Council in accordance with Section 159(5) of the Local Government Act 1989.

Service Charge for Garbage and Recycling Services

- 9.1 That the annual service charges (that applies for properties in the Shire where the service is provided) pursuant to Section 162 of the Local Government Act 1989, be levied for the services to be provided as set out in the table below on rateable land within the municipal district for the twelve months commencing on 1 July 2013 and ending on 30 June 2014.

Service Charge	Service
\$213.20	Waste Services Charge A - Kerbside garbage & recycling collection service charge – Residential (120 litre weekly garbage/240 litre fortnightly recycling), street sweeping and litter bins

\$213.20	Waste Services Charge B - Kerbside recycling only collection service charge - Commercial (2 x 240 litre fortnightly recycling service only), street sweeping and litter bins.
\$309.10	Waste Services Charge C - Kerbside garbage & recycling collection service – Commercial premises only (240 litre weekly garbage / 240 litre fortnightly recycling), street sweeping and litter bins.
\$221.20	Waste Services Charge D – Kerbside garbage & recycling collection service - Sandy Point (120 litre weekly garbage/240 litre fortnightly recycling, plus 3 additional recycling collections during Summer) , street sweeping and litter bins.
\$265.70	Waste Services Charge E – Kerbside garbage & recycling collection service - Waratah Bay (120 litre weekly garbage/240 litre fortnightly recycling, plus 3 additional recycling collections during Summer) , street sweeping and litter bins.
\$130.55	Waste Services Charge G – Kerbside garbage & recycling collection service – Venus Bay (120 litre weekly garbage / 240 litre fortnightly recycling) for 6 months from November to April.
\$232.95	Waste Services Charge H – Kerbside garbage & recycling collection service – Venus Bay (120 litre weekly garbage / 240 litre fortnightly recycling) for 12 months.
\$151.85	Waste Services Charge J – Kerbside garbage & recycling collection service – Walkerville (120 litre weekly garbage / 240 litre fortnightly recycling) for 6 months from November to April.
\$268.65	Waste Services Charge K – Kerbside garbage & recycling collection service Walkerville (120 litre weekly garbage / 240 litre fortnightly recycling) for 12 months

9.2 That an annual service charge (that applies for properties in the Shire where the service is provided) be levied in respect to the services set out in the table below for the twelve months period commencing on 1 July 2013 and ending on 30 June 2014 in respect of all land that is not rateable land but which is liable for the payment of an annual service charge under Section 221 of the Local Government Act 1989.

Service Charge	Service
\$213.20	Waste Services Charge A - Kerbside garbage & recycling collection service charge – Residential (120 litre weekly garbage/240 litre fortnightly recycling), street sweeping and litter bins
\$213.20	Waste Services Charge B - Kerbside recycling only collection service charge - Commercial (2 x 240 litre fortnightly recycling service only), street sweeping and litter bins.
\$309.10	Waste Services Charge C - Kerbside garbage & recycling collection service – Commercial premises only (240 litre weekly garbage / 240 litre fortnightly recycling), street sweeping and litter bins.
\$221.20	Waste Services Charge D – Kerbside garbage & recycling collection service - Sandy Point (120 litre weekly garbage/240 litre fortnightly recycling, plus 3 additional recycling collections during Summer) , street sweeping and litter bins.
\$265.70	Waste Services Charge E – Kerbside garbage & recycling collection service - Waratah Bay (120 litre weekly garbage/240 litre fortnightly recycling, plus 3 additional recycling collections during Summer), street sweeping and litter bins.
\$130.55	Waste Services Charge G – Kerbside garbage & recycling collection service – Venus Bay (120 litre weekly garbage / 240 litre fortnightly recycling) for 6 months from November to April.
\$232.95	Waste Services Charge H – Kerbside garbage & recycling collection service – Venus Bay (120 litre weekly garbage / 240 litre fortnightly recycling) for 12 months.

\$151.85	Waste Services Charge J – Kerbside garbage & recycling collection service – Walkerville (120 litre weekly garbage / 240 litre fortnightly recycling) for 6 months from November to April.
\$268.65	Waste Services Charge K – Kerbside garbage & recycling collection service Walkerville (120 litre weekly garbage / 240 litre fortnightly recycling) for 12 months.

10. That the criteria specified for each of the service charges is the recovery by Council of the cost of providing each of the services referred to for land within the municipal district.

General

- 11.1 That the general rates, municipal charge and service charge be declared and levied for a period of twelve months commencing on 1 July 2013 and ending on 30 June 2014.

- 11.2 That the general rates, municipal charge and service charge referred to in these resolutions shall be levied by the service of a notice on each person liable to pay such rate or charge in accordance with Section 158 of the Local Government Act 1989.

- 11.3 That in accordance with Section 167 of the Local Government Act 1989, the rates and charges declared by the Council for the 2013/14 Financial Year must be paid as follows;

by four instalments made on or before the following dates:

Instalment 1 - 30 September 2013

Instalment 2 - 2 December 2013

Instalment 3 - 28 February 2014

Instalment 4 - 2 June 2014

or;

by a lump sum payment made on or before 17 February 2014.

- 11.4 That the Rate Collector be directed and authorised to demand payment of and recover the general rates and charges referred to in these resolutions in accordance with the Local Government Act 1989.

- 11.5 That under the provisions of Section 172 (2) of the Local Government Act 1989 interest is due on instalments or lump sum not paid by the due date from the date that each instalment or lump sum is due.

Council allowances

12. Set in accordance with section 74(1) of the Local Government Act 1989, the Mayoral allowance at the upper level of Category 2 - \$69,325 per annum and the Councillor allowance at the upper level of Category 2 - \$22,405 per annum.

STAFF DISCLOSURE OF INTEREST

Nil

MOVED: Cr Kennedy

SECONDED: Cr Fawcett

THAT COUNCIL:

- 1. ADOPT THE 2013/14 ANNUAL BUDGET ANNEXED TO THIS RESOLUTION.**
- 2. AUTHORISE THE CHIEF EXECUTIVE OFFICER TO GIVE PUBLIC NOTICE OF THIS DECISION TO ADOPT THE ANNUAL BUDGET 2013/14 BUDGET IN ACCORDANCE WITH SECTION 130(2) OF THE LOCAL GOVERNMENT ACT 1989.**
- 3. DETERMINE THAT IT INTENDS TO RAISE THE FOLLOWING AMOUNTS BY WAY OF GENERAL RATES, MUNICIPAL CHARGES AND SERVICE CHARGES:**

GENERAL RATE	\$25,082,131
MUNICIPAL CHARGE	\$6,270,533
SERVICE CHARGES	\$2,077,770
TOTAL	\$33,430,434

GENERAL RATES

- 4.1 DETERMINE THAT THE RATES SET OUT BELOW SHALL BE LEVIED ON RATEABLE LAND WITHIN THE MUNICIPAL DISTRICT FOR THE TWELVE MONTHS COMMENCING ON 1 JULY 2013 AND ENDING ON 30 JUNE 2014:**
 - a. LAND LOCATED WITHIN THE MUNICIPALITY THAT IS RESIDENTIAL, MEANING RATEABLE LAND UPON WHICH IS ERECTED A PRIVATE DWELLING WHICH IS USED PRIMARILY FOR RESIDENTIAL PURPOSES, AND LAND LOCATED WITHIN THE MUNICIPALITY THAT IS RURAL LIVING, MEANING LAND WHICH IS GENERALLY OUTSIDE THE ESTABLISHED TOWNSHIPS AND WHICH IS PRIMARILY USED AND DEVELOPED FOR RESIDENTIAL PURPOSES IN A RURAL LOCATION, 0.379739% OF THE CAPITAL IMPROVED VALUE OF THE RATEABLE LAND.**
 - b. LAND LOCATED WITHIN THE MUNICIPALITY THAT IS COMMERCIAL, MEANING RATEABLE LAND, WHICH IS USED PRIMARILY FOR BUSINESS OR COMMERCIAL PURPOSES, INCLUDING STRUCTURES, WHICH ARE USED IN CONJUNCTION WITH OR FOR PURPOSES ANCILLARY TO BUSINESS OR COMMERCIAL PURPOSES, 0.379739% OF THE CAPITAL IMPROVED VALUE OF THE RATEABLE LAND.**

- b. LAND LOCATED WITHIN THE MUNICIPALITY THAT IS CULTURAL OR RECREATIONAL LAND, AS DEFINED IN SECTION 2 OF THE CULTURAL AND RECREATIONAL LAND ACT 1960, 0.151896% OF THE CAPITAL IMPROVED VALUE OF THE RATEABLE LAND.**
- c. LAND LOCATED WITHIN THE MUNICIPALITY THAT IS INDUSTRIAL, MEANING LAND UPON WHICH IS ERECTED A FACTORY OR WORKSHOP WHICH IS PRIMARILY USED FOR INDUSTRIAL PURPOSES AND INCLUDES ANY LAND WHICH IS USED IN CONJUNCTION WITH OR FOR PURPOSES ANCILLARY TO INDUSTRIAL PURPOSES FOR WHICH THE FACTORY OR WORKSHOP IS BEING USED, INDUSTRY INCLUDING BUT NOT BEING LIMITED TO THE OPERATIONS INCLUDED IN THE DEFINITION OF INDUSTRY IN THE SOUTH GIPPSLAND SHIRE COUNCIL PLANNING SCHEME, 0.379739% OF THE CAPITAL IMPROVED VALUE OF THE RATEABLE LAND.**
- d. LAND LOCATED WITHIN THE MUNICIPALITY THAT IS VACANT, MEANING LAND UPON WHICH NO IMPROVEMENTS HAVE BEEN MADE, IMPROVEMENTS BEING WORK ACTUALLY DONE OR MATERIAL USE ON AND FOR THE BENEFIT OF THE LAND, SO FAR AS THE WORK DONE OR MATERIAL USED INCREASES THE VALUE OF THE LAND WHICH IS CAPABLE OF BEING DEVELOPED FOR RESIDENTIAL, COMMERCIAL, RURAL LIVING OR INDUSTRIAL PURPOSES, AS DEFINED IN CLAUSES (A), (B) AND (D) OF THIS RESOLUTION, 0.569609% OF THE CAPITAL IMPROVED VALUE OF THE RATEABLE LAND.**
- e. LAND LOCATED WITHIN THE MUNICIPALITY THAT IS VACANT RESTRICTED USE PROPERTIES, MEANING LAND UPON WHICH NO IMPROVEMENTS HAVE BEEN MADE, AND WHERE RESIDENTIAL DEVELOPMENT HAS BEEN DISALLOWED DUE TO PLANNING RESTRICTIONS, 0.379739%**
- f. LAND LOCATED WITHIN THE MUNICIPALITY THAT IS FARM LAND AS DEFINED IN SECTION 2 OF THE VALUATION OF LAND ACT 1960, 0.341765% OF THE CAPITAL IMPROVED VALUE OF THE RATEABLE LAND.**

4.2 DETERMINE, IN RELATION TO RESIDENTIAL / RURAL RESIDENTIAL, COMMERCIAL, CULTURAL / RECREATIONAL, INDUSTRIAL, VACANT AND FARM LAND:

- b. THAT THE CHARACTERISTICS OF THE LAND THAT IS SUBJECT TO DIFFERENTIAL RATES IN PARAGRAPHS 4.1 (A), (B), (C), (D), (E), (F) AND (G) OF THIS RESOLUTION SHALL BE THAT SUCH RESPECTIVE RATEABLE LAND IS**

LAND THAT IS RESIDENTIAL / RURAL RESIDENTIAL, COMMERCIAL, CULTURAL/RECREATIONAL, INDUSTRIAL, VACANT, VACANT LAND RESTRICTED USE AND FARM LAND AS DEFINED IN THE PARAGRAPHS 4.1 (A), (B), (C), (D), (E), (F) AND (G) OF THIS RESOLUTION AND THE CRITERIA CONTAINED IN PARAGRAPHS 4.1 (A), (B), (C), (D), (E), (F) AND (G) IN RESPECT OF THE DEFINITIONS OF EACH SUCH TYPE OF RATEABLE LAND SHALL DEFINE THE CHARACTERISTICS AND THE CRITERIA FOR DECLARING THE AFORESAID DIFFERENTIAL RATES.

- g. THAT THE DEFINITIONS OF THE CLASSES OF LAND WHICH ARE SUBJECT TO THE DIFFERENTIAL RATES ARE THOSE DEFINITIONS CONTAINED IN PARAGRAPHS 4.1 (A), (B), (C), (D), (E), (F) AND (G) OF THIS RESOLUTION.**
- h. THAT THE REASONS FOR THE USE AND LEVEL OF EACH DIFFERENTIAL RATE IN RELATION TO EACH CLASS OF LAND ARE IN RESPECT OF RESIDENTIAL / RURAL RESIDENTIAL, COMMERCIAL, CULTURAL / RECREATIONAL, INDUSTRIAL, VACANT, VACANT LAND RESTRICTED USE AND FARM LAND, IS TO ENSURE THAT THE BURDEN OF THE PAYMENT OF GENERAL RATE IS FAIRLY APPORTIONED ACROSS ALL RATEABLE LAND AND IS APPROPRIATELY AND FAIRLY RATED HAVING REGARD TO THE USE TO WHICH SUCH LAND IS PUT, FAIRNESS BEING ASSESSED ON THE CHARACTERISTICS OF THE PROPERTY AND EQUITY BEING BETWEEN THE CLASSES CREATED, NOT BETWEEN THE MEMBERS OF EACH CLASS.**
- i. THE REASONS FOR THE USE AND LEVEL OF THE DIFFERENTIAL GENERAL RATE IN RESPECT OF RESIDENTIAL / RURAL RESIDENTIAL, COMMERCIAL, CULTURAL / RECREATION, INDUSTRIAL, VACANT, VACANT LAND RESTRICTED USE AND FARM LAND ARE THESE CATEGORIES OF PROPERTY HAVE BEEN ADOPTED AS ALL RATEABLE LAND CAN BE DIVIDED INTO THESE CATEGORIES ACCORDING TO THE NATURE AND USE OF THE LAND AND SUCH CATEGORIES ARE WELL UNDERSTOOD AND EASILY IDENTIFIED BY RATEPAYERS.**
- j. THE LEVEL OF THE DIFFERENTIAL GENERAL RATES WERE DETERMINED AFTER COUNCIL DECIDED THAT IT WAS FAIR TO ADOPT A MUNICIPAL CHARGE SO THAT ALL RATEPAYERS CONTRIBUTED EQUALLY TO A PORTION OF COUNCIL'S ADMINISTRATIVE COSTS.**
- k. THAT THE BALANCES OF RATES WERE TO BE APPORTIONED AMONG THE SEVEN CLASSES ON THE BASIS OF LAND USE.**

MUNICIPAL CHARGE

- 5. THAT A MUNICIPAL CHARGE BE LEVIED ON ALL RATEABLE LAND WITHIN THE MUNICIPAL DISTRICT FOR THE TWELVE MONTHS COMMENCING ON 1 JULY 2013 AND ENDING ON 30 JUNE 2014 FOR THE PURPOSES OF RECOVERING SOME OF THE ADMINISTRATIVE COSTS OF THE COUNCIL.**
- 6. THAT THE MUNICIPAL CHARGE BE LEVIED IN RESPECT TO ALL RATEABLE LAND, OTHER THAN RATEABLE LAND THAT IS EXEMPT FROM A MUNICIPAL CHARGE BY REASON OF SECTION 159(3) OF THE LOCAL GOVERNMENT ACT 1989.**
- 7. THAT THE MUNICIPAL CHARGE BE \$343.65.**
- 8. THAT NEW APPLICATIONS FOR MUNICIPAL CHARGE WAIVER WILL BE ACCEPTED WITHIN THE RATING YEAR ONLY ON THE FORM DETERMINED BY COUNCIL IN ACCORDANCE WITH SECTION 159(5) OF THE LOCAL GOVERNMENT ACT 1989.**

SERVICE CHARGE FOR GARBAGE AND RECYCLING SERVICES

- 9.1 THAT THE ANNUAL SERVICE CHARGES (THAT APPLIES FOR PROPERTIES IN THE SHIRE WHERE THE SERVICE IS PROVIDED) PURSUANT TO SECTION 162 OF THE LOCAL GOVERNMENT ACT 1989, BE LEVIED FOR THE SERVICES TO BE PROVIDED AS SET OUT IN THE TABLE BELOW ON RATEABLE LAND WITHIN THE MUNICIPAL DISTRICT FOR THE TWELVE MONTHS COMMENCING ON 1 JULY 2013 AND ENDING ON 30 JUNE 2014.**

SERVICE CHARGE	SERVICE
\$213.20	WASTE SERVICES CHARGE A - KERBSIDE GARBAGE & RECYCLING COLLECTION SERVICE CHARGE – RESIDENTIAL (120 LITRE WEEKLY GARBAGE/240 LITRE FORTNIGHTLY RECYCLING), STREET SWEEPING AND LITTER BINS
\$213.20	WASTE SERVICES CHARGE B - KERBSIDE RECYCLING ONLY COLLECTION SERVICE CHARGE - COMMERCIAL (2 X 240 LITRE FORTNIGHTLY RECYCLING SERVICE ONLY), STREET SWEEPING AND LITTER BINS.
\$309.10	WASTE SERVICES CHARGE C - KERBSIDE GARBAGE & RECYCLING COLLECTION SERVICE – COMMERCIAL PREMISES ONLY (240 LITRE

	WEEKLY GARBAGE / 240 LITRE FORTNIGHTLY RECYCLING), STREET SWEEPING AND LITTER BINS.
\$221.20	WASTE SERVICES CHARGE D – KERBSIDE GARBAGE & RECYCLING COLLECTION SERVICE - SANDY POINT (120 LITRE WEEKLY GARBAGE/240 LITRE FORTNIGHTLY RECYCLING, PLUS 3 ADDITIONAL RECYCLING COLLECTIONS DURING SUMMER) , STREET SWEEPING AND LITTER BINS.
\$265.70	WASTE SERVICES CHARGE E – KERBSIDE GARBAGE & RECYCLING COLLECTION SERVICE - WARATAH BAY (120 LITRE WEEKLY GARBAGE/240 LITRE FORTNIGHTLY RECYCLING, PLUS 3 ADDITIONAL RECYCLING COLLECTIONS DURING SUMMER) , STREET SWEEPING AND LITTER BINS.
\$130.55	WASTE SERVICES CHARGE G – KERBSIDE GARBAGE & RECYCLING COLLECTION SERVICE – VENUS BAY (120 LITRE WEEKLY GARBAGE / 240 LITRE FORTNIGHTLY RECYCLING) FOR 6 MONTHS FROM NOVEMBER TO APRIL.
\$232.95	WASTE SERVICES CHARGE H – KERBSIDE GARBAGE & RECYCLING COLLECTION SERVICE – VENUS BAY (120 LITRE WEEKLY GARBAGE / 240 LITRE FORTNIGHTLY RECYCLING) FOR 12 MONTHS.
\$151.85	WASTE SERVICES CHARGE J – KERBSIDE GARBAGE & RECYCLING COLLECTION SERVICE – WALKERVILLE (120 LITRE WEEKLY GARBAGE / 240 LITRE FORTNIGHTLY RECYCLING) FOR 6 MONTHS FROM NOVEMBER TO APRIL.
\$268.65	WASTE SERVICES CHARGE K – KERBSIDE GARBAGE & RECYCLING COLLECTION SERVICE WALKERVILLE (120 LITRE WEEKLY GARBAGE / 240 LITRE FORTNIGHTLY RECYCLING) FOR 12 MONTHS

9.2 THAT AN ANNUAL SERVICE CHARGE (THAT APPLIES FOR PROPERTIES IN THE SHIRE WHERE THE SERVICE IS PROVIDED) BE LEVIED IN RESPECT TO THE SERVICES SET OUT IN THE TABLE BELOW FOR THE TWELVE MONTHS PERIOD COMMENCING ON 1 JULY 2013 AND ENDING ON 30 JUNE 2014 IN

RESPECT OF ALL LAND THAT IS NOT RATEABLE LAND BUT WHICH IS LIABLE FOR THE PAYMENT OF AN ANNUAL SERVICE CHARGE UNDER SECTION 221 OF THE LOCAL GOVERNMENT ACT 1989.

SERVICE CHARGE	SERVICE
\$213.20	WASTE SERVICES CHARGE A - KERBSIDE GARBAGE & RECYCLING COLLECTION SERVICE CHARGE – RESIDENTIAL (120 LITRE WEEKLY GARBAGE/240 LITRE FORTNIGHTLY RECYCLING), STREET SWEEPING AND LITTER BINS
\$213.20	WASTE SERVICES CHARGE B - KERBSIDE RECYCLING ONLY COLLECTION SERVICE CHARGE - COMMERCIAL (2 X 240 LITRE FORTNIGHTLY RECYCLING SERVICE ONLY), STREET SWEEPING AND LITTER BINS.
\$309.10	WASTE SERVICES CHARGE C - KERBSIDE GARBAGE & RECYCLING COLLECTION SERVICE – COMMERCIAL PREMISES ONLY (240 LITRE WEEKLY GARBAGE / 240 LITRE FORTNIGHTLY RECYCLING), STREET SWEEPING AND LITTER BINS.
\$221.20	WASTE SERVICES CHARGE D – KERBSIDE GARBAGE & RECYCLING COLLECTION SERVICE - SANDY POINT (120 LITRE WEEKLY GARBAGE/240 LITRE FORTNIGHTLY RECYCLING, PLUS 3 ADDITIONAL RECYCLING COLLECTIONS DURING SUMMER) , STREET SWEEPING AND LITTER BINS.
\$265.70	WASTE SERVICES CHARGE E – KERBSIDE GARBAGE & RECYCLING COLLECTION SERVICE - WARATAH BAY (120 LITRE WEEKLY GARBAGE/240 LITRE FORTNIGHTLY RECYCLING, PLUS 3 ADDITIONAL RECYCLING COLLECTIONS DURING SUMMER), STREET SWEEPING AND LITTER BINS.
\$130.55	WASTE SERVICES CHARGE G – KERBSIDE GARBAGE & RECYCLING COLLECTION SERVICE – VENUS BAY (120 LITRE WEEKLY GARBAGE / 240 LITRE FORTNIGHTLY RECYCLING) FOR 6 MONTHS FROM NOVEMBER TO APRIL.

\$232.95	WASTE SERVICES CHARGE H – KERBSIDE GARBAGE & RECYCLING COLLECTION SERVICE – VENUS BAY (120 LITRE WEEKLY GARBAGE / 240 LITRE FORTNIGHTLY RECYCLING) FOR 12 MONTHS.
\$151.85	WASTE SERVICES CHARGE J – KERBSIDE GARBAGE & RECYCLING COLLECTION SERVICE – WALKERVILLE (120 LITRE WEEKLY GARBAGE / 240 LITRE FORTNIGHTLY RECYCLING) FOR 6 MONTHS FROM NOVEMBER TO APRIL.
\$268.65	WASTE SERVICES CHARGE K – KERBSIDE GARBAGE & RECYCLING COLLECTION SERVICE WALKERVILLE (120 LITRE WEEKLY GARBAGE / 240 LITRE FORTNIGHTLY RECYCLING) FOR 12 MONTHS.

10. THAT THE CRITERIA SPECIFIED FOR EACH OF THE SERVICE CHARGES IS THE RECOVERY BY COUNCIL OF THE COST OF PROVIDING EACH OF THE SERVICES REFERRED TO FOR LAND WITHIN THE MUNICIPAL DISTRICT.

GENERAL

- 11.1 THAT THE GENERAL RATES, MUNICIPAL CHARGE AND SERVICE CHARGE BE DECLARED AND LEVIED FOR A PERIOD OF TWELVE MONTHS COMMENCING ON 1 JULY 2013 AND ENDING ON 30 JUNE 2014.
- 11.2 THAT THE GENERAL RATES, MUNICIPAL CHARGE AND SERVICE CHARGE REFERRED TO IN THESE RESOLUTIONS SHALL BE LEVIED BY THE SERVICE OF A NOTICE ON EACH PERSON LIABLE TO PAY SUCH RATE OR CHARGE IN ACCORDANCE WITH SECTION 158 OF THE LOCAL GOVERNMENT ACT 1989.
- 11.3 THAT IN ACCORDANCE WITH SECTION 167 OF THE LOCAL GOVERNMENT ACT 1989, THE RATES AND CHARGES DECLARED BY THE COUNCIL FOR THE 2013/14 FINANCIAL YEAR MUST BE PAID AS FOLLOWS;

BY FOUR INSTALMENTS MADE ON OR BEFORE THE FOLLOWING DATES:

INSTALMENT 1 - 30 SEPTEMBER 2013

INSTALMENT 2 - 2 DECEMBER 2013

INSTALMENT 3 - 28 FEBRUARY 2014

INSTALMENT 4 - 2 JUNE 2014

OR;

BY A LUMP SUM PAYMENT MADE ON OR BEFORE 17 FEBRUARY 2014.

11.4 THAT THE RATE COLLECTOR BE DIRECTED AND AUTHORISED TO DEMAND PAYMENT OF AND RECOVER THE GENERAL RATES AND CHARGES REFERRED TO IN THESE RESOLUTIONS IN ACCORDANCE WITH THE LOCAL GOVERNMENT ACT 1989.

11.5 THAT UNDER THE PROVISIONS OF SECTION 172 (2) OF THE LOCAL GOVERNMENT ACT 1989 INTEREST IS DUE ON INSTALMENTS OR LUMP SUM NOT PAID BY THE DUE DATE FROM THE DATE THAT EACH INSTALMENT OR LUMP SUM IS DUE.

COUNCIL ALLOWANCES

12. SET IN ACCORDANCE WITH SECTION 74(1) OF THE LOCAL GOVERNMENT ACT 1989, THE MAYORAL ALLOWANCE AT THE UPPER LEVEL OF CATEGORY 2 - \$69,325 PER ANNUM AND THE COUNCILLOR ALLOWANCE AT THE UPPER LEVEL OF CATEGORY 2 - \$22,405 PER ANNUM.

Cr Fawcett left the Meeting 3.31pm.

Cr Fawcett returned to the Meeting at 3.32pm.

CARRIED

For: Crs Fawcett, Harding, Kennedy, Brunt, Hutchinson-Brooks and Davies.

Against: Crs McEwen, Newton and Hill.

E.5 FINANCE PERFORMANCE REPORT

Corporate Services Directorate

EXECUTIVE SUMMARY

The financial performance to May 2013 shows the following high level outcomes:

- Operating result: \$2.509 million deficit which is \$1.299 million unfavourable compared the year to date budget projection of \$1.210 million deficit.
- Underlying result: \$6.028 million deficit which is \$831,000 unfavourable compared with year to date budget projection of a \$5.197 million underlying deficit.
- Capital works: \$9.718 million expenditure which is \$2.074 million behind year to date budget of \$11.792 million.
- Cash assets: Projected 30 June \$13.46 million (original budget \$9.42 million)
- Underlying working capital ratio: Projected 30 June 1.62 to 1 (original budget 1.52 to 1)
- Year end projections show the financial Key Strategic Activity (KSA) being 99.51% which is above the 98% target.
- \$2.18 million of capital projects and \$1.47 million of projects in the Income Statement are being carried forward from 2012/13 to 2013/14.
- The advance payment of 1/2 of the 2013/14 Victoria Grants Commission allocation (\$4.00 million) has a positive impact on the projected operating result for 2012/13.
- The longer term financial performance indicators show that the financial plan (based on prepared budget presented to Council on 24 April 2013 adjusted for budget carry forward and other budget adjustments) is financially sustainable.

Document/s pertaining to this Council Report

- **Appendix 1** - Financial Performance Report to 31 May 2013

A copy of **Appendix 1** - Financial Performance Report to 31 May 2013 is available on Council's website: www.southgippsland.vic.gov.au or by contacting 5662 9200.

LEGISLATIVE / ACTION PLANS / STRATEGIES / POLICIES

Local Government Act 1989, Part 7 Financial management:

INTERNAL POLICIES / STRATEGIES / DOCUMENTS

Financial Strategy 2013/14

COUNCIL PLAN

Strategic Goal:	5.0	A Leading Organisation
Outcome:	5.2	Systems and Processes
Strategy No:	5.2.3	Financial Management

CONSULTATION

Not Applicable

REPORT

Background

Council must abide by the principles of sound financial management and ensure that periodically a statement comparing budgeted revenue and expenditure for the financial year with the actual revenue and expenditure is presented to Council.

Council each year sets an Annual Budget within a 15 year Long Term Financial Plan framework. Guidance is provided by the Financial Strategies when developing annual and longer term budgets. The financial integrity of the budgeted financial statements in the annual and forward budgets can be assessed by reference to financial performance indicators.

Throughout the course of the financial year the actual financial performance is performance managed by:

- Comparing year to date actual financial performance with the year to date budgets.
- Monitoring the financial impact of changes made to budget projections on the forecast financial results at year end; and
- Monitoring the longer term financial ramifications and comparing to the originally adopted long term Financial Plan's budgeted financial statements.

The financial performance indicators that were used to develop the annual and longer term budgets are used to monitor projected financial outcomes at year end (financial KSA) and the longer term financial ramifications.

The Financial Performance Reports are purposefully prepared outside traditional quarterly cycles. The timelines better align with strategic events that occur throughout the financial year. This enables important information financial updates to be provided to Council and its community in a timely manner. The reporting timelines include:

- August: Report covers financial implications of previous year's financial results as well the budgets impact of funding projects carried forward that were not completed by 30 June
- November: Report picks up financial implications of any changes made to operational or capital budgets during the mid year financial review process
- February: Report aligns with annual budget process
- May: Report provides Council with likely financial outcome for year end including budgets being carried forward for projects that are not expected to be completed by 30 June

At financial year end comprehensive financial statements, standard statements, and performance statements are produced, subject to external audit and these form part of the Annual Report.

Discussion

Appendix 1 - Financial Performance Report contains detailed reporting on:

Section 1 - Year to date financial performance and projected financial results.

This section discusses variations in year to date performance and budget projections. The information is presented in the budgeted financial statements format. It also details the 'budget carry forwards'.

Section 2 – Annual year to date financial analysis.

This section analyses the implications of the year to date performance, the projected outcome for the financial year end, as well as commentary on the financial Key Strategic Activities (KSA).

Section 3 – Long Term Financial Plan analysis.

This section benchmarks and strategically analyses the financial impact of the year's projected financial results against the adopted Annual Budget, Long Term Financial Plan and the Financial Strategy's key performance indicators.

Options

Not Applicable

Proposal

Not Applicable

FINANCIAL CONSIDERATIONS

Activities within the Council 2012/13 Annual Plan are funded through the 2012/13 Budget.

The Financial Performance Report provides a high level analysis of Council's financial performance for the eleven month period from June to May 2013.

Projected year end financial projections shows the weighted average of 5 key financial ratios (including indebtedness, underlying working capital ratio, self-financing, investment gap and underlying result for the 2012/13 Budget) is 99.51% which is above the target of 98%.

The longer term financial performance indicators show that the Financial Plan (based on the 'prepared budget' as presented to Council on 24 April 2013) is financially sustainable.

RISK FACTORS

Transparency in reporting is a risk management control measure that allows the community and Council to view the financial management of year to date results as well as the annual and longer term financial implications.

Council can not only assess year to date performance and the annual and longer term financial implications as well.

CONCLUSION

It is recommended that Council receive and note the Financial Performance Report. The Report provides an overview of Council's financial performance for the period July 2012 to May 2013.

RECOMMENDATION

That Council receive and note the Financial Performance Report (Appendix 1) for the period July 2012 to May 2013.

STAFF DISCLOSURE OF INTEREST

Nil

MOVED: Cr Fawcett

SECONDED: Cr Davies

THAT COUNCIL RECEIVE AND NOTE THE FINANCIAL PERFORMANCE REPORT (APPENDIX 1) FOR THE PERIOD JULY 2012 TO MAY 2013.

CARRIED UNANIMOUSLY

E.6 2013/2014 COMMUNITY GRANTS PROGRAM

Corporate Services Directorate

EXECUTIVE SUMMARY

Council strives to facilitate, plan and provide programs, services and opportunities that strengthen its communities. One of the most immediate ways Council seeks to do this is through its annual Community Grants Program; making funds available for a broad range of community initiatives across the municipality.

Each year Council reviews the current Community Grants Policy and Guidelines. The outcome of this year's review recommends that the current program remain unchanged.

The proposed draft Community Grants Guidelines (Attachment 1), is provided for adoption which proposes to open the 2013/2014 Community Grants Program on 1 July 2013.

Document pertaining to this Council Report

- **Attachment 1** - 2013/2014 Community Grants Guidelines

LEGISLATIVE / ACTION PLANS / STRATEGIES / POLICIES

Local Government Act 1989, Sections 3C, 3D and 3E

The Australian Institute of Grants Management (AIGM) – Best Practice network for government and local government grants managers and grant makers.

INTERNAL POLICIES / STRATEGIES / DOCUMENTS

- Council Policy - Community Grants Policy – 2012
- South Gippsland Community Grants Policy and Guidelines
- Open Space Strategy
- Recreation Plan
- Bike, Paths and Trails Strategy
- Community Strengthening Strategy
- Sustainability Strategy
- Risk Management Framework
- Asset Management Strategy

- Access and Inclusion Plan
- Public Health and Wellbeing Plan

COUNCIL PLAN

Strategic Goal:	1.0	A Vibrant, Engaged Community
Outcome:	1.1	Active, Resilient Community
Strategy No:	1.1.1	Community Partnerships

CONSULTATION

Consultation was provided through the following activities:

- An opportunity was provided for previous applicants to provide feedback;
- An internal review was completed by relevant officers; and
- A Council Briefing was conducted on 15 May 2013.

REPORT

Background

The Community Grants Program provides the opportunity for organisations across the Shire to access funding support for a wide range of projects and purposes.

As Council continues to support the development of Community Directions Statements it is important that the Community Grants Program encourages projects that can be supported in response to these directions.

Discussion

A review of the program has identified that the program has gone through significant changes over the past five years with the introduction of the two funding rounds, Major Projects Category and the Small Equipment Program. It is therefore proposed that no significant changes be made to the 2013/2014 Community Grants Program.

Options

Council has two options following the review of the Community Grants Program review:

Option one: that the 2013/2014 Community Grants Program remains unchanged.

Option two: that changes be made to the 2013/2014 Community Grants Program.

Proposal

Option one is recommended as the current Community Grants Program is an efficient program that meets the objective of the Community Grants Policy.

FINANCIAL CONSIDERATIONS

The budget allocated to the 2013/2014 Community Grants program will be adopted at the 26 June 2013 Council Meeting.

The funding to for Community Grants Program has been reduced for 2013/2014 and transferred to the Recreation Reserve Maintenance Grant budget.

RISK FACTORS

Reviewing the Policy and Guidelines provides for better governance of the Community Grants Program as it strengthens legislative compliance, ensures the appropriate and effective use of Council funds, assists to avoid potential conflicts of interest and facilitates openness, transparency and accountability.

CONCLUSION

Consultation has taken place in reviewing the Community Grants Policy and Guidelines with the objective of ensuring that funds allocated through the Community Grants Program is aligned with the needs and direction of the Community and Council.

RECOMMENDATION

That Council:

1. Adopt the 2013/2014 Community Grants Guidelines; and
2. Open the 2013/2014 Community Grants Program on 1 July 2013.

MOVED: Cr Harding

SECONDED: Cr Newton

THAT COUNCIL:

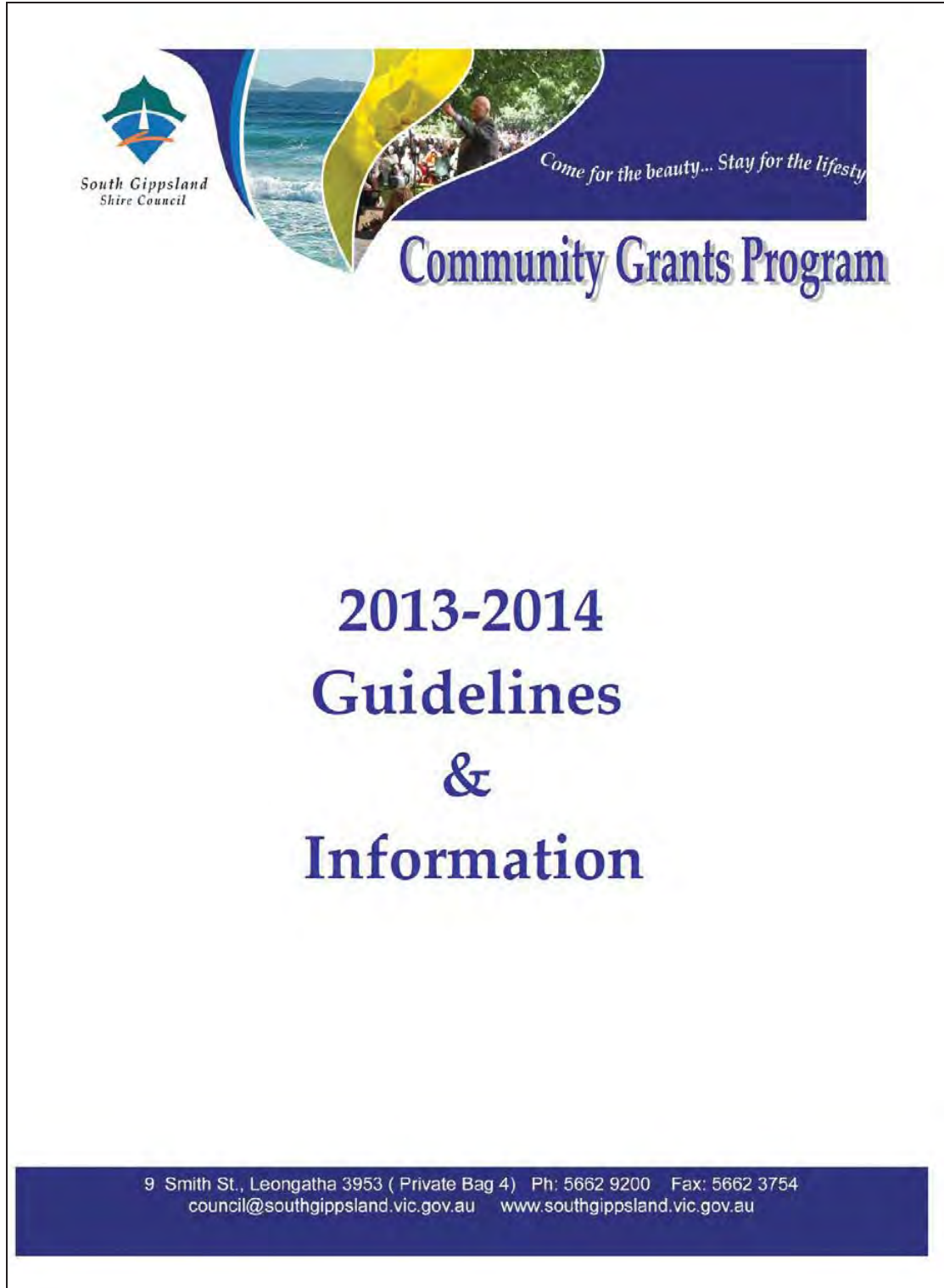
1. **ADOPT THE 2013/2014 COMMUNITY GRANTS GUIDELINES; AND**
2. **OPEN THE 2013/2014 COMMUNITY GRANTS PROGRAM ON 1 JULY 2013.**

Cr Fawcett left the Meeting at 3.53pm.

Cr Fawcett returned to the Meeting at 3.54pm.

CARRIED UNANIMOUSLY

Attachment 1



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INTRODUCTION

Council sets the Community Grants allocation each financial year when formulating the annual budget. Funds allocated through the Community Grants Program need to result in beneficial projects/activities for the South Gippsland Shire.

Community Grants funding will be available under the following categories:

- Small Equipment Program;
- Minor Projects;
- Celebrations, Festivals and Events;
- Planning Development Studies;
- Major Projects; and
- Major Events

OBJECTIVES

The following objectives of the South Gippsland Shire Council Community Grants are outlined in the Council Community Grants Policy:

- a. Grants for a range of initiatives that support the achievement of the strategic goals and outcomes of the Council Plan and enhance the quality of life, heritage, recreation and cultural opportunities of the broader South Gippsland community.
- b. A program that is flexible and responsive to the needs of the community.
- c. A program that minimises the administrative burden on volunteers without undermining good governance and asset management principles.
- d. Further opportunities to 'not for profit' groups and organisations, which would otherwise have limited access to funds to expand or maintain community engagement within the community.
- e. Support to Community Groups to increase self reliance without encouraging a relationship of dependence.

2013-2014 COMMUNITY GRANTS PROGRAM

KEY DATES

Small Equipment Program	Dates
Open	1 July 2013
Close - Applications received and assessed on a monthly basis	16 day of each Month
Recommendations	After 15 day of the following Month

Community Grants	Dates
Community Grants 1st and 2nd Rounds Open	1 July 2013
<ul style="list-style-type: none"> - Minor Projects - Celebrations, Festivals, and Events - Major Projects - Planning Development Studies - Major Events* 	
Round 1 Applications Close	30 August 2013
Officer recommendations presented to Council for approval	27 November 2013
Round 2 Applications Close:	31 March 2014
Officer recommendations presented to Council for approval	25 June 2014

* Prospective applicants to the Major Events category are required to contact Council's Grants Officer prior to submission.

All Community Grants applications must be received prior to 5 pm, on 30 August 2013 for consideration in Round 1 and 5pm, 31 March 2014 for consideration in Round 2.

NO APPLICATIONS OR DOCUMENTATION CAN BE ACCEPTED AFTER THIS TIME.

OTHER KEY POINTS

Under the Community Grants Program there are five grant categories, they are as follows (refer to guidelines for definitions):

Grant Category	Min. Funding Allocation	Max. Funding Allocation	Contribution Ratio Required	
			Council Funding	Applicant Contribution required
Small Equipment Program*	\$1000	\$5,000	Up to 85%	Min 15%
Minor Projects	\$1000	\$5,000	\$1	\$1
Celebrations Festivals and Events Grants;	\$1000	\$5,000	\$1	\$1
Major Projects	\$5,000	\$10,000	\$1	\$1
Planning Development Studies	\$1,000	\$10,000	\$1	Nil
Major Events**	\$1,000	\$5,000	\$1	\$2***

* Applicants to the **Small Equipment Program** are able to seek funding of up to 85% of total project cost.

** Applications under the **Major Events** category will be able to apply for up to five consecutive years. Any such funding will remain subject to the terms and conditions as set out by Council, and will not be as of right; the allocation will be reviewed every year.

*** A **Major Event** applicant must demonstrate at least a contribution of \$2 for every \$1 Council contributes. Contribution may be in-kind or cash.

- An applicant can only be approved for funding once per category, in a financial year.
- An applicant's contribution may either be cash, in-kind or a combination of both.
- If an applicant is unsuccessful in Round 1, they are eligible to resubmit their application in Round 2.

ELIGIBILITY CRITERIA

Applicants to the Community Grants Program must be:

- a. A community organisation or group managed by a volunteer committee of management; and
- b. A Section 86 Committee of Council or a properly incorporated body. Unincorporated applicants may be auspiced by a third party that is incorporated. (Note: There is no limit on the number of applications an organisation may auspice); and
- c. Based within the South Gippsland Shire or be able to demonstrate that they service a significant number of residents of South Gippsland Shire; and
- d. Operating in accordance with equal opportunity and non-discriminatory philosophies and occupational health and safety guidelines.

Government funded agencies are generally not eligible for funding. However, significant partnerships or collaborative arrangements may constitute special circumstances.

INELIGIBLE APPLICATIONS

The following applications are ineligible for assessment under the Community Grants Program:

- a. Applications that are received after the advertised deadline. The late delivery of an application by Australia Post is not sufficient cause for it to be considered.
- b. The applicant has not committed the required contribution as outlined in the application form.
- c. For funding outside the stated maximum and minimum funding allocation as detailed in the application.
- d. Applicants that have not filed an acquittal with Council for any previous grant or in any other way not complied with the conditions of funding for any previous grant will be considered ineligible until said acquittal is satisfactorily filed or such conditions of funding are met.
- e. Has not supplied evidence of approval by the relevant land owner and/or lease for where the project is located on land that is not owned by the applicant.
- f. Applications for ongoing administration costs.
- g. Applications seeking retrospective funding.
- h. That do not to adhere to the Trade Practices Act and National Competition Policy.
- i. That has not included financial status by providing an end of year report including a financial report and a copy of all current bank statements. (This is to prove that applicants have financial capacity to meet their commitment to the project and are unable to fund the project from their own sources).
- j. Applications by individuals other than where the individual is authorised to apply on behalf of a community group or organisation

- k. Incomplete applications.
- l. Applications are ineligible if they are unable to demonstrate that the project or event is predominantly to the advantage of the general community of South Gippsland Shire Council.
- m. Applications for programs or initiatives where Council considers the purpose of the program or initiative, or activities within it, is to advance the organisation's religious beliefs or political positions, irrespective of what those beliefs or positions might be. However, religious or politically affiliated groups may apply for grants for programs or initiatives that comply with this policy.

ADDITIONAL CIRCUMSTANCES

Applications from Country Fire Authority (CFA) and State Emergency Services (SES) organisations need to submit a copy of their project application to Council's Emergency Management Coordinator for assessment and priority ranking. The MEC will forward their assessment of the project to Council's Grants Officer by the due date. Funding will only be made available to CFA and SES projects requesting funds for equipment or projects that are not considered to be a State Government funding responsibility.

As prior planning for events can be lengthy, applications for Celebrations, Festival and Events may be assessed outside the approved funding rounds as stated in these guidelines. However, an application must be submitted to Council a minimum of 12 weeks prior to the date of the event to allow appropriate time for assessment and decision of Council.

All applications are still subject to further evaluation by the Community Grants Program Assessment Panel and Council.

SELECTION CRITERIA

To ensure applications are assessed fairly, all eligible applications will be assessed against the response and information provided in the application. Further assessment may also be made against the following criteria:

- a. Level of financial support already provided by Council for the project seeking support.
- b. Level of financial support previously provided by Council to the applicant.
- c. Level of demonstrated financial and/or in-kind contribution by the applicant.

INFORMATION FOR APPLICANTS

The following is some detail of what is expected for each question of the application and some further tips. Chances are this document won't anticipate every question applicants may have; so please contact the Grants Officer, Penni Ellicott, on (03) 5662 9378 or by email penni.ellicott@southgippsland.vic.gov.au, should you require further assistance.

Applications to the Small Equipment Program

Small equipment items must be tangible and for the primary benefit of the volunteers and does not include installation costs. Applications to this program are to clearly demonstrate the following objectives:

WHY does your organisation need to purchase this equipment? (50%)

- Is it required to replace worn/broken equipment?
- Demonstrate that your organisation can not continue to function effectively without the immediate purchase?
- Is it new/upgrade equipment to assist volunteers?

WHAT will the purchase of the equipment achieve for you organisation? (50%)

- Will it assist current or encourage new volunteers?
- How will it assist volunteers within your organisation?
- Will it be more cost effective?
- Will the equipment be available to other community organisations?

Applications to the Community Grants Program

Question 1 - Project Category

Which one to tick?

Minor Projects

General grants are usually for minor capital works or the costs associated with the establishment of a new or improved service. An application cannot be made for any on-going or operating expenses for a program or service. This includes a regular annual program that your club runs, as these will be considered a recurrent cost and therefore ineligible.

Celebrations Festivals and Events

These grants are for the running of 'not for profit' Celebrations Festivals or Events and not for fund raising purposes for an organisation/s. All such activities funded will have a focus on community strengthening and/or the enhancement of the quality of life, heritage, recreational and cultural opportunities of the citizens and visitors to South Gippsland Shire, and not be of a predominately commercial nature.

Planning & Development Studies

Studies are for the development of documented research that details the viability or business case of a proposed community based project or facility.

Major Projects

Applications under this category will be for projects that are well planned, with appropriate approvals in place. A detailed budget and where applicable, designs are to be attached to the application. Applications can also be submitted on behalf of multiple groups. Minimum funding request is \$5,000 and up to \$10,000.

Major Event Grants

These grants are for events that can demonstrate that it will or does attract State and/or nationally recognised artists or competitors, and/or a large participation from outside of South Gippsland. That is, participation is not dependent on local attendance but has a focus on attracting a much wider audience or participation. These events are not fund raising activities for other charities and/or organisations. **Perspective applicants must contact Council's Grant Officer before submitting an application.**

What happens if I choose the wrong one?

Officers will simply redesignate it to the appropriate category and it will still be fully considered, provided all other eligibility criteria are met. Seeking advice from the Grants Officer will assist in reducing any confusion.

Question 2 - Project Name & Description

Needs to briefly outline what the grant is for. Applications to the Celebrations, Festival and Events category need to include the date of their event.

Question 3 - Project Location

This refers to where the project or event is going to happen, not the address of the club or organisation. It is important that the land owners and/or property controllers are consulted prior to submission and evidence provided with the application.

Works to be completed on Council owned / controlled property requiring permission from Council's Building and/or Property Unit **must** submit their request at least six weeks prior to the Community Grants closing date.

What is a Road Reserve? This is not just the asphalted or trafficable area, it usually includes the space between one property boundary across to the opposite property boundary, i.e. the land between one fence line and the fence line directly opposite across the 'road'.

Question 4 - Applicants Details

Do not use abbreviations or acronyms. Give the full name of the Applicant Organisation. The contact person should be the person who will be managing the grant application and will be the primary point of contact with the organisation through-out the life of the project.

What is a Section 86 Committee?

These are committees directly appointed by Council under Section 86 of the Local Government Act 1989, and are given a formal delegation to do certain things on the Council's behalf, such as look after a hall or a piece of land.

Question 5 – Auspice Organisation

If your group is not incorporated or a Section 86 Committee, you need to have another Group that is an incorporated group auspice your application.

The details of the auspicings group should be completed and signed in the space provided on the application.

Question 6 – Project Description

If you don't have enough room for any of these questions, simply write in the relevant space 'see attached' and attach your response to the application.

6.1 WHY does your organisation want to do this project? (30%)

- Demonstrate the extent to which the project responds to the need of your organisation and the why it is necessary?
- Is the project identified or supported by any Business Plans, Master Plans, Feasibility Study OHS reports etc.
- Will it increase participation numbers, membership, revenue, proceeds etc?
- Will it assist current or encourage new volunteers?

6.2 HOW will your organisation carry out the project? (20%)

- Demonstrate how the project will be delivered including, project scope, innovative, sustainable and environmentally friendly project components and practices.
- Is a Project Management Framework (PMF) provided? (If so, please provide details on the pro-forma provided).
- Includes evidence of confirmation of funding contributions (both financial and in-kind) and an In-kind pro-forma provided.
- Address issues around safety, risk management, accessibility and compliance with relevant anti-discrimination legislation.
- Includes the provision of quotations, concept and any consultation undertaken with stakeholders, partners and potential users (where possible local suppliers should be given the opportunity to quote on projects).
- If required, Planning Permits must be obtained and provided with the application.
- Major Projects must include any Designs and Detailed Costings where applicable.

6.3 WHO will be involved in the project? (10%)

- Who will be managing the project effectively and experience do they have?
- What stakeholders will be involved in the project?

6.4 WHAT will the project achieve for the Community? (40%)

- Demonstrate how your project will meet the needs of the community.
- Is your project identified and /or supported by a Community Direction Statement?
- Council's various strategies such as Open Space Strategy, Recreation Plan, Access & Inclusion Plan, Sustainability Strategy, Bike Paths & Trails Strategy etc (Council's Various Plans and Strategies are available at www.southgippsland.vic.gov.au).
- Preference will be given to a project that encourages multi-use and does not duplicate a service and/or facility within the community.

Question 7 - Project / Event Budget and Timeline

All dollar figures provided should be GST inclusive.

What's an In-kind contribution?

It is a non-cash contribution made by the applicant towards the completion or the conduct of the project. Commonly this will include the labour of members of the applicant or the use of members' equipment. A business may also supply material or services at a discount. The difference between the retail value of a product and the discounted price for the project can also be counted as an in-kind contribution.

A voluntary Labour and In-kind Support Information Sheet must be completed and returned with the application form. This form is available on the Council website.

Question 8 – Authorisation Clause

If you have a constitution or articles of association, these should tell you who can authorised the application. If you have neither, your 'president' and another office bearer should be the authorised person/s.

Checklist – Attachments

Supporting documentation is often what gets applications across the line. They can be used to demonstrate that your project has broad community support or identified as a key priority by other stakeholders, for example a co-tenant is aware and supportive of the project.

- **Latest annual financial report and current bank statement.** This is so Council can confirm that your organisation has the ability to meet its financial commitments to the project. This is very important and is actually something that the application will be assessed on, so please ensure you include both of the listed documents.
- **Letters of support:** should be provided if they are relevant to the application i.e. a group that will directly benefit from the project or are providing funds and/or in-kind support.
- **Photos and or newspapers cuttings:** provide the assessing panel a view of the project that may be hard to visualise in writing alone. Photos need to be scanned and provided on A4 sheets or a JPEG file.

Refer to the checklist at the back of the application for additional attachments that may be required to support your application.

ASSESSMENT

Small Equipment Program

- a. Applications are received and collated by the Grants Officer up to the 16th day of the Month.
- b. An Assessment Panel involving Council's Director of Community Services, Manager Community Strengthening, Recreation Coordinator and Grants Officer undertakes an assessment and review of applications against the selection criteria to make a draft recommendation report to the Chief Executive Officer by the last day of the Month.
- c. The assessment outcome approved by the CEO will be provided to Council for review. Council will have seven days to review the assessment outcome.
- d. Applicants notified of outcome by the 15th day of the following Month.
- e. A report will be represented to Council noting the recommendations twice per year.

Community Grants

- a. Applications are received and collated by Grants Officer and forwarded to appropriate Council officers for initial assessment and recommendations against the selection criteria.
- b. An Assessment Panel involving Council's Director of Community Services, Manager Community Strengthening, Recreation Coordinator and Grants Officer undertakes a final assessment and review of applications against the selection criteria to make a draft recommendation report to Executive Leadership Team and Council.
- c. The draft recommendation report of the Assessment Panel is presented to Council Briefing for review and/or further assessment.
- d. A report of the final recommendations submitted to Council for endorsement.

CONDITIONS OF FUNDING

- a. All applicants must provide Council with an ABN or evidence of tax exempt status. Failure to comply with this requirement will require Council to withhold 48.5% of the grant and remit it to the ATO. All grant recipients must provide a Tax Invoice or signed "statement by supplier" to obtain grant funds.
- b. Applicants must ensure that if their project requires building approvals or is required to fulfil any other statutory requirements that these obligations are met and evidence is provided to Council's Grants Officer before commencement of the project. The approval of a Community Grant does not warrant approval for these.
- c. Applicants are accountable for the grant by acknowledging and formally agreeing to the Conditions of Funding.
- d. Applications granted funds for leveraging to other funding programs will not receive the allocated Community Grant until the additional funding is approved and evidence provided to the Grants Officer. Where Council is required to auspice an application or is on Council owned or managed land; the applicant is to abide by Council's Community Project Management Policy. Applicant is to notify Council in writing as soon as possible if additional funding is not successful. Allocated funds from the Community Grants program will then be withdrawn.
- e. Council requires an acquittal within 12 months of which the funding is approved. Unless prior arrangements have been made, any funds not expended by the end of the 12 month period may be withdrawn and/or reallocated. Failure to supply a final report will result in applicants being ineligible for funding in subsequent years until the report is provided.
- f. Applications must support the strategies and principles of Council's Access and Inclusion Plan 2007-2012, Equal Opportunity Act 1995 (Vic), and Human Rights Charter.
- g. The Occupational Health and Safety Act (2004) outlines the responsibilities for employers regarding the protection of Health and Safety in the work place. Even though groups may be "not for profit" organisations and using predominately volunteer labour, it is important to note that the Act remains applicable. Therefore, as a condition of accepting this Grant, community organisations must ensure that any works undertaken are done in a manner that, as far as practical, is safe and without risk to health, as well as abide by any reasonable direction made by Council's authorised officers in this regard.
- h. Council may, if it considers a project to be of high risk, request the completion of a Job Safety Analysis Sheet(s) for the project, or elements of the project. Until these are provided to the satisfaction of Council; no grant monies may be paid.
- i. Council's contribution is to be appropriately acknowledged in all publicity, media releases and signage. This includes affixing the sponsorship plaque provided by Council in a location appropriate to the project.
- j. All successful Major Event applicants must provide an acquittal of the previous year's event for review prior to any further funding being allocated to ensure that the funding is still reasonably required by the event and that the event still qualifies as a 'major event'. If in the opinion of the CEO a funded Major Event no longer meets these criteria, Council may withdraw funding.
- k. The Council may apply any special conditions it believes appropriate in regard to the funding of a particular application.

- I. Council may appoint a Steering Committee for selected development studies. Members of the Steering Committee will be appointed by the CEO.
- m. Council reserves the right to terminate or seek repayment of any funding if it believes that the applicant has spent it on items not associated with its original application and allocated purpose or has otherwise misappropriated the funds, or any other reason Council deems sufficient cause.

The approval of funding allocations remains with Council. Council may, however, from time to time delegate this responsibility, either indefinitely or temporarily, to the Chief Executive Officer or his/her delegate. Such delegations are subject to any terms and conditions that the Council deems appropriate.

ADDITIONAL INFORMATION

Councillor Discretionary Funds

A Discretionary Fund is a set budget that Council provides annually to each Councillor for distribution to the community of South Gippsland in accordance with the Councillor Discretionary Fund Policy and Guidelines. Funding of up to \$1,000 per applicant per financial year is available. Application forms and guidelines are available from your Ward Councillors, Council website, Reception or by phoning 5662 9378.

Promoting Community Events

South Gippsland Shire Council encourages community groups running events to help promote other South Gippsland events, and by doing so increase participation across the Shire, as well as attract more visitors to each event. Many local organisations who receive financial support from Council are supporting their colleagues in this manner already, by displaying promotional materials for other events and providing information for distribution to other groups through Shire wide networks.

Want more information? Contact Sophie Dixon, Community Strengthening Support Officer on 5662 9202 or sophie.dixon@southgippsland.vic.gov.au

**E.7 APPLICATION TO THE PUTTING LOCALS FIRST PROGRAM -
TP TAYLOR RESERVE OPEN SPACE ENHANCEMENT PROJECT**

Corporate Services Directorate

EXECUTIVE SUMMARY

The TP Taylor Reserve Section 86 Committee is seeking Council endorsement and an allocation of Council funding to support an application to the Regional Development Victoria (RDV) Putting Locals First Program (PLFP) - Improved Local Infrastructure to enhance the open space at the reserve.

The total project cost is \$177,000. The breakdown for funding required to meet the project costs is as follows:

Project	Total Project Cost	Grant Sought	Community Contribution	Council Contribution
TP Taylor Reserve Open Space Enhancement Project	\$177,000	\$132,750	\$10,000	\$34,250

LEGISLATIVE / ACTION PLANS / STRATEGIES / POLICIES

N/A

INTERNAL POLICIES / STRATEGIES / DOCUMENTS

South Gippsland Recreation Plan 2007

Recreational Study for Sandy Point 2012

COUNCIL PLAN

Strategic Goal: 1.0 A Vibrant Engaged Community

Outcome: 1.1 Health and Well Being

Strategy No: 1.1.1 Active Lifestyles

CONSULTATION

At the Council meeting on 22 August 2012, a resolution was made to develop a Project Proposal with the community to enhance the amenity of the TP Taylor Reserve to complement the new community centre. Once developed, to report back to Council project details for approval including grant opportunities available.

This project has been developed in consultation with Council officers, TP Taylor Reserve Section 86 Committee and the Sandy Point Community Group. Preliminary discussions have also taken place with Regional Development Victoria in relation to funding opportunities.

REPORT

Background

The Putting Locals First Program (PLFP) component of the Regional Growth Fund (RGF) is a \$100 million initiative designed to enable regional communities to devise and deliver service and infrastructure responses which reflect local priorities.

The PLFP supports stronger and more sustainable regional communities by building their capacity to drive development in their region. The program is administered by Regional Development Victoria (RDV) regional offices to achieve the following primary outcomes:

- Improved infrastructure, facilities and services;
- Increased business and employment opportunities;
- Improved community connections; and
- Communities taking action on their own behalf.

TP Taylor Reserve Open Space Enhancement Project is aligned to the first outcome of the PLFP for improved infrastructure, facilities and services. The program invests in priority infrastructure that meets local needs and strengthens the regional community and economy during both its construction and operation. Quality local facilities are important in providing services, encouraging tourism and private investment, improving quality of life and the sustainability of many towns.

Discussion

The TP Taylor Reserve Section 86 Committee is seeking Council endorsement and an allocation of Council funding to support a grant to enhance the open space within the TP Taylor Reserve. The total project is \$177,000 which has been internally costed by the Engineering Department and includes:

- Installation of playground shade sails;
- Basketball half court;
- New external fencing around tennis courts and part of the basketball court;
- Pathway linking the Community Centre to playground;

- BBQ rotunda;
- Carparking and curb and channelling in front of the playground; and
- Landscaping and seating.

The upgrade to the reserve is supported by the 2012 Recreational Master Plan for Sandy Point, which was funded through Council's Community Grants Program.

A funding opportunity is possible through the PLFP. The TP Taylor Reserve Section 86 Committee is able to commit \$10,000 towards the project. Council would be required to allocate \$34,250 from the 2012/2013 Financial Budget to support the application, if successful. Through committing \$34,250, Council will potentially leverage grant funding of \$132,750 through the PLFP, providing a significant injection of funds for this project.

Funding is available through the current Financial Budget as 'Recreation – Future Unplanned Works (SRV)' to cover Council's contribution. Total funding currently unallocated in this 2012/2013 budget is \$39,943. If the application is supported by Council and if successful the remaining balance would be \$5,693.

As the TP Taylor Reserve is a Council owned facility, Council resources will be required to deliver the project if successful.

Options

Council has two options:

1. Endorse an application be submitted to the Grant Program for the TP Taylor Reserve Open Space Enhancement Project and allocate the required funds and resources to deliver the project if the application is successful.
2. Not endorse the TP Taylor Reserve Open Space Enhancement Project.

Proposal

Option 1 is recommended, that Council endorses the application to the PLFP and allocate a total of \$34,250 from the current 2012/2013 Council budget for 'Recreation - Future Unplanned Works (SRV) to cover Council's contribution and provide the resources to deliver the project if the grant is successful.

Option 2 is not recommended as the project is viewed as an important priority for the Sandy Point community worthy of Council support.

FINANCIAL CONSIDERATIONS

Funding is available through Council's current 2012/2013 Financial Budget as 'Recreation – Future Unplanned Works (SRV)' to cover Council's contribution

of \$34,250, which will be carried forward to the 2013/2014 financial budget. This budget line item has been created to support grant applications such as the TP Taylor Reserve Open Space Enhancement Project. Funding of \$39,943 is currently remaining unallocated in this financial year. If this application is supported by Council and successful, the remaining balance will be \$5,693.

As the TP Taylor Reserve is owned by Council, Council will be required to provide staff resources, funded within the total project cost, to fully deliver the projects as a capital works project, if successful.

RISK FACTORS

If Council doesn't support the project for the TP Taylor Reserve, Council will pass over an opportunity to obtain external funds for the enhancement of the reserve and may be required to meet the whole project cost in Council's future Financial Budget.

To mitigate the risk of project cost overruns to Council, it is recommended to advise the TP Taylor Reserve Section 86 Committee of Management through this resolution, that any project cost overruns are the responsibility of the committee to fund, in accordance with Council's Community Project Management Policy. This policy states that if no funds are available within the overall project budget, the applicant will be required to provide the additional funding.

RECOMMENDATION

That Council:

1. Endorse project and seek funding for \$132,750 for the TP Taylor Reserve Open Space Enhancement Project from Regional Development Victoria's Putting Locals First Program;
2. Make an allocation of \$34,250 from the 2012/2013 Financial Budget for Recreation Future Unplanned Works (SRV) and carry it forward to the 2013/2014 Financial Budget as contribution towards the project if the application is approved by Regional Development Victoria;
3. Provide staff resources, with funding allocated in the total project costs, for management of the projects if approved by Regional Development Victoria in the 2012/2013 financial year; and
4. Advise the TP Taylor Reserve Section 86 Committee of Management that any project overruns are the responsibility of the committee to fund, in accordance with Council's Community Project Management Policy.

STAFF DISCLOSURE OF INTEREST

Nil

MOVED: Cr Davies

SECONDED: Cr Fawcett

THAT COUNCIL:

1. **ENDORSE PROJECT AND SEEK FUNDING FOR \$132,750 FOR THE TP TAYLOR RESERVE OPEN SPACE ENHANCEMENT PROJECT FROM REGIONAL DEVELOPMENT VICTORIA'S PUTTING LOCALS FIRST PROGRAM;**
2. **MAKE AN ALLOCATION OF \$34,250 FROM THE 2012/2013 FINANCIAL BUDGET FOR RECREATION FUTURE UNPLANNED WORKS (SRV) AND CARRY IT FORWARD TO THE 2013/2014 FINANCIAL BUDGET AS CONTRIBUTION TOWARDS THE PROJECT IF THE APPLICATION IS APPROVED BY REGIONAL DEVELOPMENT VICTORIA;**
3. **PROVIDE STAFF RESOURCES, WITH FUNDING ALLOCATED IN THE TOTAL PROJECT COSTS, FOR MANAGEMENT OF THE PROJECTS IF APPROVED BY REGIONAL DEVELOPMENT VICTORIA IN THE 2012/2013 FINANCIAL YEAR; AND**
4. **ADVISE THE TP TAYLOR RESERVE SECTION 86 COMMITTEE OF MANAGEMENT THAT ANY PROJECT OVERRUNS ARE THE RESPONSIBILITY OF THE COMMITTEE TO FUND, IN ACCORDANCE WITH COUNCIL'S COMMUNITY PROJECT MANAGEMENT POLICY.**

Cr Newton left the Meeting at 3.59pm.

Cr Newton returned to the Meeting at 4.01pm.

CARRIED UNANIMOUSLY

E.8 SPECIAL (SECTION 86) COMMITTEES REVIEW

Corporate Services Directorate

EXECUTIVE SUMMARY

This report provides the opportunity for the Council to:

1. Consider progress made with a review of Special Committee Instruments of Delegation made by Council;
2. Agree on a timeline for ongoing review; and
3. Review an exemption from the requirement for members of Special Committees to lodge primary and ordinary returns of interests.

Document/s pertaining to this Council Report

- **Attachment 1** - Instrument of Delegation Review Schedule

LEGISLATIVE / ACTION PLANS / STRATEGIES / POLICIES

Local Government Act 1989 - Sections 81 and 86

INTERNAL POLICIES / STRATEGIES / DOCUMENTS

Section 86 Committee Kit 2009

COUNCIL PLAN

Strategic Goal:	5.0	A Leading Organisation
Outcome:	5.1	Good Governance
Strategy No:	5.1.3	Community Engagement

CONSULTATION

During the course of the current and ongoing review of Council Special Committees, Council staff from the Governance and Community Strengthening teams have consulted with, and provided assistance to, several Special Committees.

Councillors were provided with a briefing about this matter on 1 May 2013.

REPORT

Background

Council commenced a review of the operation of all its Special (Section 86) Committees (Committees) in 2010.

As part of this review the Community Strengthening Team, including the Volunteer Coordinator, has worked collaboratively with the Governance Team

in facilitating meetings and engaging with the Committees. This has provided additional support to the Committees and raised the awareness of the Committees' responsibilities under their delegations and improved their capacity to undertake these duties including reporting requirements. Committees are regularly provided with information that is needed for the effective operation of the Committees e.g. relating to conflict of interest and meeting notices. Relationships between the Committees and Council has been enhanced.

In the recent MAV Insurance Public Liability and Professional Liability Audit Report, Council scored 100% which is the maximum points in respect of the risk management of Special Committees. This indicates a high level of due diligence on the part of Council and an improvement on previous audit results.

As part of this review, Council has revoked the delegation of one Section 86 Committee (Poowong Sports Centre and Swimming Pool) and confirmed the continued operation of another until a specified time (Corner Inlet Seawalls). Council has also confirmed that the CEO has power to approve the appointment of persons to the Committees.

To comply with section 86(6) of the Local Government Act 1989 (the Act), Council must review any delegations to a Section 86 Committee within 12 months after a general election by 26 October 2013. Council's Annual Plan requires that this review occur by 30 June 2013.

Delegation review

Council has conducted a review of Council's Section 86 Committees, including their operations and Instruments of Delegation. Recommendations have been provided to Council and documented in an Instrument of Delegation Review Schedule (**Attachment 1**). This schedule has been divided into 4 phases, based on an assessment related to the operation of all Section 86 Committees, to prioritise the timings of any delegation reviews that may be required. Committees in the medium category have been divided into like facilities e.g. pools and parks / reserves, to smooth the process, so that similar groups may have the same or similar delegations applying to them.

The high level assessments for each Committee was undertaken by taking into consideration whether the Committee was experiencing operational difficulties. Timing considerations also related to key Council strategies or developments such as the Aquatic Strategy, T.P Taylor Reserve development or Corner Inlet Seawalls deliberations.

Lodging of Primary and Ordinary returns

To comply with section 81(2B) of the Act, Council must review any exemptions from lodging Primary and Ordinary returns by members of Special Committees within 12 months after a general election – 26 October 2013. All committee members have been exempted in the past.

It is recommended to continue this exemption as sufficient controls are in place to monitor the activities of the Special Committees, including the monitoring of Committee Reports, including minutes and financial reports, improved Committee education on their financial and governance obligations and a formalised process of the CEO confirming the appointment of persons to the Committee. It is also proposed to continue the exemption as it is considered a significant impost on volunteers and a considerable administrative effort in order to manage a lower level risk for Council, when substantial controls are in place.

Options

Council has an option in determining if Special Committee members should be required to lodge primary or ordinary returns or not. Council can either decide to:

- Exempt Special Committee members from the requirement to lodge primary and ordinary returns: this option is recommended for the reasons outlined in the background above; or
- Require Special Committee members to lodge primary and ordinary returns.

Proposal

Council is required by the Act to review its Section 86 Committees. To this end it is proposed that the Council:

- Adopt the proposed Special (Section 86) Committee Instrument of Delegation review schedule (**Attachment 1**);
- Confirm that it has conducted its review of Special (Section 86) Committee Instruments of Delegation under section 86(6) of the Local Government Act (the Act) 1989 by way of the review schedule; and
- Exempt members of all Special (Section 86) Committees from the requirement under section 81(2B) of the Local Government Act 1989 to submit primary and ordinary returns.

FINANCIAL CONSIDERATIONS

Ongoing support, reviews, monitoring and development of Section 86 Committees is included in Council's budget. Assistance is provided by the Community Strengthening, Governance and Property Management departments.

RISK FACTORS

By conducting this review of delegations and considering the requirement for members of Special Committees to lodge primary and ordinary returns Council will be provided with a level of assurance that the Committees and

the Council will act within the limits of their respective powers and in conformance with the Local Government Act 1989.

CONCLUSION

Special Committees are integral to the proper management of Council owned or controlled properties and facilities that are essential for community activities and engagement. The process of review as proposed in this report provides for the continuation of community engagement in a way that minimises risk to both community members who make up the Special Committees without over burdening these members.

RECOMMENDATION

That Council

1. Adopt the proposed Special (Section 86) Committee Instrument of Delegation review schedule (Attachment 1);
2. Confirm that it has conducted its review of Special (Section 86) Committee Instruments of Delegation under section 86(6) of the Local Government Act (the Act) 1989 by way of the review schedule;
3. Exempt members of all Council Special (Section 86) Committees from the requirement under section 81(2B) of the Local Government Act 1989 to submit primary and ordinary returns;
4. Thank all members of the Special (Section 86) Committees for the valuable contribution they make to the continuing management of Council facilities for which they have been provided the power to manage; and
5. Continue, where practicable, to provide support to the Special (Section 86) Committees through assistance from Council's Community Strengthening, Governance and Property teams.

Staff disclosure of interest

Nil

MOVED: Cr Davies

SECONDED: Cr Hutchinson - Brooks

THAT COUNCIL

- 1. ADOPT THE PROPOSED SPECIAL (SECTION 86) COMMITTEE INSTRUMENT OF DELEGATION REVIEW SCHEDULE (ATTACHMENT 1);**
- 2. CONFIRM THAT IT HAS CONDUCTED ITS REVIEW OF SPECIAL (SECTION 86) COMMITTEE INSTRUMENTS OF DELEGATION UNDER SECTION 86(6) OF THE LOCAL GOVERNMENT ACT (THE ACT) 1989 BY WAY OF THE REVIEW SCHEDULE;**
- 3. EXEMPT MEMBERS OF ALL COUNCIL SPECIAL (SECTION 86) COMMITTEES FROM THE REQUIREMENT UNDER SECTION 81(2B) OF THE LOCAL GOVERNMENT ACT 1989 TO SUBMIT PRIMARY AND ORDINARY RETURNS;**
- 4. THANK ALL MEMBERS OF THE SPECIAL (SECTION 86) COMMITTEES FOR THE VALUABLE CONTRIBUTION THEY MAKE TO THE CONTINUING MANAGEMENT OF COUNCIL FACILITIES FOR WHICH THEY HAVE BEEN PROVIDED THE POWER TO MANAGE; AND**
- 5. CONTINUE, WHERE PRACTICABLE, TO PROVIDE SUPPORT TO THE SPECIAL (SECTION 86) COMMITTEES THROUGH ASSISTANCE FROM COUNCIL'S COMMUNITY STRENGTHENING, GOVERNANCE AND PROPERTY TEAMS.**

CARRIED UNANIMOUSLY

Attachment 1

South Gippsland Shire Council		Special Committees (Section 86) Instrument of Delegation Review Schedule	
Committee name	Recommended Action / Approach	Review to Council by	
Phase 1 – short term			
Poowong Sports Centre & Swimming Pool	Action: to develop a draft terms of reference for a Poowong Swimming Advisory Committee and to establish this by August 2013, subject to further community discussions with Councillors and Council staff prior to submitting a formal proposal to form the Advisory Committee to Council.		Sep 2013
Corner Inlet Drainage Area Advisory Committee	Action: write to the Minister for Water to encourage a clear policy direction. Action: liaise with the WGCMA to plan a potential transfer of responsibility. Action: continue to liaise with the S86 committee.	N/A unless Council is confirmed as the responsible authority.	Feb 2014
Port Welshpool Maritime Museum	Action: Conduct desk top review of delegation and make recommendations for any changes. Action: investigate the feasibility of Coal Creek staff assisting the Committee to provide additional support.		Feb 2014
Phase 2 – short – medium term			
T P Taylor Reserve	Recommendation: defer reviewing the Instrument of Delegation until the Business Plan, including development of the property, is confirmed and developed which is expected by July 2013.		Feb 2014
Foster Swimming Pool	Action: review the delegation following the 2012 / 2013 pool season using the "draft model delegation" that was developed for the Poowong committee prior to its resignation, as a model, which includes further clarification of the role of the Committee and Contractors engaged by Council.		Oct 2013
Korumburra Swimming Pool	Action: Conduct desktop review of delegation possibly using the "draft model delegation", which includes further clarification of the role of the Committee and Contractors engaged by Council.		Oct 2013
Mirboo North Swimming Pool	Action: Conduct desktop review of delegation possibly using the "draft model delegation", which includes further clarification of the role of the Committee and Contractors engaged by Council.		Oct 2013
Toora Swimming Pool	Action: Conduct desktop review of delegation possibly using the "draft model delegation", which includes further clarification of the role of the Committee and Contractors engaged by Council.		Oct 2013
Phase 3 – medium term			
John Terrill Park	Action: Conduct desk top review of delegation and make changes to delegations where necessary.		Apr 2014
Korumburra Public Park	Action: Conduct desk top review of delegation and make changes to delegations where necessary, including potential consideration of transitioning the Committee to be an advisory Committee.		Apr 2014
Walter Tuck Reserve	Action: Conduct desk top review of delegation and make changes to delegations where necessary.		Apr 2014
Foster Showgrounds	Action: Conduct desk top review of delegation and make changes to delegations where necessary.		June 2014
Meeniyan Sports Stadium	Action: Conduct desk top review of delegation and make changes to delegations where necessary.		June 2014
Foster WMAC & Senior	Action: Conduct desk top review of delegation and make changes to delegations where necessary.		June 2014

Committee name	Recommended Action / Approach	Review to Council by
Citizens		
Korumburra Recreation Reserve	Action: Conduct desk top review of delegation and make changes to delegations where necessary.	June 2014
Phase 4 – medium to longer term		
Toora Tennis Court Reserve	Action: Conduct desk top review of delegation and make changes to delegations where necessary.	Sept 2014
Leongatha Court House	Action: Conduct desk top review of delegation and make changes to delegations where necessary.	Sept 2014
Allambie South Community Hall	Action: Conduct desk top review of delegation and make changes to delegations where necessary.	Sept 2014
Dumbalk Hall & Ladies Auxiliary Committee	Action: Conduct desk top review of delegation and make changes to delegations where necessary.	Sept 2014
Korumburra Community Access Centre	Action: Conduct desk top review of delegation and make changes to delegations where necessary, including consideration of the payment of utilities.	Sept 2014
Mardan Hall	Action: Conduct desk top review of delegation and make changes to delegations where necessary.	Dec 2014
Mirboo North Hall	Action: Conduct desk top review of delegation and make changes to delegations where necessary.	Dec 2014
Stockyard Gallery	Action: Conduct desk top review of delegation and make changes to delegations where necessary.	Dec 2014

E.9 STRATEGIC RISK REGISTER AND RISK MANAGEMENT FRAMEWORK

Corporate Services Directorate

EXECUTIVE SUMMARY

The purpose of this report is to provide Council with:

- An update on the implementation of Council's Risk Management Framework (RMF) and Policy, which was adopted by Council at the May 2012 Council meeting; and
- An annual review of Council's Strategic Risk Register (**Confidential Appendix 1**) as required by Council's RMF.

Document pertaining to this Council Report

- **Attachment 1** – Risk Management Framework Diagram
- **Confidential Appendix 1** – South Gippsland Shire Council Strategic Risk Register (May 2013).

LEGISLATIVE / ACTION PLANS / STRATEGIES / POLICIES

Risk Management Standard AS/NZ ISO 31000 (2009)

INTERNAL POLICIES / STRATEGIES / DOCUMENTS

Council's Risk Management Framework and Policy May 2012

COUNCIL PLAN

Strategic Goal: 5.0 A leading organisation
Outcome: 5.2 Systems and Processes
Strategy No: 5.2.5 Risk Management

CONSULTATION

The development of Council's RMF occurred in accordance with the International Standard for Risk Management (ISO 31000) and in consultation with the former Council, Council Audit Committee, Council staff and the Executive Leadership Team during the 2011 / 2012 Financial Year.

Since July 2012 the assessment of the risks on Council's Strategic Risk Register have been completed by the Manager assigned as being responsible for each risk with feedback and sign off from Council's Strategic Risk Committee.

On 15 May 2013, Council conducted an annual review of Council's Strategic Risk Register as required by Council's RMF and received an update on the implementation of Council's RMF.

REPORT

Background

Council's RMF and Policy was adopted by Council in May 2012, as a key initiative in the 2011 / 2012 Annual Plan. Council's Risk Management Policy is located on Council's website at http://www.southgippsland.vic.gov.au/files/Corporate_Services/RiskManagementPolicyMay2012.pdf.

Discussion

Risk Management Framework, Policy and Process

During the 2012 / 2013 Financial Year, Council commenced the implementation of the recently adopted RMF, including an updated Risk Management Policy and a Strategic Risk Register. The key components of Council's RMF are illustrated graphically in **Attachment 1**. The central element of the RMF was the establishment of Council's Strategic Risk Committee in July 2012. The Strategic Risk Committee met, on average, every 6 weeks to monitor the following risk activities:

- Strategic Risk Register and Strategic Risk Assessments;
- Occupational Health and Safety (OHS);
- Council's OHS Committee;
- Operational Risk Committee, which commenced operation on 9 April 2013, to provide direct management support to the OHS Committee;
- Council's WorkSafe Integrated Approach Action Plan and Improvement Notices;
- Council's Internal Audit Program;
- Business Continuity Plan;
- External Audit Program;
- Insurance;
- Emergency Management;
- Policy Review Schedule;
- Risk Management Staff Training, including the training of all Managers (August 2011), Councillors (April 2012) and Strategic Risk Committee members (September 2012). Further training for other Managers, Coordinators and Staff is planned in 2013 / 2014;

- Contract Management;
- Section 86 and Advisory Committees; and
- Annual reviews of Council's RMF.

Strategic Risk Register

In August 2011, prior to the establishment of Council's RMF, Council's management team received risk management training. At that session they identified risks to be included on an initial Strategic Risk Register. These risks received an initial risk rating in November 2011 and a schedule was established to conduct more detailed Risk Assessments for each of the risks on the register by 30 June 2013.

Since the Strategic Risk Committee was established in July 2012, it has received each Strategic Risk Assessment from the Responsible Manager assigned to the risk, provided feedback and approved each risk scheduled for review to date. The Strategic Risk Register (**Confidential Attachment 1**), is presented to Council for information and has been updated following the Strategic Risk Committee meeting held in May 2013 and Council's annual review at a briefing session on 15 May 2013.

Options

Nil

Proposal

It is proposed that Council note the progress made to achieve Council's RMF and Council's annual Strategic Risk Register review.

FINANCIAL CONSIDERATIONS

Nil

RISK FACTORS

Council's ability to effectively manage its operational and strategic risks is a central component towards achieving its Council Plan, Annual Plan and service objectives.

Council's RMF, including Risk Management Policy, Risk Committees, Audit Committee and Strategic Risk Register is a core foundation of this capability.

Providing opportunities for effective, regular Council oversight of its RMF and Strategic Risk Register ensures Council involvement and monitoring of Council's risk profile and increases the likelihood of Council achieving its objectives.

CONCLUSION

That Council note the progress made to achieve Council's RMF and Council's annual Strategic Risk Register review.

RECOMMENDATION

That Council:

- 1. Note the progress towards the implementation of Council's Risk Management Framework; and**
- 2. Note the Strategic Risk Register (Confidential Appendix 1), following Council's annual Strategic Risk Register review.**

STAFF DISCLOSURE OF INTEREST

Nil

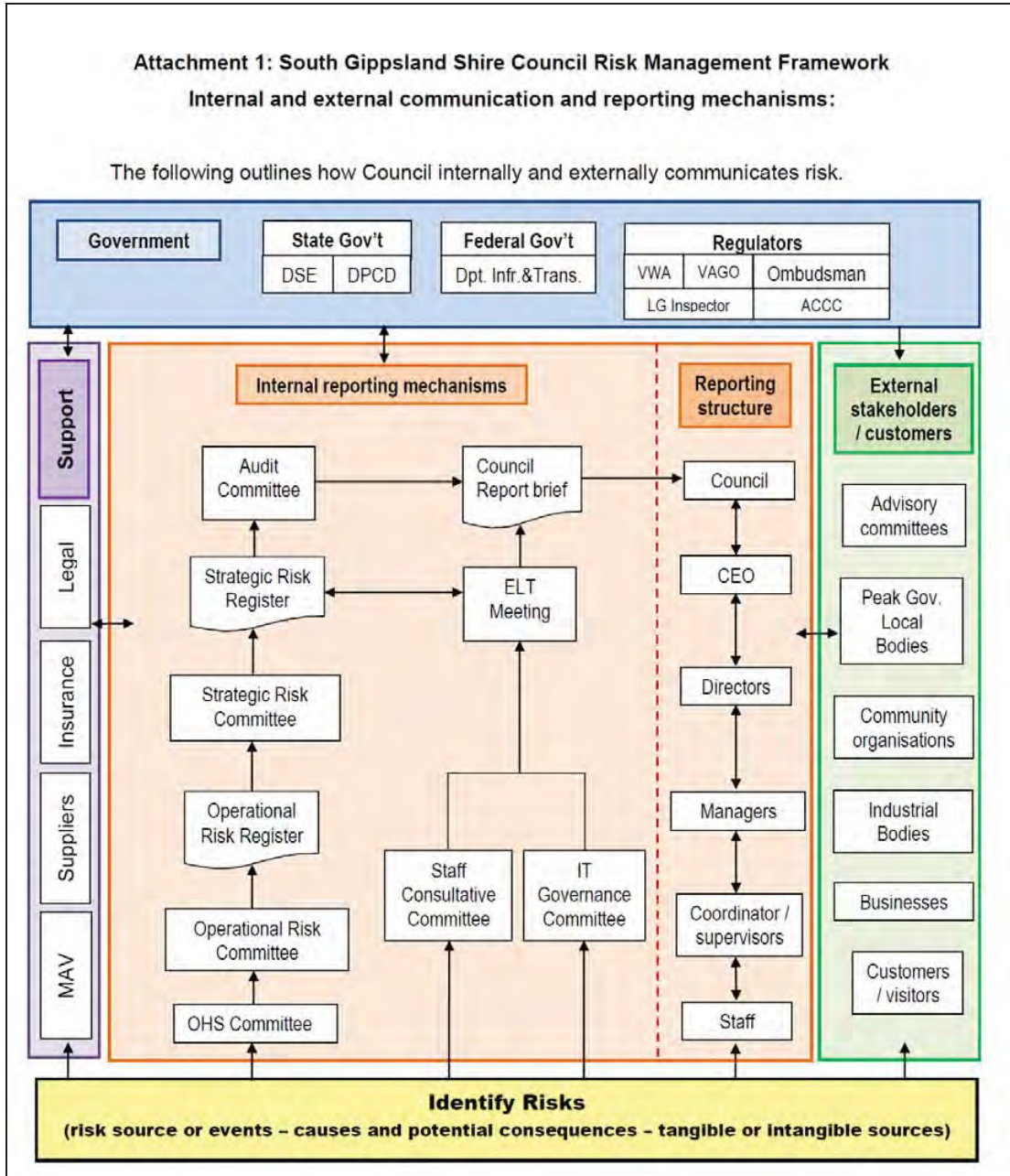
MOVED: Cr Fawcett

SECONDED: Cr Newton

THAT THE RECOMMENDATION IN ITEMS E.9 AND E.10 BE ADOPTED.

CARRIED UNANIMOUSLY

Attachment 1



E.10 POLICY REVIEWS

Corporate Services Directorate

EXECUTIVE SUMMARY

This report provides the opportunity for Council to consider and adopt the following four Council Policies which as a part of Council's agreed Policy Review schedule require adoption by Council by 30 June 2013:

- A new Audit Policy (**Attachment 1**);
- Updated Procurement Policy (**Attachment 2**);
- Updated Councillor Code of Conduct (**Attachment 3**); and
- Updated Occupational Health and Safety (OHS) Policy (**Attachment 4**).

Document/s pertaining to this Council Report

- **Attachment 1** - Audit Policy
- **Attachment 2** - Procurement Policy
- **Attachment 3** - Councillor Code of Conduct
- **Attachment 4** - Occupational Health and Safety Policy

LEGISLATIVE / ACTION PLANS / STRATEGIES / POLICIES

Local Government Act 1989

Occupational Health & Safety Act 2004

Occupational Health & Safety Regulations 2007

INTERNAL POLICIES / STRATEGIES / DOCUMENTS

Audit Committees - A Guide to Good Practice for Local Government - Local Government Victoria January 2011

South Gippsland Shire Council Audit Committee Charter June 2012

COUNCIL PLAN

Strategic Goal:	5.0	A Leading Organisation
Outcome:	5.2	Systems and Processes
Strategy No:	5.2.5	Risk management

CONSULTATION

In developing these policies Council has consulted as follows.

Audit Policy (**Attachment 1**):

This new policy was reviewed by Council's Executive Leadership Team on 14 March 2013, initially reviewed by Council via InfoSum on 20 March 2013 and received Audit Committee feedback at the meeting held on 20 May 2013. This policy received feedback from Council at a briefing session on 5 June 2013. This policy was also developed utilising the "Audit Committees: A Guide to Good Practice for Local Government" from Local Government Victoria published in January 2011, as a guide.

Procurement Policy (**Attachment 2**):

This existing policy was initially updated by the Governance Department utilising internal feedback on the existing policy and the newly updated DPCD Local Government Procurement Best Practice Guidelines (2013). Following feedback from Council's Executive Leadership Team the policy was further developed by a Working Party of key procurement staff from across Council. This policy also received feedback from Council's Audit Committee at the 20 May 2013 meeting and from Council at a briefing session on 5 June 2013.

Councillor Code of Conduct (**Attachment 3**):

This existing policy was reviewed internally prior to receiving Council feedback on 17 April 2013.

Occupational Health and Safety Policy (**Attachment 4**):

This existing policy has received feedback from Council's Executive Leadership Team, Occupational Health and Safety Committee, Operational Risk Committee, Strategic Risk Committee, Staff Consultative Committee and Council at a briefing on 5 June 2013. The development of this policy has been closely guided by the Occupational Health and Safety Act 2004.

REPORT

Background

The following policies are due for review / development and adoption by Council as a part of Council's policy review schedule by 30 June 2013:

- Audit Policy (**Attachment 1**);
- Procurement Policy (**Attachment 2**);
- Councillor Code of Conduct (**Attachment 3**); and
- Occupational Health and Safety Policy (**Attachment 4**).

Discussion

Audit Policy (Attachment 1):

This is a new policy. The objective of the policy is to provide a framework for and to articulate Council's approach to audit and review processes, that enables Council to meet its compliance obligations. Council's Audit Committee has provided advice during preparation of the policy and reviewed the policy.

Procurement Policy (Attachment 2):

Council must prepare and approve a procurement policy, and review the policy at least once every financial year.

Key improvements or changes to the policy include:

- An index to assist readers to find relevant content (pages 1 and 2);
- A new definition of "Local Businesses" to be defined as "suppliers within the South Gippsland Shire and the immediate neighbouring municipalities" (page 5);
- Further clarifying that "where practicable, purchasing from local business where purchases are justified on best value grounds for South Gippsland Shire, which include local economic, environmental and social benefits" through the addition of the words "for South Gippsland Shire" (pages 8 and 16);
- Clarifying the number of quotations that staff must seek and obtain through quotation processes (pages 9 and 22);
- Defining all procurement thresholds to exclude GST (instead of including GST), to minimise the likelihood of staff confusion, when managing budgets which exclude GST, to avoid the potential of legislative non-compliance (pages 9, 21 and 22);
- Specifying the requirements to form evaluation panels (pages 9 and 22);
- Clarifying Conflict of Interest guidance for staff (pages 11 and 12);
- Reducing the thresholds to require a Public Tender (to \$110,000 excluding GST for Goods / Services and \$150,000 excluding GST for Works) below those thresholds required by the Act (\$130,000 excluding GST for Goods / Services and \$180,000 excluding GST for Works). This aims to reduce the likelihood of a quotation process exceeding the values required for a tender, which adds extra time to the process and reduces the risk of legislative non-compliance (pages 9, 21, 22 and 23);
- Defining the circumstances under which Council will accept a late tender (page 24);

- Specifying how tenders or quotes which involve an in-house services are to be evaluated to reduce the likelihood of a conflict arising e.g. from Council's Sealing Crew (page 24);
- Defining how community stakeholders can be involved and engaged in procurement projects which affect them and to which they are making a significant financial contribution (page 24);
- Further clarifying how financial contract variations should be approved (page 27);
- Specifying contract documentation requirements to meet an audit recommendation (page 28).

Councillor Code of Conduct (**Attachment 3**):

Council is required to review its Councillor Code of Conduct within 12 months after a general election in accordance with Section 76C of the Local Government Act 1989.

The main proposed changes to the Councillor Code of Conduct are:

- Inclusion of guidelines about Councillor attendance at events and functions; and
- Inclusion of reference to the Independent Broad-based Anti-corruption Commission (IBAC).

Occupational Health and Safety Policy (**Attachment 4**):

Council's current policy was last revised on 8 April 2010 following approval by the Chief Executive Officer and has been significantly re-written and transposed into Council's new Policy template. The revised policy has been re-written to provide greater guidance and alignment with the OHS Act 2004 and is designed to reflect current Council practice, whilst:

- Recommending improvements that are included in Council's WorkSafe Integrated Approach Action Plan relating to Council's Safety Management System and the need to develop a Council OHS Management Plan; and
- Clarifying the roles and responsibilities of various Council staff to align closely with the OHS Act.

Options

In respect of the Audit Policy Council may decide to either:

- Not adopt the proposed new policy and use the relevant legislation and guidelines when making decisions regarding audits. This option is not recommended as it is impractical for Councillors and staff to frequently

refer directly to relevant legislation and in many cases this legislation does not provide sufficient guidance in the practical application of legislation.

- Adopt the new proposed policy. This is the recommended option as the new policy sets out specific guidance to Councillors, Independent Audit Committee members, Internal Auditors and staff in addressing its responsibilities in respect of the audit function. Furthermore the policy will provide an additional level of assurance to the community that Council places great emphasis on transparency, compliance and accountability by having in place a rigorous audit program.

In respect of the Procurement Policy and Occupational Health and Safety Policy Council may decide to either:

- Not adopt the proposed updates to these two existing policies and either retain the existing policies or propose additional changes to these policies. This is not recommended.
- Adopt the updates to both policies. It is recommended that all proposed policies are adopted as these set out further specific guidance to Councillors and staff in addressing legislation. Further, these provide clarity to the community in regard to the purchase of goods and services (Procurement Policy) and the management of risk (Occupational Health and Safety and Audit Policy).

In respect of the Councillor Code of Conduct, Council may decide to either:

- Adopt the recommended updates to the Councillor Code of Conduct; or
- Propose amendments to the Councillor Code of Conduct for adoption within a year of the 27 October 2012 Council Election to meet legislated timeframes.

Proposal

To adopt all the revised policies and new policy, as presented to Council in this report.

FINANCIAL CONSIDERATIONS

Not applicable.

RISK FACTORS

The Audit Policy is to ensure Council minimises the risk of Council operating an ineffective Audit Committee and Internal Audit Strategic Plan by specifying how these functions are to operate.

An effective Audit Committee and Internal Audit Strategic Plan, in turn, will enable Council to adequately manage its key strategic risks, which are primarily related to:

- Issues relevant to the integrity of Council's financial reporting and health; and
- Legislative compliance with the many Acts, Council is required to comply with, monitored by an effective internal control and risk framework.

A clear Procurement Policy will assist Council to:

- Ensure resources are used efficiently and effectively to improve the overall quality of life of people in the local community;
- Achieve compliance with relevant legislative requirements; and
- Achieve high standards of fairness, openness, probity, transparency, risk management and accountability.

The Council, through adopting a Councillor Code of Conduct is:

- Complying with the Local Government Act 1989;
- Reducing the risk of legislative non-compliance of the Local Government Act 1989 more broadly by Councillors, by clearly outlining the expectations and legislative requirements of Councillors; and
- Providing a clear means of managing allegations of breaches of the Code by Councillors or complaints against Councillors.

The Occupational Health and Safety Policy will assist in minimising organisational risk by:

- Improving Council's OHS performance, which can optimise the safety of Council work environments and lead to a reduction in the severity and frequency of injuries and incidents;
- Improving Councillor, Council staff, engaged Contractors, registered Volunteer and Special Committees knowledge of and compliance with their OHS obligations;
- Improving the monitoring of Council's OHS legislative compliance and performance, reducing the risk of non-compliance and prosecution;
- Improving Council's Insurance and Return to Work costs; and
- Limiting disruption to Council's operations and services.

CONCLUSION

The continual review and adoption of Council Policies allows the legislative amendments and practical risk management requirements to be considered and factored into the directions set through these policies.

RECOMMENDATION

That Council:

- 1. Adopt the proposed, new Audit Policy No. C53 (Attachment 1) and publish this policy on Council's website;**
- 2. Revoke the Procurement Policy No. C32 dated 27 June 2012 and adopt the proposed, updated Procurement Policy No. C32 Information Privacy Policy 2013 (Attachment 2) and publish on Council's website;**
- 3. Revoke the Councillor Code of Conduct adopted by Council on 24 November 2010 and adopt the proposed, updated Councillor Code of Conduct (Attachment 3) and publish this policy on Council's website; and**
- 4. Revoke the Occupational Health and Safety Policy approved by the Chief Executive Officer on 8 April 2010 and adopt the proposed, updated Occupational Health and Safety Policy (Attachment 4) and publish this policy on Council's website.**


STAFF DISCLOSURE OF INTEREST

Nil

NOTE: The recommendation was **CARRIED UNANIMOUSLY** as part of a single motion, refer to page 139.

Attachment 1

South Gippsland Shire Council



AUDIT POLICY

Policy Number	C53	Directorate	Corporate Services
Council Item No.	TBA	Department	Governance Services
Council Adoption Date	26 June 2013	Primary Author	David Roche
Revision Date	26 June 2016	Secondary Author	Luke Anthony

POLICY OBJECTIVE

The objective of this policy is to provide a framework for and articulate Council's approach to audit and review processes, that enables Council to meet its compliance requirements in undertaking its role, carrying out its functions and exercising its powers. This policy should be read in conjunction with the following policies:

- Acceptance of Gifts and Donations Policy
- Audit Committee Charter
- Fraud Policy
- Information Privacy Policy
- Property Insurance Coverage Policy
- Information Security Policy
- Procurement Policy
- Risk Management Policy
- Intellectual Property Policy
- Policy Framework Policy
- Whistleblowers Protection Act Policy
- Council Purchasing Cards Policy
- Councillors Code of Conduct
- Staff Code of Conduct
- Business Investment Policy
- Real Estate Disposal Policy

LEGISLATIVE PROVISIONS

Local Government Act 1989 sections 133, 135 and 139
Local Government (Finance and Reporting) Regulations 2004
Audit Act 1994
Financial Management Act 1994
Charter of Human Rights and Responsibilities Act 2006

DEFINITIONS

POLICY STATEMENT

Council's Audit program principles: Council will maintain an audit program underpinned by the following principles:

1. Provides for independence of audits and reviews.
2. Enables monitoring of compliance with legislated and policy requirements.
3. Provides a platform from which practices and processes can be improved and good practice achieved.

*Audit Policy**Page 1 of 4*



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4. Enables monitoring of risk management strategies and mitigates strategic risks.
5. Commits Council to organisational cooperation with, involvement in, support of and assisting with all internal and external audits and reviews.

Council's Audit Program: will include as a minimum:

1. External Financial Audit by the Victorian Auditor General.
2. Internal Audits by Council's Internal Auditor.
3. CEO initiated reviews and audits as deemed necessary.
4. Strategic Risk Assessment as required by Council's Risk Management Framework.
5. Compliance checks as required by Council policies.
6. Participation in administrative, civil and criminal audits and reviews instigated by external regulatory authorities e.g. the Ombudsman, police, Australian Taxation Office (ATO), Independent Bureau Against Corruption (IBAC) and Worksafe as required.
7. Adherence with principles of natural justice and procedural fairness.

External Financial Audit by Victorian Auditor General

Each year Council will prepare an Annual Report and Performance Statements. These are submitted to external audit by the Victorian Auditor General, or its agent, in accordance with the relevant provisions of the Local Government Act 1989, which includes presentation to and sign off by the Council at an open meeting of the Council.

Council's Audit Committee will be provided with the audit report and meet with the Auditor to consider the report before the report is presented to the Council. The Audit Committee may make a recommendation/s to the Council if the Committee deems this appropriate.

Internal Audits by Internal Auditor

Council will engage appropriately qualified and independent Internal Auditors to conduct an appropriate internal audit program of the Council's operations each year.

Each year an Internal Audit Strategic plan will be established in collaboration with the Internal Auditor, Chief Executive Officer and the Audit Committee and with consideration of risks contained in the Council's Strategic Risk Register and include financial and compliance reviews as required by legislative requirements.

The scope for the internal audits will be developed in collaboration with Council Management, the Chief Executive Officer and the Internal Auditor. The Strategic Internal Audit plan will be approved by the Audit Committee.

The Internal Auditor will meet with the Audit Committee at the next meeting of the Audit Committee immediately after each report is completed to present the report, its observations, findings and recommendations. The Executive Leadership Team will review the internal audit report and develop an appropriate action plan to address the findings and recommendations prior to the report being presented to the Audit Committee. After the Audit Committee has considered the internal audit outcomes, the confirmed action plans will be included as part of an ongoing Audit Actions Monitoring Plan and progress with implementing the actions will be monitored on a regular basis by the Audit Committee and Strategic Risk Committee.

CEO Initiated Reviews and Audits



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The CEO may initiate internal reviews, should the CEO deem that the circumstances are serious enough to warrant a review or audit. The review or audit will be conducted by an appropriately qualified investigator or auditor. All such reviews will be conducted in a way that provides natural justice, confidentiality and is consistent with the Charter of Human Rights and Responsibilities Act (2006). The scope of these reviews will be provided by an appropriate review/audit/investigation plan which will be approved by the CEO before the review commences. At the conclusion of the audit or review the Audit Committee and Council will be advised by the CEO of the outcome of the review or audit as well as any actions being taken to address the findings.

Strategic Risk Assessment

Strategic Risk Assessments will be undertaken by responsible Managers and Directors in accordance with Council's Risk Management Framework. The Strategic Risk Assessments will be recorded on Council's Strategic Risk Register, which is co-ordinated and managed by Council's Strategic Risk Committee. The Strategic Risk profile and the assessments for high and extreme risks will be reported at a minimum annually to the Audit Committee and Council for oversight of the risk mitigation strategies.

Compliance Checks in Council Policies

Compliance reviews required in Council policies will be carried out in the manner and time set out in each policy and reported to the Audit Committee.

Participation in administrative, civil and criminal audits and reviews

From time to time Council may be required to be subject to, or participate in civil, administrative and criminal reviews instigated by external regulatory authorities such as the Ombudsman, Police, ATO, IBAC, Worksafe, Fair Work Australia, FOI Commissioner, Privacy Commissioner, Councillor Conduct Panel, Local Government Victoria etc. Council will participate in any such review including providing correction of any matters of fact and developing strategies to address any findings. The reports will be presented to the Audit Committee.

Natural Justice

Council will ensure that the principles of natural justice including the "no-bias" rule and the "hearing rule" are adhered to in any audit or review.

Audit program oversight: this program will be overseen by Council's Audit Committee, which will assist the Council in the effective conduct of its responsibilities for financial reporting, compliance obligations and management of risk including the Council's exposure to fraud and maintaining a reliable system of internal control. The Audit Committee will operate within a Council adopted Audit Committee Charter that will be reviewed annually by the Committee and Council.

The Chair of the Audit Committee will provide a report to Council each year outlining the activities and performance of the Committee.

Reports of all Audit Committee meetings will be reported to the next Council meeting after the Audit Committee meets.

RISK ASSESSMENT



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Council is required by section 139 of the Local Government Act 1989 to establish and operate an Audit Committee. The purpose of this policy is to ensure Council minimises the risk of Council operating an ineffective Audit Committee and Internal Audit Strategic Plan by specifying how these functions are to operate.

An effective Audit Committee and Internal Audit Strategic Plan, in turn, will enable Council to adequately manage its key strategic risks, which are primarily related to:


- Issues relevant to the integrity of Council's financial reporting and health; and
- Legislative compliance with the many Acts Council is required to comply with, monitored by an effective internal control and risk framework.

IMPLEMENTATION STATEMENT

Council will implement this policy through the following activities:

- Audit Committee Charter, Agenda, Internal Audit Schedule and Annual Reviews to ensure compliance with the Local Government Act 1989 and "Audit Committees: A Guide to Good Practice for Local Government" from Local Government Victoria published in January 2011;
- Reporting to Council Quarterly on the Audit Committee's activities via the Audit Committee's prior meeting minutes;
- An annual Audit Committee Chair report presented to Council;
- Engaging an appropriately qualified Internal Auditor to conduct internal audits in accordance with the internal audit schedule; and
- Implementing agreed actions to meet the recommendations presented as a result of financial audits, internal audits, other external audits, internal reviews and investigations.

Attachment 2

	<i>South Gippsland Shire Council</i>		
	PROCUREMENT POLICY		
	Policy Number C32 Council Item No. TBA Council Adoption Date 26 June 2013 Revision Date 26 June 2014 (Annual)	Directorate Department Primary Author Secondary Author	Corporate Services Governance David Roche Luke Anthony
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POLICY OBJECTIVE

The objective of this policy is to:

- Provide clear direction to the Council and Council staff to allow consistency and control over procurement activities;
- Demonstrate accountability;
- Provide guidance on ethical behaviour in public sector purchasing;
- Demonstrate the application of elements of best practice in purchasing including effective risk management, probity and transparency and open and fair competition;
- Support Council's corporate outcomes, objectives, plans and strategies, including but not limited to those related to sustainability, protection of the environment and social responsibility;
- Increase the probability of obtaining the right outcome and value for money when purchasing goods and services; and
- Replace Council's Procurement Policy No. C32 adopted by Council on 27 June 2012.

LEGISLATIVE PROVISIONS

This Procurement Policy is made under Section 186a of the Local Government Act 1989 (The Act).

The Act is the key legislative framework that regulates the process of local government procurement in Victoria. Section 186a of the Act requires the Council to prepare, approve and comply with a Procurement Policy encompassing the principles, processes and procedures applied to all purchases of goods, services and works by the Council.

As such the Council's procurement activities will be carried out to the professional standards required by best practice and in compliance with the following, including any changes or amendments made thereto:

Legislation

- Section 186a, 190 and 208A of the Local Government Act 1989;
- Local Government (General) Regulations 2004; and
- Other relevant legislative requirements such as but not limited to the Trade Practices Act 1974, Goods Act 1958, Competition and Consumer Act 2010, Victorian Charter of Human Rights and Responsibilities Act 2006 and the Environmental Protection Act 1970.

Standards and Guidelines

- Department of Planning and Community Development (DPCD) Local Government Procurement Best Practice Guidelines 2013;
- Municipal Association Victoria (MAV) Contract Management Guidelines; and
- Victorian Government Purchasing Board Guidelines (VGBP).

Council Policies

- Council's Councillor and Staff Codes of Conduct;
- Council's policies including Council Purchasing Cards, Procurement Approval Levels, Community Project Management, Land Ownership,



- Acceptance of Gifts and Donations, Fraud and National Competition, Human Rights, Whistleblower and Risk Management policies; and Council Instrument of Delegation to CEO.

DEFINITIONS


Act	Local Government Act 1989.
Best value	Best value in procurement is about selecting the supply of goods, services and works taking into account both cost and non-cost factors including: <ul style="list-style-type: none">• Contribution to the advancement of the Council's priorities;• Non-cost factors such as fitness for purpose, quality, service and support; and• Cost-related factors including whole-of-life costs and transaction costs associated with acquiring, using, holding, maintaining and disposing of the goods, services or works.
Category management	A 'Category' is an area of spend determined by known market boundaries separating different products, services or industries. Category management recognises that suppliers within a certain market are likely to have similarities which enable a tailored approach to procurement.
Commercial in confidence	Information that, if released, may prejudice the business dealings of a party e.g. prices, discounts, rebates, profits, methodologies and process information.
Competitive neutrality	A policy which aims to ensure that, where a government business is competing with the private sector, adjustments are made to remove any net advantage (or disadvantage) the government business has because it is government owned.
Conflict of interest	In Victorian local government the law provides that a staff member holding a delegation or advising Council or a special committee, has a conflict of interest which they must disclose in writing when they have a personal or private interest of the type specified in legislation.
Contract	An agreement between two or more organisations to perform or not perform a specific act/s that is enforceable by law. A contract may be verbal or written or inferred by conduct.
Contract management	The process that ensures both parties to a contract fully meet their respective obligations as efficiently and effectively as possible, in order to deliver the business and operational objectives required from the contract and in particular, to provide value for money.

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	<p>Council staff</p>	<p>Includes full-time and part-time Council Staff, temporary employees, Section 86 Committee, contractors and consultants while acting in the capacity of an employee and engaged by the Council.</p>
	<p>e-Procurement</p>	<p>e-Procurement is integral to the overall development of procurement processes and involves the use of an electronic system/s to acquire and pay for supplies, services and works.</p>
	<p>Expression of Interest (EOI)</p>	<p>A publicly advertised invitation for persons to submit an EOI for the provision of the goods and / or services generally set out in the overview of requirements contained in the document. An EOI is not to elicit tenders, but to assess the capacity of respondents to undertake the work or project. This invitation is not an offer or a contract.</p>
	<p>Late tender</p>	<p>A tender received after the specified closing time.</p>
	<p>Local businesses</p>	<p>Suppliers within the South Gippsland Shire and the immediate neighbouring municipalities.</p>
	<p>Minimum spend competition thresholds</p>	<p>Are the minimum dollar amounts which determine which procurement process (quotation or tender) is required for a particular procurement activity.</p>
	<p>Probity</p>	<p>Within Local Government, the word "probity" is often used in a general sense to mean "good process." A procurement process that conforms to the expected standards of probity is one in which clear procedures that are consistent with the Council's policies and legislation are established, understood and followed from the outset. These procedures need to consider the legitimate interests of suppliers and ensure that all potential suppliers are treated equitably.</p>
	<p>Procurement</p>	<p>Procurement is the whole process of acquisition of external goods, services and works. This process spans the whole life cycle from initial concept through to the end of the useful life of an asset (including disposal) or the end of a service contract.</p>
	<p>Procurement planning</p>	<p>Forward planning to determine the appropriate and / or required procurement process (quotation or tender) is completed within the timelines required by Council and / or any contractual obligations.</p>
<p><i>Procurement Policy</i></p>		<p>Page 5 of 28</p>



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Procurement processes	Council has three main procurement processes – Minor Purchases (Petty cash, Purchasing Card), Quotations (Finance Purchase, Minor Quotation, Intermediate Quotation and Major Quotation) and Tenders. The processes for these are outlined in this Policy and accompanying processes published on Council's intranet.
Request for information (RFI)	Formal request for information to gain a more detailed understanding of the supplier market and the range of solutions and technologies that may be available. It may be used to develop documentation for a future tender.
Request for quotation (RFQ)	A written process of inviting offers to supply goods and/or services involving simple documentation, a limited number of potential suppliers and generally of relatively lower values.
Request for tender (RFT)	A request for offer against a set of clearly defined and specified requirements. Tenderers are advised of all requirements involved, including the conditions of tendering and proposed contact conditions.
Social procurement	Social procurement uses procurement processes and purchasing power to generate positive social outcomes in addition to the delivery of efficient goods, services and works.
Sustainability	Activities that meet the needs of the present without compromising the ability of future generations to meet their needs.
Tender	An offer in writing to supply goods and / or services and / or works, usually submitted in response to a public or selective invitation such as a request for tender.
Tender process	The process of inviting parties to submit a quotation by tender using public advertisement, followed by evaluation of submissions and selection of a successful bidder or tenderer.

POLICY STATEMENT

This policy applies to all procurement activities at Council and is binding upon Council including Councillors, Council staff, Section 86 Committees, temporary employees and contractors / consultants whilst acting in the capacity of an employee and engaged by Council.

This policy encompasses Appendix 1 Procurement Best Practice and Appendix 2 Procurement Process Summary and Thresholds. These appendices are required to be used in conjunction with this policy as well as Council's procurement procedures which provide additional requirements and direction for the implementation of this Policy Statement.

South Gippsland Shire Council through its procurement activities will:



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1. **Ensure strategic alignment and effective procurement planning:** by applying a long term strategic view of its procurement needs while continually assessing, reviewing and auditing its procedures, strategy and objectives.
2. **Ensure probity and transparency:** through:
 - Implementing and managing a robust and transparent audit trail and program to ensure that procurement activities are delivered on time, within cost constraints and meet the needs of end users;
 - Ensuring all relevant Council staff are able to account for procurement decisions made over the lifecycle of all goods, services and works purchased by the Council and provide feedback on them; and
 - Ensuring that procurement is conducted in a fair, honest and transparent manner, with the highest levels of integrity and in the public interest.
3. **Comply with legislation and guidelines:** including Council policies or other requirements by ensuring all staff responsible for procurement and contract management are aware of and adhere to legislative requirements, Council policies and best practice.
4. **Manage any conflicts of interest:** by requiring Councillors and Council staff involved with any procurement activities to:
 - Observe legislative and Council requirements relating to managing conflicts of interest;
 - Identify and avoid situations in which private interests conflict or have the potential to conflict with their Council duties; and
 - Declare when a conflict of interest is identified and undertake steps to remove or mitigate the relevant Council staff member's involvement in the procurement activity.
5. **Deal ethically, fairly and honestly:** by requiring Councillors and Council staff involved with any procurement activities to:
 - Act in an impartial, fair, ethical manner which is able to withstand the closest possible audit scrutiny providing all potential suppliers with the same information and equal opportunity;
 - Not either directly or indirectly solicit or accept gifts or presents from any member of the public involved with any matter that is connected with the duties of the officer, or in which the Council is interested, with the exception of gifts allowed for under Council's Acceptance of Gifts and Donations Policy; and
 - Maintain the confidentiality of Commercial in Confidence information such as contract prices and other sensitive information which is to be stored in a secure location.
6. **Demonstrate sustained value:** through:
 - **Achieving best value:** to gain value for money and minimise the total cost of ownership over the lifetime of the requirement consistent with acceptable quality, reliability and delivery considerations. Lowest price is not the sole determinant of best value. Best value will be facilitated through:
 - Weighing up the benefits of the purchase against the costs necessary for the optimum result for the Council and local community;
 - Balancing quality and price;



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- Challenging the need for the procurement and the way in which the service may be reconfigured to achieve improvements in service delivery;
 - Encouraging competition;
 - The effective use of specifications in quotations, tenders and contracts; and
 - Adopting strategic and innovative procurement practices and solutions to promote best value, in particular, making use of collaboration and partnership opportunities.
- **Developing measures and continuous improvement:** to monitor performance and compliance with procurement policies, procedures and controls to support continuous improvement in procurement and contract management practices.
 - **Corporate social responsibility and social procurement:** by taking positive action to demonstrate Council's commitment to the local community and the environment on which it impacts. By also using procurement to contribute towards building stronger communities and meeting the wider social objectives of Council, including ensuring Council's procurement activities respect the 20 fundamental rights within the Victorian Charter of Human Rights and Responsibilities Act 2006.
 - Where practicable, purchasing from local businesses where purchases are justified on best value grounds for South Gippsland Shire, which include local economic, environmental and social benefits;
 - **Sustainable procurement:** demonstrating Council's commitment to achieving environmental sustainability by monitoring and reporting on Council activities and programs that have an impact on or contributes to the environment. Where applicable Council will integrate sustainability, environmental and social issues into the procurement process.
 - **Promoting diversity and equality:** demonstrating Council's corporate commitment to diversity and equal opportunity wherever possible.
7. **Build and maintain supply relationships:** through:
- Developing and managing suppliers;
 - Supply market development; and
 - Relationship management and communication.
8. **Maintain a procurement governance structure:** including financial delegations to ensure accountability, traceability and auditability of all procurement decisions made over the lifecycle of all goods, services and works purchased.
9. **Apply responsible financial management:** to all procurement activities, including:
- Establishing the availability of existing funds within an approved budget prior to commencing procurement;
 - Not authorising the expenditure of funds in excess of financial delegations;
 - Not disclosing allocated tender budgets to suppliers unless deemed in Council's best interest and authorised by the Director;
 - Using Council funds efficiently and effectively to procure goods, services and works; and
 - Containing the costs of procurement.
10. **Manage procurement risks:** by ensuring that risk is identified,



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assessed and managed at all stages of a procurement process and that strategies for managing risks associated with procurement are in place and consistent.

11. **Apply a consistent and standard approach to procurement activities:** through:

- Establishing and reviewing standard procurement processes in accordance with this policy, relevant legislation, relevant Australian Standards and the Act; and
- Establishing performance indicators and management information.

12. **Establish and adhere to Council's Minimum Spend Competition Thresholds:** the table below sets out the procurement process which must be used to purchase goods or services. These must be used in conjunction with Appendix 2 of this policy.

	Minimum Spend Competition Thresholds (excluding GST)					
	\$0 to \$50	\$0 to \$4,999	\$5,000 to \$29,999	\$30,000 to \$49,999	\$50,000 to \$109,999 Goods/Services or \$149,999 Works	Greater than \$110,000 Goods / Services or \$150,000 Works
Procurement process	Petty Cash	Finance Purchasing Procedures	Minor Quotation	Intermediate Quotation	Major Quotation	Public Tender
Quotes	N/A	One verbal to \$2.5k One written to \$2.5k – \$4,999	Seek three written	Obtain three written	Obtain three written	Public Tender
Specification	N/A	Optional – Simple [^]	Optional – Simple [^]	Yes – Simple	Yes – Detailed	Yes – Detailed
Evaluated by	Co-ordinator	Coordinator / Manager	Coordinator / Manager	Coordinator / Manager	Panel#	Panel#
Approved by*	Co-ordinator	Co-ordinator / Manager	Manager / Director	Manager / Director	Manager / Director / CEO / Council	CEO / Council
Risk assessment	N/A	N/A	Manager advises if required [^]	Director advises if required [^]	Yes	Yes
Agreement required	N/A	Purchase Order	Purchase Order (Goods) / Service Level Agreement - Manager / Director signs* (Service)	Purchase Order (Goods) / Service Level Agreement - Director signs (Service)	Contract – CEO signs	Contract – CEO signs

* Within Officer Financial Delegations as defined in the Procurement Approval Levels policy and Council Instrument of Delegation to Chief Executive Officer.

[^] Projects of a complex nature require the preparation of a project risk management plan and / or simple specification.

All evaluation panels require a minimum of 2 staff for Major Quotations and 3 staff for Tenders, with a minimum of a relevant Director or his/her delegate depending on contract risk required for Tenders and relevant Manager for Major Quotations. All panel members must be appointed by the relevant Director or CEO prior to the tender being advertised or request for quotation being sent. A member of the Governance Services team will assist the panel to evaluate tenders / quotations but will not participate in the evaluation.

13. **Effectively manage contracts:** through ensuring all contracts are:

- Documented in writing based on Council's contract templates;
- Monitored adequately to ensure the responsibilities and obligations of both parties under the contract are achieved and any issues identified and effectively managed; and
- Managed so that any contract extensions, financial variations beyond the contracted amount or non – financial variations, are subject to appropriate scrutiny and approval in line with Procurement Approval Levels or any relevant Council resolution.

14. **Expand the use of e-Procurement:** to improve Council's procurement



processes using electronic systems to acquire and pay for supplies, services and works to reduce transaction costs, achieve greater leverage, achieve efficiencies, improve management information, increase controls and improve spend compliance.

Matters not covered in this policy

Should a matter arise that is not covered by this policy or the Legislation, Standards and Guidelines or other Council policies, the matter must be referred to the Chief Executive Officer to determine.

RISK ASSESSMENT

This policy and accompanying appendices and procedures have been developed to comply with relevant legislation and guidelines to minimise Council's risk of non – compliance. Council will also develop an internal audit program and performance measures to increase policy compliance.

Risk management is to be appropriately applied at all stages of procurement activities, which will be properly planned and carried out in a manner that will protect and enhance Council's capability to prevent, withstand and recover from interruption to the supply of goods, services and works.

Where required, based on a risk assessment, tenderers and suppliers submitting quotations will be required to provide an independent assessment of their financial sustainability as part of the evaluation.

The Council will minimise its risk exposure by measures such as:

- Using probity auditors / advisors to assist with high value or sensitive procurement activities;
- Standardising contracts to include current, relevant clauses;
- Requiring security deposits where appropriate;
- Referring specifications to relevant experts;
- Requiring contractual agreement before allowing the commencement of work;
- The use of or reference to relevant Australian Standards (or equivalent); and
- Effectively managing the contract including monitoring and enforcing performance.

IMPLEMENTATION STATEMENT

Council will implement this policy through:

- Develop a Procurement Strategy, incorporating the further review of this policy;
- The development and review of procurement manual, procedures, templates and roles / responsibilities based on the Procurement Strategy and the revised Procurement Policy;
- Staff education established as part of Council's annual training plan, including staff induction and Procurement Policy for key staff involvement in procurement to occur by August 2013;
- Implementing IT systems to facilitate procurement activities such as tenders, quotations, purchase orders, credit cards administration and contract management;
- Procurement planning in Departmental business plans; and
- Internal staff communications.



APPENDIX 1 - PROCUREMENT BEST PRACTICE

1. EFFECTIVE LEGISLATIVE AND POLICY COMPLIANCE AND CONTROL

1.1 Ethics and probity

1.1.1 Requirement

The Council's procurement activities shall be performed with integrity and in a manner able to be upheld under the closest possible audit scrutiny.

1.1.2 Conduct of Councillors and Council staff

Councillors and Council staff shall at all times conduct themselves in ways that are, and are seen to be, ethical and of the highest integrity and will:

- Treat potential and existing suppliers with equality and fairness;
- Not seek or receive personal gain;
- Maintain confidentiality of Commercial in Confidence information such as contract prices and other sensitive information;
- Present the highest standards of professionalism and probity;
- Deal with suppliers in an honest and impartial manner that does not allow conflicts of interest;
- Provide all suppliers and tenderers with the same information and equal opportunity; and
- Be able to account for all decisions and provide feedback on them.

All Councillors and Council staff will be made aware of and familiarised with Council's procurement policies and processes. All staff involved in procurement will be provided with procurement training.

1.1.3 Conflict of interest

Councillors and Council staff shall at all times avoid situations in which private interests conflict, or might reasonably be thought to conflict, or have the potential to conflict with their Council duties as outlined in the Councillor and Staff Codes of Conduct.

Councillors and Council staff involved in the procurement process, in particular preparing tender documentation, including writing tender specifications, tender opening and tender evaluation panels must:

Avoid conflicts, whether actual, potential or perceived, arising between their official duties and their private interests. Private interests include the financial and other interests of Councillors and Council Staff, including their relatives and close associates.

Declare that there is no conflict of interest. Where future conflicts or relevant private interests arise Council staff must make their Manager / Director aware and for the Manager / Director to recommend to the Chief Executive Officer if the officer should be removed from the specific procurement exercise. The Chief Executive Officer has overriding authority to decide.

Observe prevailing Council policy on how to prevent or deal with conflict of interest situations; and not take advantage of any tender related information whether or not

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for personal gain.

In a procurement matter where a staff member holds a delegation in relation to procurement and has a conflict of interest, **that member must not exercise their delegation** and must disclose the interest. The procurement matter must be dealt with by another qualified staff member. Staff must also declare Conflicts of Interest when providing advice or writing reports to Council.

Councillors and staff must comply with the requirements of Division 1A – Conduct and Interests of the Local Government Act 1989.

1.1.4 Fair and honest dealing

All prospective contractors and suppliers must be afforded an equal opportunity to tender or quote. Impartiality must be maintained throughout the procurement process so it can withstand public scrutiny.

The commercial interests of existing and potential suppliers must be protected. Confidentiality of information provided by existing and prospective suppliers must be maintained at all times, particularly commercially sensitive material such as, but not limited to prices, discounts, rebates, profit, intellectual property including manufacturing and product information.

1.1.5 Gifts and hospitality

With the exception of gifts allowed for under Council's Acceptance of Gifts and Donations Policy C01, no Councillor or member of Council staff shall, either directly or indirectly solicit or accept gifts or presents from any person involved with any matter that is connected with the duties of the officer, or in which the Council is interested.

Councillors and Council staff must exercise the utmost discretion in accepting hospitality from contractors or their representatives, or from organisations, firms or individuals with whom they have official dealings. Councillors and Council staff should also avoid the ambiguous situation created by visiting the premises of a contractor, organisation, firm or individual uninvited and / or not on official business.

Offers of bribes, commissions or other irregular approaches from organisations or individuals (even a perception of such), must be promptly brought to the attention of the Chief Executive Officer.

1.1.6 Disclosure of information

Commercial in-confidence information received by the Council must not be disclosed and is to be stored in a secure location.

Councillors and Council staff, by refusing to release or discuss the following are to protect:

- Allocated Council budgets for proposed tenders unless deemed in Council's best interest and authorised by the Director;
- Information disclosed by organisations in tenders, quotation or during tender negotiations;
- All information that is Commercial in Confidence information;
- Pre-contract information including but not limited to information provided in



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- quotes and tenders or subsequently provided in pre-contract negotiations; and
- Information relating to the recommended successful supplier, until such time as the decision is formally made by the delegated officer or Council, and once the contract has been executed and / or the decision is disclosed in the Council Meeting minutes.

Discussion with potential suppliers during tender evaluations should not go beyond the extent necessary to resolve doubt on what is being offered by that supplier. Tender details and documentation must not be disseminated beyond members of the panel and relevant Manager(s) / Director(s) / Chief Executive Officer. Each member of a tender evaluation panel will complete a deed of confidentiality.

Council staff will also exercise particular diligence with confidentiality and security of information where Council operates an in house team (e.g. sealing crew) that competes with external contractors. In-house teams must not have access to any tender information which would advantage them over external bidders.

Council will only disclose information by way of:

- A contracts register that will be made available for public inspection which will record all contracts over the statutory threshold set out in the Local Government Act 1989 (\$135,000 ex. GST or \$150,000 inc. GST for goods and services and \$180,000 ex. GST or \$200,000 inc. GST for works) required for a public tender which shows the contracts purpose (a brief description of the goods, services or works that is being procured), the successful tenderer (and ABN), contract length and the total contract price; and
- Recording in Council minutes all contracts over the statutory threshold set out in the Local Government Act 1989 (\$135,000 ex. GST or \$150,000 inc. GST for goods and services and \$180,000 ex. GST or \$200,000 inc. GST for works) for a public tender which shows the contracts purpose (a brief description of the goods, services or works that is being procured), the successful tenderer (and ABN), contract length and the total contract price.

These disclosure methods will be made known to prospective tenderers by being included in proposed contract documentation. Council will also make this procurement policy and supporting documents available to the public on its internet site.

1.2 Governance

1.2.1 Structure

The Council will:

- Maintain a procurement management responsibility structure including delegations which ensure accountability, traceability and auditability of all goods, services and works purchased by the Council; and
- Ensure that the Council's procurement structure:
 - Is flexible enough to purchase in a timely manner the diverse range of material, goods, works and services required;
 - Will provide equal opportunities to prospective contractors and suppliers when tendering and quoting; and
 - Encourages competition.



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1.2.2 Responsible financial management

The principle of responsible financial management shall be applied to all procurement activities.

Accordingly, to give effect to this principle, the availability of existing funds within an approved budget, or source of funds, shall be established prior to the commencement of any procurement action for the supply of goods, services or works.

Council staff must not authorise the expenditure of funds in excess of their financial delegations.

Council staff must not disclose allocated tender budgets to suppliers unless deemed in Council's best interest and authorised by the Director.

Council funds must be used efficiently and effectively to procure goods, services and works and every attempt must be made to contain the costs of the procurement process without compromising any of the procurement principles set out in this policy.

2. DEMONSTRATED SUSTAINED VALUE

2.1 Integration with Council strategy

The Council Procurement Policy shall support its corporate strategies, aims and objectives.

Council will ensure strategic alignment and effective procurement planning by applying a long term strategic view of its procurement needs while continually assessing, reviewing and auditing its procurement procedures, strategy and objectives.

2.2 Achieving best value

2.2.1 Requirement

The Council's procurement activities will be carried out on the basis of obtaining best value.

This aims to minimise the total cost of ownership over the lifetime of the requirement consistent with acceptable quality, reliability, expertise and delivery considerations. Lowest price is not the sole determinate of best value.

2.2.2 Approach

This will be facilitated by:

- Developing, implementing and managing procurement strategies that support the co-ordination and streamlining of activities through the lifecycle;
- Effective use of competition;
- Using aggregated contracts where appropriate;
- Identifying and rectifying inefficiencies in procurement processes;
- Developing cost efficient tender processes including appropriate use of e-solutions;



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- Council staff responsible for providing procurement services or assistance within the Council providing competent advice in terms of available products and agreements; and
- Working with suppliers to create relationships that are professional, productive and appropriate to the value and importance of the goods, services and works being acquired.

2.2.3 Role of specifications

Specifications used in quotations, tenders and contracts are to support and contribute to the Council's value for money objectives through being written in a manner that:

- Ensures impartiality and objectivity;
- Clearly defines the Council's requirements;
- Encourages the use of standard products;
- Encourages sustainability;
- Allocates risk to the appropriate party; and
- Eliminates unnecessarily stringent requirements.

2.3 Performance measures and continuous improvement

Appropriate performance measures are to be established and reporting systems will be used to monitor performance with procurement policies, procedures and controls.

Procurement procedures, practices and costs will be benchmarked externally. Internal service standards will be agreed within the Council and performance against these targets will be measured and reviewed regularly to support continuous improvement.

The performance measurements developed will be used to:

- Highlight trends and exceptions where necessary to enhance performance;
- Improve internal procurement efficiency and the performance of suppliers; and
- Facilitate programs to drive improvement in procurement to eliminate waste and inefficiencies across key spend categories.

2.4 Corporate social responsibility

Corporate social responsibility (CSR) is about taking positive action to demonstrate Council's commitment to the local community and environment on which it impacts. This means the Council maximising the benefits of the services they provide across the community and minimising the negative aspects of their activities.

2.4.1 Social procurement

Social procurement generates positive outcomes by building on initiatives already undertaken by the Council in enhancing sustainable and strategic procurement practice, further enabling procurement to contribute towards building stronger communities and meeting the social objectives of the Council.

The Council is committed to social procurement by:

- Ensuring all procurement practices are sustainable and strategically aligned with the wider Council objectives;
- Achieving greater value for money across the community through the use of



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- effective procurement;
- Ensuring all businesses have the same opportunity to tender for Council contracts;
- Enhancing partnerships with other councils, suppliers and community stakeholders;
- Building and maintaining a strong community by exploring ways to generate local employment (particularly among disadvantaged residents) and further strengthening the local economy;
- Where practicable, purchasing from local businesses where purchases are justified on best value grounds for South Gippsland Shire, which include economic, environmental and social benefits; and
- Purchasing ethical and fair trade goods to support equitable, local, national and international trade were justified on best value grounds.

The selection criteria which are included in contract documentation and requests for quotations / tender must include all factors which Council proposes to take into consideration when evaluating a proposal.

2.5 Sustainability

2.5.1 General

The Council is committed to achieving environmental sustainability and ensuring it monitors and reports on Council activities and programs outlined in Council's Plans and Strategies, including Council's Sustainability and Waste Management Strategies.

2.5.2 Sustainable procurement

The Council recognises it has an implicit role in furthering sustainable development, through its procurement of goods, services and works.

In addition, the Council recognises the potential impact this spend has on the environment and where applicable will integrate sustainability, environmental and social issues into the procurement process.

The Council, depending on the type of procurement being undertaken, will endeavour to achieve this by:

- Taking into account the need to minimise emissions and reducing the negative impacts of transportation when purchasing goods and services;
- Taking steps to minimise carbon dioxide and other greenhouse gas emissions through the detailed consideration of products and services procured;
- Considering the environmental performance of all suppliers and contractors, and encouraging them to conduct their operations in an environmentally sensitive manner;
- Considering the basic life cycle analysis of products to minimise the adverse effects on the environment resulting directly or indirectly from products;
- Selecting products / services that have minimal effect on the depletion of natural resources and biodiversity;
- Giving a preference to Fair Trade, or equivalent, and ethically sourced and produced goods and services where justified on best value grounds;
- Working more effectively with local suppliers to ensure they are encouraged to bid for the Council's business in line with this Procurement Policy;
- Ensuring all relevant procurement contracts and tenders contain sustainability specifications as appropriate to the product or service being procured;



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- Comply with all regulations and legislation and as far as practicable ensuring suppliers do the same; and
- Training relevant Council staff on sustainability considerations within the procurement process.

2.6 Diversity

Promoting equality through procurement can improve competition, best value, the quality of public services, satisfaction among users and community relations.

3. BUILD AND MAINTAIN SUPPLY RELATIONSHIPS

Council recognises that in order to achieve sustainable value, a strategic assessment of the appropriate 'channel to market' should be undertaken – whether to go to market on its own, participate in regional or sector aggregated projects or panels, access State Government panel agreements or other means. Council will consider supply arrangements that deliver the best value outcomes in terms of time, expertise, cost, value and outcome.

3.1 Developing and managing suppliers

Developing and managing suppliers is essential to achieving a competitive market capable of delivering the Council's services and works requirements.

Council needs to interact with the market and our suppliers, in particular to understand their views and what enables and encourages diverse parts of the market to bid for work with the Council. At the same time Council will ensure that our relationship with strategic suppliers is mutually productive and that goals are shared. Council aims to develop a relationship with suppliers that create mutually advantageous and flexible relations based on the quality of performance and financial savings.

3.2 Supply market development

A wide range of suppliers should be encouraged to compete for Council work. The focus on new work need not always be with the larger more familiar businesses. Other types of organisations offering business diversity include:

- Local businesses;
- Green suppliers;
- Small to medium enterprises (SMEs);
- Social enterprises;
- Ethnic and minority business;
- Voluntary and community organisations; and
- Not for profit organisations.

3.3 Relationship management

The Council is committed to developing constructive relationships with suppliers. It is important that the Council identifies its key suppliers so that its efforts are focused to best effect. Such areas may include:

- Size of spend across the Council;
- Criticality of goods / services, to the delivery of the Council's services; and
- Availability of substitutes.



3.4 Communication

External communication is very important in ensuring a healthy interest from potential suppliers and partners to the Council. Council's website can be developed and utilised to provide information on Council's Procurement guidelines and forthcoming procurement opportunities.

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APPENDIX 2 - PROCUREMENT PROCESS SUMMARY AND THRESHOLDS

1. APPLY A CONSISTENT AND STANDARD APPROACH

The Council will provide effective and efficient commercial arrangements for the acquisition of goods, services and works.

1.1 Standard processes

The Council will provide effective commercial arrangements covering standard products and provision of standard services across the Council to enable employees to source requirements efficiently.

This will be achieved via establishing a Procurement Strategy, including the following:

- A Procurement Manual including processes, procedures and methods;
- Tools and business systems (e.g. implementing appropriate e-tendering, e-evaluation; e-catalogue or e-sourcing arrangements);
- Reporting requirements;
- Staff training; and
- Application of standard contract terms and conditions.

1.2 Procurement methods

The Council's standard methods for purchasing goods, services and works shall be performed using one or more of the following methods:

- Petty cash;
- Purchasing card;
- Purchase order following a quotation process from suppliers for goods or services that represent best value for money under directed quotation thresholds;
- Under a service level agreement or contract following a quotation or tender process;
- Using aggregated purchasing arrangements with other Councils, Municipal Association Victoria Procurement, Victorian Government, or other bodies; and
- Other arrangements authorised by the Council or the Chief Executive Officer on an as needs basis as required by abnormal circumstances such as emergencies as stipulated by section 186 (5) of the Local Government Act 1989.

Council may, based on the complexity, cost and best value outcomes, conduct one stage or multi-stage tenders.

Typically a multi-stage tender process will commence with an Expression of Interest stage followed by a tender process involving the organisations selected as a consequence of the Expression of Interest stage.

1.3 Performance indicators

A list of performance indicators will be developed to measure procurement performance. They may include criteria such as:

- User and supplier satisfaction levels;
- Knowledge and skill of Council employees in procurement process;
- Level of compliance and understanding of Council procurement policies; and
- Measuring the success of procurement initiatives.

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1.4 Management information

The Council seeks to improve its performance by capturing and analysing procurement management information in a variety of areas, including:

- Volume of spend;
- Number of transactions per supplier;
- Compliance;
- Supplier performance;
- User satisfaction; and
- Category management.

The Council will also use external sources of management information to assist with the procurement decision making process including:

- Benchmarking data;
- Information from professional bodies such as the Chartered Institute of Purchasing and Supply Australia; and
- Supplier reports.

2. PROCUREMENT PROCESSES AND THRESHOLDS

2.1 Process

Council procurement processes are to deliver the following principles:

2.1.1 Best value including value for money

- The benefits of the purchase are weighted against the costs necessary for the optimum result for the Council and local community. The Council is not required to accept the lowest tender. Instead, Council is required to take into account issues of quality, cost, the accessibility of the service and other factors relevant to the overall objectives of the Local Government Act 1989.
- Best value is often mistaken for meaning the lowest price, however, in terms of the contracting process, best value requires balancing quality and price with as much transparency as is reasonably achievable. In this context price should take into account the whole life cost of the provision, so far as is practicable. It follows that the delivery of best value is dependent upon Council priorities.
- Achieving best value also requires challenging the need for the procurement and the way in which the service may be reconfigured to achieve improvements in service delivery, comparing service provision options against all those available, consulting with key stakeholders and ensuring competition in the open market.
- Achieving best value for money must be the basis of all procurement decisions within the Council.

2.1.2 Open and fair competition

All suppliers are treated fairly in an open and transparent manner and have access to the same information.

2.1.3 Accountability

The Council maintains consistency in the approach to procurement across the whole organisation through coherent frameworks, policies and procedures.



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Accountability in procurement means being able to explain and provide evidence on the process followed. The test of accountability is that an independent third party must be able to see clearly that a process has been followed and that the process is fair and reasonable.

Therefore the processes by which all procurement activities are conducted will be in accordance with the Council's procurement policies and procedures as set out in this policy and related, relevant Council policies and procedures.

Additionally:

- All relevant Council staff must be able to account for all procurement decisions made over the lifecycle of all goods, services and works purchased by the Council; and
- All procurement activities are to provide for an audit trail for monitoring and reporting purposes.

2.1.4 Risk management

Strategies for managing risks associated with all procurement processes are in place and consistent.

2.1.5 Probity

All Council procurement processes must be conducted in a fair, honest and open manner, with the highest levels of integrity and in the public interest. Council will also provide feedback to unsuccessful tenderers when requested by the tenderer and effectively handle any complaints received in relation to a procurement process.

2.2 Minimum spend competition thresholds

2.2.1 Treatment of GST

All monetary values stated in this policy exclude GST, except where specifically stated otherwise.

2.2.2 Minimum Spend Competition Thresholds general principles

Outlined below are the minimum spend competition thresholds which determine which procurement process must be used. Prior to commencing a procurement activity Council staff must conduct or consider the following:

Procurement planning: to determine which procurement process (quotation or tender) is required, Council Staff must estimate the full transactional cost of each purchase or contract (including any potential contract extensions, contingency allowances or variations to the scope and the reasonable, total foreseeable expenditure for a particular procurement).

The procurement process selected must be approved by the Council officer who will be responsible for providing final purchase approval as outlined in the table below and in accordance with procurement approval levels.

Council staff must not disaggregate or break up items that would normally be procured together in a single order for the purpose of falling under a particular minimum spend competition threshold for a Tender or to fall under a Council staff



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member's individual financial delegation.

Where Council staff estimate that a total procurement will cost \$110,000 (ex. GST) for Goods / Services and \$150,000 (ex. GST) for Works the procurement will be publically advertised as a Request for Tender (RFT), unless determined otherwise by the Director to avoid the potential of breaching the thresholds required for a public tender by section 186 of the Local Government Act 1989 which is \$135,000 ex. GST or \$150,000 inc. GST for Goods / Services and \$180,000 ex. GST or \$200,000 inc. GST for Works.

Standing offers: all staff undertaking procurement can consider as an option Standing Offers (e.g. State Purchase Contracts, Open State Purchase Contracts or Department Standing Offer Agreements) or supplier panels established by organisations, such as Procurement Australia and MAV, to determine if the purchase can be sourced at a pre - negotiated contracted rate.

When using suppliers from Council Agencies (e.g. Procurement Australia and MAV) Council staff must adhere to the requirements of these agencies and to this policy, including quotation requirements. If the proposed goods, services or works can be purchased from a panel this does not exempt Council staff from seeking the required number of quotes, however, the standing offer or supplier panel pricing should be considered when making purchasing decisions in accordance with this policy.

2.2.3 Procurement processes and thresholds

The requirements for each Minimum Spend Competition Thresholds are summarised in the table below and are outlined in more detail under 2.2.4 Quotations and 2.2.5 Tenders. For each Minimum Spend Competition Threshold Council staff are required to follow the relevant Council procurement process.

	Minimum Spend Competition Thresholds (excluding GST)					
	\$0 to \$50	\$0 to \$4,999	\$5,000 to \$29,999	\$30,000 to \$49,999	\$50,000 to \$109,999 Goods/Services or \$149,999 Works	Greater than \$110,000 Goods / Services or \$150,000 Works
Procurement process	Petty Cash	Finance Purchasing Procedures	Minor Quotation	Intermediate Quotation	Major Quotation	Public Tender
Quotes	N/A	One verbal to \$2.5k One written to \$2.5k - \$4,999	Three written	Three written	Three written	Public Tender
Specification	N/A	Optional - Simple ^	Optional - Simple ^	Yes - Simple	Yes - Detailed	Yes - Detailed
Evaluated by	Co-ordinator	Co-ordinator / Manager	Coordinator / Manager	Coordinator / Manager	Panel#	Panel#
Approved by*	Co-ordinator	Co-ordinator / Manager	Manager / Director	Manager / Director	Manager / Director / CEO / Council	CEO / Council
Risk assessment	N/A	N/A	Manager advises if required^	Director advises if required^	Yes	Yes
Agreement required	N/A	Purchase Order	Purchase Order (Goods) / Service Level Agreement - Manager / Director signs* (Service)	Purchase Order (Goods) / Service Level Agreement - Director signs (Service)	Contract - CEO signs	Contract - CEO signs

* Within Officer Financial Delegations as defined in the Procurement Approval Levels policy and Council Instrument of Delegation to Chief Executive Officer.

^ Projects of a complex nature require the preparation of a project risk management plan and / or simple specification.

All evaluation panels require a minimum of 2 staff for Major Quotations and 3 staff for



Tenders, with a minimum of a relevant Director or his/her delegate depending on contract risk required for Tenders and relevant Manager for Major Quotations. All panel members must to be appointed by the relevant Director or CEO prior to the tender being advertised or request for quotation being sent. A member of the Governance Services team will assist the panel to evaluate tenders / quotations but will not participate in the evaluation.

2.2.4 Quotations

Purchase of goods and services having a total of \$109,999 (excluding GST) and works having a total valuation of \$149,999 (excluding GST) or less for the full contract period including any potential contract extensions, are undertaken using the relevant procurement method as outlined above and the relevant Council procurement process.

If a planned procurement falls within a minimum spend threshold which requires a Quotation process, a Request for Quote or a full Public Tender may be publically advertised, if the nature of Council's requirements and the characteristics of the market are such that public advertising would lead to a better result. This may occur when a field of potential suppliers hasn't been established, an innovative approach is required, the project has broad appeal that may attract competitive pricing or there is a risk that the Tender threshold will be breached.

Dispensation from receiving three quotes: may be granted by the Director where three quotes cannot be obtained where required, for valid reasons including where limited suppliers are available / willing to provide quotations, where required components can be sourced from a limited range of suppliers or where specialist skills limit the range of potential suppliers. This approved dispensation is to be recorded on a dispensation form and filed in Council's record management system.

2.2.5 Tenders

Where Council staff estimate that a total procurement will cost \$110,000 (ex. GST) for Goods / Services and \$150,000 (ex. GST) for Works the procurement will be publically advertised as a Request for Tender, unless determined otherwise by the Director to avoid the potential of breaching the thresholds required for a public tender by section 186 of the Local Government Act 1989 which is \$135,000 ex. GST or \$150,000 inc. GST for Goods / Services and \$180,000 ex. GST or \$200,000 inc. GST for Works.

Requests for information: if Council is unsure as to what goods and services it requires, a request for information may be undertaken for reasons which include establishing available technologies, products or services to meet Council needs, whether proposed terms and conditions are acceptable in the market place or whether proposed budgets are adequate to meet non-standard procurement needs. A Request for Information is not an Expression of Interest (EOI) or form part of a Tender process.

Expression of Interest: a publically advertised EOI may be issued prior to a potential closed Request for Tender being issued to some or all of the EOI respondents for the purpose of pre-qualifying respondents and refining specifications where necessary. The aim at EOI stage is not to elicit tenders, but assess the capacity of respondents to undertake the work or project, i.e. pre-qualify the respondents and to refine specifications where necessary. This invitation is not an offer or a contract.

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Open Standing Offer Agreements (OSOA): where similar items are procured on a regular basis and the value of the procurement over a period of the financial year exceeds the specified amount requiring a tender under the Local Government Act 1989, the Chief Executive Officer (or delegate) will approve public advertising calling for invitations to establish an OSOA for a set period through a tender process as a means of complying with section 186 of the Local Government Act 1989. An OSOA is to be established and approved using the same processes required for a Tender. Once an OSOA is in place, subsequent procurement can be made directly with contracted suppliers without the need to first seek quotes.

Late tenders: must be kept unopened in a secure location pending a decision on acceptance. Late tenders which are rejected should be returned to the tenderer unopened with appropriate accompanying advice. Council, will only accept a late tender if it can be clearly documented that access was denied or hindered in relation to the physical tender box or there was a system failure / interruption to any electronic tender system which Council may implement. The Chief Executive Officer will consider and may approve the acceptance of a late tender only on these grounds. The condition that late tenders will only be accepted in these circumstances will be included in request for tender and expression of interest documentation.

Evaluation of in-house tenders / quotation: where a tender or quotation is received which either includes services from a Council in – house team (e.g. Sealing Crew) or is directly from an ‘in-house’ Council team then Council will:

- Before any quotation or tender is provided, it must be referred to the Governance Services team and Finance for evaluation and feedback to ensure all quotations / tenders are provided consistently, on an equal basis and comply with the principles of Competitive Neutrality, especially to external tenderers;
- An evaluation panel is established comprising of the following as a minimum;
 - Independent chair appointed by the CEO to play a non – evaluation, probity observer role; or
 - Independent consultant with expertise in the contract works; and
 - Not including any Director or Manager responsible for directly managing the in-house team that has provided the tender or quotation; and
- Ensure the highest standards in all matters associated with the tender.

Community stakeholder involvement in a procurement process / evaluation panel: in circumstances where a Council request for tender or major quotation directly involves community stakeholders (e.g. sporting club) as an important component of the project (e.g. providing funding or in – kind contribution or ongoing facility management) then:

- Prior to the tender / quotation specification being prepared the community group / organisation be invited to nominate a representative to participate in the process provided that person signs a confidentiality agreement and agrees to abide by the conflict of interest and confidentiality rules applicable to Council staff and has experience or expertise in the procurement matter.
- If a community group representative is nominated:
 - The nomination must be approved by the Director responsible for the procurement on the basis that involvement of the representative will benefit the decision making process;
 - The representative is provided with a copy of the project specification prior to advertising the tender or the seeking of quotes;
 - From this point on, the representative is not involved in the tender / quotation evaluation;



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- The representative is to be informed at each of the above stages and including when a recommendation is to be made and when a decision is made; and
- The Director at any time may determine that information because of its commercial in confidence nature should not be provided to the representative.

Exemption from public tendering: Section 186 (5) of the Local Government Act provides for specific circumstances when Council may enter into a contract without first putting that contract to a public tender. These circumstances include:

- Section 186 (5) (a): where the Local Government Entity (LGE) has resolved that the contract must be entered into because of an emergency;
- Section 196 (5) b: where the contract is entered into with a LGE acting as agent for a group of LGE's and the LGE has otherwise complied with the Local Government Act 1989;
- Section 186 (5) (c): where the contract is entered into in accordance with arrangements approved by the Minister for the purposes of this sub-section of the Local Government Act 1989; and
- Section 186 (5) (d): the contract is a type of contract that has been exempted from this section by regulations (only contracts for legal services are currently exempted).

The Chief Executive Officer can approve if a contract should be entered into without putting that contract to a public tender, however, the DPCD Local Government Procurement Best Practice Guidelines should be consulted and if required legal advice obtained prior to the contract being entered into to avoid a breach of the Local Government Act 1989 or entering into a void contract.

Reporting non compliance with section 186 of the Local Government Act 1989: Council will make available for public inspection, a list of contracts that were required to go to public tender under section 186 of the Local Government Act 1989, that Council entered into during the financial year without first engaging in a competitive process and which are not contracts referred to in section 186 (5). These contracts must also be reported in Council's annual report.

Appointing an agent: Council's Chief Executive Officer may appoint an agent to undertake a public tender on its behalf. However, Council staff must ensure the agent conducts the tender in an open and transparent manner and in accordance with the Act and Council's procurement policies and procedures.

3. DELEGATION OF AUTHORITY

3.1 Requirement

Delegations define the limitations within which Council staff are permitted to work. Delegation of procurement authority allows specified Council Staff to approve certain purchases, quotation, tender and contractual processes without prior referral to the Council. This enables the Council to conduct procurement activities in an efficient and timely manner whilst maintaining transparency and integrity.

3.2 Delegations

3.2.1 Council staff

The Council shall maintain a documented scheme of procurement delegations and



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responsibilities, identifying the Council staff authorised to make such procurement commitments in respect of goods, services and works on behalf of the Council and their respective delegations in this Policy, the Council Delegation to Chief Executive Officer, Procurement Approval Level policy, Council Purchasing Card policy and related procedures.

3.2.2 Delegations reserved for Council

Purchasing commitments and processes are set out in Council's Delegation to the Chief Executive Officer.

4. INTERNAL CONTROLS

The Council utilises its Audit Committee to conduct periodic, internal reviews of Council's procurement processes and monitor any identified non compliances.

The Council will install and maintain a framework of internal controls over procurement processes that will ensure:

- More than one person is involved in and responsible for a transaction end to end;
- Transparency in the procurement process;
- A clearly documented audit trail exists for procurement activities;
- Appropriate authorisations are obtained and documented; and
- Systems are in place for appropriate monitoring and performance measurement.

Council will establish a program of internal monitoring to identify and implement improvements to Council's procurement performance.

5. ESTABLISHING CONTRACT TERMS AND CONDITIONS

All contractual relationships must be documented in writing based on Council's contract templates containing standard terms and conditions in accordance with the roles outlined above. Where this is not possible (e.g. a change is required to standard terms and conditions by a supplier), approval must be obtained from the Director following a risk assessment to determine if adequate insurance provisions, security and contractual arrangements are in place. To protect the interests of the Council, terms and conditions must be settled in advance of any commitment being made with a supplier.

All Council contracts shall incorporate dispute management and alternative dispute resolution provisions to minimise the chance of significant disputes leading to legal action.

6. CATEGORY MANAGEMENT

The Council will adopt a Category Management approach to procurement which brings together expertise from across the Council to identify the most appropriate and effective approach to deliver the Council's outcomes through sourcing and supply arrangements.

The main objective of category management is to reach a point where all or a very high percentage of the Council's spend within a category is being channelled through approved arrangements, aligned with strategic priorities such that value is maximised across all expenditure.



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7. CONTRACT MANAGEMENT

7.1 Contract management

The purpose of contract management is to ensure that Council, and where applicable its clients, receive the goods, services or works provided to the required standards of quality and quantity as intended by the contract by:

- Establishing a system of monitoring and achieving the responsibilities and obligations of both parties under the contract, including, where required, periodic contract management meetings and service audits;
- Providing a means for the early recognition of issues and performance problems and the identification of solutions;
- Adhering to Council's Risk Management Framework; and
- Adhering to relevant Occupational Health and Safety Contractor Compliance procedures.

Furthermore, contracts are to be proactively managed by Council's contract manager to ensure the requirements of the contract are delivered.

7.1.1 Financial variations

When a contract is awarded, the Responsible Officer will:

- Raise a Purchase Order;
- Arrange for the amendment of the relevant Council budget to reflect the contracted price; and
- If the contract is determined to require a contingency budget to manage any reasonable, potential variations this shall also be allocated and set aside in a separate account for that contract.

All proposed contract cost variations which exceed the total approved contract price (including any approved contingency) require approval at the level of the total revised contract amount, rather than the variation itself, in line with Procurement Approval Levels or any relevant Council resolution. Should the revised contract amount exceed the CEO's delegation, the CEO is authorised by Council to approve any necessary variations to allow the proper fulfilment of the contract, subject to this variation being reported to the next practicable Council Meeting.

Issues considered in whether to approve the variation will include:

- Commercial issues, such as the potential impact on the provision of the service;
- The state of the market if Council retenders;
- Managing procurement risk; and
- Whether the variation scope is materially different.

7.1.2 Non financial variations

Significant, non-cost variations to the product, service or works being provided that affects the outcome of the project, such as the following, should be referred to the Director, and if necessary to the Executive Leadership Team or Council, for approval:

- A reduction or change in scope, which may include a reduction in the services provided or the significant substitution of one component with another; or
- A significant, unacceptable increase in the contracts delivery timeframes.

Minor non – financial scope variations to the product, service or works that do not



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materially affect the outcome of the project can be approved by the relevant Council staff responsible for the project / budget expenditure.

Variations which either exceed the total contract budget (including contingency) or involve significant changes to a contracts scope or timelines will be reported to Council and Audit Committee.

7.2 Contract extensions

Where a contract contains an option(s) to extend for an additional period(s), the Council staff responsible for managing the contract will capture within their department business plan that a contract is due for extension / expiration within the coming Financial Year or within 12 months to allow for the following to be completed within the required contractual timeframes:


- Review the Contractors performance and competitive environment to determine whether or not the contract should be extended or concluded;
- Gain approval, from the Chief Executive Officer or Council, to either grant a contract extension or undertake a new procurement process and conclude the contract; and
- Provide adequate notice to the Contractor, in accordance with the conditions and notice period specified in the Contract of Councils consent to either extend or conclude the contract.

7.3 Contract document retention

Contract management documentation is to be retained as follows in consultation with Council's Manager of Information Systems.

- Contracts signed under Council seal and / or awarded following a public tender are to be retained for 15 years;
- Contracts not signed under Council seal and not awarded following a public tender are to be retained for 7 years; and
- Documents relating to large scale infrastructure projects are to be kept permanently.

Attachment 3



South Gippsland Shire Council

COUNCILLOR CODE OF CONDUCT

Policy Number	C14	Directorate	Corporate Services
Council Item No.	TBA	Department	Governance Services
Council Adoption Date	26 June 2013	Primary Author	David Roche
Revision Date	26 June 2017	Secondary Author	Luke Anthony

POLICY OBJECTIVE

The objective of this Councillor Code of Conduct is to:

1. Have in place an approved Councillor Code of Conduct as required by section 76C of the Local Government Act (the Act) 1989; and
2. Review and replace the Councillor Code of Conduct adopted by Council on 24 November 2010.

This policy should also be read in conjunction with the following other Council Policies:

- Pre-election Policy;
- Councillor Discretionary Funds Policy;
- Communication and Consultation Policy;
- Records Information Management Policy;
- Risk Management Policy;
- Human Rights Policy;
- Information Privacy Policy;
- Information Security Policy;
- Anti – Discrimination, Bullying and Harassment Policy;
- Grievance Policy;
- Occupational Health and Safety Policy;
- Councillor Support and Expenditure Policy;
- Council Use of Term Mayoral Policy;
- Council Use of Logo Policy; and
- Councillor Vehicle Policy.

LEGISLATIVE PROVISIONS

Local Government Act (the Act) 1989

Councillor Code of Conduct Policy *Page 1 of 10*



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Accident Compensation Act 1985

Equal Opportunity Act 1985 (Victoria)

Victorian Charter of Human Rights and Responsibilities Act 2006

Occupational Health and Safety Act 2004

Disability Discrimination Act 1992

Racial Discrimination Act 1975

Racial and Religious Tolerance Act 2001 (Vic)

Sex Discrimination Act 1984

Independent Broad-based Anti-Corruption Commission (IBAC) Act 2011

Protected Disclosure Act 2012

Victorian Inspectorate Act 2011

Public Interest Monitor Act 2011

Information Privacy Act 2000 (Vic)

DEFINITIONS

Council – means the South Gippsland Shire Council. Council is a body corporate that can only make decisions at a Council meeting.

Councillors – means the individual persons who are democratically elected to hold the office of member of the South Gippsland Shire Council.

POLICY STATEMENT

1. Introduction

Councillors of the South Gippsland Shire Council (the Council) are committed to working together in the best interests of the people within their municipality and to discharging their responsibilities to the best of their skill and judgment.

Councillors are committed to working together constructively to enable Council to develop and achieve Council's Community Vision 2050 in a manner that is consistent with Council's values of Community Engagement, Openness and Integrity.

The primary role of the Council is to provide leadership for the good governance of the South Gippsland Shire. The role of the Council also includes:

- 1.1 Acting as a representative government by taking into account the diverse needs of the local community in decision making;
- 1.2 Providing leadership by establishing strategic objectives and monitoring their achievement;
- 1.3 Maintaining the viability of the Council by ensuring that resources are managed in a responsible and accountable manner;



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- 1.4 Advocating the interests of the local community to other communities and governments;
- 1.5 Acting as a responsible partner in government by taking into account the needs of other communities; and
- 1.6 Fostering community cohesion and encouraging active participation in civic life.

2. Councillor Conduct Principles

Councillors endorse and agree to the following Councillor Conduct Principles specified in sections 76B and 76BA of the Act:

- 2.1 In carrying out their role as Councillors, Councillors will:
 - a. Act with integrity;
 - b. Impartially exercise his or her responsibilities in the interests of the local community;
 - c. Not improperly seek to confer an advantage or disadvantage on any person; and
 - d. Consider and respect human rights when developing policies and making decisions that affect the community.
- 2.2 In addition, in performing their role as Councillors, Councillors will:
 - a. Avoid conflicts between his or her public duties as a Councillor and his or her personal interests and obligations;
 - b. Act honestly and avoid statements (whether oral or in writing) or actions that will or are likely to mislead or deceive a person;
 - c. Treat all persons with respect and have due regard to the opinions, beliefs, rights and responsibilities of other Councillors, Council officers and other persons;
 - d. Exercise reasonable care and diligence and submit himself or herself to the lawful scrutiny that is appropriate to his or her office;
 - e. Endeavour to ensure that public resources are used prudently and solely in the public interest;
 - f. Act lawfully and in accordance with the trust placed in him or her as an elected representative; and
 - g. Support and promote these principles by leadership and example and act in a way that secures and preserves public confidence in the office of Councillor.

3. Councillor Behaviours

Councillors will adhere to the following principles of behaviour in their general conduct as councillors:



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3.1 Treating all people with courtesy and respect, recognising that there are legitimate differences in opinions, race, culture, religion, language, gender and abilities. This includes:

- a. Treating members of the community with dignity and ensuring that neither offence nor embarrassment are caused;
- b. Treating fellow Councillors with respect, even when disagreeing with their views or decisions;
- c. Debating contentious issues without resorting to personal acrimony or insult;
- d. Ensuring their punctual attendance at Council and committee meetings and briefings and wherever possible remaining in attendance to ensure that the best possible access to information that is required in responsible decision making is obtained;
- e. Acting with courtesy towards Council staff and not displaying intimidatory behaviour; and
- f. A commitment to protecting the health, safety and well-being of all Councillors, staff and the community in line with Occupational Health and Safety, Human Rights and Equal Opportunity Legislation and providing, as far as practicable, a safe Council working environment that is free from bullying and violent behaviour.

3.2 Always acting with integrity and honesty:

- a. Being honest in all dealings with the community, with other Councillors and with Council staff;
- b. Always acting with impartiality and in the best interests of the community as a whole;
- c. Not acting in ways that may damage the Council or its ability to exercise good government;
- d. Exercising reasonable care and diligence in performing their functions as Councillors; and
- e. Complying with all relevant laws, be they Federal, State or Local Laws.

3.3 Recognising that Councillors hold a position of trust and will not misuse or derive undue benefit from these positions:

- a. Councillors will avoid conflicts of interest and comply with the relevant provisions of the Act and this Code of Governance relating to interests and conflicts of interest; and
- b. Councillors will not exercise undue influence on other Councillors, members of Council staff or members of the public to gain or attempt to gain an advantage for themselves.

4. Council decision making



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Councillors are committed to making all decisions impartially and in the best interests of the whole community and acknowledge that effective decision-making is vital to the democratic process and an essential component of good governance. Accordingly Councillors:

- 4.1 Will actively and openly participate in the decision making process, striving to be informed to achieve the best outcome for the community;
- 4.2 Will respect the views of the individual in the debate. However, Councillors will also accept that decisions are based on a majority vote; and
- 4.3 Accept that no Councillor can direct another Councillor on how to vote on any decision.

5. Confidential information

Councillors acknowledge that they will comply with their obligations under s77 of the Act in relation to confidential briefings or information (as defined under the Act) and recognise that this obligation extends to ensuring the safekeeping of confidential information or information that would reasonably be deemed confidential.

6. Access to and use of council information

- 6.1 Councillors will treat Council information appropriately, by:
 - a. Not using information gained by virtue of their position as a Councillor for any purpose than to exercise their role as a Councillor;
 - b. Respecting and following the Council's policies in relation to public comments and communications with the media (refer section 10);
 - c. Not releasing information deemed 'confidential information' in accordance with section 77 of the Act (refer section 5); and
 - d. Recognising the requirements of the Information Privacy Act 2000 regarding the access, use and release of personal information.
- 6.2 Councillors acknowledge that all requests made by Councillors for briefings from Council Officers or access to information on Council files should be registered and reported. This obligation does not apply to requests for clarification / explanation of items on a forthcoming Council agenda. Councillors seeking information / explanation or wishing to provide feedback on a matter should do so through the relevant Director.

7. Use of Council resources (including funds and property)

Council resources are to be used effectively and economically.

- 7.1 Councillors will maintain adequate security over the Council property, facilities and resources provided to us to assist in the performance of our role;
- 7.2 Councillors will not use Council resources, including the services of Council staff, for private purposes, unless legally or properly authorized to do so, and payments are made where appropriate; and



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7.3 Councillors will not use public funds or resources in a manner that is improper or unauthorised.

8. Relationships with Staff

8.1 Councillors will work as part of the Council team with the Chief Executive Officer (CEO) and other members of staff. There must be mutual respect and understanding between Councillors and Officers in relation to their respective roles, functions and responsibilities;

8.2 A Councillor's role is one of advocacy and leadership rather than management and administration. The CEO is responsible for all staff matters; and

8.3 Councillors will be aware of the requirements of Section 76E of the Act and must not seek to improperly direct or influence members of Council staff in the exercise of their duties. It is appropriate to notify the relevant Director when urgent specific issues or particular functions may be required to be undertaken. For non – urgent tasks or Customer Requests raised on behalf of the community or a community member, Councillors will log a Customer Request by calling Customer Service on 03 5662 9229 or use the online facility on Council's website.

9. Gifts

Councillors will not accept gifts either in their role as Councillor or where it could be perceived to influence a Councillor in their role as a Councillor except:

9.1 Where the gift would generally be regarded as only having a token value and could not be perceived to influence our actions as a Councillor.

9.2 Where refusal may cause offence or embarrassment, in which case Councillors will accept the gift on behalf of the Council and the gift becomes the property of the Council.

Councillors will follow Council Policy - "Acceptance of Gifts and Donations".

10. Communication

As representatives of the community, Councillors have a primary responsibility to be responsive to community views and to adequately communicate the attitudes and decisions of Council.

Councillors will endeavour to ensure that the messages they communicate through the media are clear and consistent, and positively portray the Council as a decisive and responsible governing body.

10.1 The Mayor will provide official comment to the media on behalf of Council where the matter is of a political, controversial or sensitive nature. This includes:

- a. State-wide political issues affecting Local Government;
- b. Contentious local issues that impact the community that do not relate directly to the business of Council but to the representation of the community;



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- c. Issues pertaining to policy and Council decisions;
- d. Issues relating to the strategic direction of the Council; and
- e. The Mayor may nominate to a portfolio Councillor or other Councillor to make official comment on behalf of the Council, where appropriate.

10.2 The CEO is the official spokesperson for all operational matters pertaining to the South Gippsland Shire Council as an organisation including:

- a. Staffing and structure of the organisation;
- b. Corporate issues relating to service provision or the day-to-day business of Council; and
- c. The CEO may nominate a Council officer spokesperson if appropriate.

10.3 Individual Councillors are entitled to express independent views through the media (including social media), however Councillors will make it clear that any unofficial comment is a personal view, and does not represent the position of the Council as a whole.

11. Conflict of Interest Procedures

11.1 The Council is committed to making all decisions impartially and in the best interests of the whole community. It therefore recognises the importance of fully observing the requirements of the Act in regard to the disclosure of conflicts of interest.

For the purpose of this Code, "direct interest", "indirect interest" and "conflicts of interest", have the meanings specified in the Act.

Councillors will comply with all the provisions of the Act in regard to Conflicts of Interest:

- a. If a Councillor considers that they have a direct or indirect interest in a matter before the Council, a Special Committee of Council or an Assembly of Councillors, they have a conflict of interest;
- b. If a Councillor has a conflict of interest in a matter, they will comply with the requirements of the Act and ensure they disclose the class and nature of the interest and leave the room in which the meeting or assembly is being held during any discussion, debate and vote on the matter; and
- c. If a Councillor has a personal interest in a matter to be considered by the Council or special committee that is not a conflict of interest, and the Councillor considers that their personal interest may be in conflict with their public duty to act impartially and in the interest of the whole community, the Councillor will declare a conflicting personal interest under section 79B of the Act immediately before the matter is considered at the relevant meeting and apply to the Council or Special Committee to be exempted from voting on the matter. At a Council Meeting this exemption is granted only by resolution of Council.



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In addition to the requirements of the Act:

11.2 Councillors will give early consideration to each matter to be considered by the Council, any Special Committee to which Councillors belong or Assembly of Councillors, to ascertain if they have a conflict of interest;

11.3 Councillors will recognise that the legal onus to determine whether a conflict of interest exists, rests entirely with each individual Councillor and that Council officers cannot offer any advice in relation to potential conflicts. If Councillors cannot confidently say that they do not have a conflict of interest, they will declare a conflict of interest and comply with the relevant requirements as if they had a conflict of interest;

11.4 If Councillors consider that they may be unable to vote on a matter because of a conflict of interest, they will notify, as soon as possible, the Mayor or the Committee Chair, depending on whether the matter is to be considered by the Council, a Special Committee or an Assembly of Councillors, as well as the CEO; and

11.5 If a Councillor believes they have a Conflict of Interest or conflicting personal interest they will adhere to 11.1, 11.2, 11.3 and 11.4 above rather than abstain from voting.

12. Councillor Attendance At Events or Functions

12.1 The role of Mayor, in accordance with Section 73 of the Act, is to take precedence at all municipal proceedings within the municipal district.

12.2 In undertaking this role, the Mayor is deemed to be Council's principal Councillor appointed to attend key, strategic external (non-Council) events or functions.

12.3 The Mayor may decide to delegate the attendance of an external event or function to either:

- a. The Deputy Mayor, if Council has chosen to elect a Deputy Mayor, whose role is to deputise for the Mayor in providing a leadership and formal representational presence at civic, ceremonial and public engagements; or
- b. Any other Councillor, as determined by the Mayor.

12.4 While the Mayor is typically Council's key representative, there are many committees (both Council and external) and external bodies where Council has involvement. It is Council's practice to share representation amongst all Councillors, to ensure a manageable workload, by appointing a Councillor(s) to a committee or external body. Where a Councillor has been appointed to a committee or external body, it is expected that that Councillor will be Council's representative at the meetings, functions and events of that committee or external body. Where a Councillor is unable to attend a function, the Councillor where possible, is required to find a suitable replacement Councillor, or where relevant a Council staff member, to attend on their behalf.

12.5 When representing Council at either a Council or external function or event, Councillors are expected to adhere to this Code and not act in ways



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that may damage the Council or commit Council to an action that has not been a decision of Council.

13. Dispute Resolution Procedures

- 13.1 Before commencing any formal dispute resolution process for a dispute arising between two or more Councillors, the parties to any disagreement will endeavour to resolve their differences in a courteous and respectful manner. Councillors will recognise that they have been elected to represent the best interests of the community.
- 13.2 In the event of any dispute occurring where the parties are unable to resolve interpersonal conflicts that adversely affect the operation of the Council, the parties to the dispute agree to work together to try to resolve the dispute and will agree to the appointment of a mediator nominated by the CEO and acceptable to the parties, or failing agreement, nominated by the President of the Municipal Association of Victoria and appointed by the CEO, if they are unable to resolve the dispute within three working days.
- 13.3 If a mediator is appointed, all parties agree to cooperate with the dispute resolution process and use their best endeavours to assist the mediator when requested.
- 13.4 In the event that a dispute cannot be resolved through application of these processes, it may be referred to a Councillor Conduct Panel.
- 13.5 If the dispute relates to an apparent offence under the Act it should be referred to the Minister for Local Government and not the subject of an application to a Councillor Conduct Panel.
- 13.6 The dispute resolution procedure is not intended to resolve differences in policy or decision making, which are appropriately resolved through debate and voting in Council and Committee meetings.

14. Allegations of Breaches of the Code

- 14.1 From a Councillor or Councillors.

Refer to Section 12 Dispute Resolution Procedures under this Code.

- 14.2 Between Councillors and staff.

The CEO has sole responsibility for the management of Council staff. In the event of a Councillor wishing to lodge a complaint against a member of Council staff, this complaint must be lodged with the CEO. Where the complaint is about the CEO, the complaint must be lodged with the Mayor. It will be dealt with in accordance with the procedures outlined in the Staff Anti – Discrimination Bullying and Harassment Policy and Grievance Policies.

Where a staff member has a complaint in respect of a Councillor, the complaint must be made to the CEO who will, if deemed appropriate, discuss the matter with the Mayor. Where the Mayor deems a breach of the Councillor Code of Conduct has occurred the Mayor will progress the matter in accordance with the Dispute Resolution Procedures, outlined in Section 13 above. Where the complaint involves the Mayor, the CEO will assume the responsibilities of the Mayor for the purpose of this clause.



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14.3 Allegations of Breaches of the Code by a Councillor(s) and complaints regarding a Councillor(s) from residents or the community.

The allegation or complaint will be referred to the Mayor (unless the allegation relates to the Mayor) for initial investigation and determination of appropriate action and / or possible referral to Council's Protected Disclosure Officer to be dealt with under the Protected Disclosure Act 2012.

If the allegation or complaint relates to the Mayor, the matter should be referred to the CEO in the first instance, and the CEO will in turn either refer the matter to Council which will deal with the matter in accordance with the Dispute Resolution Procedures, or to Local Government Victoria.

14.4 Other bodies to which complaints may be referred.

Complaints and allegations about improper conduct and detrimental actions by Councillors can also be made to the Victorian Ombudsman.

Complaints and allegations about serious corrupt conduct can be made to the Independent Broad-based Anti-corruption Commission (IBAC).
Complaints and allegations can also generally be made to the Local Government Inspectorate.

15. Penalties / Sanctions

Breaches of the Code can lead to investigation, sanctions and action under the Act or any other relevant legislation.

RISK ASSESSMENT

Council, through adopting this Councillor Code of Conduct is:


- Complying with the requirements of Section 77C of the Act;
- Reducing the risk of legislative non – compliance of the Act more broadly by Councillors, by clearly outlining the expectations and legislative requirements of Councillors; and
- Providing a clear means of managing allegations of breaches of the Code by Councillors or complaints against Councillors.

IMPLEMENTATION STATEMENT

Council will implement this policy by:

- Providing a copy of the Code to all Councillors;
- Making a copy of the Code available for inspection at the Council Office and on Council's website;
- Communicating the Code to all staff following adoption by Council; and
- Following the procedures outlined in Section 13 Dispute Resolution Procedures and Section 14 Allegations of Breaches of the Code when required.

Attachment 4



South Gippsland Shire Council

OCCUPATIONAL HEALTH AND SAFETY POLICY

Policy Number	C27	Directorate	Corporate Services
Council Item No.	TBA	Department	Governance
Council Adoption Date	26 June 2013	Primary Author	Luke Anthony
Revision Date	26 June 2016	Secondary Author	Bret McLean, Judith Middleton

POLICY OBJECTIVE

The objective of this policy is to provide a framework for and articulate South Gippsland Shire Council's (Council) approach to Occupational Health and Safety (OHS) that enables Council to:

1. Ensure the work environment is maintained in a safe and healthy condition;
2. Meet its legislative obligations;
3. Ensure all staff and Councillors are aware of and understand their OHS responsibilities; and
4. Review and replace Council's Occupational Health and Safety Policy approved by the Chief Executive Officer on 8 April 2010.

This policy should also be read in conjunction with the following Council or Chief Executive Policies, as well as any other Council Policy and procedure which relates to OHS:

- First Aid Policy;
- Procurement Policy;
- Human Rights Policy;
- Information Privacy Policy;
- Staff Code of Conduct;
- Councillor Code of Conduct;
- Motor Vehicle Policy;
- Anti – Discrimination, Bullying and Harassment Policy;
- Grievance Policy
- Code Red and Extreme Fire Day Policy;
- Risk Management Policy;
- Employee Assistance Program Policy; and
- Rehabilitation (Return to Work) Policy.

Occupational Health and Safety Policy

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LEGISLATIVE PROVISIONS

- Occupational Health and Safety Act (the Act) 2004;
- Occupational Health and Safety Regulations 2007;
- AS/NZ 4804 Occupational Health and Safety;
- Charter of Human Rights and Responsibilities Act 2006;
- Local Government Act 1989;
- Disability Discrimination Act 1992;
- Accident Compensation Act 1985; and
- Information Privacy Act 2000 (Vic).

DEFINITIONS

Employee: refers to Council staff, registered volunteers and any independent contractor engaged by Council and any employees of the independent contractor, in relation to matters over which Council has control or would have control, if not for any agreement which limits or removes that control.

Health and Safety Representative: means a health and safety representative for a designated work group who has been elected and holds office in accordance with the Act.

Risk Management Framework: set of components that provide the foundations and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the organisation.

POLICY STATEMENT

1. Council's OHS Duty of Care

Council has a duty of care to ensure the health, safety and welfare of its Staff, Councillors, Contractors, Volunteers and, where and when related to Council's operations, property and services, the community.

Council through this policy, and related policies and procedures, aims to meet the provisions and requirements of the Occupational Health and Safety Act 2004.

2. Council's OHS approach and principles

Council will maintain an approach to OHS that is underpinned by the following principles:

- A primary focus on optimising the safety of Council work environments and actively working to reduce the severity and frequency of injuries and incidents;
- Close monitoring of Council's legislative and policy compliance;
- Periodic review and improvement of Council's OHS practices and processes with a view to achieving good practice;



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- Proactive management of OHS risks, acknowledging that Council's OHS activities are an important component of Council's Risk Management Framework;
- The preservation of the following Human Rights that relate to OHS:
 - The right to recognition and equality before the law;
 - The right to life;
 - The right to protection from torture and cruel, inhuman or degrading treatment;
 - The right to protection of families and children;
 - The right to liberty and security of person (safety); and
 - The right to privacy and reputation; and
- That all Councillors and Council staff understand their OHS obligations and are actively involved in creating and maintaining a safe working environment.

3. Council's OHS Objectives

Council's six OHS objectives are to achieve, as far as practicable, the following to ensure the effective management of OHS within Council:

- The organisation will maintain effective Safety Management Systems, which are accredited where required.
- All employees are to participate actively in the implementation of Council's OHS program and where practicable, ensure that all aspects of the program are implemented in areas under their control.
- Training and other activities will be provided to enable the successful implementation of Council's Safety Management Systems.
- Identified hazards, associated with activities, projects and tasks, will be investigated, where possible eliminated and alternatively reduced to a manageable and acceptable level.
- Employees will not be expected to carry out activities reasonably considered unsafe.
- Council's Safety Management Systems shall address the health, safety and wellbeing of employees, clients, registered volunteers, contractors and members of the public within our work environment, as well as Council endorsed employee activities outside the workplace.

4. Roles and responsibilities

The following duties are outlined in the Occupational Health and Safety Act 2004.

4.1 Council

Council, as an employer, so far as is reasonably practicable, will:



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- Provide and maintain a working environment that is safe and without risks to health;
- Provide and maintain plant or systems of work that are safe and without risks to health;
- Make arrangement to ensure the safety and the absence of risks to health in connection with the use, handling, storage and transport of plant or substances;
- Maintain workplaces under the Council's management and control, in a condition that is safe and without risks to health;
- Provide adequate facilities for the welfare of employees at workplaces under Council's management and control;
- Provide Council staff with information, instructions, training or supervision needed to enable staff to perform their work in a way that is safe and without risks to health;
- Monitor the conditions at any workplace under its control, and provide information to employees concerning health and safety at the workplace;
- Keep information and records relating to the health and safety of Council employees; and
- Employ or engage persons who are suitably qualified in relation to OHS to provide advice to Council.

Council will also:

- Continue to maintain a system of designated work groups (DWG), OHS Representatives and OHS Committee and amend this from time to time in consultation with employees, to ensure effective employee involvement and input into the provision of a healthy and safe workplace.

4.2 Managers

Managers (including the Chief Executive, Directors, Coordinators and Supervisors) who have, to any extent, the management or control of a Council controlled workplace, will ensure, so far as is reasonably practicable, that the workplace and the means of entering and leaving it are safe and without risks to health.

4.3 Council staff

All Council staff (including Managers as defined in 4.2 above), while at work, must:

- Take reasonable care for their own health and safety;
- Take reasonable care for the health and safety of persons who may be affected by their acts or omissions within the workplace;
- Actively participate and cooperate in OHS activities including attending required training, understand their role as it relates to OHS and comply with all relevant OHS policies and procedures, including the active identification and reporting of hazards and incidents within the workplace.



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- Not intentionally or recklessly interfere with or misuse or do anything provided at the workplace in the interests of health, safety or welfare.

Staff involved with designing of buildings or structures, which will be used as a workplace, must ensure, so far as is reasonably practicable, that it is designed to be safe and without risks to the health of persons using it as a workplace for a purpose for which it was designed.

Staff involved with the installation, erecting or commissioning of plant, which will be used at a workplace must ensure, so far as is reasonably practicable, that nothing about the way the plant is installed, erected or commissioned makes its use unsafe or a risk to health.

4.4 Engaged Contractors

Engaged Contractors are required to comply with this Policy, all relevant OHS legislation related to the goods or services they provide and any additional OHS obligations outlined in their contract with Council including, where required, attending training / induction, maintaining safety plans and participating in safety audits and activities.

4.5 Council's Risk Management and Occupational Health and Safety team

This team will provide effective planning, coordination and monitoring of Council's OHS activities and OHS advice to Councillors, Managers, Council staff, engaged Contractors, registered Volunteers and Special Committees.

4.6 Occupational Health and Safety Representatives (OHS Representatives)

Council's elected OHS Representatives, will perform their duties in accordance with the Act and Council's OHS Representative Duty Officer Statement to effectively represent the members of their designated work group concerning health and safety, including the following activities:

- Participate in workplace inspections including Council's scheduled quarterly workplace inspections;
- Accompany an inspector during a workplace inspection; and
- Attending OHS Committee meetings.

Council's OHS Representatives will receive allowances as required by Council's Enterprise Agreement.

4.7 Councillors

Councillors will ensure that an effective approach to OHS is in place and that the Council is effectively meeting its obligations under relevant legislation. Councillors will also meet the requirements applicable to Council staff, as outlined above in section 4.3.

5. Consultation

The Occupational Health and Safety Act 2004 requires Council, so far as reasonably practicable, to consult with Health and Safety Representatives and employees on a range of matters that directly affect their health and safety. Council will consult, where relevant, with employees through the OHS Committee, Operational Risk



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Committee (ORC), Staff Consultative Committee or where required directly with impacted employees.

RISK ASSESSMENT

Council, through adopting this policy aims to minimise organisational risk by:

- Improving Council's OHS performance, which can optimise the safety of Council work environments and lead to a reduction in the severity and frequency of injuries and incidents;
- Improving Councillor, Council staff, engaged Contractors, registered Volunteer and Special Committees knowledge of and compliance with their OHS obligations and capacity to work within a safe environment;
- Improving the monitoring of Council's OHS legislative compliance and performance reducing the risk of non-compliance, prosecution and fines;
- Improving Council's Insurance and Return to Work performance and costs;
- Limiting disruption to Council's operations and services; and
- Protecting Council's organisational reputation.

IMPLEMENTATION STATEMENT

Council will implement this policy by:

- Developing, adopting, implementing and monitoring through Council's OHS and Risk Committees, a bi-annual Council OHS Management Plan;
- Providing relevant OHS training to Councillors, Council staff, engaged Contractors, registered Volunteers and Special Committees;
- Establishing, monitoring and reporting to Council and the Executive Leadership Team OHS Key Performance Indicators (KPIs) to improve performance;
- Maintaining effective Safety Management Systems (including procedures), which are accredited where required;
- Publishing this policy on Council's website; and
- Communicate this policy and related activities and updates through staff newsletters, e-mails and team meetings.

The following chart (**Attachment 1**) outlines how Council internally and externally communicates risk and OHS.