



South Gippsland
Shire Council
Come for the beauty, Stay for the lifestyle

COUNCIL MINUTES

**ORDINARY MEETING NO. 379
WEDNESDAY 16 APRIL 2014
COUNCIL CHAMBER, LEONGATHA
COMMENCED AT 2PM**

PRESENT:

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

APOLOGIES: Councillor Kennedy with Leave of Council granted on
19 March 2014 and Councillor Robert Newton.

OFFICERS:

Tim Tamlin	Chief Executive Officer
Anthony Seabrook	Director Engineering Services
Jan Martin	Director Community Services
Phil Stone	Director Development Services
June Ernst	Director Corporate Services
Luke Anthony	Manager Governance Services
David Roche	Governance Coordinator
Natasha Berry	Governance Officer
Ned Dennis	Manager Community Strengthening
Christian Stefani	Manager Customer Relations
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

ORDINARY MEETING NO. 379 WEDNESDAY 16 APRIL 2014 COUNCIL CHAMBERS, LEONGATHA COMMENCED AT 2PM

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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 FAWCETT

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

Amen

A.3 ACKNOWLEDGEMENT OF TRADITIONAL CUSTODIANS – CR FAWCETT

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

A.4 APOLOGIES

Councillor Kieran Kennedy with Leave of Absence (granted 19 March 2014).
Councillor Robert Newton.

A.5 CONFIRMATION OF MINUTES

RECOMMENDATION

That the Minutes of the South Gippsland Shire Council Ordinary Meeting No. 378, held on 19 March 2014 in the Council Chambers, Leongatha be confirmed.

MOVED: Cr Harding

SECONDED: Cr Davies

**THAT THE MINUTES OF THE SOUTH GIPPSLAND SHIRE COUNCIL
ORDINARY MEETING NO. 378, HELD ON 19 MARCH 2014 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 Corporate Services Directorate (Governance Services) 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 – A Guide for Councillors June 2011.

Nil

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).

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.

Nil

A.10 COUNCILLOR REPORTS

Cr Brunt addressed Council regarding attendance at:

- **Scout Association dinner at Outtrim for the Yarram / Phillip Island Group and made a presentation on leadership. Cr Brunt commended the Scouts Association for the skills they develop with young people.**
 - **Country Women's Association (CWA) Art and Craft Show at Loch and noted the talented members in the community.**
 - **Sustainability Festival Coal Creek on Sunday 13 April 2014 and noted it was a great day and that it was well attended.**
 - **'Turning on the Lights' for the A&P Society Showgrounds in Korumburra.**
-

Cr McEwen addressed Council regarding attendance at:

- **First meeting of the Local Government Waste Management Forum for Gippsland which is an interim committee that will move towards the establishment of the South Gippsland Waste Management Meeting and noted that he was successfully nominated as a representative on this committee.**
 - **Arawata community dinner and noted a commitment made by the community to petition against Coal Seam Gas in the area.**
 - **3rd meeting of the Meeniyen Men's Shed and noted that the group is moving towards arrangements to reside in the old CFA station in Meeniyen.**
-

Cr Davies addressed Council regarding attendance at:

- **'Deadly in Gippsland' Conference/ Gathering at Forest Head, East Gippsland which was a celebration of aboriginal people and culture. The Conference had a strong community focus and highlighted the great work being done in East Gippsland. The word 'deadly' means very good, excellent, and is regularly used in the community. The Conference opened with a Deadly Art Exhibition and activities included inspiring speakers and thought provoking workshops, topics included: children in out of home care and education and employment for young people. Cr Davies noted that there has been an escalation of the number of indigenous children finishing Year 12. The next Deadly in Gippsland event will be held in late 2015 and sponsored by South Gippsland Shire, the theme for this conference will be 'connected community, family, culture and land'.**
-

- **Regional Living Expo in Melbourne, which is an expo that seeks to reach people and talk to them about coming to live in regional areas. Cr Davies noted that the event promoted the benefits of living in rural communities and answered specific questions for example questions like the availability of medical facilities and pools. Cr Davies explained that there are follow up activities anticipated including a bus tour sponsored by businesses throughout the Shire's towns for those who were interested.**

The Mayor, Cr Fawcett acknowledged and welcomed Councillor Scott Rossetti, Mayor of Wellington Shire who was in attendance at the Council Meeting.

Cr Hutchinson-Brooks addressed Council regarding attendance at:

- **Opening of the Lardner Park Farm World 2014 event and noted that it was a good opportunity to meet with Councillors of Baw Baw Shire. Cr Hutchinson-Brooks noted that many South Gippsland businesses were represented at the event and that he thanked them on behalf of Council for attending.**
- **Opening of the Allambee South Hall playground, Council contributed funds through the Community Grants Program.**
- **Sustainability Festival Coal Creek and noted it's success, particularly with the new car park format.**
- **ANZAC Centenary Committee meeting and noted the progress and a number of good quality submissions for grant funding from our community.**

Cr Harding addressed Council regarding attendance at:

- **Meeting at ViPlus Dairy, Toora and met with several senior financial representatives of the Chinese Government who inspected the factory. Cr Harding noted the completion of stage 1 and that stage 2 has commenced.**
 - **Rural Regional Conference, Nhill and noted that it was a positive opportunity to learn from other councils.**
-

Cr Fawcett addressed Council regarding attendance at:

- **‘Turning on the Lights’ for the A&P Society Showgrounds in Korumburra and noted that it was great to attend a football match whilst on Council business. Cr Fawcett noted the positive benefits that this infrastructure has for the community.**
 - **Sustainability Festival Coal Creek and noted that in his role as Mayor he was required to judge the best recycled clothing outfit and that it was a difficult decision. Cr Fawcett noted that Sustainability is an important issue and should be top of mind.**
-

A.11 ORDER OF BUSINESS

MOVED: Cr Davies

SECONDED: Cr Brunt

**THAT THE ORDER OF BUSINESS CHANGE TO CONSIDER ITEM E.6 -
PROPOSED RATING STRATEGY 2014-2018 BEFORE ITEM E.5 - 2014-2015
PROPOSED ANNUAL BUDGET INCORPORATING THE LONG TERM
FINANCIAL PLAN.**

CARRIED UNANIMOUSLY

SECTION B - NOTICES OF MOTION AND/OR RESCISSION

Nil

SECTION C - COMMITTEE REPORTS

Nil

SECTION D – PROCEDURAL REPORTS

D.1 FINANCE PERFORMANCE REPORT JULY 2013 - FEBRUARY 2014

Corporate Services Directorate

EXECUTIVE SUMMARY

An update on Council's current financial performance from July 2013 to February 2014 is provided in this report.

The Financial Performance Reports are purposefully prepared outside traditional quarterly cycles to better align with strategic events that occur throughout the financial year.

Projected year-end financial projections show the weighted average of 5 key financial ratios (including indebtedness, underlying working capital ratio, self-financing, investment gap and underlying result for the 2013/2014 Budget) is 126% which is above the target of 98%.

The financial performance indicators show that the Long Term Financial Plan is financially sustainable.

Document/s pertaining to this Council Report

- **Appendix 1** - Financial Performance Report to 28 February 2014

A copy of **Appendix 1** - Financial Performance Report to 28 February 2014 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 2014/15

COUNCIL PLAN

Outcome:	4.0	A Leading Organisation
Objective:	4.1	Improve the financial sustainability of Council, including diversifying revenue streams.
Strategy No:	4.1.1	We will explore innovative ways of increasing revenue and reducing expenditure

CONSULTATION

All departments have contributed information to the development of the Financial Performance Report and the details have been considered by the Executive Leadership Team.

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:

1. Comparing year to date actual financial performance with the year to date budgets.
2. Monitoring the financial impact of changes made to budget projections on the forecast financial results at year end; and
3. 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 financial information updates to be provided to Council and its community in a timely manner. The reporting timelines include:

1. August: Report picks up financial implications of previous year's financial results as well as the budgets impact of funding projects carried forward that were not completed by 30 June
2. November: Report picks up financial implications of any changes made to operational or capital budgets during the mid-year financial review process

3. February: Report aligns with annual budget process
4. May: Report provides Council with likely financial outcome for year end including picking up budgets being carried forward for projects that are not expected to be completed by 30 June.

At financial year end a comprehensive financial statements, standard statements, and performance statements are produced, subject to external audit and form part of the Annual Report. The Annual Report is presented to Council in September.

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.

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.

FINANCIAL CONSIDERATIONS

Activities within the Council 2013/14 Annual Plan are funded through the 2013/14 Budget.

The Financial Performance Report provides a high level analysis of Council's financial performance for the eight month period from July 2013 to February 2014.

Projected year-end financial projections show the weighted average of 5 key financial ratios (including indebtedness, underlying working capital ratio, self-financing, investment gap and underlying result for the 2013/2014 Budget) is 126% which is above the target of 98%.

The longer term financial performance indicators show that the Long Term Financial Plan is financially sustainable.

RISK FACTORS

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

Council can assess year to date performance and assess 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 2013 to February 2014.

RECOMMENDATION

That Council receive and note the Financial Performance Report (Appendix 1) for the period July 2013 to February 2014.

STAFF DISCLOSURE OF INTEREST

Nil

MOVED: Cr Hutchinson-Brooks

SECONDED: Cr Hill

THAT THE RECOMMENDATIONS IN ITEMS D.1, D.2, D.3 AND D.4 BE ADOPTED.

CARRIED UNANIMOUSLY

D.2 REPORT ON ASSEMBLY OF COUNCILLORS - MARCH 2014

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 March 2014.

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

Outcome:	4.0	A Leading Organisation
Objective:	4.2	Pursue best practice in organisational development and operations of the organisation.
Strategy:	4.2.2	We will monitor corporate governance processes, including risk management and skills development with the aim of ongoing improvement.

REPORT

Meeting Title	Councillors Attending and Disclosures of Conflict of Interest	Topics Discussed
Tuesday 4 March 2014		
Rating Strategy Discussion Paper 2014-18 – Public Information Session	<p>Councillors Attending: Crs Fawcett, Hutchinson-Brooks, McEwen and Hill.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Rating Strategy Discussion Paper 2014-2018
Wednesday 5 March 2014		
Review Local Law 1 and 2	<p>Councillors Attending: Crs Davies, Hutchinson-Brooks, Harding, Fawcett and Newton.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Changes proposed for Local Law
Aged Care Reforms – Implications for Home and Community Care	<p>Councillors Attending: Crs Davies, Hutchinson-Brooks, Harding, Fawcett and Newton.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Reform implications for Home and Community Care department of Council
Hughes street rezoning 58-60 Hughes St Leongatha from Farming to Industrial 1 Zone	<p>Councillors Attending: Crs Davies, Hutchinson-Brooks, Harding, Fawcett and Newton.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed: Councillors were provided information relating to Amendment C86 rezoning the new Hughes Street Industrial precinct.</p>
Woorayl Lodge Rezoning 5 Boags Road Leongatha, from Farming to LDRZ	<p>Councillors Attending: Crs Davies, Hutchinson-Brooks, Harding, Fawcett, Newton and McEwen.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed: Councillors were provided information relating to a rezoning application.</p>
Community Engagement and Evolving Vision Committee Meeting	<p>Councillors Attending: Crs Davies, Hutchinson-Brooks, Harding, Fawcett, Newton and McEwen.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Upcoming Community Engagement Workshops

Meeting Title	Councillors Attending and Disclosures of Conflict of Interest	Topics Discussed
Wednesday 5 March 2014		
Executive Update	<p>Councillors Attending: Crs Davies, Hutchinson-Brooks, Harding, Fawcett, Newton and McEwen.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Australian Made / Australian Grown • Councillor attendance at Conferences • Childcare services update • ALGA National General Assembly • Mirboo North Quarry • Latrobe valley fire support • Proposed subdivision
Financial Sustainability Committee Meeting – Capital Works	<p>Councillors Attending: Crs Davies, Hill, Hutchinson-Brooks, Harding, Fawcett, Newton, Brunt and McEwen.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Draft 15 year Capital Works Program and summary of amendments
Council Plan Actions and Council Timetable for Mar / Apr 2014	<p>Councillors Attending: Crs Davies, Hill, Hutchinson-Brooks, Harding, Fawcett, Newton, Brunt and McEwen.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Council Plan Actions and Council Timetable for Mar / Apr 2014
Wednesday 12 March 2014		
Review of Caravan Parks Steering Committee	<p>Councillors Attending: Crs Davies, Harding, Kennedy, Fawcett, Hutchinson-Brooks.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • 2014-15 Budget and 15yr Budget • Minutes last meeting • Annual Site Fee Options • Fees and Charges • Draft 12month permit application • Forms and Procedures • Communications Matrix and Diagram • Outcome Yanakie Feedback forms • Next Meeting – 23 April 2014

Meeting Title	Councillors Attending and Disclosures of Conflict of Interest	Topics Discussed
Wednesday 12 March 2014		
Executive Update	<p>Councillors Attending: Crs Davies, Hutchinson-Brooks, Harding, Fawcett and Newton.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Great Southern Rail Trail Committee of Management membership • Council Challenges – tough decisions • MAV State Council Meeting • Council Budget
Councillor / CEO session	<p>Councillors Attending: Crs Davies, Hutchinson-Brooks, Harding, Fawcett and Newton.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Rail Trail Maintenance • Council Meeting
<p>Public Presentations</p> <p>OPEN SESSION</p> <p>Presentations were made to Council by the following community members:</p> <p>Ms Alyson Skinner, Venus Bay community centre regarding the Venus Bay Summer Beach Bus Evaluation.</p> <p>Mr Neil Breeden representing the Woorayl Lodge regarding Council Agenda Item E6 PLANNING SCHEME AMENDMENT C88 REZONE LAND AT 5 BOAGS RD, LEONGATHA FROM FARMING ZONE TO LOW DENSITY RESIDENTIAL ZONE.</p> <p>Mr Alan Van Kuyk representing the Section 86 Corner Inlet Drainage Committee regarding Council Agenda Item E.14 - CORNER INLET DRAINAGE AREA ADVISORY (SPECIAL) COMMITTEE.</p> <p>Mr Paul Norton regarding footpaths in Long Street Leongatha and Holcim quarry.</p>	<p>Councillors Attending: Crs Davies, Hill, Hutchinson-Brooks, Harding, Fawcett, Newton and Brunt.</p> <p>Conflict of Interest: Nil disclosed.</p>	

Meeting Title	Councillors Attending and Disclosures of Conflict of Interest	Topics Discussed
Wednesday 12 March 2014		
Council Budget 2014 - 2015	<p>Councillors Attending: Crs Davies, Hill, Hutchinson-Brooks, Harding, Fawcett, Newton and Brunt.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Discussion Council Budget 2014 - 2015
<p>Public Presentations</p> <p>OPEN SESSION</p> <p>Presentations were made to Council by the following community members:</p> <p>Mr Ken Schell, president of Venus Bay Surf Life Saving Club regarding the goals of the club.</p> <p>Mr George Auddino representing Crawford Close Pty Ltd regarding Council Agenda Item E.5 PLANNING APPLICATION 2013/260 - PROPOSED TWO (2) LOT SUBDIVISION, 22 QUEEN STREET KORUMBURRA.</p>	<p>Councillors Attending: Crs Davies, Hill, Hutchinson-Brooks, Harding, Fawcett, Newton.</p> <p>Conflict of Interest: Nil disclosed.</p>	
Thursday 13 March 2014		
Towns and Districts Associations Network	<p>Councillors Attending: Cr Harding</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Turtons Creek Management Plan • Sandy Point bore water
Wednesday 19 March 2014		
Ordinary Council Agenda Topics Discussion 19 March 2014	<p>Councillors Attending: Crs Hutchinson-Brooks, Harding, Fawcett, Davies and Brunt.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Ordinary Council Meeting Agenda Topics 19 March 2014
Library Infrastructure Plan for Western Districts	<p>Councillors Attending: Crs Hutchinson-Brooks, Harding, Fawcett, Davies, Brunt and Newton.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Library infrastructure in the Western District of the Shire in the towns of Korumburra and Nyora • Library development and community hubs

Meeting Title	Councillors Attending and Disclosures of Conflict of Interest	Topics Discussed
Wednesday 19 March 2014		
<p>Public Presentations</p> <p>OPEN SESSION</p> <p>Presentations were made to Council by the following community members:</p> <p>Mr Malcom Davies representing Victorian Farmers Federation (VFF) regarding a submission made to the Rating Strategy Discussion Paper.</p> <p>The presenter was unable to attend this session and a statement was read out by Cr Newton on behalf of Section 86 Committee Member Korumburra Swimming Pool.</p> <p>A statement was read out by June Ernst, Director Corporate Services for Section 86 Committee – Mirboo North Swimming Pool regarding Agenda Item E.1 - REVIEW OF SWIMMING POOL MANAGEMENT.</p> <p>Ms Corinne Hart, Community Member Mirboo North regarding Council Agenda Item E.1 - REVIEW OF SWIMMING POOL MANAGEMENT.</p> <p>Responses to questions raised at the previous month’s Council Meeting Day (26 February 2014) have been provided directly to Mr David Amor.</p>	<p>Councillors Attending: Crs Hutchinson-Brooks, Harding, Fawcett, Davies, Brunt and Newton.</p> <p>Conflict of Interest: Nil disclosed.</p>	
<p>Draft Toora and Poowong Pool Master Plans</p>	<p>Councillors Attending: Crs Hutchinson-Brooks, Harding, Fawcett, Davies, Brunt and Newton.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed: Councillors were provided information on the outcomes of the community consultation undertaken, key areas identified to be addressed in the development of the draft Poowong and Toora Master Plans.</p>
<p>Ordinary Council Agenda Topics Discussion 19 March 2014</p>	<p>Councillors Attending: Crs Hill, Hutchinson-Brooks, Harding, Fawcett, Davies, Brunt and Newton.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed: A submission was made to Council by Ms Durance and Mr Stephens.</p>

Meeting Title	Councillors Attending and Disclosures of Conflict of Interest	Topics Discussed
Wednesday 19 February 2014		
Overview & Analysis of Public Feedback to Rating Strategy Discussion Paper	<p>Councillors Attending: Crs Hill, Hutchinson-Brooks, Harding, Fawcett, Davies, Brunt and Newton.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Responses to various aspects of the Committee recommendations • Proposed adjustments in response to submissions
Executive Update	<p>Councillors Attending: Crs Hill, Hutchinson-Brooks, Harding, Fawcett, Davies, Brunt and Newton.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Bores and Sewage at Sandy Point and Venus Bay • Section 86 – John Terrill Reserve
Social Community Infrastructure Committee	<p>Councillors Attending: Crs Fawcett, Davies, Brunt and Hill.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Infrastructure audit surveys update • Council strategies and plans desktop audit • Infrastructure analysis • Service levels, standards • Income Investment Policy relating to Council assets • Coastal Town population – infrastructure requirements • Committee progress
Tuesday 25 March 2014		
Annual Plan and Council Budget Alignment to the Local Government Act and Regulations - update	<p>Councillors Attending: Crs Brunt, Davies, Fawcett, Harding, Hutchinson-Brooks and Hill.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Annual Plan and Council Budget Alignment to the Local Government Act and Regulations - update

Meeting Title	Councillors Attending and Disclosures of Conflict of Interest	Topics Discussed
Tuesday 25 March 2014		
Council Budget 2014 - 2015	<p>Councillors Attending: Crs McEwen, Brunt, Davies, Fawcett, Harding, Hutchinson-Brooks and Hill.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Council Budget 2014 - 2015
Community Workshop – Day Session: Council Budget	<p>Councillors Attending: Crs McEwen, Brunt, Davies, Fawcett, Harding, Hutchinson-Brooks and Hill.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Council Budget 2014 - 2015
Community Workshop – Evening Session: Council Budget	<p>Councillors Attending: Crs McEwen, Brunt, Davies, Fawcett and Hill.</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Council Budget 2014 - 2015
Thursday 27 March 2014		
Korumburra Round Table	<p>Councillors Attending: Cr Newton</p> <p>Conflict of Interest: Nil disclosed.</p>	<p>Topics Discussed:</p> <ul style="list-style-type: none"> • Gateway Signage Project team • Council Meeting update – including public recycling bins in Korumburra • Community group updates • Korumburra Town Centre Framework Plan - response

Meeting Title	Councillors Attending and Disclosures of Conflict of Interest	Topics Discussed
Friday 28 March 2014		
Access and Inclusion Advisory Committee	Councillors Attending: Cr Newton Conflict of Interest: Nil disclosed.	Topics Discussed: <ul style="list-style-type: none">• Rural Access Update• GippsSport Update• Access Appraisals – Council Facilities• L2P program

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 13.

D.3 COUNCILLOR DISCRETIONARY FUND 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 27 February 2014 and 21 March 2014.

INTERNAL POLICIES / STRATEGIES / DOCUMENTS

Councillor Discretionary Fund Policy 2009

COUNCIL PLAN

Outcome:	2.0	Closely Connected Communities
Objective:	2.1	Engage and work collaboratively with our community
Strategy:	2.1.3	We aim to minimise barriers and find ways to support our volunteers, community groups and committees to provide services beyond those that Council, by itself, can provide.

REPORT

The following applications have been allocated funding from the Councillor's 2013 / 2014 Discretionary Fund for the period between 27 February 2014 and 21 March 2014.

- Tarwin Lower & District Primary School: Sponsorship towards the first annual Easter Craft Expo.
Cr Jeanette Harding - \$100
- Loch Community Development Association: To assist with the costs of training a young person to edit the Loch Express over the next 12 months.
Cr Loraine Brunt - \$600
- Loch Community Development Association: To assist with the costs for Childrens Entertainment at the Loch Village Food and Wine Festival 2014.
Cr Loraine Brunt - \$200
Cr Robert Newton - \$200
- Korumburra Bowling Club: Provision of prize money for the Bowlers Arm Day.

Cr Loraine Brunt - \$100

Cr Robert Newton - \$100

- Poowong Basketball Association: To assist with costs of purchasing new women's singlets for the Poowong Basketball Association.

Cr Loraine Brunt - \$250

Cr Robert Newton - \$250

- Manna Community Gardens: Sponsorship for a visit by refugees from Dandenong to visit Foster as guests of the Manna Community Garden, for an exchange of creative skills.

Cr Andrew McEwen - \$200

FINANCIAL CONSIDERATIONS

Each Councillor is allocated \$4,000 from the Councillor Discretionary Fund in the 2013/14 Financial Budget. An additional \$2,000 has been allocated to the Mayor to cover a broader focus across the entire Municipality.

CONCLUSION

The remaining balances of Councillor Discretionary Funds for the 2013/14 Financial Year as at the 21 March 2014 is as follows:

- Cr Mohya Davies - Nil
- Cr Jeanette Harding - \$400
- Cr Kieran Kennedy - \$500
- Cr Lorraine Brunt - \$1,267
- Cr Robert Newton - \$1,082
- Cr Andrew McEwen - \$2,116
- Cr James Fawcett - \$1,479
- Cr Don Hill - \$1,019
- Cr Hutchinson-Brooks - \$1,719
- 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 13.

D.4 DOCUMENTS SEALED AND CONTRACTS AWARDED UNDER CHIEF EXECUTIVE OFFICER DELEGATION - MARCH 2014

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

Outcome:	4.0	A Leading Organisation.
Objective:	4.2	Pursue best practice in organisational development and operations of the organisation.
Strategy:	4.2.2	We will monitor corporate governance processes, including risk management and skills development with the aim of ongoing improvement.

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 April 2014.

1. Section 173 Agreement of the Planning and Environment Act 1987 between South Gippsland Shire Council and the owners of 69 Beach Parade Sandy Point relating to a two storey dwelling - Seal Applied 6 March 2014.
2. Section 173 Agreement of the Planning and Environment Act 1987 between South Gippsland Shire Council and the owners of 1410 Meeniyan Mirboo North Road Dumbalk relating to a two lot re-subdivision - Seal Applied 6 March 2014.
3. Contract SGC12/11 Provision of Plant Hire and Civil Works Contractors (Round 3 Intake) between South Gippsland Shire Council and the owners of Clean Cut Tree Services - Seal applied 6 March 2014.
4. Section 173 Agreement of the Planning and Environment Act 1987 between South Gippsland Shire Council and the owners of 205 Bena Kongwak Road Bena relating to construction of a cattle underpass - Seal Applied 14 March 2014.
5. Contract SGS12/11 Provision of Plan Hire and Civil Works Contractors between South Gippsland Shire Council and Ajay Partners Pty Ltd – Seal applied 26 March 2014.

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 (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 are 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 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.

No contracts have been awarded under the Chief Executive Officer's delegation for the month of March 2014. Council is however advised of the following contractual matter resolved by the Chief Executive Officer to ensure the effective execution of the contact.

At the 19 December 2012 Council Meeting, Council resolved to Award Tender SGC 13/18 – Design Supply and Construction of Lighting Poles and Lighting Including Commissioning – Korumburra Showgrounds for a lump sum amount of \$265,454.55 (Ex GST or \$292,000 Inc. GST).

During the contract preparation and execution an error resulted in the inclusion of Provisional Items, which were not included in the original lump sum amount approved by Council, resulting in a Contract for \$325,000 (including GST) being entered into. As a result the contractor undertook the additional provisional works. To resolve this matter, as Council had committed to the additional works, Council's CEO approved the additional payment required, after negotiating a co-payment with the Korumburra Football Netball Club.

To address the causes of the error, process improvements have been implemented by the Governance and Engineering teams. This information is presented to Council for noting.

RECOMMENDATION

That Council note this report.

STAFF DISCLOSURE OF INTEREST

Nil

NOTE: The recommendation was CARRIED UNANIMOUSLY as part of a single motion, refer to page 13.

SECTION E - COUNCIL REPORTS

E.1 FOSTER SWIMMING POOL REVIEW RESULTS

Community Services Directorate

EXECUTIVE SUMMARY

This report presents the findings of the review of Foster Outdoor Swimming Pool.

The Report recommends that Council continue to operate Foster Pool at a reduced level of service for the 2014/15 and 2015/16 seasons. Increasing the mandatory opening temperature to 26 degrees instead of the current 24 degrees (as resolved by Council 19 March 2014), shortening the season and reducing operating hours during the school term will assist in containing escalating costs.

Document/s pertaining to this Council Report

- **Attachment 1** - Excerpt from Foster Pool Committee Community Survey
- **Appendix 1** - Foster Pool Review March 2014

A copy of **Appendix 1** is available on Council's website: www.southgippsland.vic.gov.au or by contacting 5662 9200.

INTERNAL POLICIES / STRATEGIES / DOCUMENTS

Strategic Direction for Aquatic Facilities in South Gippsland in February 2012

COUNCIL PLAN

Outcome:	3.0	Integrated Services and Infrastructure
Objective:	3.1	Deliver affordable modern community services and facilities through an integrated approach to planning and infrastructure development.
Strategy:	3.1.6	We will refine the provision of Council services through reviews focused on evolving community needs, realistic and affordable service standards and efficient management of resources.

CONSULTATION

Discussions have been held with the Foster Pool Committee and the YMCA in the preparation of the review document. The YMCA are the current managers of the Foster Pool.

Councils from across Gippsland and the State have provided details on the operation of their pools where this information is available as a benchmarking exercise.

Council has been assisted by Insynch Consultancy in undertaking this review.

The Foster Pool Committee has actively engaged with the community through a survey. The survey results are attached as **Attachment 1**.

REPORT

Background

At the 27 November 2013 Council meeting a report was presented on the future of Foster pool following activation of two trigger points;

- Failure to operate within the identified annual operations budget; and/or,
- Drop in attendances by 20% for two consecutive seasons based on average attendances from 2005/06 through to 2010/11.

It was resolved at that meeting:

That Council:

1. *Undertake a review of the Foster Pool, in consultation with the Committee of Management and the broader Foster community;*
2. *Defer the Foster Pool Master Plan until the outcome of the review is considered;*
3. *Reallocate funding towards the completion of the Master Plan to engage a suitably qualified and experienced consultant to assist with the review;*
4. *Receive a report in April 2014 detailing the outcomes of the review in order to make an informed decision on the future of the Foster Pool; and*
5. *Amend the 2013-2014 Council Annual Plan and Key Strategic Activity, Strategy 3.1.6, to reflect that Master Plans will only be developed for the Poowong and Toora Outdoor Pools and a review completed of the Foster Swimming Pool by 30 June 2014.*

The community of South Gippsland remain vocal in their support for their local pools. The community response to the draft Aquatic Strategy and local survey

results continue to show a desire for facilities to be retained and that the community strongly value their pools.

As part of the Poowong and Toora Pool Master Plans 118 non pool users were asked if Councils investment in these pools represented good value for money. Over 90% of respondents, when given the previous seasons net operating cost, indicated it represented good value for money.

Councils around the state face similar challenges associated with ageing outdoor pools. There are a number of examples of Councils resolving to close outdoor pools then due to community backlash choosing to re-open the pools or build replacement facilities.

The potential loss of a community facility is likely to evoke an emotional response from the community. While providing additional information to the community will persuade some that the decision to close a facility is justified, there are others that may never accept that an appropriate decision has been made.

Discussion

The review document has been compiled through discussion with the YMCA, Foster Pool Committee and input from an external consultant.

The review focusses on the performance of the Foster Pool during the 2011/12 and 2012/13 seasons, in particular the activation of budget and attendance trigger points.

Benchmarking of outdoor pools across Gippsland and towns of equivalent population was conducted to provide comparison against the performance of Foster Pool.

The review identifies that:

1. The Foster Pool has historically operated within budget until the 2012/13 year. The main reason for the budget overrun was that this season included more hot days than most seasons, leading to the Pool being open on more days, but without a significant increase in attendance;
2. It could be expected in the future that attendance at the Foster Pool could be as low as 5,000 in a poor weather season and up to 10,000 in a good season;
3. There are options available that can either reduce the cost of providing the service and/or increase attendance to the Pool;
4. The long term cost to maintain and operate the Foster Pool is anticipated to average approximately \$100,000 per year at the current service level;

5. Based on this figure the net cost to Council per user would be expected to range between \$10 per person in a good season to \$20 per person in a poor season; and
6. The total cost to demolish the Foster Pool and return it to a green field site would be approximately \$200,000.

Consideration was given to handing back responsibility for Foster Pool to the State Government. The Department of Environment and Primary Industry (DEPI) has mechanism for local community management of facilities such as outdoor pools. They will support a local committee of management but will not contribute to the operation cost of the facility. Without a replacement for the current subsidy provided by Council operation of the Foster Pool would not be viable.

Following the completion of the review of Foster Pool there remains no structural reason why the pool cannot continue to operate into the future. The pool shell, filtration equipment and basic amenity facilities still function to an acceptable level. There are also opportunities identified to reduce the cost and increase utilisation of the pool.

Council needs to assess if the current and future investment required for the estimated 5,000 -10,000 visits to Foster Pool per year is justified. From an asset management and financial sustainability perspective it is hard to justify the current investment.

Activation of the trigger point measures would indicate that the current service level at Foster Pool is becoming more difficult to justify. To continue into the future the cost to operate the Foster Pool must be reduced. To achieve a cost reduction Council will need to consider adjusting the season length, operating hours and opening temperature to provide a reduced level of service and therefore a reduced cost.

Options

The main options available to Council include:

1. Continue to operate Foster Pool at current level of service;
2. Continue to operate Foster Pool at a reduced service level (reduction in season/hours and/or increase in opening temperature); and
3. Permanently close Foster Pool, demolish pool shell, plant, buildings and rehabilitate site.

Proposal

Council continue to operate Foster Pool at a reduced level of service for the 2014/15 and 2015/16 seasons. Increasing the daily opening temperature to 26 degrees (as resolved by Council 19 March 2014) and reducing operating hours during the school term is an active step to reducing the operation cost

of the Foster Pool. It is anticipated that these measures will reduce expenditure by \$20,000 and reduce the net cost to Council by approximately \$15,000 per season.

The Strategic Direction for Aquatic Facilities in South Gippsland is due for review in 2016/17. This will provide the opportunity to strategically determine the long term provision of outdoor pools for the whole of the South Gippsland shire.

FINANCIAL CONSIDERATIONS

The 15 year budgeted cost for operation of Foster Pool is \$1,410,794 excluding maintenance at an average of \$94,000 per annum.

The 2013/14 capital works program identifies a \$308,000 plant room upgrade to be considered for in 2015/16.

\$20,000 is proposed within the draft 2014/15 Recreation budget to complete a Foster Pool Master Plan.

Demolition and site work costs to return the pool to a green field site have been estimated by a quantity surveyor at \$170,000 excluding GST. With project management and contingency the total cost would be \$200,000 excluding GST.

RISKS

Continuing to invest in the operation of the Foster Pool uses resources that could support another Council service that could provide greater community benefit.

Closing the Foster Pool will be strongly challenged by the Foster community.

CONCLUSION

The provision of outdoor aquatic facilities is an increasingly expensive service for Council to provide. There is rational argument that the investment does not justify the benefit and that resources could be better utilised elsewhere.

Vocal community expectation remains unchanged that they want these facilities to be available for residents.

With a review of Councils Aquatic Directions planned for 2016/17 it is proposed to continue to operate the Foster Pool at a reduced level of service. Increasing the opening temperature to 26 degrees (as resolved by Council 19 March 2014) and reducing operating hours during the school term will improve the financial viability of the pool.

RECOMMENDATION

That Council:

1. Continue to operate the Foster Pool at a reduced level of service for the 2014/15 and 2015/16 seasons by increasing the opening temperature to 26 degrees, reducing the season length and reducing operating hours during the school term; and
2. Defer any future non-essential expenditure at Foster Pool until the proposed 2016/17 review of the Strategic Direction for Aquatic Facilities in South Gippsland is completed.

STAFF DISCLOSURE OF INTEREST

Nil

MOVED: Cr Davies

SECONDED: Cr Harding

THAT COUNCIL:

1. **CONTINUE TO OPERATE THE FOSTER POOL AT A REDUCED LEVEL OF SERVICE FOR THE 2014/15 SEASON BY INCREASING THE OPENING TEMPERATURE TO 26 DEGREES, REDUCING THE SEASON LENGTH AND REDUCING OPERATING HOURS DURING THE SCHOOL TERM; AND**
2. **DEFER ANY FUTURE NON-ESSENTIAL EXPENDITURE AT FOSTER POOL AND REVIEW THE STRATEGIC DIRECTION FOR AQUATIC FACILITIES IN SOUTH GIPPSLAND IN 2014/15.**
3. **WORK WITH THE FOSTER COMMUNITY TO EXPLORE OPTIONS FOR ALTERNATE MANAGEMENT OF THE FOSTER POOL AND AN OPTIONS PAPER BE PRESENTED TO COUNCIL FOR CONSIDERATION BY DECEMBER 2014.**

CARRIED

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

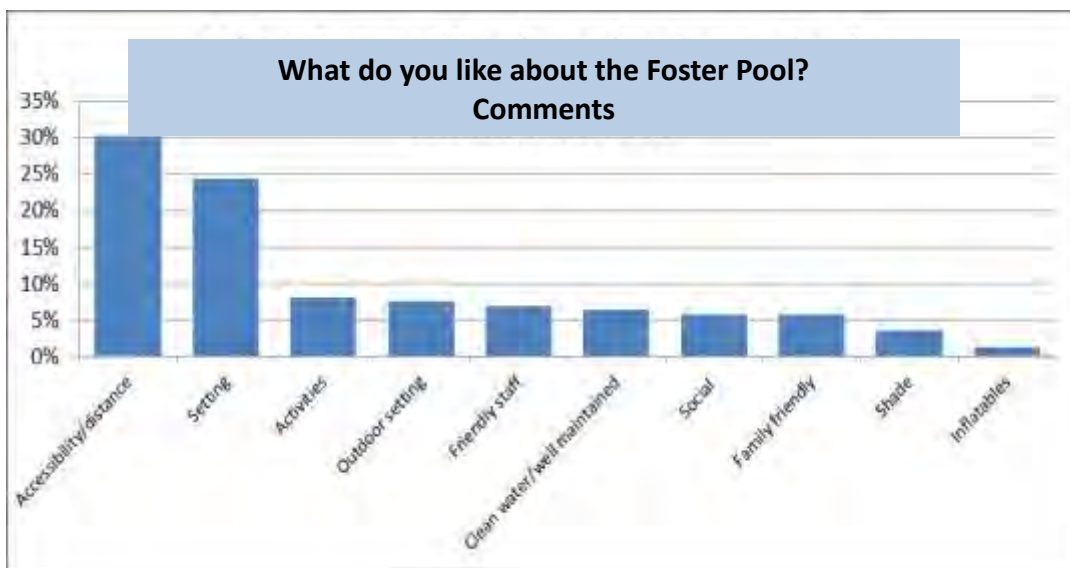
Against: Cr Hill

**Attachment 1
Excerpt from Foster Pool Committee Community Survey**

The Foster Pool Committee Community Survey received 172 responses and a summary of responses is detailed below. The Foster Pool Committee is compiling the survey information and has requested an opportunity to provide a briefing to Council on the results.

What people liked about the pool:

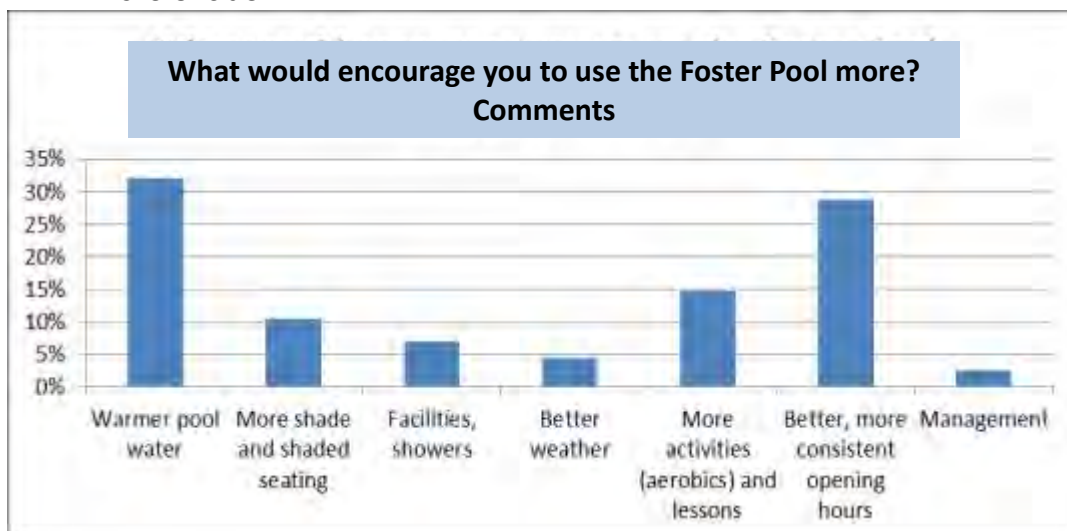
- Its location in town/accessibility
- Its setting – nice grassed area and outdoors
- Activities ranked highest among responses.



What would encourage you to use the pool more?

The community said it would like:

- Warmer water in the pool
- Better (longer), more consistent opening hours
- More activities, such as water aerobics
- More shade



E.2 DRAFT POOWONG AND TOORA SWIMMING POOL MASTER PLANS

Community Services Directorate

EXECUTIVE SUMMARY

This report presents the Draft Poowong and Toora Pool Master Plans and recommends the documents be released for public exhibition.

Document/s pertaining to this Council Report

- **Appendix 1** - Draft Poowong Master Plan and Draft Toora Pool Master Plan

A copy of **Appendix 1** is available on Council's website:
www.southgippsland.vic.gov.au or by contacting 5662 9200.

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

Outcome:	3.0	Integrated Services and Infrastructure
Objective:	3.1	Deliver affordable modern community services and facilities through an integrated approach to planning and infrastructure development.
Strategy:	3.1.6	We will refine the provision of Council services through reviews focused on evolving community needs, realistic and affordable service standards and efficient management of resources.

CONSULTATION

Consultation has included surveying pool and non-pool users both at the pools and street stall held within the community.

	Pool User	Non - Pool User
Toora Pool Survey Responses	119	39
Poowong Pool Survey Responses	78	79

More detailed consultation has occurred through meetings and phone contact with schools, community groups, pool committees and pool staff, pool user groups and Council staff.

REPORT

Background

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

The resolution included the following action:

"Develop Master Plans, in consultation with the committee and community, for Mirboo North and Korumburra in 2013/14, Poowong, Foster and Toora in 2013/14 to guide the future capital investment in these facilities."

At the 27 November 2013 Council resolved to defer completion of a master plan for Foster Pool during the 2013/14 financial year while a review focussing on the performance of the Foster Pool occurred.

In November 2013, Insynch Consultancy was appointed to undertake consultation and investigations to develop the master plans for Poowong and Toora Pools.

Discussion

Toora Pool Consultation Findings:

- The pool is highly valued by the local community and seen as the social hub within town while it is open.
- Carol and Ernie Bennett are seen as the reason that the pool runs so well and is meeting community needs.
- The pool has a broad catchment with users from Yarram, Foster, Fish Creek, Welshpool, Devon and Meeniyan.
- The pool caters for a wide range of ages and has a strong programming focus.

Toora Pool Master Plan Priorities:

- Upgraded change facilities.
- Accessible interactive water play.
- Improved connectivity and accessible footpath.
- Undercover barbeque area near pools.

Poowong Pool Consultation Findings:

- The pool is highly valued by the local community and seen as the social hub within town during summer months with the pool committee and swim club organising several events during the pool season.
- The aspects liked most by 46% of respondents was the atmosphere, social nature, fun and community feel of the pool.
- The pool committee is very active in trying to increase awareness of the pool and to reduce operational costs.
- The pool has a broad geographic catchment that includes use by people from Drouin and Warragul.

Poowong Pool Master Plan Priorities:

- Upgraded change facilities.
- Additional storage.
- Accessible paths to entrance of the facility and to pools.
- Barbeque area.
- Upgrade to chemical delivery area.
- Additional grass to the north of the facility.
- Permanent shade along the side of the pool.

Both Toora and Poowong pools are structurally sound, and have associated infrastructure that is adequate.

Proposal

It is proposed that Council release the Draft Master Plans document for public exhibition and consider public comment on the Master Plans when determining the strategic direction and future investment in the Poowong and Toora Swimming Pools.

FINANCIAL CONSIDERATIONS

Adequate funds for the completion of the Poowong and Toora master plans are contained within the 2013/14 budget.

The Master Plans for outdoor pools have been developed to inform future capital works programs. Allocation of funds to any of the projects identified will be the subject of a future Council decision following adoption of the Master Plans.

RISKS

The release of the Draft Master Plans may generate strong opinions and debate within the community. However, this debate and discussion will assist Council to establish the future direction for the Poowong and Toora Swimming Pools.

Releasing the Draft Master Plans demonstrates transparency to the community and supports the collaborative approach taken in the development of the Master Plans.

CONCLUSION

The Draft Poowong and Toora Pool Master Plans were developed in consultation with the community and industry experts. The draft documents identify opportunities for improvements to facilities including design and cost estimates.

Releasing the draft plans for public exhibition will provide the community with an opportunity to understand the costs associated with improving these facilities in the future. Community feedback on the Master Plans will assist Council in its deliberations regarding the future investment in the Poowong and Toora Swimming Pools.

RECOMMENDATION

That Council:

1. Exhibit the draft Poowong and Toora Pool Master Plans until 14 May 2014;
2. Invite written submissions from the community; and
3. Consider a report to adopt the final Master Plans at the 25 June 2014 Ordinary Council Meeting.

STAFF DISCLOSURE OF INTEREST

Nil

MOVED: Cr Brunt

SECONDED: Cr Harding

THAT COUNCIL:

- 1. EXHIBIT THE DRAFT POOWONG AND TOORA POOL MASTER PLANS UNTIL 14 MAY 2014;**
- 2. INVITE WRITTEN SUBMISSIONS FROM THE COMMUNITY; AND**
- 3. CONSIDER A REPORT TO ADOPT THE FINAL MASTER PLANS AT THE 25 JUNE 2014 ORDINARY COUNCIL MEETING.**

Cr Hill left the Meeting at 2.56pm.

CARRIED UNANIMOUSLY

E.3 MAV STATE COUNCIL MEETING - NOTICES OF MOTION FOR SUPPORT

Corporate Services Directorate

EXECUTIVE SUMMARY

Municipal Association of Victoria is holding its State Council Meeting on Friday 16 May 2014. Mayor Councillor James Fawcett is Council's appointed MAV Representative and has the power to vote for or against Motions at the Meeting on behalf of Council.

Council has received a request from East Gippsland Shire Council to provide support for their submitted Motions.

The Chief Executive Officer has provided 'in principle' support for all Motions by way of letters of support noting that all Gippsland Motions will be officially considered at the April Council Meeting. MAV requests written confirmation for any Motions that have external Council support.

This Report puts forward East Gippsland Shire Council's Motions for consideration and to officially endorse Council's MAV Representative to support each Motion at the upcoming State Council Meeting.

Document/s pertaining to this Council Report

- **Attachment 1** - MAV State Council Motion: East Gippsland Shire Council - Long Service Leave Entitlements Portability Between Local And State Government Without A Supporting Transfer Of Funds
- **Attachment 2** - MAV State Council Motion: East Gippsland Shire Council - 2014 Victorian Bushfires

LEGISLATIVE / ACTION PLANS / STRATEGIES / POLICIES

- Local Government (Long Service Leave) Regulations 2012
- Emergency Management Act 1986

INTERNAL POLICIES / STRATEGIES / DOCUMENTS

Emergency Fire Prevention Plan 2009-2012

COUNCIL PLAN

Outcome:	1.0	A Prosperous Shire
Objective:	1.2	Raise the Awareness of Local and Regional Issues with State and Federal Decisions Makers

CONSULTATION

Motions were discussed at a recent Gippsland Local Government Network Meeting consisting the six local Mayors and CEOs.

REPORT

Background

Each year councils have the opportunity to put forward Notices of Motions relating to matters of strategic significance to local government for consideration at the Municipal Association Victoria (MAV) State Council Meeting.

Should the motions be carried at the State Council Meeting, MAV then make representations on behalf of Local Government to the State and Commonwealth as appropriate to advocate for the matters.

Discussion

The MAV State Council Meeting is scheduled for Friday 16 May 2014. Deadlines for Motions closed on Friday 18 April 2014.

Council support for two Motions to be submitted by East Gippsland Shire Council has been sought and these Motions are provided in **Attachment 1** for consideration.

Proposal

It is proposed that Council supports these Motions and confirms this support in writing to the East Gippsland Shire Council. Furthermore, it is proposed that Council supports Mayor Fawcett to vote in favour of the Motions at the State Meeting.

FINANCIAL CONSIDERATIONS

N/A

RISK FACTORS

By providing support to these motions and creating a united Gippsland Local Government voice, Council can help mitigate the risk of the Gippsland region not being heard at State and Federal Government Level.

CONCLUSION

After review of Motions it is considered that they are important to Local Government and therefore recommends Council supports both Motions.

RECOMMENDATION

That Council formally support the following Motions put forward by East Gippsland Shire Council, by way of written confirmation and by encouraging Mayor James Fawcett, or the Councillor representative on the day, to vote in support of these Motions at the MAV State Council Meeting on 16 May 2014.

1. East Gippsland Shire Council - Long Service Leave Entitlements Portability Between Local And State Government Without a Supporting Transfer Of Funds
2. East Gippsland Shire Council - 2014 Victorian Bushfires

STAFF DISCLOSURE OF INTEREST

Nil

MOVED: Cr Fawcett

SECONDED: Cr Davies

THAT COUNCIL FORMALLY SUPPORT THE FOLLOWING MOTIONS PUT FORWARD BY EAST GIPPSLAND SHIRE COUNCIL, BY WAY OF WRITTEN CONFIRMATION AND BY ENCOURAGING MAYOR JAMES FAWCETT, OR THE COUNCILLOR REPRESENTATIVE ON THE DAY, TO VOTE IN SUPPORT OF THESE MOTIONS AT THE MAV STATE COUNCIL MEETING ON 16 MAY 2014.

1. **EAST GIPPSLAND SHIRE COUNCIL - LONG SERVICE LEAVE ENTITLEMENTS PORTABILITY BETWEEN LOCAL AND STATE GOVERNMENT WITHOUT A SUPPORTING TRANSFER OF FUNDS**
2. **EAST GIPPSLAND SHIRE COUNCIL - 2014 VICTORIAN BUSHFIRES**

Cr Hill returned to the Meeting 3.00pm.

CARRIED UNANIMOUSLY

Attachment 1

MAV State Council Motion - East Gippsland Shire Council



FORM

MAV State Council Meeting - 16 May 2014

To submit a motion for consideration by State Council on 16 May 2014, please complete this form and email to **State Council**, **not later than 18 April 2014**. Please note, deadlines are strictly observed.

MOTION

LONG SERVICE LEAVE ENTITLEMENTS PORTABILITY BETWEEN LOCAL AND STATE GOVERNMENT WITHOUT A SUPPORTING TRANSFER OF FUNDS

Submitted by: East Gippsland Shire Council

MOTION:

That the MAV writes to Local Government Victoria requesting the Local Government (Long Service Leave) Regulations 2012 be changed to stipulate that recognition by Local Government Councils of prior service with a Victorian Public Service Body or Special Body is conditional on agreement to transfer payment to cover the value of accrued liabilities.

RATIONALE:

Regulation 8 in the Local Government (Long Service Leave) Regulations 2002 provided for prior service to be recognised between specific authorities. Included were Victorian and other State or Commonwealth Local Government authorities, public authorities of any State and the Commonwealth, and any offices under the Crown in any State or the Commonwealth. In practice this encompassed all Councils around Australia, Water Authorities and public authorities (including the public service) in state, Territory and Federal jurisdictions. Regulation 8 provided for portability of Long Service Leave between the above authorities, conditional on the existence of agreements to cover transfer payments for accrued liabilities.

The most significant change to the Long Service Leave Regulations 2012 was in relation to the recognition of prior service. Under the new Regulation 15 in the Local Government (Long Service Leave) Regulations 2012, when a council employs a new staff member from the Victorian Public Service (VPS) with five or six years service they will be taking on a liability to pay long service leave for this prior service if that employee remains with them up to the date they become eligible for long service leave (after seven years of combined service) without the existence of any agreement to cover transfer payments for accrued liabilities.

Previously Councils were only required to recognise prior service with other Victorian Councils and Local Authorities. However, with the changes at clause 15 of the LSL Regulations, Local Government Councils are now required to recognise previous service with a VPS Body or a Special Body without receiving any funds transfer.

There is no obvious connection between Local Government and the VPS, and no explanation as to why Local Government should bear the additional costs if a VPS staff member transfers to Council (i.e. there is no associated transfer of funds, as there would be from Council to Council) due to an absence of a reciprocal agreement with the VPS Body or Special Body.

Council seeks to redress a situation that is clearly inequitable for Local Government and to that end, seeks a commitment from the MAV to write to Local Government Victoria requesting a change to the Local Government (Long Service Leave) Regulations 2012 to stipulate that recognition of prior service with a Victorian Public Service Body or Special Body is conditional on the existence of an agreement to cover transfer payments for accrued liabilities.

Note: Motions must be submitted by **one council but may be supported by other councils. The council submitting the motion will need to supply written confirmation from any council(s) listed as supporting the motion. All relevant background information in support of the motion should be included in the space provided for the rationale and not in attachments. **The motion and rationale should be no longer than one page.***

Attachment 2

MAV State Council Motion - East Gippsland Shire Council


MAV State Council Meeting--16 May 2014
<small>To submit a motion for consideration by State Council on 16 May 2014, please complete this form and email to State.Council not later than 16 April 2014. Please note, deadlines are strictly observed.</small>
MOTION - 2014 VICTORIAN BUSHFIRES
<i>Submitted by: East Gippsland Shire Council</i>
MOTION: That the MAV <ul style="list-style-type: none">• Advocate for an appropriately constituted Inquiry designed to capture the experience and learnings of State Government Agencies, Local Government, communities and other key stakeholders impacted by the 2014 Victorian Bushfires across the State; and• Facilitate the preparation of a Local Government focused debrief and submission to inform the Inquiry with the purpose of ensuring that the experience of Local Government is appropriately represented in the context of proposed and transition changes to Emergency Management arrangements in Victoria and to allow investigation and analysis of a range of matters experienced as part of the 2014 Victorian Bushfires across the State.
RATIONALE: <p>Many municipalities experienced the impact of bushfires on their communities in summer 2014. While a formal Inquiry has been announced in respect to the Hazelwood Mine Fire and its impact on Latrobe Valley communities, it is considered important that the practical experience of Local Councils and community members across the State are factored into a Bushfire Inquiry this season to ensure that future emergency management arrangements are developed in the context of this practical experience. In East Gippsland Shire we have identified a number of matters that we consider need specific consideration. These include:</p> <p>Fire Management and Suppression Community members from impacted areas in East Gippsland have raised a range of concerns in relation to the management of fires and their subsequent impact on private land assets.</p> <p>Rapid Impact Assessment Externally provided Rapid Impact Assessment processes are frequently ineffective and a duplication of effort for Local Government recovery purposes. This has the potential to delay the effective assessment of community impacts and required supports and needs to be reassessed as locally supported processes are more appropriate for community members.</p> <p>DHS Relief Payments Minimum payment of \$500 does not allow easy reimbursement of minor expenses by those in need and results in burden being transferred to charitable organisations.</p> <p>Rebuilding Housing Numbers of houses lost across the State is significant. Consideration needs to be given to processes to support and facilitate rebuilding in communities given new Bushfire Management Overlay requirements and community and Council resource implications.</p> <p>Cross State Border Arrangements Cross Border arrangements need to be established with NSW and possibly SA municipalities to provide support resources and to facilitate reimbursement.</p> <p>Blaze Aid Memorandum of Understanding While there have been both positive and negative experiences with organisation such as Blaze Aid there is a need for a consistent approach to Local Government interaction with this type of volunteer organisation to ensure that the recovery process is effective, local community needs and Council requirements are accounted for.</p> <p>Management of Vulnerable People This event has allowed real life testing of Vulnerable Persons Register arrangements and this experience needs to inform future development of this program especially in remote areas.</p> <p>Access to and timing of Government Grants Support funding from the Victorian Government needs to be timely and matched to community need. This is not the experience to date.</p> <p>Timing of Audit of past events Gippsland municipalities were dealing with an event and the need to respond to audit requirements relating to an event seven years ago with little warning and short timeframes. Greater consideration needs to be given to current demands on Local Government operations.</p> <p>Conducting Business as Usual with DEPI There are ongoing concerns with the effectiveness of DEPI and compliance with their statutory obligations despite undertakings given to work to minimise impacts to important community project delivery.</p> <p>While it is appreciated that fires continue to burn and threaten the health and safety of communities in Gippsland, the impact of fire activity in Victoria has been widespread and it is important to ensure that the perspective of Local Government and local communities is considered in the development of new emergency management arrangements in Victoria.</p> <p>The MAV has taken a strong stand in representing the interests of Local Government in the changing approaches and it is considered important that current experience is draw upon to inform future strategic and operational arrangements.</p>

E.4 LEASE TO THE CORNER INLET MOTORCYCLE CLUB: 2746 MEENIYAN PROMONTORY ROAD, YANAKIE – EXTENSION TO PUBLIC SUBMISSION PERIOD

Engineering Services Directorate

EXECUTIVE SUMMARY

At its Ordinary Meeting held on 27 February 2014, Council resolved to approve the commencement of the statutory procedures pursuant to Sections 190 and 223 of the Local Government Act 1989 for the proposed new lease with the Corner Inlet Motorcycle Club Incorporated (CIMCC).

This report is presented to Council to approve the extension of the submission period and advertise an amended Public Notice with an accurate representation of the leased area.

Document/s pertaining to this Council Report

- **Attachment 1** – Locality Plan.
- **Attachment 2** – Amended Public Notice.

LEGISLATIVE / ACTION PLANS / STRATEGIES / POLICIES

Local Government Act 1989, Sections 190 and 223

INTERNAL POLICIES / STRATEGIES / DOCUMENTS

Land Ownership Policy

COUNCIL PLAN

Outcome:	3.0	Integrated Services and Infrastructure.
Objective:	3.1	Deliver affordable modern community facilities through an integrated approach to planning and infrastructure development.
Strategy:	3.1.3	We will plan for the service needs of the Shire's changing demographic.

CONSULTATION

External consultation has been ongoing with representatives of the CIMCC regarding various matters and in particular engineering inspections and advice on acoustics, siltation and dust suppression.

REPORT

Background

At its Ordinary Meeting held on 27 February 2014, Council resolved to approve the commencement of the statutory procedures pursuant to Sections 190 and 223 of the Local Government Act 1989 for the proposed new lease with the CIMCC.

Public Notices were placed in the local papers the week commencing 3 March 2014 advertising a closing date for submissions on Wednesday 2 April 2014.

Discussion

The map of the leased area contained within the Public Notice was not an accurate representation of the leased area to the CIMCC.

Therefore, an amended Public Notice with an accurate representation of the leased area will be advertised in the local papers and on Council's website week commencing 21 April 2014 and will include a closing date of Wednesday 21 May 2014 for receipt of submissions.

Proposal

It is proposed that Council advertise the Public Notice with the amended map of the leased area week commencing 21 April 2014.

FINANCIAL CONSIDERATIONS

As the maintenance of the motorcycle track and facilities will be the responsibility of the CIMCC, there is minimal financial risk to Council from an operational perspective.

RISKS FACTOR

To demonstrate compliance with Section 190 of the Local Government Act, 1989 and avoid any ambiguity with the area of land to be leased to the CIMCC, it is necessary to advertise the Public Notice.

CONCLUSION

There is a requirement to ensure an accurate representation of the leased area is advertised under Section 223 of the Local Government Act 1989.

RECOMMENDATION

That Council:

1. Extend the public submission period for the proposed new lease with the Corner Inlet Motorcycle Club Incorporated (CIMCC).
2. Revoke the original submission period closing date of 2 April 2014 to enable an accurate representation of the leased area to the CIMCC, including the 223 Hearing Session on 9 April 2014 at 12:45pm.
3. Give further public notice in the local papers and on Council's website week commencing 21 April 2013 of the proposal in accordance with Sections 190 and 223 of the Local Government Act 1989.
4. In the public notice clearly state:
 - a. A person may make a submission to the proposal no later than 5:00pm on Wednesday 21 April 2014 addressed to the Chief Executive Officer, South Gippsland Shire Council, Private Bag 4, Leongatha 3953 or delivered to the Council Office, 9 Smith Street, Leongatha.
 - b. Any person making a written submission is entitled to state in their submission that he or she wishes to appear in person, or be represented by a person specified in the submission, at a meeting to be heard in support of their submission.
 - c. Copies of submissions (including submitters' names and addresses) will be made available at the Council or Special Committee meeting at which the proposals are considered and Council is required to make submissions available for public inspection for a period of 12 months.
 - d. The time, date and place for hearing of submissions.
5. Fix the time, date and place for hearing of persons who wish to be heard in support of their submission at the 223 Hearing Session on 18 June 2014 at 12:45pm in Meeting Room 2, Leongatha Memorial Hall and include these details in the public notice.
6. Appoint the Coastal Promontory Ward Councillors and Mayor Councillor Fawcett as the Committee to hear these submissions.
7. Advise those persons who wish to be heard in support of their submission of the date, time and place of the hearing of submissions as soon as possible.
8. Receive a final report of its proceedings and a summary of the outcome of the Section 223 process.

STAFF DISCLOSURE OF INTEREST

Nil

MOVED: Cr Davies

SECONDED: Cr Harding

THAT COUNCIL:

- 1. EXTEND THE PUBLIC SUBMISSION PERIOD FOR THE PROPOSED NEW LEASE WITH THE CORNER INLET MOTORCYCLE CLUB INCORPORATED (CIMCC).**
 - 2. REVOKE THE ORIGINAL SUBMISSION PERIOD CLOSING DATE OF 2 APRIL 2014 TO ENABLE AN ACCURATE REPRESENTATION OF THE LEASED AREA TO THE CIMCC, INCLUDING THE 223 HEARING SESSION ON 9 APRIL 2014 AT 12:45PM.**
 - 3. GIVE FURTHER PUBLIC NOTICE IN THE LOCAL PAPERS AND ON COUNCIL'S WEBSITE WEEK COMMENCING 21 APRIL 2013 OF THE PROPOSAL IN ACCORDANCE WITH SECTIONS 190 AND 223 OF THE LOCAL GOVERNMENT ACT 1989.**
 - 4. IN THE PUBLIC NOTICE CLEARLY STATE:**
 - a. A PERSON MAY MAKE A SUBMISSION TO THE PROPOSAL NO LATER THAN 5:00PM ON WEDNESDAY 21 MAY 2014 ADDRESSED TO THE CHIEF EXECUTIVE OFFICER, SOUTH GIPPSLAND SHIRE COUNCIL, PRIVATE BAG 4, LEONGATHA 3953 OR DELIVERED TO THE COUNCIL OFFICE, 9 SMITH STREET, LEONGATHA.**
 - b. ANY PERSON MAKING A WRITTEN SUBMISSION IS ENTITLED TO STATE IN THEIR SUBMISSION THAT HE OR SHE WISHES TO APPEAR IN PERSON, OR BE REPRESENTED BY A PERSON SPECIFIED IN THE SUBMISSION, AT A MEETING TO BE HEARD IN SUPPORT OF THEIR SUBMISSION.**
 - c. COPIES OF SUBMISSIONS (INCLUDING SUBMITTERS' NAMES AND ADDRESSES) WILL BE MADE AVAILABLE AT THE COUNCIL OR SPECIAL COMMITTEE MEETING AT WHICH THE PROPOSALS ARE CONSIDERED AND COUNCIL IS REQUIRED TO MAKE SUBMISSIONS AVAILABLE FOR PUBLIC INSPECTION FOR A PERIOD OF 12 MONTHS.**
 - d. THE TIME, DATE AND PLACE FOR HEARING OF SUBMISSIONS.**
 - 5. FIX THE TIME, DATE AND PLACE FOR HEARING OF PERSONS WHO WISH TO BE HEARD IN SUPPORT OF THEIR SUBMISSION AT THE 223 HEARING SESSION ON 18 JUNE 2014 AT 12:45PM IN MEETING ROOM 2, LEONGATHA MEMORIAL HALL AND INCLUDE THESE DETAILS IN THE PUBLIC NOTICE.**
-

- 6. APPOINT THE COASTAL PROMONTORY WARD COUNCILLORS AND MAYOR COUNCILLOR FAWCETT AS THE COMMITTEE TO HEAR THESE SUBMISSIONS.**
- 7. ADVISE THOSE PERSONS WHO WISH TO BE HEARD IN SUPPORT OF THEIR SUBMISSION OF THE DATE, TIME AND PLACE OF THE HEARING OF SUBMISSIONS AS SOON AS POSSIBLE.**
- 8. RECEIVE A FINAL REPORT OF ITS PROCEEDINGS AND A SUMMARY OF THE OUTCOME OF THE SECTION 223 PROCESS.**

Cr Fawcett left the Meeting at 3.02pm.

Cr Fawcett returned to the Meeting at 3.02pm.

CARRIED UNANIMOUSLY

Attachment 1 Locality Plan



LEGEND	
The Site
National Broadband Network Co	★
Leased Area	□
Non Leased Area	▨

Attachment 2 Amended Public Notice

Public Notice South Gippsland Shire Council Notice of Intention to Lease Land

South Gippsland Shire Council (Council) gives notice under section 190 and 223 of the Local Government Act 1989 (Act) of its intention to enter into a lease with the Corner Inlet Motorcycle Club Inc. (CIMCC Inc.) for the use of the motorcycle track, 2746 Meeniyah Promontory Road, Yanakle and being part of Certificate of Title Volume 8171 Folio 293 (the Proposal). The proposed leased area is shown crossed hatched on the plan below.



The purpose of the lease will be for the use as a motorcycle track.

The principle terms of the lease will be:

1. Term of 10 years.
2. Rental reviews to be conducted every 3 years.
3. Rental \$104.00 per annum plus GST.

Please contact Helen Heley on 5662 9309 for any further information on the Proposal.

A person may make a submission on the Proposal. Any person proposing to make a submission under Section 223 of the Act must do so by the close of business Wednesday 21 May 2014. A Hearing pursuant to section 223 of the Act will be held for those who wish to speak to their submission on Wednesday 18 June 2014 at 12:45am in Meeting Room 2, Leongatha Memorial Hall.

All submissions should be addressed to the Chief Executive Officer, and can be hand delivered to Council's Office at 9 Smith Street, Leongatha or posted to the following address:

The Chief Executive Officer,
South Gippsland Shire Council
Private bag 4
Leongatha, 3953

A person making the submission is entitled to request in the submission that the person wishes to appear in person, or be represented by a person specified in the submission, at a meeting of the Council (or a committee determined by Council) to be heard in support of the submission.

**TIM TAMLIN,
CHIEF EXECUTIVE OFFICER**

E.6 PROPOSED RATING STRATEGY 2014-2018

Corporate Services Directorate

EXECUTIVE SUMMARY

Council at its Special Meeting on 13 February 2014 endorsed that the 2014-2018 Rating Strategy Discussion Paper be made available for public comment till 10 March 2014.

31 electronic submissions and 7 written submissions were received, some of which were from the same respondents. Considering the number of people who were invited to respond, the response rate is considered to be low.

Council at a briefing session held on 19 March 2014 considered the 2014-2018 Rating Strategy Discussion Paper and feedback that was provided from the public.

This report presents the Proposed Rating Strategy 2014-2018 (Rating Strategy) contained in **Appendix 1**, for Council's consideration.

The Rating Strategy has been developed with community input via the Rating Strategy Review Steering Committee and public feedback and submissions.

Proposed changes to the rating structure, as detailed in the Rating Strategy, achieve a more equitable distribution of the rate burden. It will increase the amount paid by some properties and decrease the amount paid by others.

It is proposed that the changes to the rating structure be implemented over a two year period.

Document/s pertaining to this Council Report

- **Appendix 1**- Rating Strategy 2014-2018

A copy of **Appendix 1 - Proposed Rating Strategy 2014-2018** 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 8, Rates and Charges on Rateable Land
- Valuation of Land Act 1960
- Cultural and Recreational Lands Act 1963
- Ministerial Guidelines for Differential Rating, April 2013
- Rating Practices in Local Government VAGO, February 2013

- Developing a Rating Strategy - A Guide for Councils, MAV July 2004

INTERNAL POLICIES / STRATEGIES / DOCUMENTS

- Council Plan 2013-2017
- Annual Plan 2013-2014
- Special Charge Scheme Policy 2010
- Debt Recovery of Unpaid Rates Policy 2013
- Rates and Hardship Policy 2013
- Long Term Financial Plan 2013-2014

COUNCIL PLAN

Outcome:	4.0	A Leading Organisation.
Objective:	4.1	Improve the Financial Sustainability of Council, Including Diversifying Revenue Streams.
Strategy:	4.1.1	We will explore innovative ways of increasing revenue and reducing expenditure where appropriate.
Action/Target:	4.1.1	Review and Revise Council's Rating Strategy to align with amended State Government requirements and ensure equity as far as practicable - Report presented to Council by 30 June 2014.
Objective:	4.2	Pursue Best Practice in Organisational Development and Operations of the Organisation.
Strategy:	4.2.3	We will make informed decisions and provide opportunities for the community to participate in the decision making process.

CONSULTATION

The Rating Strategy Review Steering Committee, established and appointed by Council, consisted of 3 Councillors and 7 Community members. Eight Committee Meetings were held between 6 November 2013 and 6 February 2014.

The Committee considered correspondence and information received or published from Landcare, Victorian Farmers Federation (VFF), MAV media release on VFF's 'Critical Analysis' and from Residents of Retirement Villages Victoria.

A Rating Strategy Discussion Paper (Discussion Paper) was presented to Council on 13 February 2014 and it was authorised to be released for public comment, to inform Council's draft 2014-2018 Rating Strategy.

Ratepayers were invited to read the Discussion Paper and provide feedback up until 10 March 2014.

Letters were also sent to commercial and industrial property owners, who potentially stood to be adversely affected by the committee recommendations, encouraging them to read the Discussion Paper and fill in the survey.

A Public meeting was held at the Council Chambers on 4 March 2014.

31 persons responded to the electronic survey and 7 provided separate submissions, some of which were from the same respondents. Considering the number of people who were invited to respond the response rate is considered to be low.

Council at a briefing session held on 19 March 2014 considered the Discussion Paper and public feedback.

REPORT

Background

The resolution of Council made at the Ordinary Council Meeting held on 26 June 2013, was:

'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.'*

At the 28 August 2013 Ordinary Council Meeting, Council further resolved:

That Council:

1. *Amend its decision of 26 June 2013 to allow an increased number of greater than four (4) community members to participate in the Steering Committee;*
2. *Adopt the Rating Strategy Steering Committee Terms of Reference (Attachment 1)*
3. *Adopt the Rating Strategy Review Timetable (Attachment 2) as a guide to ensure the work is undertaken in a timely and efficient manner;*
4. *Note the Draft Information Kit (Attachment 3);*
5. *Confirm that Cr Kennedy, Cr Hill and Cr Brunt be nominated to the Committee, with the Mayor to be Chair of the Rating Strategy Review Steering Committee;*
6. *Call for nominations for the Rating Strategy Review Steering Committee via Noticeboard and targeted invitations;*
7. *Instruct the Chief Executive Officer (CEO), Director Corporate Services and the nominated Councillors to review the nominations and appoint suitable applicants representing the various rate payer categories; and*
8. *Endorse the internal provision of technical and administrative support to the Rating Strategy Review Steering Committee.'*

At the 13 February 2014 Special Council Meeting, Council was presented with the Rating Strategy 2014-2018 Rating Strategy Discussion Paper and resolved:

That Council:

1. *Receive the Rating Strategy 2014-2018 Discussion Paper (Appendix 1) presented by the Rating Strategy Review Steering Committee;*
2. *Endorse the Rating Strategy 2014-2018 Discussion Paper (Appendix 1) for public comment.*
3. *Thank the Rating Strategy Review Steering Committee for its deliberations and for the Rating Strategy 2014-2018 Discussion Paper (Appendix 1).*
4. *Formally disband the Rating Strategy Review Steering Committee.*

5. *Make available the Rating Strategy 2014-2018 Discussion Paper (Appendix 1) for public comment to 5pm Monday 10 March 2014 on Council's website, Libraries, Customer Service Centre and through the local media.*
6. *Instruct the Chief Executive Officer to bring a draft 2014-2018 Rating Strategy to Council for consideration for endorsement, once analysis of community responses to the discussion paper have been considered.*

Feedback

Key issues raised that were relevant to the Discussion Paper are summarised below:

- Ratepayers owning higher valued properties are penalised by the committee's proposals.
- Commercial properties are currently struggling and farmers on the other hand do not appear to be having problems paying their rates.
- Increasing vacant land rates will stop any developers from subdividing land.
- Abolishing the municipal charge is not appropriate, the cost of administering the shire should be shared equally among ratepayers.
- Farm rate should not be less than 80% of the residential rate.
- Many smaller farms are owned by professionals and farm profits are complimentary to salaries.
- A redistribution of charges from farms to businesses would be a disincentive to business confidence and expansion.
- Concern that the removal of the municipal charge will have a significant effect on farmers.
- Farmers have been having a difficult time lately and the spending capacity of farmers affects commercial and industrial businesses.
- Request that farm rate assessments average charge be reduced by around \$500 on average.
- Concern about classification of farm land as well as definition of waste service charges.
- Concern the Rating Strategy is not supportable by the Minister's Guidelines.

- Concern that a differential rating system based on Capital Improved Value does not reflect the capacity to pay and produces inequitable outcomes.
- Request that a system be implemented that calculates rates in a manner so that they are reflective of the services consumed by the ratepayer.
- Farming assessments should not be used to calculate averages but instead the number of farmers that own properties (some farmers own multiple properties).
- Differential rates should be set higher for commercial, industrial and vacant land differentials should be set higher and the farming property categories set lower.
- An alternative differential rate model proposal put forward.

Matters raised that were outside the Terms of Reference are also summarised below:

- Rate increases over the years have been excessive.
- Significant influence on the level of rates is the cost of the Shire's operations.
- Future annual staff increases be limited to 1.8%.

Discussion

The recommendations made by the Rating Strategy Steering Committee are listed below. Respondents' feedback is also summarised to each relevant recommendation.

Commentary on various aspects is provided where appropriate, along with proposals for Council's consideration.

Committee Recommendation 1

That the basis of valuation for rating purposes continues to be Capital Improved Value.

Community Feedback

81% Agree

19% Disagree

Comment

Recommendation 1 received strong respondent support.

Proposal

No change to Committee recommendation 1.

Committee Recommendation 2

That South Gippsland Shire Council continues to apply differentials as its rating system.

Community Feedback

68% Agree

32% Disagree

Comment

Feedback from the respondents that disagreed with the recommendation ranged from feeling that differential rates producing inequitable outcomes through to concerns of particular property types subsidising other property types.

Proposal

No change to Committee recommendation 2.

Committee Recommendation 3

That 'user benefit' principle is given relatively low weighting and consideration when setting differential rates.

Community Feedback

61% Agree

38% Disagree

Comment

Feedback received from respondents that disagreed with 'user benefits' principle being given a low rating generally felt that wherever possible rates should take into consideration benefits that ratepayers receive.

Proposal

No change to Committee recommendation 3.

Committee Recommendation 4

That there is no Municipal Charge.

Community Feedback

58% Agree

42% Disagree

Comment

Respondents that disagreed with this proposal tended to make further comment in the feedback arguing that everyone should pay something, as well as concern of the shifting of the rate burden to higher valued properties.

The Municipal Charge is a flat, identical charge that can be used to offset some of the 'administrative costs' of Council. The maximum Municipal Charge that can be levied equals 20% of the revenue from rates and the Municipal Charge divided by the number of chargeable properties. Council has historically applied a 20% Municipal Charge.

The Municipal Charge is regressive, which means that as the value of the properties decrease, the Municipal Charge increases as a percentage of that value. As a result the burden is reduced on higher value properties. By removing the Municipal Charge there will be a considerable shift in the rate burden from lower valued properties to higher valued properties.

Council could consider phasing in over two years the reduction of the municipal charge from 20% to 0% to smooth the change in the rate burden. While not a formal recommendation of the Steering Committee, a common view of the members raised on several occasions was that Council could consider a transitional time to introduce the full change of the differentials and phasing out the municipal charge.

The financial ramification of phasing is shown in the tables of information that accompany recommendations 5 to 9 and 10 to 12 below.

Proposal

That Council consider the option for the municipal charge to be phased out over two years; reduced from the current 20% to 10% in 2014-2015 and 0% in 2015-2016.

Committee Recommendation 5

That the Residential category differential rate be set at 100%.

Community Feedback

87% Agree

13% Disagree

Comment

The table immediately below shows the rating impact of the Rating Strategy Steering Committee recommendations on properties within the Residential property category.

	Valuation	Base	Comparison	\$ Diff	% Diff
20 Percentile	\$ 185,000	\$1,041.11	\$ 916.10	↓ \$ 125.01	↓ 12.01%
50 Percentile (Median)	\$ 252,000	\$1,294.04	\$ 1,247.87	↓ \$ 46.17	↓ 3.57%
80 Percentile	\$ 366,000	\$1,724.41	\$ 1,812.38	↑ \$ 87.97	↑ 5.10%

The table below shows the rating impact on residential properties if the differential rate was kept at 100% and the municipal charge was reduced to 10% in the first year.

Residential					
	Valuation	Base	Comparison	\$ Diff	% Diff
20 Percentile	\$ 185,000	\$1,041.11	\$ 977.96	↓ \$ 63.15	↓ 6.07%
50 Percentile	\$ 252,000	\$1,294.04	\$ 1,270.08	↓ \$ 23.96	↓ 1.85%
80 Percentile	\$ 366,000	\$1,724.41	\$ 1,767.12	↑ \$ 42.71	↑ 2.48%

The table below shows the rating impact on residential properties if the differential rate was kept at 100% and the municipal charge was reduced to 0% in the second year.

Residential					
	Valuation	Base	Comparison	\$ Diff	% Diff
20 Percentile	\$ 185,000	\$ 977.60	\$ 921.56	↓ \$ 56.04	↓ 5.73%
50 Percentile	\$ 252,000	\$1,270.08	\$ 1,255.32	↓ \$ 14.76	↓ 1.16%
80 Percentile	\$ 366,000	\$1,767.12	\$ 1,823.20	↑ \$ 56.08	↑ 3.17%

Proposal

That Council support the Committee's recommendation that the General Rate be set at 100% and that this rate be used for Residential Land, however Council may consider that the municipal charge could be phased to 10% in 2014-2015 and 0% in 2015-2016.

Committee Recommendation 6

That the Industrial category has a 108% differential rate.

Community Feedback

26% Agree

74% Disagree

Comment

Concern was expressed by the respondents about the Industrial differential. Concern was generally about the additional cost imposed and the resultant disincentive for Industrial businesses.

Taking into consideration the concerns being expressed, Council may consider it appropriate to round the differential down from 108% to 105%.

The table immediately below shows the rating impact of the Rating Strategy Steering Committee recommendations on properties within the Industrial property category.

	Valuation	Base	Comparison	\$ Diff	% Diff
20 Percentile	\$ 185,000	\$ 1,041.11	\$ 989.38	↓ \$ 51.73	↓ 4.97%
50 Percentile (Median)	\$ 275,000	\$ 1,380.87	\$ 1,470.71	↑ \$ 89.84	↑ 6.51%
80 Percentile	\$ 600,000	\$ 2,607.79	\$ 3,208.81	↑ \$ 601.02	↑ 23.05%

The table below shows the rating impact on industrial properties if the differential rate was increased to 102.5 % and the municipal charge was reduced to 10% in the first year.

Industrial					
	Valuation	Base	Comparison	\$ Diff	% Diff
20 Percentile	\$ 185,000	\$ 1,041.11	\$ 998.12	↓ \$ 42.99	↓ 4.13%
50 Percentile	\$ 275,000	\$ 1,380.87	\$ 1,400.33	↑ \$ 19.46	↑ 1.41%
80 Percentile	\$ 600,000	\$ 2,607.79	\$ 2,852.76	↑ \$ 244.97	↑ 9.39%

The table below shows the rating impact on industrial properties if the differential rate was increased to 105% and the municipal charge was reduced to 0% in the second year.

Industrial					
	Valuation	Base	Comparison	\$ Diff	% Diff
20 Percentile	\$ 185,000	\$ 998.12	\$ 967.64	↓ \$ 30.48	↓ 3.05%
50 Percentile	\$ 275,000	\$ 1,400.33	\$ 1,438.38	↑ \$ 38.05	↑ 2.72%
80 Percentile	\$ 600,000	\$ 2,852.76	\$ 3,138.29	↑ \$ 285.53	↑ 10.01%

Proposal

Council consider altering the Committee's recommendation of a 108% differential given the feedback by the respondents. One option for Council would be that the Industrial category have a 105% differential rate and be phased in over two years; 102.5% in 2014-2015 and 105% in 2015-2016 as well as the municipal charge being phased to 10% in 2014-2015 and 0% in 2015-2016.

Committee Recommendation 7

That the Commercial category has a 108% differential rate.

Community Feedback

29% Agree

71% Disagree

Comment

Concern was expressed by the respondents about the Commercial differential. Concern was generally about the additional cost impost and the resultant disincentive for Commercial businesses.

Taking into consideration the concerns being expressed, Council may consider it appropriate to round the differential from 108% to 105%.

The table immediately below shows the rating impact of the Rating Strategy Steering Committee recommendations on properties within the Commercial property category.

	Valuation	Base	Comparison	\$ Diff	% Diff
20 Percentile	\$ 120,000	\$ 795.73	\$ 641.76	↓ \$ 153.96	↓ 19.35%
50 Percentile (Median)	\$ 200,000	\$ 1,097.74	\$ 1,069.60	↓ \$ 28.14	↓ 2.56%
80 Percentile	\$ 425,000	\$ 1,947.14	\$ 2,272.91	↑ \$ 325.77	↑ 16.73%

The table below shows the rating impact on commercial properties if the differential rate was increased to 102.5 % and the municipal charge was reduced to 10% in the first year.

Commercial					
	Valuation	Base	Comparison	\$ Diff	% Diff
20 Percentile	\$ 120,000	\$ 795.73	\$ 707.64	↓ \$ 88.09	↓ 11.07%
50 Percentile	\$ 200,000	\$ 1,097.74	\$ 1,065.16	↓ \$ 32.58	↓ 2.97%
80 Percentile	\$ 425,000	\$ 1,947.14	\$ 2,070.68	↑ \$ 123.54	↑ 6.34%

The table below shows the rating impact on commercial properties if the differential rate was increased to 105% and the municipal charge was reduced to 0% in the second year.

Commercial					
	Valuation	Base	Comparison	\$ Diff	% Diff
20 Percentile	\$ 120,000	\$ 707.64	\$ 627.66	↓ \$ 79.98	↓ 11.30%
50 Percentile	\$ 200,000	\$ 1,065.16	\$ 1,046.10	↓ \$ 19.06	↓ 1.79%
80 Percentile	\$ 425,000	\$ 2,070.68	\$ 2,222.96	↑ \$ 152.28	↑ 7.35%

Proposal

That Council consider altering the Committee's recommendation of 108% for the Commercial category, given the feedback by the respondents. One option for Council would be to have a 105% differential rate and be phased in over two years; 102.5% in 2014-2015 and 105% in 2015-2016 as well as the municipal charge being phased to 10% in 2014-2015 and 0% in 2015-2016.

Committee Recommendation 8

That the Farm category has a 71% differential rate.

Community Feedback

42% Agree

58% Disagree

Comment

Concerns were expressed by the respondents about the Farm differential. Concern was generally about the additional cost imposed and the resultant disincentive for Farming businesses with views expressed to reduce it further. Other views expressed included that the Farm rate should be increased to align with the Commercial and Industrial differential rates.

Taking into consideration the respondents' feedback, Council may consider it appropriate to round the differential from 71% to 70%.

The table immediately below shows the rating impact of the Rating Strategy Steering Committee recommendations on properties within the Farm property category.

	Valuation	Base	Comparison	\$ Diff	% Diff
20 Percentile	\$ 341,000	\$ 1,392.85	\$ 1,198.90	↓ \$ 193.95	↓ 13.92%
50 Percentile	\$ 620,000	\$ 2,388.08	\$ 2,179.81	↓ \$ 208.27	↓ 8.72%
80 Percentile	\$ 1,050,000	\$ 3,876.24	\$ 3,691.62	↓ \$ 184.62	↓ 4.76%

The table below shows the rating impact on farming properties if the differential rate was decreased to 80% and the municipal charge was reduced to 10% in the first year.

Farm					
	Valuation	Base	Comparison	\$ Diff	% Diff
20 Percentile	\$ 341,000	\$ 1,392.58	\$ 1,308.44	↓\$ 84.14	↓ 6.04%
50 Percentile	\$ 620,000	\$ 2,388.08	\$ 2,302.09	↓\$ 85.99	↓ 3.60%
80 Percentile	\$ 1,050,000	\$ 3,876.24	\$ 3,830.27	↓\$ 45.97	↓ 1.19%

The table below shows the rating impact on farm properties if the differential rate was decreased to 70% and the municipal charge was reduced to 0% in the second year.

Farm					
	Valuation	Base	Comparison	\$ Diff	% Diff
20 Percentile	\$ 341,000	\$ 1,308.44	\$ 1,189.06	↓\$ 119.38	↓ 9.12%
50 Percentile	\$ 620,000	\$ 2,302.09	\$ 2,161.93	↓\$ 140.16	↓ 6.09%
80 Percentile	\$ 1,050,000	\$ 3,830.27	\$ 3,661.34	↓\$ 168.93	↓ 4.41%

Proposal

That Council consider altering the Committee's recommendation of 71% for the Farm category given the feedback by the respondents. One option for Council to consider is to have a 70% differential rate that could be phased in over two years; 80% in 2014-2015 and 70% in 2015-2016 as well as the municipal charge being phased to 10% in 2014-2015 and 0% in 2015-2016.

Committee Recommendation 9

That the Farm category definition for differential rating purposes be revised to only capture rateable properties which have primary production as its substantive use and exclude properties where primary production is secondary or incidental to the property use (commonly referred to as lifestyle properties).

Community Feedback

81% Agree

19% Disagree

Comment

There was general support by respondents with this proposal. The Farm Rate Differential is currently administered using the Farm Land Definition in the Valuation of Land Act 1960. This definition is available for use across the State of Victoria and is written so it can be applied to varying circumstances.

A more tailored definition is proposed using the Australian Valuation Property Classification Codes (AVPCC).

All rateable assessments are given an Australian Valuation Property Classification Code (AVPCC) as part of the valuation process. The code is based on the use of the property. These codes are already used for the Fire Services Property Levy.

The Fire Services Property Levy was introduced for the current rating year. Council collects this levy on behalf of the State Government as part of the Rates process.

The Fire Services Property Levy charges are based on the AVPCC codes and the categories they fall into. The categories are Residential, Commercial, Industrial, Primary Production, Public Benefit, Vacant and Exempt.

It is considered logical to align the rate categories with the AVPCC codes so the classification of each property uses the same definition and has the same classification for both the rates and the levy. The AVPCC classification process is also transparent as it is clearly documented. There is also a process for objection to incorrect allocation of the AVPCC code under the Valuation of Land Act 1960.

The Fire Services Property Levy guidelines for the AVPCC codes classifies Residential/Rural and Rural Lifestyle categories with a dwelling under 20ha as residential. It also has a range of AVPCC codes to cover various farm uses in the Primary Production category.

It is proposed to revise the Farm Category so that it ties in with the AVPCC codes rather than use the generic Farm Land definition under the Valuation of Land Act (1960). The application of a Farm Differential using this method is an efficient way to administer the differential as there is no duplication of classification. It also gives more flexibility to tailor the definition to the characteristics of the Municipality.

Legal advice is currently being sought to ensure that this method is a reasonable and workable method for both Council and Ratepayers.

Proposal

That Council consider the Farm category definition be revised so that it ties in with the Australian Valuation Property Classification Codes.

Committee Recommendation 10

That the Vacant Land category has a 200% differential rate.

Community Feedback

55% Agree

45% Disagree

Comment

Concern was expressed by some respondents about the Vacant Land differential. The general view was that this would be a disincentive for the affected property owners.

The table immediately below shows the rating impact of the Rating Strategy Steering Committee recommendations on properties within the Vacant Land Residential Property category.

Vacant Land Residential					
	Valuation	Base	Comparison	\$ Diff	% Diff
20 Percentile	\$ 83,000	\$ 812.71	\$ 822.01	↑ \$ 9.30	↑ 1.14%
50 Percentile (Median)	\$ 92,000	\$ 863.68	\$ 911.14	↑ \$ 47.47	↑ 5.50%
80 Percentile	\$ 165,000	\$ 1,277.06	\$ 1,634.12	↑ \$ 357.06	↑ 27.96%

The table below shows the rating impact on vacant residential properties if the differential rate was increased to 175% and the municipal charge was reduced to 10% in the first year.

Vacant Land Residential					
	Valuation	Base	Comparison	\$ Diff	% Diff
20 Percentile	\$ 83,000	\$ 812.71	\$ 804.65	↓ \$ 8.06	↓ 0.99%
50 Percentile	\$ 92,000	\$ 863.68	\$ 873.32	↑ \$ 9.64	↑ 1.12%
80 Percentile	\$ 165,000	\$ 1,277.06	\$ 1,430.31	↑ \$ 153.25	↑ 12.00%

The table below shows the rating impact on vacant residential properties if the differential rate was increased to 200% and the municipal charge was reduced to 0% in the second year.

Vacant Land Residential					
	Valuation	Base	Comparison	\$ Diff	% Diff
20 Percentile	\$ 83,000	\$ 804.65	\$ 826.92	↑ \$ 22.27	↑ 2.77%
50 Percentile	\$ 92,000	\$ 873.32	\$ 916.58	↑ \$ 43.26	↑ 4.95%
80 Percentile	\$ 165,000	\$ 1,430.31	\$ 1,643.87	↑ \$ 213.56	↑ 14.93%

Proposal

That Council consider retaining the Committee's recommendation for the Vacant Land category to have a 200% differential rate, however Council may consider this be phased in over two years, 175% in 2014-2015 and 200% in 2015-2016 as well as the municipal charge being phased to 10% in 2014-2015 and 0% in 2015-2016.

Committee Recommendation 11

That the Restricted Vacant Land category has a 200% differential rate.

Community Feedback

48% Agree

51% Disagree

Comment

Concern was expressed by some respondents about the Restricted Vacant Land differential. The general view was that this would be a disincentive for the affected property owners.

The majority of the lower valued restricted Vacant Land category properties are residential blocks of land. With the proposed removal of the municipal charge, the vast majority of these properties despite having the differential rate increased to 200% (in line with the Vacant Land property category) will pay fewer rates than they did previously.

All properties including the remaining higher valued properties under the Australian Valuation Property Classification Code (AVPCC) would be either classified as Farm property or Vacant Land. They will need to be assessed on a property by property basis by the shire valuers.

Proposal

That Council consider that the Restricted Vacant Land Category may no longer be required as a separate differential rating category and remove it as a specific differential category.

Committee Recommendation 12

That the Cultural and Recreational category has a 50% differential rate.

Community Feedback

71% Agree

29% Disagree

Comment

The respondents' feedback was generally supportive of this proposal. Some of the disagreements were centred on churches or other non-rated properties to be included in this category.

The table immediately below shows the rating impact of the Rating Strategy Steering Committee recommendations on properties within the Cultural and Recreational property category.

	Valuation	Base	Comparison	\$ Diff	% Diff
20 Percentile	\$ 165,000	\$ 591.87	\$ 408.53	↓ \$ 183.34	↓ 30.98%
50 Percentile (Median)	\$ 250,000	\$ 720.22	\$ 618.98	↓ \$ 101.24	↓ 14.06%
80 Percentile	\$ 500,000	\$ 1,097.74	\$ 1,237.97	↑ \$ 140.23	↑ 12.77%

The table below shows the rating impact on cultural and recreational properties if the differential rate was increased to 43.75 % and the municipal charge was reduced to 10% in the first year.

Cultural and Recreational Land					
	Valuation	Base	Comparison	\$ Diff	% Diff
20 Percentile	\$ 165,000	\$ 591.87	\$ 486.10	↓ \$ 105.77	↓ 17.87%
50 Percentile	\$ 250,000	\$ 720.22	\$ 648.24	↓ \$ 71.98	↓ 9.99%
80 Percentile	\$ 500,000	\$ 1,097.74	\$ 1,125.12	↑ \$ 27.38	↑ 2.49%

The table below shows the rating impact on cultural and recreational properties if the differential rate was increased to 50% and the municipal charge was reduced to 0% in the second year.

Cultural and Recreational Land					
	Valuation	Base	Comparison	\$ Diff	% Diff
20 Percentile	\$ 165,000	\$ 486.10	\$ 410.97	↓ \$ 75.13	↓ 15.46%
50 Percentile	\$ 250,000	\$ 648.24	\$ 622.68	↓ \$ 25.56	↓ 3.94%
80 Percentile	\$ 500,000	\$ 1,125.12	\$ 1,245.35	↑ \$ 120.23	↑ 10.69%

Proposal

That Council consider retaining the Committee's recommendation for the Cultural and Recreational category to have a 50% differential rate, however Council may consider phasing the change in over two years; 43.75% in 2014-2015 and 50% in 2015-2016 as well as the municipal charge being phased to 10% in 2014-2015 and 0% in 2015-2016.

Committee Recommendation 13

That Waste Charges are only recovered for waste and recycling services across all Waste Service Charges.

Community Feedback

97% Agree

3% Disagree

Comment

Recommendation 13 received strong respondent support.

Proposal

No change to Committee recommendation 13.

Committee Recommendation 14

That the current policy and cycle of reviewing the Special Charge Scheme Policy is considered adequate.

Community Feedback

90% Agree

10% Disagree

Comment

Recommendation 14 received strong respondent support.

Proposal

No change to Committee recommendation 14.

Committee Recommendation 15

That land management rebates for rural properties not be introduced into Council's Rating Strategy.

Community Feedback

71% Agree

29% Disagree

Comment

Feedback comments provided from Respondents were polarised between supporting and not supporting land management rebates being introduced.

Proposal

No change to Committee recommendation 15.

Committee Recommendation 16

That the current policy and cycle of reviewing the Debt Recovery on Unpaid Rates and Charges Policy is considered adequate.

Community Feedback

87% Agree

13% Disagree

Comment

Recommendation 16 received strong respondent support.

Proposal

No change to Committee recommendation 16.

Committee Recommendation 17

That the current policy and cycle of reviewing the Rates and Charges Hardship Policy is considered adequate.

Community Feedback

84% Agree

16% Disagree

Comment

Recommendation 17 received strong respondent support.

Proposal

No change to Committee recommendation 17.

Committee Recommendation 18

That Council continue to offer lump sum payment options to its ratepayers and investigate introducing an additional 10 monthly payment option for ratepayers.

Community Feedback

94% Agree

6% Disagree

Comment

Recommendation 18 received strong respondent support. Alternative periodic payment options and system and process enhancements will be investigated during 2014-2015 with the objective of implementing in 2015-2016

Proposal

No change to Committee recommendation 18.

Committee Recommendation 19

That Council with the assistance of a Rating Strategy Steering Committee review the Rating Strategy on a four year cycle that aligns with the 2nd year term of a newly elected Council.

Community Feedback

90% Agree

10% Disagree

Comment

Recommendation 19 received strong respondent support.

Proposal

No change to Committee recommendation 19.

Options

In considering the Discussion Paper, Council is able to:

1. Adopt the Proposals as outlined in this report and as contained in the Proposed Rating Strategy in Appendix 1.
2. Adopt the Rating Strategy Steering Committee recommendations unaltered.
3. Do nothing and make no changes to the existing Differential Rating Structure.
4. Consider and adopt an alternative differential rating model.

If an alternative proposal is required it would be important to align the proposal with specific principles and Council Plan objectives.

Proposal

Option 1 is proposed for Council's consideration. It is understood that for all those who may gain some relief from the tax burden as a result of its deliberations, there will also be others who will pay more compared to the current Rating Strategy. The proposal to phase in the changes over two years is also recommended as this will ease the changes and reduce the rate impact, particularly on higher valued properties.

The recommended model:

- Provides a fairer distribution of rates across the various land categories than is provided under the current Rating Strategy;
- Applies the overarching principles of transparency and simplicity in each of its recommendations;
- Provides the context, rationale and justification for each recommendation; and
- Will assist Council to achieve the purpose, objectives and strategies outlined in the Council Plan 2013-2017.

FINANCIAL CONSIDERATIONS

The Rating Strategy Steering Committee and the resulting Discussion Paper have been managed and supported within existing budgets. The Committee members volunteered their time to develop the Rating Strategy Discussion Paper. Council support to the Committee was provided within existing budgets as no additional budget allocation was provided or used to support the Committee.

The consultation phase was also managed within existing budgets.

Council will need to refer the proposed rating category systems and processes to its legal advisers to ensure that it complies with the Local Government Act and Valuation Act. This cost will be accommodated within existing budgets.

It is possible that many ratepayers may not be aware of the proposed Rating Strategy and the likely impact changes proposed to the Rating Strategy may have on them. It is anticipated that many ratepayers may only become aware of the changes when they receive their rate notice and that Council may receive an influx of concerns that they were not made aware of this important change.

It is proposed that letters be sent to all Council's ratepayers to increase awareness of the proposed changes and provide them with the opportunity to

comment. The postage costs will be approximately \$12,500. This cost can be covered by utilising community engagement funds set aside for the Community Engagement and Evolving Vision project.

RISKS

Any amendments to Council's current Rating Strategy are anticipated to have both positive and negative impacts on various ratepayers in all land categories. It is important that Council ensures that the Rating Strategy complies with the Local Government Act and Valuation Act. The proposed differential rating categories have been referred to Council's legal advisors.

Council recognised from the outset that better outcomes would be achieved if community members representing various land categories were involved in the Rating Strategy review from the beginning of the process. To this end, Council established a robust governance framework and Terms of Reference for the Steering Committee, invited and appointed seven Community Members to represent various land categories. The Committee reached a majority view on 19 recommendations that were presented to Council.

Further, Council has sought broader community comment and feedback on the Discussion Paper.

The Comments and Recommendations proposed have been mindful of the Committee's recommendations and community feedback.

Community members will be provided further opportunity to make formal submission to the Proposed Rating Strategy prior to the final Rating Strategy being presented for final adoption on 25 June 2014.

CONCLUSION

The Rating Strategy Steering Committee provided majority view recommendations that are documented in the Rating Discussion Paper. The Committee considered the Discussion Paper provided a reasonable distribution of the rates burden.

The community feedback was also reasonable, although only a low number of responses were received. This feedback has been considered when formulating alternative recommendations to those put by the Rating Strategy Steering Committee. The Rating Strategy (Appendix 1) is presented for consideration and endorsement by Council. The major recommendations contained in the Proposed Rating Strategy include:

1. That the basis of valuation for rating purposes continues to be Capital Improved Value.
2. That South Gippsland Shire Council continues to apply differentials as its rating system.

3. That 'user benefit' principle is given relatively low weighting and consideration when setting differential rates.
4. That the municipal charge be phased out over two years, reduced to 10% in 2014-2015 and 0% in 2015-2016.
5. That the General Rate be set at 100%, this rate to be used for Residential Land and the municipal charge be phased to 10% in 2014-2015 and 0% in 2015-2016.
6. That the Industrial category have a 105% differential rate and be phased in over two years, 102.5% in 2014-2015 and 105% in 2015-2016 as well as the municipal charge being phased to 10% in 2014-2015 and 0% in 2015-2016.
7. That the Commercial category have a 105% differential rate and be phased in over two years, 102.5% in 2014-2015 and 105% in 2015-2016 as well as the municipal charge being phased to 10% in 2014-2015 and 0% in 2015-2016.
8. That the Farm category have a 70% differential rate and be phased in over two years, 80% in 2014-2015 and 70% in 2015-2016 as well as the municipal charge being phased to 10% in 2014-2015 and 0% in 2015-2016.
9. That the Farm category definition be revised so that it ties in with the Australian Valuation Property Classification Codes.
10. That the Vacant Land category have a 200% differential rate and be phased in over two years, 175% in 2014-2015 and 200% in 2015-2016 as well as the municipal charge being phased to 10% in 2014-2015 and 0% in 2015-2016.
11. That the Restricted Vacant Land category is no longer required as a separate differential rating category.
12. That the Cultural and Recreational category have a 50% differential rate and be phased in over two years, 43.75% in 2014-2015 and 50% in 2015-2016 as well as the municipal charge being phased to 10% in 2014-2015 and 0% in 2015-2016.
13. That Waste Charges are only recovered for waste and recycling services across all Waste Service Charges.
14. That the current policy and cycle of reviewing Special Charge Scheme Policy is considered adequate.
15. That land management rebates for rural properties not be introduced into Council's Rating Strategy.

16. That the current policy and cycle of reviewing the Debt Recovery on Unpaid Rates and Charges Policy is considered adequate.
17. That the current policy and cycle of reviewing the Rates and Charges Hardship Policy is considered adequate.
18. That Council continue to offer lump sum payment options to its ratepayers and investigate introducing an additional 10 monthly payment option for ratepayers.
19. That Council with the assistance of a Rating Strategy Steering Committee review the Rating Strategy on a four year cycle that aligns with the 2nd year term of a newly elected Council.

RECOMMENDATION

That Council:

1. Endorse the Proposed Rating Strategy 2014-2018 contained in Appendix 1.
2. Use the Proposed Rating Strategy 2014-2018 to inform the preparation of the Annual Budget 2014-2015 and Long Term Financial Plan.
3. Authorise the Chief Executive Officer to give public notice of the preparation of the Proposed 2014-2018 Rating Strategy and invite written public submissions to be addressed to the Chief Executive Officer, which are to be received by no later than 5.00pm 28 May 2014.
4. Authorise the Chief Executive Officer to write to every ratepayer advising that Council has released a Proposed 2014-2018 Rating Strategy that may affect them. The letter is to encourage their review of the Strategy and provide an option to make a written submission.
5. Fix the time, date and place for hearing persons who wish to be heard in support of their submissions, and consider and determine the submissions for inclusion in the final 2014-2018 Rating Strategy at a Special Meeting of Council on Wednesday 11 June 2014 at 12.45pm in the Council Chambers, Leongatha. This will be a co-joined Special Meeting of Council with the Proposed Annual Budget 2014-2015.
6. Require the final 2014-2018 Rating Strategy be presented to Council for adoption at a Council Meeting on 25 June 2014.

STAFF DISCLOSURE OF INTEREST

Nil

MOVED: Cr Fawcett

SECONDED: Cr Davies

THAT COUNCIL:

- 1. ENDORSE THE PROPOSED RATING STRATEGY 2014-2018 CONTAINED IN APPENDIX 1.**
- 2. USE THE PROPOSED RATING STRATEGY 2014-2018 TO INFORM THE PREPARATION OF THE ANNUAL BUDGET 2014-2015 AND LONG TERM FINANCIAL PLAN.**
- 3. AUTHORISE THE CHIEF EXECUTIVE OFFICER TO GIVE PUBLIC NOTICE OF THE PREPARATION OF THE PROPOSED 2014-2018 RATING STRATEGY AND INVITE WRITTEN PUBLIC SUBMISSIONS TO BE ADDRESSED TO THE CHIEF EXECUTIVE OFFICER, WHICH ARE TO BE RECEIVED BY NO LATER THAN 5.00PM 28 MAY 2014.**
- 4. AUTHORISE THE CHIEF EXECUTIVE OFFICER TO WRITE TO EVERY RATEPAYER ADVISING THAT COUNCIL HAS RELEASED A PROPOSED 2014-2018 RATING STRATEGY THAT MAY AFFECT THEM. THE LETTER IS TO ENCOURAGE THEIR REVIEW OF THE STRATEGY AND PROVIDE AN OPTION TO MAKE A WRITTEN SUBMISSION.**
- 5. FIX THE TIME, DATE AND PLACE FOR HEARING PERSONS WHO WISH TO BE HEARD IN SUPPORT OF THEIR SUBMISSIONS, AND CONSIDER AND DETERMINE THE SUBMISSIONS FOR INCLUSION IN THE FINAL 2014-2018 RATING STRATEGY AT A SPECIAL MEETING OF COUNCIL ON WEDNESDAY 11 JUNE 2014 AT 12.45PM IN THE COUNCIL CHAMBERS, LEONGATHA. THIS WILL BE A CO-JOINED SPECIAL MEETING OF COUNCIL WITH THE PROPOSED ANNUAL BUDGET 2014-2015.**
- 6. REQUIRE THE FINAL 2014-2018 RATING STRATEGY BE PRESENTED TO COUNCIL FOR ADOPTION AT A COUNCIL MEETING ON 25 JUNE 2014.**

CARRIED

For: Crs Davies, Harding, Fawcett and Brunt.

Against: Crs Hutchinson-Brooks, Hill and McEwen.

E.5 2014-2015 PROPOSED ANNUAL BUDGET INCORPORATING THE LONG TERM FINANCIAL PLAN

Corporate Services Directorate

EXECUTIVE SUMMARY

This report addresses the South Gippsland Shire Council Annual Budget (Budget) for the 2014-2015 financial year that has been prepared by Council and tabled, refer **Appendix 1**. Sections 2 and 3 of the Budget set out the strategic initiatives Council aims to implement in 2014-2015 in order to achieve the objectives set in the 2013-2017 Council Plan. These sections, in effect, contain the annual plan actions and indicators to be achieved in 2014-2015.

For the 2014-2015 financial year the proposed:

- Operating expenditure (including depreciation) will be \$56.31 million;
- Capital expenditure will be \$14.04 million;
- Total debt redemption will be \$0.51 million;
- Total cash outflows will be \$60.00 million;
- Total cash inflows will be \$60.52 million;
- Cash at end of financial year will be \$9.60 million;
- Increase in rates & charges will be 4.13%; 5.50% increase for rates, (-16.0%) reduction for waste services;
- Rate and charges income will be \$35.56 million.

Council has also prepared a Proposed Rating Strategy 2014-2018 that has informed the preparation of the Proposed 2014-2015 Annual Budget and Long Term Financial Plan.

The budgeted financial statements are both financially responsible and sustainable. They are validated by a series of key financial performance indicators.

It is recommended that Council endorse the proposed 2014-2015 Annual Budget and commence a Section 223 public consultation process seeking written submissions from the community on the endorsed plans, with a closing date of Wednesday 28 May 2014.

Public submissions will be heard, considered and determined at a Special Meeting of Council on Wednesday 11 June 2014 commencing at 12.45pm at the Council Chambers Leongatha.

Document/s pertaining to this Council Report

- **Appendix 1** – Proposed 2014-2015 Annual Budget

A copy of **Appendix 1 - Proposed 2014-2015 Annual Budget** 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, Sections 127,129, 223

INTERNAL POLICIES / STRATEGIES / DOCUMENTS

Financial Strategy

COUNCIL PLAN

- | | | |
|------------|-------|--|
| Outcome: | 4.0 | A Leading Organisation. |
| Objective: | 4.1 | Improve the Financial Sustainability of Council, Including Diversifying Revenue Streams. |
| Strategy: | 4.1.1 | We will explore innovative ways of increasing revenue and reducing expenditure where appropriate. |
| Objective: | 4.2 | Pursue Best Practice in Organisational Development and Operations of the Organisation. |
| Strategy: | 4.2.3 | We will make informed decisions and provide opportunities for the community to participate in the decision making process. |

CONSULTATION

The development of the Budget and Long Term Financial Plan has been prepared having regard to the various discussions Council has held since September 2013 as part of the Financial Sustainability Steering Committee, Rating Strategy Steering Committee as well as briefing sessions that reviewed the Capital Works Program and draft budgets.

Extensive discussions and briefings have been held with Council during the period November 2013 to April 2014. These have included:

- 4 December 2013 - Strategic Financial Issues briefing session;
- 26 February 2014 - Financial Strategy adopted by Council;
- 12 March 2014 - Council Briefing Draft Budget;

- 25 March 2014 - Council Briefing Draft Budget;
- 26 March 2014 - Community Consultation;
- 2 April 2014 - Council Briefing Draft Budget.

Once the Budget is endorsed by Council external consultation is to be conducted through a formal Section 223 public consultation period scheduled for a minimum of 28 days during May 2014. The Budget will then be finalised and presented to Council for final adoption and presented to the Minister for Local Government by 30 June 2014.

REPORT

Background

Council has taken on board concerns raised by the community in regard to the pressure increasing rates is having on ratepayers. However Council faces many challenges in trying to keep rate rises as low as possible.

In the past twelve months Council established and has utilised a Financial Sustainability Committee consisting of all Councillors and the Executive Leadership Team, to review services, consider service resourcing and budgets by line item and to review the capital works program. The focus has been aimed at finding efficiencies, determining if changes to service levels can be managed or are required, and consider how to deal with challenges that continually place upward pressures on rates.

Outlined below are some of the major challenges Council is facing:

Legislative requirements are increasing and consume a major proportion of the Budget.

Legislative requirements are increasing every year. Complying with these requirements accounts for a large proportion of Council's budget, so funds available for discretionary services is limited. Many Council services exist to meet these legislative requirements. Other services are discretionary, however when they are provided there are often significant legislative requirements governing how they are delivered.

The State Government has the ability to legislate responsibilities to Local Government. Each year legislative requirements increase. The most recent example is the changes to the Local Government Act 1989 for Regulatory Reporting that has just been introduced.

The State Government has introduced a significant number of new Performance Indicators to measure the effectiveness and efficiencies of various services provided by Council. These involve mandatory reporting every year from 2014-2015 onwards. While some of indicators replace existing performance requirements, the quantum is such that many will be duplicated for the first few years and further service indicators will be added in

future years.

While many metropolitan councils have systems in place to meet these requirements, shires such as South Gippsland, will need to divert resources to establish systems and processes so that Council can provide the required statutory information each year.

Services tied to government grants are subject to State or Commonwealth funding adjustments.

A further component of Council's services is tied to Government Grants. The funding provided can only be used for those services. In a number of instances Council subsidises the services to ensure an adequate standard of care is provided, where the grant is considered insufficient to meet basic quality service needs. Further, the Government often adjusts the level of the grants or shifts around where the funds should go.

A challenge the Council will need to grapple with in the next twelve months relates to the future provision of Home and Community Care Services in response to Commonwealth Government Aged Care Reforms.

Approximately 26,500 hours of home care, personal care and respite care and 15,600 meals are provided by South Gippsland Shire Council each year to 1,200 older people, people with a disability and their carers. The aim of the service is to assist people to remain living in their own home and community, and the service aims to promote independence.

The annual cost of providing this service is \$2.14 million. Currently 62% of the cost is funded by Federal and State government, client fees recoup 23% of the cost and the Council contributes 15%.

South Gippsland's population of older people is increasing above the national trend with 39% of people expected to be over 60 years old by 2031.

The gap between government funding and actual service cost is increasing with Council's percentage of funding increasing from 15% to 17% (\$395,000) in 2014-2015.

Government Aged Care reforms may see a change in the way it funds Home and Community Care, which could result in a less secure and consistent funding model to Council.

In the next 12 months Council has to decide if it should remain in the business of providing Home and Community Care services given that there may not be a guaranteed income stream and, if this eventuates, determine if it should continue to subsidise a service that it may no longer have any responsibility to provide, or means of ensuring the funds would be used to deliver the same or better level of care as is currently provided.

Addressing this challenge is one of the 'Initiatives' Council has determined is necessary in the coming financial year.

Increasing responsibilities are being transferred by State and Federal Government to Local Government

Further to increasing legislative requirements, is the transferral of State and Federal responsibilities to Council with limited or no additional funding to provide those services. One of the most recent examples is Roadside Weed Management, which has generally been a requirement of the adjoining land-owners to maintain. New legislation is being introduced that will place the burden for managing roadside weeds onto councils.

South Gippsland has 800 kilometres of sealed roads that comparatively would be the distance from Leongatha to Adelaide, plus a further 1,200 kilometres of unsealed roads that comparatively would be the distance to Port Augusta via Adelaide. Given there are two sides to every road, those distances are doubled. Council receives \$41,570 to maintain road side weeds now through State Government grant funds, but there are no further funds being provided to undertake this new legislative requirement and the current grant is only guaranteed to 2014-2015. Ratepayers will need to wear the burden of this transferred responsibility.

Council needs to determine what standard of maintenance should be provided for roadside weed maintenance, and what cost the community can bear. While we may have some discretion in the standard of maintenance provided, the legislative requirement means that we need to action this expanded service without government funds to do so.

Developing a Roadside Weed Management Plan is an 'Initiative' Council is developing this year to address this new legislative requirement and financial burden.

Further services the State Government either have, or are considering transferring to Local Government include:

- Collection of the Fire Services Levy on behalf of the State Government. This is an administrative impost that included a one-off grant, but no indication of any further funds to manage it each year.
- Rural Drainage Catchments currently look like they will be coming to Council, along with the risks and insurance responsibilities should there be floods that damage properties – although councils may be able to recoup costs through Special Charge Schemes.

Increasing requirements to manage risk

Many ratepayers advocate that there are far too many people administering the Council and that staff numbers should be cut. The reality is that factors such as the increased regulations, the litigious nature of community requiring greater risk management requirements and increased requirements to protect the safety and well-being of staff and the community, continue to place requirements on councils that didn't exist 10, 15 or 20 years ago.

Ten years ago Council was able to send a grader operator out to grade gravel roads by themselves. Now Council needs a Traffic Management Plan for each activity, require staff to have all the required certificates and licenses, and is required to send additional staff out for traffic management requirements every time the grader operator maintains the roads. These changes come at increased costs, but failing to provide them could leave Council exposed to exorbitant claims and potential jail terms should there be an accident, with claims or charges laid against Council for negligence. Managing risk is a costly component for Council to manage.

There is also increased community concern over the condition of the State road network (VicRoads) and Council's roads. While Council is continuing to advocate for improved road maintenance requirements to VicRoads, Council has responded to the increased requests for improvements to rural roads. To this end Council has funded an 'Initiative' that will inject a further \$500,000 into the rural roads re-sheet program.

Customer Expectations and Service Provision

Many non-permanent ratepayers often voice their concerns at the high cost of their holiday homes within the Shire, compared to their more expensive and better serviced homes in the city, others raise concerns with the cost of their rates and the need to cut staff and services.

Non-resident ratepayers rarely consider that in the city, they live in areas of 150,000 people or more who share the rate burden, their homes are within a much smaller geographical area, they generally only have one swimming pool, one public hall, one main sporting complex and other one-off facilities.

Many ratepayers do not consider that in the Shire there are 6 main towns that each has a swimming pool, a public hall, a main sports facility etc. Shire communities expect that each town should have access to these facilities locally. The duplication of facilities in each town comes at a great cost that has to be shared over a significantly reduced number of ratepayers in the Shire. The extensive local road and bridge network required across the Shire, when compared to a metropolitan council, also comes at great expense to the reduced numbers of local ratepayers.

There are also some unrealistic community expectations amongst community members. Council frequently receives requests for repairs to be made to pot holes in gravel roads. While that is understandable, the concern is that quite a few of these requests are for repairs to roads that only have one or two properties accessing them, yet the expectation is that they should be responded to immediately.

When Council has to repair damaged roads following rain events, priorities need to be given to roads used by a greater number of vehicles. Managing community expectations within the resources we have available is a constant challenge.

Discussion

The Proposed 2014-2015 Annual Budget and Long Term Financial Plan reflects the stringent focus Council has taken in aiming for rate reductions, while responding to the rating pressures outlined above.

As a result the proposed Budget and Long Term Financial Plan generally has lower rates and charges income requirements than the previously adopted Budget. Existing service levels have been retained, a further \$500,000 has been provided to increase the rural road re-sheet program, yet over 15 years the total rates and charges requirement has been reduced by \$40 million.

The main drivers that have enabled the reduction are:

- Net \$5.6 million reduction in capital expenditure;
- A net \$24 million reduction in capital works costs across the forward budget as a result of reducing the road/bridge projects index from 5.25% to 4.25%;
- A \$2.5 million productivity savings identified over 15 years. The main contributors being savings identified from fleet fuel expenses, photocopy maintenance and Workcover premiums; and
- The overall tapering down of the underlying working capital ratio over the 15 years compared to the previous ratio in the 2013-2014 Long Term Financial Plan.

The table below compares the proposed Budget/Long Term Financial Plan's rate rises to the Budget that was adopted in 2013-2014. The beneficial impact arising from the reductions outlined above is shown in the 2014-2015 Financial Plan – Rates and Charges line below (2nd line), compared to the original 2013-2014 Financial Plan – Rates and Charges line below (1st line).

	2014-2015	2015-2016	2016-2017	2017-2018
2013-2014 Financial Plan - Rates and charges rises	6.25%	5.32%	5.32%	5.09%
2014-2015 Financial Plan - Rates and charges rises	4.13%	5.29%	4.83%	4.59%

Council is committed to continuing its focus on undertaking detailed reviews of services in 2014-2015 to continually seek out improved efficiencies, while responding to the needs of the community and addressing other cost pressures that arise throughout the year. The service reviews in 2014-2015 involve some challenging decisions as Council focuses on the following services:

- Swimming Pools
- Coal Creek
- Economic Development and Tourism
- Home and Community Care Service

Proposed Rating Strategy 2014-2108

Council has also prepared a Proposed Rating Strategy 2014-2018 (Rating Strategy) that has changed the rating structure to achieve a more equitable distribution of the rate burden. The Rating Strategy is being considered by Council concurrently with the Budget.

The more significant changes include phasing out the Municipal Charge over two years, removing the costs associated with street sweeping and public litter bin collection from the Waste Charge, excluding lifestyle properties from the Farm differential rate, increasing the Commercial, Industrial and Cultural & Recreational differential rates and reducing the Farm differential rate.

As a result the amount of rates and charges paid by some property owners will increase whilst other property owners will experience a decrease. A two year transition to introduce all the new rates has been proposed to reduce the impact on ratepayers, particularly higher valued properties in all categories. Details of the Proposed Rating Strategy 2014-2018 and the proposed 2014-2015 Annual Budget are available on Council's website www.southgippsland.vic.gov.au.

There are significant changes in the differential rates and charges for 2014-2015 relative to what was applied in 2013-2014. The following table summarises the major changes for the differential land categories:

Differential rate	2013-2014 Differential to the General Rate	2014-2015 Differential to the General Rate
General rate (applies to Residential Properties)	100%	100%
Industrial rate	100%	102.5%
Commercial rate	100%	102.5%
Farm rate	90%	80%
Vacant Land rate	150%	175%
Cultural and Recreational rate	40%	43.75%

The definition of Farm Land has also been revised so that it aligns with the Australian Valuation Property Classification codes. The objective of the revision was to only capture rateable properties which have primary production as its substantive use and exclude properties where primary production is secondary or incidental to the property uses (commonly referred to as lifestyle properties).

Council can raise a Municipal Charge to cover some of its administrative costs. The total revenue from the Municipal Charge must not exceed 20% of the sum total of the Council's total rate revenue from a municipal charge and total revenue from general rates. The Municipal Charge will be phased out over the next two financial years. For 2014-2015 it will be reduced from 20% to 10%.

The Waste Charges in past years included street sweeping and litter bin costs as well as the garbage and recycling services costs. In 2014-2015 Waste Charges will only be recovered for waste and recycling services across the Shire. Street sweeping and litter bin removal costs will be shared across all rating categories. The review and readjustment of Waste and Services Charges has resulted in a -16% reduction.

The Proposed Rating Strategy 2014-2018 document which is available on Council's website contains detailed discussion on this matter.

The following table summarises the differential rates for the 2014-2015 year.

Type or class of land	2013-2014 cents / \$CIV	2014-2015 cents / \$CIV	Change
General rate	0.379739	0.452857	19.25%
General rate for rateable industrial properties	0.379739	0.464179	22.24%
General rate for rateable commercial properties	0.379739	0.464179	22.24%
General rate for rateable farm properties	0.341765	0.362286	6.00%
General rate for rateable vacant land properties	0.569609	0.792500	39.13%
General rate for rateable cultural and recreational land properties	0.151896	0.198125	30.43%
General rate for rateable vacant restricted land properties	0.379739	0.000000	-100.00%

The following table summarises the municipal charge for the 2014-2015 year.

Type of Charge	Per Rateable property 2013-2014 \$	Per Rateable property 2014-2015 \$	Change
Municipal Charge	343.65	181.70	-47.13%

During the 2013-2014 year, a revaluation of all properties within the municipality was carried out and applied from 1 January 2014 for the 2014-2015 and 2015-2016 year. The outcome of the general revaluation for rateable properties has seen some changes in property valuations throughout the municipality. Overall, property valuations across the municipal district have increased by 2.5%. Of this increase, residential properties have increased on average by 2.7%, commercial by 4.05%, industrial by 3.2%, vacant land by 2.3%, farm by 0.24% and cultural and recreational land by 0.2%. There are significant variations from the average for some individual properties.

Implementation

Council is legislatively required to prepare and then adopt an Annual Budget.

The tabled budget document in **Appendix 1** is the 'proposed Budget' for the purposes of preparing a budget under Section 127 of the Local Government Act 1989.

The Budget follows the Best Practice Guidelines prepared by a working party consisting of Chartered Accountants, LG Pro, LG Financial Professionals and the Municipal Association of Victoria (MAV).

Council will be required to give 28 days notice of its intention to adopt the proposed Budget (**Appendix 1**) and make the Budget available for inspection at its offices. A person has the right to make a written submission on any proposal contained in the Budget and any written submission must be considered before the adoption of the Budget.

Submitters wishing to be heard in regard of their submission must indicate this request within their written submission. The closing date for submissions will be 28 May 2014.

The final step is for Council to adopt the 2014-2015 Budget after receiving and considering any submissions from interested parties. It is proposed to consider and determine submissions at a Special Meeting of Council to be held on 11 June 2014 commencing at 12.45pm in the Council Chambers Leongatha, and adopt the 2014-2015 Annual Budget at the Ordinary Council Meeting to be held on 25 June 2014.

Options

Council may endorse the Budget (**Appendix 1**) as presented or consider any final amendments, prior to the commencement of the public consultation program.

FINANCIAL CONSIDERATIONS

Council has a legislative requirement to comply with the following principles of sound financial management:

- Prudently manage financial risks relating to debt, assets and liabilities;
- Provide reasonable stability in the level of rate burden;
- Consider the financial effects of Council decisions on future generations; and
- Provide full, accurate and timely disclosure of financial information.

A key component of sound financial management is the preparation of an Annual Budget within a longer-term business framework. An Annual Budget

that considers the longer-term financial ramifications is a good business management practice.

For the 2014-2015 financial year, the proposed:

- Operating expenditure (including depreciation) will be \$56.31 million;
- Capital expenditure will be \$14.04 million;
- Total debt redemption will be \$0.51 million;
- Total cash outflows will be \$60.00 million;
- Total cash inflows will be \$60.52 million;
- Cash at end of financial year will be \$9.60 million;
- Increase in rates & charges will be 4.13%; 5.50% general rates, (-16.0%) waste services; and
- Rate and charges income will be \$35.56 million.

The financial integrity of the 2014-2015 Budget and Long Term Financial Plan has been validated by a series of financial performance indicators.

RISKS

Council has legislated time constraints and specific responsibilities set out in the Local Government Act 1989 (Act) for preparing an Annual Budget. The Council must adopt the Budget by 31 August 2014. 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. Endorsing the Budget and commencing the formal public consultation process will work towards ensuring the required legislative timelines and requirements can be met.

Further, under Section 136 of the Act, Council is required to manage financial risks prudently, having regard to economic circumstances and ensure that decisions are made and actions are taken having regard to their financial effects on future generations.

CONCLUSION

The 2014-2015 budgeted financial statements are financially responsible and sustainable.

The Budget (**Appendix 1**) is presented to Council for endorsement prior to commencing a formal public consultation review that will close on 28 May 2014. It is recommended submissions be heard, considered and decided at a Special Meeting of Council on 11 June 2014 commencing at 12.45pm in the Council Chambers, Leongatha.

RECOMMENDATION

That Council:

1. Endorse the proposed 2014-2015 Budget incorporating the Long Term Financial Plan, contained in Appendix 1, under Section 127 of the Local Government Act 1989;
2. Give public notice of the proposed 2014-2015 Budget in accordance with Section 129 of the Local Government Act 1989 and commence a Section 223 Public Consultation process seeking written submissions from the community on the proposed 2014-2015 Budget by close of business on Wednesday 28 May 2014;
3. Fix the time, date and place for hearing persons who wish to be heard in support of their submissions, and consider and determine the submissions for inclusion in the final 2014-2015 Budget on 11 June 2014 commencing at 12.45 pm in the Council Chambers, Leongatha, as a co-joined Special Meeting of Council with the Proposed Rating Strategy 2014-2018 and
4. Require the final 2014-2015 Budget be presented to Council for adoption at a Council Meeting on 25 June 2014.

STAFF DISCLOSURE OF INTEREST

Nil

MOVED: Cr Fawcett

SECONDED: Cr Davies

THAT COUNCIL:

- 1. ENDORSE THE PROPOSED 2014-2015 BUDGET INCORPORATING THE LONG TERM FINANCIAL PLAN, CONTAINED IN APPENDIX 1, UNDER SECTION 127 OF THE LOCAL GOVERNMENT ACT 1989;**
- 2. GIVE PUBLIC NOTICE OF THE PROPOSED 2014-2015 BUDGET IN ACCORDANCE WITH SECTION 129 OF THE LOCAL GOVERNMENT ACT 1989 AND COMMENCE A SECTION 223 PUBLIC CONSULTATION PROCESS SEEKING WRITTEN SUBMISSIONS FROM THE COMMUNITY ON THE PROPOSED 2014-2015 BUDGET BY CLOSE OF BUSINESS ON WEDNESDAY 28 MAY 2014;**
- 3. FIX THE TIME, DATE AND PLACE FOR HEARING PERSONS WHO WISH TO BE HEARD IN SUPPORT OF THEIR SUBMISSIONS, AND CONSIDER AND DETERMINE THE SUBMISSIONS FOR INCLUSION IN THE FINAL 2014-2015 BUDGET ON 11 JUNE 2014 COMMENCING AT 12.45 PM IN THE COUNCIL CHAMBERS, LEONGATHA, AS A CO-JOINED SPECIAL MEETING OF COUNCIL WITH THE PROPOSED RATING STRATEGY 2014-2018; AND**
- 4. REQUIRE THE FINAL 2014-2015 BUDGET BE PRESENTED TO COUNCIL FOR ADOPTION AT A COUNCIL MEETING ON 25 JUNE 2014.**

CARRIED

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

Against: Cr McEwen

E.7 REVIEW OF GENERAL LOCAL LAW NO. 1 AND NO. 2

Development Services Directorate

EXECUTIVE SUMMARY

Council has reviewed General Local Law No. 1 (Local Law 1) and Local Law No. 2 Payment of Fees (Local Law 2). Local Law 1 regulates livestock, streets and roads, community activities and activities in municipal places. Local Law 2 relates to enforcing the recovery of fees and alleviation of fees. The review was undertaken as these laws sunset in 2015.

A proposed General Local Law 2014 was developed for public consultation. It was proposed that Local Law 2 was deleted as it overlaps/duplicates requirements from the Act and was therefore unnecessary. Council resolved at its meeting on 27 November 2013 to place the proposed General Local Law 2014 on public exhibition until 7 February 2014. Council also resolved to appoint Wednesday 19 February 2014 as the date to hear persons speak to their submissions regarding the proposed General Local Law 2014 and appointed those Councillors present at the Briefing to hear submissions.

Council received 18 submissions from members of the public regarding the proposed General Local Law 2014. One member of the public presented their submission to Council on 19 February 2014. As a result of the consultation process some minor amendments have been made to the proposed General Local Law 2014 and are discussed in detail as part of this report

It is recommended that Council adopt the proposed General Local Law 2014 (see **Appendix 1**) and the proposed Waste Management Services Procedures 2014 (see **Attachment 1**).

Document/s pertaining to this Council Report

- **Attachment 1** – Waste Management Services Procedures 2014
- **Attachment 2** – Summary of public submissions and recommendations
- **Appendix 1** - General Local Law 2014

A copy of **Appendix 1 - General Local Law 1** 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
- Domestic Animals Act 1994

INTERNAL POLICIES / STRATEGIES / DOCUMENTS

General Local Law No. 1 and Local Law No. 2 - Payment of Fees

COUNCIL PLAN

Outcome:	4.0	A Leading Organisation
Objective:	4.2	Pursue best practice in organisational development and operations of the organisation
Strategy:	4.2.3	We will make informed decisions and provide opportunities for the community to participate in the decision making process

CONSULTATION

Council was briefed on the review of the General Local Law No. 1 2005 and General Local Law No. 2 Payment of Fees 2005 on 5 June 2013, 2 October 2013, 16 October 2013 and 5 March 2014. A report was provided to Council on 27 November 2013 recommending placing the proposed General Local Law 2014 on public exhibition.

A public consultation process was undertaken in accordance with section 223 of the Local Government 1989 (the Act) which included a public submissions hearing to Council on 19 February 2014. Consultation has also been undertaken with internal staff and management that provide services around Council's local laws.

REPORT

Background

Council appointed Macquarie Local Government Lawyers to undertake a review of General Local Law No. 1 (Local Law 1) and Local Law No. 2 Payment of Fees (Local Law 2). The review was undertaken as these local laws sunset in 2015. As part of the review these local laws were to be consolidated into a single local law. Local Law 1 regulates livestock, streets and roads, community activities and activities in municipal places. Local Law 2 relates to enforcing the recovery of fees and alleviation of fees.

A proposed General Local Law 2014 was developed in accordance with Part 5 of the Act and the Victorian Government's "Guidelines for Local Laws Manual 2010" (the Guidelines). A Community Impact Statement was also developed in accordance with the Guidelines. Consideration was given to the following principles during the development of the draft Local Law:

1. Remove items that duplicate or overlap with State legislation;
2. Remove redundant items that no longer need to be regulated;
3. Remove administrative matters;
4. Combine local laws where possible; and
5. Strengthen local laws when necessary.

As a result the length of the proposed General Local Law 2014 (24 pages) is significantly less compared to the combined length of Local Law 1 and 2 (93 pages). It is proposed that Local Law 2 is deleted as it overlaps/duplicates requirements from the Act and is therefore unnecessary.

Proposed amendments that extend the scope of Council's local law are:

1. Provide powers to Council to direct property owners to maintain septic systems and, for systems that do not have a permit under the Environment Protection Act 1970, provide council with powers to direct property owners to have the septic tank cleaned and/or have the system inspected by a licensed plumber;
2. Extend the scope of the recreation vehicle (i.e. motorbikes, All Terrain Vehicles etc.) local law so that it is also an offence for an owner/occupier to permit a person to use recreational vehicles on their property in residential or rural living zone areas. Currently the requirement only applies to a person using the vehicle making the requirements difficult to enforce when a person under the age of 18 is committing the offence; and
3. Extend the scope of the offensive burning local law so that open air burning is prohibited without a permit in residential areas. The requirements would not apply to barbecues or manufactured fireplaces used for the purpose of outdoor heating.

Council resolved at its meeting on 27 November 2013 to place the proposed General Local Law 2014 on public exhibition until 7 February 2014. Council also resolved to appoint Wednesday 19 February 2014 as the date to hear persons speak to their submissions regarding the proposed General Local Law 2014 and appointed those Councillors present at the Briefing to hear submissions.

Discussion

Council received 18 submissions from members of the public regarding the proposed General Local Law 2014. One member of the public presented their submission to Council on 19 February 2014.

In summary the 18 submissions covered three proposed clauses in the Local Law. These submissions can be summarised as follows:

1. Clause 14 Open Air Burning: 6 submissions were received from the Country Fire Authority (CFA) local brigades concerned about the introduction of open air burning restrictions in townships. Concerns related to:
 - a. Community will expect the CFA to enforce the local law and therefore will direct complaints to 000 rather than Council increasing CFA's workload and response times. As CFA

- firefighters are volunteers, increased call outs may also affect volunteer/employer relationship and lead to less CFA volunteers;
- b. Council will have difficulty enforcing the requirements outside office hours; and
 - c. Increase fire load along road reserves due to "green waste dumping" if people are unable to burn off on their property.
2. Clause 15 Recreation Vehicles: 3 submissions were received from residents in Moyarra and Outtrim recommending that the permit requirements for the use of recreation vehicles on properties in townships and edge of townships be extended to the use of recreation vehicles in farming zone. Residents are concerned about noise pollution and land degradation caused by recreational use of motor bikes in farming zone.
 3. Clause 16 Camping: 9 submissions were received from Walkerville residents recommending that Council do not retain the current camping on vacant allotment requirements and that camping be prohibited on vacant allotments. Residents believe that Council is not adequately enforcing the current requirements and therefore camping should be banned on vacant allotments rather than continuing with the current requirements. Some residents are also concerned that camping is "devaluing" the surrounding houses and that camping on vacant allotments is unnecessary as there are camping grounds in the area.

The concerns raised in the submissions have been considered however it is proposed that clause 14, 15 and 16 remain unchanged. Reasons for this proposal are as follows:

1. Clause 14 Open Air Burning: CFA concerns relate to possible impacts on the CFA and possible increase of "green waste dumping". Council staff met with the CFA staff to discuss the implementation of the requirements. It was agreed that a public awareness campaign similar to that undertaken by Bass Coast Shire Council when it introduced open air burning restrictions would assist with raising awareness of which organisation to direct open air burning complaints to. Council provides an after hour service and therefore complaints can be lodged with Council outside office hours. A public awareness campaign would also cover "green waste dumping" (i.e. increased roadside fuel loads, penalties for dumping, where to take green waste, free green waste disposal, how to report green waste dumping, etc.).
2. Clause 15 Recreation Vehicles: Concerns regarding the use of recreation vehicles in farming zone generally relate to noise pollution. The Victorian Public Health and Wellbeing Act 2008 provides Council with powers to investigate nuisance complaints related to noise. Nuisance is defined under the Act as "dangerous or liable to be dangerous to health or offensive." Offensive means "noxious or injurious to personal comfort".

3. Clause 16 Camping: Current local laws permit camping on vacant allotments providing certain conditions are met. These conditions include camping occurring between 1 November and 1 May or school holidays, not more than one caravan or tent, sanitary facilities to be provided and water fit for human consumption to be supplied to the site. Concerns raised in the submissions generally relate to matters that clause 16 is trying to address. Council staff met with three of the Walkerville residents who made submissions to discuss clause 16. It was agreed during the meeting that a public awareness campaign and greater enforcement would address most of their concerns.

A list of the public submissions and proposed actions is detailed in **Attachment 2**.

Council's Waste Management team have requested some minor changes to the proposed General Local Law 2014 and proposed Waste Management Services Procedures 2014. It's proposed that these changes are incorporated into these documents. The changes are summarised as follows:

1. Change title of "Waste Collection Services Procedures" to "Waste Management Services Procedures";
2. Provide definition in the Local Law for Waste Collection Service;
3. For clause 19 of Local Law clarify that this requirement only applies to bins provided by Council; and
4. Waste Management Services Procedures:
 - a. Purpose has been shortened however still satisfactorily describes the purpose of the procedure;
 - b. Definitions has been moved to the Local Law and therefore this section has been deleted (see item 2 above);
 - c. Domestic waste requirements (clause 3) amended to clarify that hard waste awaiting collection can be stored on the nature strip; bins for collection must not be overloaded so that the lid does not shut and the term "waste hoppers" replaced with "bulk container". A requirement has been introduced for people visiting landfill/transfer stations to pay fees and comply with signage/staff direction (refer new clause). Old clause 5(4) has been deleted as it is considered onerous and unnecessary. It required occupiers of a property to comply with a number of requirements that are unreasonable and not likely to be complied with i.e. clean bin after each emptying, etc.

Proposal

It is proposed that Council adopt the proposed General Local Law 2014 and proposed Waste Management Services Procedures 2014.

FINANCIAL CONSIDERATIONS

There are no financial considerations in relation to adopting General Local Law 2014. The project is being delivered within the approved budget.

RISK FACTORS

Council's 2013/2014 Annual Plan requires a new local law to be adopted by 30 June 2014. Therefore if Council do not adopt the proposed General Local Law 2014 there is an increased risk that that Council will not be able to meet its own objective.

CONCLUSION

A proposed General Local Law 2014 has been developed that proposes to significantly reduce the content of the local law from 93 (combined length of local law 1 and 2) to 24 pages. A public consultation process for the proposed General Local Law 2014 was undertaken in accordance with section 223 of the Act which included a public submissions hearing to Council on 19 February 2014. It's proposed that Council adopt the proposed General Local Law 2014 and proposed Waste Management Services Procedures 2014.

RECOMMENDATION

That Council:

1. Adopt and make General Local Law 2014 (local law) which for the purpose of identification, is the local law attached to this decision;
2. Adopt the Waste Management Services Procedures 2014 incorporated by reference under the Local Law; and
3. Give notice in the Government Gazette and a public notice specifying:
 - a. the title of the Local Law;
 - b. the purpose and general purport of the Local Law; and
 - c. that a copy of the Local Law may be inspected at the Council Office.

STAFF DISCLOSURE OF INTEREST

Nil

MOVED: Cr Brunt

SECONDED: Cr Davies

THAT COUNCIL:

- 1. ADOPT AND MAKE GENERAL LOCAL LAW 2014 (LOCAL LAW) WHICH FOR THE PURPOSE OF IDENTIFICATION, IS THE LOCAL LAW ATTACHED TO THIS DECISION;**
- 2. ADOPT THE WASTE MANAGEMENT SERVICES PROCEDURES 2014 INCORPORATED BY REFERENCE UNDER THE LOCAL LAW; AND**
- 3. GIVE NOTICE IN THE GOVERNMENT GAZETTE AND A PUBLIC NOTICE SPECIFYING:**
 - a. THE TITLE OF THE LOCAL LAW;**
 - b. THE PURPOSE AND GENERAL PURPORT OF THE LOCAL LAW; AND**
 - c. THAT A COPY OF THE LOCAL LAW MAY BE INSPECTED AT THE COUNCIL OFFICE.**

Crs McEwen and Hill left the Meeting at 3.56pm.

Crs McEwen and Hill returned to the Meeting at 3.58pm.

CARRIED UNANIMOUSLY

Attachment 1

Waste Management Services Procedures 2014

Waste Management Services Procedures 2014

1. Introduction

The Waste Management Services Procedures (Procedures) are incorporated by reference into Council's General Local Law 2014.

2. Purpose

The purpose of these Procedures is to regulate the manner in which the South Gippsland community manages waste in the municipality.

3. Domestic Waste

- (1) This clause applies to the occupier of every dwelling or other property where the Council provides a domestic waste collection service.
- (2) In these Procedures, a "waste collection service" means a service by which waste or recyclable materials is/are removed by way of a scheduled collection service and may include a periodic service or event to remove green waste or hard waste.
- (3) All domestic waste must be placed in bins ready for collection in accordance with Council requirements and on the days from time to time specified by the Council.
- (4) Sub-clause (3) does not apply to material that is kept on the property in a manner which causes no nuisance to neighbours or kept on the property for collection in accordance with Council's Hard Waste Collection Service.
- (5) Any bin placed for collection must not:
 - (a) exceed 50 kilograms in weight; or
 - (b) be loaded so as to prevent the lid from closing fully.
- (6) Where the Council supplies or arranges the supply of bins, any domestic waste left for collection must be stored in the bin supplied unless it is material left for collection in the manner and at the times determined by the Council.
- (7) Non-recyclable material must not be deposited into a recycling bin or bin provided for the purposes of collecting recyclable material.
- (8) Recyclable material must be deposited into a recycling bin.
- (9) Bins must be placed on the verge of the vehicle crossing or Road abutting the property the night before the waste is to be collected or at an alternative location as permitted by Council.
- (10) The following material must not be placed in bins that are to be collected by the Council:
 - (a) slops, liquid waste or offensive material;

- (b) dirt, dust, or other matter from any vacuum cleaner, ashes, hair or other similar matter or moist refuse, unless it has been securely wrapped in paper or some other impermeable cover or container to prevent its escape;
 - (c) ashes or other like matter, unless they have been mixed with water to form a consistency of a stiff paste before being wrapped and placed in the bin;
 - (d) broken glass or other sharp objects, unless they are properly contained or wrapped in such a way as to render them harmless;
 - (e) oil, paint, solvents or similar substance or any other substance which may damage the bin or reduce its strength or effectiveness;
 - (f) disposable nappies, unless they have been cleaned of solids and securely wrapped in impervious material prior to being placed in the bin;
 - (g) trade wastes of any kind;
 - (h) green waste unless it is placed in a bin specifically for the collection of green waste;
 - (i) needles or syringes; or
 - (j) asbestos or other hazardous material.
- (11) If the Council has notified occupiers of a recycling or hard garbage collection, any material to be recycled and the hard garbage to be collected must be left for collection in accordance with the Council's instructions.
- (12) Once the waste has been collected by the Council, the empty bins must be returned to the property as soon as practicable, and any waste spilled onto the Road during collection must be immediately reported to the Council.
- (13) Bins must be maintained in a clean and tidy manner so as not to cause any nuisance to any person.

4. Trade Waste and Bulk Containers (including recycling bins)

- (1) An occupier of property who arranges for the collection of trade waste or for the placement of a bulk container or recycling bin must comply with this clause.
- (2) Bulk containers or bins used for the collection and storage of trade waste must:
- (a) be constructed of approved impervious material to prevent leakage, absorption or accumulation of any refuse or rubbish that may be deposited in it; and
 - (b) be water-tight, fly and vermin proof; and
 - (c) contain a removable drainage plug for the purpose of cleaning; and
 - (d) be fitted with a fly and vermin proof lid with overlapping flanges which must be kept continuously closed when not in use.
- (3) Bulk containers or bins must be emptied at a frequency that ensures they do not overflow or the material contain becomes offensive.

Attachment 1

Waste Management Services Procedures 2014

(4) Every bulk container or recycling bin used for the collection of waste or recyclable material must display a notice indicating the type of waste or material which is permitted and stating that it is an offence to deposit any material contrary to the notice.

(5) A person must not place any waste or material in a trade waste bin, bulk container or recycling bin, contrary to the notice on it.

5. Landfill and Transfer Stations

(1) All visitors to Council landfills or waste transfer stations must comply with all signage and directions given by site staff.

(2) Customers must pay all applicable fees.

6. Compliance

It is an offence under the Local Law for a person to refuse or fail to comply with the Procedures.

Attachment 2

Summary of public submissions and recommendations

Summary of Public Submissions and Recommendations

NAME OF PERSON MAKING SUBMISSION	ISSUES	COMMENTS
1. Korumburra Fire Brigade	<ul style="list-style-type: none"> - Clause 14 - Concerns that the community will expect the brigade members to police the new law and we have no authority under the Act to do this unless the fire occurs during Fire Restrictions or on a Total Fire Ban Day. - Concerns that council will not have a local laws officer available to enforce this law 7 days a week. - Concerns that this local law will increase calls from the public to 000 therefore increasing our brigade's turnouts and wasting our volunteer's time. - Expected increase of green waste dumping therefore increasing fuel loads and fire risk. 	<p>There is no opposition to the intent of the provision.</p> <p>Rather, the concern relates to possible adverse consequences if the provision is adopted by Council.</p> <p>Council can alleviate the concerns by undertaking a community awareness program and having appropriate resources to enforce the provision.</p>
2. Coral and Lindsay Striton Walkerville residents	<ul style="list-style-type: none"> - Residents in camping ground concerned about the retention of the local law allowing for camping on vacant blocks - Concerns as to the inability of Council to enforce fire bans in the Shire and enforce the requirement of a permit. 	<p>Council is proposing to retain the existing provision.</p> <p>Council can alleviate the concerns by undertaking a community awareness program and having appropriate resources to enforce the provision.</p>
3. Burke Brandon. Member of Korumburra Landcare Group	<ul style="list-style-type: none"> - Seeking a restriction of the use of recreational motor vehicles in the farming zone (clause 15(2)) - Concerns that the use of such vehicles and the noise which they emit in the vicinity of these farming zones is damaging to their business and personal 	<p>The proposed local law does not extend the provision to land zoned Farming.</p> <p>Council could adopt the provision as is and rely on the nuisance provisions of the <i>Public Health & Welfare Act 2008</i> to investigate and prosecute future noise complaints concerning the use of recreational vehicles on</p>

	<p>amenity.</p> <p>Seeking inclusion of 'farming zone' as an area of private land that a person must not use a recreational vehicle for non-commercial purposes, irrespective of the size of the land, as this type of noise can travel a long distance.</p>	<p>farming land.</p> <p>If Council is supportive of extending the provision to farming land, potentially affected persons should be identified (relevant land owners and off-road motor cycle groups from within the municipality) and informally consulted.</p> <p>It is unnecessary to recommence the statutory process or give a further public notice.</p>
<p>4. South Gippsland Group of Fire Brigades</p>	<p>South Gippsland Shire is endeavouring to pass a by-law which would prohibit residents from burning off in Townships. Concerns about this by-law being introduced, as it may increase workload in responding to smoke sightings within townships.</p>	<p>Same comments as for 1</p>
<p>5. Len Wyhoon Loch and District Fire Brigade</p>	<p>Regarding the proposal to prohibit burning off in townships without a permit.</p> <p>Concerns of increased fire calls for already over worked volunteers across the shire, called in by neighbours or others. Responding to these calls will effect volunteer and employer relations, as well as create conflict between responding brigades and the community that they so greatly need support from.</p> <p>CFA brigades are not required to enforce council bylaws and will have the need to call through the system, the local laws officer. A process that is both time consuming and frequently frustrating as it is now when the need for local law officers occur.</p> <p>CFA response will become costly to the</p>	<p>Same comments as for 1</p>

Attachment 2

Summary of public submissions and recommendations

	<p>community, both financially and people hours. We are concerned that this will inevitably affect volunteer numbers making themselves available to respond. Brigades already are low on numbers responding to what will become to them, nuisance calls, we fear that employers and members will become increasingly hesitant to allow or respond to calls. Effecting response when members are really needed.</p> <p>The amendment will increase the cost to the community with regards to policing illegal dumping of waste on road sides, which will also increase fire hazards.</p> <p>The brigade will not support nor has the CFA the power to enforce this amendment and can see no positive benefits of implementing such an amendment.</p>	
<p>6. Rob Nyhuis Mirboo North Fire Brigade</p>	<p>Regarding the proposed band to burning off within townships. Excessive strains on the human resources of the Brigade with an inability to meet each call out. Concerns as to the inevitable dumping of green waste on the side road and in parks.</p>	<p>Same comments as for 1</p>
<p>7. Jill and George Boziris Walkerville residents</p>	<p>Opposition to the retention of the LL that allows camping or a caravan on vacant land (Clause 16). Concerns that the retention of the LL is contradictory to the general objective of providing a safe and healthy environment in which the residents of the district enjoy</p>	<p>Same comments as for 2</p>

<p>9. Kaye and Ross Mckinnon Walkerville land owners</p>	<p>ban across all zones, or the strictest permit system that puts the onus squarely on the recreational bike users to get agreement from neighbours, provides oversights on land degradation and rehabilitation, monitors noise, and provides rigorous and consistent enforcement. - As per number 7.</p>	<p>Same comments as for 2.</p>
<p>10. Kylie Drayton & Christopher Geiretzen Walkerville land owners</p>	<p>- As per number 7.</p>	<p>Same comments as for 2.</p>
<p>11. Ian and Patricia Richards Outtrim residents</p>	<p>- As per number 8.</p>	<p>Same comments as for 3.</p>
<p>12. Alan and Marianne Potter Walkerville land owners</p>	<p>- As per number 7.</p>	<p>Same comments as for 2.</p>

	<p>a quality of life that meets the general expectations of the community.</p> <p>Concerns as to the lack of appropriate sanitation facilities on these vacant land sites.</p> <p>Concerns as to the lack of a water supply on these sites.</p> <p>Concerns as to the inappropriate disposal of rubbish.</p> <p>Concerns relating to the additional impact of noise and campfire smoke from an increased number of campers, dogs and vehicles in an environmentally sensitive area.</p> <p>Vacant land is not being kept clean at all times.</p> <p>Concerns that non-residents are avoiding the costs associated with the maintenance of an effective septic and water system</p> <p>Concerns as to why campers are camping in the residential area when the camping site is a mere 2 kilometres away.</p> <p>Council is unable to monitor vacant land and does not take the matter seriously enough to provide for a monitoring service.</p>	
<p>B. Nick Stevens & Jillian Durance Moyarra resident</p>	<ul style="list-style-type: none"> - Clause 15 (recreational vehicles) - Concerns as to noise and land degradation. - Recreational bike activity is currently permitted in the Farming Zone. But it is NOT a farming activity. Indeed it is disturbing to many farming practises. - Argued that what is needed is a simple 	<p>Same comments as for 3</p>

<p>13. Joyce and Peter Sivhela Walkerville land owners</p>	<p>As per number 7.</p>	<p>Same comments as for 2</p>
<p>14. Val Latham Walkerville land owner</p>	<ul style="list-style-type: none"> - Concerns mirror those in number 7 - The blatant disregard of 1 caravan or tent per block - Smoke detectors impossible to monitor. - No water supplied to blocks. - Sanitary conveniences and discharge questionable. - Rubbish and "lean to" buildings on blocks. - Devaluing the surrounding houses, many which are very expensive homes. - Fire prevention. 	<p>Same comments as for 2</p>
<p>15. Barbara Ford Walkerville land owner</p>	<ul style="list-style-type: none"> - Concerns regarding the inability and lack of enthusiasm of Council in enforcing its local laws with respect of; - A maximum of one tent or one caravan is permitted on private vacant land at any time. - Any caravan must be fitted with a smoke detector. - Any tent or caravan must be in good working order and in a good state of repair. - Water must be supplied to the site and be fit for human consumption. - An adequate number of sanitary conveniences must be provided on site. - All sewerage and wastewater generated on site must be discharged to a system capable 	<p>Same comments as for 2</p>

<p>16. Wayne Walker Leongatha-Korumbourra CFA</p>	<ul style="list-style-type: none"> - A vermin proof rubbish bin with a tight fitting lid must be provided - The site must be kept in a clean and sanitary manner at all times - Any tent or caravan must be located at least three metres from any property boundary - Major concerns as to camp fire related fires in the PVE. <p>- As per number 1.</p>	<p>Same comments as for 1</p>
<p>17. Francis Morosoli Walkerville land owner</p>	<p>- As per number 7.</p>	<p>Same comments as for 2</p>
<p>18. Susan and Wilfred Fechner Walkerville land owner</p>	<p>- As per number 7.</p>	<p>Same comments as for 2</p>

E.8 BURRA FOODS AMENITY BUFFER CONTROL - PROPOSED PLANNING SCHEME AMENDMENT C99

Development Services Directorate

EXECUTIVE SUMMARY

Planning Scheme Amendment C99 proposes to introduce an Environmental Significance Overlay (ESO8 - Manufacture of Milk Products Amenity Buffer) to land surrounding Burra Foods' factory site at Station Street Korumburra (see **Attachment 1**). The buffer is based on odour modelling conducted by Burra Foods (see **Appendix 1**). The Amendment also makes corresponding changes to the Clause 21.15-2 'Korumburra' provisions in the Local Planning Policy Framework (see **Attachment 3**). Minor changes to the Korumburra Structure Plan July 2010 (a Planning Scheme 'Reference document') are also proposed - see **Attachment 4**.

Dairy factory operations can impact surrounding lands especially in relation to odour, noise and to a lesser extent dust and light. The objective of the ESO8 is to inform land owners and prospective purchasers that the Burra Foods factory is an ongoing operation and has the potential to affect the residential amenity of the surrounding area. Similar to the existing sewerage treatment plant buffers (ESO4) and the Airport Environs Overlay buffers, the ESO8 will identify the presence of a potential amenity concern, discourage the establishment of inappropriate sensitive land uses that may be incompatible with factory operations, and where practical, require buildings to be constructed using materials and techniques that minimise amenity impacts on occupants. Importantly, the ESO8 does not reduce Burra Foods' responsibility to meet all of its EPA licensing and other legislative requirements relating to factory impacts on surrounding lands.

Document/s pertaining to this Council Report

- **Attachment 1** - Locality Plan - Burra Foods and surrounds
- **Attachment 2** - Environmental Significance Overlay 8 'Manufacture of Milk Products Amenity Buffer' and ancillary Amendment provisions.
- **Attachment 3** - Proposed changes to Clause 21.15-2 'Korumburra' Local Planning Policy Framework provisions & new Referral provisions.
- **Attachment 4** - Korumburra Structure Plan July 2010 - proposed changes.
- **Attachment 5** - Poowong Local Planning Policy Framework map (with dairy and abattoir buffers) in the Planning Scheme.
- **Appendix 1** - GHD Report - 'Korumburra Milk Processing Plant Buffer Assessment - December 2013'.

A copy of **Appendix 1** is available on Council's website:
www.southgippsland.vic.gov.au or by contacting 5662 9200.

LEGISLATIVE / ACTION PLANS / STRATEGIES / POLICIES

- Planning and Environment Act 1987
- EPA Publication 1411 'Noise from Industry in Regional Victoria'

INTERNAL POLICIES / STRATEGIES / DOCUMENTS

- Korumburra Structure Plan - July 2010
- Economic Development & Tourist Strategy (draft) 2014

COUNCIL PLAN

Outcome:	1.0	A Prosperous Shire
Objective:	1.1	Work with the business community to support existing businesses, diversify employment opportunities and to attract new businesses.
Strategy:	1.3.1	We will actively engage businesses, farmers and industries and individuals in creating environmental sustainability.

CONSULTATION

The draft ESO8 Schedule provisions have been referred to the EPA and the Department of Transport, Planning and Local Infrastructure (DTPLI) for preliminary consideration.

The EPA support measures that seek to inform residents of potential factory amenity concerns, and by doing so, reduce the potential for conflict between residents and the factory operator. The EPA supports the use of the ESO as the appropriate planning tool to achieve this outcome.

DTPLI have provided feedback that the ESO is the appropriate planning tool to achieve the buffer objectives and have noted that the structure of the ESO provisions (permit requirements and exemptions) accord with the procedural drafting requirements for overlays. DTPLI will have the opportunity to provide more detailed comments on the merits of the ESO8 when authorisation to prepare Amendment C99 is sought.

Amendment C99 will undergo extensive public consultation following DTPLI's authorisation of the Amendment. Postal notification of the Amendment will be provided to the owners and occupiers of all lands affected by the Amendment.

REPORT

Background

Burra Foods occupies the former Murray Goulburn Cooperative (MGC) dairy factory site in Station Street Korumburra. The MGC factory was at one time the largest dairy factory in Australia before it ceased processing milk in the 1970's. The former factory was well known for its adverse noise and odour impacts on the surrounding area.

Burra Foods have been operating from the site since 1991. Starting small, the factory has grown in recent years and is now a prominent feature of the Korumburra landscape. The factory is the town's largest employer and a local cornerstone of the State's significant dairy industry.

Recent developments at the site have included a new evaporative cooling tower (milk dryer) and waste water management facility. The increased milk processing capacity provided by these capital improvements resulted in some adverse impacts on the surrounding area especially in relation to odour. These issues were mostly teething problems and have largely been resolved however not before negative community feedback was received by the company. The odour problems have mostly been addressed and it is uncommon for complaints to be made regarding the factory emitting odour.

Expanding factory operations at the site have also resulted in the generation of more noise. Dairy factories typically operate 24 hours a day and only stop operating for scheduled maintenance. This means that surrounding areas are exposed to constant background factory noise which can be punctuated by irregular louder noises from sources like vehicle/forklift reversing beepers. There are different tolerances around nuisance. On a quiet night, during some factory operations, the factory may be heard up to 1km away. Noise monitoring conducted by Burra Foods indicates that the factory generally complies with the EPA noise requirements for non-metropolitan areas - EPA Publication 1411.

Factory processes also involve the venting of steam. The steam clouds can be large and have resulted in false alarm fire calls being made. The steam clouds are not related to odour release but do add an additional element to the industrial environment and appearance of the site.

Korumburra Structure Plan and Amenity Buffer Issues

The Korumburra Structure Plan was adopted by Council in July 2010. The Structure Plan map (see **Attachment 4**) identifies the Station Street industrial area and surrounding residential land. Critically the Plan identifies the potential for the adjoining Low Density Residential Zoned land (east of the factory) to be rezoned for general residential use. If this were to occur it would increase the number of people living in close proximity to the factory. This land is low lying and prevailing winds expose it to noise and odour. The Structure Plan was completed prior to the most recent factory upgrades which have resulted in community complaints about odour.

The key elements of the Structure Plan were implemented into the Planning Scheme by Amendment C70. Burra Foods made a submission to the Amendment expressing concern that allowing more intensive residential development near the factory could result in more conflict between landowners and the factory.

The impact of land uses with 'Adverse amenity potential' (e.g. factories, abattoirs, landfills, mining etc.) on surrounding 'Sensitive land uses' (e.g. dwellings, schools, hospitals, child care etc.) is a complex area of planning practice and law. In summary, when assessing a new use with adverse amenity potential, Council is required to consider specified buffer distances to sensitive land uses based on the type of use proposed. The larger, more dangerous or annoying the use, the further it should be located from an existing sensitive land use. The recommended buffer for a new 'Manufacture of milk products' facility is 300m. If the buffer is not achievable a planning permit for the proposed use/development may not be appropriate.

While the buffer provisions for a new industrial use is clear, the planning system is less clear when it relates to the encroachment of sensitive land uses towards an existing use that may cause problems with amenity. That is, the planning system is less clear when an existing use is there in the first place and sensitive uses grow towards it - such as the situation with Burra Foods. This problem is commonly referred to as the 'reverse buffer' issue. The best way to explain this effect is to use Essendon Airport as an example. The airport is a long established use however residential development has sprawled incrementally into the surrounding area, and after a time there have been community calls to close the airport. Essendon airport (like Burra Foods) has existing use rights, however incremental pressure from surrounding land uses can, over time, endanger the continued viability of the longer established use. The planning system has sought to respond to the airport issue by applying the Airport Environs Overlay. This overlay does not address established problems (they have no retrospective powers) however its primary benefit is to alert people that are considering moving into the area that a potentially annoying use is nearby and its impact should be considered before buying land. The recommended approach for Burra Foods is similar to that used by the Planning System to deal with the 'reverse buffer' issue with Essendon Airport.

The Amendment C70 Independent Planning Panel heard arguments in relation to this matter and recommended changes to the Clause 21 'Korumburra' provisions to include the following strategy and action:

- *Consider the potential adverse amenity impacts of the milk manufacturing operations in the Station Street Industrial Area on rezoning proposals that allow, or intensify, the establishment of sensitive land uses in the immediate area surrounding the manufacturing operations.*
- *Investigate the implementation of a planning policy to assist long term management of the amenity interface issues between the*

Station Street milk manufacturing operations and surrounding residential areas.

These provisions were included in the Planning Scheme and form the strategic basis for Amendment C99.

In response to the amenity buffer issues highlighted by Amendment C70, the subsequently prepared Poowong Structure Plan mapped the reverse buffer for the Poowong Abattoir and UDP dairy factory. These buffers were included in the Planning Scheme (see **Attachment 5**) with the supporting recommendation of the Amendment C72 Independent Planning Panel. This is a precedent supporting the proposed changes to the Korumburra Framework Plan map as part of C99.

The Murray Goulburn Cooperative Leongatha factory does not benefit from any buffer controls. The Amendment provisions have been purposefully drafted in a generic manner and could (in the future) be applied to other dairy manufacturing operations if needed.

Discussion

Planning Scheme Overlays place a form of regulatory control on land and should not be applied without careful consideration. The application of the proposed Environmental Significance Overlay Schedule 8 (ESO8) over private land for the benefit of a privately owned company should not be done without careful consideration of the benefits of the control versus the costs of the control to the landowners. Furthermore, where a decision is taken to apply a new overlay, every practical measure should be taken to minimise the impact of the control on burdened landowners while still achieving the objectives of the overlay.

A legacy of past practices means that dairy factories are commonly located in urban areas and often found immediately adjoining long established residential areas. Burra Foods is typical of this situation and is adjoined by residential uses on three sides. Hypothetically, if the current site was vacant and it was proposed to develop a new dairy factory on the land, adjoining residents would be within their rights to object to the factory. Council would most likely prefer its relocation to a site where it complies with the minimum 300m buffer requirements of the planning system. This is not the case with Burra Foods as they have invested heavily in their current site and intend to invest further in the near future. If Council did not support continued investment in the current site, it would increase the risk of the factory leaving the area, putting at risk much needed jobs and production for the local economy.

Burra Foods currently employs approximately 130 people and they have plans to significantly increase this number in coming years. They are the largest employer in Korumburra and have an economic multiplier effect on the local economy that accounts for at least 100 additional jobs. Critically, the food processing industry is an economic sector where South Gippsland has competitive advantages and makes products with expected continued growth

in the future, especially given the growing demand for dairy products in North Asia. With the recent closure of numerous food processing factories across rural Australia (with resulting economic hardships) South Gippsland Shire should take all reasonable steps to support the retention and growth of its existing dairying and milk processing industries.

The reason for highlighting the importance of Burra Foods to Korumburra is to note that while Burra Foods is a privately owned profit making entity, its value to the local economy, where no other large employers exist, is significant. The economic and social costs of losing a dairy factory were made evident when the Bonlac dairy factory closed in Toora. To this end, protecting the key economic pillar of Korumburra means that the application of the proposed overlay (and related policy changes) is not simply seeking to protect the profits of a private company, but rather an action to assist the protection of the town's overall economic and social health.

How the ESO8 works and its impact

The Draft ESO8 (see **Attachment 2**) would operate in a similar manner to the ESO4 Sewerage Treatment Plan Buffer and the Airports Environs Overlay currently in the Planning Scheme. It would trigger the need for a planning permit for buildings and works in relation to sensitive land uses including accommodation (dwellings), childcare centre, education facility, hospital, office, place of assembly and retail. These uses are specifically identified because they are the types of uses most likely to be affected by noise, odour, dust and light pollution. All other forms of buildings and works would be exempt from requiring a permit. Additional exemptions from a planning permit are built into the provisions for non-habitable buildings associated with the above mentioned sensitive land uses.

The boundaries of the ESO8 have been determined by odour modelling in combination with application of the default 300m EPA noise buffer for dairy factories. The odour buffer is centred on the factory's waste water treatment plant while the noise buffer is centred from the drying tower. The different buffer origin points account for the irregular shape of the ESO8 when the two outer areas of the buffers are combined. How the buffer was derived is discussed in detail in the report by GHD for Burra Foods - 'Korumburra Milk Processing Plant Buffer Assessment - December 2013' - See **Appendix 1**. Extensive areas of the ESO8 affect land in the Farming Zone and the Public Park and Recreation Zone. The impact of the overlay on these lands is largely neutral however they should remain in the buffer because amenity buffer controls are traditionally applied without consideration to the zoning of land.

There are approximately 65 privately owned land holdings in the proposed ESO8 area. Approximately 55 of these landholdings are residential lots of which five are vacant. These figures indicate that the planning permit burden of the ESO8 will be low and limited to a small number of new dwellings, dwelling redevelopment and dwelling additions involving habitable rooms.

The benefit of the ESO8 permit trigger is that it allows conditions to be included in planning permits requiring construction methods be used to reduce potential amenity impacts. The most notable benefit is sound proofing. There are no mandatory construction requirements stipulated in the ESO8 and this allows Council discretion during permit assessment. Noise attenuation construction may be easy to justify near the factory however it may become less so upon increased distance from the factory, or if other buildings or physical features already form effective sound barriers to the factory. Some planning schemes have requirements for construction methods to reduce exposure to odour however the practical achievement of this in detached dwellings is difficult and not proposed as part of the overlay.

The ESO8 triggers the need for a planning permit to subdivide land. The subdivision permit trigger already exists in all of the zones affected by the ESO8 so no additional planning permits will be generated solely by the new overlay. The benefit of the ESO8 regarding subdivision is the requirement that a Section 173 Agreement be registered on each new lot created in a subdivision stating words to the effect of; "the land is located in an area potentially affected by existing and ongoing manufacture of milk products operations that may have amenity impacts on the land".

Recent state-wide changes to the Low Density Residential Zone (LDRZ) subdivision provisions have increased the subdivision potential of the LDRZ land adjoining the factory - see **Attachment 1**. Subject to the provision of reticulated sewer, an application can be made to subdivide the existing LDRZ lots down to 2,000sqm. This could significantly increase the number of dwellings in this area. The Section 173 Agreement will ensure that landowners who buy into the area (if new lots are created) have been provided every reasonable opportunity to inform themselves of the potential amenity issues in the area. The overlay also affects a small area of undeveloped Residential 1 Zone land. The Agreement requirements will also apply to this area. The overlay does not affect the land at 65 Korumburra Warragul Road which the landowner is currently in the process of rezoning (Amendment C96) from the Farming Zone to the Residential 1 Zone - see **Attachment 1**.

All planning permit applications triggered by the ESO8 will be referred to the EPA and Burra Foods for comment in accordance with the new referral provisions introduced by the Amendment - see **Attachment 2**. Both organisations are classified as 'Recommending authorities' which means their views are not legally binding and Council can choose to determine a planning permit application contrary to the recommendations of the EPA or Burra Foods. This is important because the critical discretionary decision-making powers remain with Council.

Local Planning Policy Changes

Amendment C99 also proposes changes to the Local Planning Policy Provisions for Korumburra (Clause 21.15-2 'Local Areas') see **Attachment 3**.

The origin of the existing Burra Foods provisions is discussed above in the 'Background' section of this report.

The Amendment proposes to update the 'Korumburra Framework Plan' map to display the outer boundary of the 'Dairy factory amenity buffer area'. This mapping is consistent with the buffer mapping recently introduced in the Poowong Framework Plan and provides a strategic planning link between the policy and the proposed ESO8.

The new Strategy in the Korumburra local policy states:

- *Consider the potential adverse amenity impacts of the 'manufacture of milk products' operations in the Station Street Industrial Area on rezoning proposals and sensitive land use, development & subdivision proposals applications that allow, or intensify, the establishment of sensitive land uses in the immediate area surrounding the manufacturing operations.*

The new policy provision discourages the rezoning of land near Burra Foods where the rezoning may intensify sensitive land uses near the factory. This element of the provision is important because the ESO8 only considers planning permit applications and not land rezoning. The provision can be used in decision-making separate to the existence of the ESO8 and is also a fall-back position should an Independent Planning Panel not support the introduction of the ESO8.

Korumburra Structure Plan - Proposed Changes

As noted above, the Korumburra Structure Plan presently supports the rezoning of land immediately adjoining Burra Foods to the Residential 1 Zone. This land is impacted from noise, odour and light more than most other land surrounding the factory.

The Structure Plan is a 'Reference document' in the Planning Scheme and it is poor practice to have planning documents providing contradictory directions. To address this conflict it is proposed to amend the Structure Plan in relation to the future directions for the Low Density Residential Zone land adjoining Burra Foods. The change is limited to the recommendations for Area K (existing Low Density Residential zoned land - see **Attachment 4**) east of Burra Foods. The 'Comments' box will be changed from stating "Rezone to facilitate urban residential development" to "Discourage the rezoning of land that could facilitate the establishment of more intensive forms of sensitive land use near the manufacture of milk products facility". The Structure Plan will also be updated to include the buffer area map notation in the 'Korumburra Local Level Structure Plan' map.

There are seven lots in Area K - three containing dwellings and four vacant. The proposed change to the Structure Plan will reduce the residential development potential of the area however none of the proposed changes will affect the ability of landowners to apply for a dwelling on their vacant land. The Structure Plan changes do not form an official part of Amendment C99

however it is important that the affected landowners are informed of the change. Additional explanatory notice will be provided to these landowners setting out how the changes will affect their development rights. The changes to the Structure Plan should be adopted by Council either prior to or at the same time as the adoption of Amendment C99.

Options

Options available for Council to consider are:

Option 1 - No Action

Council can choose to take no actions and retain the Korumburra Structure Plan's current support for higher density residential rezoning close to and adjoining Burra Foods. The development intentions of the surrounding landowners is unknown, however this option presents the risk that the Structure Plan's directions could result in placing more people in the area most directly impacted by factory operations. This outcome is not conducive to the orderly planning of the area or the long term retention of Burra Foods in its current location.

Option 2 - Changes to the Local Planning Policy Framework only

Should Council form the view that the application of the ESO8 is an excessive burden on landowners the option exists to limit the Amendment to changes to the Local Planning Policy Framework and not pursue application of the overlay. This will achieve some of the sought after outcomes (e.g. mapping the buffer area in the Clause 21.15-2 'Korumburra' Framework Plan map) however this approach would not result in landowners being made aware of the factory interface issues when purchasing land. Most people do not investigate planning policies when purchasing land and rely on the vendor's statement which sets out the zoning and overlay controls on land. If the ESO8 is not applied, land purchasers would only become aware of the buffer issue when applying for a planning permit or seeking to rezone land. The 'policy only' approach (combined with changes to the Structure Plan) is better than taking no action, however it is considered to be only a half-step in terms of effective protection of residential amenity and long term factory protection. If an Independent Planning Panel forms the view that the ESO8 is excessive the policy provisions can still be effective however it is recommended that Council proceed with the ESO8 and start the Amendment from the point of the most comprehensive suite of planning controls.

Option 3 - Change the LPPF and apply the ES08.

The recommended option is to make changes to the local planning policy framework and apply the ES08.

Proposal

It is proposed to seek authorisation to prepare Planning Scheme Amendment C99 and exhibit the Amendment along with corresponding changes to the Korumburra Structure Plan - July 2010.

FINANCIAL CONSIDERATIONS

Burra Foods have paid the statutory fee to lodge the amendment request and have provided written confirmation that they will pay the remaining statutory fees as well as the costs associated with the appointment of the Independent Planning Panel - should a Panel be required. Financial impacts of the Amendment are limited to Council officer time to process the Amendment through to its completion.

RISKS

Burra Foods is the proponent for Amendment C99. The risks associated with the Amendment not being approved lay primarily with Burra Foods, notwithstanding the longer term economic risk to continued factory operations.

CONCLUSION

Burra Foods is an expanding factory operation situated adjoining residential areas and near other sensitive land uses in Korumburra. The existing operation and its growth potential make it a significant business not only for Korumburra, but the municipality as a whole.

Burra Foods is legally required to operate its factory in accordance with its EPA licensing requirements and this involves minimising its impact on surrounding land uses. Burra Foods has reduced its impact on surrounding areas in recent times (especially in relation to odour) however it's the nature of the dairy processing industry that it is not always possible to guarantee that impacts on the surrounding lands will not occur.

Planning Scheme Amendment C99 identifies the land most likely to be affected by factory operations and introduces planning controls for the primary purpose of alerting people to the potential for amenity impacts from factory operations and to encourage buildings to be developed in a manner that minimises amenity impacts on occupants. The Amendment provisions balance the rights of landowner to develop their land while seeking to ensure that unplanned incremental residential development does not over time endanger the continued operation or future appropriate expansion of Burra Foods.

RECOMMENDATION

That Council:

1. Seek authorisation from the Minister for Planning to prepare Planning Scheme Amendment C99 in accordance with the draft planning scheme provisions in Attachment 2 and 3.
2. Exhibit Planning Scheme Amendment C99 in accordance with the procedural requirements of the Planning and Environment Act 1987 and Council's Communication and Consultation Policy.
3. Exhibit the proposed changes to the Korumburra Structure Plan July 2010 (as detailed in Attachment 4) and provide postal notification of the changes to all parties that receive notice of Amendment C99.
4. Following the completion of the public exhibition period, request that the Minister for Planning appoint an Independent Planning Panel to consider all submissions to Amendment C99 that cannot be resolved by negotiation between the Amendment Proponent (Burra Foods), Council and the submitter(s).

STAFF DISCLOSURE OF INTEREST

Nil

MOVED: Cr Hutchinson-Brooks SECONDED: Cr McEwen

THAT COUNCIL:

- 1. SEEK AUTHORISATION FROM THE MINISTER FOR PLANNING TO PREPARE PLANNING SCHEME AMENDMENT C99 IN ACCORDANCE WITH THE DRAFT PLANNING SCHEME PROVISIONS IN ATTACHMENT 2 AND 3.**
- 2. EXHIBIT PLANNING SCHEME AMENDMENT C99 IN ACCORDANCE WITH THE PROCEDURAL REQUIREMENTS OF THE PLANNING AND ENVIRONMENT ACT 1987 AND COUNCIL'S COMMUNICATION AND CONSULTATION POLICY.**
- 3. EXHIBIT THE PROPOSED CHANGES TO THE KORUMBURRA STRUCTURE PLAN JULY 2010 (AS DETAILED IN ATTACHMENT 4) AND PROVIDE POSTAL NOTIFICATION OF THE CHANGES TO ALL PARTIES THAT RECEIVE NOTICE OF AMENDMENT C99.**
- 4. FOLLOWING THE COMPLETION OF THE PUBLIC EXHIBITION PERIOD, REQUEST THAT THE MINISTER FOR PLANNING APPOINT AN INDEPENDENT PLANNING PANEL TO CONSIDER ALL SUBMISSIONS TO AMENDMENT C99 THAT CANNOT BE RESOLVED BY NEGOTIATION BETWEEN THE AMENDMENT PROPONENT (BURRA FOODS), COUNCIL AND THE SUBMITTER(S).**

Cr Davies left the Meeting at 4.00pm.

Cr Davies returned to the Meeting at 4.01pm.

CARRIED UNANIMOUSLY

Attachment 1 Locality Plan - Burra Foods and surrounds

Locality Plan – Burra Foods and surrounds.



Existing Planning Scheme zoning in the Burra Foods locality

Attachment 2

Environmental Significance Overlay 8 'Manufacture of Milk Products Amenity Buffer' and ancillary Amendment provisions

SOUTH GIPPSLAND PLANNING SCHEME

$\frac{1}{c-1}/2014$

SCHEDULE 8 TO THE ENVIRONMENTAL SIGNIFICANCE OVERLAY

Shown on the planning scheme map as ESO8

MANUFACTURE OF MILK PRODUCTS AMENITY BUFFER

1.0

$\frac{1}{c-1}/2014$

Statement of environmental significance

South Gippsland Shire contains some of the most productive dairy farming land in the nation. Milk processed in the Shire is exported globally and is a major contributor to the Victorian economy. Global demand for milk protein means that demand for milk products is expected to grow, underpinning the viability and expansion of local 'manufacture of milk products' facilities (milk factories) into the future.

A legacy of past practice means that milk factories are typically located in close proximity to residential areas and other sensitive land uses. This can create amenity conflicts from factory generated noise, odour and light impacts on surrounding land.

The ESO amenity buffer identifies the area most likely to be affected by factory operations. The control ensures that planning permit applications for sensitive land uses are assessed with consideration to potential factory impacts on surrounding lands and potential impacts on the factory from encroachment / intensification of sensitive uses near the factory. The ESO identifies areas subject to pre-existing factory impacts that will continue, and could intensify over time.

The ESO does not affect a landowner's right to apply to use and develop a single dwelling on an existing lot in a residential zone in the buffer. The presence of the buffer does not reduce the responsibility on a factory to comply with relevant environmental standards and licensing requirements.

2.0

$\frac{1}{c-1}/2014$

Environmental objective to be achieved

To inform landowners and land purchasers that the areas surrounding a manufacture of milk products facility may be exposed to amenity impacts resulting from existing and ongoing factory operations.

To protect a manufacture of milk products facility from the incremental encroachments of sensitive land uses that may endanger the commercial operations of the facility.

To discourage the subdivision of land for sensitive land uses that will result in an increase in the number of people likely to be exposed to amenity impacts from the operation of a manufacture of milk products facility.

To assist in shielding people from the impact of noise, odour and light by requiring appropriate attenuation measures in new dwellings and other sensitive use buildings.

3.0

$\frac{1}{c-1}/2014$

Permit requirement

A permit is not required to construct a building or construct or carry out works except in relation to the use of land for accommodation¹, childcare, education, hospital, office, place of assembly and retail purpose. This does not apply (no permit required) to the following buildings and works in relation to these uses:

- Non-habitable outbuildings.
- External alterations to a building that do not increase in the internal floor area of a building.

SOUTH GIPPSLAND PLANNING SCHEME

- Fencing, advertising signage and domestic services normal to a dwelling.
- Earthworks, landscaping, gardening.

A permit is not required under this overlay to remove, destroy or lop vegetation.

Mandatory permit requirements for subdivision

A planning permit for the subdivision of land which creates an additional lot must include a condition requiring the landowner register a section 173 Agreement on all new titles in the subdivision identifying that the land is located in an area potentially affected by existing and ongoing manufacture of milk products operations that may have amenity impacts on the land.

This requirement does not apply to the subdivision of land by a public land manager or utility service provider, providing the subdivision is not to facilitate the establishment of a sensitive use on the land.

Permit requirement explanatory note

Accommodation¹. Accommodation is 'Land used to accommodate persons' and includes Camping and caravan park, Corrective institution, Dependent person's unit, **Dwelling**, Group accommodation, Host farm, Residential building, Residential village and Retirement village.

4.0 Application requirements

 / /2014

An application must include building design, layout and landscaping details demonstrating how the building will minimise the impact of noise, odour and light pollution on the proposed sensitive land use.

Applications to subdivide land must include noise measurements, at various times across the 24 hour period, and reported by a suitably qualified acoustic engineer.

The application requirements can be reduced or set-aside if in the opinion of the responsible authority and referral agencies the requirements are unnecessary to appropriately consider the application.

5.0 Referral of applications

 / /2014

An application must be referred in accordance with Section 55 of the Act to the referral authority specified in Clause 66.04 or a schedule to that clause unless in the opinion of the responsible authority the proposal satisfies requirements or conditions previously agreed in writing between the responsible authority and the referral authority.

6.0 Decision guidelines

 / /2014

Before deciding on an application, the responsible authority must consider:

- The objectives of the overlay.
- The views of the Environment Protection Authority of Victoria and the manufacture of milk products company.
- Whether the proposal is compatible with the current operations, or an approved development plan / master plan, for the manufacture of milk products facility.

SOUTH GIPPSLAND PLANNING SCHEME

- Whether the design of the building incorporates appropriate noise, odour and light pollution attenuation measures.
- The distance of the application site from the manufacture of milk products facility and corresponding impact of the facility on the sensitive land use.

7.0 Reference documents

 /2014 GHD Burra Foods Pty Ltd Buffer Assessment December 2013

SOUTH GIPPSLAND PLANNING SCHEME

 / /2014
 SCHEDULE TO CLAUSE 66.04

Referral of permit applications under local provisions

Clause	Kind of application	Referral authority	Type of referral authority
On land identified as the Gippsland Coalfields Policy Area in the Local Planning Policy Framework	To subdivide land.	The Secretary to the Department of Primary Industries	Determining referral authority
	To use land or to construct a building or construct or carry out works for a cemetery, educational centre, exhibition centre, function centre, golf course, hospital, industry (other than rural industry), major sports and recreational facility, shop or office with a gross floor area exceeding 2000 square metres, or accommodation if the total number of people to be accommodated exceeds 100 or the proposed development results in an increase of greater than 25 percent to the gross floor area of an existing accommodation building.	The Secretary to the Department of Primary Industries	Determining referral authority
Clause 3.0 of Schedule 3 to Clause 42.01 (ESO)	An application for development on Coastal Crown Land, as defined under the Coastal Management Act, 1995	The Secretary administering the Coastal Management Act, 1995	Determining referral authority
Schedule 2 to Clause 45.02 (AEO)	An application to use land under the schedule.	Airport owner	Determining referral authority
Clause 3.0 of Schedules 8, 9, 10 & 11 to Clause 43.02 (DDO)	An application for buildings or works specified in the schedules to the DDO's. This requirement can be set-aside subject to an application satisfying conditions or requirements previously agreed in writing between the responsible authority and the Secretary of the Department of Health.	Secretary to the Department of Health	Determining referral authority

SOUTH GIPPSLAND PLANNING SCHEME

Clause	Kind of application	Referral authority	Type of referral authority
Schedule 8 to Clause 42.01 (ESO)	An application to construct a building, or construct or carry out works, or subdivide land.	Environment Protection Authority Manufacture of milk products company relevant to the overlay.	Recommending referral authority

Attachment 3

Proposed changes to Clause 21.15-2 'Korumburra' Local Planning Policy Framework provisions & new Referral provisions.

SOUTH GIPPSLAND PLANNING SCHEME

21.15-2 Korumburra

[1/1/2014](#)
C99

Situated on the South Gippsland Highway in a picturesque landscape of rolling hills, Korumburra is the second largest town in the municipality and a key service provider to the smaller towns and communities in the Shire's western region. Ongoing improvements to the highway and the development of the Pakenham Bypass make Korumburra increasingly accessible to metropolitan Melbourne and help underpin population and economic growth that will contribute to securing the town's growth into the future.

Challenges for Korumburra include improving the retail offer, function and appearance of the Town Centre; responding to the existing highway traffic management problems; achieving appropriate redevelopment of the former Korumburra Saleyards site; planning new residential growth areas; and, continuing to define a role and character for Korumburra that distinguishes its place in the Shire's western region.

Local area implementation

- Maintain and promote Korumburra as a significant industrial, retail, service, residential and tourism centre in the Shire.
- Ensure the use and development of land in accordance with the strategic directions in the Korumburra Framework Plan and the Korumburra Town Centre Framework Plan maps.

Settlement

- Provide sufficient residential land, at a range of densities, available to accommodate future township growth.
- Plan for sequential and staged residential development that integrates with existing infrastructure networks.
- Monitor the availability and development of residential land and encourage the rezoning of appropriate areas identified in the Korumburra Framework Plan map to maintain an estimated 15-year residential land supply.
- Promote the development of new residential estates that establish appropriate integration with existing residential areas and infrastructure; provide pedestrian and cyclist connectivity to the Town Centre and key community features; and, protect the environmental values of the land, especially the waterways.
- Promote higher density residential development and retirement living on land within the inner township residential areas that can be provided with convenient pedestrian access to the Town Centre.
- Focus industrial development within the established industrial areas, and at the site of the former Korumburra Saleyards. Development of the former saleyards land must have close regard to the amenity interface with the adjoining showgrounds and residential areas.
- Consider the potential adverse amenity impacts of the [milk-manufacturing 'manufacture of milk products' operations in the Station Street Industrial Area on rezoning proposals and sensitive land use, development & subdivision proposals applications](#) that allow, or intensify, the establishment of sensitive land uses in the [immediate](#) area surrounding the manufacturing operations.

Economy

- Maintain the primacy of the Town Centre as the retail and service hub of the town.
- Actively support the establishment of new retail opportunities in the Town Centre Retail Core.

SOUTH GIPPSLAND PLANNING SCHEME

- Maintain a compact, convenient and well-connected Town Centre that is the primary activity hub of the town.
- Actively encourage major retail, office and community developments to concentrate in the Town Centre Retail Core, comprising the blocks bounded by Commercial Street, King Street, Victoria Street and Bridge Street.
- Encourage the consolidation of sites in the Town Centre Retail Core to accommodate new large floor space developments.
- Strongly discourage the development of new retail uses outside of the Town Centre Retail Core where such uses may weaken the principal role of the Town Centre.
- Support tourism developments that promote Korumburra as a tourist destination and plan for the provision of services and features that support highway tourism traffic.

Landscape and built form

- Promote development in the Town Centre that improves pedestrian connectivity and the layout and operation of car parking, and enhances the amenity of the streetscape.
- Promote site responsive residential subdivision design (supported by geotechnical reports on land exceeding 15% slope) that allow for the creation of appropriately sized and configured lots that minimise the impact of earthworks.
- Ensure a high standard of building design, layout and landscaping for all new development, and particularly at the western highway entrances to the town.
- Support the conservation and enhancement of the town's heritage places and streetscapes in recognition of their central role in establishing Korumburra's 'rural township' character and 'sense of place'.

Infrastructure

- Improve highway traffic movement through the town.
- Provide strong pedestrian and cycling connectivity to the Town Centre, key community assets and the schools.
- Discourage land uses that may compromise the proposed highway realignment at the south east entry to the town.
- Ensure new development and road traffic improvements do not compromise the longer-term potential return of rail services to Melbourne.

Further strategic work

- Prepare an updated town centre framework plan to encourage major retail, office and community developments to concentrate in the town centre retail core in accordance with the principles established in the *Korumburra Town Centre and Structure Plan Priority Development Panel Report* (May 2010)
- Investigate applying a Restructure Overlay over the old Crown Township to the south-east of the town.
- Continue implementation of the recommendations of the *South Gippsland Heritage Study 2004* in consultation with affected landowners and the community.
- Investigate with VicRoads plans for traffic management, calming and pedestrian safety improvements along South Gippsland Highway and Radovick Street within the Town Centre in accordance with the Minister for Planning's Priority Development Panel recommendation.
- In consultation with affected landowners and the community, prepare development plans and overlays for Korumburra's growth areas.
- ~~Investigate the implementation of a planning policy to assist long term management of the amenity interface issues between the Station Street milk manufacturing operations and surrounding residential areas.~~

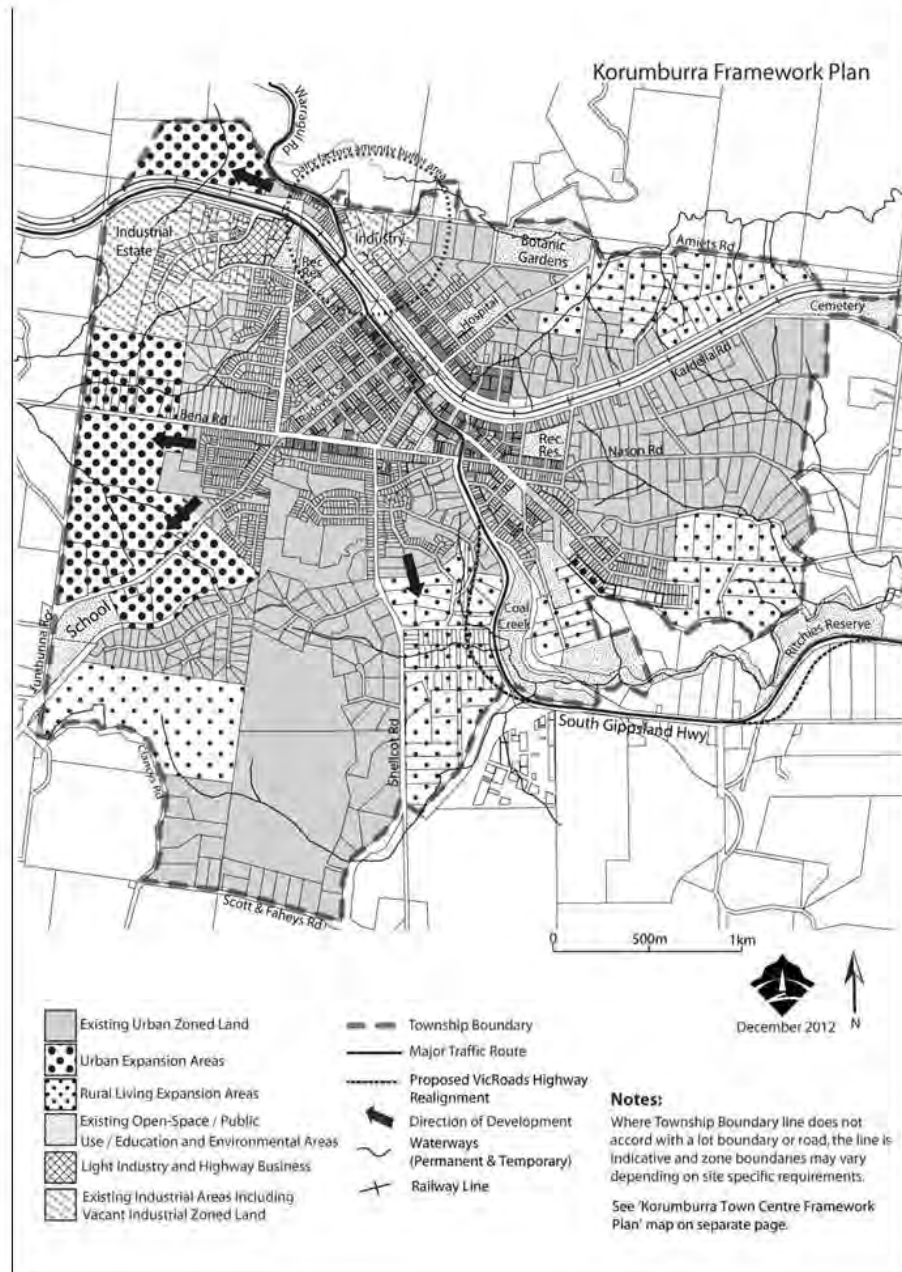
SOUTH GIPPSLAND PLANNING SCHEME

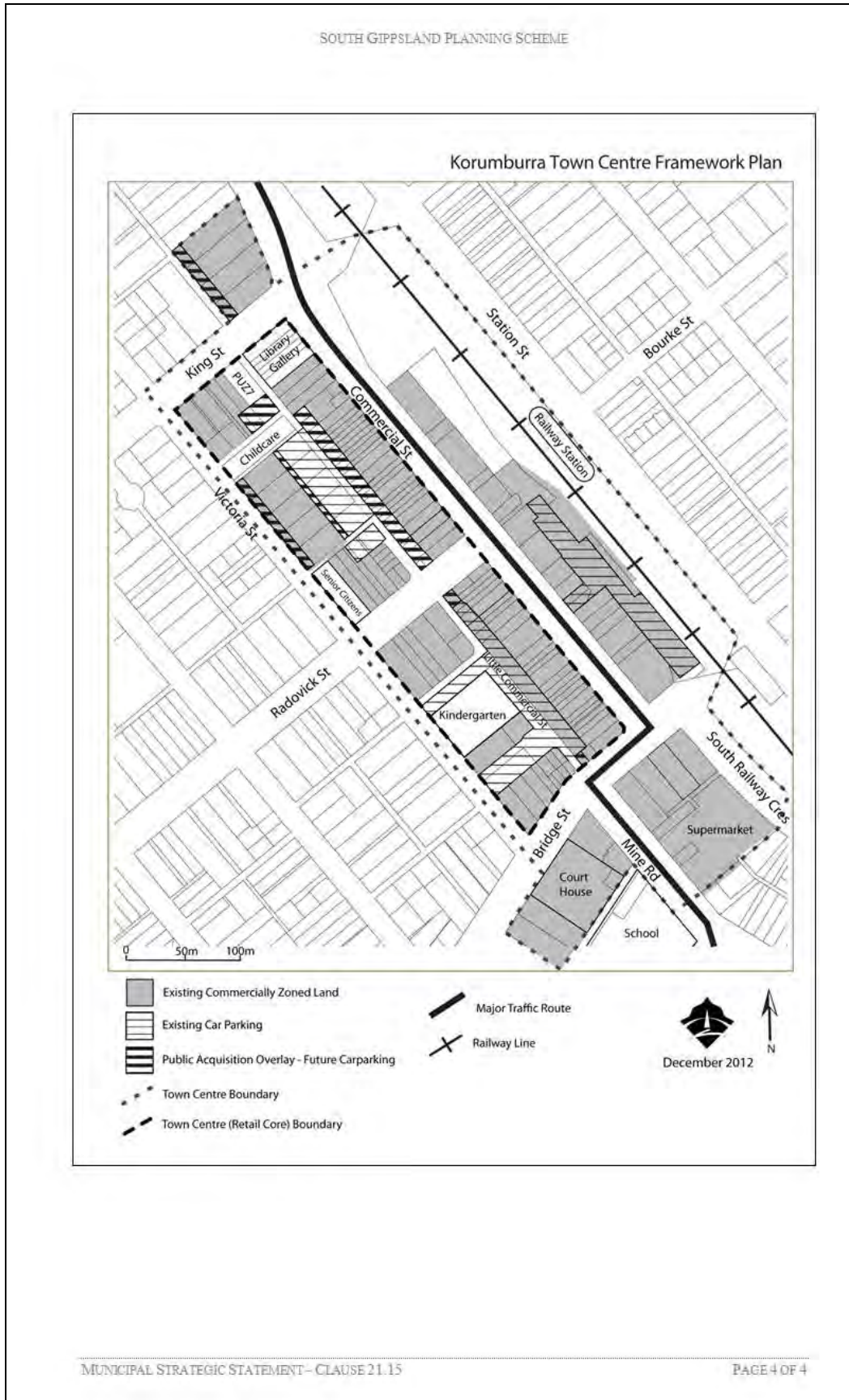
Review the existing application of the Mixed Use Zone in response to the theme objectives to maintain the primacy of the Town Centre for retail development.

Reference documents

Korumburra Structure Plan, July 2010 (as amended)

South Gippsland Paths and Trails Strategy 2010 (as amended)





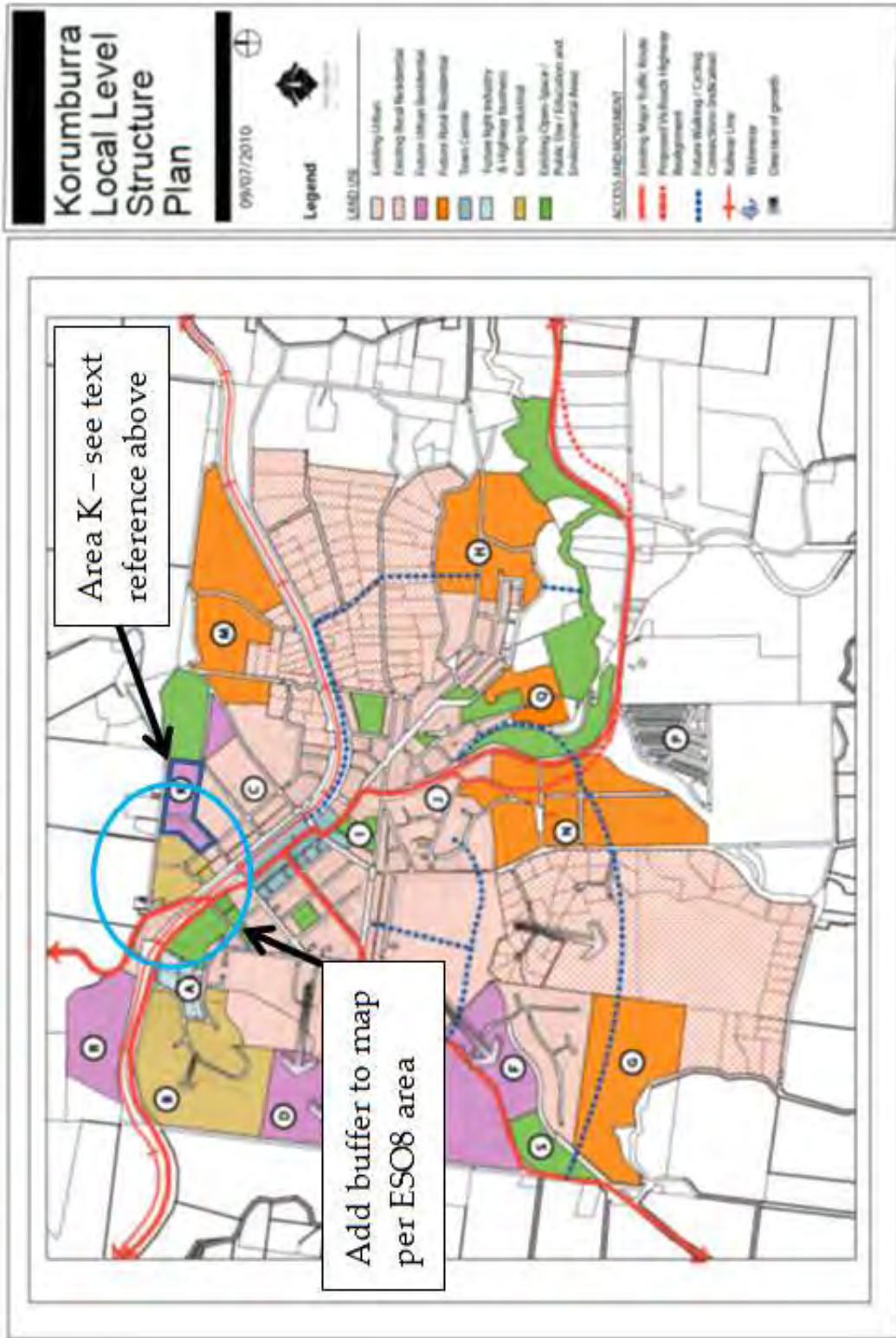
**Attachment 4
Korumburra Structure Plan July 2010 - proposed
changes**

Korumburra Structure Plan July 2010 – Extract from ‘Residential’ provisions (page 11)

Update the existing ‘Residential’ provisions with the following words – see ‘track changes’.

Plan ref	Description	Comments
D	Farming zoned land to the west of current Residential zoned area, north of Bena Road	Rezone to facilitate future urban residential development when required.
E	Farming zoned land to the west of current Residential zoned area, south of Bena Road	Rezone to facilitate future urban residential development when required.
F	Farming zoned land to the west of current Residential zoned area, south of Korumburra Wonthaggi Road	Rezone to facilitate future urban residential development when required.
G	Farming zoned land to the south of current Low Density Residential zoned area, north of Clancys Road.	Rezone to facilitate future rural residential development when required.
H	Farming zoned land south east of town.	Rezone to facilitate rural residential development when required, having close regard to the topographical constraints of the land.
K	Low Density Residential land to north of existing residential areas.	Rezone to facilitate urban residential development Discourage the rezoning of land that could facilitate the establishment of more intensive forms of sensitive land use near the manufacture of milk products facility
M	Farming zoned land to the north of railway reservation, east of boundary Road.	Rezone to facilitate rural residential development when required.
N	Farming zoned land to south of town.	Rezone to facilitate rural residential development when required, having close regard to the topographical constraints of the land and its past mining activities.
P	Farming zoned land to the south of town containing old and inappropriate subdivision.	Pursue a restructuring of the area to facilitate more appropriate subdivision pattern.
Q	Farming zoned land south east of town.	Rezone to facilitate rural residential development when required, having close regard to the topographical constraints of the land.
R	Farming zoned land adjoining the northwest boundary of the town.	Rezone to facilitate future urban residential development when required, having close regard to issues of pedestrian connectivity to the existing Town Centre.

Korumburra Structure Plan Map – Proposed change to introduce buffer area



E.9 LEONGATHA COMMUNITY INFRASTRUCTURE PLAN 2014

Development Services Directorate

EXECUTIVE SUMMARY

The Draft Leongatha Community Infrastructure Plan was presented to Council on 27 November 2013. The plan is to be used by Council to prioritise spending on community infrastructure over the next 20 years. Organisations external to Council may use this document to assist with strategic planning and grant applications.

Following public exhibition and community consultation, community and service provider feedback has now been received and incorporated into the final plan (see **Appendix 1**). This report recommends that Council adopt the Leongatha Community Infrastructure Plan.

Document/s pertaining to this Council Report

- **Attachment 1** - Summary of submissions
- **Appendix 1** - Leongatha Community Infrastructure Plan 2014
- **Confidential Appendix 1** - Copies of submissions

A copy of **Appendix 1** is available on Council's website: www.southgippsland.vic.gov.au or by contacting 5662 9200.

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

LEGISLATIVE / ACTION PLANS / STRATEGIES / POLICIES

- Charter of Human Rights and Responsibilities Act 2006
- Disability Act 2006
- Equal Opportunity Act 2010
- Planning and Environment Act 1987

INTERNAL POLICIES / STRATEGIES / DOCUMENTS

- Council Plan 2013 - 2017
- Annual Plan 2013 - 2014
- Access and Inclusion Plan 2009 - 2012
- Active Ageing Plan 2012 - 2016
- Aquatic Strategy 2009

- Early Childhood Services Building Assets Policy Framework 2013
- Economic Development and Tourism Strategy 2012 - 2017
- Emergency Management Plan (revised July 2012)
- Leongatha Land Supply - Social Impact Assessment 2012
- Leongatha Structure Plan 2008
- Municipal Early Years Plan 2011 - 2016
- Municipal Public Health and Wellbeing Plan - Annual Plan 2012/2013
- Open Space Strategy 2007
- Recreation Plan 2007
- Southern Leongatha Outline Development Plan 2011
- South Gippsland Planning Scheme
- South Gippsland Youth Policy

COUNCIL PLAN

Outcome:	3.0	Integrated Services and Infrastructure
Objective:	3.1	Affordable community services and facilities
Strategy:	3.1.4	Plan for needs of the changing demographic
	3.1.5	Sustainable development that promotes health, wellbeing and unique character of the community.

CONSULTATION

At the conclusion of public exhibition, 12 written submissions were received (**Attachment 1**). Meetings were held with organisations and committees including the Friends of Leongatha Library, West Gippsland Regional Library Corporation, Gippsland Southern Health Service, Leongatha Education Precinct Committee and the Access and Inclusion Advisory Committee. Individual community members were also met with by request.

REPORT

Background

The Leongatha Community Infrastructure Plan will guide the development, timing and possible location of facilities and services for the short, medium and long term to meet the needs of a growing population.

Discussion

Leongatha is the largest urban settlement in the South Gippsland Shire comprising an area of 4,135 hectares. In 2011 the total population of Leongatha was 5,334. By 2031 the population will have grown to over 8,000 people and will comprise 22% of the total population of South Gippsland.

Leongatha is the subregional service centre with a range of facilities to meet the needs of the broader community of South Gippsland. The offices for many service providers are located in Leongatha. The recreation reserve hosts regional sports and schools cater for students from across South Gippsland and Bass Coast.

Accessible, coordinated and well-designed community infrastructure will be required to meet the need of a larger population within Leongatha and those from neighbouring towns accessing Leongatha for subregional services.

Integrated community facilities and services are vital for creating healthy communities, support social inclusion and enhance the wellbeing of residents. Linking new residential developments with existing areas and the town centre will ensure a socially vibrant town that provides equitable, accessible facilities and services for everyone in the community.

Submissions (Confidential Appendix 1)

Total submissions - 12

Main submission themes are summarised in **Attachment 1** with an explanation under "Response" regarding subsequent changes made to the Plan.

1. Library timelines should be brought forward from 20 years to 5 - 10 years
2. Benefits of a larger integrated library building for people with disabilities, youth, older people, the public realm/ central focus of town
3. Recommend investigation of management of Mesley Hall from DEECD to community use and developed as theatre, arts, conference facility
4. Report to include more detail for arts and culture, sport and recreation
5. Planning details refined

6. Provision of public park on rail yards site and rebuilding of footbridge
7. Recreation Reserve Master Plan consultation details relating to youth, sport and recreation and arts and culture sections
8. Small corrections and details

Proposal

It is proposed that the Leongatha Community Infrastructure Plan be adopted to assist in the allocation of developer contributions and other funds towards community infrastructure.

FINANCIAL CONSIDERATIONS

The community infrastructure plan will inform financial decision making by Council to:

- Allocate developer contributions;
- Allocate funds redeemed through the sale of Council land;
- Support funding applications for community infrastructure.

RISKS

This plan may raise the community's expectations that facilities and services will be provided should growth occur. There is a risk that Council may not be able to deliver to the community's expectations or in the timeframe estimated in the plan.

The plan report provides a clear message that proposed infrastructure are 'recommendations only' requiring further investigation for funding and budget allocation.

CONCLUSION

The provision of spaces and places for participation in community life is essential to ensure a connected and vibrant community. The Leongatha Community Infrastructure Plan identifies future community infrastructure needs for a growing population providing priorities for the next 20 years.

Decisions on the allocation for funding for community infrastructure in Leongatha from developer contributions, Council land sales and grants can be made with reference to this document.

RECOMMENDATION

That Council adopt the Leongatha Community Infrastructure Plan 2014.

STAFF DISCLOSURE OF INTEREST

Nil

MOVED: Cr Hutchinson-Brooks

SECONDED: Cr Davies

**THAT COUNCIL ADOPT THE LEONGATHA COMMUNITY
INFRASTRUCTURE PLAN 2014.**

Cr Brunt left the Meeting at 4.03pm.

CARRIED UNANIMOUSLY

**Attachment 1
Summary of Submissions**

Topic	Details	Response	No.
Support or no objection	Support from most submitters Specific support for <ul style="list-style-type: none"> • Meeting rooms, open space, sport and recreation, disability and diversity chapters • Playing field in Southern Leongatha with athletics track • Retaining 3 Leongatha Halls • Arts and Culture and benefits brought to community members • Demographics chapter useful 	no change required	9
Emergency Services	Introduction definition – Council’s responsibilities under the act. Policies and relevant Council docs – change in name of reference document and subplans. Typos. Current provision wording re councils responsibilities CFA – ‘adequacy of current building’ - asbestos Remove Leongatha as place of retreat for high bushfire risk areas	Changes made	1
Added information regarding availability of services and facilities	Youth facilities - railway station Education - playing fields Arts and culture - courthouse and local musical groups Bus About Town has stopped operating Mens Shed in older people chapter	Included in document	5
Arts and Culture	Arts and music promotes good health and personal development in all age groups. Musical groups Additional venues Mesley Hall - change of management from DEECD to community	Benefits or arts and culture emphasised Added additional musical groups and venues Recommend investigation of Mesley	4

Topic	Details	Response	No.
	<p>Develop Mesley Hall into theatre, arts and conference facility Oppose using the Velodrome or Golf Course as music / event site - consultation for rec reserve rejected this</p>	<p>Hall Suggestion removed</p>	
Rail land	<p>Developed as public park Developed for civic buildings and community hub</p>	<p>Added current investigation of area for alternative purposes</p>	2
Youth	<p>Skate park, key priority of the Leongatha Recreation Reserve Master Plan was the upgrade of the Skate Park. BMX track land within the industrial estate Library for youth and specific youth needs in libraries</p>	<p>Information included</p>	4
Sport and recreation	<p>Recreation Reserve Master Plan details from consultations Leongatha Gymnastics Club venue to allow equipment to remain set up Viability of local golf course and mergers Agree separate site for additional playing field in Southern Leongatha and option of third oval on current site or extend into golf club Role of schools in provision of community rec facilities is vital Move Sport and Rec priority in favour of library</p>	<p>Added Included requirement Added detail regarding athletics and golf club merger suggestion Retained sport and rec priority and added library priority</p>	4
Library	<p>Disagree with the 20 year timeline for a new Leongatha Library. Library only non-commercial, non-member based venue for community members Shared library facility and the public realm Details for a new library and contemporary uses</p>	<p>Complete review of Education Learning and Libraries Chapter and timelines to reflect need to begin investigation of new library site in next 5 - 10 years. Details of future library included Benefits of library for different population groups included Some details too extensive for this plan - retained for future library</p>	3

Topic	Details	Response	No.
		planning	
Older People and Ageing	Library for recreation and learning space for older people and mobility scooter recharge area	Details added to older people and library chapter	2
Meeting rooms	Mesley Hall Change management from DEECD to community management Develop Mesley Hall as theatre, music, conference facility	Suggestions included	2

E.10 DRAFT TARWIN LOWER VENUS BAY COMMUNITY INFRASTRUCTURE PLAN

Development Services Directorate

EXECUTIVE SUMMARY

The draft Tarwin Lower and Venus Bay Community Infrastructure Plan (draft plan) provides a detailed audit of existing infrastructure, current and projected demographic information and guides prioritisation for community infrastructure over the next 20 years. It provides detailed recommendations to assist in planning for current and future community infrastructure for the current and future populations.

The Tarwin Lower and Venus Bay area experiences population increases of over 83% in the summer months placing pressure on current built infrastructure but little pressure on many community services in the area resulting in competing planning priorities.

The draft plan provides an additional level of detail to complement the broader approach of the Social and Community Infrastructure Committee. This plan provides recommendations for both built and soft infrastructure aimed to bring together and further support the community.

This report recommends that the draft plan be placed on public exhibition and that community consultation takes place to ensure the plan is appropriate and responsive to community needs, priorities and values.

Document/s pertaining to this Council Report

- **Appendix 1** - Draft Tarwin Lower Venus Bay Community Infrastructure Plan

A copy of **Appendix 1** is available on Council's website:
www.southgippsland.vic.gov.au or by contacting 5662 9200.

LEGISLATIVE / ACTION PLANS / STRATEGIES / POLICIES

- Charter of Human Rights and Responsibilities Act 2006
- Disability Act 2006
- Equal Opportunity Act 2010
- Planning and Environment Act 1987

INTERNAL POLICIES / STRATEGIES / DOCUMENTS

- Council Plan 2013 - 2017
- Annual Plan 2013 - 2014

- Active Ageing Plan 2012 - 2016
- Early Childhood Services Building Assets Policy Framework 2013
- Economic Development and Tourism Strategy 2012 - 2017
- Emergency Management Plan (revised July 2012)
- Municipal Public Health and Wellbeing Plan 2013 - 2017
- Open Space Strategy 2007
- Paths and Trails Strategy 2010
- Recreation Plan 2007
- South Gippsland Planning Scheme

COUNCIL PLAN

Outcome:	3.0	Integrated Services and Infrastructure
Objective:	3.1	Deliver affordable modern community services and facilities
Strategy:	3.1.4	Plan for the service needs of the Shire's changing demographic
	3.1.5	Encourage sustainable development that promotes the health and wellbeing and unique character of the community

CONSULTATION

- Tarwin Lower Venus Bay Community Plan review
- Tarwin Lower Recreation Reserve Master Plan 2013
- Community consultation will occur in the months of April and May through community meetings to be held in both Tarwin Lower and Venus Bay

REPORT

Background

The populations of Tarwin Lower and Venus Bay increase significantly by more than 83% over summer. Tarwin Lower and Venus Bay townships share a broad variety of community infrastructure. The Tarwin Lower Venus Bay Community Infrastructure Plan will guide the timing and location of services and facilities to meet the needs of both communities. It focuses mainly on the needs of the permanent populations but also highlights issues relating to the summer visitors to the area.

Discussion

Social and built infrastructure in the townships of Tarwin Lower and Venus Bay currently meet the needs of the permanent communities. Most visitors come for the beach and natural attractions and tend not to use many of the community meeting facilities or sport and recreation facilities used extensively by permanent residents.

An ageing population will require accessible community infrastructure for unstructured physical activity, social connection, and provision of health and government services. The Tarwin Lower Community Health Centre and Venus Bay Community Centre provide ideal venues for health and community service delivery for all ages.

In Venus Bay signs would improve links between existing shared trails and cycle lanes. Access to No.1 Beach via an improved firmer surface would allow the older population to use the open space provided by the beach and would extend existing pathways. Further enhancement of current parks and the provision of additional seating and exercise stations is currently limited due to the sparse distribution of residential areas and extensive maintenance required in Venus Bay. In Tarwin Lower linking the existing community infrastructure via a paved path from the shops to the recreation reserve via the school, park and health centre will increase independent movement of pedestrians around the town.

In the short term, the management of beach visitors in summer is a current issue requiring further investigation. A combination of initiatives will require full investigation within the next 8 months and preferably prior to the 2014 /2015 summer season. On the longer term, the impact of climate change on the Venus Bay community may include increased bushfire risk and possible increased incidences of flood inundation.

Proposal

It is proposed that the draft plan be used as a guiding reference document for planning for Council, external organisations and the broader community for the next 20 years.

FINANCIAL CONSIDERATIONS

The community infrastructure plan will inform financial decision making by assisting Council to:

- Provide information for refurbishing existing community facilities
- Inform asset planning and budget allocation for the settlements
- Inform provision of services by Council and other organisations to the Tarwin Lower and Venus Bay communities

RISKS

This draft plan may raise the community's expectations that facilities and services will be provided should growth occur. There is a risk that Council may not be able to deliver to the community's expectations or in the timeframe estimated in the plan.

The draft report provides a clear message that proposed infrastructure are 'recommendations only' requiring further investigation for funding and budget allocation.

CONCLUSION

Over the next 20 years the population of Tarwin Lower and Venus Bay is expected to grow by 200 permanent residents. The influx of visitors during the summer months requires immediate investigation to manage beach access and visitor safety. The impact of climate change on bushfire risk and increased incidences of flood require long term planning for this area.

The community infrastructure for Tarwin Lower and Venus Bay should be considered as being available for both growing communities. The Tarwin Lower Community Health Centre will provide for the health needs of both communities for the next 20 years. In Venus Bay, the Community Centre will continue to be a centre for community activities and training for the permanent community.

Connection of existing infrastructure with accessible paths and improved signage will enhance the community's ability to remain active and socially connected and provide them safe pedestrian travel around the towns.

Following consultation a final plan will be developed and presented to the June Council meeting.

RECOMMENDATION

That Council approve the Draft Tarwin Lower Venus Bay Community Infrastructure Plan for public exhibition and consultation for a period of 4 weeks.

STAFF DISCLOSURE OF INTEREST

Nil

MOVED: Cr Harding

SECONDED: Cr Davies

**THAT COUNCIL APPROVE THE DRAFT TARWIN LOWER VENUS BAY
COMMUNITY INFRASTRUCTURE PLAN FOR PUBLIC EXHIBITION AND
CONSULTATION FOR A PERIOD OF 4 WEEKS.**

Cr Brunt returned to the Meeting at 4.05pm.

CARRIED UNANIMOUSLY

E.11 SOUTH GIPPSLAND PLANNING SCHEME AMENDMENT C95

Development Services Directorate

EXECUTIVE SUMMARY

Council is requested to adopt Amendment C95 and submit the Amendment to the Minister for Planning for Approval. This Amendment alters planning policy resulting from recommendations of the Leongatha Industrial Land Supply Study (the Study) by providing strategic direction to guide industrial expansion in and around Leongatha over the next 25 years and beyond.

Amendment C95 was exhibited from 16 January to 17 February 2014 and received six submissions. Two were supportive and four concentrated on recommendations related to either the Leongatha Aerodrome or the land north of the Koonwarra Saleyards. Changes were made to the exhibited documents that have resulted in the objections being withdrawn.

Document/s pertaining to this Council Report

- **Appendix 1** - Proposed Clause 21.15
- **Appendix 2** – Extract of Council Minute 24 July 2013 Item E.3 - ADOPTION OF LEONGATHA INDUSTRIAL LAND SUPPLY STUDY
- **Appendix 3** - Proposed Clause 21.11 Economic Development
- **Appendix 4** - Proposed Clause 21.16 Reference Documents
- **Appendix 5** - Proposed Clause 22.02 Industrial Development
- **Confidential Appendix 1** - Submissions

A copy of **Appendix 1,2,3,4,5** is available on Council's website: www.southgippsland.vic.gov.au or by contacting 5662 9200.

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

LEGISLATIVE / ACTION PLANS / STRATEGIES / POLICIES

Planning and Environment Act 1987 (the Act)

INTERNAL POLICIES / STRATEGIES / DOCUMENTS

Leongatha Industrial Land Supply Study 2013 (the Study)

COUNCIL PLAN

Outcome:	1	A Prosperous Shire
Objective:	1.1	Work with the business community to support existing businesses, diversify employment opportunities and to attract new businesses
Strategy:	1.1.1	We will actively plan for growth and economic development

CONSULTATION

The Study was adopted by Council on 24 July 2013 (**Appendix 2**) and an amendment process initiated to reference the Study in the Planning Scheme.

The Department of Transport, Planning and Local Infrastructure (DTPLI) was consulted prior to the exhibition period. Amendment C95 was exhibited from 16 January to 17 February 2014 in accordance with the requirements of the Act.

REPORT

Background

Six submissions were received. The two supportive submissions were received from South Gippsland Water (SGW) and the Department of Environment and Primary industry (DEPI). The four objecting submissions were from individuals and related to either the opportunities at Leongatha Airport or the land north of the Koonwarra Saleyards.

Discussion

The recommendations of Amendment C95 were addressed in the July 2013 Council Report and for this reason the following discussion is limited to the submissions and subsequent changes to the Amendment documents.

The Study confirmed the area identified in the Leongatha Structure Plan as 'Industrial Investigation' is the most appropriate area for industrial expansion.

Future strategic work is needed to consider both the use of land north of the Koonwarra Saleyards and the Leongatha Airport, each of which display commercial (but not industrial) opportunities for growth. The objections received concentrate on this aspect of the Amendment and can be addressed specific to location.

Leongatha Airport

Three objections were received from landowners addressing the Leongatha Airport inclusion.

Two submissions objected to the inclusion of the land immediately north of the Leongatha Airport for possible commercial proposals. Considering the

extent of land available within the airport boundary that could accommodate commercial development, it is reasonable to remove any reference to this land from the Amendment. Council has removed reference to this land in the Amendment.

The third objection raised the issue that any changes to the zone or permitted activity may undermine the existing s173 agreement made on 29 September 2000, requiring Leongatha Aerodrome Users P/L to seal the Aerodrome Road.

To address this concern a statement has been added to clause 21.15-14, Small Towns, sub-heading 'Economy', to ensure the work is completed should there be any land zone changes (see point 3. below under the heading "Changes due to Submissions"). This objection also queried the inclusion of the land north of the airport - addressed above.

Land north of the Koonwarra Saleyards

There was one submission related to this site and it was mostly supportive of the Amendment. The submitter objected to the exclusion of the beef industry in the introductory paragraph of Clause 21.15-1 (Leongatha) and felt there was ambiguity in identifying the land for zoning consideration. Reference to the beef industry was made to address the concerns and this objection has been withdrawn.

Changes due to Submissions

Three changes to C95 have been made in response to the submissions,

1. Clause 21.15-1 Leongatha:

"Leongatha is the principal township of the South Gippsland Shire and a centre of State significance in the dairy milk processing and beef industries. Key issues..."

2. Clause 21.15-14 Small Towns:

"Investigate the rezoning of the Leongatha airport and land north of the Koonwarra saleyards (bounded by Hogans Road, the Rail Trail and South Gippsland Highway) for uses which complement and build upon these existing precincts while not compromising the industrial areas in Leongatha."

3. Clause 21.15-14, Small Towns, sub-heading 'Economy':

"Ensure that, prior to approval of any rezoning proposal that the sealing of Aerodrome Road leading to Leongatha Airport is completed to the satisfaction of Council and any agreement relevant to the property"

The changes in the amendment resulting from the submissions have addressed the objectors concerns and their objections are considered to be withdrawn. Council does not need to refer this Amendment to an Independent Planning Panel.

Options

Should Council not adopt Amendment C95, the Study would become a reference document, lessening its strategic value when prioritising industrial expansion. This would affect the influence of the identified considerations (for example, existing infrastructure and services) when determining land suitability for industrial development.

Proposal

It is proposed that Council adopt Planning Scheme Amendment C95 and request approval from the Minister for Planning.

FINANCIAL CONSIDERATIONS

There are no direct financial implications for Council as a result of this recommendation.

RISKS

If Amendment C95 is not approved there will be a lack of strategic guidance for industrial land development in Leongatha. A preferred growth pattern of Leongatha's industrial land will be unclear and may lead to disconnected industrial development.

As a result of recent changes to the Planning Scheme zone provisions permitting limited industrial activity in the Farming Zone, there is an increased risk of ad hoc development. Although the required infrastructure would remain a barrier to development for most areas, small industry may be a viable option for some farms so there is a risk of disparate development without a strategy to guide industrial development in the Farming Zone,.

CONCLUSION

Completion of the Leongatha Industrial Land Study and its implementation into the South Gippsland Planning Scheme by Amendment C95 will encourage land rezoning and development of industrial land in Leongatha.

Following exhibition of the Amendment, changes suggested by submitters were adopted resulting in the objections being withdrawn.

The resulting direction given by the Study will provide greater certainty for the use and development of the identified areas.

RECOMMENDATION

That Council adopt Amendment C95 and submit to the Minister for Planning for Approval in accordance with section 11(1)(b) of the Planning and Environment Act 1987.

STAFF DISCLOSURE OF INTEREST

Nil

MOVED: Cr Davies

SECONDED: Cr McEwen

THAT THE RECOMMENDATION IN ITEMS E.11 – E.17 BE ADOPTED.

CARRIED UNANIMOUSLY

E.12 ECONOMIC DEVELOPMENT AND TOURISM STRATEGY

Development Services Directorate

EXECUTIVE SUMMARY

A new Economic Development and Tourism Strategy has been prepared to guide Council's desire to build a prosperous community.

The Strategy has been reviewed by Council's Economic Development and Tourism Committee.

It is proposed to place the draft Strategy document on public exhibition and undertake public consultation process.

Document/s pertaining to this Council Report

- **Appendix 1** - Draft Economic Development and Tourism Strategy

A copy of **Appendix 1 - Economic Development and Tourism Strategy** is available on Council's website: www.southgippsland.vic.gov.au or by contacting 5662 9200.

INTERNAL POLICIES / STRATEGIES / DOCUMENTS

The Strategy will become Council's key strategic document relating to Economic and Tourism issues.

COUNCIL PLAN

Outcome:	1.0	A Prosperous Shire
Objective:	1.1	Work with the business community to support existing businesses, diversify employment opportunities and attract new businesses.
Objective:	1.2	Raise the awareness of Local and Regional Issues with State and Federal decision makers.

CONSULTATION

The development of the Strategy was reviewed by Council's Economic Development and Tourism Committee and informed by consultation with a range of business and agencies. This report proposes further detailed consultation and invites public comment to allow for finalisation of the Strategy for adoption.

REPORT

Background

A Prosperous Shire is a key outcome of the Council Plan. Additionally, an action of the Annual Plan is the 'review of the Economic Development and Tourism Strategy'. The approach of a strategy combining economic

development and tourism reflects Council administrative structure and the direct and close relationship between the industry sectors. The Strategy will direct Council's Economic Development and Tourism direction for the next 5 years.

Discussion

South Gippsland Shire has a strong and growing economy of national significance. Council, through its Council Plan, seeks to build on that strength to enhance the economic prosperity and quality of life of its residents.

The Economic Development and Tourism Strategy is Council's plan to achieve these objectives. Council established an Economic Development and Tourism committee to review the Strategy to ensure it meets these requirements.

The revised draft Economic Development and Tourism Strategy has been prepared to achieve these objectives in a sustainable and financially responsible way. The strategy also allows for flexibility and responsiveness to changing circumstances.

The Strategy outlines an economic overview, key economic trends, economic development principles and infrastructure priorities.

The delivery of the Strategy is focussed on three Strategic Goals:

1. Business Development and Attraction
2. Supportive Business Environment
3. Promotion, Marketing and Networks

An Action Plan outlines a range of projects and activities to implement these Goals. In particular, the Strategy is directed toward attracting key developments that will act as a catalyst for further investment and assist local businesses to grow. It also proposes the development of an integrated response to potential emergencies that affect the business community.

The Strategy is designed to assist maintaining South Gippsland as a great place to live, work, invest and visit.

Proposal

It is proposed to place the draft Strategy on public exhibition for comment for one month and to conduct further consultation with the public, relevant groups and agencies.

FINANCIAL CONSIDERATIONS

It is proposed under this Strategy that an annual Action Plan will be prepared to implement the goals of the Strategy. This Action Plan will then be considered as part of the Council's annual budget process.

CONCLUSION

Council seeks to develop a strong economy for our residents and enhance the experience for our visitors. The approach outlined in the Strategy will focus Council's economic development and tourism efforts on the areas of greatest impact. Further consultation will allow the Strategy to be refined for adoption.

RECOMMENDATION

That Council:

- 1. Endorse the draft Economic Development and Tourism Strategy (Appendix 1) for public comment;**
- 2. Make available the draft Economic Development and Tourism Strategy (Appendix 1) for public comment and invite written submissions until 5.00pm 16 May 2014 on Council's website and Customer Service Centre; and**
- 3. Request the Chief Executive Officer provide a report to adopt the final draft Economic Development and Tourism Strategy at the next appropriate Ordinary Council Meeting.**

STAFF DISCLOSURE OF INTEREST

Nil

NOTE: The recommendation was **CARRIED UNANIMOUSLY** as part of a single motion, refer to **page 151**.

E.13 APPOINTMENT OF MUNICIPAL FIRE PREVENTION OFFICER

Development Services Directorate

EXECUTIVE SUMMARY

Section 96A(1)(a) of the Country Fire Authority Act 1958 (the Act) requires each municipal council which is in the country area of Victoria to appoint a person to be the fire prevention officer for the purposes of the Act.

The Municipal Fire Prevention Officer (MFPO) role is part of Council's Local Laws Co-ordinator's responsibilities. Council's current appointed MFPO is Ian Nicholas who has recently left Council.

It's proposed that Council's new Local Laws Co-ordinator, Bruce Gardiner is appointed as the MFPO. Mr Gardiner has the necessary skills and experience to perform the MFPO role.

LEGISLATIVE / ACTION PLANS / STRATEGIES / POLICIES

- Local Government Act 1989
- Country Fire Authority Act 1958

COUNCIL PLAN

Outcome:	1.0	A Prosperous Shire
Objective:	1.3	Improve the sustainability of the local and regional environment
Strategy:	1.3.1	We will promote sustainable waste management practices, energy efficiency and management of our natural resources

REPORT

Background

Section 96A(1)(a) of the Act requires each municipal council which is in the country area of Victoria to appoint a person to be the fire prevention officer for the purposes of the Act. The Act does not specify minimum qualifications or experience for person appointed as the MFPO. The role of the MFPO includes:

1. Undertake and regularly review Council's fire prevention planning and plans;
2. Liaise with fire services, other authorities and councils regarding fire prevention planning and implementation;
3. Advise and assist the Municipal Fire Management Planning Committee on fire prevention and related matters;

4. Carry out statutory tasks related to fire prevention notices and infringement notices;
5. Investigate and act on complaints regarding potential fire hazards;
6. Advise, assist and make recommendations to the general public on fire prevention and related matters; and
7. Issue permits to burn under section 38 of the Act.

Council's Instrument of Sub-Delegation made by the Chief Executive Officer (CEO) requires Council to appoint the MFPO. The Instrument of Sub-Delegation is made by the CEO under authority of an Instrument of Delegation authorised by a Resolution of Council made on 28 August 2013.

Discussion

The MFPO role is part of Council's Local Laws Co-ordinator's position description. Council's current appointed MFPO is Ian Nicholas who has recently left Council and Bruce Gardiner has been appointed as Council's new Local Laws Co-ordinator.

Mr Gardiner has 10 years' experience as an Assistant MFPO with the Mornington Peninsula Shire Council and Casey City Council. Whilst performing these roles Mr Gardiner's responsibilities included fire prevention inspections, responding to fire prevention complaints, issuing fire prevention infringements and prosecuting fire prevention offences. During his employment at the Casey City Council Mr Gardiner was acting MFPO for a 12 month period. In 2001 he completed the Country Fire Authority's "Wildfire Training for Municipal Fire Prevention Officers".

Mr Gardiner has the necessary skills and experience to perform the MFPO role.

Proposal

It is proposed that Council appoint Bruce Gardiner as Council's MFPO.

RISKS

Arrangements are in place for Council's Assistant MFPO to perform the role of the MFPO however these arrangements cease on 18 April 2014. Therefore if Council does not appoint Mr Gardiner as the MFPO, Council will not have a MFPO and will be unable to perform Council's municipal fire prevention responsibilities under the Act.

CONCLUSION

It is appropriate that Council appoint Mr Bruce Gardiner as South Gippsland Shire Council's MFPO as he has the necessary skills and experience to

perform the MFPO role and it is part of his responsibilities as the Local Laws Co-ordinator.

RECOMMENDATION

That Council appoint Mr Bruce Gardiner as the Municipal Fire Prevention Officer under section 96A(1)(a) of the Country Fire Authority Act 1958.

STAFF DISCLOSURE OF INTEREST

Nil

NOTE: The recommendation was CARRIED UNANIMOUSLY as part of a single motion, refer to page 151.

E.14 AUDIT COMMITTEE REPORT FEBRUARY 2014

Corporate Services Directorate

EXECUTIVE SUMMARY

The Audit Committee met on 17 February 2014 and a copy of their report (**Attachment 1**) is provided for Council's consideration and endorsement.

Document/s pertaining to this Council Report

- **Attachment 1** - Report of Audit Committee Meeting 17 February 2014

LEGISLATIVE / ACTION PLANS / STRATEGIES / POLICIES

Local Government Act 1989, Section 139

INTERNAL POLICIES / STRATEGIES / DOCUMENTS

- Audit Committee Charter and Terms of Reference adopted by Council 25 November 2013
- 'Audit Committees A Guide to Good Practice for Local Government' January 2011

COUNCIL PLAN

Strategic Goal:	4.0	A Leading Organisation
Outcome:	4.2	Pursue Best Practice In Organisational Development and Operations of the Organisation
Strategy No:	4.2.2	We will monitor corporate governance processes, including risk management and skills development with the aim of ongoing improvement

CONSULTATION

The Audit Committee Report has been circulated to the Chair of the Audit Committee and the Chief Executive Officer for their endorsement.

REPORT

Background

The Audit Committee is an advisory committee, whose role is to oversee and monitor Council's audit processes, including internal control activities. The committee comprises three independent community members, one of which is the Committee Chair, and two Councillors (Councillors Davies and Fawcett). The Committee is independent from management and does not have any executive powers, management function or delegated financial

responsibility. Some of the significant matters considered by the Audit Committee at the 17 February 2014 meeting included:

- Approving an Internal Audit scope for a Depot Management review; and
- A review of Council's Fraud Policy.

FINANCIAL CONSIDERATIONS

Funds for the internal audit function are allocated in the current and forward budgets.

Independent members are paid a meeting fee and travel expenses are reimbursed, both payable by Council. These are provided for in the Council Budget.

RISK FACTORS

The Audit Committee undertakes an integral and active role in risk mitigation (including financial and environmental) and ensuring organisational compliance with legislation.

RECOMMENDATION

That Council receive and endorse the report of the Audit Committee (Attachment 1) held on 17 February 2014.


STAFF DISCLOSURE OF INTEREST

Nil

NOTE: The recommendation was CARRIED UNANIMOUSLY as part of a single motion, refer to page 151.

Attachment 1

Report of Audit Committee Meeting 17 February 2014




Report of Audit Committee Meeting			
Meeting Objective			
Date	Monday 17 February 2014	Time 9.00am start (Committee to meet in committee at 8.30am with internal auditor if required).	Duration 2 hour meeting concluding 11.00am
		Location:	Meeting Room 2, Council Chambers, Michael Place, Leongatha
Attendees	<p>Ms Theresa Glab (Chair) Mr Craig Nisbet Dr Irene Irvine Councillor Davies Councillor Fawcett</p> <p>Support Staff: Tim Tamlin: CEO, Christian Stefani: Acting Director Corporate Services, Luke Anthony: Manager Governance Services, David Roche: Governance Coordinator Presenter: Jan Martin, Director Community Services attended at 9.30am for item 3.1.1</p>		
Apologies	<p>Mark Holloway HLB Mann Judd June Ernst, Director Corporate Services</p>		
Distribution List	As per attendees.		
Disclosures of Interest	<p>Dr Irvine as a member of South Gippsland Water, Walkerville Foreshore Committee and Walkerville Residents Association. Theresa Glab as a member of the Audit Committee of the Shire of Baw Baw, Shire of Yarra Ranges, Shire of Mitchell and City of Melbourne. Craig Nisbet has currently no disclosures of interest.</p>		
Confirmation of report of previous meeting	<p>Report of Meeting held on 25 November 2013. Action: Agreed that the report is confirmed.</p>		
Advise of possible breaches of legislation / compliance	Nil advised.		



Agenda Items


MEETING ITEM IS SCHEDULED FOR	Qtr. 1 Feb 2014	Qtr. 2 May 2014	Qtr. 3 Aug 2014	Qtr. 4 Nov 2013	Who	Report Next Due	Action
<p>1. Quarterly Performance Report Periodically compare actual outcomes, achievement of milestones and other KPIs as compared with the Council Plan, Annual Report and Budget – strategic indicators for monitoring the achievement of the strategic objectives.</p> <p>Quarterly Financial Performance Report September 2013 – December 2013</p> <p>Summary of financial reporting and key operational performance challenges.</p> <p>CEO and Mayor provided verbal report.</p>					Director Corporate Services	Feb 2014	Committee noted for information
<p>2. Internal Control System Consider the effectiveness of Council's internal control system (including financial reporting). Policy Review Timetable.</p>					Director Corporate Services	May 2014	Committee noted report not due.
<p>3. Risk Management 3.1 Risk Management Systems Monitor the systems and processes for risk management including status and content of corporate risk register and review Council's risk profile, including adequacy of mitigation actions. Strategic Risk Register.</p> <p>3.1.1 Director Community Services, Jan Martin, provided a briefing on Community Services risks.</p>					Manager Governance Services	Aug 2014	Committee noted the briefing as a way of informing themselves of the activities of Council and assurance that risks are being managed.




MEETING ITEM IS SCHEDULED FOR	Qtr. 1 Feb 2014	Qtr. 2 May 2014	Qtr. 3 Aug 2014	Qtr. 4 Nov 2013	Who	Report Next Due	Action
<p>3.1.2 Report of the Strategic Risk Committee – 12 December 2013</p> <p>3.2 Insurance Coverage Details of Council Insurance Cover required under section 76A, Local Government Act 1989. Insurance Coverage report including a year by year comparison of premiums.</p> <p>3.3 Business Continuity Monitor effectiveness of business continuity planning including disaster recovery plan.</p>					<p>Manager Governance Services</p> <p>Director Corporate Services</p>	<p>Aug 2014</p> <p>Aug 2014</p>	<p>Committee noted report.</p> <p>Committee noted that report not due.</p> <p>Committee noted that report not due and that Council on 18 December 2013 requested the CEO to consider the most appropriate means of resourcing as a priority the timely development and updating of Council's Disaster Recovery Plan and Business Continuity Plan.</p> <p>Committee further noted that Council is currently engaging a consultant to undertake this as a six month project commencing on 28 February 2014.</p>
<p>3.4 Fiduciary duty Review any reports concerning evidence of material violation or breaches of fiduciary duty.</p> <p>3.5 Fraud or possible illegal acts Review any instance of fraud or possible illegal acts. Fraud Policy</p>	As required				<p>Director Corporate Services</p> <p>Directors and Managers</p>	<p>Nov 14 or as required</p> <p>As required</p>	<p>Committee noted that nil reported.</p> <p>Committee suggested the following changes to the draft policy:</p> <ul style="list-style-type: none"> • Delete reference to policy reviews; • Add proper use of assets; • Add reference to staff / other benefits; • Add Human Resources controls; and • Add maintain adequate insurance.




MEETING ITEM IS SCHEDULED FOR	Qtr. 1 Feb 2014	Qtr. 2 May 2014	Qtr. 3 Aug 2014	Qtr. 4 Nov 2013	Who	Report Next Due	Action
4. Internal Audit 4.1 Planned Internal Audits Review Internal audits and management action plans for implementation of recommendations. Q3: Depot Management Scope					Manager Governance Services	Feb 14	Committee endorsed audit scope and suggested consideration be given to adding the following to the scope: <ul style="list-style-type: none"> • Obsolete asset controls; • Staff awareness of fraud; • Controls to prevent preferential treatment to suppliers; • Controls over use of over ordered goods and materials; and • An assessment of relevant Council Strategic Risks. Committee agreed that the Q4 audit review should be Data and Document Management, including Privacy and sensitive and confidential information issues e.g. credit card details.
Q4. Audit Action Review							
4.2 Audit recommendation implementation Consider status of implementation of internal audit recommendations and agreed management action plans. Summary of progress in completing actions be provided to the next Committee meeting with recommendation action reprioritization where relevant. Audit Committee Actions Monitoring Plan Summary – February 2014					Manager Governance Services	Feb 14	Committee suggested that: <ul style="list-style-type: none"> • Only those recommendations with a High Risk rating are reported to the Committee on a regular basis; • Those recommendations relating to risks with a Medium or Low Rating are monitored by ELT and the SRC; • Consideration be given to removing some of the outstanding recommendations from the Plan and the removal and reason why be



MEETING ITEM IS SCHEDULED FOR	Qtr. 1 Feb 2014	Qtr. 2 May 2014	Qtr. 3 Aug 2014	Qtr. 4 Nov 2013	Who	Report Next Due	Action
							<ul style="list-style-type: none"> advised to the Committee; Management make a clear and reasoned decision about the practical implementation of recommendations; and A summary of progress in respect of all risks be provided to the Committee.
<p>4.3 Internal audit function review Review the internal audit function (internal auditor services/performance), monitor satisfaction with internal audit service.</p> <p>A review of the Internal Audit performance for the initial three year term of HLB Mann Judd's contract which concludes on 30 June 2014.</p>					Manager Governance Services	Feb 2014	<p>Committee endorsed the first (of two potential) one year extensions to the contract because Council's Internal Audit function and Auditor continues to perform well and is meeting the expectations of the appointment as outlined in a report to the Audit Committee in September 2013.</p> <p>Committee agreed that a review against KPIs was desirable.</p>
<p>4.4 Internal Audit Plan Review / recommend the annual audit plan and ensure it is linked to Council's risk profile.</p>							<p>Committee noted that report not due and future versions of the Audit Plan should include reference to high and extreme risks, linkages to Council's Strategic Plan, reference to other audits / reviews and service coverage (cross Directorates) to be added to the Plan.</p> <p>Committee noted report not due.</p>
<p>4.5 Internal audit function independence Monitor processes and practices to ensure the independence of the internal audit function.</p> <p>4.6 Opportunity to meet with internal auditor Provide an opportunity for the audit committee to meet with the internal auditor without management.</p>					Manager Governance Services	Sept 2014	<p>Committee noted the Internal Auditor was available to meet with Audit Committee during closed session as required.</p>
	As required						



MEETING ITEM IS SCHEDULED FOR	Qtr. 1 Feb 2014	Qtr. 2 May 2014	Qtr. 3 Aug 2014	Qtr. 4 Nov 2013	Who	Report Next Due	Action
5. External Audit							
5.1 External auditor proposed audit scope Note external auditor's proposed audit scope and approach.					Manager Finance	May 2014	Committee noted report not due.
5.2 Annual financial report review Review the annual financial report including external auditor's view on the control environment, results of annual external audit, communication required under Australian Auditing Standards & management letters.					Manager Finance	Sept 2014	Committee noted report not due.
5.3 VAGO Financial Management Letter VAGO Financial Management letter for final audit for financial year 2013/14.					Director Corporate Services	Nov 2014	Committee noted report not due.
VAGO Final Management Letter – Financial Audit 2013 – 2014.							
5.4 External Accreditations e.g. HACCC		As required			CEO	As required	Committee noted nil report.
5.5 External audit discrepancies Resolve any disagreement between management and the external auditors in financial reporting.		As required			Director Corporate Services	As required	Committee noted nil report.
6. Compliance							
6.1 Compliance reports Obtain updates on compliance matters including Freedom of Information, Privacy, Returns of Interest, Procurement and Gifts and Donations.					Manager Governance Services	Feb 2014	Committee noted report.
6.2 Compliance systems and processes Review the systems and processes for monitoring compliance with legislation and regulations.					Manager Governance	Feb 2014	Committee noted this was largely covered in the LGICl audit in December, which Council is currently awaiting a draft report.



MEETING ITEM IS SCHEDULED FOR	Qtr. 1 Feb 2014	Qtr. 2 May 2014	Qtr. 3 Aug 2014	Qtr. 4 Nov 2013	Who	Report Next Due	Action
6.3 Regulatory updates Keep informed of the findings of any examinations by regulatory agencies including Ombudsman, IBAC and Local Government Inspectorate. VAGO – Local Government: Results of the 2012-13 Audits					Manager Governance Services	As required	Committee noted report and suggested a review against the following items in the VAGO report: <ul style="list-style-type: none"> • Audit Committee; • Performance Management; • Rating Policy; and • Financial end year process.
6.4 Protected disclosure Review protected disclosure arrangements and reports.					CEO	Nov 2013	Committee noted report not due.
7. Reporting responsibilities							
7.1 Audit Committee reports regularly to Council.					Manager Governance Services	Nov 2013	Committee noted that 25 November 2013 Audit Committee Minutes were reported to Council on 18 December 2013.
7.2 Audit Communications Monitor that open communication between the internal auditor, the external auditor and Council occurs.		As required			CEO	As required	Committee noted nil reported.
7.3 Audit Chair Annual Report Report annually to stakeholders via Chair's report to Council.					Chair	Nov 2013	Committee noted Chair's report was presented to Council at an Open Council Briefing on 11 December 2013.
8. Assessment of financial information							
8.1 Significant accounting and reporting issues.		As required			Manager Finance	As required	Committee noted nil report.
8.2 Review attestations Including Best Value and National Competition Policy.					Manager Governance Services	Aug 2014	Committee noted report not due.
8.3 Fire Service Levy update					Director	May	Committee noted report not due.



MEETING ITEM IS SCHEDULED FOR	Qtr. 1 Feb 2014	Qtr. 2 May 2014	Qtr. 3 Aug 2014	Qtr. 4 Nov 2013	Who	Report Next Due	Action
					Corporate Services	2014	
9. General							
9.1 Establish number of meetings for forthcoming year.					Manager Governance Services	Nov 2014	Committee noted report not due.
9.2 Review effectiveness of Secretariat support performance.					Manager Governance Services	Nov 2014	Committee noted report not due.
9.3 Committee performance and fees Perform an assessment of the Committee's performance (and fees for budget consideration).					Manager Governance Services	Aug 2014	Committee noted report not due and in the future the two Councillor members of the Committee and the CEO will conduct this review. Committee noted that the Independent Member fees will increase by 2.5% in line with the recent 2.5% increase to Councillors allowances effective from the February 2014 meeting to \$385 for Independent Members and \$435 for the Chair.
9.4 Committee Chair Consideration and recommendation of Committee Chair for appointment by Council for the next calendar year.					Manager Governance Services	Nov 2014	Committee noted report not due and Council on 18 December 2013 appointed Therese Glab Committee Chair (Independent) for 2014.
9.5 Independent Committee Membership Confirmation of Independent Members and Terms of Office		As required.			Manager Governance Services	Nov 2014	The terms of the Independent Committee Members are: Craig Nisbet – appointed by Council in March 2010 for an initial term ending 31 December 2010 and reappointed in December 2010 for a first 3 year term concluding in December 2013. Craig Nisbet re-appointed Independent Member for a second and final three year



MEETING ITEM IS SCHEDULED FOR	Qtr. 1 Feb 2014	Qtr. 2 May 2014	Qtr. 3 Aug 2014	Qtr. 4 Nov 2013	Who	Report Next Due	Action
							<p>term by Council on 27 November 2013, will conclude in December 2016.</p> <p>Theresa Glab – appointed by Council in December 2011 for an initial 3 year term concluding on 30 November 2014.</p> <p>Irene Irvine – appointed by Council in December 2012 for an initial 3 year term concluding on 30 November 2015.</p> <p>Action: Police checks are required to be conducted for Independent Audit Committee Members. Forms will be provided to Independent Members at the May Audit Committee Meeting.</p> <p>Committee noted report not due and that the updated Charter was adopted by Council at the 18 December 2013 Ordinary Council Meeting.</p>
9.6 Audit Committee Charter Review and assess the adequacy of the Audit Committee Charter annually and confirm all charter responsibilities have been carried out.					Manager Governance Services	May 2014	
10. General Business Application forms for Police Checks provided to members for completion and return at next meeting. Noted that People & Culture Department can assist in process.							
11. Close / Next meetings for next year (place in calendars) – 19 May 2014, 15 September 2014 and 1 December 2014.							

E.15 SPECIAL CHARGE SCHEME POLICY

Engineering Services Directorate

EXECUTIVE SUMMARY

The purpose of this report is to adopt the amended Special Charge Scheme Policy which is due for review in accordance with Council's Corporate Policy Review process.

Document/s pertaining to this Council Report

- **Attachment 1** - Special Charge Scheme Policy (current).
- **Attachment 2** - Special Charge Scheme Policy 2014.
- **Attachment 3** - Special Charge Scheme Process Chart.
- **Attachment 4** - Special Rates and Charges - Ministerial Guidelines, Local Government Victoria.

LEGISLATIVE / ACTION PLANS / STRATEGIES / POLICIES

- Local Government Act 1989
- The Macquarie Special Rates and Charges Manual, a Practice Guide for Local Government, Macquarie Local Government Lawyers, 2012

INTERNAL POLICIES / STRATEGIES / DOCUMENTS

Special Charge Scheme Process Chart (**Attachment 3**).

COUNCIL PLAN

Outcome:	3.0	Integrated Services and Infrastructure
Objective:	3.1	Deliver affordable modern community services and facilities through an integrated approach to planning and infrastructure development.
Strategy:	3.1.4	We will plan for the service needs of the Shire's changing demographic.

CONSULTATION

Following the review of the Policy, it is considered that the policy is still relevant and only requires minor amendments.

REPORT

Background

Council adopted the existing Urban Street Construction Policy on 21 March 2001, and the Rural and Rural Type Living Road Construction Policy was adopted on 18 August 1999. These two policies were then revoked with the amended Special Charge Scheme Policy which was adopted at the 22 December 2010 Council Meeting.

Discussion

Summary of Changes

Minor editorial changes were made to the revised policy including reference to the "Special Rates & Charges - Ministerial Guidelines", Local Government Victoria and "The Macquarie Special Rates and Charges Manual - A Practice Guide for Local Government", Macquarie Local Government Lawyers, 2012.

Proposal

It is proposed that Council adopts the revised Special Charge Scheme Policy as detailed in **Attachment 2**.

FINANCIAL CONSIDERATIONS

In implementing the Special Charge Schemes, Council will initially be responsible for outlaying all costs associated with the project. The costs, which could be significant, will require up front funding from Council before some costs can be recovered under legislation. This may take a number of years.

If Council decides to abandon a Special Charge Scheme, all costs up to abandonment will be borne by Council.

Financial capability to deliver Special Charge Schemes will be assessed annually as part of the annual budget process.

Special Charge Schemes are designed to apportion costs in cases when defined ratepayer beneficiaries can be identified in a catchment area. The application of Special Charge Schemes thereby reduces the costs of an asset provision to the broader community by Council.

RISKS

If Council determines to abandon a scheme at any stage, Council has three choices, being;

1. Fund the project from general rate revenue; or
2. Seek funds from other external sources such as State or Federal Government by way of grants; or

3. Not complete the project.

Not funding a project that could or should be subject of a special charge has the potential to limit Council's ability to fund other important capital works projects or delivery of other core Council services. The proposed policy assists Council in the funding of projects.

CONCLUSION

The Ministerial Guidelines suggests that Councils adopt a Special Charge Scheme Policy which is consistent with both the Local Government Act 1989, and the Ministerial Guidelines. This Policy review addresses these requirements.

RECOMMENDATION


That Council adopt the Special Charge Scheme Policy 2014 as detailed in Attachment 2.

STAFF DISCLOSURE OF INTEREST

Nil

NOTE: The recommendation was CARRIED UNANIMOUSLY as part of a single motion, refer to page 151.

Attachment 1 Special Charge Scheme Policy 2010 (Current)



South Gippsland Shire Council

SPECIAL CHARGE SCHEME POLICY

Policy Number	C42	Directorate	Engineering Services
Council Item No	E4	Department	Engineering
Council Meeting Date	22 December 2010	Primary Author	A Price
Revision Date	22 December 2013	Secondary Author	P Chellis

POLICY OBJECTIVE

The objective of the Special Charge Scheme Policy is to provide a strategic framework to assist and guide Council to implement Special Charge Schemes for appropriate infrastructure by optimising its capacity to raise funds for the undertaking of works and services pursuant to Section 163 of the Local Government Act, 1989 in a fair, equitable, consultative and consistent manner.

POLICY FRAMEWORK

Council will implement Special Charge Schemes:

- In accordance with Section 163 of the Local Government Act, 1989 and "Special Rates and Charges Ministerial Guidelines, Local Government Victoria, September 2004" (as amended).
- If Council contributes a third (33.33%) or more of the cost of the Scheme without the support of affected property owners, or
- If there is a minimum of 70% of property owner support in writing to contribute financially to the works.

LEGISLATIVE PROVISIONS

A Special Charge Scheme is defined in accordance with Council's capacity to raise funds for undertaking works and services pursuant to Section 163 of the "Local Government Act 1989" and the procedure "Special Rates and Charges Ministerial Guidelines, September 2004".

DEFINITIONS

Special Benefit - is considered to be provided to a property if the proposed works or services will provide a benefit that is additional to or greater than the benefit to other properties.


POLICY STATEMENT

This policy operates within the legislative framework that recognises there is a responsibility on those deriving a special benefit from a built environment that they should financially contribute to the development of the infrastructure. On completion of the infrastructure works it is Council's responsibility to maintain the asset to appropriate standards.

Special Charge Scheme Policy

Page 3 of 3

Attachment 1 Special Charge Scheme Policy 2010 (Current)



Council will assess its financial capability to deliver Special Charge Schemes in accordance with its Long Term Financial Plan and Capital Works Program

RISK ASSESSMENT

- **Financial:** The policy provides an opportunity for Council to obtain funding for infrastructure projects that would otherwise require Council to fully fund or find other funding sources.
- **Openness and Transparency:** The policy provides for an open and transparent process to be undertaken in the implementation of Special Charge Schemes, taking into account adopted Community Plans. Transparency is achieved through community consultation with affected property owners and the general public.

IMPLEMENTATION STATEMENT

The responsibility for and implementation of the policy rests with the Engineering Services Directorate.

COUNCIL POLICY


COUNCIL POLICY

COUNCIL POLICY

COUNCIL POLICY

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Attachment 2 Special Charge Scheme Policy 2014



South Gippsland Shire Council

SPECIAL CHARGE SCHEME

Policy Number:	D42	Directorate:	Engineering Services
Special Provisions:	TBA	Department:	Engineering & Projects
Current Amendment Date:	16 April 2014	Primary Author:	Manager Engineering & Projects
Revised Date:	April 2016	Secondary Author:	Engineering Coordinator

POLICY OBJECTIVE

The objective of the Special Charge Scheme Policy is to provide a strategic framework to assist and guide Council to implement Special Charge Schemes for appropriate infrastructure by optimising its capacity to raise funds for the undertaking of works and services pursuant to Section 163 of the Local Government Act, 1989 in a fair, equitable, consultative and consistent manner.

Framework

Council will implement Special Charge Schemes:

- In accordance with Section 163 of the Local Government Act, 1989 and "Special Rates and Charges" Ministerial Guidelines, Local Government Victoria, September 2004" (as amended);
- If Council contributes a third (33.33%) or more of the cost of the Scheme without the support of affected property owners, or
- If there is a minimum of 70% of property owner support in writing to contribute financially to the works Scheme.

LEGISLATIVE PROVISIONS

A Special Charge Scheme is defined in accordance with Council's capacity to raise funds for undertaking works and services pursuant to Section 163 of the "Local Government Act, 1989" and the "Special Rates and Charges" Ministerial Guideline, Local Government Victoria.

DEFINITIONS


Definitions are in accordance with Section 163 of the Local Government Act, 1989 and "Special Rates and Charges" Ministerial Guideline, Local Government Victoria.

POLICY STATEMENT

This policy operates within the legislative framework that recognises there is a responsibility on those deriving a special benefit from a built environment that they should financially contribute to the development of the infrastructure. The policy enables Council to deliver essential infrastructure and/or services with fairness and equity by seeking contributions from those deriving the special benefit so that these special benefits do not need to be subsidised by general ratepayers. On completion of the infrastructure works, it is Council's responsibility to maintain the asset to appropriate standards.

Special Charge Scheme Policy Page 1 of 2

Attachment 2 Special Charge Scheme Policy 2014



Council will assess its financial capability to deliver Special Charge Schemes in accordance with its Long Term Financial Plan and Capital Works Program.

RISK ASSESSMENT

- **Financial:** The policy provides an opportunity for Council to obtain funding for infrastructure projects that would otherwise require Council to fully fund or find other funding sources.
- **Openness and Transparency:** The policy provides for and requires an open and transparent process to be undertaken in the implementation of Special Charge Schemes, taking into account adopted Community Plans. Transparency is achieved through appropriate community consultation with affected property owners and the general public.

IMPLEMENTATION STATEMENT

The responsibility for and implementation of the policy rests with the Engineering Services Directorate. Documentation required to implement Special Charge Schemes should be prepared with reference to *'The Macquarie Special Rates and Charges Manual'*, a Practical Guide for Local Government, Macquarie Local Government Lawyers, 2012.

COUNCIL POLICY

COUNCIL POLICY

COUNCIL POLICY

Special Charge Scheme Policy

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Attachment 3 Special Charge Scheme Process Chart

Stage	Description
<input checked="" type="checkbox"/> <i>Approval to prepare scheme</i>	Decision made to scheme following consideration of surveys of property owners and feed back from the community. Council may then place the project in the budget system or proceed immediately to prepare a scheme. Scheme preparation involves survey, design and preparation of an apportionment of cost.
<input type="checkbox"/> <i>Intention to Declare Scheme</i>	Report to Council providing information on scheme including advice of impending advertising of scheme and declaration of charge. Seeks Council approval by resolution to proceed with process.
<input type="checkbox"/> <i>Advertisement and Notification</i>	The scheme is advertised in the local newspaper and all allotted property owners are notified by mail. This advertisement and notification indicates Council's intention to 'declare' a scheme in a month's time and seeks submissions from affected property owners.
<input type="checkbox"/> <i>Submissions</i>	From the time of advertising, property owners have 28 days (as set down by the Act) to lodge submissions, either in support or opposition to the scheme. If intending to recover more than 2/3 of scheme cost from contributors, they have 28 days to object to the scheme.
<input type="checkbox"/> <i>Submissions Review Panel Hearing</i>	A Submissions Review Panel is convened (may be Committee of Councillors or whole Council) and meets to consider submissions. Some submissions are written only, and other submitters may wish to be heard before the Panel. The Panel makes a recommendation to Council regarding the scheme.
<input type="checkbox"/> <i>Abandonment of scheme</i>	The Panel may recommend to Council that the scheme be abandoned. After considering the Panel's report, Council may proceed to abandon the scheme following which property owners are notified and the scheme does not proceed.
<input type="checkbox"/> <i>Declaration Report</i>	Alternatively the Panel may recommend to Council that the scheme proceed. After considering the Panel's report, Council may proceed to "declare" the charges in accordance with its advertised intent. Subsequent to this the Finance Manager issues the levy notices and there is a formal charge placed on the property. This is the final step in the process for Council to make a decision on the scheme.
<input type="checkbox"/> <i>Appeal</i>	Property owners may lodge an application for review with the Victorian Civil and Administrative Tribunal (VCAT) within one month of issue of the levy notice. An appeal is listed, heard and determined by the Tribunal and this process generally takes three to four months. Decision made by VCAT are binding on all parties.
<input type="checkbox"/> <i>Construction</i>	Council may then proceed to construct the works. Invoices are issued seeking payment of the estimated cost within one month of commencement.
<input type="checkbox"/> <i>Final Cost Report</i>	At the completion of the works the scheme is "finalised" taking into account the actual costs incurred and payments justified accordingly.

Attachment 4
Special Rates and Charges - Ministerial Guidelines (2004)

SPECIAL RATES AND CHARGES
Ministerial Guideline

September 2004

Local Government Victoria
Level 14, 1 Spring Street,
Melbourne, Vic, 3000
(03) 9208 3430

*Department for
Victorian Communities*



Attachment 4 Special Rates and Charges - Ministerial Guidelines (2004)

Preface to Ministerial Guideline on Special Rates and Charges

INTRODUCTION

The attached Ministerial Guideline has been prepared to assist and guide Councils in complying with new provisions of the Local Government Act 1989 (the Act) relating to the levying of Special Rates and Special Charges. It specifically addresses the method of calculating the maximum amount that a Council may levy as a special rate or charge.

The amendments to the Act made by the Local Government (Democratic Reform) Act 2003 had the following objectives:

- To ensure fairness and equity by requiring Councils to formally consider the proportion of the benefits of a proposed works or services that will provide special benefits for the people included in the scheme,
- To maximise opportunities for participation in consultation on proposed schemes and to provide objection rights where it is proposed that the affected people should contribute over two thirds of total costs.
- To ensure councils retain the ability to recover reasonable contributions from people who will derive special benefits from particular works or services so that those special benefits do not need to be subsidised by general ratepayers.

THE AMENDMENTS

The amendments made to the special rates and charges provisions of the Act include the following:

- A proposed declaration must include a description of the works or services to be provided, the total cost of the works or services and the total amount of the special rates and charges to be levied. (This is in addition to information already required)
- When a council gives public notice of a proposed special rate or charge it must, within 3 working days, send a copy of the public notice to each person who will be required to pay the rate or charge.
- Before declaring a scheme, a council must determine the "total amount" of the special rates and charges to be levied. The total amount may not exceed the maximum total amount calculated by the formula $R \times C = S$; where R is the benefit ratio, C is the total cost of the works or service and S is the total maximum amount.
- If a council proposes to levy a total amount that exceeds two thirds of the total cost the affected ratepayers have a right to object and if the council receives objections from a majority of those ratepayers within 28 days of the public notice it may not declare the scheme. (This is in addition to the existing section 223 consultation process)
- If a council proposes to alter a declared special rate or charge in a way that will require an additional person(s) to pay, or that will involve a material increase in the amount that a person has to pay, it must give public notice of the proposal and consider public submissions, in accordance with section 223 of the Act.

Attachment 4 Special Rates and Charges - Ministerial Guidelines (2004)

COVERAGE OF THE GUIDELINE

The Ministerial Guideline specifically deals with the calculation of the maximum total amount that a council may levy as a special rate or special charge. It therefore deals with the calculation of the total cost of the works or services and the estimation of the benefit ratio (Sections 163(2A) and 163(2B) of the Act).

It should be noted that the guideline does not deal with the following matters:

- Consultation processes between councils and people affected by proposed special rate or charge schemes,
- The new notification and objection procedures in the Act, except where they are related to or affected by the total cost, the benefit ratio or the maximum total levy, or
- The criteria used for the apportionment of special rates and charges between the people required to pay the rate or charge.

USING THE GUIDELINE

This Guideline is intended to assist Councils in preparing proposed declarations for special rates and charges schemes. While not having the same force as the Act, the Guideline should be considered by a council when developing a special rate or special charge scheme.

It is acknowledged that special rate and charge schemes can vary significantly and that it is not possible to cover all situations in a guideline. Subject to the requirements of the Act, councils are empowered to exercise discretion in developing special rate and charge schemes. In exercising their discretion, however, councils should take the Guideline into account to avoid the risk of having their decisions set aside by the VCAT or a court by reason of having failed to take into account a relevant consideration.

APPORTIONMENT

The guideline does not deal with the criteria to be used as a basis for levying a special rate or charge. This is commonly referred to as "apportionment". The following matters should be noted, however:

- The determination of apportionment criteria is a separate process from the calculation of the maximum total levy.
- While benefit is the fundamental criterion for determining the proportion of total costs that may be recovered under a special rate or charge, it is not necessarily the appropriate criterion for determining apportionment.
- Councils should have regard to the objective in the Local Government Charter (Part 1A of the Act), to "ensure the equitable imposition of rates and charges" when deciding on apportionment criteria.
- Prior consultation with affected people should enable councils to develop equitable and appropriate apportionment criteria in a proposed declaration.
- A person required to pay a special rate or charge continues to have the right to request a review by VCAT on the basis that the apportionment is unreasonable.

Attachment 4 Special Rates and Charges - Ministerial Guidelines (2004)

MAXIMUM LEVY

The Guideline provides assistance for councils calculating the maximum total levy applicable to a special rate or charge scheme. While maximum total levy is the highest total amount that a council may recover as a special rate or charge, a council is not required to recover that maximum amount and may decide, at its own discretion, to levy a lower amount than the maximum total levy.

CONSULTATION

Generally, councils that establish special rate and charge schemes have well developed public consultation processes that significantly exceed the minimum requirements of the Act. This approach is highly recommended. Experience shows that open and effective consultation with the community, particularly with the people who will be included in a proposed scheme, results in higher success rates and greater public satisfaction.

COUNCIL POLICIES

While not essential, it is desirable for Councils that intend to establish special rate and special charge schemes to develop and adopt policies and procedures to ensure reasonable and consistent practices. It is essential that that any such policies or procedures be consistent with the new provisions of the Act and it is recommended that they be consistent with the Ministerial Guideline.

Attachment 4 Special Rates and Charges - Ministerial Guidelines (2004)

Local Government Act 1989 – Section 163(2C)

Special Rates and Special Charges: Calculating Maximum Total Levy

Ministerial Guideline

(Published in the Government Gazette on 23 September 2004)

INTRODUCTION

1. This Guideline is made under section 163(2C) of the Local Government Act 1989 (the Act). It relates to the application of sections 163(2), 163(2A) and 163(2B) of the Act. It specifically addresses the calculation of the maximum total amount that may be levied as a special rate or special charge (referred to as the "*maximum total levy*").
2. Some terminology used in this Guideline should be noted:
 - a. "*Scheme*" refers to a special rate or special charge scheme.
 - b. "*Works or services*" refers to the functions or powers being exercised by the Council for which it is proposed to levy a special rate or charge.
 - c. "*Property*" refers to property in the form of land.
3. The calculation of the *maximum total levy* requires the following:
 - a. Calculation of the "*total cost*" of the works or services.
 - b. Calculation of the "*benefit ratio*", which depends on reasonable estimates of:
 - "*Total special benefits*" to properties included in the scheme.
 - "*Total special benefits*" to properties not included in the scheme (if any), and
 - "*Total community benefits*" (if any).

STEPS IN CALCULATION

4. The following steps apply to the calculation of the maximum total levy.
 - A. DEFINE PURPOSE
 - B. ENSURE COHERENCE.
 - C. CALCULATE TOTAL COST
 - D. IDENTIFY SPECIAL BENEFICIARIES
 - E. DETERMINE PROPERTIES TO INCLUDE
 - F. ESTIMATE TOTAL SPECIAL BENEFITS
 - G. ESTIMATE COMMUNITY BENEFITS
 - H. CALCULATE THE "BENEFIT RATIO"
 - I. CALCULATE THE MAXIMUM TOTAL LEVY

Attachment 4 Special Rates and Charges - Ministerial Guidelines (2004)

A. Define Purpose

5. The purpose, or purposes, of the proposed works or services should be clearly defined at the outset. The purpose should describe the reasons why the proposed works or services are proposed.
6. The description of the purpose would normally take account of the following:
 - a. Reasons why the works or services are considered necessary or appropriate, noting any relevant background information.
 - b. Who has proposed that the works or services be undertaken and including the following information;
 - If the works or services have been proposed by the council, the relevant council policy or resolution.
 - If the works or services were requested by a person or people other than the council, an indication of whether those people are proposed to be included in the scheme and what reasons they have given for requesting the works or services.
7. A scheme may serve multiple purposes and can be proposed by multiple parties.

B. Ensure Coherence

8. For the purposes of calculating the maximum total levy, and therefore total cost and benefit ratio, the works or services for which the special rate or charge is proposed should have a natural coherence.
9. Proposed works or services can be considered to have a natural coherence if:
 - a. They will be physically or logically connected, or
 - b. They will provide special benefits, of a related nature, to a common, or overlapping, group of properties.

C. Calculate total cost

10. The "*total cost*" is the aggregate cost of defraying expenses related to providing the works or services and establishing the scheme.
11. The following should apply to the calculation of the "*total cost*":
 - a. Costs included in the *total cost* must be for purposes in section 163(1) of the Act, and
 - b. Costs included in the *total cost* may only be for expenses listed in section 163(6) of the Act, and
 - c. Costs included in the *total cost* should be based on actual expenses that have been incurred, or reasonable estimates of expenses expected to be incurred. (For example, any interest should be based on estimated actual interest costs rather than on prescribed penalty interest rates)
 - d. Costs included in the *total cost* may relate to known activities but not to activities that are purely speculative or hypothetical in nature. (For example, provision for incidental costs related to the proposed works might be included but not costs related to possible legal proceedings that may or may not occur)

Attachment 4 Special Rates and Charges - Ministerial Guidelines (2004)

D. Identify special beneficiaries

12. The council should identify, as far as possible, which properties will receive a special benefit from the proposed works or services. A "*special benefit*" is considered to be provided to a property if the proposed works or services will provide a benefit that is additional to or greater than the benefit to other properties.
13. It is important to note that, while special benefits are considered to accrue to properties, the actual measurable benefits are provided to the owners and/or occupiers of the properties (see also paragraph 23.a).
14. Special benefits should be benefits that are either tangible benefits to the owners or occupiers of the properties that are not remote, or they should be clear benefits to those owners or occupiers that were identified in the defined purpose of the works or services (paragraph 5). Types of benefits included as special benefits generally include services provided for the properties, identifiable improvements in physical or environmental amenity, improved access, improved safety or economic benefits.
15. A special benefit may be considered to exist if it would reasonably be expected to benefit the owners or occupiers of the property. It is not necessary for the benefit to be actually used by the particular owners or occupiers of a specified property at a particular time in order for a special benefit to be attributed to the property.

E. Determine properties to include

16. Having identified which properties will receive *special benefits*, the council must decide which properties to include in the scheme. The properties included in the scheme will be those that are required to pay the special rate or charge.
17. If a property will receive a *special benefit* but is not included in the scheme, the calculation of the benefit ratio will result in the council paying the share of costs related to the special benefits for those properties.
18. The council is not required to levy a special rate or charge on any or every property that will receive a *special benefit*. A property with a special benefit may be excluded from the scheme for any of the following reasons:
 - a. The council is unable to levy a special rate or charge on the property.
 - b. The owner of the property has already contributed to the costs of the works through a development levy,
 - c. The council considers that there are particular advantages for the municipality in excluding the property from the scheme,
 - d. The council considers that the special benefits for the property are marginal and would not warrant including the property in the scheme, or
 - e. Any other reason that the council considers appropriate.

Attachment 4 Special Rates and Charges - Ministerial Guidelines (2004)

F. Estimate total special benefits

19. Total special benefits can be defined to include two parts, as follows:

$$TSB = TSB_{(in)} + TSB_{(out)}$$

- *TSB* is the estimated total special benefit for all properties that have been identified to receive a special benefit.
 - *TSB_(in)* is the estimated total special benefit for those properties that the council proposes to include in the scheme.
 - *TSB_(out)* is the estimated total special benefit for those properties with an identified special benefit that the council does not propose to include in the scheme.
20. In estimating the total special benefits for properties that will be included in the scheme, particular attention should be paid to:
- a. The identified purpose of the proposed works or services, and
 - b. Specific benefits relevant to the type of works or services proposed.
21. There is no single or prescribed method for estimating total special benefits. However, whatever method is used, it is essential that the comparative weightings attributed to different types of benefits are reasonable and are applied consistently by a Council. It is also essential that consistent weightings are used between those properties that are included in the scheme and those that are not included.
22. It is particularly important to note that, while it may sometimes be useful to estimate special benefits on a property by property basis, this is not always necessary. The calculation of the benefit ratio only requires aggregate estimates of total special benefits for properties included in the scheme and for properties excluded from the scheme.
23. The following matters should be noted in calculating "total special benefits"
- a. While changes in property values are considered to be an indication that a special benefit exists, this is generally derived from benefits provided to the owners or occupiers of the property. To avoid double counting, changes in property values should not normally be included in the calculation of total special benefits.
 - b. Where the services or works proposed under a scheme include benefits to people who are servicing or accessing properties that are identified as having special benefits, the benefits to those people may be included as special benefits to the properties rather than as community benefits.

G. Estimate total community benefit

24. Before calculating the benefit ratio, a Council must consider if the proposed works or services will provide "community benefits". Not all schemes have community benefits.
25. *Community benefits* are considered to exist where the works or services will provide tangible and direct benefits to people in the broader community. These will generally derive from the provision of facilities or services that are

Attachment 4 Special Rates and Charges - Ministerial Guidelines (2004)

generally available to people, other than owners or occupiers of properties with special benefits.

26. Where there is a use or amenity value to people in the broader community that is a clear, tangible and direct, the Council should attribute a community benefit. The council should also attribute a community benefit where it identified in the defined purpose of the works or services (paragraph 5).
27. Councils should use a method of estimating community benefits that is reasonable and consistent in comparison to the estimates of special benefits. In making these estimates, care should be taken to avoid double counting. If a benefit is identified as a special benefit it should not also be counted as a community benefit.

H. Calculating the benefit ratio

28. The benefit ratio is calculated as follows:

$$\frac{TSB_{(in)}}{TSB_{(in)} + TSB_{(out)} + TCB} = R$$

- *TSB_(in)* is the estimated total special benefit for those properties that the council proposes to include in the scheme
- *TSB_(out)* is the estimated total special benefit for those properties with an identified special benefit that the council does not propose to include in the scheme.
- *TCB* is the estimated total community benefit.
- *R* is the benefit ratio.

I. Calculating the Maximum Total Levy

29. Having calculated the total cost and the benefit ratio, the Council is required to calculate the maximum total levy, in accordance with section 163(2A) of the Act.

$$R \times C = S$$

- *R* is the benefit ratio
 - *C* is the total cost
 - *S* is the maximum total levy.
30. A council may not levy a special rate or charge to recover an amount that exceeds the maximum total levy. However, a council may decide to levy a lower amount.

Attachment 4 Special Rates and Charges - Ministerial Guidelines (2004)

SCHEME TYPES

31. The principles and processes outlined in this guideline will apply differently in different types of schemes recognising that complexities and variances occur with each scheme.
32. In general there are three main types of schemes:
 - a. Works Schemes, that involve the construction of an item, or items of infrastructure,
 - b. Service schemes that provide a particular service or bundle of related services, and
 - c. Special purpose fund schemes, where the monies raised by the special rate or charge go into a fund for a specified purpose and may include a mixture of works and/or services.

A. Works Schemes

33. Works schemes are schemes that involve the construction of an item, or items, of infrastructure, such as roads, (including road pavement, footpath, kerb and channel, etc) drains or car parks.
34. Benefits to be taken into account in a works scheme are usually related to improved amenity, safety, environment or usage value. As with all schemes, any benefits identified in the defined purpose should be taken into account in estimating total special benefits and total community benefit.
35. Consideration of the special benefits and community benefits should take account of changes in usage that are realistically expected to occur following the construction of the works.
 - a. Future benefits should be limited to those that can arise under existing laws, planning schemes, permits and approvals.
 - b. Future benefits should be limited to benefits that may arise within reasonable timeframes.

ROADS

36. The construction of a road may generally include the various components of a road, such as the road pavement, kerb and channel, drains and drainage pits, nature strips and street trees, signage, line marking, traffic management devices, and footpaths.
37. When estimating the total special benefits associated with the construction of a road, a Council may take account of the following:
 - a. The primary purpose for which the road is being constructed.
 - b. Improved access to properties by owners, occupiers, visitors and services,
 - c. Improved safety such as improved traffic delineation, improved sight distance, road surface and road width, reduced road flooding,
 - d. Improved physical or environmental amenity for the owners or occupiers, which may result from such works due to landscape treatments, removal of open drains and stagnant water, reduced property flooding, removal of dust,

Attachment 4 Special Rates and Charges - Ministerial Guidelines (2004)

- e. Impact on any community facilities that may derive a special benefit from the works.

Where properties with special benefits have been excluded from the scheme, these factors should be applied consistently to those properties, wherever relevant.

38. When estimating the level of community benefit associated with the construction of a road, a Council should take account of:
- a. The primary purpose for which the road is being constructed,
 - b. Actual and expected usage of the constructed works, with a possible exception where the users are accessing or servicing properties with special benefits,
 - c. Expected impacts on projected road usage from factors such as growth, major development or traffic generators that are located outside of the scheme works,
 - d. Road function/classification and subsequent design standards and the extent that those standards are influenced by the degree of community usage of the works over and above that, may be attributed to properties within a scheme,
 - e. Extent of other works such as bicycle lanes and parking lanes, increasing the standard above that that would normally apply if only providing local property access.

DRAINS

39. In drainage schemes or works involving drainage infrastructure the key criteria for assessing total special benefits, includes an assessment of discharge and protection benefit to properties. This may relate to properties included in the scheme as well as properties not included in the scheme.
40. Factors that may be considered to provide a community benefit include improved drainage capacity, improved environment amenity due to such matters as water quality, reduction in erosion, reduction in flooding and improved health and hygiene.

B. Service Schemes

41. Service schemes are schemes that provide a particular service or bundle of related services that provide a special benefit.
42. Benefits to be taken into account in service schemes are primarily the special benefits to the direct users of the services. When estimating total special benefits and any community benefits for service schemes, the following consideration may apply:
- a. Who requested the service and what is its primary purpose?
 - b. Which group of people might be reasonably expected to pay for the service if it were commercially available?

RETAIL PROMOTIONS

43. Where services are provided for purpose of promoting or supporting business activities, such as in retail centres or shopping strips, the affected businesses would frequently be considered to be the main, or sole, beneficiaries. This will

Attachment 4 Special Rates and Charges - Ministerial Guidelines (2004)

be particularly appropriate where the scheme has been proposed by business associations and the services are tailored to the needs of the affected businesses.

44. Any benefits for customers of the businesses that are included in the scheme would normally be included in the total special benefits to those businesses, in accordance with paragraph 23.b.

SERVICES GENERALLY AVAILABLE

45. Special rate and charge schemes are not generally used for services that are generally available to other people. This is because special rates and charges are only applicable where there is a special benefit.
46. However, there may be cases where a higher level of service is required for a particular area or group of properties and it may be appropriate to levy a special rate or charge. This might apply, for example, where ratepayers require maintenance of the road adjoining their properties at a higher standard than is generally provided for roads of a similar type and classification.
47. In such cases, it is important to ensure that the special rate or charge does not apply to the portion of the service that is generally available to other people. Therefore, the calculation of the *maximum total levy*, the *total cost* and the *benefit ratio* should be restricted to that part of the service that is over and above the level of service generally available to other people.

C. Special Purpose Fund Schemes

48. Special purpose fund schemes are where the monies raised by the rate or charge go into a fund to be used for a specified purpose. In these schemes, the precise services and/or works are not fully specified in advance and a process is therefore established to allocate the funds raised. An example of this type of scheme could be a shopping centre promotion scheme, where a council directs and empowers a committee to allocate the funds.
49. Particular care should be taken when defining the purpose of special purpose fund schemes as the calculation of the *maximum total levy*, the *total cost* and the *benefit ratio* need to be based on the defined purpose.
50. When estimating total special benefits and any community benefits a council should consider the defined purpose of the scheme. It should also take account of advice in this guideline relevant to the types of works or services proposed or planned under the scheme.
51. It is essential that any funds raised under a special purpose fund scheme are utilised fully in accordance with the defined purpose of the scheme.

E.16 COMMUNICATION AND COMMUNITY ENGAGEMENT POLICY

Corporate Services Directorate

EXECUTIVE SUMMARY

Various forms of communication and engagement create connections between governments, citizens and communities on a wide range of policy, program and service issues.

A 'Communication and Engagement Policy' (Policy) (**Attachment 1**) has been reviewed and developed by the Community Engagement and Evolving Vision Steering Committee (Committee) for consideration by Council.

The premise of the Policy is that the best decisions will be made if those involved in the outcome have every opportunity to participate in the decision making process.

The Committee has developed the 'Communication and Engagement Policy' for Public Comment' for Council's consideration. It is recommended that Council endorse the Policy and require that it be made public for community consultation until 5.00pm 16 May 2014.

Document/s pertaining to this Council Report

- **Attachment 1** - Communication and Engagement Policy

LEGISLATIVE / ACTION PLANS / STRATEGIES / POLICIES

- Local Government Act 1989 (Best Value, Council Plan, S223)
- Planning and Environment Act 1987
- Emergency Management Act 1986
- Commonwealth Disability Discrimination Act 1992
- Information Privacy Act 2000

INTERNAL POLICIES / STRATEGIES / DOCUMENTS

- Community Engagement Plan and Toolkit 2014
- Council Written Communication Guide
- Council Corporate Style Guide
- Council and Community Planning Framework
- Councillor and Staff Codes of Conduct.

COUNCIL PLAN

Outcome:	2.0	Closely Connected Communities
Objective:	2.1	Engage and work collaboratively with our community.
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.

CONSULTATION

External Consultation had occurred through previous versions of this draft policy. That feedback has been incorporated into the development of this policy.

Internal Consultation has been through the guidance and development of the policy via the Community Engagement and Evolving Vision Steering Committee and staff. The Committee, established and appointed by Council, consisted of all Councillors and the Executive Leadership Team.

The Policy contained in **Attachment 1**, is presented to Council with a recommendation that it now be released for public comment, prior to adoption.

REPORT

Background

Council adopted a Communication and Consultation Policy on 19 March 2008. Council deferred adoption of a revised version of this Policy at the end of 2012 until a review was completed by the then new Council elected in October 2012.

A review of the policy has been undertaken through Council's Community Engagement and Evolving Vision Steering Committee.

Council encourages individuals, groups and communities to be involved in local government. It recognises the value in a diversity of opinions, innovative ideas and life experience – this information allows Council to better understand issues and provide services that are tailored to community needs.

Discussion

Council's Community Engagement and Evolving Vision Steering Committee have met over the course of 2013 to review and redevelop the Policy and an accompanying internal document titled the 'Community Engagement Plan and Toolkit'.

A 'Communication and Engagement Policy' (Attachment 1) has been developed by the Committee so Council may encourage consultation and active participation when making decisions and the community have the opportunity to provide feedback on important issues.

Active participation, through involvement, collaboration and empowerment, will aim to achieve outcomes where the community feel as though they have had sufficient input.

The community consists of a variety/numerous sub groups. Each group holds a unique perspective of issues and each has its own needs and wants within the broader community. Many prefer using a variety of communication options with Council, from face to face meetings to phone calls, letters, social media and e-mail correspondence.

Communication and Engagement requires a practical application, however no two circumstances are identical, so a mix of means to engage the community are required. An internal 'Community Engagement Plan and Toolkit' has also been developed to support staff and Councillors while following the Policy.

Together the Policy and internal 'Toolkit' provide a framework within which Council can proactively engage with the community to enhance decision making and service delivery. The best decisions will be made if those involved in the outcome have every opportunity to participate in the decision making process.

The 'Communication and Engagement Policy' has been developed for Council to establish the principles under which it is proposed Council will operate when engaging with its community. This also includes the process to manage media enquiries and acknowledge Protected Disclosures (formerly Whistleblowers Protection Act)

Proposal

It is recommended that Council endorse the Communication and Engagement Policy (**Attachment 1**) and require that it be made public for community consultation until 5.00pm 16 May 2014.

The Policy will be available on Council's website under 'Documents on Public Exhibition' and from the Council's Customer Service Centre. Feedback from the consultation will be provided for Council's consideration and endorsement at the next appropriate Ordinary Council Meeting.

FINANCIAL CONSIDERATIONS

The Policy and Toolkit do not carry budgetary implications. When applying community engagement methods, Council should give consideration to the costs associated when planning the engagement and incorporate costs into project budgets.

RISKS

Inconsistent communication, engagement methodology and the possibility of breaching statutory or legislative requirements exists without a binding policy for engagement. These risks can damage the image and perception of Council within the community and potentially compromise our stakeholders. Council should consider an appropriate risk management approach to engagement and should apply it when developing a communication or engagement plan.

CONCLUSION

Various forms of communication and engagement create connections between governments, citizens and communities on a wide range of policy, program and service issues.

A 'Communication and Engagement Policy' has been developed for consideration by Council. The Policy will provide guidance for Council to proactively engage with the community to enhance decision making and service delivery.

The Policy (**Attachment 1**) is presented to Council for consideration and endorsement to proceed to a public consultation phase to close at 5.00pm 16 May 2014.

RECOMMENDATION

That Council:


- 1. Receive the Communication and Engagement Policy (Attachment 1) presented by the Community Engagement & Evolving Vision Steering Committee;**
- 2. Endorse the Communication and Engagement Policy (Attachment 1) for public comment;**
- 3. Make available the Communication and Engagement Policy (Attachment 1) for public comment and invite written submissions until 5.00pm 16 May 2014 on Council's website and Customer Service Centre; and**
- 4. Request the Chief Executive Officer provide a report to adopt the final Communication and Engagement Policy at the next appropriate Ordinary Council Meeting.**

STAFF DISCLOSURE OF INTEREST

Nil

NOTE: The recommendation was CARRIED UNANIMOUSLY as part of a single motion, refer to page 151.

Attachment 1 - Communication and Engagement Policy



South Gippsland Shire Council

COMMUNICATION AND ENGAGEMENT POLICY

Policy Number	C06	Division	Corporate Services
Council Item No	E	Department	Customer Relations
Council Adoption Date	16 April 2014	Primary Author	Manager Customer Relations
Revision Date	February 2010	Secondary Author	Communications Officer

POLICY OBJECTIVE

The objective of this policy is to broadly define Council's approach to communication and engagement with the community. It applies across the full range of policy, program and service issues encountered by local government.

LEGISLATIVE PROVISIONS

- Local Government Act 1989
- Planning and Environment Act 1987
- Emergency Management Act 1986
- Commonwealth Disability Discrimination Act 1992
- Information Privacy Act 2000
- Charter of Human Rights and Responsibilities Act 2006

Council Strategies, Plans and Guides

- Council Plan 2013 - 2017
- Council Corporate Style Guide including templates
- Councillor Code of Conduct
- Staff Code of Conduct
- Municipal Emergency Management Plan
- Community Engagement Plan and Toolkit
- Social Media Policy (under development)

Other documents used in the preparation of this policy

- Good Governance Guide, MAV, 2004
- International Association for Public Participation – (IAP2) Spectrum of Engagement – obligations to public (www.iap2.org)

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DEFINITIONS

Municipal Association of Victoria – MAV

Communication and Engagement refers to the connections between governments, citizens and communities on a wide range of policy, program and service issues. It can be formal or informal. Council has identified the following three elements:

- **Information:** To provide the community and key stakeholders with balanced and objective information on decisions, policies, plans and strategies
- **Consultation:** To obtain feedback from the community and key stakeholders on analysis and alternatives to inform a decision
- **Participation/Active Participation:** Responsibility for the final decision rests with Council but may, in some instances be shared with the community and key stakeholders. It is critical that the final decision maker is predetermined and agreed in the planning process and recognised in the community engagement plan. Participation is made up of several parts.
 - **Involvement:** To work directly with the community and key stakeholders so that their concerns/issues are consistently understood and considered
 - **Collaboration:** To partner with the community and key stakeholders in each aspect of the decision process – including the development of alternatives and identification of solutions
 - **Empowerment:** All final decisions rest with Council or a delegated officer of Council. Council may adopt recommendations from the community, unchanged, should the circumstances warrant such an approach, or authorise the community entity to proceed with a task that requires the entity to exercise a degree of decision making in dealing with matters contained in the task.

Community – means the people, who live, work or visit South Gippsland Shire.

Councillors – means the individuals holding office as members of the South Gippsland Shire Council.

Council – means the South Gippsland Shire Council, being a body corporate instituted as a municipal government under the Local Government Act 1989.

Engagement – means to develop an ongoing relationship with community over a number of communication or consultation transactions.

Statutory requirement – means a specific action imposed by legislation on a particular function of Council.

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POLICY STATEMENT

The South Gippsland Shire Council encourages individuals, groups and communities to be involved in local government. It recognises the value in a diversity of opinions, innovative ideas and life experience – this information allows Council to better understand issues and provide services that are tailored to community needs.

Council encourages consultation and active participation when making decisions so the community have the opportunity to provide feedback on important issues. Active participation, through involvement, collaboration and empowerment, will aim to achieve outcomes where the community feel as though they have had sufficient input.

The community consists of a variety/numerous sub groups. Each group holds a unique perspective of issues and each has its own needs and wants within the broader community. Many prefer using a variety of communication options with Council, from face to face meetings to phone calls, letters, social media and e-mail correspondence.

This application of this policy will improve Council with more informed decision making. The best decisions will be made if those involved in the outcome have every opportunity to participate in the decision making process.

Benefits of Communication and Engagement

The benefits that can be obtained through this policy are:

- Providing information to the community on issues and decisions that may impact on them;
- Building relationships between Council and the community;
- Identifying diverse values, priorities, opinions and concerns, and the strength of community support for each;
- Encouraging new and innovative ideas and solutions;
- Improving and enhancing outcomes through more informed decision making
- Acknowledging that the community has valuable contributions to make on issues;
- Providing consistency in Council practices;
- Increasing community understanding of decision and plans, and fostering greater community cooperation in implementing decisions and plans;
- Promoting two way communication between Council and the community;
- Complying with legislation in the case where a person has a legal right to make a submission to a Council proposal; and
- Confirming Council's commitment to considering and respecting human rights when making decisions that impact people and community

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Principles

Council will have regard to the following engagement principles:

- Council will be inclusive and seek a connection with those in the community who are hardest to reach;
- Council will look to improve and develop ways engagement can deliver better solutions;
- Council will listen, understand and act on experiences that may be different from our own;
- Council will follow ethical principles of conduct, making engagement processes open and accountable, identifying together the rules of engagement and reporting on the outcomes;
- Council will utilise appropriately trained staff or consultants when necessary to facilitate community engagement, especially during active participation;
- Council aims to achieve outcomes that benefit the South Gippsland community;
- Council processes will recognise the diverse range of values and interests present in the community;
- Council will outline where any plan under development fits within the integrated 'Council and Community Planning Framework';
- Council will provide feedback to participants as per the guidelines in the 'Community Engagement Plan and Toolkit'; and
- Council will commit to respecting human rights during the engagement process.

When to inform our community

- Information is held by Council that will be of interest/provide guidance to the community; and/or
- Service changes of operational nature are being implemented.

When to consult with our community

- The issue before Council is anticipated to have a significant impact on the economy, lifestyle or environment of the Shire or its residents;
- Information is needed by Council on community needs, priorities and values to ensure planning is appropriate and responsive; and/or
- Council has a statutory obligation to consult with the community.

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When to gain active participation with our community

- The community should be involved and collaborate in the development and decision making process related to projects or issues, and/or
- The community should be involved prior to decisions being made and are required to lead, be empowered or take ownership of a project.

Engagement Methodology

The Communication and Engagement Policy together with the associated Community Engagement Plan and Toolkit provides a matrix of opportunities for information, consultation, involvement, collaboration and empowerment.

Outcomes and feedback from participants during an engagement process may be provided to Council as a report. The feedback will also be used when reviewing the engagement methods used and measure their success. An evaluation checklist is provided in the Community Engagement Plan and Toolkit.

Media Enquiries

Media enquiries provide an important source of information for our community. Council will communicate openly and honestly with the media in order to maintain our commitment as a transparent and accountable organisation.

The following protocols apply to the management of media enquiries:

- General media enquiries should be made to a Communications Officer or Manager Customer Relations, who will direct the enquiry to the appropriate person, or provide a response.
- For specific questions Directors are designated as the responsible officers for media contact in their area of responsibility. They may delegate media responses to an appropriate manager or officers.
- The Chief Executive Officer is the official spokesperson in relation to all Council operational issues;
- Officers other than the CEO and Directors must obtain approval from their Director prior to commenting on Council matters with the media and for the provision of media releases;
- The Mayor will speak on behalf of Council on all 'political' matters. The Mayor, at their discretion, may send the release to their colleagues for comment, and decide if comments received will be reflected in the release;

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- The right of Councillors to contact and respond to media inquiries of concern to their constituents will not be infringed. Councillors need to take care to ensure their comments are within the bounds of legality, adhere to the Councillor Code of Conduct and that personal opinions are not represented as Council policy, and
- During a declared emergency response situation (fire, flood, storm, pandemic, etc.), or when a Municipal Emergency Coordination Centre (MECC) is in operation, all media enquiries and media releases related to the emergency must be authorised only through the Municipal Emergency Response Coordinator (MERC). The MERC will be a representative of Victoria Police and will liaise with Council's Emergency Management and Communications teams to authorise appropriate communication to the public and other emergency agencies.

Protected Disclosures (formerly Whistleblowers Protection Act)

In accordance with the requirements of the *Whistleblowers Protection Act 2001* (The 'Act'), Council has established procedures to facilitate the making of disclosures under the Act. The procedures set out the process in place to protect people from reprisals for making protected disclosures, and provide guidance on investigations.

The Act allows for confidential disclosures of corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment. Information on this Council Policy can be obtained from the Council website. (www.southgippsland.vic.gov.au).

Privacy Act

Council operates in accordance with the *Information Privacy Act 2000*, to protect the privacy of personal information. Information on this Council Policy can be obtained from the Council website. (www.southgippsland.vic.gov.au).

RISK ASSESSMENT

Inconsistent communication, engagement methodology and the possibility of breaching statutory or legislative requirements exists without a binding policy for engagement. These risks can damage the image and perception of Council within the community and potentially compromise our stakeholders. Council should consider an appropriate risk management approach to engagement and should apply it when developing a communication or engagement plan.

IMPLEMENTATION STATEMENT

Council will apply communication and engagement methodologies appropriate to the circumstances and desired outcome of the specific engagement.

Councillors and Council staff will be informed of the policy through the induction process, all staff communications including email and intranet postings. Directors are encouraged to inform their staff members through team meetings. The Communications Officer will update staff through newsletters, media releases and local media advertising.

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Policy training and induction should be implemented by department managers in conjunction with the Communications team so new and existing staff members are aware of the process. Consultants working on behalf of Council that undertake consultation must be informed of this policy.

Public release of the policy will be through media releases and direct correspondence to town and district, business and industry associations. The policy will be available on the Council website. The 'Community Engagement Plan and Toolkit' will be an internal resource document for staff use.

The Community Engagement Plan and Toolkit components may differ significantly across the following activities of Council that could require community engagement. However, the same process may be used to determine the appropriate engagement approaches to be used:

- Policy development, implementation and application
- Local Law development, implementation and application
- Planning Scheme development, implementation and application
- Development and design of Council services and facilities
- Ongoing delivery of Council services and operation of Council facilities
- Capital Works projects – concept design, detailed design and construction
- Community planning/identification of community needs
- Organisational planning
- Communication of Council's vision, goals and objectives for the community
- Public reporting of Council's decisions
- Public reporting of Council's performance
- Transaction of Council business
- Requirements of section 223 of the Local Government Act 1989

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E.17 COUNCIL POLICY REVIEW - FRAUD POLICY

Corporate Services Directorate

EXECUTIVE SUMMARY

This report provides for the revocation of Council's current Fraud Policy and the adoption of a new Fraud Policy (**Attachment 1**) as part of Council's agreed Policy Review Timetable 2013/14.

Document/s pertaining to this Council Report

- **Attachment 1** - Fraud Policy C19

LEGISLATIVE / ACTION PLANS / STRATEGIES / POLICIES

Local Government Act 1989

INTERNAL POLICIES / STRATEGIES / DOCUMENTS

Policy Review Framework

COUNCIL PLAN

Outcome:	4.0	A Leading Organisation
Objective:	4.2	Pursue Best Practice In Organisational Development And Operations Of The Organisation
Strategy:	4.2.2	We will monitor corporate governance processes, including risk management and skills development with the aim of ongoing improvement

CONSULTATION

The policy has been reviewed by the Executive Leadership Team, the Audit Committee and published in the Councillor internal newsletter InfoSum with a request for any feedback. No requests for amendment were received.

REPORT

Background

The Fraud Policy was last reviewed in March 2010 and Council's adopted policy review timetable for 2013 / 2014 had scheduled a review of the existing Fraud Policy. A copy of a revised Fraud Policy (**Attachment 1**) is attached.

The purpose of the policy is to promote and guide the conduct of Councillors, employees and external parties with a view to the avoidance of fraud and management of situations which may be regarded as unethical conduct or behaviour.

Changes to the policy are minor and reflect the introduction of the Protected Disclosures Act, staff training and measures to endeavour to meet the Australian Standard 8001-2008 Fraud and Corruption Control Commonwealth Fraud Control Guidelines.

The review of this policy included consideration of an Internal Fraud Review conducted by Council's internal auditors and the input from Council's Audit Committee.

Discussion

A Council Policy articulates a matter of public policy. It is a statement of Council's strategic direction in relation to decision making and guides its behaviour in matters affecting the wider community. It may also include guiding principles in the way Council deals with internal operations, other levels of Government, Government agencies and the business community.

Proposal

It is proposed that the current Fraud Policy be revoked and a new Fraud Policy (**Attachment 1**) adopted.

RISKS

This policy provides for the protection of Council revenue, expenditure and assets from any attempt by members of the public, contractors, agents, intermediaries, volunteers, Councillors or its own employees to gain financial or other benefits by deceit, bias or dishonest conduct.

Through this policy fraudulent or corrupt activity is unacceptable, conflicts of interest are avoided and auditing systems are in place or will be established to deter and / or identify corrupt activities.

Council also aims through this policy to set an example of honesty and integrity in the provision of services to the community and the management of Council.

CONCLUSION

It is concluded that on the basis of ensuring good governance that the revised Fraud Policy (**Attachment 1**) be adopted.

RECOMMENDATION

That Council:

- 1. Revoke the Fraud Policy C19 adopted by Council on 17 March 2010; and**
- 2. Adopt the Fraud Policy C19 (Attachment 1).**


STAFF DISCLOSURE OF INTEREST

Nil

NOTE: The recommendation was CARRIED UNANIMOUSLY as part of a single motion, refer to page 151.

Attachment 1

Fraud Policy C19



South Gippsland Shire Council

Attachment 1

FRAUD POLICY

Policy Number	C19	Directorate	Corporate Services
Council Item No.	TBD	Department	Governance Services
Council Adoption Date	March 2014	Primary Author	David Roche
Revision Date	March 2016	Secondary Author	Luke Anthony

POLICY OBJECTIVE

The purpose of this policy is to:

1. promote and guide the conduct of all Councillors, employees and external parties associated with South Gippsland Shire Council, with a view to the avoidance of fraud and management of situations, which may be regarded as unethical conduct or behaviour;
2. to demonstrate that Council is committed to the detection and investigation of any such occurrences;
3. encourage and facilitate the notification of matters that will assist in the avoidance of fraud;
4. ensure that notifications are treated in strict confidence;
5. protect those people making notifications from retribution; and
6. replace Fraud Policy adopted by Council on 17 March 2010.

LEGISLATIVE PROVISIONS

- Independent Broad-based Anti-corruption Commission Act 2011
- Protected Disclosures Act 2012
- Protected Disclosures Regulations 2012
- South Gippsland Shire Council Protected Disclosures Guidelines 25 July 2013
- Victorian Information Privacy Act 2000 and Commonwealth Privacy Act 1998
- South Gippsland Shire Council Risk Management Policy, Intellectual Property Policy, Information Technology and Acceptable Use and Security Policy, Staff Code of Conduct, Councillor Code of Conduct, Internal Audit Committee Terms of Reference Guidelines, Audit Policy, Acceptance of Gifts and Donations Policy, Council Purchasing Cards Policy, Procurement Policy, Councillor Support and Expenditure Policy
- Local Government Act 1989
- Australian Standard on Fraud Control and Corruption Control
- Guidelines for Managing Risk in the Australian and New Zealand Public Sector
- Australian Standard in Risk Management
- Crimes Act 1958
- Best Practice Guidelines for Local Government Entity Audit Committees and Internal Audit
- Charter of Human Rights and Responsibilities Act 2006
- Victorian Local Government Fraud and Corruption Survey 2008 – PricewaterhouseCoopers

DEFINITIONS

"Council" means the South Gippsland Shire Council.

Fraud PolicyPage 1 of 1



"CEO" means Chief Executive Officer of the South Gippsland Shire Council

"Fraud" means dishonest activity causing actual or potential financial loss to any person or entity including the theft of moneys or other property by employees or persons external to the entity and whether or not deception is used at the time, immediately before or immediately following the activity. This also includes the deliberate falsification, concealment, destruction or use of falsified documentation used or intended for use for normal business purpose or the improper use of information or position.

Fraud is a crime that is punishable by law under the Crimes Act 1958 which can result in loss of reputation, impairment of business relations, decline in working morale, increased oversight by regulators, negative media and external investigation.

Examples of fraud are but not limited to:

- Theft and/or misappropriation of Council revenue.
- Unauthorised use and/or removal of equipment, parts, software, and office supplies from Council premises.
- Deliberate over-ordering of materials or services to allow a proportion to be used for personal purposes.
- Submission of sham taxation arrangements for an employee or contractor to circumvent the Council's procedures for engagement of employees and contractors
- Submission of fraudulent applications for reimbursement
- Payment of fictitious employees or suppliers.
- Falsification of time records.
- Damage, destruction or falsification of documents.
- Misrepresentation of qualifications.
- Theft.
- Obtaining property or a financial advantage by deception
- False accounting.
- Unauthorised use of assets and equipment for the benefit of third parties.
- The unauthorised sale, disposal or destruction of council property including tools, supplies, waste or reclaimed products, materials, mulch, or equipment

POLICY STATEMENT

The Council is committed to protecting its revenue, expenditure and assets from any attempt by members of the public, contractors, agents, intermediaries, volunteers, Councillors or its own employees to gain financial or other benefits by deceit, bias or dishonest conduct.

The Council's commitment to fraud control will be managed by ensuring that fraudulent or corrupt activity is unacceptable, conflicts of interest are avoided, and auditing systems are in place to deter and/or identify corrupt activities.

In accepting its responsibility for good governance of the municipality, Council will set the example for honesty and integrity in the provision of services to the community and the management of the Council organisation.



This policy applies to all employees, Councillors, and volunteers engaged directly by the Council as well as all agents and contractors either engaged by the Council or by an authorised contractor of the Council.

All reports received relating to fraud will be fully investigated and appropriate action taken.

Councillors and employees must be aware of the Council's intention to suspend or dismiss employees, report internal and/or external fraudulent activity to Police and prosecute Councillors or employees and any other parties to the matter, found to be involved in fraudulent behaviour. Council may consider recovery of any financial loss through civil proceedings.

RISK ASSESSMENT

A comprehensive Fraud Policy minimizes risk of activity that causes loss to Council and consequent negative impact on the community.

IMPLEMENTATION STATEMENT

RESPONSIBILITIES

Responsibility for fraud prevention rests with all levels of management, Councillors, employees, volunteers and agency or contract staff who represent the Council and who collectively must accept ownership of fraud prevention.

Chief Executive Officer (CEO)

The Chief Executive Officer of Council has principal responsibility for fraud control to ensure compliance with the Standards and Guidelines and appropriate governance structures are in place. This will include the Council taking out and maintaining adequate Fidelity / Commercial Crime Insurance to indemnify Council against a fraudulent or dishonest act.

Directors and Managers

Directors and Managers have a duty within their areas of responsibility to:

- identify risk exposures to corrupt and fraudulent activities;
- establish controls and procedures for prevention and detection of such activities;
- arrange through the Governance Services Department guidance and instruction to all staff relative to responsibilities and fraud reporting requirements;
- maintain effective auditing and reporting on key financial systems;
- arrange through the Governance Services Department a risk assessment on fraud control every two years or when a major organisational structure change occurs or there is a change in senior officers (due diligence review);
- implement action plans identified in risk assessments to eliminate or reduce the fraud risk and report on the outcome of these plans within 12 months of implementation;
- monitor and actively manage excessive outstanding leave of staff to ensure that leave balances are at acceptable levels and within Enterprise Bargaining Agreement requirements.



Directors and Managers will ensure that all contractors working for their areas of responsibility are aware of Council's Fraud Policy and that it is incorporated into Contracts and to ensure that the Contractors' staff is made aware of their responsibilities and acceptable behaviours.

Audit Committee

The Audit Committee will provide regular oversight and advice about Council's Audit program as is required in Council's Audit Policy.

The CEO will inform the Council Audit Committee of all instances of investigations into suspected fraud.

Each Internal Audit/Review Scope will include a review of Fraud controls and awareness in respect of the area or function that is to be reviewed.

Employees/Contractors/Special Committees (Section 86)/Volunteers

Employees/contractors/volunteers shall assist in the identification of risk exposures to corrupt or fraudulent activities in the workplace and the immediate reporting of the possible activities.

Training

Councillors and Employees will be informed by the Governance Services Department of Council's Policy and the consequences arising from fraud, and who to speak to if they suspect fraud is occurring. Training on the conduct of risk assessments will also be provided by the Governance Services Department. This policy shall be included in the induction program for new employees. Formal awareness raising sessions for all staff will be conducted every two years. In addition an awareness article about Fraud will be included in ECHO each year.

FRAUD AND FRAUDULENT CONDUCT REPORTING PROCEDURE

The following procedure shall be used for reporting of suspected fraudulent conduct.

Employees

Where an employee is concerned that an act of fraud or fraudulent conduct is occurring or has occurred, that employee should notify such concerns to their Manager either verbally or in writing. Notifications should relate to the act or conduct not those who may be involved in the act or conduct being reported.

Where the employee does not feel comfortable notifying their concerns to their Manager they should notify such matters to the respective Director. If neither of the above options is appropriate, then the employee should notify such matters to the Manager Governance Services.

Director or Manager

On receiving a notification of concerns about suspected fraud or corrupt conduct the Director or Manager must record details of the notification, including the time and date the notification is made and details of matters raised. Where the issue may involve disciplinary action against a staff member, the Manager People and Culture must be advised.



Notifying the Chief Executive Officer (CEO)

Except where it is has been reported as a Protected Disclosure (which is a specifically legislated protected action), all notified incidents of suspected fraud or fraudulent conduct must be notified to the CEO by the Director or Manager immediately and prior to, any investigation of such allegations being undertaken.

If there is an allegation made against the CEO this should be notified to the Mayor who will in turn advise Local Government Victoria.

Councillors

Councillors should notify the CEO or Mayor of any incidences of suspected fraud or fraudulent conduct.

Anonymous Reports

Anonymous reports may be directed to the CEO. Adequate supporting information to enable an investigation to be undertaken must be provided.

Contractors

Contractors or other people involved in the contracting processes may become aware of or have information indicating fraudulent or unfair activity in relation to the tender processes or service provision. Contractors should report such activity to the CEO or Manager Governance Services.

Preliminary Investigation

The CEO will have responsibility of managing the overall investigation process.

Where information received by the CEO is assessed to warrant investigation, arrangements for such an investigation will be made with the relevant Director. This arrangement will include securing all related documentation and may include suspension of employee/s being investigated.

Reports will be received in confidence and the person reporting the concern will be protected from any adverse repercussions, provided that there is no evidence of malice.

Any person contacted by an investigator should co-operate with the investigative process.

Investigation

Depending on the nature of the concerns investigations will be undertaken in accordance with sound investigative practices.

Where external investigation is required, for example the Victoria Police or other independent investigators, they will be in charge of such investigation.

Where the concern has arisen through a Protected Disclosure, then the investigation will be in accordance with Protected Disclosures legislation and Guidelines.



In all cases the principles of confidentiality, natural justice and human rights will be maintained.

Where the matter is to be managed internally the Chief Executive Officer will be responsible for maintaining an appropriate recording and tracking system to ensure that all instances are satisfactorily resolved.

The Chief Executive Officer in the investigation of a matter may:

- Conduct an internal investigation using internal resources; or
- Conduct an internal investigation through engaging specialist resources; or
- Refer the matter directly to the Police of reported or detected instances of fraud.

The Chief Executive Officer will review the outcome of an internal investigation and determine whether:

- No further action is required.
- To deal with the matter internally by disciplinary action or possibly termination.
- To refer the matter to the Police for further investigation/actions.
- Report the outcome of the review to the Audit Committee.

The Police will be provided with information on all prima facie instances of fraud against Council.

In determining whether a particular matter, fraudulent or otherwise, is of sufficient seriousness that it should be referred to the Police for investigation/action, the following will be considered:

- Is the matter significant in nature.
- Have sufficient facts been disclosed from the internal investigation from which there is a reasonable cause to believe an offence has been committed, or attempted to be committed.
- Is the matter of a fraudulent nature within the terms of the definition of fraud in this policy.

In the event that there is a reasonable suspicion that, in a particular matter, an offence has occurred, and that the matter may have implications for another organisation or agency, then a report on that matter, excluding personal information unless prima facie evidence exists, will be provided to the relevant organisation or agency at the earliest opportunity.

Time frame for investigations

It is preferred that investigations of notifications are completed within 30 days of notification. However this time frame may vary depending on the complexity and severity of the matter notified. Persons making notifications will be advised of the outcome of investigations within 3 working days of completion of the investigation.

Media

All media enquiries are to be managed by the CEO. No employee, Councillor or other persons associated with Council (except the CEO and the Mayor after consulting with the CEO), shall make any public comment in relation to any suspected fraud or corruption, whether proven or otherwise.



In addition the following table describes how Council may strengthen its Internal Control Framework overtime, with consideration of available resourcing.

Control	Time frame	Responsible Directorate or Department
<p>Compliance with Australian Standard 8001-2008 Fraud and Corruption Control Commonwealth Fraud Control Guidelines 2001 and Guidelines</p> <p>Conduct a review against the above Standard and Guidelines of compliance gaps identified to analyse the business impacts and implications to Council's operations</p> <p>Develop an implementation plan with management responsibilities to address the compliance gaps based on results of the above review.</p>	<p>Annually</p> <p>Annually</p>	<p>Governance Services</p> <p>ELT</p>
<p>Review of Operation and Effectiveness of Key Internal Control Systems</p> <p>Conduct a more thorough and systematic review of the operation and effectiveness of key internal control systems to ensure they adequately prevent, deter and detect fraud that includes:</p> <ul style="list-style-type: none"> Ensuring that every staff member is provided with the Fraud Policy as part of their induction material and/or training Ensuring that Information technology and accounts payable processes are supported by effective preventative and compensating controls that adequately mitigate the risk of fraud and promote data integrity Emphasise the requirements of the Procurement Policy and Purchasing of Goods and Services flowchart be followed in all instances, and where there are exemptions, these be appropriately documented and approved A formal check and periodic check be conducted to identify/investigate/resolve any potential incorrect supplier information recorded on the supplier master table <p>All internal audits to contain a focus and report on aspect of fraud.</p>	<p>When staff are appointed</p> <p>Quarterly</p> <p>Ongoing as procurement is being planned</p> <p>Annually</p> <p>Ongoing</p>	<p>People and Culture</p> <p>Finance</p> <p>Governance Services</p> <p>Finance</p> <p>Governance Services</p>
<p>Review and Update of Policies</p> <p>Operational policies and procedures be updated to reflect reference and links to the Fraud</p>	<p>As new and revised policies</p>	<p>All Directorates</p>

Fraud Policy

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E.18 SPECIAL (SECTION 86) COMMITTEES REVIEW - T P TAYLOR COMMUNITY FACILITY AND RESERVE SPECIAL COMMITTEE

Corporate Services Directorate

EXECUTIVE SUMMARY

This report provides the opportunity for the Council to review the current Instrument of Delegation (Instrument) for the T P Taylor Community Facility and Reserve Special Committee (Committee) and approve a new Instrument as part of Council's adopted Special (Section 86) Committee Instrument of Delegation Review schedule.

Document/s pertaining to this Council Report

- **Attachment 1** – Schedule Instrument of Delegation T P Taylor Community Facility and Reserve Special Committee

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:	4.0	A Leading Organisation
Outcome:	4.2	Pursue best practice in organisational development and operations of the organisation
Strategy No:	4.2.2	We will monitor corporate governance processes, including risk management and skills development with the aim of ongoing development

CONSULTATION

The review of the T P Taylor Community Facility and Reserve Special Committee has been conducted in collaboration with Council's Community Strengthening, Property, Risk, OHS, People & Culture and Governance Departments.

Councillors were provided with a briefing about this matter in InfoSum and the review has been considered by the Executive Leadership Team.

REPORT

Background

On 26 June 2013 Council adopted a Special (Section 86) Committee Instrument of Delegation Review schedule. This schedule requires that the T P Taylor Community Facility and Reserve Special Committee was to be reviewed by Council in February 2014 based on the premise that a Business Plan, including the development of the property was confirmed and developed by July 2013.

The purpose of the Committee, set out in the current Instrument of Delegation (Delegation) refer **Attachment 1**, is to exercise Council's functions and powers and to perform Council's duties in relation to the management of a reserve and a hall.

The site information within the current Delegation is described as "a small community hall and tennis courts that are available for the public for hire. A further parcel of land within the reserve contains a playground, basketball court and rotunda that is not the responsibility of the committee".

In 2012 a new multi-function Community Centre was constructed on a scale and potential for activities far in excess of the former facility. The Centre is also a designated Neighbourhood Safer Place and Place of Last Resort (NSP/PLR). This is a completely new use of the facility with which is attached a greater level of expertise and responsibility required for managing the facility.

The current Committee is still developing, in collaboration with Council, a Strategic Business Plan for the new Centre and this is not anticipated to be completed until June 2014.

It is important to acknowledge that decisions of Special Committees are deemed to be decisions of Council. Further Special Committees play an integral part in managing Council owned or controlled properties and facilities that are essential for community activities and engagement. The process of review 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.

During the review it was found that administrative compliance of the Committee with its instrument was good. However the instrument was found to be inadequate due to the construction of a new multi-purpose facility and designation as a NSP/PLR. It is recommended that provision for a Council representative, either a Councillor or Council officer, to be appointed to the Committee would strengthen collaboration between the Council and the Committee. As a consequence it is recommended that as an interim measure, until the Strategic Business Plan is completed, that a new Instrument be made to include the following:

1. The purpose of the Committee is “To exercise Council’s functions and powers and to perform Council’s duties in relation to the management of a multi-purpose community facility and reserve”;
2. Clearly define the area the Committee is responsible to manage and operate as part of ongoing discussions with the Committee;
3. In respect of the use of the facility as a NSP/PLR include in the Instrument that the Committee and Council recognises that the facility is also a NSP/PLR and that the Committee will act in accord with the Standard Operating Procedures for a NSP/PLR;
4. That the Committee does not have the powers and functions of Council to manage the facility as a NSP/PLR, this remains the sole responsibility of Council through its Emergency Management Coordinator;
5. During the period that the facility is deemed by Council to be required for use as a NSP/PLR during an emergency, the powers and functions provided under delegation are set aside;
6. Council will consult with the Committee as soon as is practicable should Council (EMC) deem that the facility is required for use as a NSP/PLR during an emergency;
7. All licence, lease and rental agreements will provide an exclusion clause that acknowledges that the facility will be used as a NSP/PLR if deemed necessary by Council (EMC);
8. A clause requiring the Committee carry out an annual evaluation of Committee effectiveness;
9. That the Committee may only enter into a lease or licence for use of the facility or parts thereof by other parties, with the consent of Council (noting this does not include normal hall hiring for functions such as wedding receptions etc);
10. The Delegation is further reviewed upon completion of the Strategic Business Plan, which is expected to be completed in collaboration with the Community Strengthening Team by June 2014;
11. Manage maintenance of the facility in accordance with Council’s approved Maintenance Regime/Schedule for the facility;
12. In the Strategic Business Plan, include consideration of a lease for the facility to the Committee as a priority and recognition of the facility as a NSP/PLR and how this is to be managed;
13. Provision for the appointment of a Council representative to the Committee; and

14. Increase the amount the Committee can enter into contracts from \$2,000 to \$5,000, and the amount that the Committee can authorise maintenance expenditure from \$500 to \$2,000.

This report facilitates the confirmation of the current Committee membership by Council with the addition of a Council representative, as outlined above. It is proposed that a Councillor be appointed to the Committee, subject to annual review at the Special (Statutory) Meeting. It should be noted that the Chief Executive Officer has the power under delegation from Council to appoint and remove external members to Special Committees subject to appointments and removals being reported to Council.

At an operational level it is intended that the Committee will be advised of the need to comply with the instrument particularly in respect of contracts and employment of staff. It is also intended that Council's OH&S Coordinator will visit, review and provide recommendations in respect of work practices.

Options

Council has the options of:

- Revoking the current Instrument and returning direct management to Council; or
- Making a new Instrument with the changes outlined in **Attachment 1**.

Proposal

Council make a new Instrument of Delegation with schedule and guidelines, with the minor changes outlined in this report and set out in **Attachment 1**.

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 Departments.

RISKS

By conducting this review of the Instrument, 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 Council and community members, who make up the Special Committee, without over burdening these members.

RECOMMENDATION

That Council, in exercise of the powers conferred by sections 86 and 87 of the Local Government Act 1989 (the Act), resolves that:

1. This report is endorsed.
2. From the date of this resolution, there is established as a special committee the T P Taylor Community Facility and Reserve Special Committee.
3. The purposes of the Committee are those set out in the Attachment 1 Schedule Instrument of Delegation T P Taylor Community Facility and Reserve Special Committee.
4. The members of the Committee are:
 - a. Wendy Saleeba
 - b. Dianne Cooper
 - c. Kim White
 - d. Sally Gibson
 - e. Tony Cornish
 - f. Rick Martin
 - g. Dot Devine
 - h. Geoff Grumley
 - i. Marg Grumley
 - j. Judy O'Sullivan
 - k. Joachim Pawlaczyk
 - l. Sally Watt
 - m. Nadia Leuing
 - n. A representative nominated by Council.
5. The Committee is required to report to Council at the intervals specified in the schedule to this resolution (Attachment 1).

6. The external members of the Committee are exempted from being required to submit a Primary Return or Ordinary Return.
7. The Chairperson of the Committee is appointed by the Special Committee.
8. A quorum for the Committee is a whole number that is an absolute majority of the number of members of the Committee.
9. All members of the Committee have voting rights on the Committee.
10. There be delegated to the Committee the powers, duties and functions set out in Attachment 1 Instrument of Delegation T P Taylor Community Facility and Reserve Special Committee.
11. The Instrument:
 - a. Comes into force immediately the common seal of Council is affixed to the Instrument;
 - b. Remains in force until Council determines to vary or revoke it;
 - c. During the period that the facility is deemed by Council to be required for use as a Neighbourhood Safer Place and Place of Last Resort (NSP/PLR) during an emergency, the powers and functions provided under delegation will be set aside and Council will consult with the Committee as soon as is practicable should Council deem that the facility is required for use as a NSP/PLR during an emergency; and
 - d. Is reviewed upon completion of the Strategic Business Plan, by 30 June 2015 or earlier if feasible, which will include consideration of a lease for the facility to the Committee, clearly defining the area under management and recognition of the facility as a NSP/PLR and how this is to be managed.
12. The powers, duties and functions conferred on the Committee by the Instrument must be exercised in accordance with any guidelines or policies Council may from time to time adopt.
13. The Instrument be sealed.
14. That __ (Name to be inserted) ___ be appointed to the T P Taylor Community Facility and Reserve Special Committee, as Council's representative to the Committee.

MOVED: Cr Davies

SECONDED: Cr Brunt

THAT COUNCIL, IN EXERCISE OF THE POWERS CONFERRED BY SECTIONS 86 AND 87 OF THE LOCAL GOVERNMENT ACT 1989 (THE ACT), RESOLVES THAT:

- 1. THIS REPORT IS ENDORSED.**
- 2. FROM THE DATE OF THIS RESOLUTION, THERE IS ESTABLISHED AS A SPECIAL COMMITTEE THE T P TAYLOR COMMUNITY FACILITY AND RESERVE SPECIAL COMMITTEE.**
- 3. THE PURPOSES OF THE COMMITTEE ARE THOSE SET OUT IN THE ATTACHMENT 1 SCHEDULE INSTRUMENT OF DELEGATION T P TAYLOR COMMUNITY FACILITY AND RESERVE SPECIAL COMMITTEE.**
- 4. THE MEMBERS OF THE COMMITTEE ARE:**
 - a. WENDY SALEEBA**
 - b. DIANNE COOPER**
 - c. KIM WHITE**
 - d. SALLY GIBSON**
 - e. TONY CORNISH**
 - f. RICK MARTIN**
 - g. DOT DEVINE**
 - h. GEOFF GRUMLEY**
 - i. MARG GRUMLEY**
 - j. JUDY O'SULLIVAN**
 - k. JOACHIM PAWLACZYK**
 - l. SALLY WATT**
 - m. NADIA LEUING**
 - n. A REPRESENTATIVE NOMINATED BY COUNCIL.**
- 5. THE COMMITTEE IS REQUIRED TO REPORT TO COUNCIL AT THE INTERVALS SPECIFIED IN THE SCHEDULE TO THIS RESOLUTION (ATTACHMENT 1).**

6. **THE EXTERNAL MEMBERS OF THE COMMITTEE ARE EXEMPTED FROM BEING REQUIRED TO SUBMIT A PRIMARY RETURN OR ORDINARY RETURN.**
 7. **THE CHAIRPERSON OF THE COMMITTEE IS APPOINTED BY THE SPECIAL COMMITTEE.**
 8. **A QUORUM FOR THE COMMITTEE IS A WHOLE NUMBER THAT IS AN ABSOLUTE MAJORITY OF THE NUMBER OF MEMBERS OF THE COMMITTEE.**
 9. **ALL MEMBERS OF THE COMMITTEE HAVE VOTING RIGHTS ON THE COMMITTEE.**
 10. **THERE BE DELEGATED TO THE COMMITTEE THE POWERS, DUTIES AND FUNCTIONS SET OUT IN ATTACHMENT 1 INSTRUMENT OF DELEGATION T P TAYLOR COMMUNITY FACILITY AND RESERVE SPECIAL COMMITTEE.**
 11. **THE INSTRUMENT:**
 - a. **COMES INTO FORCE IMMEDIATELY THE COMMON SEAL OF COUNCIL IS AFFIXED TO THE INSTRUMENT;**
 - b. **REMAINS IN FORCE UNTIL COUNCIL DETERMINES TO VARY OR REVOKE IT;**
 - c. **DURING THE PERIOD THAT THE FACILITY IS DEEMED BY COUNCIL TO BE REQUIRED FOR USE AS A NEIGHBOURHOOD SAFER PLACE AND PLACE OF LAST RESORT (NSP/PLR) DURING AN EMERGENCY, THE POWERS AND FUNCTIONS PROVIDED UNDER DELEGATION WILL BE SET ASIDE AND COUNCIL WILL CONSULT WITH THE COMMITTEE AS SOON AS IS PRACTICABLE SHOULD COUNCIL DEEM THAT THE FACILITY IS REQUIRED FOR USE AS A NSP/PLR DURING AN EMERGENCY; AND**
 - d. **IS REVIEWED UPON COMPLETION OF THE STRATEGIC BUSINESS PLAN, BY 30 JUNE 2015 OR EARLIER IF FEASIBLE, WHICH WILL INCLUDE CONSIDERATION OF A LEASE FOR THE FACILITY TO THE COMMITTEE, CLEARLY DEFINING THE AREA UNDER MANAGEMENT AND RECOGNITION OF THE FACILITY AS A NSP/PLR AND HOW THIS IS TO BE MANAGED.**
 12. **THE POWERS, DUTIES AND FUNCTIONS CONFERRED ON THE COMMITTEE BY THE INSTRUMENT MUST BE EXERCISED IN ACCORDANCE WITH ANY GUIDELINES OR POLICIES COUNCIL MAY FROM TIME TO TIME ADOPT.**
 13. **THE INSTRUMENT BE SEALED.**
-

- 14. CR DAVIES BE APPOINTED AS COUNCIL'S REPRESENTATIVE TO THE T P TAYLOR COMMUNITY FACILITY AND RESERVE SPECIAL COMMITTEE, AND THAT CR HARDING BE APPOINTED AS SUBSTITUTE REPRESENTATIVE ON THE COMMITTEE.**

CARRIED UNANIMOUSLY

Cr Harding left the Meeting at 4.14pm and did not return as she was required to attend an external meeting on behalf of Council.

Attachment 1

Instrument of Delegation T P Taylor Community Facility and Reserve Special Committee

SCHEDULE

PURPOSE

To exercise Council's functions and powers and to perform Council's duties in relation to the management of a multi-purpose community facility and a reserve.

It is recognised that the facility is also a Neighbourhood Safer Place and Place of Last Resort (NSP/PLR) and will act in accord with the Standard Operating Procedures for a NSP/PLR.

1. Reporting requirement

The Committee must report to Council according to Clauses 2, 3, 14, 15, 17, 20 and 23 in the Schedule of the Instrument of Delegation of T P Taylor Community Facility and Reserve Special Committee

2. Powers and functions

To exercise Council's functions and powers to perform Council's duties in relation to the management of the Community Facility and Reserve and for those purposes.

3. Administration

3.1 To do all things necessary or convenient to be done for or in connection with the performance of those functions, duties and powers;

3.2 To provide Council with monthly financial reports and minutes of every meeting and a Treasurer's report;

3.3 To provide Council with an annual report, including an evaluation of the Committee's effectiveness, to be submitted in September including:

Patronage

User groups

Injuries and Accidents

Maintenance/Improvements undertaken and future requirements

Evaluation of operations and management

Other matters considered relevant by the Committee

- 3.4 To be the point of contact for the public with respect to the operation of the T P Taylor Community Facility and Reserve. All matters shall be referred to the committee for resolution in the first instance. All requests shall be dealt with promptly and the Council shall be kept informed at all times;
- 3.5 To ensure that the decisions and policies of Council are implemented / adhered to without delay.

4. Facility use

- 4.1 The power to negotiate the use of facilities with user groups and the power to approve programs operating from the T P Taylor Community Facility and Reserve;
- 4.2 The power to set dates and opening / closing times;
- 4.3 To ensure that the T P Taylor Community Facility and Reserve is used only for purposes appropriate to the facility and reserve;
- 4.4 To ensure that the facility and reserve is operated in accordance with a multi - purpose community facility and reserve type guidelines;
- 4.5 To ensure that all licence, lease and rental agreements include an exclusion clause that acknowledges that the facility will be used as a Neighbourhood Safer Place and Place of Last Resort if deemed necessary by Council; and
- 4.6 To only enter into a lease or licence for the use of the facility or parts thereof by other parties with the consent of Council; and
- 4.7 To, in collaboration with Council, develop a Strategic Business Plan for the facility which will include as a priority consideration of a lease to a Committee.

5. Finance

- 5.1 The power to set user fees,
- 5.2 The power to enter into contracts and to incur expenditure under \$2000, with approval being required from Council for contracts over \$2000;
- 5.3 The power to open and maintain a bank account at a bank and branch approved by Council, into which all monies received by the Committee shall be paid. All cheques and or transactions drawn on the account shall be signed and or authorised by any two of the following.
 - Chairperson
 - Vice Chairperson
 - Secretary

- Treasurer;

- 5.4 To pay all utility, municipal and water charges incurred in occupying the premises;
- 5.5 To provide Council with adopted Financial Statements by 31 July each year, with support documentation being available upon request;
- 5.6 To provide Council with a proposed budget for the forthcoming year, within seven (7) days of the end of the financial year;
- 5.7 The power to apply income received from facility users to the ongoing operation and management of the T P Taylor Community Facility and Reserve.

6. Maintenance

- 6.1 To provide an annual 'Facility Maintenance Report' detailing all anticipated maintenance for the following financial year that is submitted to Council by 31 January of the preceding year;
- 6.2 The authority to undertake minor repairs up to the value of \$2000, however consent from Council's Property Officer must be gained for any maintenance item over \$2000 that has not been anticipated in the 'Facility Maintenance Report'. Any works must be carried out by qualified personnel, relative to the task being performed, and all certificates of compliance must be forwarded to Council immediately upon completion. All maintenance is to be in accord with Council's approved Maintenance Regime/Schedule.
- 6.3 To make no structural alterations or additions to the premises without the written consent of Council's Assets Department;
- 6.4 To maintain a register of keys issued by the committee and to include these details in the annual 'Facility Maintenance Report'. Council must be provided with a set of keys to all external and internal locks. Any change in locking system must be in accordance with Council's restricted lock system and should be paid for by the Committee;

7. Risk Management / Insurance

- 7.1 To ensure that the facility is maintained in a manner that meets all Workcover and Occupational Health and Safety Regulations. Council may provide an inspection on at least two occasions per annum;
- 7.2 To maintain a monthly checklist, provided by Council, relating to building safety, and make available to Council staff when requested;
- 7.3 To ensure that volunteers complete a registration form that is to be forwarded to Council's Insurance Advisor. Volunteer groups must be

supervised by a member of the Committee at all times. Each Committee must maintain a volunteer register containing names, addresses, type of activity performed, times of work and volunteer signature:

- 7.4 To contact Council's Insurance Advisor, before volunteers commence any work to determine whether training is required;
- 7.5 To adhere to all statutory and legislative requirements.

8. Exceptions, conditions and limitations

The Committee is not authorised by this Instrument to:

- 8.1 enter into contracts over \$5000, or incur expenditure, for an amount which exceeds the approved budget;
- 8.2 employ people, engage contractors or enter into leases without the prior consent of Council;
- 8.3 to exercise the powers and functions of Council to manage the facility as a Neighbourhood Safer Place/Place of Last Resort - this the sole responsibility of Council through its Emergency Management Coordinator - and act in accord with the Standard Operating Procedures for a NSP/PLR;
- 8.4 exercise the powers which, by force Section 86 of the Act, cannot be delegated;
- 8.5 borrow funds.

GUIDELINES — COMMITTEE DELEGATIONS

Name

These guidelines may be referred to as the T P Taylor Community Facility and Reserve Special Committee Guidelines.

Application

These guidelines have been adopted by the South Gippsland Shire Council ("Council") for the guidance of:

- T P Taylor Community Facility and Reserve Special Committee
- any other special committee in respect of which Council resolves that these guidelines are to apply.

Exercise of Powers

The powers, duties and functions set out in the Instrument are delegated to the Committee. This means that the Committee can only act under delegation when sitting in a formally constituted meeting.

This requires that the meeting must be called and conducted in a manner that complies with the provisions of the Local Government Act 1989 (the Act) and with the Council's meeting procedures local law.

The Committee cannot exercise its delegated powers when gathered outside the formal meeting structure as described above. For example, an informal coming together of members would not resolve to act under delegation.

Similarly, the delegations do not extend to individual members of the Committee.

The only opportunity for individual Committee members to be granted delegated powers exists where the Committee member is a member of Council staff and subject to a delegation under section 98 of the Act.

All delegations must be read in conjunction with this document and any other policies and guidelines that may be adopted by the Council from time to time.

Reporting Back

These guidelines have been developed to support the concept of delegation as a means of ensuring that the functions of Council are conducted in an efficient and timely manner.

Reporting back of delegations exercised may be necessary to ensure that adequate information regarding those actions is available to other staff, management and the Council.

Such reporting back would be by presentation of reports to Council within the time specified in the Instrument of Delegation; and production of minutes of meetings that will be circulated or available for inspection at any time.

It is to be noted that the reporting back requirements on this policy are a minimum standard only and that nothing will preclude more detailed or extensive reporting back of delegated actions if individual circumstances warrant.

Insurance

After receiving Special Committee Details Form, within 1 month of appointment, Council will, upon appointment of each committee, effect and pay for an annual public liability insurance policy to protect hirers. For events involving large numbers of people (more than 50), alcohol, some children's activities and some sporting events, Council will effect and pay for cover but may require the committee to ensure that hirers complete an insurance form which is to be directed to the insurance company by the committee. Council must be contacted before events such as carnivals, large sporting events and 'pop/rock' concerts are booked or organised, as cover may not be available for some events.

All of the above insurance arrangements are subject to Council approval based on reasonable use of facilities and frequency. If a committee is unsure about any aspect of insurance cover, they must contact Council's Risk Management Officer.

The actions of committee members, in the proper execution of the committee power and responsibilities, are covered by Council's existing public liability policy.

E.19 SPECIAL (SECTION 86) COMMITTEES REVIEW - PORT WELSHPOOL AND DISTRICT MARITIME MUSEUM SPECIAL COMMITTEE

Corporate Services Directorate

EXECUTIVE SUMMARY

This report provides the opportunity for the Council to review the current Instrument of Delegation (Instrument) for the Port Welshpool and District Maritime Museum Special Committee (Committee) and approve a new Instrument as part of Council's adopted Special (Section 86) Committee Instrument of Delegation Review schedule.

Document/s pertaining to this Council Report

- **Attachment 1** - Port Welshpool and District Maritime Museum Special Committee Instrument of Delegation

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:	4.0	A Leading Organisation
Outcome:	4.2	Pursue best practice in organisational development and operations of the organisation
Strategy No:	4.2.2	We will monitor corporate governance processes, including risk management and skills development with the aim of ongoing development

CONSULTATION

The review of the Port Welshpool and District Maritime Museum Special Committee has been conducted in collaboration with Council's Community Strengthening, Property, Risk, OHS, People & Culture and Governance Departments.

Councillors were provided with a briefing about this matter in InfoSum and the review has been considered by the Executive Leadership Team.

REPORT

Background

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

On 26 June 2013 Council adopted a Special (Section 86) Committee Instrument of Delegation Review schedule. This schedule required the Port Welshpool and District Maritime Museum Special Committee to be reviewed by February 2014.

The purpose of the Committee is to exercise Council's functions and powers and to perform Council's duties in relation to the management of a museum.

The site consists of a house where exhibits are displayed, a small caretaker residence and many maritime artefacts located in the grounds.

It is important to acknowledge that decisions of Special Committees are deemed to be decisions of Council. Further Special Committees play an integral part in managing Council owned or controlled properties and facilities that are essential for community activities and engagement. The process of review 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.

During the review the compliance with the Instrument was considered good and the Instrument adequate. As a consequence it is intended to make only minor changes to the Instrument to include a clause for the Committee to carry out an annual evaluation of Committee effectiveness and changing the name in the purpose from "centre" to "museum".

At an operational level the following action is proposed:

1. Remind the Committee of the need to comply with the Instrument particularly in respect of contracts and employment of staff, follow current Council and volunteer recruitment processes for all volunteers and advise Council of any staff or public injuries and concerns relevant to public liability and property insurance and injury matters as soon as they are aware of any issues;
2. OH&S Coordinator will visit the Museum to review and provide recommendations in respect of work practices associated with the restoration of exhibits and buildings;
3. Property Department to negotiate a licence for the use of the Caretaker's residence in consultation with the Caretaker and Committee, and gain an understanding of the condition and the longer term use of the property including assessing building compliance i.e. structural safety in accordance with the building code;

4. Manage maintenance of the facility in accordance with Council's approved Maintenance Regime/Schedule for the facility;
5. Confirm that the Caretaker is a registered volunteer of Council;
6. Coal Creek staff to provide advice where practicable in respect of museum accreditation and consider conjoining with Coal Creek. Coal Creek could then manage and provide support, allowing consideration of the current Special Committee becoming an Advisory Committee in the future; and
7. Provide update figures relating to artwork and museum values for insurance purposes. These valuations are required to be submitted every two years in March.

This report facilitates the confirmation of the current Committee membership by Council. However, it should be noted that the Chief Executive Officer has the power under delegation from Council to appoint and remove members to Special Committees subject to appointments and removals being reported to Council.

Options

Council has the option of:

- Revoking the current Instrument and returning direct management to Council; or
- Making a new Instrument with the proposed changes outlined in **Attachment 1**.

Proposal

It is proposed that Council make a new Instrument of Delegation with schedule and guidelines, with minor changes outlined in this report.

Attachment 1 sets out the Schedule Instrument of Delegation - Port Welshpool and District Maritime Museum Special Committee.

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 Departments.

RISKS

By conducting this review of delegations Council will be provided with a level of assurance that the Committee 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 Council and community members who make up the Special Committee, without over burdening these members.

RECOMMENDATION:

That Council, in exercise of the powers conferred by sections 86 and 87 of the Local Government Act 1989 (the Act), resolves that:

1. This report is endorsed.
 2. From the date of this resolution, there is established as a special committee the Port Welshpool and District Maritime Museum Special Committee.
 3. The purposes of the Committee are those set out in Attachment 1 as the Schedule Instrument of Delegation Port Welshpool and District Maritime Museum Special Committee, to this resolution.
 4. The members of the Committee are:
 - a. Frances Grylls
 - b. Gregory Gordon
 - c. Elizabeth Robertson
 - d. Janet Taylor
 - e. James Roberts
 - f. John Minty
 - g. Rocco Maruzza
 5. The Committee is required to report to Council at the intervals specified in the Schedule to this resolution.
 6. The members of the Committee are exempted from being required to submit a Primary Return or Ordinary Return.
 7. The Chairperson of the Committee is appointed by the Special Committee.
 8. A quorum for the Committee is a whole number that is an absolute majority of the number of members of the Committee.
-

- 9.** All members of the Committee have voting rights on the Committee.
- 10.** There be delegated to the Committee the powers, duties and functions set out in Attachment 1 Instrument of Delegation Port Welshpool and District Maritime Museum Special Committee.
- 11.** The Instrument:
 - a.** Comes into force immediately the common seal of Council is affixed to the Instrument; and
 - b.** Remains in force until Council determines to vary or revoke it.
- 12.** The powers, duties and functions conferred on the Committee by the Instrument must be exercised in accordance with any guidelines or policies Council may from time to time adopt.
- 13.** The Instrument be sealed.

MOVED: Cr Davies

SECONDED: Cr Hutchinson-Brooks

THAT COUNCIL, IN EXERCISE OF THE POWERS CONFERRED BY SECTIONS 86 AND 87 OF THE LOCAL GOVERNMENT ACT 1989 (THE ACT), RESOLVES THAT:

- 1. THIS REPORT IS ENDORSED.**
 - 2. FROM THE DATE OF THIS RESOLUTION, THERE IS ESTABLISHED AS A SPECIAL COMMITTEE THE PORT WELSHPOOL AND DISTRICT MARITIME MUSEUM SPECIAL COMMITTEE.**
 - 3. THE PURPOSES OF THE COMMITTEE ARE THOSE SET OUT IN ATTACHMENT 1 AS THE SCHEDULE INSTRUMENT OF DELEGATION PORT WELSHPOOL AND DISTRICT MARITIME MUSEUM SPECIAL COMMITTEE, TO THIS RESOLUTION.**
 - 4. THE MEMBERS OF THE COMMITTEE ARE:**
 - a. FRANCES GRILLS**
 - b. GREGORY GORDON**
 - c. ELIZABETH ROBERTSON**
 - d. JANET TAYLOR**
 - e. JAMES ROBERTS**
 - f. JOHN MINTY**
 - g. ROCCO MARUZZA**
 - 5. THE COMMITTEE IS REQUIRED TO REPORT TO COUNCIL AT THE INTERVALS SPECIFIED IN THE SCHEDULE TO THIS RESOLUTION.**
 - 6. THE MEMBERS OF THE COMMITTEE ARE EXEMPTED FROM BEING REQUIRED TO SUBMIT A PRIMARY RETURN OR ORDINARY RETURN.**
 - 7. THE CHAIRPERSON OF THE COMMITTEE IS APPOINTED BY THE SPECIAL COMMITTEE.**
 - 8. A QUORUM FOR THE COMMITTEE IS A WHOLE NUMBER THAT IS AN ABSOLUTE MAJORITY OF THE NUMBER OF MEMBERS OF THE COMMITTEE.**
 - 9. ALL MEMBERS OF THE COMMITTEE HAVE VOTING RIGHTS ON THE COMMITTEE.**
 - 10. THERE BE DELEGATED TO THE COMMITTEE THE POWERS, DUTIES AND FUNCTIONS SET OUT IN ATTACHMENT 1**
-

**INSTRUMENT OF DELEGATION PORT WELSHPOOL AND
DISTRICT MARITIME MUSEUM SPECIAL COMMITTEE.**

- 11. THE INSTRUMENT:**
 - a. COMES INTO FORCE IMMEDIATELY THE COMMON SEAL OF COUNCIL IS AFFIXED TO THE INSTRUMENT; AND**
 - b. REMAINS IN FORCE UNTIL COUNCIL DETERMINES TO VARY OR REVOKE IT.**
- 12. THE POWERS, DUTIES AND FUNCTIONS CONFERRED ON THE COMMITTEE BY THE INSTRUMENT MUST BE EXERCISED IN ACCORDANCE WITH ANY GUIDELINES OR POLICIES COUNCIL MAY FROM TIME TO TIME ADOPT.**
- 13. THE INSTRUMENT BE SEALED.**

CARRIED UNANIMOUSLY

Attachment 1

Instrument of Delegation Port Welshpool and District Maritime Museum Special Committee

SCHEDULE

PURPOSE

To exercise Council's functions and powers and to perform Council's duties in relation to the management of a museum.

1. Reporting requirement

The Committee must report to Council according to Clauses 2, 3, 14, 15, 17, 20 and 23 in the Schedule of the Instrument of Delegation of Port Welshpool and District Maritime Museum Special Committee.

2. Powers and functions

To exercise Council's functions and powers to perform Council's duties in relation to the management of the Centre, and for those purposes.

3. Administration

3.1 To do all things necessary or convenient to be done for or in connection with the performance of those functions, duties and powers;

3.2 To provide Council with monthly financial reports and minutes of every meeting and a Treasurer's report;

3.3 To provide Council with an annual report, including an evaluation of the Committee's effectiveness, to be submitted in September including:

Patronage

User groups

Injuries and Accidents

Maintenance/Improvements undertaken and future requirements

Evaluation of operations and management

Other matters considered relevant by the Committee

Valuations of artworks/items contained within the grounds of the museum

3.4 To be the point of contact for the public with respect to the operation of Port Welshpool and District Maritime Museum. All matters shall be referred to the committee for resolution in the first instance. All requests shall be dealt with promptly and the Council shall be kept informed at all times;

- 3.5 To ensure that the decisions and policies of Council are implemented/adhered to without delay;

4. Facility use

- 4.1 The power to negotiate the use of facilities with user groups and the power to approve programs operating from the Port Welshpool and District Maritime Museum;
- 4.2 The power to set dates and opening/closing times;
- 4.3 To ensure that the Port Welshpool and District Maritime Museum is used only for purposes appropriate to the facility;
- 4.4 To ensure that the facility is operated in accordance with Museum type guidelines;

5. Finance

- 5.1 The power to set user fees;
- 5.2 To enter into contracts and to incur expenditure under \$2000, with approval being required from Council for contracts over \$2000;
- 5.3 The power to open and maintain a bank account at a bank and branch approved by Council, into which all monies received by the Committee shall be paid. All cheques and or transactions drawn on the account shall be signed and or authorised by any two of the following:
- Chairperson
 - Vice Chairperson
 - Secretary
 - Treasurer;
- 5.4 To pay all utility, municipal and water charges incurred in occupying the premises;
- 5.5 To provide Council with adopted Financial Statements by 31 July each year, with support documentation being available upon request;
- 5.6 To provide Council with a proposed budget for the forthcoming year, within seven (7) days of the end of the financial year;
- 5.7 The power to apply income received from facility users to the ongoing operation and management of the Port Welshpool and District Maritime Museum.

6. Maintenance

- 6.1 To provide an annual 'Facility Maintenance Report' detailing all anticipated maintenance for the following financial year that is submitted to Council by 31 January of the preceding year;
- 6.2 The authority to undertake minor repairs up to the value of \$500, however consent from Council's Property Co-ordinator must be gained for any maintenance item over \$500, that has not been anticipated in the 'Facility Maintenance Report'. Any works must be carried out by qualified personnel, relative to the task being performed, and all certificates of compliance must be forwarded to Council immediately upon completion. All maintenance is to be in accord with Council's approved Maintenance Regime/Schedule;
- 6.4 To make no structural alterations or additions to the premises without the written consent of Council's Engineering and Assets department;
- 6.5 To maintain a register of keys issued by the committee and to include these details in the annual 'Facility Maintenance Report'. Council must be provided with a set of keys to all external and internal locks. Any change in locking system must be in accordance with Council's restricted lock system and should be paid for by the committee;

7. Risk Management / Insurance

- 7.1 To ensure that the facility is maintained in a manner that meets all Workcover and Occupational Health and Safety Regulations. Council may provide an inspection on at least two occasions per annum;
- 7.2 To maintain a monthly checklist, provided by Council, relating to building safety, and make available to Council staff when requested;
- 7.3 To ensure that volunteers complete a registration form that is to be forwarded to Council's Insurance Advisor. Volunteer groups must be supervised by a member of the committee at all times. Each committee must maintain a volunteer register containing names, addresses, type of activity performed, times of work and volunteer signature;
- 7.4 To contact OHS Coordinator, before volunteers commence any work to determine whether training is required;
- 7.5 To adhere to all statutory and legislative requirements;
- 7.6 Exceptions, conditions and limitations.

8. The Committee is not authorised by this Instrument to:

- 8.1 enter into contracts over \$2000, or incur expenditure, for an amount which exceeds the approved budget;

8.2 employ people, engage contractors or enter into leases without the prior consent of Council;

8.3 exercise the powers which, by force Section 86 of the Act, cannot be delegated;

8.4 borrow funds.

STAFF DISCLOSURE OF INTEREST

Nil.

GUIDELINES – COMMITTEE DELEGATIONS

Name

These guidelines may be referred to as the Port Welshpool and District Maritime and District Museum Committee Guidelines.

Application

These guidelines have been adopted by the South Gippsland Shire Council ("Council") for the guidance of:

- Port Welshpool and District Maritime and District Museum.
- any other special committee in respect of which Council resolves that these guidelines are to apply.

Exercise of Powers

The powers, duties and functions set out in the Instrument are delegated to the Committee. This means that the Committee can only act under delegation when sitting in a formally constituted meeting.

This means that the meeting must be called and conducted in a manner that complies with the provisions of the Local Government Act 1989 ("the Act") and with the Council's meeting procedures local law.

The Committee cannot exercise its delegated powers when gathered outside the formal meeting structure as described above. For example, an informal coming together of members would not resolve to act under delegation.

Similarly, the delegations do not extend to individual members of the Committee.

The only opportunity for individual Committee members to be granted delegated powers exists where the Committee member is a member of Council staff and subject to a delegation under section 98 of the Act.

All delegations must be read in conjunction with this document and any other policies and guidelines that may be adopted by the Council from time to time.

Reporting Back

These guidelines have been developed to support the concept of delegation as a means of ensuring that the functions of Council are conducted in an efficient and timely manner.

Reporting back of delegations exercised may be necessary to ensure that adequate information regarding those actions is available to other staff, management and the Council.

Such reporting back would be by presentation of reports to Council within the time specified in the Instrument of Delegation; and production of minutes of meetings that will be circulated or available for inspection at any time.

It is to be noted that the reporting back requirements on this policy are a minimum standard only and that nothing will preclude more detailed or extensive reporting back of delegated actions if individual circumstances warrant.

Insurance

After receiving Special Committee Details Form, within 1 month of appointment, Council will, upon appointment of each committee, effect and pay for an annual public liability insurance policy to protect hirers. For events involving large numbers of people (more than 50), alcohol, some children's activities and some sporting events, Council will effect and pay for cover but may require the committee to ensure that hirers complete an insurance form which is to be directed to the insurance company by the committee. Council must be contacted before events such as carnivals, large sporting events and 'pop/rock' concerts are booked or organised, as cover may not be available for some events.

All of the above insurance arrangements are subject to Council approval based on reasonable use of facilities and frequency. If a committee is unsure about any aspect of insurance cover, they must contact Council's Risk Management Department.

The actions of committee members, in the proper execution of the committee power and responsibilities, are covered by Council's existing public liability policy.

E.20 PROPOSED COUNCIL MEETINGS AT LOCAL SECONDARY COLLEGES

Corporate Services Directorate

EXECUTIVE SUMMARY

This report recommends that Council host its scheduled Ordinary Council Meeting on Wednesday 27 August 2014 at the South Gippsland Secondary College in Foster. The day will include activities that involve student engagement. Activities proposed include a Briefing and mock Council Meeting that students can participate in with Councillors.

This recommendation is in response to a Council resolution from the Ordinary Council Meeting held on 24 July 2013 that, as part of its objective to engage and work collaboratively with the community, approaches be made to Secondary Schools in the Shire to gauge interest in the possibility of hosting a Council Meeting on site during 2014. It was also resolved to gauge the interest in student participation by way of involvement in briefing Council on current community issues and taking part in a mock Council Meeting.

LEGISLATIVE / ACTION PLANS / STRATEGIES / POLICIES

Local Government Act 1989

INTERNAL POLICIES / STRATEGIES / DOCUMENTS

- Ordinary Council Meeting Minutes - 24 July 2013 - B.2 Notice of Motion Number 659– Secondary School Engagement with Council.
- Council Briefing Paper - 20 November 2013 - Secondary School Engagement With Council.

COUNCIL PLAN

Outcome:	2.0	Closely Connected Communities
Objective:	2.1	Engage and Work Collaboratively with our Community
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.
Outcome:	4.0	A Leading Organisation
Objective:	4.2	Pursue Best Practice in Organisational Development and Operations of the Organisation
Strategy:	4.2.2	We will monitor corporate governance processes, including risk management and skills

- development with the aim of ongoing improvement.
- Strategy: 4.2.3 We will make informed decisions and provide opportunities for the community to participate in the decision making process.

CONSULTATION

Council wrote to the Principals of all seven Secondary Schools located within the Shire of South Gippsland inviting them to participate in a program to host a Council Meeting and participate in a student briefing and a mock Council Meeting.

Five local Secondary Schools responded, affirming their interest in accepting Council's invitation to host a Council Meeting and participate in a student briefing and mock Council Meeting.

Meetings were held with the four local Secondary Schools who had indicated they were able to take part in the program in 2014 to gauge organisational readiness, suitability of site and other logistical considerations.

REPORT

Background

Councillor Robert Newton at Ordinary Council Meeting 24 July 2013 raised NOTICE OF MOTION NUMBER 659– SECONDARY SCHOOL ENGAGEMENT WITH COUNCIL. The resolution passed by Council was as follows:

THAT COUNCIL:

- 1. AS PART OF COUNCIL'S OBJECTIVE TO ENGAGE AND WORK COLLABORATIVELY WITH OUR COMMUNITY, WRITE TO ALL THE LOCAL SECONDARY COLLEGE PRINCIPALS TO GAUGE THEIR INTEREST, WILLINGNESS AND ABILITY TO HOST A COUNCIL MEETING, WITH DETAILS OF REQUIREMENTS INCLUDED IN THEIR LETTER.*
- 2. FURTHER GAUGE THEIR INTEREST IN HOSTING AND PARTICIPATING IN A STUDENT BRIEFING AND MOCK COUNCIL MEETING.*
- 3. UPON RESPONSE FROM LOCAL SCHOOLS, REQUEST OFFICERS PREPARE A COUNCIL REPORT FOR CONSIDERATION AT THE NEXT APPROPRIATE MEETING, WHICH IS TO INCLUDE A SUMMARY OF THE FEEDBACK, LEVEL OF INTEREST EXPRESSED AND RECOMMENDED WAY FORWARD IN RELATION TO THIS MOTION.*

Discussion

Following the Council resolution, Council wrote to the Principals of all seven Secondary Schools located within the Shire of South Gippsland inviting them to participate in a program to host a Council Meeting and participate in a student briefing and a mock Council Meeting.

The five local Secondary Schools that responded to Council's invitation are outlined below:

1. South Gippsland Secondary College - Foster
2. Mirboo North Secondary College
3. Chairo Christian School - Leongatha
4. Korumburra Secondary College
5. Leongatha Secondary College

A meeting was then conducted with South Gippsland Secondary College Foster, Mirboo North Secondary College and Chairo Christian School Leongatha in February and March 2014. Each school displayed a high level of organisational readiness and willingness to host a Council Meeting in 2014 and beyond.

A meeting was also held with Korumburra Secondary College, however the opportunity to inspect the venue was not available at the time of the meeting. At the meeting the College expressed its willingness to host a Council Meeting.

The Leongatha Secondary College advised that due to building works and disruption associated with moving into new buildings in 2014, that the College would not be able to host a Council Meeting in 2014, however this may be a possibility in 2015.

Of the three sites left under consideration (South Gippsland Secondary College Foster, Mirboo North Secondary College and Chairo Christian School Leongatha) to host a Council Meeting in 2014, each proved suitable in terms of availability of an appropriate venue, venue access and a commitment to Council's proposed program.

It is recommended that from an organisational and logistical perspective that Council conduct a maximum of one or two Council Meetings each year in an education environment.

It was ascertained from discussions with the Secondary Schools that this type of event is best scheduled in Term 2 or 3 in the school year.

Council normally vacates the Council Chambers for the Council Meeting day in August while the Daffodil Festival is being held. As such it is considered

that the Council Meeting scheduled for Wednesday 27 August 2014 would be suitable to hold as an off-site Ordinary Council Meeting at a Secondary School. This date was also suitable for each school under consideration.

Each Principal discussed how the different student leadership groups, such as the Student Representative Councils (SRC), could be represented at the student briefing and play a role in the proposed mock Council Meeting. The schools indicated that involvement by students could be across a number of levels, not just the senior school. The support offered from Council's Community Strengthening team to assist students in producing a power point and with presentation skills was well received.

One of the Principals noted that "This is a great community capacity building opportunity" and another expressed that "Students are aware of a few community issues and that no doubt these would be raised with Councillors at the briefing opportunity". This positive response to Council's proposed program was provided by each school.

A scripted mock Council Meeting, in which the students would take part alongside Councillors in demonstrating how decision making is made through debate and voting process, was also welcomed. One of the Principal's made a suggestion that the students could be supported on the day with basic explanatory documentation of the parts of a Council Meeting.

Given the positive responses received from various Principals, it is recommended that further discussions be held with Korumburra Secondary College, Leongatha Secondary College and other local Secondary Schools to host future Council Meetings, student briefings and/or mock Council Meetings in future years. This would proactively continue Council's efforts of engaging and working collaboratively with the community, particularly in engaging with young people of the Shire.

Options

Council may wish to adhere to its current Council Meeting timetable or consider holding one or two off site Council Meetings at a local Secondary School in an effort to achieve its objective to engage and work collaboratively with the community.

The first Council meeting could be held at either South Gippsland Secondary College in Foster, Mirboo North Secondary College or Chairo Christian School in Leongatha.

Proposal

It is proposed that from discussions with interested local Secondary Schools that:

1. Council host an off-site Council Meeting at the South Gippsland Secondary College in Foster, on the day of the scheduled Ordinary Council Meeting on Wednesday 27 August 2014, including activities that involve student engagement. Activities proposed include a Briefing and mock Council Meeting that the students can participate in with Councillors. This College was selected as the initial school to host a Meeting, as it was the first to respond to the invitation and their venue is ready and suitable.
2. Council consider hosting one or two Council Meetings off-site in 2015 at either / both Mirboo North Secondary College and Chairo Christian School - Leongatha, reflecting their readiness to be involved.
3. Upon review of this program, Council contact other Secondary Colleges seeking the possibility of hosting a future Council Meeting including activities that encourage student engagement via a Briefing and mock Council Meeting in 2016 and beyond.
4. Advise each of the responding Secondary Colleges of this decision.

FINANCIAL CONSIDERATIONS

The additional costs associated with conducting an off-site Council meeting is expected to be minimal and can be contained within existing budgets. However there is increased time taken to plan and implement these off-site meetings, which may impact on other Governance activities.

RISKS

Council will need to effectively manage, with the Secondary Colleges, the risks associated with conducting a public Council Meeting at a Secondary School, including effectively managing the attendance of visitors to the site and addressing any health and safety risks.

CONCLUSION

Hosting a Council Meeting at a local Secondary School is one opportunity for Council to achieve its objective to engage and work collaboratively with the community.

The positive commitment voiced by local Secondary College Principals will not only assist Council in achieving its objective, but importantly pave a way for further youth engagement.

RECOMMENDATION

That Council:

1. Host an off-site Council Meeting at the South Gippsland Secondary College in Foster, on the day of the scheduled Ordinary Council Meeting on Wednesday 27 August 2014, including activities that involve student engagement.
3. Consider hosting one or two off-site Council Meetings and a program of student engagement via a Briefing and mock Council Meeting in 2015 at either one or both of the following:
 - a. Mirboo North Secondary College;
 - b. Chairo Christian School, Leongatha.
4. Upon review of this program, Council contact the other local Secondary Colleges seeking the possibility of hosting a future Council Meeting, including activities that involve student engagement.
5. Advise each of the responding Secondary Colleges of this decision.

STAFF DISCLOSURE OF INTEREST

Nil

MOVED: Cr Hill

SECONDED: Cr Davies

THAT COUNCIL:

- 1. HOST AN OFF-SITE COUNCIL MEETING AT THE SOUTH GIPPSLAND SECONDARY COLLEGE IN FOSTER, ON THE DAY OF THE SCHEDULED ORDINARY COUNCIL MEETING ON WEDNESDAY 27 AUGUST 2014, INCLUDING ACTIVITIES THAT INVOLVE STUDENT ENGAGEMENT.**
- 2. CONSIDER HOSTING ONE OR TWO OFF-SITE COUNCIL MEETINGS AND A PROGRAM OF STUDENT ENGAGEMENT VIA A BRIEFING AND MOCK COUNCIL MEETING IN 2015 AT EITHER ONE OR BOTH OF THE FOLLOWING:**
 - a. MIRBOO NORTH SECONDARY COLLEGE;**
 - b. CHAIRO CHRISTIAN SCHOOL, LEONGATHA.**
- 3. UPON REVIEW OF THIS PROGRAM, COUNCIL CONTACT THE OTHER LOCAL SECONDARY COLLEGES SEEKING THE POSSIBILITY OF HOSTING A FUTURE COUNCIL MEETING, INCLUDING ACTIVITIES THAT INVOLVE STUDENT ENGAGEMENT.**
- 4. ADVISE EACH OF THE RESPONDING SECONDARY COLLEGES OF THIS DECISION.**

CARRIED UNANIMOUSLY

SECTION F - URGENT OR OTHER BUSINESS

There are two basic parts to this section of the Agenda:

1. Urgent Business

Normally no motion should be debated by Councillors unless the matter is already included as an item on the Agenda. However in some circumstances it is possible to raise urgent motions.

The Meeting Procedure Local Law No.3 (Clause 46) allows for where a situation has not been provided for under the Local law, the Council may determine the matter by resolution. Established practice has provided for urgent motions to be raised at Council provided the matter cannot be dealt with at the next ordinary meeting of Council or by officers under delegation.

It is necessary for the Councillor wishing to raise a matter of urgent business to raise a motion similar to the following: 'That consideration of (*the issue*) be dealt with as a matter of urgent business and Councillorbe allowed a 'short period' to indicate the reason(s) why the matter should be considered as a matter of urgent business". If the Chairperson accepts the motion as meeting the urgent business criteria, normal meeting procedures in Local law 3 will apply.

If the motion to accept the item as a matter of urgent business is passed by Council, the motion relating to the specific issue can then be put and debated in the normal way.

2. Other Business

This provides an opportunity for Councillors to raise items of general interest to the Council and the community. It may relate to an up coming event or the outcomes of a recent meeting with a Minister etc.

Nil

SECTION G – GENERAL QUESTION TIME

G.1 QUESTION TIME

Mr Paul Norton addressed Council by submitting two questions and thanked Council for previously answered questions.

The Questions were taken on notice and will be addressed at the next appropriate Council Meeting.

G.2 ANSWERS TO PREVIOUS QUESTIONS ON NOTICE

Noted.

The following questions were taken on notice at the previous Council Meeting 19 March 2014 and a response is now provided.

At Ordinary Council Meeting 19 March 2014, Mr Paul Norton asked a questions about car park lease Apex Park Leongatha and pedestrian path Long Street Leongatha.

Question 1:

In reference to Questions at Public Presentations 19 and 26 February 2014, pages 12 & 14 Agenda 19 March 2014 regarding leasing of Apex Park car park road materials (dump). Has the SGSC got a current lease on the above 3 lots and if so what are the terms of the leases.

Response:

The Apex Park is under lease (general licence) to Council from VicTrack for beautification purposes and the lease is current and active. Council is waiting for a copy of the lease from VicTrack.

There is currently only a verbal agreement with South Gippsland Tourist Railway for Council to utilise a lot within the rail yards for the purpose of material storage. Council's Property Department are in consultation with South Gippsland Tourist Railway to have a lease / agreement developed.

Question 2 –Part a:

Can the Council provide the part of the Disability Discrimination Act (DDA) that will confirm that the partly completed Long Street part of that proposed path will comply with the “Act”.

The DDA does not specifically mention the design standards etc for the construction of footpaths / walkways or any other facilities for that matter.

It does, however, define a footpath as a ‘premises’, and this is defined within the Act as:

Extract from the “Disability Discrimination Act 2006”

premises means a structure that is designed to be used for human habitation and the area outside that structure which is part of the property on which the premises is located and includes—

- (a) the room occupied or to be occupied by a resident;
- (b) any common area;
- (c) any facilities;

Council would have to follow the ‘Principles’ of the Act, specific sections relevant are:

Extract from the “Disability Discrimination Act 2006”

(2) Regulations made under this Act—

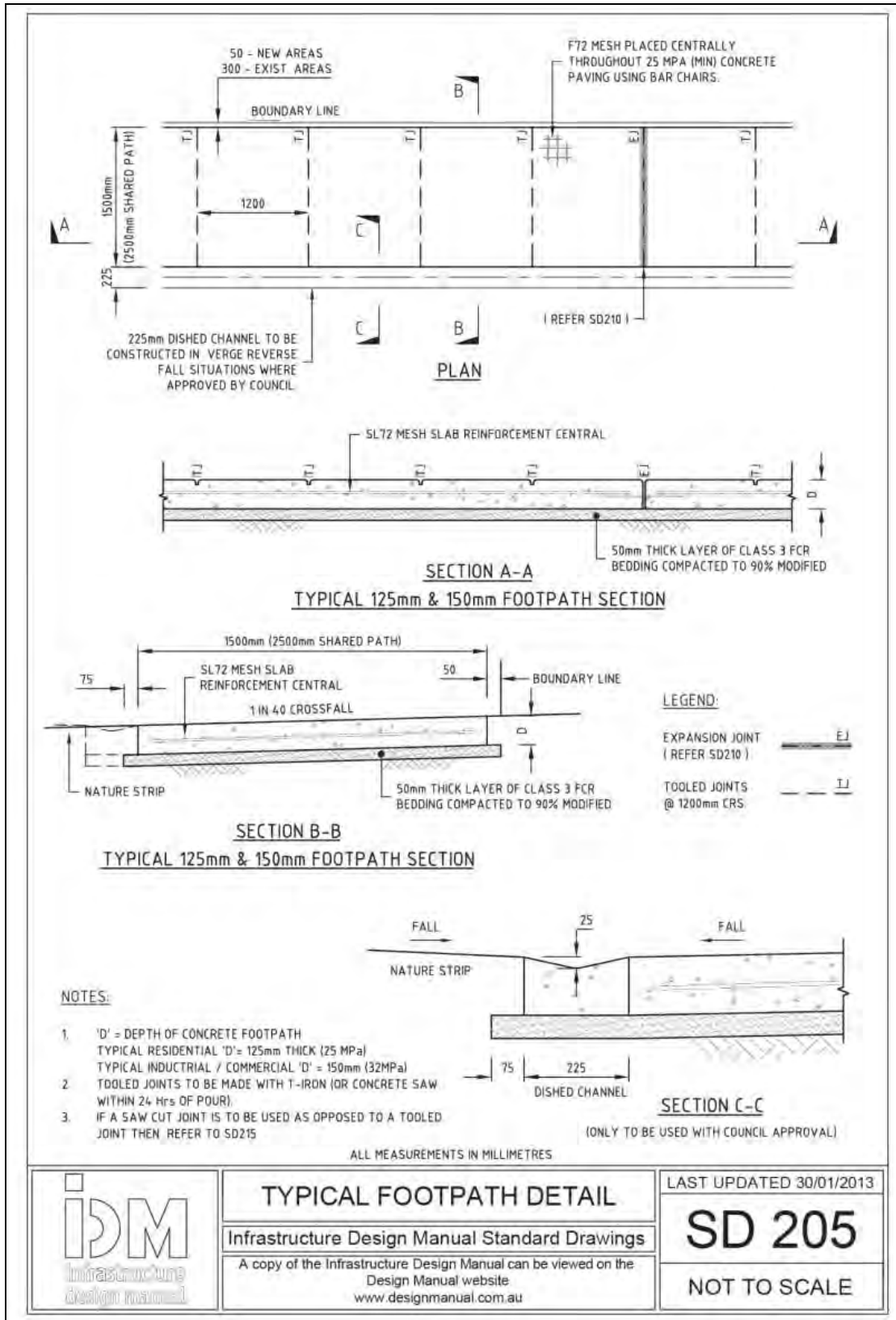
- (f) may apply, adopt or incorporate with or without modification, any matter contained in any document, code, standard, rule, specification or method formulated, issued, prescribed or published by any authority or body as formulated, issued, prescribed or published at the time the regulation is made or at any time before the regulation is made;

(4) If a restriction on the rights or opportunities of a person with a disability is necessary, the option chosen should be the option which is the least restrictive of the person as is possible in the circumstances.

With regards to designing / constructing assets for our community, Council complies with the following documents:

1. *The Infrastructure Design Manual (adopted by Council on 17 March 2010); and*
2. *Australian Standards*

Extract from "Infrastructure Design Manual" / Standard Drawings SD 205
This figure only references the cross fall of a footpath being 1:40.



TYPICAL FOOTPATH DETAIL

Infrastructure Design Manual Standard Drawings

A copy of the Infrastructure Design Manual can be viewed on the Design Manual website
www.designmanual.com.au

LAST UPDATED 30/01/2013

SD 205

NOT TO SCALE

Extract from “Australian Standards 1428 Design for access and mobility”

10.2 Walkways

Walkways shall comply with the following:

- a) *The floor or ground surface abutting the sides of the walkway shall provide a firm and level surface of a different material to that of the walkway at the same level of the walkway, follow the grade of the walkway and extend horizontally for a minimum of 600 mm unless one of the following is provided:
 - i. *Kerb in accordance with Figure 18.*
 - ii. *Kerb rail and handrail in accordance with Figure 19.*
 - iii. *A wall not less than 450 mm in height.**

- b) *Walkways shall be provided with landings, as specified in Clause 10.8, at intervals not exceeding the following:
 - i. *For walkway gradients of 1 in 33, at intervals no greater than 25 m.*
 - ii. *For walkway gradients of 1 in 20, at intervals no greater than 15 m.*
 - iii. *For walkway gradients between 1 in 20 to 1 in 33, at intervals that shall be obtained by linear interpolation.**

For walkways shallower than 1 in 33, no landings are required.

The intervals specified above may be increased by 30% where at least one side of a walkway is bounded by—

- A. *a kerb or kerb rail as specified in Clause 10.3(j) and a handrail as*
- B. *specified in Clause 12; or*
- C. *a wall and a handrail as specified in Clause 12.*

10.3 Ramps

Ramps shall comply with the following:

1. *The maximum gradient of a ramp exceeding 1900 mm in length shall be 1 in 14.*

2. *The gradient of a ramp shall be constant throughout its length with a maximum allowable tolerance of 3% provided no section of the ramp is steeper than 1 in 14.*

3. *Ramps shall be provided with landings, as specified in Clause 10.8, at the bottom and at the top of the ramp and at intervals not exceeding the following:
 - i. *For ramp gradients of 1 in 14, at intervals not greater than 9 m.*
 - ii. *For ramp gradients steeper than 1 in 20, at intervals not greater than*
 - iii. *15 m.**

- iv. For ramp gradients between 1 in 14 and steeper than 1 in 20, at intervals*
 - v. that shall be obtained by linear interpolation.*
- 4. Where ramps are constructed with a change in direction, the angle of approach shall create a 90° angle to the line of transition between the ramp surface and the landing surface, as shown in Figure 13.*
- 5. Ramps shall have a handrail complying with Clause 12 on each side of the ramp, as shown in Figure 14.*
NOTE: Figures 15(A) and 15(B) show examples of suitable ramp handrail terminations.
- 6. Where the intersection is at the property boundary, the ramp shall be set back by a minimum of 900 mm so that the handrail (complying with Clause 12) and TGSIs do not protrude into the transverse path, as shown in Figure 16.*

TGSIs shall be installed in accordance with AS 1428.4.1.
- 7. Where the intersection is at an internal corridor, the ramp shall be set back by a minimum of 400 mm so that the handrail complying with Clause 12 does not protrude into the transverse path of travel as shown in Figure 17.*
- 8. The handrail shall extend a minimum of 300 mm horizontally past the transition point at the top and bottom of the ramp except where the inner handrail is continuous at an intermediate landing.*
- 9. Ramps and intermediate landings shall have kerbs or kerb rails on both sides that comply with the following:*
 - i. The minimum height above the finished floor shall be 65 mm.*
 - ii. The height of the top of the kerb or kerb rail shall not be within the range 75 mm to 150 mm above the finished floor, as shown in Figure 18.*
 - iii. There shall be no longitudinal gap or slot greater than 20 mm in the kerb or kerb rail within the range 75 mm to 150 mm above the finished floor.*

NOTES:

- 1 For details on kerbs and kerb rails, see Figure 18.*
- 2 For location of kerb or kerb rail, see Figure 19.*
- 3 Examples of kerb rail configuration are shown in Appendix A.*

- 10. Kerbs or kerb rails shall—*
 - i. be located so that the ramp-side face is either flush with the ramp-side face of the handrail or no greater than 100 mm away from the ramp-side face of the handrail, as shown in Figure 19;*
 - ii. where the handrail is supported on a vertical post, the height of the top of the kerb or kerb rail shall be not less than 150 mm above the finished floor, as shown in Figures 19(a), 19(b) or 19(c); and*

- iii. where the kerb is at a height of 65 mm to 75 mm, the support posts shall be set back a minimum of 200 mm from the face of the kerb or kerb rail, as shown in Figure 19(d).*

Extract from “Human Rights” webpage

What is an accessible footpath?

A footpath should, as far as possible, allow for a continuous accessible path of travel so that people with a range of disabilities are able to use it without encountering barriers.

While a footpath necessarily follows the natural topography of the area, in the best possible circumstances a continuous accessible path of travel along a footpath should:

- Have a gradient of no steeper than 1 in 20
- Have a cross fall of no steeper than 1 in 40
- Have kerb cuts with appropriate kerb ramps
- Incorporate appropriate Tactile Ground Surface Indicators where necessary to ensure adequate safety and orientation
- Have a minimum clear width of at least 1.8 metres at the narrowest point and minimum clear height of 2 metres with nothing encroaching into that envelope
- Be as smooth as possible without raised or cracked paving or tree root damage
- Have a slip resistant surface during dry and wet conditions

If you would like more information with regards to this, the ‘Human Rights’ website has some very useful information as detailed below.

Please feel free to visit:

“A brief guide to the Disability Discrimination Act”:

<https://www.humanrights.gov.au/our-work/disability-rights/guides/brief-guide-disability-discrimination-act>

“DDA Guide Ins & Outs”:

<http://www.humanrights.gov.au/dda-guide-ins-and-outs-access>

Frequently Asked Questions

<https://www.humanrights.gov.au/frequently-asked-questions-access-premises#DDA>

The existing footpath along Long Street, from Property 6 to the Bus Stop access path, has been constructed with a 1:24 gradient and a 1:40 cross fall. This is in accordance with the information / extracts detailed above.

Once the Salvation Army constructs the missing link from property 6 to Ogilvy Street, this will create a footpath link to the CBD which complies with the Australian Standards, Council's Infrastructure Design Manual and the Human Rights webpage.

Council does not have any plans in the future or funds allocated in the future 15 Year Budget to build the footpath at the other end of Long Street. The topography is quite steep and therefore a footpath in this location would not be compliant.

Question 2 – Part b:

The "New Act" was embraced by Federal Government in 2006.

Extract from the DDA 2006:

NOTES	
1. Assent and operational dates	The Disability Act 2006 was assented to on 16 May 2006 and came into operation as follows: Sections 1 and 2 on 17 May 2006: s. 2(1); Remainder of Act on 1 July 2007: s. 2(3). Minister's second reading speech— <i>Legislative Assembly:</i> 1 March 2006 <i>Legislative Council:</i> 4 April 2006 The long title for the Bill for this Act was "to enact a new legislative scheme for persons with a disability, to repeal the Intellectually Disabled Persons' Services Act 1986 and the Disability Services Act 1991 , to amend certain other Acts and for other purposes."
2. Table of Amendments	This consolidation incorporates amendments made to the Disability Act 2006 by Acts and subordinate instruments as required by section 21A of the Interpretation of Legislation Act 1984 .

CLOSED SESSION

Consideration of confidential matters under the Local Government Act 1989, Section 89(2).

According to Section 89 of the Local Government Act 1989 (the Act), Council may consider items in closed session. There must be a resolution to move 'In Committee' stating the reasons why the matter(s) need to be considered in this way. The reasons provided for within the Act are matters concerning personnel, personal hardship, industrial issues, contracts, proposed developments, legal advice or any other matter that Council considers would be prejudicial, to it or any other person.

Once 'In Committee' discussions and debate have concluded, a further resolution to resume open Council is required.

ITEM 1 2013/2014 COMMUNITY GRANTS PROGRAM – EARLY ASSESSMENT OF AN APPLICATION TO FESTIVAL, CELEBRATION AND EVENTS CATEGORY

ITEM 2 CONTRACTUAL MATTER

RECOMMEDATION

That Council close the Meeting to the Public to allow for consideration of:

1. 2013/2014 Community Grants Program – Early Assessment of an Application to Festival, Celebration and Events Category pursuant to Section 89(2)(h); and
2. A contractual matter pursuant to section 89(2)(d),

as provided for by the Local Government Act 1989.

MOVED: Cr Davies

SECONDED: Cr McEwen

THAT COUNCIL CLOSE THE MEETING TO THE PUBLIC TO ALLOW FOR CONSIDERATION OF:

1. **2013/2014 COMMUNITY GRANTS PROGRAM – EARLY ASSESSMENT OF AN APPLICATION TO FESTIVAL, CELEBRATION AND EVENTS CATEGORY PURSUANT TO SECTION 89(2)(H); AND**
2. **A CONTRACTUAL MATTER PURSUANT TO SECTION 89(2)(D),**

AS PROVIDED FOR BY THE LOCAL GOVERNMENT ACT 1989.

CARRIED UNANIMOUSLY

ITEM 2 EXTENSION OF CONTRACT SGC11/14 INTERNAL AUDIT SERVICES HLB MANN JUDD

THAT COUNCIL:

- 1. APPROVE A ONE YEAR EXTENSION TO THE SGC11/14 OF INTERNAL AUDIT SERVICES CONTRACT TO HLB MANN JUDD**

SECTION H - MEETING CLOSED

NEXT MEETING

The next Ordinary Council Meeting open to the public will be held on Wednesday, 28 May 2014 commencing at 2pm in the Council Chambers, Leongatha.

The Meeting closed at 4.27pm.

CONFIRMED:.....

CR JAMES FAWCETT – MAYOR

Date:.....