

SOUTH GIPPSLAND SHIRE COUNCIL

# Council Agenda

Ordinary Meeting of Council

28 March 2018

**Ordinary Meeting No. 421**  
**Council Chambers, Leongatha**  
**Commencing at 2pm**



# agenda



*South Gippsland  
Shire Council*

*Come for the beauty, Stay for the lifestyle*



## MISSION

***South Gippsland Shire will be a place where our quality of life and sense of community are balanced by sustainable and sensitive development, population and economic growth.***

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A copy of this policy is located on Council's website [www.southgippsland.vic.gov.au](http://www.southgippsland.vic.gov.au).

## SOUTH GIPPSLAND SHIRE COUNCIL

Notice is hereby given that Ordinary Meeting No. 421 of the  
South Gippsland Shire Council will be held on 28 March 2018  
in the Council Chambers, Leongatha commencing at 2pm

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**Tim Tamlin**  
Chief Executive Officer

## **1. PRELIMINARY MATTERS**

### **1.1. LIVE-STREAMING COUNCIL MEETING DISCLAIMER**

This Council Meeting is being streamed live, recorded and published in accordance with Council's *Live Streaming in Council Meetings Policy*.

To those present in the gallery today, by attending a public meeting of the Council you are consenting to your image, voice and comments being recorded and published.

Anyone who is invited to read out a question or a presentation will be recorded and their voice, image and comments will form part of the live stream and recording.

The Chair and/or the CEO have the discretion and authority at any time to direct the termination or interruption of live streaming. Such direction will only be given in exceptional circumstances where deemed relevant. Circumstances may include instances where the content of debate is considered misleading, defamatory or potentially inappropriate to be published.

Attendees are advised that they may be subject to legal action if their actions results in inappropriate and/or unacceptable behaviour and/or comments.

Today's Meeting is being streamed live as well as recorded and published on Council's website.

Thank you

### **1.2. WELCOME**

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

### **1.3. OPENING PRAYER**

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

### **1.4. ACKNOWLEDGEMENT OF TRADITIONAL CUSTODIANS**

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

## **1.5. APOLOGIES**

## **1.6. CONFIRMATION OF MINUTES**

### **RECOMMENDATION**

That the Minutes of the South Gippsland Shire Council:

1. Special Committee of Council, held on 28 February 2018 in the Council Chambers, Leongatha and:
2. Ordinary Meeting No. 420, held on 28 February 2018 in the Council Chambers, Leongatha be confirmed.

## 1.7. DECLARATION OF CONFLICTS 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 (the Act). This legislation can be obtained by contacting the Council's Corporate & Community Services Directorate (Council Business) or by accessing the Victorian Legislation and Parliamentary Documents website at [www.legislation.vic.gov.au](http://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 Council Business Department at South Gippsland Shire Council).
- 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 – October 2012*.

## 1.8. DECLARATION OF CONFLICTS 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 the Victorian State Government, Department of Transport, Planning and Local Infrastructure – *Conflict of Interest – A Guide for Council Staff – October 2011*.

**Manager Community Services declares an indirect conflict of interest on agenda Item 3.1 Home and Community Care Services Review as he is Party to the Matter in that the proposed loss of Council's Home and Community Care Services may impact staff employment.**



## **2. OBJECTIVE 1 - STRENGTHEN ECONOMIC GROWTH AND PROSPERITY**

### **2.1. PLANNING SCHEME AMENDMENT C116 - LAND SUBJECT TO INUNDATION OVERLAY - AUTHORISATION**

Development Services Directorate

#### **EXECUTIVE SUMMARY**

This Council Report proposes to commence a planning scheme amendment (Amendment C116) to update the application of the existing Land Subject to Inundation Overlay (LSIO) controls in the South Gippsland Planning Scheme. The LSIO is proposed to be applied to the Little Lang Lang River and its tributaries and to a small extent of Muddy Creek on the western urban edge of Toora. It is recommended that authorisation be sought from the Minister for Planning to prepare the amendment and to proceed to exhibit the amendment.

#### **RECOMMENDATION**

**That Council:**

- 1. Seek authorisation from the Minister for Planning to prepare Planning Scheme Amendment C116 to apply the Land Subject to Inundation Overlay to the areas identified in Attachment [2.1.1] – Map of Proposed Flood Control Additions – Melbourne Water and Attachment [2.1.2] – Map of Proposed Flood Control Additions – West Gippsland Catchment Management Authority.**
- 2. Exhibit Planning Scheme Amendment C116 in accordance with the procedural requirements of the Planning and Environment Act 1987.**

#### **REPORT**

##### **Background**

The Land Subject to Inundation Overlay (LSIO) is a planning scheme overlay control that seeks to ensure that land subject to flood inundation is developed in a way that minimises the risk to life and damage to property. State Planning Policy requires planning schemes to be kept up to date with the latest available flood mapping.

The management of waterways in South Gippsland Shire is divided between Melbourne Water, which covers the area generally west of Korumburra, and the West Gippsland Catchment Management Authority (WGCMA), which covers the balance of the Shire, east of Korumburra.

LSIO flood mapping in the Melbourne Water area was initially introduced by Amendment C55 in 2011. The Amendment applied the LSIO to the Bass River and its tributaries only and did not include other waterways due to a lack of available flood data at the time. Flood mapping in the WGCMA area has existed for 20 years and was last updated by Amendment C81, approved in 2016.

The planning scheme's existing LSIO schedule provisions (permit triggers) require a planning permit for many forms of buildings and works in areas susceptible to inundation including new dwellings and ground floor dwelling additions. Avoiding new development in areas subject to inundation reduces the risk to life and property and protects the environmental and infrastructure by minimising waterway pollution and damage caused by debris. A large part of flood recovery costs are directly associated with removing debris from waterways and repairing the damage it causes.

### **Discussion**

Amendment C116 proposes to complete LSIO application in both the Melbourne Water and WGCMA catchment areas

In the Melbourne Water area the Amendment will apply the LSIO over the Little Lang Lang River and its tributaries – see **Attachment [2.1.1]** - Map of Proposed Flood Control Additions – Melbourne Water. The mapping responds to the findings of a recently completed Melbourne Water flood study and identifies land subject to a 1% Average Recurrent Interval flood event (commonly known as a one in 100 year flood). Most of the new LSIO application is to occur on land in the Farming Zone which is unlikely to be rezoned for residential development in the future.

In the WGCMA area the Amendment will apply the LSIO over Muddy Creek and its surrounds at Toora – see **Attachment [2.1.2]** - Map of Proposed Flood Control Additions – WGCMA. The mapping responds to a gap identified in the WGCMA's flood modelling data and is considered a priority due to the area's high flood risk. Further fine-tuning of the mapping to be provided by WGCMA. The proposed LSIO application affects Township Zone and Farming Zone land. Four existing dwellings are proposed to be included in the LSIO. Application of the overlay to existing dwellings does not require any changes to be made to the structures however extensions to habitable areas should consider raising the floor level of new additions to above the flood height.

Amendment C116 only affects LSIO mapping and does not change the Planning Scheme Schedule which controls the planning permit triggers on land affected by the LSIO.

Approval of Amendment C116 will result in the Shire as a whole having updated flood mapping in the Planning Scheme, ensuring compliance with the requirements of the State Planning Policy Framework.

The mapping on which the LSIO application is based is public information and available to insurance companies to use in their consideration of insurance premiums.

### **CONSULTATION**

Amendment C116 will require public exhibition in accordance with normal procedures, including postal notification to all property owners/occupiers affected by the amendment, Council webpage information and a notice in the Government Gazette.

It is noted that the previous Melbourne Water LSIO amendment (Amendment C55) resulted in no objections being received.

### **RESOURCES**

The costs to Council in processing the amendment will be minimal. Statutory fees and some administrative costs (including exhibition postage) will be paid by Melbourne Water in relation to their catchment area. This includes payment of Planning Panel fees, should a panel be required.

Combining Melbourne Water and WGCMA mapping changes provides cost saving to Council as it reduces a duplication of Council's administrative resources to process two separate amendments. It is noted that Melbourne Water are funding the amendment. Should objections be received to only the WGCMA's LSIO (requiring the appointment and payment for an Independent Planning Panel) further consideration will be required on how the WGCMA's element of the amendment may proceed. Should this situation eventuate, the next Amendment C116 Council Report will recommend how the amendment may proceed after discussing the options with both authorities.

### **RISKS**

The State Planning Policy Framework requires councils to have up to date flood mapping in their planning schemes. Application of the LSIO will ensure the South Gippsland Planning Scheme's flood mapping is fully up to date and in doing so reducing the potential liability risk to Council.

### **STAFF DISCLOSURE**

Nil

## **ATTACHMENTS**

*Attachments are available on Council's website: [www.southgippsland.vic.gov.au](http://www.southgippsland.vic.gov.au)*

1. Map of proposed flood control additions - Melbourne Water - PSA 116 **[2.1.1]**
2. Map of proposed flood control additions - WGCMA - PSA 116 **[2.1.2]**

## **REFERENCE DOCUMENTS**

### **Council Policy**

*Documents are available on Council's website: [www.southgippsland.vic.gov.au](http://www.southgippsland.vic.gov.au)*

South Gippsland Planning Scheme

### **Legislative Provisions**

Planning and Environment Act 1987

State Planning Policy Framework

## **2.2. PLANNING PERMIT APPLICATION 2017/285 - 141-143 JUPITER BOULEVARD, VENUS BAY - NATIVE VEGETATION REMOVAL**

Development Services Directorate

### **EXECUTIVE SUMMARY**

Consent is being sought to remove selected native vegetation from the land at 141 and 143 Jupiter Boulevard, Venus Bay. The vegetation removal is associated with the construction of a skate ramp.

The application was initially made for use and development of the land for Leisure and Recreation (Skate Park) and for vegetation removal and ancillary works. In the course of assessing the application it was determined that a planning permit was not needed for the use and development of the land for a skate park as it is defined as a playground, however a permit is still required for vegetation removal.

The application has been referred to Council for a decision as twelve written submissions have been received in relation to the original application for the skate park. Of these twelve submissions, one submission includes an objection in relation to the removal of vegetation.

It is considered the application for vegetation removal can be supported, due to the small amount and type of vegetation to be removed. The areas of vegetation removal can be stabilised and controlled via appropriate conditions. The application is therefore recommended for approval.

### **RECOMMENDATION**

**That Council issue a Notice of Decision for removal of native vegetation at 141-143 Jupiter Boulevard Venus Bay, subject to the following conditions:**

- 1. Prior to plans being endorsed, a landscape plan to the satisfaction of the Responsible Authority must be submitted to and approved by the Responsible Authority. When approved, the plan will be endorsed and will then form part of the permit. The plan must be drawn to scale with dimensions and three copies must be provided. The plan must show:**
  - a. Retention of all Coast Banksia and Coast Beard Heath;**
  - b. Replacement planting within the areas of the site where vegetation is proposed to be removed in order to form an effective ground cover;**
  - c. A list of all existing vegetation (including botanical names) to be retained and/or removed;**

- d. **A planting schedule of all proposed trees, shrubs and ground covers (including common names and botanical names), pot sizes, sizes at maturity, and quantities of each plant. All species must be selected from the relevant Ecological Vegetation Class (EVC) for the bioregion that the land is located within, from the *Indigenous Plants of South Gippsland Shire* publication.**
2. **The extent of vegetation removal shown on the endorsed plan(s) must not be altered or modified except with the written consent of the Responsible Authority.**
3. **Once the development has started it must be continued and completed in a timely manner to the satisfaction of the Responsible Authority.**
4. **Within three months of the removal of the native vegetation, the replacement planting as shown on the endorsed plans must be planted (in accordance with the endorsed plans) in order to provide an effective ground cover. The vegetation must be protected by way of tree guards or similar until fully established. It must be completed and then maintained, to the satisfaction of the Responsible Authority. Any dead or dying vegetation must be replaced.**
  - a. **Before any works start, vegetation protection fencing must be erected around all vegetation to be retained (protected area/s) within and adjacent to the area where removal of vegetation is authorised (works area/s). The protection fence must be constructed of [star pickets/chain mesh /plastic safety fencing or similar] in order to appropriately delineate the works area/s from the protected area/s, to the satisfaction of the responsible authority. The protection fencing must remain in place at least until all works are completed to the satisfaction of the responsible authority.**
  - b. **Except with the written consent of the Responsible Authority, no vehicular or pedestrian access, no trenching or soil excavation, no storage or dumping of tools, equipment or waste is to occur within the protected area/s.**
  - c. **Prior to any native vegetation removal works; the area/s of native vegetation to be removed must be inspected for the presence of wildlife by a suitably qualified and experienced person (e.g. identify and inspect any vegetation that provides habitat for wildlife). If any wildlife is/are found, vegetation removal may not commence until it/they either relocate to a safe area or it/they are moved by a qualified and experienced person to a safe and suitable area, to the satisfaction of the responsible authority.**

- d. **Before any works start, the permit holder must advise all persons undertaking the vegetation removal and construction works of all relevant conditions of this permit.**
5. **Care must be taken to ensure that the removal of native vegetation and ancillary works and does not cause erosion or degradation to the subject or surrounding land to the satisfaction of the Responsible Authority.**
6. **This permit will expire if either of the following applies:**
  - a. **The development is not started within two years of the date of this permit.**
  - b. **The development is not completed within four years of the date of this permit.**

## **REPORT**

### **Background**

An application to use and develop the land for Leisure and Recreation (Skate Park), removal of native vegetation and ancillary works was received and notified to adjoining landowners and referral authorities.

In the course of assessing the application and following review of historic applications for development of skate parks in the Shire it was determined that a planning permit was not needed for the use and development of the land for a skate park, however a permit was still required for vegetation removal.

Whether or not a planning permit is required is determined by how the use of the land is described and defined in the Planning Scheme. The original application was made for *Leisure and Recreation*, which is defined as: *Land used for leisure, recreation or sport*. It includes more specific land uses such as Major Sports and Recreation Facility, Minor Sports and Recreation Facility and Motor Racing Track.

This is a broad definition that comfortably includes the proposed Skate Park and is therefore not technically “incorrect”. However, when characterising a proposal to fit within a specific land use term, it is preferable to determine the most specific land use term possible, rather than use a broad land use definition.

It is considered the proposal falls within the definition of *Informal Outdoor Recreation* – which is defined as: *Land open to the public and used by non-paying persons for leisure or recreation, such as a cycle track, picnic or barbeque area, playground, and walking or jogging track*.

Use of the land for *Informal Outdoor Recreation* (such as a playground or skate park) does not require a planning permit in the Township Zone (Clause 32.05-1).

A planning permit is not required for buildings and works associated with the use of the land for *Informal Outdoor Recreation* anywhere else in Clause 32.05.

Furthermore, the Planning Scheme includes an exemption at Clause 62.02-1 for buildings and works undertaken by or on behalf of a municipality where the cost of development is less than \$1 million. As both the land use and the development works are exempt from a planning permit, a decision is not required in relation to these aspects of the proposal.

The proposal to construct a skate park on the property includes removal of an area of native vegetation. A planning permit is required for this aspect of the proposal under Clause 42.01-2 (ES07) only.

### **The Proposal**

The subject land is at 141-143 Jupiter Boulevard Venus Bay. The land is at the corner of Jupiter Boulevard and Centre Road and comprises two lots, being Lot 22 and Lot 23 on LP52658. Both lots are owned by Council.

Both lots are in the Township Zone and the land has three Overlays, being Environmental Significance Overlay Schedule 7 – Coastal Settlements; Design and Development Overlay Schedule 5 – Venus Bay and the Bushfire Management Overlay.

Both lots are currently vacant. The majority of the land adjacent Jupiter Boulevard is flat and has been previously cleared, with exotic grass ground cover. The rear portion of each lot rises steeply, forming part of an old coastal dune that runs parallel to Jupiter Boulevard. The rear portion of each lot contains native vegetation, the majority of which comprises thick Coast Tea-tree and Coast Wattle, growing generally to a height of approximately three metres.

There is also a portion of native vegetation adjacent the Centre Road frontage of the site. This section of vegetation also contains Coast Tea-tree and Coast Wattle, as well as three Coast Banksia trees and a Coast Beard-heath.

It is proposed to remove a total of seven trees on the land to facilitate the development of the land for a skate ramp and associated fencing. Removal of the vegetation will improve the visibility of the skate ramp from surrounding roads and houses and is expected to improve safety for people using the ramp.



All of the vegetation to be removed comprises Coast Tea-tree and Coast Wattle species. These are comparatively quick growing and common species in the Venus Bay area. It is proposed that the slower growing and rarer Coast Banksia and Coast Beard-heath trees will be retained on the site and will contribute to the appearance and amenity of the land.

Refer to **Attachment [4.4.1]** - Planning Application 2017-285 Planning Property Report – 141-143 Jupiter Boulevard Venus Bay, **Attachment [4.4.2]** - Planning Application 2017-285 Proposed Site Plan-141-143 Jupiter Boulevard Venus Bay and **Attachment [4.4.3]** - Planning Application 2017-285 – Detail Plan and Site Photos – 141-143 Jupiter Boulevard Venus Bay.

### **Assessment**

A detailed assessment of the application against the relevant sections of the Planning and Environment Act 1987 and the relevant matters in the South Gippsland Planning Scheme are discussed in **Attachment [4.4.4]** - Planning Application 2017-285 – Officers Delegation Report – 141-143 Jupiter Boulevard Venus Bay

The permit is triggered by the Environmental Significance Overlay Schedule 7 – Coastal Settlements.

The Overlay aims to protect and enhance the natural beauty of the coastal townships, protect and enhance environmental quality, minimise the risk of erosion and destruction of the environment through poorly managed development and ensure development does not result in adverse impacts on coastal processes.

It is considered the proposal has minimised the amount of vegetation to be removed and will not impact the environmental quality or natural beauty of the town. The vegetation removal will not impact on any coastal processes due to its distance from the coast.

Vegetation removal forms a regular part of planning permissions sought in Venus Bay and there are usually no objections to the removal, subject to suitable replanting and protection of rare species.

### **CONSULTATION**

The original application for use and development of the Leisure and Recreation (Skate Park) and vegetation removal and ancillary works was notified to adjoining owners and occupiers. Twelve (12) written objections were received.

The original application was referred to the CFA and Council's Infrastructure Planning Department who raised no objection to the proposal.

Following the amendment of the application, all objectors were notified of the change to the application. The amended application was not required to be notified because any objections in relation to the original application are taken to be objections to the amended application.

The amended application was referred to Council's Biodiversity Officer, who has raised no objection to the proposal, subject to the protection of the Banksia and Beard-heath trees and subject to inclusion of relevant conditions on any planning permit issued.

Of the 12 written submissions received in relation to the original application, one (1) objected to the removal of vegetation on the land. These submission are addressed in the **Confidential Attachment**.

#### **STAFF DISCLOSURE**

Nil

#### **ATTACHMENTS**

*Attachments are available on Council's website: [www.southgippsland.vic.gov.au](http://www.southgippsland.vic.gov.au)*

1. Planning Application 2017-285 Planning Property Report - 141-143 Jupiter Boulevard Venus Bay **[2.2.1]**
2. Planning Application 2017-285 - Proposed Site Plan - 141-143 Jupiter Boulevard Venus Bay **[2.2.2]**
3. Planning Application 2017-285 - Detail Plan and Site Photos - 141-143 Jupiter Boulevard Venus Bay **[2.2.3]**
4. Planning Application 2017-285 - Officers Delegation Report - 141-143 Jupiter Boulevard Venus Bay **[2.2.4]**

#### **CONFIDENTIAL ATTACHMENTS**

**Confidential Attachment [15.1.1]** – Submissions - Planning Permit Application 2017/285 – 141-143 Jupiter Boulevard, Venus Bay has been provided in accordance with s.77(2)(c) of the Local Government Act 1989, the Chief Executive Officer designates this item as confidential information on the grounds that it relates to s.89(2)(h) - any other matter which the Council or Special Committee considers would prejudice the Council or any persons.

This is deemed confidential to protect the privacy of the submitter.

**REFERENCE DOCUMENTS**

**Council Policy**

*Documents are available on Council's website: [www.southgippsland.vic.gov.au](http://www.southgippsland.vic.gov.au)*

South Gippsland Planning Scheme

**Legislative Provisions**

Planning and Environment Act 1987

## **2.3. STRATEGY: SOUTH GIPPSLAND COASTAL STRATEGY**

Development Services Directorate

### **EXECUTIVE SUMMARY**

At the November 2017 Ordinary Meeting of Council (refer **Attachment [2.3.1]**), Council resolved that a report be prepared for the March 2018 Ordinary Meeting of Council discussing options, timing and costings for the development of a Coastal Strategy. This work has commenced however, as Officers are endeavouring to do this work without engaging consultants, additional time is required to ensure that the intent and breadth of the Strategy is clearly defined for Council's consideration.

Councillors will participate in a workshop in April 2018 to assist in defining the scope of the proposed Strategy.

### **RECOMMENDATION**

**That Council consider a report on an updated project scope, timing and costing for the development of a Coastal Strategy at its 25 July 2018 Ordinary Meeting of Council.**

### **REPORT**

The preparation of a Coastal Strategy is a significant undertaking for Council. The range of issues that may be considered in a Coastal Strategy are very broad and potentially affect many public and private stakeholder groups.

It is estimated that an additional two months is required to prepare and finalise a scope for a Coastal Strategy which may then be formally reported to Council.

### **CONSULTATION**

Extensive community and stakeholder consultation will occur, as required, if preparation of the Coastal Strategy is identified as a Project.

### **RESOURCES**

No additional funding is required to investigate the preparation of a Coastal Strategy. The next Council Report will discuss the various cost options for preparing a Coastal Strategy.

### **RISKS**

Detailed project scoping reduces the risk that the recommendations of a completed Coastal Strategy cannot be implemented.

**STAFF DISCLOSURE**

Nil

**ATTACHMENTS**

*Attachments are available on Council's website: [www.southgippsland.vic.gov.au](http://www.southgippsland.vic.gov.au)*

1. Council Resolution - 22 November 2017 **[2.3.1]**

**REFERENCE DOCUMENTS**

**Council Policy**

*Documents are available on Council's website: [www.southgippsland.vic.gov.au](http://www.southgippsland.vic.gov.au)*

South Gippsland Planning Scheme

**Legislative Provisions**

Planning and Environment Act 1987

### **3. OBJECTIVE 2 - BUILD STRONG PARTNERSHIPS, STRENGTHEN ARTS & CULTURE AND DELIVER EQUITABLE OUTCOMES**

#### **3.1. PETITION RESPONSE: SOUTH GIPPSLAND BASS SWIMMING CLUB - REMOVE LANE HIRE CHARGE**

Infrastructure Directorate

##### **EXECUTIVE SUMMARY**

At the Ordinary Meeting of Council on 28 February 2018, a petition from the South Gippsland Bass Swimming Club was received requesting Council to remove lane hire charges for the swimming club at South Gippsland SPLASH. At that meeting it was resolved:

*THAT COUNCIL:*

- 1. RECEIVE AND NOTE THE PETITION; AND*
- 2. THE PETITION LAY ON THE TABLE UNTIL THE MATTER IS CONSIDERED AND DECIDED ON AT THE ORDINARY COUNCIL MEETING 28 MARCH 2018.*

The petition contains approximately 394 signatures. The draft 2018/19 Annual Budget allows provision for lane hire charges for the South Gippsland Bass Swimming Club to be dropped during hours open to the public.

##### **RECOMMENDATION**

**That Council:**

- 1. Considers the petition from the South Gippsland Bass Swimming Club to remove lane hire fees at South Gippsland Splash as part of the 2018/19 Annual Budget process.(Confidential Attachment [15.2.1])**
- 2. Note that the draft 2018/19 Annual Budget allows for the South Gippsland Bass Swimming Club lane hire charge to be dropped during hours open to the public.**
- 3. Writes to the lead petitioner with the outcome of this resolution.**

##### **REPORT**

At the Ordinary Meeting of Council on 28 February 2018, a petition from the South Gippsland Bass Swimming Club was received with approximately 394 signatures. The petition requests Council remove the lane hire charge for the South Gippsland Bass Swimming Club at South Gippsland Splash.

A copy of the petition is available in **Confidential Attachment [15.2.1]**. The petition prayer is available in **Figure 1** below.

**Figure 1 – Petition Prayer**

|  |
|--|
| <p><b>Petition Prayer:</b> We ask that South Gippsland Shire Council to remove the lane hire charge for the South Gippsland Bass Swimming Club</p> |
|--|

## **CONSULTATION**

Representatives of the South Gippsland Bass Swimming Club made a presentation to Councillors at the 21 February 2018 public presentation session outlining their request.

Benchmarking by the South Gippsland Bass Swimming Club and Council has identified few venues where clubs pay both lane hire and door entry fees for use of the facilities. The South Gippsland Bass Swimming Club agrees that it is appropriate for fees to still apply to lane hire outside normal operating hours of the centre and for carnivals and events where they have exclusive use of the facility.

## **RESOURCES**

All income at the aquatic facilities is retained by the contractor. Removing this fee will not reduce income to Council, rather it will reduce the income received by the contractors increasing the net cost to operate the centre. This will result in an additional annual payment of approximately \$14,000 to be paid to the contractor by Council. This provision is included in the draft 2018/19 Annual Budget.

## **RISKS**

The South Gippsland Bass Swimming Club has identified that not changing the current fee will prevent them from further expansion of their programs and increasing the utilisation of the facility.

Other users of the centre may also approach Council seeking a reduction in fees to use the facilities.

## **STAFF DISCLOSURE**

Nil

## **CONFIDENTIAL ATTACHMENTS**

**Confidential Attachment [15.2.1]** – Petition: Remove Lane Hire Charge for South Gippsland Bass Swimming Club at SPLASH – has been provided in accordance with s.77(2)(c) of the Local Government Act 1989. The Chief Executive Officer designates this item as confidential information on the grounds that it relates to s.89(2)(h) - any other matter which the Council or Special Committee considers would prejudice the Council or any persons.

This attachment is deemed confidential to protect the privacy of the petition signatories.

## **REFERENCE DOCUMENTS**

### **Council Policy**

*Documents are available on Council's website: [www.southgippsland.vic.gov.au](http://www.southgippsland.vic.gov.au)*  
Draft Annual Budget 2018/19

### **Legislative Provisions**

Local Government Act 1989



### **3.2. PETITION RESPONSE: ESTABLISHMENT OF A SKATE PARK FACILITY IN VENUS BAY**

Infrastructure Directorate

#### **EXECUTIVE SUMMARY**

At the Ordinary Council Meeting on 28 February 2018, a petition was received from Venus Bay residents and the wider community requesting Council support the establishment of a skate park facility on the corner of Jupiter Boulevard and Centre Road, Venus Bay. At that meeting it was resolved:

*"THAT COUNCIL:*

- 1. RECEIVE AND NOTE THE PETITION; AND*
- 2. THE PETITION LAY ON THE TABLE UNTIL THE MATTER IS CONSIDERED AND DECIDED ON AT THE ORDINARY COUNCIL MEETING 28 MARCH 2018."*

The petition contains approximately 331 signatures in total (263 signatures from residents within the Shire and 68 signatures from residents outside the Shire).

This report details the background and consultation undertaken regarding the proposed development of the Venus Bay skate park.

#### **RECOMMENDATION**

**That Council:**

- 1. Notes the petition to support the establishment of a skate park facility in Venus Bay with the preferred location being on the corner of Jupiter Boulevard and Centre Road, Venus Bay (141-143 Jupiter Boulevard) (Confidential Attachment [15.3.1]).**
- 2. Supports the Council owned land on the corner of Jupiter Boulevard and Centre Road, Venus Bay (141-143 Jupiter Boulevard) as the preferred location for the development of the Venus Bay skate park.**
- 3. Writes to the lead petitioner detailing the outcome of this report and any further resolutions in relation to the development of the Venus Bay skate park.**

#### **REPORT**

At the 28 February 2018 Ordinary Council Meeting, a petition from Venus Bay residents and the wider community was received with approximately 331 signatures in total (263 signatures from residents within the Shire and 68

signatures from residents outside the Shire) requesting Council supports the establishment of a skate park facility on the corner of Jupiter Boulevard and Centre Road, Venus Bay.

A copy of the petition is available in **Confidential Attachment [15.3.1]**. The petition prayer is available in **Figure 1** below.

**Figure 1 – Petition Prayer**

We, the undersigned, support the establishment of a skate park facility in Venus Bay; the preferred location is on the corner of Jupiter Boulevard and Centre Road, Venus Bay, 3956.

### **Community Budgeting Process**

Council has allocated \$125,000, at the request of the Venus Bay community, towards the development of a new skate park as part of the recent community budgeting process. The process allowed the community to determine the priorities on how \$400,000 of capital works expenditure should be invested in the town. At the 14 December 2016 Ordinary Meeting it was resolved:

*“THAT COUNCIL ALLOCATE:*

- 1. \$125,000 TO WILDLIFE AND ENVIRONMENT PROTECTION INCLUDING THE PLANNING OF VAN CLEEF RESERVE, VENUS BAY;*
- 2. \$125,000 TO A SKATE PARK FACILITY, VENUS BAY; AND*
- 3. \$150,000 TO THE VENUS BAY SURF LIFESAVING CLUB FOR THE EXTENSION PROJECT DETAILED IN THE VENUS BAY SURF LIFESAVING CLUB COMMUNITY BUDGETING SUBMISSION THAT INCLUDES PROVISION OF NEW TOILET FACILITIES SUBJECT TO:*
  - a. THE VENUS BAY LIFESAVING CLUB OBTAINING THE REQUIRED FUNDING TO PLAN AND COMPLETE THE PROJECT; AND*
  - b. FUNDING BEING OBTAINED BY THE END OF THE 2018/19 FINANCIAL YEAR.”*

### **Site Evaluation Process**

Following this resolution, a site evaluation process was undertaken to consider the potential locations available to develop the skate park. Best practice in the development of modern skate parks is to locate them in busy areas, in full sight, and with suitable surrounding amenities. There are many examples around Australia where parks are developed in very highly visible locations, providing community oversight and safety for the users of the park

in line with the CPTED principles (Crime Prevention Through Environmental Design). The other factors considered included the need to be easily accessible and within reasonable proximity to shops and amenities such as toilets, water, etc.

Three sites were considered potentially viable; the existing skate park site at the community centre, the existing park in Jupiter Boulevard, and the vacant Council owned land on the corner of Jupiter Boulevard and Centre Road.

The identified potential sites for the development of a skate park in Venus Bay were reviewed at a community meeting held on 21 August 2017. Those present at the meeting supported the Council owned land on the corner of Jupiter Boulevard and Centre Road (141-143 Jupiter Boulevard) as the preferred location for the development of the Venus Bay skate park. The support for this site was not unanimous with some community members present at the meeting strongly opposing its suitability for a skate park.

### **Planning Permit Application 2017/285**

An application for a planning permit for the corner of Jupiter Boulevard and Centre Road site was prepared and submitted. The application was initially made for use and development of the land for leisure and recreation (skate park) and for vegetation removal and ancillary works. In the course of assessing the application, it was determined that a planning permit was not needed for the use and development of the land for a skate park, however a permit is still required for vegetation removal. The planning application will be considered as a separate report in this Agenda 28 March 2018 Council Meeting, Item 2.2 Planning Permit Application 2017/285 - 141-143 Jupiter Boulevard, Venus Bay – Native Vegetation Removal.

### **Online Petition**

There is an online petition currently open with the prayer *“South Gippsland Council: No Skate Park on Land Bought for PARKING”*<sup>1</sup>. When Council purchased the corner of Jupiter Boulevard and Centre Road (141-143 Jupiter Boulevard) it was intended to be used to alleviate the parking pressure experienced during peak visitor season in Venus Bay. Since this purchase, the site has remained undeveloped and has not been utilised for parking. There are no funds allocated towards the development of this site for parking. At the time of preparing this report, the online petition had 13 signatories. This petition reflects there are differing opinions within the community regarding the suitability of this site as a skate park.

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<sup>1</sup> **Online Survey:**

[https://secure.avaaz.org/en/petition/South\\_Gippsland\\_Council\\_No\\_Skate\\_Park\\_on\\_Land\\_Bought\\_for\\_PARKING/](https://secure.avaaz.org/en/petition/South_Gippsland_Council_No_Skate_Park_on_Land_Bought_for_PARKING/)

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### **Notice of Motion 713 - Venus Bay Strategic Structure Plan**

At the 28 February 2018 Ordinary Council Meeting, a Notice of Motion was considered to develop a strategic structure plan for Venus Bay. The structure plan is intended to identify strategic opportunities to address some of the challenges associated with being a coastal community that experiences an influx of visitors during peak periods. In response to the Notice of Motion it was resolved:

*“THAT COUNCIL RECEIVE A REPORT OUTLINING COSTS AND TIMEFRAMES TO DEVELOP AND IMPLEMENT A VENUS BAY PRECINCT PLAN AT OR BEFORE THE ORDINARY COUNCIL MEETING 30 MAY 2018.”*

The development of a strategic structure plan for Venus Bay is likely to require twelve to eighteen months of investigation and consultation once funds are allocated towards its development. There appears to be little benefit in delaying the development of a skate park until the completion of the structure plan. The structure plan is unlikely to identify any better opportunities to develop a skate park within Venus Bay due to the limited number of suitable locations available.

#### **CONSULTATION**

The identified potential sites for the development of a skate park in Venus Bay were reviewed at a community meeting held on 21 August 2017.

In September 2017, letters were sent to the neighbouring landowners informing them of the intention to develop a skate park at 141-143 Jupiter Boulevard.

The original planning permit application was advertised from January 2018.

#### **RESOURCES**

Council allocated \$125,000 towards this project during the community budgeting process at the 14 December 2016 Ordinary Council Meeting.

#### **RISKS**

There are differing opinions within the community on the suitability of the proposed skate park location. Regardless of the final decision, there will be members of the community who will not believe that the right outcome has been achieved.

#### **STAFF DISCLOSURE**

Nil

## **CONFIDENTIAL ATTACHMENTS**

**Confidential Attachment [15.3.1]** – Petition: Establishment of a Skate Park Facility in Venus Bay – has been provided in accordance with s.77(2)(c) of the Local Government Act 1989. The Chief Executive Officer designates this item as confidential information on the grounds that it relates to s.89(2)(h) - any other matter which the Council or Special Committee considers would prejudice the Council or any persons.

This attachment is deemed confidential to protect the privacy of the petition signatories.

## **REFERENCE DOCUMENTS**

### **Council Policy**

*Documents are available on Council's website: [www.southgippsland.vic.gov.au](http://www.southgippsland.vic.gov.au)  
Annual Budget 2017/18*

## **REFERENCE DOCUMENTS**

### **Legislative Provisions**

Local Government Act 1989

### **3.3. HOME AND COMMUNITY CARE SERVICES REVIEW**

Corporate and Community Services Directorate

#### **EXECUTIVE SUMMARY**

Council is requested to provide direction to Officers with regards to its future provision of Home and Community Care Services.

#### **RECOMMENDATION**

**That Council:**

- 1. Withdraws from the provision of Home and Community Care Services from 1 October 2018 with the proviso that a suitable alternative service provider is able to continue to provide services.**
- 2. If a suitable alternative service provider is forthcoming:**
  - a. Formally acknowledges the exemplary service provided by its Home and Community Care Services staff in supporting the most vulnerable members of our community over many years.**
  - b. Transfers all client data to the new provider.**
  - c. Recommends its Home and Community Care Services staff to the new provider.**
  - d. Negotiates with the Department of Health and Human Services (DHHS) and the Department of Health Australia (DoHA) for the transfer of targets and funding to the new provider.**
- 3. Formally acknowledges the work undertaken by the Australian Services Union in supporting its members, particularly through preparation of the Australian Services Union Aged & Disability Services Options Paper (Attachment [3.3.1]).**
- 4. Formally responds to the Lead Petitioner Cheryl Moore 'Council Must Retain Home Care Services' (Confidential Attachment [15.4.5]) (tabled at the Ordinary Meeting of Council 22 November 2017) in relation to the future management of Home Care Services in South Gippsland.**

## **REPORT**

### **Historical Service System**

South Gippsland Shire Council has historically been one of three providers of State funded Home and Community Care (HACC) services in the geographical area of South Gippsland Shire. The other two providers in the region have been South Gippsland Health Service (Foster) (SGHS) and Gippsland Southern Health Service (Leongatha and Korumburra) (GSHS).

Services are targeted at older clients, over 65 years of age, and clients under 65 years of age with a disability. Services are intended to provide short term restorative care or longer term services to enable clients to remain independent and at home for longer.

Council services include:

- Direct care to local residents through
  - Home Care
  - Personal Care
  - Respite
  - Home Maintenance Services
- Assessment services
- Co-ordination of volunteers
- System support
- Sub-contracted services to other providers, known as private works

### **Era of Change**

The current era of change has evolved over a period of time through the input and direction of the Commonwealth and State Governments, the service industries, and the general population. The formal drivers of reform have come out of three productivity reports:

- 2004 report on the operation of the Disability Discrimination Act 1992
- 2011 report on the National Disability Insurance Scheme
- 2011 report on Caring for Older Australians

The Council of Australian Governments (COAG) meeting in August 2011 led to the agreement that the Commonwealth Government would assume responsibility for the creation of a single national aged care system and a single national disability service system.

Trials for the implementation of a National Disability Insurance Scheme (NDIS) were conducted between July 2013 and June 2016. The trials were deemed successful and the Scheme has continued to be rolled out nationally. The roll-out for inner Gippsland, which includes the municipality of South Gippsland, commenced in October 2017 and is expected to be completed by March 2018.

There is a transition period from March 2018 to October 2018 during which Council is expected to maintain existing services at the State-funded rate. To date Council has not applied to be an NDIS service provider, but has established an agreement to sub-contract home care services as an agent for GSHS as a registered provider. Under NDIS there is no client co-contribution and the NDIS rate is less than the current State-funded Home and Community Care Program for Younger People (HACC-PYP) rate. Individual rate differentials vary, however the hourly rate and loss of client contribution will see a net reduction of about 20 per cent in revenue for this cohort.

Changes to the aged care system in Victoria commenced in June 2016 when the Commonwealth Government assumed the funding responsibilities through Commonwealth Home Support Program (CHSP). The Commonwealth Government-provided block funding remains directed to existing service providers, with an acquittal based on targets being met and funds expended. Block funding is only guaranteed to June 2020. The future funding model beyond 2020 is yet to be determined and is expected to be based on a consumer-directed care model similar to the NDIS system.

### **Other Considerations**

A number of existing Council clients under 65 may be deemed ineligible for NDIS. The Victorian Government has given assurances that funding for this cohort will be guaranteed under the HACC-PYP until at least June 2020. The funding is not assured past this date, although current discussions include options for future integration of these services into the community health sector.

With the introduction of CHSP from June 2016, the Commonwealth Government directed the separation of assessment services from service delivery. Our assessment service, Regional Assessment Service, will no longer provide assessment for NDIS-eligible clients, but will continue to provide for clients requiring aged care services and those who request HACC-PYP



services during the transition period. The Commonwealth Government's future expectations are for assessment services to be merged with Aged Care Assessment Service and provided over a wider area, for example, NSW has two assessment service providers covering the entire state. The Victorian Government continues to negotiate with the Commonwealth Government about the future of aged assessment services in Victoria. Current funding arrangements are guaranteed until June 2019.

## **CONSULTATION**

**Staff Consultation** – officers have been kept up-to-date and offered counselling throughout this process. In particular a meeting with staff was held on the 14 March 2018 to discuss the recommendations for this meeting prior to Council Agenda being made public.

### **Councillor Consultation**

**22 April 2015** - Council was briefed on the expected changes and proposed options for Home and Community Care. It was recommended that Council consider the future provision of Home and Community Care services in South Gippsland and provide direction on the options proposed for a comprehensive review of HACC services in the Shire.

**25 November 2015** - an Independent briefing to Council was led by Municipal Association of Victoria (MAV) on the Local Government delivery of Home and Community Care services. It was recommended that:

- Council continues to be well informed and prepared for the transition.
- Advocate for the best outcomes for our community to enhance their quality of life, ensuring services remain in place during the time of change.
- Support South Gippsland Shire Council staff through this process of major government reform.
- Appoint an external consultant to develop and cost future options and pathways to support Council's decisions regarding the Home and Community Care Service.

**6 April 2016** - Council was briefed via Councillor newsletter regarding upcoming changes and future options to the Aged and Disability Services Sector.

**7 December 2016** - Council was briefed on the **Confidential Attachment [15.4.1]** South Gippsland Options and Pathways for Transition of HACC services –

June 2016 report and resolved to investigate this as a recommended option; the creation of an independent company owned by South Gippsland Health Service (SGHS), Gippsland South Health Service (GSHS) and South Gippsland Shire Council (SGSC). South Gippsland Shire Council endorsed two principles being; assurance of service for all eligible clients and retention of local employment where possible.

**1 March 2017** Council received financial evaluation of the corporate option which was deemed not financially viable. Council resolved to continue negotiations with Gippsland Southern Health Service (GSHS) (**Confidential Attachment [15.4.3]** – South Gippsland HACC Transition Collaborative – February 2017).

**21 June 2017** Council briefed to consider the recommendations that were going to be put forward at 28 June 2017 Ordinary Meeting of Council.

**28 June 2017** Ordinary Meeting of Council, Council resolved to:

- Agree in principle for Council to work toward a transition of Aged and Disability Services delivery from Council to GSHS
- Negotiate with the Commonwealth and State Government departments on the transfer of funding and targets from Council to GSHS
- Retain the Aged and Disability Services, Regional Assessment Service while alternate models of service delivery are explored.

**15 November 2017** Council received **Attachment [3.3.1]** Aged and Disability Option Paper from Australian Services Union (ASU). Refer to **Attachment [3.3.2]** for Council's response to this Option Paper.

**22 November 2017** Council tabled a Petition - Council Must Retain Home Care Services (**Confidential Attachment [15.4.5]**) in relation to the future management of Home Care Services in South Gippsland. It was received at Council from Lead Petitioner Cheryl Moore. The petition contained 1,549 signatures from residents within and outside the Shire and 23 signatures from the Australian Services Union. The undersigned concerned citizens urged Councillors to:

1. Rescind their motion to look at options for transferring Home Support Services to another organisation, and
2. Retain the Aged and Disability Staff within South Gippsland Shire Council.

Council received and noted the petition titled 'Council Must Retain Home Care Services' and agreed that the petition lay on the table until Council considered the future provision of HACC services.

**7 March 2018** - Council briefing to consider matters on the agenda for the 28 March 2018 Ordinary Meeting of Council.

### **Australian Services Union (ASU) Consultation**

Regular meetings and consultation with staff and ASU.

### **Consultation with other agencies**

Department of Human Services, Commonwealth Aged Care, Bass Coast Health Service, Bass Coast Shire Council, and Latrobe Community Health Service, Gippsland Southern Health Service and South Gippsland Health Service.

## **RESOURCES**

### **Evaluation of Position**

**Confidential Attachment [15.4.4]** South Gippsland Collaborative Report – Healthcare International – December 2017 outlines the proposed transfer of aged and disability service delivery by the State and Commonwealth departments from Council to GSHS. Note the timelines in that document are not expected to be achieved due to delays in response by the two funding departments.

The aging population will mean greater demand for home care and other services. Changes to technology and improvements in pharmacology will mean greater opportunities for provision of age and disability services to clients in the home. Funding for this demand cannot be delivered by Council in a rate-capped environment. In fact one could argue that the ability to care for clients in the home should be funded by the Commonwealth Government through a fall in demand for residential services and by the State in less demand by this cohort for hospital and sub-acute medical services.

Council recognise that its services are currently held in good favour by the clients and the wider community. Council recognise that this will assist any alternative provider taking on the service provision in South Gippsland to retain existing clients during the transition of service.

Council could choose to exit the market without identifying an available alternative service provider, particularly in the expected open market post June 2020. This risks loss of service to existing clients while they work toward obtaining alternate providers. It also risks not having an alternate provider, especially in the more remote locations of the Shire.

It is recognised that transition will mean change which may well be a cause of anxiety for both clients and staff. With client consent, the electronic transfer of existing client details will minimise disruption to their service provision. Training, counselling and other supports will maximise staff opportunity to continue their employment with a new provider.

Redundancy for all is estimated to be approximately \$1,000,000

It is recommended that the Regional Assessment Service be retained by Council. DoHA is unlikely to support the transition of an assessment service to an alternative service provider. The future of assessment services is currently unknown with the agreement between Commonwealth and State Governments due to expire in June 2019.

### **RISKS**

- While Council will have some control in the level of service delivery through agreement with an alternative service provider, Council will not have any control once a “consumer directed care” model is implemented for NDIS and CHSP.
- DHHS and DoHA may choose not to transfer services to a single identified service provider and have the option to ask for a wider Expression of Interest.
- Reduced expertise and knowledge to advocate at a local service level and quality of the service may be impacted.
- Reduced connection, monitoring and knowledge of some of the most vulnerable people in the community.
- The community has long experience and expectation that HACC is a Council-delivered service and if this was to cease there may be a negative impact on Council’s reputation.
- Potential loss of skilled and older workforce (80 per cent of staff aged over 55 years) with minimal redeployment opportunities within the organisation.
- Volunteers who may not wish to volunteer for a new provider.
- Potential industrial response from Union and staff.
- No action would lead to Council providing a steadily declining service to an increasingly cost-prohibitive cohort of clients.
- Ceasing the service without the identification and commitment of an available alternative service provider risks the loss of skilled Home and Community Care workers in the Shire and possibly reduced access to services for clients.

## STAFF DISCLOSURE

**Name:** Bart Ruyter, Manager Community Services  
**Title:** Home and Community Care Services Review  
**Conflict of Interest:** Indirect Interest - Party to the Matter (Part 3.9)  
**Reason:** is Party to the Matter in that the proposed loss of Council's Home and Community Care Services may impact staff employment

## ATTACHMENTS

*Attachments are available on Council's website: [www.southgippsland.vic.gov.au](http://www.southgippsland.vic.gov.au)*

1. ASU Option Paper - Aged and Disability Services - November 2017 [3.3.1]
2. Response to ASU Option Paper for Aged and Disability Services Final [3.3.2]

## CONFIDENTIAL ATTACHMENTS

**Confidential Attachments [15.4.1]** – South Gippsland Options and Pathways for Transition of HACC Services – June 2016 – [15.4.2] - Letter – DHHS – Transfer of Service Targets and Funding in South Gippsland Region [15.4.3] – South Gippsland HACC Transition Collaborative – February 2017 [15.4.4] South Gippsland Collaborative Report – Healthcare International – December 2017 has been provided in accordance with s.77(2)(c) of the Local Government Act 1989, the Chief Executive Officer designates this item as confidential information on the grounds that it relates to s.89(2)(d) - contractual matters.

Commercial in Confidence as other business entities are involved.

**Confidential Attachment [15.4.5]** - Petition - Council Retain Home Care Services - Cheryl Moore has been provided in accordance with s.77(2)(c) of the Local Government Act 1989, the Chief Executive Officer designates this Agenda Item as confidential information on the grounds that it relates to s.89(2)(h) - any other matter which the Council or Special Committee considers would prejudice the Council or any persons.

This attachment is deemed confidential to protect the privacy of the petition signatories.

## REFERENCE DOCUMENTS

### Council Policy

*Documents are available on Council's website: [www.southgippsland.vic.gov.au](http://www.southgippsland.vic.gov.au)*

Age-Friendly South Gippsland 2017 – 2021

Improving Equity and Access Policy

**Legislative Provisions**

Aged Care Act 2016

Disability Discrimination Act 1992

Home Care Standards (Commonwealth (CHSP) and State (HACC)

Home and Community Care (HACC) Act 1985

Public Health and Wellbeing Act 2008

## **4. OBJECTIVE 3 - IMPROVE SOUTH GIPPSLAND'S BUILT ASSETS AND VALUE OUR NATURAL ENVIRONMENT**

### **4.1. FISH CREEK QUARRY LEASE PROPOSAL**

Infrastructure Directorate

#### **EXECUTIVE SUMMARY**

Council owns several parcels of land at the end of Fish Creek Quarry Road, Fish Creek which are currently leased to Goldsmith Quarries Pty Ltd (Goldsmith) for use as a quarry. The lease expires on 30 June 2018.

Council resolved to commence the statutory procedures (ss.190 and 223 of the Local Government Act 1989) at the Ordinary Meeting of Council 20 December 2017, and published a notice proposing to enter into a lease with Goldsmith for the Fish Creek Quarry for an initial term of ten (10) years with options of two (2) further terms of five (5) years each for a rental / royalties amount to be determined by a specialist quarry valuer (the proposal).

Council received three submissions and one late submission in response to the published notice and one submitter elected to be heard in support of their submission. A Special Committee of Council was held on 28 February 2018 to hear the submitter, however, the community member was not present at the meeting.

All submissions received have been included as **Confidential Attachments** for Council's consideration and determination of the proposal.

#### **RECOMMENDATION**

**That Council:**

- 1. Having considered submissions, enters into lease to Goldsmith Quarries Pty Ltd being part of CP165852 with an approximate area of 24.5Ha (shown bordered red in Attachment [4.1.1]) for an initial term of ten (10) years with options of two (2) further terms of five (5) years each for the royalties as determined by the specialist quarry valuer as per (Confidential Attachment [15.5.1]).**
- 2. Provides the following reasons for its decision to submitters:**
  - a. Council is aware of the significant flora and fauna values present at the site including the presence Gippsland Mallee, *Eucalyptus kitsoniana*. The area to the of west and south of the current extraction limits has been specifically excluded from future**

development due to the significance of the vegetation and the habitat it provides for native fauna.

- b. Council is also transferring ownership of approximately 27ha of the site to South Gippsland Water (area east of the quarry) – approximately 92 per cent of this area contains indigenous vegetation.
- c. The land transfer is being undertaken to:
  - i. protect the flora and fauna of the area;
  - ii. protect the landscape/visual amenity of the area (Hoddle Range);
  - iii. protect and maintain water quality and quantity in the Battery Creek, Catchment (Fish Creek Reservoir); and
  - iv. minimise erosion (through the retention of the indigenous vegetation).
- d. The remaining areas outside of the proposed lease site (existing quarry) will also be managed to protect flora and fauna values and will include weed control and upgrading.
- e. Management of the existing quarry is via the work authority issued by the Department of Economic Development Jobs Transport & Resources (DEDJTR). The quarry operator is required to prepare a work plan, which is endorsed and regulated by the DEDJTR. The work plan addresses a range of management issues including impacts to the:
  - i. hydrogeology of the area;
  - ii. local flora and fauna; and
  - iii. rehabilitation (including an appropriate bond).

## **REPORT**

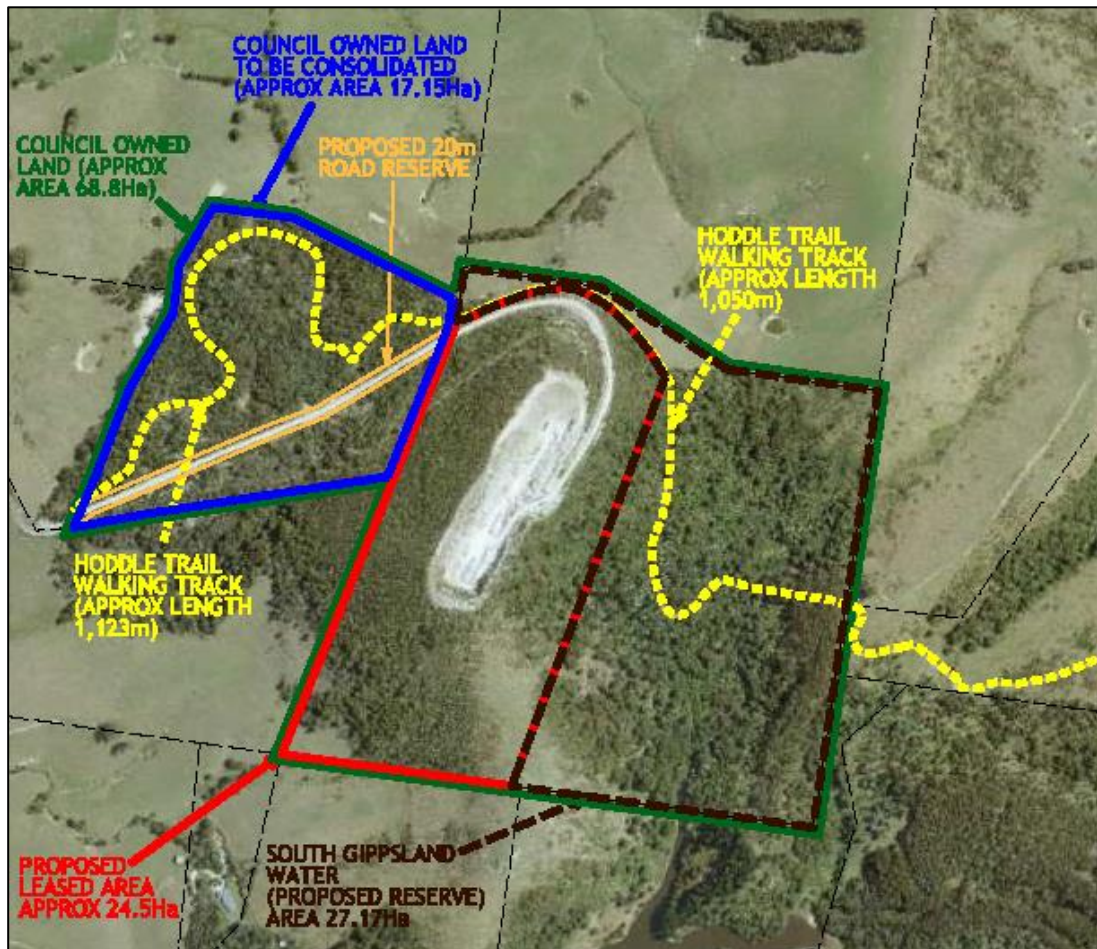
Council owns several parcels of land (outlined in green in **Figure 1** below) at the end of Fish Creek Quarry Road, Fish Creek on which a quarry is located. All of the land is currently leased to Goldsmith Quarries Pty Ltd (Goldsmith) for use as a quarry. Goldsmith has a planning permit and the necessary work authority to operate the site as a quarry.



The lease commenced in 1998 with an expiry date of 2008 and was extended by exercise of options to 30 June 2018 when the lease expires. The lease has been transferred between different operators over time.

A plan is available in **Figure 1** below and a larger version in **Attachment [4.1.1]**.

**Figure 1 – Fish Creek Quarry Plan**



The current leased area includes land that falls within the Battery Creek Catchment overlay, areas of native vegetation that can't be quarried, and part of the Hoddle Mountain Trail.

Council resolved at its Ordinary Meeting of Council 20 December 2017 to reduce the leased area by excluding the Battery Creek Catchment area and access track, areas that can't be quarried, and part of the Hoddle Mountain Trail, whilst leaving sufficient area necessary for a quarry operations into the future. It also resolved to create the road reserve shown in **Figure 1** to provide a legal point of access.

## CONSULTATION

Consultation in regards to the proposed lease has occurred as follows:

- Goldsmith – current tenant and operator of the quarry. Goldsmith is interested in continuing with a lease over the land.
- Russell Kennedy lawyers – legal advice and preparation of the lease (**Confidential Attachment [15.5.2]**).
- Planning department – planning permit.
- South Gippsland Water Corporation – confirmed agreement in principal to have the catchment area (highlighted black in **Figure 1** and **Attachment [4.1.1]**) vest with the Corporation and that the walking trail could continue.
- Earth Resources Regulation – Department of Economic Development Jobs Transport & Resources (DEDJTR) – regarding the work plan and works authority.
- C J Ham & Company – for valuation (**Confidential Attachment [15.5.1]**). **Note:** There is a typo in the valuation regarding the spelling of Ca Va Trois.
- Council Report 20 December 2017 – Council resolved to commence the statutory procedures in accordance with ss.190 and 223 of the Local Government Act 1989 to lease the Fish Creek Quarry to Goldsmith Quarries Pty Ltd.
- Public consultation process – a public notice was placed in the local newspapers inviting written submissions on the proposal from the community between 8 January 2018 and 6 February 2018 (s.223 of the Local Government Act 1989). Three submissions were received with one submitter electing to be heard in support of their submission (**Confidential Attachments [15.5.3] to [15.5.5]**).
- Special Committee of Council was held on 28 February 2018 to hear the submitter, however, the community member was not present at the meeting.

All submissions have been included for Council's consideration and determination of the Fish Creek Quarry Lease (**Confidential Attachments [15.5.3] to [15.5.5]**).

## **Officer Response to Submissions**

Submission #1 was to be heard by the Special Committee of Council held 28 February 2018 but the submitter was not present at the meeting. The late submission was the same as submission #1. Submissions #2 and #3 are for the proposal, therefore officers have provided a response to Submission #1 below.

Council is aware of the significant flora and fauna values present at the site including the presence of Gippsland Mallee, *Eucalyptus kitsoniana*. The area to the west and south of the current extraction limits has been specifically excluded from future development due to the significance of the vegetation and the habitat it provides for native fauna.

Council is also transferring ownership of approximately 27ha of the site to South Gippsland Water (area east of the quarry). Approximately 92 per cent of this area contains indigenous vegetation.

The land transfer is being undertaken to:

- protect the flora and fauna of the area;
- protect the landscape/visual amenity of the area (Hoddle Range);
- protect and maintain water quality and quantity in the Battery Creek Catchment (Fish Creek Reservoir); and
- minimise erosion through the retention of the indigenous vegetation.

The remaining areas outside of the proposed lease site (existing quarry) will also be managed to protect flora and fauna values will include weed control and upgrading.

Management of the existing quarry is via the work authority issued by the DEDJTR. The quarry operator is required to prepare a work plan, which is endorsed and regulated by the DEDJTR. The work plan addresses a range of management issues including impacts to the:

- hydrogeology of the area;
- local flora and fauna; and
- rehabilitation (including an appropriate bond).

## **RESOURCES**

Current rent is \$14,041 plus GST per annum, plus payment of royalties on sales of rock to Council and other purchasers.

Rental and/or royalties as per independent valuation.

Management of the lease.

## **RISKS**

The risks to Council if the quarry operations cease are:

- a reduction in supply of road making material for rural purposes;
- a loss of Council revenue; and
- remediation of the site by the quarry operator will become Council responsibility.

If a lease is not granted works approvals cannot proceed.

Preferential treatment to current tenant is mitigated by discussions on a without prejudice basis and a requirement to comply with ss.190 and 223 of the Local Government Act 1989.

## **STAFF DISCLOSURE**

Nil

## **ATTACHMENTS**

*Attachments are available on Council's website: [www.southgippsland.vic.gov.au](http://www.southgippsland.vic.gov.au)*

1. Layout Plan - Fish Creek Quarry **[4.1.1]**

## **CONFIDENTIAL ATTACHMENTS**

**Confidential Attachments [15.5.1]** – Valuation and Report - Fish Creek Quarry, **[15.5.2]** – Lease - Fish Creek Quarry and **[15.5.3]** to **[15.5.5]** Submissions – have been provided in accordance with s.77(2)(c) of the Local Government Act 1989, the Chief Executive Officer designates these items as confidential information on the grounds that it relates to s.89(2)(d) - a contractual matter, and (h) - any other matter which the Council or Special Committee considers would prejudice the Council or any persons.

These attachments are deemed confidential as information is commercial in confidence and prepared for Council's use only **[15.5.1]**, as information relates to contractual matters **[15.5.2]**, and to protect the privacy of the submitters **[15.5.3]** to **[15.5.5]**.

**REFERENCE DOCUMENTS**

**Council Policy**

*Documents are available on Council's website: [www.southgippsland.vic.gov.au](http://www.southgippsland.vic.gov.au)*

Leasing Policy 2014

**Legislative Provisions**

Local Government Act 1989

## **4.2. COUNTRY FOOTBALL NETBALL PROGRAM (SRV) FUNDING APPLICATION**

Infrastructure Directorate

### **EXECUTIVE SUMMARY**

It is proposed to submit an application to Sport and Recreation Victoria (SRV) under the 2018/19 Country Football Netball Program on behalf of the Poowong Football Netball Club for the redevelopment of their outdoor netball court.

The Country Football Netball Program provides funding to assist country football and netball clubs, associations, and umpiring organisations to develop facilities in rural, regional, and outer metropolitan locations.

The Poowong Football Netball Club – Netball Court Redevelopment project is the only project considered eligible and ‘shovel ready’ for the 2018/19 Country Football Netball Program.

### **RECOMMENDATION**

**That Council:**

- 1. Applies for \$100,000 in the next round of the Sport and Recreation Victoria 2018/19 Country Football Netball Program for the Poowong Football Netball Club – Netball Court Redevelopment project.**
- 2. Allocates the remaining \$30,000 from the 2018/19 Community Infrastructure Projects budget towards the project if the application is approved by Sport and Recreation Victoria.**
- 3. Allocates an additional \$20,000 from the 2018/19 Capital Works Budget towards the project if the application is approved by Sport and Recreation Victoria.**
- 4. Advises the Poowong Football Netball Club Committee that any project overruns are the responsibility of the committee to fund, in accordance with Council's Community Infrastructure Project Management Policy and Guidelines.**
- 5. Provides staff resources, with funding allocated in the total project costs, for management of the project if approved by Sport and Recreation Victoria.**

## **REPORT**

On 25 January 2018, the Sport and Recreation Victoria's (SRV) 2018/19 Country Football Netball Program (CFNP) was announced by the Member for Eastern Victoria, Harriet Shing.

The CFNP provides funding to assist country football and netball clubs for:

- improvement or development of change room facilities for players and umpires of both genders;
- development or upgrading of football playing fields;
- development or upgrading of netball facilities; and
- development or upgrading of lighting facilities.

The 2018/19 round of the CFNP opened on 25 January 2018 and closes on 12 April 2018.

The funding ratio is SRV \$2: Local \$1 which is capped at \$100,000.

Applications to CFNP must be submitted by Council. Councils may be successful in receiving the total maximum funding of \$100,000 consisting of up to three applications per financial year.

The Poowong Football Netball Club is located at the Poowong Recreation Reserve, which is a crown owned reserve managed by the Poowong Recreation Reserve Committee. The reserve has two netball courts and four tennis courts.

A recent audit undertaken by Netball Victoria confirms that the match court is currently non-compliant due to inadequate court run off and lighting standards.

### **Project Scope**

- Civil works
- Redevelopment of one new netball match court to meet compliance
- Resurfacing and relining of existing two tennis courts
- Competition lighting
- Shelters for the coaches, players and scorers

The total estimated project cost is \$200,000.

## Budget Income

|   |            |
|---|------------|
| SRV CFNP Grant                          | \$ 100,000 |
| Recommended club/community contribution | \$ 50,000  |
| Recommended Council contribution        | \$ 50,000  |

## CONSULTATION

Council staff have liaised with representatives from SRV and Netball Victoria to ensure that the project is considered eligible and complies with Netball Victoria Facility Guidelines.

## RESOURCES

Funding for these types of projects is made available through Council's Community Infrastructure Projects budget to cover Council's contribution to the project. The Community Infrastructure Projects budget is an allocation of funds through the annual budget to leverage external grant programs for community projects.

Funding of \$190,326 has been allocated in the 2018/19 Community Infrastructure Projects budget with funding of \$160,000 already committed for the following projects which have been recently approved through other SRV funding programs:

|                                   |            |
|-----------------------------------|------------|
| Leongatha Gymnastics Extension    | \$ 60,000  |
| Korumburra Skate Park Development | \$ 100,000 |

There is currently \$30,326 unallocated in the 2018/19 Community Infrastructure Project's budget. Should Council support the application, a recommended contribution of \$50,000 (matching the club/community contribution of \$50,000) from Council would be required for the Poowong Football Netball Club – Netball Court Redevelopment project. This would require an additional \$19,674 to be allocated to the project to meet Council's recommended contribution of \$50,000.

Although additional funds would be required outside of the 2018/19 Community Infrastructure Projects budget, Council does have capacity to accommodate the recommended \$19,674 towards the project without jeopardising the integrity of the long term financial plan.

As applications are to be submitted by Council, Council will be required to provide staff resources funded within the total project cost.



## **RISKS**

If Council does not support the project, it will miss an opportunity to obtain external funds to develop a new netball court for the Poowong Football Netball Club to address the current non-compliant netball court.

To mitigate the risk of project cost overruns, it is recommended that the Poowong Football Netball Club be advised that any overruns are its responsibility to fund, in accordance with Council's Community Project Management Policy. This states that if funds are not available within the overall project budget, the applicant will be required to provide the additional funding.

## **STAFF DISCLOSURE**

Nil

## **REFERENCE DOCUMENTS**

### **Council Policy**

*Documents are available on Council's website: [www.southgippsland.vic.gov.au](http://www.southgippsland.vic.gov.au)  
C09 - Community Infrastructure Project Management Policy*

#### **4.3. 2017/18 CAPITAL WORKS PROGRAM - STATUS UPDATE AND PROPOSED AMENDMENTS**

Infrastructure Directorate

##### **EXECUTIVE SUMMARY**

Council adopts the Capital Works Program as part of the Annual Budget process, however, from time to time, program changes are required. This report proposes numerous project reductions and one increase to the 2017/18 Capital Works Program, including carry forward amounts to the 2018/19 financial year, equating to a \$1,034,837 nett reduction to the overall program for this financial year.

##### **RECOMMENDATION**

**That Council:**

- 1. Approve the following amendments to the 2017/18 Capital Works Program:**
  - a. Cost centre 93080 – Pools – Splash Hydrotherapy  
Pool/Gymnasium: reduce the budget by \$65,000 (2017/18 revised budget \$0).**
  - b. Cost centre 82270 – Korumburra Commercial Streetscape: reduce the budget by \$159,393 (2017/18 revised budget \$20,000).**
  - c. Cost centre 91010 – Drainage – Rehabilitation Program: reduce the budget by \$108,644 (2017/18 revised budget \$25,000).**
  - d. Cost centre 65350 – Agnes Falls: reduce the budget by \$650,000 (2017/18 revised budget \$50,000).**
  - e. Cost centre 65150 – Stony Creek Equestrian Centre: reduce the budget by \$60,000 (2017/18 revised budget \$30,000).**
  - f. Cost centre 43660 – Arthur Sutherland Stadium Welshpool: reduce the budget by \$50,000 (2017/18 revised budget \$150,000).**
  - g. Cost centre 43670 – Leongatha Knights Soccer Club: reduce the budget by \$125,000 (2017/18 revised budget \$75,000).**
  - h. Cost centre 93190 – Fish Creek Netball Club: reduce the budget by \$110,000 (2017/18 revised budget \$150,000).**
  - i. Cost centre 91010 – Pools – Renewal Program: reduce the budget by \$100,000 (2017/18 revised budget \$529,118).**

- j. **Cost centre 91010 – Buildings – Retirement Program: reduce the budget by \$56,000 (2017/18 revised budget \$24,800).**
- k. **Cost centre 65400 – Korumburra Showgrounds: increase the budget by \$100,000 (2017/18 revised budget \$688,503).**

**REPORT**

- 1. **Cost Centre 93080 – Pools – Splash Hydrotherapy Pool/Gymnasium: reduce by \$70,000**

|                         |                 |          |            |
|-------------------------|-----------------|----------|------------|
| 2017/18 Adopted Budget: | <b>\$65,000</b> | Revised: | <b>\$0</b> |
|-------------------------|-----------------|----------|------------|

This budget was intended for the design of the originally proposed dry area/gymnasium at Splash which was to be constructed in combination with the warm water pool. Consistent with recent advice from Council is that these works will not proceed at this stage and these funds will be used for the design of the spectator area along the southern wall adjacent to the main pool. It is therefore proposed to retain some of these funds and carry forward \$30,000 budget for the spectator area design works in 2018/19. The balance of \$35,000 will go to the bottom line.

- 2. **Cost Centre 82270 – Civil – Korumburra Commercial Streetscape: reduce by \$50,000**

|                         |                  |          |                 |
|-------------------------|------------------|----------|-----------------|
| 2017/18 Adopted Budget: | <b>\$179,393</b> | Revised: | <b>\$20,000</b> |
|-------------------------|------------------|----------|-----------------|

This budget was intended for the civil design of the Commercial Street works based on the Korumburra Town Centre Streetscape Master Plan approved by the previous Council in May 2016. These design works have now been deferred as a consequence of the December 2017 Council decision to locate the Community Hub at the railway site. It is considered prudent to wait for the master plan and concept design process for the community hub to be completed so that any impacts from that process on Commercial Street, such as traffic access and parking can be accommodated in the civil design. An allowance of \$20,000 will be retained in the 2017/18 budget to cover costs to date including feature survey and it is proposed to carry forward the remaining \$159,393 budget to 2018/19 for the design works.

**3. Cost Centre 91010 – Drainage – Rehabilitation Program: reduce by \$108,644**

|                         |                  |          |                 |
|-------------------------|------------------|----------|-----------------|
| 2017/18 Adopted Budget: | <b>\$133,644</b> | Revised: | <b>\$25,000</b> |
|-------------------------|------------------|----------|-----------------|

The major project under the Drainage Rehabilitation Program for 2017/18 was proposed works in Noel Court, Leongatha. Minor works on this drainage line in recent times seem to have alleviated the main issues. Recent flooding of the shops abutting the carpark behind the hotel in Foster is now considered to be a higher priority drainage issue. The rear of these shops have flooded a number of times in recent years and Council is currently developing a design to address this drainage problem. There is insufficient time to deliver this project in 2017/18 so an allowance of \$25,000 will be retained in the 2017/18 budget to cover costs to date and for the design and it is proposed to carry forward the remaining \$108,644 budget into the 2018/19 Drainage Rehabilitation Program for the Foster works.

**4. Cost Centre 65350 – Agnes Falls: reduce by \$50,000**

|                         |                  |          |                 |
|-------------------------|------------------|----------|-----------------|
| 2017/18 Adopted Budget: | <b>\$700,000</b> | Revised: | <b>\$50,000</b> |
|-------------------------|------------------|----------|-----------------|

The adopted budget for Agnes Falls was \$700,000 with an assumed income of \$350,000 which meant the Council contribution amounted to \$350,000. At the September 2017 Ordinary Meeting, Council approved the reallocation of \$170,000 from the Toora Dredging project to the Agnes Falls project resulting in a total budget of \$520,000 for Agnes Falls. Council agreed that the remaining \$130,000 from the adopted Toora Dredging project budget of \$300,000 would be allocated to the 2018/19 Footpath Extension Program.

There is insufficient time to deliver the Agnes Falls project in 2017/18. Detailed design for the cantilever viewing platform is currently being commissioned from the company who developed the concept design. An allowance of \$50,000 will be retained in the 2017/18 budget to cover costs to date, design, and other preliminary works, and it is proposed to carry forward the remaining \$470,000 out of the \$520,000 current budget into 2018/19.

**5. Cost Centre 65150 – Stony Creek Equestrian Centre: reduce by \$60,000**

|                         |                 |          |                 |
|-------------------------|-----------------|----------|-----------------|
| 2017/18 Adopted Budget: | <b>\$90,000</b> | Revised: | <b>\$30,000</b> |
|-------------------------|-----------------|----------|-----------------|

Council agreed at the July 2017 Ordinary Meeting that the Stony Creek Equestrian/Expo Centre would be further considered as a priority project following the completion of a business case. An amount of \$90,000 was allocated as the budget for the business case and the subsequent design work. Tenders for the business case closed in January 2018 with no submissions received. Council is now directly approaching a company that has recently done a similar study for another Council. It is unlikely the design component will be completed in 2017/18 so an allowance of \$30,000 for the business case will be retained in the 2017/18 budget and it is proposed to carry forward the remaining \$60,000 budget into 2018/19 for design.

**6. Cost Centre 43660 – Arthur Sutherland Stadium Welshpool: reduce by \$50,000**

|                         |                  |          |                  |
|-------------------------|------------------|----------|------------------|
| 2017/18 Adopted Budget: | <b>\$200,000</b> | Revised: | <b>\$150,000</b> |
|-------------------------|------------------|----------|------------------|

Council was successful with a grant application for replacement of the stadium floor and other associated works. Works could not commence until the end of the season in January 2018. A tender was advertised on 3 March 2018 and works are expected to run into July 2018. It is proposed to carry forward \$50,000 for the value of works outstanding at the end of the 2017/18 FY.

**7. Cost Centre 43670 – Leongatha Knights Soccer Club: reduce by \$125,000**

|                         |                  |          |                 |
|-------------------------|------------------|----------|-----------------|
| 2017/18 Adopted Budget: | <b>\$200,000</b> | Revised: | <b>\$75,000</b> |
|-------------------------|------------------|----------|-----------------|

Council was successful with a grant application for the construction of new lighting and pitch modifications for the Leongatha Knights Soccer Club at Mary MacKillop Catholic College in Leongatha. Works could not commence until the end of the season in January 2018. A contract for the lighting was awarded in early March 2018 and these works are expected to be completed by June 2018. However, works on the pitch will run into 2018/19 and it is proposed to carry forward \$125,000 for the value of these works into next FY.

**8. Cost Centre 93190 – Fish Creek Netball Courts: reduce by \$110,000**

|                         |                  |          |                  |
|-------------------------|------------------|----------|------------------|
| 2017/18 Adopted Budget: | <b>\$260,000</b> | Revised: | <b>\$150,000</b> |
|-------------------------|------------------|----------|------------------|

Council was successful with a grant application for the construction of a new competition court and associated lighting and change facilities for the Fish Creek Football/Netball Club. The grant funding was announced in late November 2017 and design works have subsequently been completed. A tender for these works was advertised in March 2018 and these works are not expected to be completed by June 2018. It is proposed to carry forward \$110,000 for the value of the works outstanding at the end of the 2017/18 financial year.

**9. Cost Centre 93070 – Pools Renewal Program: reduce by \$100,000**

|                         |                  |          |                  |
|-------------------------|------------------|----------|------------------|
| 2017/18 Adopted Budget: | <b>\$529,118</b> | Revised: | <b>\$429,118</b> |
|-------------------------|------------------|----------|------------------|

The major outstanding project under this program are concrete works at the Toora Pool. These works cannot commence until after the pool season finishes on 15 April 2018. Tender documents have been prepared and a contractor will be appointed by that time, but it is likely that works will run into the 2018/19 financial year. It is proposed to carry forward \$100,000 for the value of expected outstanding works at the end of the 2017/18 financial year.

**10. Cost Centre 65250 – Buildings Retirement: reduce by \$56,000**

|                         |                 |          |                 |
|-------------------------|-----------------|----------|-----------------|
| 2017/18 Adopted Budget: | <b>\$80,800</b> | Revised: | <b>\$24,800</b> |
|-------------------------|-----------------|----------|-----------------|

This budget covered the demolition of the old front office at the Foster depot and the old Korumburra Kindergarten. The Foster depot building was demolished in January 2018. The contract had just been awarded for the demolition of the old Korumburra Kindergarten when a decision was made in February 2018 to utilise that site for the interim Korumburra Library. That demolition contract has subsequently been cancelled. This means that \$24,800 will be required to finalise the Foster demolition works and the balance of \$56,000 will be allocated to the budget for refurbishing the old Korumburra Kindergarten site as approved at the Council meeting on 28 February 2018. The balance of the \$282,000 refurbishment works will be funded by the Korumburra Hub 2018/19 budget for the relocation and rent of an interim Library (\$163,000) and the 2019/20 budget allocated for rent for the interim Library (\$63,000).

**11. Cost Centre 65400 – Korumburra Showgrounds: Increase by \$100,000**

|                         |                  |          |                  |
|-------------------------|------------------|----------|------------------|
| 2017/18 Revised Budget: | <b>\$588,503</b> | Revised: | <b>\$688,503</b> |
|-------------------------|------------------|----------|------------------|

The Korumburra Showgrounds project involves the reconstruction of the majority of the access roads around the reserve. The section from the South Gippsland Highway down to the grandstand was completed in January 2018. Significant difficulties were experienced with the construction of this section by Council’s Depot Construction team where they encountered many unknown services, which necessitated changes to the drainage system, as well poor subgrade conditions where they had to remove large quantities of weak material and replace it with good quality material underneath the new pavement.

The section of access road adjacent the South Gippsland Highway remains to be completed but due to the construction issues described above, there are inadequate funds remaining in the budget for all of these works. It is estimated that an additional \$100,000 will be required to complete these works.

**CONSULTATION**

Discussions with the relevant Council officers managing the various projects in this report have taken place to ascertain the status of each project and the likely expenditure for 2017/18.

**RESOURCES**

The proposed amendments have a moderate change to the total budget for the 2017/18 Capital Works Program (reduced by \$1,384,837 meaning a net favourable position). The carried forward amount of \$1,284,837 into the 2018/19 financial year will increase the workload in that year.

The breakdown of the proposed changes are provided in **Table 1** below:

|                     |       |             | 2017/18 Original Budget | 2017/18 Revised Budget | Favourable / (Unfavourable) |
|---------------------|-------|-------------|-------------------------|------------------------|-----------------------------|
| <b>INCOME</b>       |       |             |                         |                        |                             |
| 5                   | 65350 | Agnes Falls | 350,000                 | 0                      | (350,000)                   |
| <b>Total Income</b> |       |             | <b>350,000</b>          | <b>0</b>               | <b>(350,000)</b>            |

**Table 1 – Proposed Changes (Budget Impact)**

|                          |       |                           | 2017/18<br>Original<br>Budget | 2017/18<br>Revised<br>Budget | Favourable /<br>(Unfavourable) |
|--------------------------|-------|---------------------------|-------------------------------|------------------------------|--------------------------------|
| <b>EXPENDITURE</b>       |       |                           |                               |                              |                                |
| 1                        | 93080 | Splash Gymnasium          | 65,000                        | 0                            | 65,000                         |
| 2                        | 82270 | Commercial Street Design  | 179,393                       | 20,000                       | 159,393                        |
| 3                        | 91010 | Drainage Rehabilitation   | 133,644                       | 25,000                       | 108,644                        |
| 4                        | 65350 | Agnes Falls               | 700,000                       | 50,000                       | 650,000                        |
| 5                        | 65150 | Stony Creek Equestrian    | 90,000                        | 30,000                       | 60,000                         |
| 6                        | 43660 | Arthur Sutherland Stadium | 200,000                       | 150,000                      | 50,000                         |
| 7                        | 43670 | Leongatha Knights         | 200,000                       | 75,000                       | 125,000                        |
| 8                        | 93190 | Fish Creek Netball        | 260,000                       | 150,000                      | 110,000                        |
| 9                        | 93070 | Pools Renewal Program     | 529,118                       | 429,118                      | 100,000                        |
| 10                       | 65250 | Buildings Retirement      | 80,800                        | 24,000                       | 56,800                         |
| 11                       | 65400 | Korumburra Showgrounds    | 588,503                       | 688,503                      | (100,000)                      |
| <b>Total Expenditure</b> |       |                           | <b>3,026,458</b>              | <b>1,641,621</b>             | <b>1,384,837</b>               |

| <b>NET 2017/18 (Impact on Budget)</b> |  |  |           |           |                  |
|---------------------------------------|--|--|-----------|-----------|------------------|
|                                       |  | Total Income                               | 350,000   | 0         | (350,000)        |
|                                       |  | Total Expenditure                          | 3,026,458 | 1,641,621 | 1,384,837        |
|                                       |  | <b>NET Favourable /<br/>(Unfavourable)</b> |           |           | <b>1,034,837</b> |

## RISKS

The budget adjustments recommended in this report will minimise the likelihood of budget variation explanations for the remainder of the financial year by better aligning budgets with expected outcomes.

## STAFF DISCLOSURE

Nil

## REFERENCE DOCUMENTS

### Council Policy

Documents are available on Council's website: [www.southgippsland.vic.gov.au](http://www.southgippsland.vic.gov.au)

Annual Budget 2017/18

Long Term Financial Strategies 2017/18

Asset Management Strategy 2017

Procurement Policy 2017

### Legislative Provisions

Road Management Act 2004



## **5. OBJECTIVE 4 - ENHANCE ORGANISATIONAL DEVELOPMENT AND IMPLEMENT GOVERNANCE BEST PRACTICE**

### **5.1. POLICY REVIEW: C51 COUNCILLOR SUPPORT AND EXPENDITURE**

Corporate and Community Services Directorate

#### **EXECUTIVE SUMMARY**

Council has undertaken an extensive review of the C51 - Councillor Support and Expenditure Policy (C51 Policy) arising from an internal audit, commissioned by the Audit Committee, identifying areas where additional guidance to Councillors and staff in managing Councillors out of pocket expenses would be beneficial.

As part of the C51 Policy review, Councillors have also considered revised changes to the supporting CEO policy - CE04 Councillor Vehicle Policy (CE04 Vehicle Policy) and a new CEO policy – CE74 Bring Your Own Mobile Phone Device (CE74 Phone Policy). These two operational based policies provide specific guidance, direction and support for the allocation of vehicles to Councillors and an option to use personal mobile phones. These two policies will be endorsed by the Chief Executive Officer once the C51 Policy is adopted by Council.

The revised C51 Policy is presented to Council in **Attachment [5.1.1]** for consideration and adoption.

#### **RECOMMENDATION**

**That Council:**

- 1. Adopts the revised C51 Councillor Support and Expenditure Policy – March 2018, as contained in Attachment [5.1.1].**
- 2. Publishes the adopted C51 Councillor Support and Expenditure Policy – March 2018 (Attachment [5.1.1]) on Council’s website.**

#### **REPORT**

The revised C51 Policy, contained in **Attachment [5.1.1]**, consists of the following major updates:

1. Clarification on the equipment provided to Councillors and associated responsibilities of Councillors;
2. Greater guidance on travel reimbursements;

3. Clarification that an allocation of a Councillor vehicle versus travel reimbursements is to be determined based on the least annual cost to Council;
4. Greater guidance and clarity regarding child care/family care reimbursements;
5. Greater detail on requirements and timeframes within which Councillors are required to submit reimbursement claims to ensure that claims are accurately and transparently reported in the quarterly Councillor Expenditure Reports and are correctly captured within the financial year to which they apply to ensure the integrity of Council's statutory financial reporting;
6. New inclusions on legal expenses and catering;
7. Requirement for late claims older than 60 days without any exceptional circumstances applying to their lodgement, non-standard/expenditure requests, or potential non-standard requirements likely to exceed \$2,000, are to be referred to Council for determination.

The revised C51 Policy pursues a proactive approach to achieving Council's Strategy 4.1 in the Council Plan 2017-2021 that sets the direction to:

*'Increase transparency through more items being held in open Council meetings and communicating more clearly the reasons behind decisions.'*

The revised C51 Policy encourages increased transparency, openness and accountability with regard to the use of resources by Councillors.

## **CONSULTATION**

Council has undertaken an extensive review of the C51 - Councillor Support and Expenditure Policy (C51 Policy) arising from an internal audit, commissioned by the Audit Committee, that identified areas where additional guidance to Councillors and staff in managing out of pocket expenses would be beneficial.

As part of the review Councillors requested further information be collated and presented for consideration on kilometres travelled and the opportunity to utilise personal devices for Council business.

Briefings to review the C51 Policy and supporting CE04 Vehicle Policy and CE74 Phone Policy have been held with Councillors on 18 October and 8 November 2017 and 21 February 2018.

The revised C51 Policy has also been informed by the policies of other large rural councils, including but not limited to Surf Coast Shire Council, Colac/Otway Shire Council, East Gippsland Shire Council, Wellington Shire Council and Latrobe City Council.

The Executive Leadership Team has considered the revised CE04 Vehicle Policy and CE74 Phone Policy. These will be presented back to the Executive Leadership Team for final endorsement once C51 Policy is adopted. This will ensure the suite of associated policies are aligned and consistent.

The CE74 Phone Policy will be reviewed following a year of use to determine if the application of the policy is the most efficient use of Council resources.

## **RESOURCES**

Council provides resource support within annual and long term budgets to assist Councillors to fulfil their civic duties. Actual out of pocket expenses incurred are reimbursed in accordance with sections 75, 75B and 75C of the Local Government Act 1989 and set out in each Council's reimbursement policy.

Every Council must have a Councillor Reimbursement Policy that ensures appropriate financial governance and provides the required resources and facilities prescribed for the purposes of this section of the Act. Council's revised Councillor Support and Expenditure Policy C51 includes the minimum toolkit, as prescribed by the State Government, along with additional resources considered appropriate to support Councillors in their role.

## **RISKS**

One of Council's top ten strategic risks relates to Council Governance and Business; particularly non-compliance with policies and general civic responsibilities leading to reputational damage, legislative non-compliance, reduced community satisfaction, increased cost and decreased organisational efficiency.

The internal audit function is one activity that assists Council to manage this risk. Responding pro-actively to recommendations aimed at strengthening Council's risk management response, mitigates the strategic risk and the potential damage that could result in poor policy definition and application.

The C51 Councillor Support and Expenditure Policy, has been strengthened to provide greater clarity to Councillors and transparency to the community on the resources that can be claimed for legitimate and necessary Council business. While a wide range of expenses may be deemed as 'legitimate'

Council expenses, the revised C51 Policy requires Councillors to substantiate claims by also articulating why they were 'necessary'.

The quarterly Councillor Expenditure Report provides transparency to the community on the extent and types of reimbursement paid to Councillors.

The Annual Report at the end of the financial year contains the full year's expenditure. The revised time requirements for submitting reimbursement claims in the C51 Policy supports the ability to provide current and accurate reports to Council.

### **STAFF DISCLOSURE**

Nil

### **ATTACHMENTS**

*Attachments are available on Council's website: [www.southgippsland.vic.gov.au](http://www.southgippsland.vic.gov.au)*

1. C 51 - Councillor Support and Expenditure Policy - March 2018 [5.1.1]

### **REFERENCE DOCUMENTS**

#### **Council Policy**

*Documents are available on Council's website: [www.southgippsland.vic.gov.au](http://www.southgippsland.vic.gov.au)*

Council Plan 2017-2021, Objective 4

C51 Councillor Support and Expenditure Policy

#### **Council Internal Policy**

CE04 Councillor Vehicle Policy

CE74 Bring Your Own Mobile Phone Policy

#### **Legislative Provisions**

Local Government Act 1989, ss.75,75B, 75C and 76A

#### **Local Government Victoria Guidelines**

Information Guide – Mayor and Councillor Entitlements November 2008

## 6. OTHER COUNCIL REPORTS

### 6.1. WALKERVILLE RETARDING BASIN REPORT

Executive Office

#### EXECUTIVE SUMMARY

Over a number of years Ansevata Nominees Pty Ltd (Ansevata) has both publicly and via private correspondence to Council, asserted that there are issues arising from the 1990 Water Taking Agreement (the Agreement) that the company entered into with the former Shire of Woorayl relating to the Council-owned retarding basin (the Basin) that serves Promontory Views Estate  
**(Attachment [6.1.1]).**

Council's view is that there have only ever been two issues related to the Basin; one historical and one that is in the process of being resolved.

The first issue arose from an ambiguous clause in the Agreement, which Council (and its legal representatives) read as giving Council access to some of the water in the Basin. This issue is resolved.

The current issue relates to Council's responsibility to maintain the capacity of the Basin at or above 13.5 megalitres. The most recent survey of the Basin indicated that current capacity is 13.2 megalitres. Council resolved at its October 2017 Ordinary Meeting of Council to allocate \$20,000 to raise the Basin outlet structure by 100mm thus increasing the capacity of the Basin to approximately 14 megalitres **(Attachment [6.1.2])**. Ansevata has objected to Council's decision.

At this point, Council perceives itself to be an unwilling participant in a dispute without foundation. It is hoped that this report will give all interested parties confidence that there are no ongoing issues in relation to the Basin or the Agreement.

The company has continued to raise concerns about the company's right to use water from the Basin. Ansevata's concerns are many and varied, however they concentrate on:

1. An occasion in late 2015, when Council took not more than 0.5 megalitres of water for Council roadworks (now resolved).
2. Assertions that the Basin water is not of adequate quality for Ansevata to water its stock or irrigate its pasture or crops. This concern includes an

unsupported assertion that particular EPA Guidelines apply and that the water quality fails to meet those Guidelines.

3. Assertions that “untreated” septic tank waste water from Promontory Views Estate properties finds its way into and contaminates the Basin.
4. Assertions that the Basin was to have a capacity of not less than 13.5 megalitres and that “toxic” sediment has been allowed to build up diminishing the capacity.
5. Assertions that (based on a single occasion in March 2016, when one – likely aberrant – water quality reading taken by Council showed a very high reading for E.coli) Council’s warning to Ansevata not to take water, subsequently meant that Ansevata was “forced” not to take water from that time forward.
6. A claim that Council owes Ansevata not less than \$198,892.06 based on Ansevata’s view that it cannot take the Basin water and that the cost of alternative water should be borne by the Council.

Council has continued to respond to Ansevata’s complaints and questions, provide water quality monitoring results, and otherwise comply with its obligations to make the water available to Ansevata. Despite numerous responses and a number of meetings, Ansevata continues to write regular letters of complaint or concern and threatens legal proceedings. The company also continues to promulgate various “remedies” to its perceived issues, some of which – for example, a large dam and associated wetlands – would have a significant financial impost on the broader South Gippsland community. Ansevata representatives have also made public statements suggesting that having the adjoining property rezoned for development purposes would provide a “solution” to “water disposal issues” and “leaky septics” at Promontory Views Estate.

The purpose of this report is to detail recent steps taken by Council staff to use a variety of internal and external (independent) testing assessments and reports to technically and scientifically test the assertions of Ansevata company officers or representatives.

There is significant detail set out below, however, in summary:

1. The Council did in late 2015, take 476 kilolitres (ie: 0.476 megalitres) of water for Council roadworks on the understanding that it held that legal right. The legal proceeding that followed this was settled with Council confirming it had no need or intention to take any water from the Basin in the future.

2. Council has obtained independent testing and advice in relation to alleged contamination of the sediment and water, and the potential for that to adversely impact either stock or pasture. That testing shows:
  - a. No adverse impact on Basin sediment;
  - b. Water quality standards that support the irrigation of pasture and a range of other potential crops;
  - c. No likely impact on stock.
3. The evidence is that there is no “untreated” septic tank waste entering the Basin through sediment or stormwater, and even if that had or did occur, there is no evidence that this has impacted the water quality for Ansevata’s stated purposes as specified in the Agreement.
4. The evidence is that the sediment build up impacting capacity, is relatively minimal and the minor works mentioned above will restore the capacity.
5. The decision of Ansevata not to take water is one solely of Ansevata. The single very high, and likely aberrant, reading was two years ago and on numerous subsequent occasions Council has advised Ansevata it can take water as it wishes.
6. The alleged Council debt of \$198,892.06 for an alternative water supply has no merit in that:
  - a. It was and is Ansevata’s decision not to take the water;
  - b. It does not appear Ansevata actually purchased water from any other source as some form of replacement, therefore suffered no cost or damage; and
  - c. The amount of the debt is effectively fabricated based on water prices from other sources, then placed on an Ansevata invoice.

## **RECOMMENDATION**

### **That Council:**

1. **Accept this report reflecting and answering the concerns of Ansevata Nominees Pty Ltd and the proposed actions by Council.**
2. **Proceed with the minor works to reinstate the capacity of the Walkerville Retarding Basin.**

3. **Continue to meet its obligations under the 1990 agreement between the Shire of Woorayl and Ansevata Nominees Pty Ltd in relation to:**
  - a. **Making the water supply available;**
  - b. **Providing details of monitoring.**
4. **In accordance with its statutory and regulatory responsibilities, continue with the management, review and assessment of septic tank waste water systems within Promontory Views Estate.**
5. **Invite Ansevata to collaboratively renegotiate the terms of the 1990 agreement, including any wish by Ansevata itself to measure, manage or treat the Basin water, before it takes that water for its own purposes.**

## **REPORT**

### **Background**

A series of previous reports and descriptions has been provided to Council, however, a summary of the background is set out below:

1. The former Shire of Woorayl entered into an Agreement for Taking of Water with Ansevata Nominees Pty Ltd (Ansevata), a company owned and controlled by the Rich family, which includes a current Councillor, Cr Jeremy Rich.
2. At the time of the Agreement, the Shire agreed to purchase from Ansevata the land abutting Promontory Views Estate (now "Basin Land") at what was then considered to be a market value of the land. Two crucial elements of the contract for sale of land were:
  - a. Conditions requiring the Agreement to allow the taking of water; and
  - b. Securing the Agreement by right in the nature of easement over the Basin Land.
3. There are a number of drafting deficiencies in the Agreement, with a number of vague and ill-defined terms, and a lack of certainty about the detail of particular rights and obligations. Key uncertainties include:
  - a. Whether Ansevata is entitled to all of the water, subject only to the "50% and 30 day" rule (discussed below) including whether the Council could remove and use water beyond the "50% and 30 day" amount.
  - b. A constraint on Ansevata in that it must take no more than 50% of the water in the Basin over any 30 day period. The uncertainty of



this right, namely what it means, makes unambiguous interpretation almost impossible. For example, as each day passes, does the commencing amount, and therefore the amount that may be taken, vary?

- c. The original proposed Clause 6 indicating the Council gave no warranty as to water quality was (by a late amendment to the Agreement) changed to state that no quality warranty applied:

*"other than the irrigation of pasture and crops and watering of stock."*

- d. The Shire at the time took advice from the then Department of Agriculture, which indicated that the Shire should have no concerns about entering into the Agreement with a warranty as to a stock and irrigation purpose.

- e. At Clause 8 it provides:

*"The Shire shall, at least six times per year at no less an interval than one calendar month, and at such other times when the Licensee has reasonable grounds to believe that the waters of the dam may be polluted, take samples of such waters and have them tested for biological and chemical pollution in accordance with methods recommended by the Environment Protection Authority and make the results of such tests available to the Licensee."*

- f. Although the clause references the testing methods recommended by the EPA (and the EPA has never recommended any), Ansevata maintains that this clause means the parties should look to the EPA as to what appropriate quality parameters might be. In more recent years, the EPA has released the Guidelines for Environmental Management – Use of Reclaimed Water, which is principally directed at the re-use of reclaimed waste water (ie: from sewerage treatment plants).

- g. Also at Clause 8 it provides:

*"It is expressly agreed that the Shire shall take all necessary action to prevent untreated septic tank effluent being discharged into the dam."*

There is no definition of what "untreated" or "septic tank effluent" mean.

- h. Ansevata continues to assert that there is "toxic" material entering the Basin and, in turn, making the sediment "toxic". Ansevata has

never provided an example of when this might have occurred, or any impact on Ansevata stock or pasture.

- i. Clause 2.2 required that the Basin be built to a capacity of 13.5 megalitres. The Basin was built to a storage capacity of 13.5 megalitres with an over-topping capacity of 15.6 megalitres. Whilst the Agreement contains no positive maintenance obligation on the Council, Council officers have taken the view that, broadly, effort should be made to maintain at least the capacity of 13.5 megalitres.

## **Recent Reports and Investigations**

### **Basin capacity**

1. Council obtained a survey of the Basin, which estimated the current capacity of the Basin to be 13.2 megalitres, a 2 per cent reduction in the capacity from its required 13.5 megalitres. Council has undertaken subsequent work to consider this issue in more detail, including engaging an independent engineering firm (GHD) to assess the capacity of the Basin (**Attachment [6.1.3]**). The assessment concludes minimal sedimentation in the Basin compared to design level. The report also indicated that dams may settle between 25 and 50mm in the first few years after construction, which may have also led to the reduced capacity of the Basin.
2. Southern Rural Water has also undertaken an inspection of the Basin and recommended some remedial works to ensure the integrity of the Basin. These works will be undertaken at the same time as the capacity is reinstated (**Attachment [6.1.4]**).
3. As detailed in the report to the October 2017 Council Meeting, the basin capacity can be reinstated to approximately 14 megalitres at a cost of \$20,000.

### **Sediment Quality and Water Quality**

1. Council, in addition to its regular monitoring as per the Agreement, retained RM Consulting Group Pty Ltd (RMCG), an independent agricultural and technical consulting firm based in Bendigo, which produced a report undertaken by Principal, Anna Kelliher (BA, BEng Hons, MIEAust, GAICD) an environmental engineer and Senior Consultant, Hilary Hall (MEngSci, BEng) an engineer in wastewater operations and consulting (**Attachment [6.1.5]**). The RMCG report was to:
  - a. Undertake situation analysis (storm water catchment and retarding basin environment)

- b. Adopt Assessment Methods – RMCG to make its own recommendations in this respect
  - c. Specify objectives – to establish a risk assessment methodology for potential contaminants
  - d. Assess a series of relevant potential guidelines
  - e. Detail the sediment and water sampling testing
  - f. Undertake a water quality analysis
  - g. Undertake a sediment quality analysis
  - h. Undertake a risk assessment and
  - i. Provide conclusions and recommendations
2. RMCG also commissioned its own independent testing with the authors attending the site and undertaking inspections.
3. The outcomes included:
- a. The risk for stormwater to be contaminated by domestic waste water necessarily contemplates a search for the presence of human faecal bacteria as a focus. The testing did not detect any such human bacterioids, and the marker abundance was low.
  - b. Observing secure fencing around the basin, animal bacterioids identified were likely to be from birdlife in the Basin, presenting a lower risk to livestock or human health.
  - c. In relation to the concern expressed on an ongoing basis about E.coli levels, the report concludes that the water is satisfactory for irrigation on pasture and crops and for watering stock.

### **Veterinary Analysis**

Council also commissioned a report from Dr David Rendell, a Veterinary Scientist (recently retired) (**Attachment [6.1.6] delayed – to be available from Monday 19 March 2018**). Dr Rendell – who is based in south-west Victoria and consults across Australia – practised for almost 40 years, including in the area of beef cattle. Given his retirement his now former associate Kathryn Robertson has reviewed and now jointly authored the report.

1. The report observes, in part:
  - a. For stock drinking, E.coli levels of over “400 per 100” are relatively common and above 1,000 are not usual when drinking from farm dams or natural water sources.
  - b. Faecal contamination rarely impacts livestock health until the contamination reaches a level where it is readily observable with the naked eye and/or offensive to smell.
  - c. To achieve those high levels, E.coli would need to be many times higher than seen at the Basin, with levels up to 1,000 being unlikely to have any detectable odour.

### **Responding to key concerns**

#### **Council having taken water**

1. There were at least two occasions when the Council extracted water for the purpose of road maintenance, one is highlighted in late 2015, the other the year before, for similar purposes and quantity.
2. It is observed that there is no information available about whether Ansevata was in fact taking and using any of this water over an extended period of time leading up to the time of concern regarding the Council taking the water.
3. Testing which followed, subsequent to the Council taking of water, did not lead to dramatically increased readings in relation to E.coli or otherwise although the one uncharacteristically high reading which took place in March 2016, followed sometime later. Ansevata asserted it was unable to take water during the period leading up to that high reading and after, apparently losing confidence in the water quality despite the provision of the sampling details and results.
4. This issue of Council taking water is resolved, given Ansevata chose to take legal proceedings against the Council in relation to it and those legal proceedings were settled, without Council agreeing that it was not entitled to take the relevant water. Council took the water as a matter of convenience and to save costs and had and continues to have, other alternatives available to it. To bring that litigation to an end, Council agreed to a variation of the Agreement to make it clear that the Council would not seek to take water in the future and pay Ansevata \$65,000.

### **Inadequate water quality for stock and pasture**

1. The independent reports of RMCG and the Veterinary Scientists, make it clear that there is no material risk to Ansevata in taking the water for its stated purposes.
2. Also there is no evidence and any report from that usage, to the extent that it occurred, ever impacting stock or pasture.
3. There is no “toxic” material in the sediment or the water.

### **The risk of “Untreated Septic Tank Effluent”**

1. A reference should be made to the risk assessment undertaken by RMCG detailed above. The element which might cause some concern is the prospect of faecal contamination from human waste entering the stormwater system and then, in turn, reaching the Basin. This could occur if there were a blatantly illegal connection of what might be described as “black” waste from one or more of the properties in Promontory Views Estate, however, it is not apparent either on inspection or based on the testing that has been going on in the Basin for many years.
2. Nothing in Promontory Views Estate has changed substantially over the last five to ten years, and the fact that there has been no impact on stock or pasture of Ansevata (to the extent that Ansevata actually needs or has used the water) is in itself proof.
3. These comments about risks associated with untreated septic tank waste are based on an assessment of environmental consequences, including risk. They do not seek to address the fundamental uncertainties of the Agreement, and the clearly limited obligation of the Council in that respect under the Agreement.

### **Sediment build up and Basin capacity**

1. The evidence is that the sediment build up has been marginal.
2. The Basin capacity can be reinstated with minor works, as per the October 2017 Council resolution.
3. Various comments by Ansevata that this might somehow raise water levels within the Basin, thus increasing depth and reducing the impact of sunlight on water quality treatment, are baseless when consideration is given to the fact that the Basin would have needed to be a particular depth to achieve capacity and that the increased levels, in the circumstances, are quite minor. Further, there was no obligation of any

kind in the Agreement to build to a particular depth or build the Basin in a way that improved its ability to treat the water.

**Council's advice (in March 2016) not to use the water**

1. Correspondence from Ansevata continues to highlight that once the Council told Ansevata that it should not use the water (in March 2016) due to the single (likely aberrant) E.coli reading, that Ansevata somehow or other should rely on that advice to never use the water again, is misconceived.
2. The Council has on numerous occasions, including through its lawyers, advised that it is simply up to Ansevata if it wishes to use the water or not, its quality and quantities available remain consistent with what has been available for use over many, many years.

**"Debt" owing by Council to Ansevata**

1. Ansevata has on a number of occasions asserted that Council should pay it for its lost opportunity to take the water over time.
2. The amount owing of \$198,892.06 has been calculated by reference to the price of alternative water sources and then turned into some form of invoice provided by Ansevata to the Council.
3. Aside from question of whether any such liability might arise, it does not appear Ansevata has actually incurred any cost. To pay Ansevata an amount for water it has chosen not to take would simply be a financial windfall for Ansevata.
4. There is no evidence that stock was supplied with water from another source or that the nature of the Ansevata farming operation required water to be brought in for either stock or pasture irrigation.

**Contextual issues**

From time to time, including in open correspondence, Ansevata has indicated its other objective in relation to its property was seeking to have that property rezoned for development purposes. The proposition has been put by Ansevata that any such development could provide a "solution" to the alleged issues with the water quality.

This report has ignored those propositions, restricting itself to consideration of the Agreement, the facts and expert opinions provided to Council. If these other objectives drove, or continue to drive Ansevata's ongoing complaints, then that was and remains irrelevant.

Council personnel have at times entertained various notions (such as an expensive wetland proposal) in the hope that it may put an end to the pattern of complaint from Ansevata. However, the current view is that there is no justification in spending public funds on “fixing” a problem that by all available evidence does not exist.

## CONSULTATION

Consultation in this matter is generally related to internal Council personnel however, it has included independent experts as identified through the report.

A copy of this report and its attachments has been provided to Ansevata.

## RESOURCES

The costs incurred by Council in maintenance of the Agreement are:

| Item                                | Cost       |
|-------------------------------------|------------|
| Water testing (to date)             | \$101,472* |
| Basin maintenance (yet to commence) | \$20,000   |

\*\$3,624 per annum – in current dollar terms – multiplied by 28 years. The remaining 52 years of the agreement will – by the same method of calculation – cost Council \$188,448.

## RISKS

It is possible that the consideration and sound rebuttal of the Ansevata concerns through this report and recommendations, may trigger some further legal action by Ansevata. Note that litigation is regularly threatened and is already a risk. Council must consider how it should react to such threats if they are followed through. It may be that some form of litigation is an inevitable outcome of this ongoing issue and will continue to be a drain on Council resources and time.

## STAFF DISCLOSURE

Nil

## ATTACHMENTS

1. The 1990 Water Taking Agreement **[6.1.1]**
2. October 2017 Council Report re: reinstating the Basin capacity **[6.1.2]**
3. Independent Engineering Firm Report (GHD) **[6.1.3]**
4. Draft Dam Safety Report **[6.1.4]**
5. RM Consulting Group Pty Ltd Report **[6.1.5]**

6. Dr David Rendell and Kathryn Robertson, Veterinary Scientists Report  
**[6.1.6] (Available from Monday 19 March 2018)**

**REFERENCE DOCUMENTS**

**Council Policy**

*Documents are available on Council's website: [www.southgippsland.vic.gov.au](http://www.southgippsland.vic.gov.au)*

Asset Management Strategy

**Legislative Provisions**

Land Acquisition and Compensation Act 1986

Land Act 1958

Local Government Act 1989

Planning and Environment Act 1987

Water Act 1989



## **7. NOTICES OF MOTION AND/OR RESCISSION**

### **7.1. NOTICE OF MOTION 714 - LEADERSHIP PLAN FOR LEONGATHA**

#### **PURPOSE**

To identify ways of strengthening partnerships and collaboration with communities. To identify the potential for a series of such bodies as the pilot Korumburra Round Table to address Council's Plan recommendation "to Investigate opportunities to consider a model for community self-determination to facilitate working in partnership with the community" and strategy 2.3 Update and implement strategies for Community Strengthening and Engagement.

Establishment of a Leadership structures and process and Township Plan for Leongatha To identify ways of establishing a leadership structures and processes and a township community plan for strengthening community engagement and promoting the sustainable development of Leongatha .

#### **MOTION**

I, Councillor Cr Don Hill, advise that I intend to submit the following motion to the Ordinary Meeting of Council scheduled to be held on 28th March 2018.

#### **That Council:**

- 1. Receive a report by 30 May 2018 on how to conduct and convene with local organisations workshops/consultation on the desirability of collaboratively establishing an appropriate leadership structures and process for Leongatha and developing a Community plan and vision.**
- 2. Identify any additional resource requirements for implementing such an approach.**
- 3. Receive a report on a policy framework by July 2018 to potentially use such district coordinating bodies across the Shire to strengthen community engagement and partnerships and working collaboratively with communities, including potential terms of reference, resource requirement and suggested local districts.**

#### **BACKGROUND**

##### **Leongatha Leadership Structures and Process**

Successful towns characteristically have a strong shared vision of where they want to go and the leadership structure and processes that facilitate and support getting to the chosen direction.

Leongatha unlike other towns does not have a community or township plan for their future development. There are a range of strong and effective organisations in the towns, but there is not one coordinating structure that has the authority and is able to address overall development priorities and speak up for the town. Successful towns have the collaborative processes that allow good ideas to emerge, to be distilled and be collaboratively implemented. Council acting alone does not have the capacity or agency. It can be part of the process but not the leader.

There are serious challenges that the town needs to address. These include:

- The lack of a shared vision and community plan for future of Leongatha
- The high vacancy rates and rents for retail and commercial premises.
- The challenges that the Leongatha MG factory will face with increasing competition and an as yet unknown outcome of the proposed Saputo takeover and its likely flow on consequence.
- The lack of appropriate leadership structures and process that have been crucial in the revivals and development of other towns in the shire (Mirboo North, Meeniyan, Fish Creek Korumburra).
- Its ongoing decline relative to Wonthaggi and the need for a strategic approach to attract more businesses
- Lack of a positive identity and brand

Council in its Council Plan is committed to working more closely in partnership with communities and in engaging people in setting priorities and directions. Council is committed to spend a significant amount of monies on the revitalisation of the Leongatha, including Blair St the proposed rail trail extension, Leongatha railway station, sports fields and clubrooms in South Leongatha and a new library. Council has between \$14-20m potentially committed, which make up a significant proportion of new initiatives in South Gippsland (40%+) fifteen year long term financial plan.

Part of the turnaround of our small towns and the beginning of revival for Korumburra is due to the presence of supportive structures and processes that have facilitated local collaboration, cooperation and joint action. The Korumburra Round Table has proven to be a successful force for bringing people together to develop a Town Plan and has operated in strong collaboration with the revitalised Business Association. The Mirboo Country has been vital in developing the future vision and Plan for Mirboo North and in implementing its chosen directions. Local traders and progress associations in Loch, Meeniyan, Fish Creek, Welshpool and Foster have been instrumental in providing community engagement and leadership.

The shire successfully used a collaborative planning process for the railway station precinct redevelopment proposals. The process was however limited to just plans for the precinct. There is clearly scope for harnessing the creative talents of Leongatha to work collaboratively for a better future.

- Engage the community
- Develop a genuinely shared future vision and Town Plan of where it wants to and needs to go to progress in the future
- Establish priorities based on broad participation of the community.
- Mobilise available community, government and council resources to achieve desired direction

Council provides support for all communities to develop their Plans and significant support for Korumburra Roundtable. It has not provided such support to Leongatha. The proposal is that council in conjunction with key local organisations convene a workshops/consultation on the desirability of collaboratively developing potential Township plan and establish an appropriate leadership structures and process for Leongatha.

Despite its commitment to facilitating the development of Community Plans no such plan has been resourced or developed for Leongatha.

This approach is consistent with council's four year plan.

### **Council's Commitment to the Community Council's Commitment**

- "Encourage our communities and support our community leaders"
- "Focus attention on the economic growth of our Shire, the sustainability of our businesses and the creation of jobs; our survival depends on it."

### **Objective Overview**

A Council that listens and continues to involve its community in decision making and delivery of services and projects:

- 2.1 Where appropriate support community groups to achieve projects they have ownership of and want to progress.
- 2.8 Investigate opportunities to consider a model for community self-determination to facilitate working in partnership with the community.

### **Policy Framework for district coordinating bodies**

Council plan identifies the need to work in partnership with communities, the desirability of strengthening community engagement and the potential to

explore local decision making structures and processes. This motion allows council to explore options and possibilities to achieve these outcomes.

### **The Korumburra Roundtable Experience**

The Korumburra Roundtable was established by the last Council from a NOM by Cr Andrew McEwen. It was started because when he door knocked the whole of Korumburra he found an all embracing negativity, a sense of being dealt with unfairly, a tall poppy syndrome and divided community. There were good people and organisations, but no agree structure or process for joint deliberation and action.

The concept was that if the right organisation and people were represented the body could become a force for appropriate social, economic and cultural development of Korumburra. The body included representatives of some organisations, independent members and nonvoting ward councillors.

Like starting anything, it was a rocky road for a new venture, to understand its role, find its niche and flourish. There was considerable confusion over its role and whether it was a planner, an advocate or a doer. In practice this was resolved as often is the case through action learning.

A number of projects were initiated which started to define the role of the group. They included:

- A township signage project including a new logo and tag line.
- Two future visioning workshops
- Development of Township downloadable App
- Establishment of an Arts Group and arts events
- Development of a mural brochure
- A focus on design of Commercial street
- Development of a community plan for Korumburra
- Working with KBA re Christmas celebrations
- Gaining commitment to a revitalization project for Korumburra
- Gaining commitment for footpath to Korumburra secondary College

Council provides secretarial support and the meetings are attended by a Director to provide information on councils activities. The group is functioning well and has high calibre people. Through its representative structure it has excellent working relations with key organisations.

It was originally established as a pilot project to assess the utility of the model for South Gippsland generally. It is similar to the Mirboo Country in its interests although it has a different structure.

#### **REFERENCE DOCUMENTS**

##### **Council Policy**

*Documents are available on Council's website: [www.southgippsland.vic.gov.au](http://www.southgippsland.vic.gov.au)*

Council Plan 2017 – 2021: Objective 2. Communities are supported by appropriate and relevant services. 2.1. Where appropriate support community groups to achieve projects they have ownership of and want to progress.

## **7.2. NOTICE OF MOTION 715 - CONSULTATION TO PLAN FOR LOCAL BUS SERVICES**

### **PURPOSE**

Council to provide a leadership role in developing and advocating for local bus service proposals in conjunction with local community organisation and the South West Gippsland Transport Group (SWGTTG) for the next state election.

### **MOTION**

We, Councillors Andrew McEwen, Jeremy Rich, and Aylson Skinner, advise that we intend to submit the following motion to the Ordinary Meeting of Council scheduled to be held on 28th March 2018.

#### **That Council:**

- 1. In partnership with South West Gippsland Transport Group(SWGTTG), Transport for Victoria (TFV) and local business and resident associations develop a consultation plan and convene appropriate workshops and consultations to develop a local bus services plan for South Gippsland.**
- 2. In partnership with SWGTTG and local groups advocate for the proposed local bus service to all political parties and candidates in the forthcoming state elections.**

### **BACKGROUND**

Given that this is an election year there is a real opportunity for Council to lead a campaign to get political parties commitment to fund and develop local bus services for South Gippsland. South Gippsland is one of the few Council areas of its size that has no local bus services. This places many people at great disadvantage to access, education, health, government services, accessing recreation facilities and to visit friends and relatives. Despite the State Governments regional public transport plans, commitment to equity and fairness of access and services, South Gippslanders are the poor cousin.

Council has an important role to play in advocacy under the Local Government Act and has been perceived to be underperforming in this area. This is an opportunity to provide real leadership for the community. To achieve this we need leadership from council to help facilitate the planning process. Without a decent and agreed plan it is highly unlikely our desires for fairness in accessing public transport in a safe seat will be met.

72% of people in South Gippsland have poor public transport access to services such as hospitals, health centres, courts, Tafe/Uni, Centrelink, Centrelink Agencies and pharmacies. Some 20,000 people do not have ready access to important services, which others take for granted. South Gippsland

is significantly disadvantaged in terms of ready access to public transport with only 8.5% having a bus stop within 800m from home versus 35% for Gippsland councils or the State average of 74%.

Southern Gippsland has only a handful of taxis, which for many people are too expensive and at times difficult to access. If the government is committed to principles of equity and fairness priority must immediately be given to develop a local transport networks that as the State Government own report says that public transport should “get people where they need to go”, “make it easier for people to move around regional Victoria using public transport.”, “respond to changing local travel needs and support local infrastructure and services plans and finally “Improving local transport and making new connections.” All of these objectives and principles have been breached by the Government.

There is some indication from local members and other political parties that if there was a reasonable plan developed by the community that it would be seriously considered.

We are simply seeking equitable treatment for people of our Shire.

This motion is seeking council’s leadership in facilitating some workshops in partnership with community organisation to develop bus plan proposals for the election. Regional representatives of the Transport for Victoria (TfV) have indicated their willingness to help facilitate such a planning exercise with Council.

The meetings could be jointly convened by council, SWGTG and town and business associations. It is envisaged that 2-4 workshops are held and possibly using the OurSay platform for wider consultation. Council would convene an organising group of SWGTG, Transport for Victoria and be responsible for promoting events and facilitating the workshops.

It is proposed that they be organised between April and July with a proposal being develop and consulted in June-July 2018.

## **REFERENCE DOCUMENTS**

### **Council Policy**

*Documents are available on Council’s website: [www.southgippsland.vic.gov.au](http://www.southgippsland.vic.gov.au)*

Council Plan 2017 – 2021: Objective 2. Communities are supported by appropriate and relevant services. 2.1. Where appropriate support community groups to achieve projects they have ownership of and want to progress.

### **7.3. NOTICE OF MOTION 716 - PROPOSED MIRBOO NORTH LOGGING COUPS**

#### **PURPOSE**

That council, in undertaking its advocacy role under the Local Government Act, supports the protection of the proposed 3 logging coups in Mirboo North because of the clear desire of the community to exclude these logging coups; because of the lack of genuine consultation in 2014 and 2017-18 in assessing these coups and crucially because it will adversely affect the social, ecological and economic outcomes for the community. The logging will destroy more value in tourism than it creates and in adversely affect the health and well-being of the community.

#### **MOTION**

We, Councillors Don Hill and Andrew McEwen advise that we intend to submit the following motion to the Ordinary Meeting of Council scheduled to be held on 28th March 2018.

#### **That Council:**

- 1. Acknowledges and supports the Mirboo North Community Campaign to Protect their local Forests.**
- 2. Resolves to strongly oppose any logging as proposed by VicForests i.e. the 3 coupes of native forest near Mirboo North identified by VicForests as the Oscine, Doug & Samson Coupes; and write to the Premier and appropriate Ministers advising them of this.**
- 3. Agrees to collaborate with the Preserve Our Forests Steering Committee to advocate to stop all VicForests logging in and around Mirboo North and make the transition to sustainable plantation timbers wherever opportunities arise.**
- 4. Includes an objective in the Community Plan to work collaboratively with all key agencies and the community to advocate for the preservation and enhancement of the Strzelecki bioregion.**

#### **BACKGROUND**

##### **Opposition to VicForest Logging Coupes In Mirboo North District**

Three coupes in Mirboo North District are scheduled for logging in mid 2018 and were listed in the 2017 Timber Release Plan: Oscine, Doug and Sampson Coupes. The proposal is about logging three coupes of around 112h.





**Picture: 14 September 2017 over 350 or about 20% of the community members attended.**

There are multiple and compelling why the proposed logging of the three coups near Mirboo North should be excluded by VicForests.

Such logging would:

1. Undoubtedly lead to an ongoing net loss of economic activity, employment and benefit for the community. The annual return for logging over the sixty year period of regeneration is only \$133k p.a.
2. There would be marginal net local economic benefit from the proposed logging and high real costs. The PWC report concludes that continued native forest logging is uneconomic and that support for other industries, including plantation forestry and tourism would generate greater returns. (Rethinking Victoria's Approach to Native Forestry PWC 2016)
3. Add very marginally to a rapidly declining and unsustainable native forest logging industry that is declining by 34% since 2006 and now only employ 338 FTE. (Rethinking Victoria's Approach to Native Forestry PWC 2016)
4. Detract from the growing brand image/reputation of Mirboo North and District as an area of pristine nature, bush walks and forest settings.
5. Seriously fail the accepted triple bottom line assessment of the proposed logging, given that it will cause major/significant social, ecological, and economic damage for minimal return and a long term return net loss.

6. Would lead to further marginalisation of 1.5% remnant vegetation of the Strzelecki bioregion, putting the Damp Forest, which are ENDANGERED in the Strzelecki Ranges; Lowland Forest, which are VULNERABLE in the Strzelecki Ranges and Wet Forest, which are DEPLETED in the Strzelecki Ranges at heightened risk.
7. Would lead to further pressure on the powerful owl, whose Status is threatened under Victoria Flora and Fauna Act and with 30 identified to date in 4 surveys of the Greater Gliders, whose Status is Vulnerable and a matter of national significance under the Environmental Protection Biodiversity Conservation Act 1999 and the Lance Monitor, whose status is Endangered under Victoria Flora and Fauna Act.
8. Be faced with overwhelming community opposition with over 350 people or 20% adult population attending a community meeting on 14 September 2017.
9. Be in direct contradiction to council's own sustainability strategy that states that Council '... recognises the importance of our region's biodiversity and is dedicated to preserving such values, to reduce the loss of species and biological diversity.' And 'Protect South Gippsland's biodiversity -plants, animals, microorganisms and genetic material and the ecological systems they occur in.' The Strzelecki regional ecosystem is of State and Australia significance. These remnant areas are fundamentally important for the preservation of endangered species and the high value Strzelecki.'
10. Fails the consultation test of Council and indeed the State Government given that VicForests acknowledged the 2017 Timber Release Plan was prepared by VicForests in 2014 with almost no community consultation and an inappropriate timing of the recent consultation.

The logging would impact on biodiversity, water supply, carbon emissions and climate change, along with diminished opportunities to secure a new economic direction for regional communities are core reasons why native forest logging has no long term future in Victoria.

The parliamentary inquiry in 2017 into VicForest reached very serious findings about the competence of VicForest:

*"However, the Committee recognises the need for improvements to VicForests' operations that would include, increased oversight of its management of timber resources and the need to improve compliance to existing regulation and legislation"*

The Departments (DELWP) data on flora and fauna assessment used in selecting the timber releases is 25 years old and only covers 35% of the state.

Logging could proceed without a proper assessment of its impact on the 3 coups.

It is a choice between a once off payment of may be up to \$8m (most of which will flow out of the community or continuing to support a thriving and growing tourist industry valued at \$30m locally (REMPPLAN). Currently there are only 6 forestry and logging jobs and 24 wood product manufacturing jobs in the Shire (2016 Census Council Remplan) versus Tourism 606 jobs. In short tourism jobs are 101 times more important to the Shire than logging. Currently agriculture brings in \$2685m, Tourism \$100m and Timber only \$11m. This project would add a once of \$8m with little local impact once in 60 years or just \$133k per annum.

Every \$1 of investment in native forestry delivers just 3 cents in direct and 11 cents in indirect benefits to the state economy, or 14 cents in total. That compares to \$1.63 for the forestry sector as a whole, and \$2.65 for the manufacturing sector. (Rethinking Victoria's Approach to Native Forestry PWC 2016)

"Our analysis of the native forest industry sector found that the operations using the land are not competitive or financially viable...The native forest sector demonstrates that it supports an estimated 338 FTE. Employment has dropped by 30% since 2001.' (Rethinking Victoria's Approach to Native Forestry PWC 2016)

The internationally accepted assessment environmental-economic accounting devised by the United Nations clearly illustrate that other industries deliver far better, more lucrative and sustainable economic outcomes for Victoria and Mirboo North.

The community foresees a significant reduction in visitations to the area; with current and long term local jobs in hospitality, tourism, retail, food production and education displaced and lost.

Ms Young from ANU conducted an analysis using the United Nations' System of Environment and Economic Accounting (SEEA) found that logging is the least generative of incomes compared to industries such as, tourism, water, carbon sequestration and agriculture in native forests. She concluded:

It is our view that the forest estate currently subject to VicForests logging operations should instead be managed for other values, which would enhance recreation, derive and manifest economic, environmental and social benefit from environmental and ecosystem services... tourism, agriculture, water and the fledgling and looming carbon market.

Her assessment in Central Highlands indicates tourism has 12 times the returns of logging forestry, water 70 times the returns of logging. Loggings

returns were 1% of the overall returns versus not logging. Economically not logging is streets ahead.

In a post truth world people may hark back with nostalgia to the good old days when native forestry was a major and thriving industry, but today native logging is on its death bed with rapidly declining employment and precarious supply of sustainable forest that can't be logged without irreparable harm. The industry is as the Parliamentary Enquiry said in urgent need of a good transition plan that deals with these challenges. More of the same will not work for it. The industry need to continue to transition and shift to plantation timber.

Council has a very poor satisfaction rating for its advocacy, which is a clear leadership role for councils under the Local Government Act. It has dropped from a poor 51% satisfaction with its advocacy in 2012 to a 47% FAIL in 2017 or by nearly 10%. This is a sure sign that the community believes that council is not listening properly to its concerns and acting accordingly. This was previously compounded by its unwillingness to address widespread community concerns (80% plus opposing according to the Governments own consultant) about CSG mining.

This is an opportunity to restore confidence and faith in council's willingness to listen to the community, to assess the evidence and to stand united with them consistent with its own sustainability and economic development strategy. Are we backing a declining 20th century industry with little returns or are we protecting our emerging image as a premium agricultural region with beautiful rolling hills and forests and bush land and a vibrant growing tourism industry? A large section of the community is seeking council to act as advocate for a 21st century industry that is sustainable vs. continuing to subsidize a declining 20th century industry.

The overwhelming majority of Victorian voters support protection of native forests, in fact over 90% of Victorian's want public forests protected for wildlife, tourism, recreation and a safe climate, and only 7% believe public forests should be logged for wood and paper products. (ReachTEL conducted a survey of 1,649 residents across Victoria. The survey was conducted during the night of 7 December 2016.)

South Gippsland has the least remaining native vegetation of any rural council in Victoria. It's time to show leadership, to make a stand for sustainability and for future prosperity and not preserve a rapidly declining industry on life support that survives on subsidies.

## **8. PROCEDURAL REPORTS**

### **8.1. FINANCIAL PERFORMANCE REPORT JULY - FEBRUARY 2018**

Corporate and Community Services Directorate

#### **EXECUTIVE SUMMARY**

This Report provides an overview of Council's financial performance for the period July to February 2018, in summary:

- Operating result: \$1.71M surplus which is \$2.95M favourable when compared with the year-to-date budget projection of a \$1.24M deficit.
- Capital works: \$5.20M expenditure which is \$3.84M behind a year-to-date budget of \$9.04M.
- Cash assets: Projected 30 June \$13.53M, against the Original budget of \$7.74M.
- Underlying working capital ratio: Projected 30 June 1.84 to 1 against the Original budget of budget 1.65 to 1.
- The projected financial outcome for 2017/18 is a \$1.48M surplus. This is \$0.28M unfavourable compared to the originally budgeted surplus of \$1.76M.

Section 138 of the Local Government Act 1989 (Quarterly statements) states that;

- (1) *At least every 3 months, the Chief Executive Officer must ensure that a statement comparing the budgeted revenue and expenditure for the financial year with the actual revenue and expenditure to date is presented to the Council at a Council meeting which is open to the public.*

#### **RECOMMENDATION**

**That Council receive and note the Financial Performance Report (Attachment [8.1.1]) for the period July 2017 to February 2018.**

#### **REPORT**

Council each year sets an Annual Budget within the framework of a 15 year Long Term Financial Plan. Guidance is provided by the Long Term 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 managed by:

- Comparing year-to-date actual financial performance with the year-to-date budgets.
- Monitoring the financial impact of changes made to budget projections on the forecast financial results at year end; and
- Monitoring the longer term financial ramifications against the originally adopted Long Term Financial Plan.

The financial performance indicators that were used to develop the annual and long term budgets are used to monitor projected financial outcomes at year-end as well as the longer term financial ramifications.

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

The reporting timelines include:

- August: Report identifies financial implications of previous year's financial results as well the budget impact of funding projects carried forward that were not completed by 30 June.
- November: Report identifies financial implications of any changes made to operational or capital budgets prior to the commencement of the development of the annual budget for the following financial year.
- February: Report aligns with annual budget process.
- May: Report provides Council with an anticipated financial outcome for year-end including identifying budgets being carried forward for projects that are not expected to be completed by 30 June.

At the end of the financial year, comprehensive financial statements and performance statements are produced, subject to external audit and included in the Annual Report.

## **Discussion**

**Attachment [8.1.1] - Financial Performance Report contains detailed reporting on:**

## **Executive Summary**

This section provides a high level overview of Budget and Actual Operating performance and Capital Work expenditure.

## **Financial Statements as at 28 February 2018**

This section lists the three major financial statements:

- Income Statement
- Balance Sheet
- Cash Flow Statement

## **Major Variation Explanations**

Material variation comments between year-to-date actual results and year-to-date budgeted results. Major variations are selected based on being greater than \$20,000 and 5 per cent between the actual result and year-to-date budget at a Cost Centre level.

## **Annual Year-to-Date Financial Analysis**

This section analyses the implications of the year-to-date performance and the projected outcome for the financial year end.

## **Long Term Financial Plan analysis**

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

## **RISKS**

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

Council can not only assess year-to-date performance, but can also understand the annual and longer term financial implications.

## **ATTACHMENTS**

*Attachments are available on Council's website:* [www.southgippsland.vic.gov.au](http://www.southgippsland.vic.gov.au)

1. Financial Performance Report July 2017 to February 2018 **[8.1.1]**

## **REFERENCE DOCUMENTS**

### **Council Policy**

*Documents are available on Council's website: [www.southgippsland.vic.gov.au](http://www.southgippsland.vic.gov.au)*

Annual Budget Incorporating 15 Year Long Term Financial Plan and Annual Plan Initiatives

### **Legislative Provisions**

Local Government Act 1989



## **8.2. ASSEMBLY OF COUNCILLORS 22 JANUARY 2018 TO 21 FEBRUARY 2018**

Corporate and Community 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 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 between 22 January and 21 February 2018.

### **RECOMMENDATION**

**That Council receives and notes this report.**

**REPORT**

| <b>Meeting Title</b>  | <b>Details</b>   |
|---|--|
| <b>Wednesday 24 January 2018</b>                                  |  |
| <b>Rating Strategy Steering Committee</b><br>(Advisory Committee) | <p><b>Councillors Attending:</b><br/>Councillors Hill, Kiel and Skinner.</p> <p><b>Conflict of Interest:</b> Nil disclosed.</p> <p><b>Matters Considered:</b><br/>The Committee considered presentations from individual Committee members.</p>  |
| <b>Wednesday 1 February 2018</b>                                  |  |
| <b>Rating Strategy Steering Committee</b><br>(Advisory Committee) | <p><b>Councillors Attending:</b><br/>Councillors Hill and Kiel.</p> <p><b>Conflict of Interest:</b> Nil disclosed.</p> <p><b>Matters Considered:</b><br/>The Committee considered presentations from individual Committee members.</p>   |
| <b>Monday 5 February 2018</b>                                     |  |
| <b>South Gippsland Shire Council Audit Committee</b>              | <p><b>Councillors Attending:</b><br/>Councillors Brunt, Argento and Hill.</p> <p><b>Conflict of Interest:</b> Nil disclosed by Councillors.</p> <p><b>Matters Considered:</b></p> <ul style="list-style-type: none"> <li>• Report of Audit Committee Meeting held on 4 December 2017.</li> <li>• Financial Performance Report</li> <li>• Draft Budget 2018/19</li> <li>• Performance Report (non-financial)</li> <li>• Local Government Performance Reporting Report</li> <li>• Quarterly Report from Director of Infrastructure</li> <li>• Internal Audit Report</li> <li>• Letters to Councillors: Councillor Expenditure and Code of Conduct Audit</li> <li>• Statutory Planning, Building, Planning and Local Laws Compliance and Enforcement Audit Report</li> <li>• Procurement Review</li> <li>• Draft Payroll and HR Audit Scope</li> <li>• Three Year Internal Audit Plan</li> <li>• Proposed External Audit Scope/ Strategy 2018/19</li> <li>• Compliance Report: Local s.186 Tender Thresholds</li> <li>• Local Government Act Review – Exposure Draft Bill Report</li> <li>• Regulatory Inquiry Gap Analysis Report</li> </ul> |

|  | <ul style="list-style-type: none"> <li>• Audit Committee Reports to Council</li> <li>• Appointment of Audit Chair – recommendation to Council</li> <li>• Independent Committee membership</li> <li>• Audit Committee Charter</li> </ul>   |
|--|---|
| Meeting Title                                      | Details   |
| <b>Wednesday 7 February 2018</b>                   |   |
| <b>Executive Update</b>                            | <p><b>Councillors Attending:</b><br/>Councillors McEwen, Skinner, Argento, Brunt, Edwards and Kiel.</p> <p><b>Conflict of Interest:</b> Nil disclosed.</p> <p><b>Matters Considered:</b></p> <ul style="list-style-type: none"> <li>• Kerbside recycling and recent changes in this sector and their impact on Council.</li> <li>• Legal proceedings with respect of Bald Hills Wind Farm</li> <li>• Minister Pallas visit to Hanson Quarry, McDonalds Track Nyora</li> <li>• Birralee Korumburra land use consideration</li> <li>• South East Australian Transport Strategy (SEATS) hosted by South Gippsland and Bass Coast Shire.</li> <li>• Rating Strategy Steering Committee</li> </ul> |
| <b>Local Government Act Review – Exposure Bill</b> | <p><b>Councillors Attending:</b><br/>Councillors McEwen, Skinner, Argento, Brunt, Edwards and Kiel.</p> <p><b>Conflict of Interest:</b> Nil disclosed.</p> <p><b>Matters Considered:</b><br/>Councillors considered the Local Government Act Review – Exposure Bill and a submission in support of the draft Bill.</p>  |
| <b>Draft Digital strategy – Progress Update</b>    | <p><b>Councillors Attending:</b><br/>Councillors McEwen, Skinner, Argento, Brunt, Edwards and Kiel.</p> <p><b>Conflict of Interest:</b> Nil disclosed.</p> <p><b>Matters Considered:</b><br/>Councillors considered the current progress to the Draft Digital Strategy prior to its adoption by Council at a future Council Meeting.</p>  |

| Meeting Title   | Details   |
|---|---|
| <b>Wednesday 7 February 2018</b>                        |   |
| <b>Population Growth and Land Supply Study</b>          | <p><b>Councillors Attending:</b><br/>Councillors McEwen, Skinner, Argento, Brunt, Edwards, Kiel and Hill.</p> <p><b>Conflict of Interest:</b> Nil disclosed.</p> <p><b>Matters Considered:</b><br/>Councillors considered the proposed scope and progress of the Population Growth and Land Supply Study utilising census data, aerial photographs and rates building data presented in interactive maps, tables and graphs.</p>  |
| <b>Planning Briefing</b>                                | <p><b>Councillors Attending:</b><br/>Councillors McEwen, Skinner, Argento, Brunt, Edwards, Kiel and Hill.</p> <p><b>Conflict of Interest:</b> Nil disclosed.</p> <p><b>Matters Considered:</b><br/>Councillors considered an update on planning matters of community interest, including:</p> <ul style="list-style-type: none"> <li>• Strategic Planning Project List</li> <li>• Planning Applications of Interest</li> <li>• Decisions for October, November and December 2017</li> <li>• VCAT Decisions</li> </ul> |
| <b>Caravan and Camping Parks Steering Committee</b>     | <p><b>Councillors Attending:</b><br/>Councillors McEwen, Skinner, Argento, Brunt, Edwards, Kiel and Hill.</p> <p><b>Conflict of Interest:</b> Nil disclosed.</p> <p><b>Matters Considered:</b><br/>Councillors considered the current progress of the Steering Committee.</p>   |
| <b>Transport for Victoria – Regional Roads Strategy</b> | <p><b>Councillors Attending:</b><br/>Councillors McEwen, Skinner, Argento, Brunt, Edwards, Kiel and Hill.</p> <p><b>Conflict of Interest:</b> Nil disclosed.</p> <p><b>Matters Considered:</b><br/>Councillors were presented with the Tourism Victoria touring routes map prepared by Transport for Victoria.</p>  |

| Meeting Title   | Details  |
|---|--|
| <b>Wednesday 7 February 2018</b>  |  |
| <b>1st Draft Budget 2018/19 including Annual Initiatives and Capital Works</b>            | <p><b>Councillors Attending:</b><br/>Councillors McEwen, Skinner, Argento, Brunt, Edwards, Kiel and Hill.</p> <p><b>Conflict of Interest:</b> Nil disclosed.</p> <p><b>Matters Considered:</b><br/>Councillors considered an overview of the 1<sup>st</sup> Draft 2018/19 Budget and Long Term Financial Plan.</p>   |
| <b>Rating Strategy Steering Committee (Advisory Committee)</b>                            | <p><b>Councillors Attending</b><br/>Councillors Hill, Kiel and Skinner.</p> <p><b>Conflict of Interest:</b> Nil disclosed.</p> <p><b>Matters Considered:</b><br/>The Committee considered presentations from individual Committee members.</p>   |
| <b>Friday 9 February 2018</b>   |  |
| <b>West Gippsland Regional Library Corporation – Old Kinder Site</b>                      | <p><b>Councillors Attending</b><br/>Councillor Skinner.</p> <p><b>Conflict of Interest:</b> Nil disclosed.</p> <p><b>Matters Considered:</b></p> <ul style="list-style-type: none"> <li>• Potential relocation of the Korumburra Library</li> </ul>  |
| <b>Wednesday 14 February 2018</b>   |  |
| <b>Strategic Discussions</b>  | <p><b>Councillors Attending:</b><br/>Councillors Hill, Argento, McEwen, Brunt, Skinner, Edwards, Kiel and Rich.</p> <p><b>Conflict of Interest:</b> Nil disclosed.</p> <p><b>Matters Councillors Raised For Consideration:</b></p> <ul style="list-style-type: none"> <li>• Co-working space presentation.</li> <li>• Notice of Motion on Venus Bay Strategic Structure Plan.</li> <li>• Councillor’s code of conduct.</li> <li>• Freedom of Information processes.</li> <li>• Community grants policy in the Shire.</li> <li>• Councillors considered the current progress of the Aged and Disability Services Review.</li> </ul> |
| <b>2<sup>nd</sup> Draft Budget 2018/19 including Annual Initiatives and Capital Works</b> | <p><b>Councillors Attending:</b><br/>Councillors Hill, Argento, McEwen, Brunt, Skinner, Edwards, Kiel and Rich.</p> <p><b>Conflict of Interest:</b> Nil disclosed.</p> <p><b>Matters Considered:</b><br/>Councillors considered the 2<sup>nd</sup> Draft 2018/19 Budget including Annual Initiatives and Capital Works.</p>  |

| Meeting Title   | Details  |
|---|--|
| <b>Wednesday 21 February 2018</b>   |  |
| <b>Draft Foster Pool Master Plan</b>  | <p><b>Councillors Attending:</b><br/>Councillors McEwen, Skinner, Argento, Brunt, Brown and Kiel.</p> <p><b>Conflict of Interest:</b> Nil disclosed.</p> <p><b>Matters Considered:</b><br/>Councillors considered the draft 2018 Foster Pool Master Plan and future community engagement prior to adoption.</p>  |
| <p><b>VicRoads Update: South Gippsland Highway realignment at Koonwarra (Black Spur Section)</b></p> <p><b>Open Session</b></p> | <p><b>Councillors Attending:</b><br/>Councillors McEwen, Skinner, Argento, Brunt, Brown, Kiel, Edwards and Rich.</p> <p><b>Conflict of Interest:</b> Nil disclosed.</p> <p><b>Matters Considered:</b><br/>Councillors considered an update from VicRoads regarding the status of the Black Spur realignment project at Koonwarra.</p>  |
| <p><b>VicRoads Update: Bass Highway Improvements between Anderson and Leongatha</b></p> <p><b>Open Session</b></p>              | <p><b>Councillors Attending:</b><br/>Councillors McEwen, Skinner, Argento, Brunt, Brown, Kiel, Edwards and Rich.</p> <p><b>Conflict of Interest:</b> Nil disclosed.</p> <p><b>Matters Considered:</b><br/>Councillors considered a briefing from VicRoads related to the study being undertaken into potential road improvements between Anderson and Leongatha on the Bass Highway.</p> |

| Meeting Title   | Details   |
|---|---|
| <p><b>Draft Rating Strategy 2018-2022: Steering Committee</b><br/>(Advisory Committee)</p>  | <p><b>Councillors Attending:</b><br/>Councillors McEwen, Skinner, Argento, Brunt, Brown, Kiel, Edwards, Rich and Hill.</p> <p><b>Conflict of Interest:</b> Nil disclosed.</p> <p><b>Matters Considered:</b><br/>Councillors considered presentations made from members of the Rating Strategy Steering Committee; Frances O'Brien the Committee Chair and members David Lewis, Meg Knight and Ralph Gallagher.</p> <p>Frances O'Brien provided an overview of the outcomes and shortcomings of the Committee. Members David Lewis, Meg Knight and Ralph Gallagher provided Council with diverse views for their consideration of the Rating Strategy 2018-2022.</p> |
| <p><b>Wednesday 21 February 2018</b></p>  |   |
| <p><b>Draft Rating Strategy 2018/2022 – Steering Committee - Discussions</b></p>  | <p><b>Councillors Attending:</b><br/>Councillors McEwen, Skinner, Argento, Brunt, Brown, Kiel, Edwards, Rich and Hill.</p> <p><b>Conflict of Interest:</b> Nil disclosed.</p> <p><b>Matters Considered:</b><br/>Councillors further considered the proposals made from the Rating Strategy 2018-2022 – Steering Committee Advisory Committee.</p>   |
| <p><b>Public Presentations Open Session</b></p>   | <p><b>Councillors Attending:</b><br/>Councillors McEwen, Skinner, Argento, Brunt, Brown, Kiel, Edwards, Rich and Hill.</p> <p><b>Conflict of Interest:</b> Nil Disclosed.</p>   |
| <p><b>A Presentation was made to Council by the following community members: Drew Liepa and Dylan Muir</b> representing South Gippsland Bass Swimming Club and <b>Tim Frampton</b> representing Swimming Victoria regarding a request to Council regarding lane hire fees at Splash, Leongatha Swimming Pool.</p> |   |
| <p><b>Executive Update Discussions</b></p>  | <p><b>Councillors Attending:</b><br/>Councillors McEwen, Skinner, Argento, Brunt, Brown, Kiel, Edwards, Rich and Hill.</p> <p><b>Conflict of Interest:</b> Nil disclosed.</p> <p><b>Matters Considered:</b></p> <ul style="list-style-type: none"> <li>• Formal s.223 Budget Submission to Council</li> <li>• CEO Key Performance Indicators</li> <li>• Bald Hills Wind Farm</li> </ul>   |

|  |   |
|--|---|
| <p><b>Final Draft Annual Plan and Revised Council Plan</b></p>                       | <p><b>Councillors Attending:</b><br/>Councillors McEwen, Skinner, Argento, Brunt, Brown, Kiel, Edwards, Rich and Hill.</p> <p><b>Conflict of Interest:</b> Nil disclosed.</p> <p><b>Matters Considered:</b><br/>Councillors considered the final draft Annual Plan and revised Council Plan 2017-2021 taking into consideration community engagement activities undertaken in February 2018.</p>  |
| <p><b>Wednesday 21 February 2018</b></p>   |   |
| <p><b>Draft Rating Strategy 2018/2022 – Steering Committee - Discussions</b></p>     | <p><b>Councillors Attending:</b><br/>Councillors McEwen, Skinner, Argento, Brunt, Brown, Kiel, Edwards, Rich and Hill.</p> <p><b>Conflict of Interest:</b> Nil disclosed.</p> <p><b>Matters Considered:</b><br/>Councillors further considered the proposals made from the Rating Strategy 2018-2022 – Steering Committee Advisory Committee.</p>   |
| <p><b>Councillor Expenditure and Support Policy and Councillor Vehicle Usage</b></p> | <p><b>Councillors Attending:</b><br/>Councillors McEwen, Skinner, Argento, Brunt, Brown, Kiel, Edwards, Rich and Hill.</p> <p><b>Conflict of Interest:</b> Nil disclosed.</p> <p><b>Matters Considered:</b><br/>Councillors considered the revised Councillor Support and Expenditure Policy (C51), Councillor Vehicle Policy (CE04) and new Bring your Own Mobile Phone Device Policy (CE74).</p>  |
| <p><b>Economic Development and Tourism Steering Briefing</b></p>                     | <p><b>Councillors Attending:</b><br/>Councillors McEwen, Skinner, Argento, Brunt, Brown, Kiel, Edwards, Rich and Hill.</p> <p><b>Conflict of Interest:</b> Nil disclosed.</p> <p><b>Matters Considered:</b><br/>Councillors considered a presentation from Regional Development Victoria (RDV) which is the Victorian Government’s lead agency in developing rural and regional Victoria and administers a number of programs designed to increase employment and create more prosperous communities.</p> <p>Councillors also provided information on South Gippsland’s most recent economic and employment data.</p> |



| Meeting Title  | Details   |
|--|---|
| <b>Wednesday 21 February 2018</b>  |   |
| <b>Public Presentations Open Session</b>   | <p><b>Councillors Attending:</b><br/>Councillors McEwen, Skinner, Argento, Brunt, Brown, Kiel, Edwards, Rich and Hill.</p> <p><b>Conflict of Interest:</b> Nil Disclosed.</p> |
| <p><b>A Presentation was made to Council by the following community members:</b><br/> <b>Rachel Brown</b>, part owner Toora Tourist Park addressed Council regarding concerns that she has for free camping at Franklin River Reserve.<br/> <b>Tom Holman</b>, President of the Foster Community Association and <b>Robert Pritchard</b>, member of the Foster Community Association regarding Information relating to events in Foster – the ‘Unspoken’ forum and Foster Township 150th celebrations.</p> |   |

**REFERENCE DOCUMENTS**

**Legislative Provisions**

Local Government Act 1989

### **8.3. DOCUMENT SEALED AWARDED OR EXTENDED BY CEO 20 JANUARY TO 23 FEBRUARY 2018**

#### **Corporate and Community Services Directorate**

#### **EXECUTIVE SUMMARY**

This document reports to Council the following actions undertaken by the Chief Executive Officer (CEO) which occurred during the period from 20 January to 23 February 2018, as required by the Council's Instrument of Delegation to the Chief Executive Officer and Procurement Policy:

- Documents sealed;
- Contracts awarded after a public tender process within the CEO's delegation and;
- Contracts varied or extended by the CEO which exceeded the CEO's delegation.

#### **RECOMMENDATION**

**That Council receive and note this report.**

#### **REPORT**

##### **Documents Sealed**

Under the Local Government Act 1989 (the Act), each Council is a body corporate and a legal entity in its own right. Each Council must have a common seal 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 may include agreements, contracts, leases or any other contractual or legally binding document that binds Council to another party.

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.' Council's Instrument of Delegation to the CEO also delegates to the CEO the power to 'use the Common Seal of Council subject to that use being reported to Council'.

In accordance with the Local Law and Instrument of Delegation, the following are presented to Council as documents sealed during the period from 20 January to 23 February 2018:

1. Section 173 Agreement between South Gippsland Shire Council and the owner of 32 Ash Avenue, Sandy Point in relation to develop land with dwelling and remove native vegetation – Seal Applied 6 February 2018.
2. Section 173 Agreement between South Gippsland Shire Council and the owner of 36 Crichton Crescent, Venus Bay in relation to develop land with single dwelling – Seal Applied 6 February 2018.
3. Section 173 Agreement between South Gippsland Shire Council and the owner of 95 Mirboo North-Trafalgar Road, Delburn in relation to Subdivision of the land into two lots, the creation of a carriageway easement and to alter access to a road in a Road Zone, Category 1 – Seal Applied 21 February 2018.
4. Section 173 Agreement between South Gippsland Shire Council and the owner of 28-30 Atherton Drive, Venus Bay in relation to Construction of an outbuilding ancillary to a dwelling – Seal Applied 21 February 2018.

**South Gippsland Shire Council Instrument of Delegation to Special Committees approved by the CEO**

1. Allambee South Community Centre Special Committee – Seal Applied 8 February 2018.
2. Dumbalk Hall Special Committee – Seal Applied 8 February 2018.
3. Foster Showgrounds Special Committee – Seal Applied 8 February 2018.
4. Foster War Memorial Arts Cents and Senior Citizens Special Committee – Seal Applied 8 February 2018.
5. John Terrill Memorial and Fish Creek Recreation Reserve (Buckley Park) Special Committee – Seal Applied 8 February 2018.
6. Korumburra Public Park Special Committee – Seal Applied 8 February 2018.
7. Korumburra Recreation Reserve Special Committee – Seal Applied 8 February 2018.
8. Leongatha Courthouse Special Committee – Seal Applied 8 February 2018.
9. Mardan Hall Special Committee – Seal Applied 8 February 2018.
10. Meeniyan and District Sports Stadium Special Committee – Seal Applied 8 February 2018.

11. Mirboo North Hall Special Committee – Seal Applied 8 February 2018.
12. Port Welshpool and District Maritime Museum Special Committee – Seal Applied – 8 February 2018.
13. Sandy Point Community Centre and TP Taylor Reserve Special Committee – Seal Applied 8 February 2018.
14. Stockyard Gallery Special Committee – Seal Applied 8 February 2018.
15. Walter Tuck Recreation Reserve Special Committee – Seal Applied 8 February 2018.

### **Contracts awarded after a public tender process within the CEO's delegation**

The CEO's delegation from Council allows the CEO to award contracts up to the value of \$250,000 (inclusive of GST), with the exception of Annual WorkCover and Council insurance premiums.

Council's Procurement Policy requires recording in the Council Minutes all contracts over the statutory threshold set out in the Act (\$150,000 inclusive of GST for goods and services and \$200,000 inclusive of GST for works) for a public tender which shows the contracts purpose, the successful tenderer, contract length and the total contract price.

Further, Council's Procurement Policy requires 'that Council will not disclose information about procurements below the statutory thresholds, however, to ensure compliance with Council's Procurement Policy, it will be noted in this report that a contract awarded below the statutory threshold has been entered into following a public tender.

The following contracts were awarded during the period 20 January 2018 to 23 February 2018 under the CEO's financial delegation of \$250,000 (inclusive of GST) following a public tender that were not specified in the 28 June 2017 resolution (refer to the paragraph below).

1. Nil

Council resolved on 28 June 2017 to delegate to the CEO the power to award contracts specified in the resolution, subject to the preferred tenders being within budget and that Council receive a report detailing the contracts awarded. The following contracts were awarded during the period 20 January to 23 February 2018 that were specified in the 28 June 2017 resolution and that were within budget:

1. Contract CON/164 Refurbishment of the Public Hall Toilet Amenities Mirboo North awarded to Considine & Johnston Pty Ltd for the amount of \$224,767.54 (excluding GST) on 22 January 2018;

**Contracts awarded after a public tender process under the Statutory threshold by Staff other than the CEO**

The CEO has, within his Instrument of sub-delegation by the CEO to Staff delegated the power to enter into contracts (inclusive of GST), to specific staff as outlined within Council's Procurement Manual.

Further, Council's Procurement Policy requires 'that Council will not disclose information about procurements below the statutory thresholds, however, to ensure compliance with Council's Procurement Policy, it will be noted in this report that a contract awarded below the statutory threshold has been entered into following a public tender.

1. Nil

**Contract variations approved by the CEO**

Council's Procurement Policy authorises the CEO to approve any necessary variations to a contract which exceeds the CEO's delegation, to allow the proper fulfilment of the contract and to ensure delays to key projects are avoided, following consultation with the Mayor and subject to this variation being reported to the next practicable Council Meeting.

The following variations to a contract which exceeds the CEO's delegation, approved by the CEO during the period 20 January to 23 February 2018:

1. Nil

**Contract extensions approved by the CEO**

Council's Procurement Policy authorises the CEO to enter into any contract extensions subject to the satisfactory performance of the contractor and the extension being reported to Council for any contracts which in total exceeds the CEO's delegation.

The following contract extensions approved by the CEO during the period 20 January to 23 February 2018:

1. Nil

**STAFF DISCLOSURE**

Nil

## **REFERENCE DOCUMENTS**

### **Council Policy**

Local Law No. 3 2010, Processes of Municipal Government (Meeting Procedures and Common Seal)

Procurement Policy, 28 June 2017

Instrument of Delegation to the Chief Executive Officer, 22 February 2017

### **Legislative Provisions**

Local Government Act 1989 (the Act), ss.5 and 186

**9. COUNCILLOR REPORTS**

**9.1. REQUESTS FOR LEAVE OF ABSENCE**

**9.2. COUNCILLOR UPDATES**

**9.3. COMMITTEE UPDATES**

## 10. 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 Councillor....be 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 No. 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 and coming event or the outcomes of a recent meeting with a Minister etc.



## **11. PUBLIC QUESTIONS**

### **11.1. PETITIONS AND JOINT LETTERS**

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 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 a Public Presentation session speak briefly to its contents. At the following Ordinary Meeting of Council, 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.

## **11.2. ANSWERS TO PREVIOUS QUESTIONS ON NOTICE**

All community member questions for Ordinary Council Meetings are to be written and submitted to the Council Business Team by close of business on the Friday preceding the meeting to allow time for a response to be prepared, where possible, for the Council Meeting.

Public Question Time in Ordinary Council Meetings is to be used for matters that are generally political in nature or that cannot be addressed by other means. This session should not be used for questions on routine works or operational matters, planning (application) matters or for repeating previously answered questions.

Source: Public Participation in Meetings with Council Policy (C65) – adopted 23 May 2017.

**Nil**

### **11.3. SUBMITTED PUBLIC QUESTIONS**

All community member questions for Ordinary Council Meetings are to be written and submitted to the Council Business Team by close of business on the Friday preceding the meeting to allow time for a response to be prepared, where possible, for the Council Meeting.

Public Question Time in Ordinary Council Meetings is to be used for matters that are generally political in nature or that cannot be addressed by other means. This session should not be used for questions on routine works or operational matters, planning (application) matters or for repeating previously answered questions.

*Source: Public Participation in Meetings with Council Policy (C65) – adopted 23 May 2017.*

## **12. 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, 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.

**Nil**

## **13. MEETING CLOSED**

### **NEXT MEETING**

The next Ordinary Meeting of Council open to the public will be held on Thursday, 26 April 2018 commencing at 2pm in the Council Chambers, Leongatha.