

SOUTH GIPPSLAND SHIRE COUNCIL

Council Minutes

Ordinary Meeting of Council

27 June 2018

Ordinary Meeting No. 424
Council Chambers, Leongatha
Commenced at 2pm



minutes



*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.

Privacy

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

Council undertakes audio recordings of Council Meetings as a contribution to good governance and accuracy of minutes. An audio recording of this meeting is being made for the purpose of verifying the accuracy of minutes of the meeting. In some circumstances the recording may be disclosed, such as where Council is compelled to do so by court order, warrant, and subpoena or by any other law such as the Freedom of Information Act 1982. It should be noted that other people present at the meeting may be recording the meeting and Council has limited power to regulate this. Council has developed a policy to regulate recordings, "Sound Recording of Council Meetings".

A copy of this policy is located on Council's website www.southgippsland.vic.gov.au.

PRESENT

COUNCILLORS:

| |
|---|
| <p>Cr Lorraine Brunt, Mayor Cr Aaron Brown, Deputy Mayor Cr Ray Argento Cr Don Hill Cr Maxine Kiel Cr Andrew McEwen Cr Jeremy Rich Cr Alyson Skinner Cr Meg Edwards</p> |
|---|

COUNCILLORS
NOT PRESENT:

| |
|---|
| - |
|---|

OFFICERS:

| |
|---|
| <p>Tim Tamlin, Chief Executive Officer Faith Page, Director Corporate and Community Services Anthony Seabrook, Director Infrastructure Services Bryan Sword, Director Development Services Rick Rutjens, Manager Executive Support and Community Information June Ernst, Coordinator Council Business Natasha Berry, Corporate and Council Business Officer Jodi Cumming, Corporate and Council Business Officer</p> |
|---|

SOUTH GIPPSLAND SHIRE COUNCIL

Ordinary Meeting No. 424 of the
Wednesday 27 June 2018
Council Chambers, Leongatha commenced at 2pm

TABLE OF CONTENTS

| | |
|---|-----------|
| 1. PRELIMINARY MATTERS | 7 |
| 1.1. LIVE-STREAMING COUNCIL MEETING DISCLAIMER..... | 7 |
| 1.2. WELCOME..... | 7 |
| 1.3. OPENING PRAYER..... | 7 |
| 1.4. ACKNOWLEDGEMENT OF TRADITIONAL CUSTODIANS | 7 |
| 1.5. APOLOGIES..... | 8 |
| 1.6. CONFIRMATION OF MINUTES..... | 8 |
| 1.7. DECLARATION OF CONFLICTS OF INTEREST FOR COUNCILLORS..... | 9 |
| 1.8. DECLARATION OF CONFLICTS OF INTEREST FOR STAFF | 11 |
| 2. OBJECTIVE 1 - STRENGTHEN ECONOMIC GROWTH AND PROSPERITY | 12 |
| 2.1. SOUTH GIPPSLAND POPULATION GROWTH AND LAND SUPPLY STUDY | 12 |
| 2.2. PLANNING SCHEME REVIEW 2018 | 19 |
| 2.3. OPEN SPACE STRATEGY | 23 |
| 2.4. GRANT APPLICATION - GREAT SOUTHERN RAIL TRAIL EXTENSION PLANNING PROJECT (2019/20 COMMUNITY SPORTS INFRASTRUCTURE FUND – SPORT & RECREATION VICTORIA)..... | 27 |
| 3. OBJECTIVE 2 - BUILD STRONG PARTNERSHIPS, STRENGTHEN ARTS & CULTURE AND DELIVER EQUITABLE OUTCOMES..... | 33 |
| 3.1. REVIEW OF COMMUNITY GRANTS PROGRAM FOR 2018/19 | 33 |
| 3.2. FOSTER POOL MASTER PLAN ADOPTION..... | 38 |
| 3.3. NEW POLICY: ART AND ARTEFACTS COLLECTION POLICY | 42 |
| 4. OBJECTIVE 3 - IMPROVE SOUTH GIPPSLAND'S BUILT ASSETS AND VALUE OUR NATURAL ENVIRONMENT | 45 |
| 4.1. PRIORITY PROJECTS FOR ADVOCACY AND FUNDING 2018/19 - ANNUAL PLAN MAJOR PROJECTS STATUS UPDATE 2017/18..... | 45 |
| 4.2. STRATEGY REVIEW: SOCIAL COMMUNITY INFRASTRUCTURE BLUEPRINT 2014-2029 | 54 |
| 4.3. DOMESTIC ANIMAL MANAGEMENT PLAN REVIEW - CAT CURFEW AND LEASH ORDER | 63 |
| 4.4. SAND RESOURCE PROTECTION PROJECT | 72 |
| 4.5. SIGNIFICANT TREE REGISTER | 76 |
| 4.6. PROGRESS REPORT - SUSTAINABILITY STRATEGY 2016-2020 | 80 |
| 4.7. PROPOSED SALE OF RESERVE - 8 VARNEY ROAD, FOSTER..... | 85 |

| | | |
|-----------|--|------------|
| 4.8. | PROPOSED LEASE TO PARKS VICTORIA - 12 MCDONALD STREET, FOSTER..... | 94 |
| 4.9. | GRANT APPLICATION - FISH CREEK KINDERGARTEN UPGRADE (2018/19 CHILDREN'S FACILITIES CAPITAL PROGRAM - DEPARTMENT OF EDUCATION & TRAINING)..... | 100 |
| 4.10. | GRANT APPLICATION - LEONGATHA & DISTRICT NETBALL COURTS REDEVELOPMENT PROJECT (2018/19 FEMALE FRIENDLY FACILITIES FUND - SPORT & RECREATION VICTORIA)..... | 105 |
| 4.11. | GRANT APPLICATION - FOSTER INDOOR STADIUM REDEVELOPMENT PROJECT (2018/19 BETTER INFRASTRUCTURE STADIUM FUND - SPORT & RECREATION VICTORIA)..... | 108 |
| 4.12. | AWARD CONTRACT CON/175 - FISH CREEK NETBALL COURT DEVELOPMENT..... | 112 |
| 4.13. | AWARD CONTRACT CON/177 - ANNUAL SUPPLY OF PLANT HIRE AND CARTAGE CONTRACTORS..... | 117 |
| 4.14. | AWARD CONTRACT CON/178 - ANNUAL SUPPLY OF QUARRY PRODUCTS / ROAD MAKING MATERIALS..... | 121 |
| 4.15. | AWARD CONTRACTS UNDER CEO DELEGATION - 2018/19 CAPITAL WORKS PROGRAM..... | 125 |
| 4.16. | AWARD CONTRACT CON/180 - TOORA SWIMMING POOL AMENITIES UPGRADE (STAGE 1 - TOILETS & CHANGEROOMS REDEVELOPMENT)..... | 129 |
| 4.17. | PRODUCT STEWARDSHIP ACT 2011 REVIEW (RECYCLING INDUSTRY)..... | 133 |
| 5. | OBJECTIVE 4 - ENHANCE ORGANISATIONAL DEVELOPMENT AND IMPLEMENT GOVERNANCE BEST PRACTICE..... | 136 |
| 5.1. | RATING STRATEGY 2018/19..... | 136 |
| 5.2. | ANNUAL BUDGET 2018/19..... | 142 |
| 5.3. | REVISED COUNCIL PLAN 2017-2021..... | 154 |
| 5.4. | COMMUNITY SATISFACTION SURVEY RESULTS 2018..... | 161 |
| 5.5. | GENERAL REVALUATION 2018..... | 169 |
| 5.6. | POLICY REVIEW: C32 PROCUREMENT POLICY..... | 175 |
| 6. | OTHER COUNCIL REPORTS..... | 178 |
| 6.1. | WALKERVILLE RETARDING BASIN - LEGAL ADVICE..... | 178 |
| 7. | NOTICES OF MOTION AND/OR RESCISSION..... | 187 |
| 7.1. | NIL..... | 187 |
| 8. | PROCEDURAL REPORTS..... | 188 |
| 8.1. | FINANCIAL PERFORMANCE REPORT JULY TO MAY 2018..... | 188 |
| 8.2. | ASSEMBLY OF COUNCILLORS 22 APRIL 2018 TO 21 MAY 2018..... | 192 |
| 8.3. | DOCUMENTS SEALED AWARDED OR EXTENDED BY CEO 28 APRIL TO 25 MAY 2018..... | 201 |
| 9. | COUNCILLOR REPORTS..... | 205 |
| 9.1. | REQUESTS FOR LEAVE OF ABSENCE..... | 205 |
| 9.2. | COUNCILLOR UPDATES..... | 205 |

| | |
|--|------------|
| 9.3. COMMITTEE UPDATES | 205 |
| 10. URGENT OR OTHER BUSINESS | 206 |
| 10.1. WALKERVILLE RETARDING BASIN - PROPOSAL THAT COUNCIL CONSTRUCT AND MAINTAIN A 50ML DAM AT COUNCIL'S COST AND OTHER ASSOCIATED MATTERS | 215 |
| 11. PUBLIC QUESTIONS..... | 215 |
| 11.1. PETITIONS AND JOINT LETTERS | 215 |
| 11.2. ANSWERS TO PREVIOUS QUESTIONS ON NOTICE..... | 217 |
| 11.3. SUBMITTED PUBLIC QUESTIONS..... | 218 |
| 12. CLOSED SESSION | 219 |
| 13. MEETING CLOSED | 221 |



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

Nil

1.6. CONFIRMATION OF MINUTES

RECOMMENDATION

That the Minutes of the South Gippsland Shire Council:

1. Special Meeting of Council, held on 23 May 2018 at 10.45am in the Council Chambers, Leongatha be confirmed.
2. Special Meeting of Council, held on 23 May 2018 at 2.15pm in the Council Chambers, Leongatha be confirmed.
3. Special Meeting of Council, held on 30 May 2018 at 11.00am in the Council Chambers, Leongatha be confirmed.
4. Ordinary Meeting No. 423, held on 30 May 2018 in the Council Chambers, Leongatha be confirmed.

MOVED: Cr Kiel

SECONDED: Cr Skinner

THAT THE MINUTES OF THE SOUTH GIPPSLAND SHIRE COUNCIL:

1. **SPECIAL MEETING OF COUNCIL, HELD ON 23 MAY 2018 AT 10.45AM IN THE COUNCIL CHAMBERS, LEONGATHA BE CONFIRMED.**
2. **SPECIAL MEETING OF COUNCIL, HELD ON 23 MAY 2018 AT 2.15PM IN THE COUNCIL CHAMBERS, LEONGATHA BE CONFIRMED.**
3. **SPECIAL MEETING OF COUNCIL, HELD ON 30 MAY 2018 AT 11.00AM IN THE COUNCIL CHAMBERS, LEONGATHA BE CONFIRMED.**
4. **ORDINARY MEETING NO. 423, HELD ON 30 MAY 2018 IN THE COUNCIL CHAMBERS, LEONGATHA BE CONFIRMED.**

CARRIED UNANIMOUSLY

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.

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*.

Councillor Jeremy Rich declared a direct conflict of interest in Agenda Item 6.1 WALKERVILLE RETARDING BASIN – LEGAL ADVICE as “I am a Director of Ansevata Nominees this report relates to legal advice in response to an issue with Ansevata”.

Councillor Jeremy Rich declared a direct conflict of interest in Agenda Item 10.1 WALKERVILLE RETARDING BASIN - PROPOSAL THAT COUNCIL CONSTRUCT AND MAINTAIN A 50ML DAM AT COUNCIL'S COST AND OTHER ASSOCIATED MATTERS as “I am a Director of Ansevata that is a party to this matter”.

Councillor Aaron Brown declared an indirect financial conflict of interest in Agenda Item 4.7 PROPOSED SALE OF RESERVE – 8 VARNEY ROAD, FOSTER as he is “Drainage line in this item runs through a property I have an interest on O’Connell Road, Foster”.

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*.

Nil

2. OBJECTIVE 1 - STRENGTHEN ECONOMIC GROWTH AND PROSPERITY

2.1. SOUTH GIPPSLAND POPULATION GROWTH AND LAND SUPPLY STUDY

Development Services Directorate

EXECUTIVE SUMMARY

This report presents the Population Growth and Land Supply Study to support planning for any future population growth in South Gippsland. A range of data is presented in online web format to allow viewing of interactive maps, charts and community profiles.

RECOMMENDATION

That Council accept the Population Growth and Land Supply Study (www.southgippsland.vic.gov.au/populationandlandsupplystudy) as a reference resource for the community and Council decision making.

The Mayor adjourned the Council Meeting for two minutes, to allow for the microphone system to be adjusted.

MOVED: Cr Rich

SECONDED: Cr McEwen

THAT COUNCIL ACCEPT THE POPULATION GROWTH AND LAND SUPPLY STUDY

(WWW.SOUTHGIPPSLAND.VIC.GOV.AU/POPULATIONANDLANDSUPPLYSTUDY) AS A REFERENCE RESOURCE FOR THE COMMUNITY AND COUNCIL DECISION MAKING.

CARRIED UNANIMOUSLY

[Link to next agenda item](#)

REPORT

The Population Growth and Land Supply Study provides data analysis of population growth and residential, commercial and industrial land supply in South Gippsland from 1900 to today and forecasts growth and land supply to 2031. It provides a basis for discussion by Council on priority issues relating to population growth, strategic land use planning, biodiversity, agriculture and business.

The study is provided in an online format to allow viewing of data in interactive maps, graphs, and community profiles.

The study provides data for the whole South Gippsland local government area, detailed data for 18 South Gippsland towns, and case studies of local residents.

The 18 towns included in the study are:

- Dumbalk
- Korumburra
- Fish Creek
- Foster
- Leongatha
- Loch
- Meeniyan
- Mirboo North
- Nyora
- Poowong
- Port Welshpool
- Sandy Point
- Tarwin Lower
- Toora
- Venus Bay
- Walkerville
- Waratah Bay
- Welshpool

Data for the greater South Gippsland local government area includes:

- Historical population growth 1900 – 2016 (where available)

- Historical dwelling growth 1900 – 2016
- Current at 2016 distribution of the population in the 18 towns 18 and rural areas by zone and land size
- Comparative vacant land prices between South Gippsland and neighbouring Shire Councils 2016 and 2017
- Where South Gippsland residents work and where workers in South Gippsland live
- Non-resident rate payers place of primary residence

Data for each of the 18 feature towns includes:

- Detailed historic dwelling construction 1900 – 2016
- 2016 Census – detailed web based spotlight for each town
- 2016 dwellings and vacant land in residential zones; resident ratepayers and non-resident ratepayers
- Residential land supply, potential lot yield in full development scenario
- Commercial and industrial land supply detailed maps.

Community Case studies

A sample of community members tell their stories of what attracts them to and retains them in the area; or influences them to move within the area or away.

Land Supply Study

The Land Supply Study is a map-based assessment of residential, commercial and industrial land availability across the abovementioned townships. The assessment identifies the amount of vacant land available for each type of use (number of lots and/or gross hectare availability) and how much land is available for future development based on past land development rates. This is important to know because the State Planning Policy Framework (SPPF) requires Councils to have at least 15 years residential land supply available for subdivision and development on a municipal wide basis. The SPPF has no similar requirements in relation to commercial and industrial land.

Residential Land Supply

The Residential Land Supply maps (see below web link) were compiled by analysis of Council's rates database, planning permit approval information (new dwelling and subdivision planning permits) building approval statistics and verification against Council's new aerial photography captured in February 2018. This provides the most up to date residential land supply information Council has compiled to date.

The results demonstrate an interesting relationship between the existing supply of greenfield (former farming land) residential zoned land that can be subdivided to create residential lots and the number of vacant lots available today on which a dwelling can be constructed.

For example, Leongatha currently has 156 vacant urban zoned residential lots (greenfield & approved infill lots) on which a dwelling could be constructed today. In the past 10 years the average yearly number of new dwellings constructed in Leongatha is 40. This means that based on the current supply of 156 lots, the township has just on four years residential land supply - assuming all new dwellings are constructed on greenfield / infill lots and are not replacement dwellings.

This figure is balanced against the fact that a further 265 residential lots have been approved by Council on greenfield sites (subdivision planning permit issued) and can be released to the market at the discretion of developers. This provides Leongatha with a combined total of 11 years land supply. In addition to this, Leongatha has significant greenfield land reserves that are zoned residential on which Council is yet to receive a planning permit application to subdivide. The subdivision of these areas provides Leongatha with an excess of 15 years residential zoned land available for development. This assessment does not include additional land identified by the planning scheme as suitable for urban rezoning in the longer term.

The above example demonstrates that no single figure can be used to identify an under- or over-supply of residential land. Council has a key role to play in managing land supply however the fundamental drivers comes from the development industry which is responding to market forces.

Land supply can also be affected by State Government changes to the SPPF. A residential land supply study was undertaken in 2017 to support the preparation of the Mirboo North Structure Plan Refresh. Recent State Government changes to the Bushfire Management Overlay (BMO) mean that some sites that were identified as having subdivision potential may no longer

be supported for subdivision. Similar BMO changes have affected Foster. Planning system changes support Council regularly reviewing its land supply information.

The below table provides a township based summary of some of the key findings of the residential land supply analysis. It is important to read this table in context of the full Land Supply Study which includes individual township maps demonstrating the extent of land supply:

www.southgippsland.vic.gov.au/populationandlandsupplystudy

Figure 1 - Residential Land Supply Summary Findings – May 2018

Residential Land Supply Summary Findings - May 2018

| | Number of existing residential lots | Number of approved subdivision lots yet to be developed | Urban zoned land - no subdivision permit (Ha) (excludes infill) | | | | Farming Zone land identified for future residential development (rezoning required) (Ha) | | | | Average new dwellings completed per year (10 year average) |
|-----------------|-------------------------------------|---|---|-------------|--------------|--------------|--|--------------|---------------|--------------|--|
| | | | GRZ | LDRZ | RLZ | TZ | GRZ | LDRZ | RLZ | TZ | |
| TOWNSHIP | | | | | | | | | | | |
| Dumbalk | 9 | - | - | - | - | - | - | - | - | - | 1 |
| Fish Creek | 11 | - | - | - | - | - | - | - | - | - | 4 |
| Foster | 57 | - | 5.84 | - | 14.03 | - | 16.73 | 19.74 | 121.18 | - | 14 |
| Korumburra | 139 | 184 | 73.26 | - | 69.82 | - | - | - | 163.45 | - | 34 |
| Leongatha | 156 | 265 | 20.88 | - | - | - | 177.79 | - | 230.05 | - | 40 |
| Loch | 32 | - | 0.98 | 4.63 | - | 3.06 | 7.67 | - | - | - | 4 |
| Meeniyan | 16 | - | - | - | - | - | 10.71 | 30.79 | - | - | 3 |
| Mirboo North | 50 | 4 | 21.76 | - | - | - | - | - | - | - | 11 |
| Nyora | 26 | - | 50.96 | - | - | - | 125 | - | - | - | 9 |
| Poowong | 6 | 119 | 5.77 | - | - | - | 4.54 | - | - | - | 6 |
| Port Welshpool | 76 | - | - | - | - | - | - | - | - | - | 4 |
| Prom Views | 107 | - | - | - | - | - | - | - | - | - | 4 |
| Sandy Point | 94 | - | - | - | - | - | - | - | - | 8.87 | 7 |
| Tarwin Lower | 44 | - | - | - | - | - | - | - | - | - | 5 |
| Toora | 45 | - | - | - | - | 6.27 | - | - | - | - | 3 |
| Venus Bay | 790 | - | - | 3.28 | - | 0.61 | - | 12.08 | - | - | 28 |
| Waratah Bay | 20 | - | - | - | - | - | - | - | - | 3.32 | 2 |
| Welshpool | 17 | - | - | - | - | 3.01 | - | - | - | 4.46 | 1 |
| TOTALS | 1695 | 572 | 179.45 | 7.91 | 83.85 | 12.95 | 342.44 | 62.61 | 514.68 | 16.65 | 180 |

GRZ = General Residential Zone. Average subdivision density is 10 lots per Ha

LDRZ = Low Density Residential Zone. Average subdivision density is 4 lots per Ha (sewer) and 2 lots per Ha (no sewer)

RLZ = Rural Living Zone. Average subdivision density is 8 lots per 10Ha (min lot size 1Ha)

TZ = Township Zone. Average subdivision density is 10 lots per Ha (dependant on sewer / waste water requirements)

The study weblink below provides more detail on Residential land supply.

Commercial and Industrial Land Supply

In recent years a number of mostly township specific commercial and industrial land supply studies have been undertaken by Council. The key studies can be accessed on the project webpage.

Building on the methodology of the past studies, the current Land Supply Study is an audit of each use on each lot in the commercial and industrial zones across the Shire. This information, along with photographs of the uses has been captured in Council's GIS system and will form a base point from

which to undertake ongoing monitoring of changes to commercial and industrial land uses over time.

The current trend in town centres globally is typified by a decline in traditional retailing (provision of goods) and a rise in services, notably food services. This is strongly evident in the survey data. The results also indicate the dynamic rate at which change can occur. Korumburra is shortly to see two large town centre vacancies occupied by new uses. When combined with other new retail and service uses in Korumburra, a town centre with high vacancy rates in recent years will likely soon have a below average vacancy rate. The small size of the Shire's town centres and their potential for dynamic change (both positive and negative) mean that caution must be taken when drawing conclusions from the commercial land supply results.

Industrial land supply is far less dynamic than the residential or commercial land supply sector. When compared to past studies it is evident that there is limited churn (change of use) occurring in industrial areas. Land usage rates are high in the main townships (few vacant lots / empty buildings) and additional industrial land is required in Leongatha. Korumburra has a large vacant industrial zoned lot (24ha) that has a subdivision permit, however the topography of the land (slope, waterways, vegetation, Giant Gippsland Earthworms) restrict development potential (lot yield) and add to developer costs, reducing the likelihood that the land will be brought to market in the short term.

The study weblink below provides more detail on Industrial and Commercial land (www.southgippsland.vic.gov.au/populationandlandsupplystudy).

RESOURCES

Council staff from a range of departments have combined to provide the content of this study.

RISKS

Caution should be taken when using the historical data. From 1900 to 2016 Census geography has changed many times. The Shires making up the current South Gippsland Shire included some populations that are now part of neighbouring Shires. Limitations of the historical data has been addressed through analysis of a range of data combined with local historical knowledge. The risk of not planning for population growth may result in ad hoc population growth in areas where service providers and Council may have difficulty providing the services needed by a growing community.

STAFF DISCLOSURE

Nil

ATTACHMENTS

Study presented at the following URL:

www.southgippsland.vic.gov.au/populationandlandssupplystudy

REFERENCE DOCUMENTS

Council Policy

Documents are available on Council's website: www.southgippsland.vic.gov.au

Council Plan 2017-2021

Town Centre Framework Plans

Legislative Provisions

Gippsland Regional Growth Plan, September 2013, State Government Victoria

Planning and Environment Act 1987

2.2. PLANNING SCHEME REVIEW 2018

Development Services Directorate

EXECUTIVE SUMMARY

The Planning and Environment Act 1987 requires Council to review its Planning Scheme within 12 months of approving its Council Plan. Using evidence from engagement, statistics and comparison with the previous review's report, the review assesses Council's planning services as well as the provisions contained within the Planning Scheme.

The Planning Scheme generally aligns with State policy but would benefit from updating the local sections of the Planning Scheme to the revised format introduced by the State Government. Other improvements are also recommended. The Review provides detail on planning activity, makes recommendations to improve planning application processes and suggests future strategic planning amendments and projects.

RECOMMENDATION

That Council:

1. Adopts the South Gippsland Planning Scheme Review 2018 as contained in Attachment [2.2.1] – Planning Scheme Review and Confidential Attachment [15.4.1] – Planning Scheme Review 2018; and
2. Submit a copy of the adopted South Gippsland Planning Scheme Review 2018 to the Minister for Planning as required by s.12(B)(5) of the Planning and Environment Act 1987.

MOVED: Cr Brunt

SECONDED: Cr Skinner

THAT COUNCIL:

1. **ADOPTS THE SOUTH GIPPSLAND PLANNING SCHEME REVIEW 2018 AS CONTAINED IN ATTACHMENT [2.2.1] – PLANNING SCHEME REVIEW AND CONFIDENTIAL ATTACHMENT [15.4.1] – PLANNING SCHEME REVIEW 2018; AND**
2. **SUBMIT A COPY OF THE ADOPTED SOUTH GIPPSLAND PLANNING SCHEME REVIEW 2018 TO THE MINISTER FOR PLANNING AS REQUIRED BY S.12(B)(5) OF THE PLANNING AND ENVIRONMENT ACT 1987.**

CARRIED UNANIMOUSLY

[Link to next agenda item](#)

REPORT

Background

The Planning and Environment Act (1987) s.12(B) states:

- (3) The objective of a review under this section is to enhance the effectiveness and efficiency of the planning scheme in achieving –
 - (a) the objectives of planning in Victoria; and
 - (b) the objectives of the planning framework established by this Act.
- (4) The review must evaluate the planning scheme to ensure that it –
 - (a) is consistent in form and content with the directions or guidelines issued by the Minister under s.7; and
 - (b) sets out effectively the policy objectives for use and development of land in the area to which the planning scheme applies; and
 - (c) makes effective use of State provisions and local provisions to give effect to State and local planning policy objectives.

Council adopted the previous Planning Scheme Review 2011-2014 at the Ordinary Meeting of Council 25 March 2015. The Review Report is available on Council's website within the Minutes from that meeting at:

www.southgippsland.vic.gov.au/meetings/meeting/25/council_meetings_-_agendas_and_minutes

Council adopted the Council Plan 2017-2021 at its Ordinary Meeting of Council 28 June 2017. The Planning Scheme Review 2018 (PS Review 2018) must be adopted by 30 June 2018.

General Practice Note - Review of Planning Schemes (DSE February 2006), which refers to the 'Continuous Improvement Review Kit: for Planning and Responsible Authorities', has guided the Planning Scheme Review 2018 (PS Review) – refer **Attachment [2.2.1]** – Planning Scheme Review and **Confidential Attachment [15.4.1]** – Planning Scheme Review 2018.

CONSULTATION

Consultation has been undertaken with external organisations and agencies, and with professionals working in the planning, development and real estate sectors in South Gippsland. Twelve of the 24 external organisations invited made comments. Eleven of the 52 invited external professionals provided comments.

External organisations received a list of prompts about areas they may wish to comment on, and external professionals were sent a survey link. The general community was invited to give feedback via Council's Facebook page, Council's website (home page) and by advertisement in the Council Noticeboard in local newspapers.

Seventeen responses were received. Internal stakeholders were also consulted by an emailed invitation with a survey link, with 29 providing feedback.

A summary of the feedback and responses to issues raised are contained in the PS Review's **Confidential Attachment [15.4.1]**.

DISCUSSION

The comprehensive nature of the PS Review gives Council an opportunity to consider the Planning Scheme and how it fits with both the objectives of the Council Plan and the requirements of the State Planning Policy Framework.

The PS Review also provides South Gippsland Shire Council performance regarding the assessment of planning permit applications benchmarked against other Councils and the performance requirements of the Act. The details are contained in the open section of the Review. This information can be used to guide improvements to the Planning Scheme and Council's processes.

A spreadsheet is maintained between PS Reviews where Council staff can list issues requiring improvements that they encounter with the Planning Scheme in their day to day work. However the PS Review consultation process has raised new suggestions for the Planning Scheme from both external and internal sources. It is also an opportunity for external sources to reflect on their impressions of dealing with Council's Planning Department and planning processes. As expected, some feedback relates to other Council services, other agencies' responsibilities or to State Government sections of the Planning Scheme which the Local Planning Policy Framework must align with.

In conclusion, the PS Review found that South Gippsland Planning Scheme and Council's planning services are allocating land for growth where capacity exists. It is allowing varying land uses and developments while minimising impact on amenity, environmental and local character values and risks to the community, both current and future. The majority of improvements from the last PS Review have been implemented or are in progress. Further improvements have been identified. This includes re-drafting the Municipal Strategic Statement (MSS) to convert the Local Planning Policy Framework to the 'new format' planning scheme version. This will make the layout easier to access.

RESOURCES

The Planning Scheme Review and the undertaking of associated Planning Scheme Amendment/s is part of standard operational practices.

RISKS

Improving the efficiency and effectiveness of the Planning Scheme and Council's planning services reduces risk for developers, communities, the environment and the economy.

Failure to prepare, adopt and submit a Planning Scheme Review in a timely fashion risks contravention of the Planning and Environment Act.

STAFF DISCLOSURE

Nil

ATTACHMENTS

Attachments are available on Council's website: www.southgippsland.vic.gov.au

1. Planning Scheme Review 2018 [2.2.1]

CONFIDENTIAL ATTACHMENTS

Confidential Attachment [15.1.1] – Planning Scheme Review 2018 – is to be read in conjunction with the Council Report listed in the open Ordinary Meeting of Council Agenda 27 June 2018, item 2.2 – Planning Scheme Review 2018.

This Confidential Attachment 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.

Items 1 to 5 are deemed confidential as these include consultation submission feedback; item 6 is an internal audit being a subset of another audit; item 7 personnel details pertaining to salaries; item 8 future project yet to be endorsed by Council.

REFERENCE DOCUMENTS

Council Policy

Documents are available on Council's website: www.southgippsland.vic.gov.au

Council Plan 2017-2021

South Gippsland Planning Scheme

Legislative Provisions

Planning and Environment Act 1987

2.3. OPEN SPACE STRATEGY

Development Services Directorate

EXECUTIVE SUMMARY

This report provides Council and the community with a review of the Open Space Strategy (refer **Attachment [2.3.1]**) and identifies the next steps to occur in the preparation of an Open Space Strategy.

The revised Open Space Strategy will provide a broad framework that will support the provision of a wide range of valued uses sought from public open spaces by the community. Council is one of a number of owners and managers of public open space that will benefit from improved information on public open space quantity, quality and use. It is an extensive project that will involve a number of consultation processes with internal and external stakeholders and the innovative use of mapping technology to collect community perceptions and experiences.

RECOMMENDATION

That Council notes this review (refer Attachment [2.3.1]) and proceed with the development of an Open Space Strategy with community engagement to assist in understanding wider views on the provision of open space.

MOVED: Cr Skinner

SECONDED: Cr Argento

THAT COUNCIL NOTES THIS REVIEW (REFER ATTACHMENT [2.3.1]) AND PROCEED WITH THE DEVELOPMENT OF AN OPEN SPACE STRATEGY WITH COMMUNITY ENGAGEMENT TO ASSIST IN UNDERSTANDING WIDER VIEWS ON THE PROVISION OF OPEN SPACE.

CARRIED UNANIMOUSLY

[Link to next agenda item](#)

REPORT

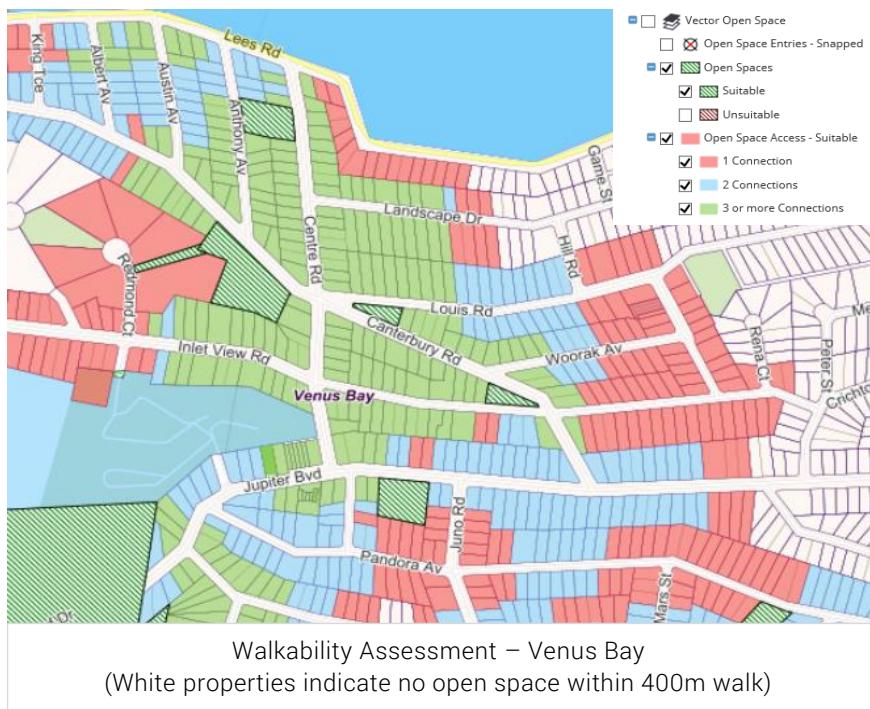
Open Space Strategies are a broad framework to facilitate planning of recreational services, paths, trails, parks and gardens within the Shire. In particular, it provides opportunity to direct the provision, improvement, management and any future acquisition or disposal of public open space (POS) by Council or other land owners / managers.

Open spaces have a broad range of uses such as organised sports, walking, cycling, children playing and for natural beauty. They provide an important service in providing spaces for active and healthy lifestyles as well as for environmental conservation purposes.

Open space assets in the Shire also contribute greatly to tourism opportunities and activities, for example the Great Southern Rail Trail. The review of POS and ongoing maintenance and quality issues will enable Council to secure and capitalise on these tourism assets into the future.

The review has proceeded with internal stakeholders and has:

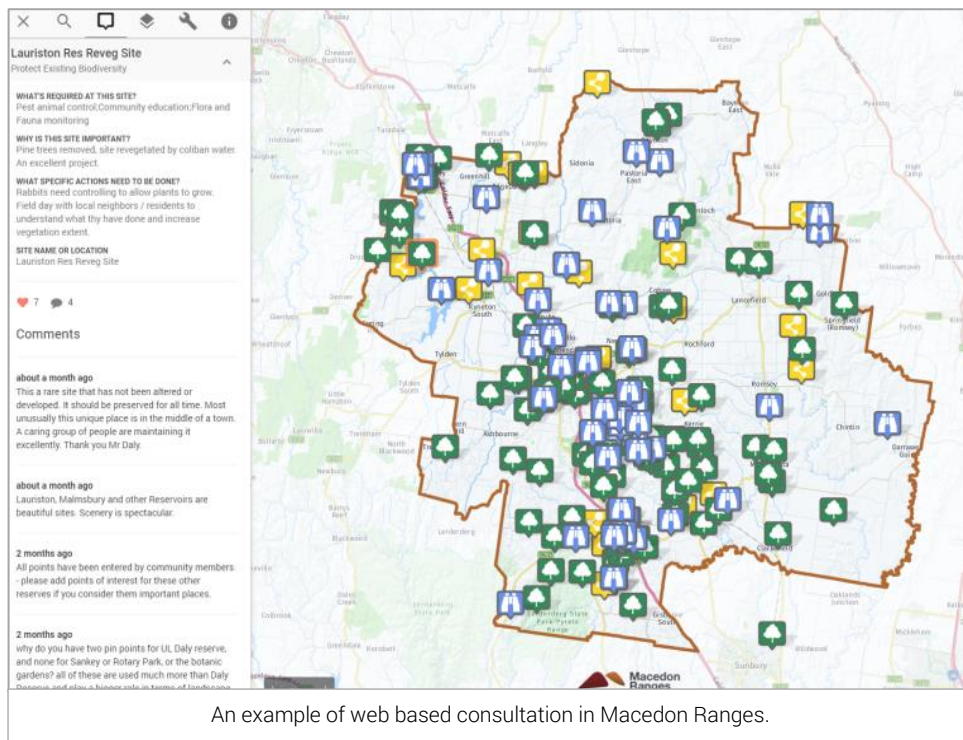
1. **Established a framework for evaluation** – this involved developing overarching objectives and determining which categories are useful to define the spaces and how to best gather information on the perception of quality by users of the space.
2. **Identification and evaluation of existing open space** – involving generation of a geospatial database that identifies known open spaces and their attributes (e.g. playground). Residential areas have been assessed to



determine areas with oversupply and undersupply of suitable POS. This information is essential to determine if open space can be sold by Council or other land holders (for example Victorian Government) without adverse impact on the community.

The next stage will engage with the community and other external stakeholders to determine the value expected from POS (what is liked / disliked and community expectations for open space) and the level to which this is delivered. Council will undertake:

1. **External land holders' consultation** – Integrate comment / advice from external land holders of public open space such as DELWP and Parks Victoria into a database and user collaboration tool.
2. **User collaboration** – Connect with POS users (residents and visitors) via an interactive website to collect information on perceived value, current uses and experience, possible improvements and areas in need of POS or connections.



3. **Collaborative development of strategy draft, internal guidelines and implementation plan with interactive web based map** – Seek consensus on what is desired, how we can plan for it and then act to achieve it. Planning Scheme and operational process improvements will be explored and discussed, for example, zoning changes, developer contributions policy, and user revitalisation programs.

The final stage will be to publicly exhibit strategy and document. We will:

1. **Prepare final Open Space Strategy, internal guidelines and implementation plan with maps.**
2. **Prepare Planning Scheme Amendments** – For example, the Strategy may recommend application of the Public Acquisition Overlay to key future open space areas such as the potential open space reserve (sporting grounds) south of the Leongatha Hospital.

Given the amount of open space in the Shire, the broad range of issues and the number and variety of stakeholders involved, it is expected that the project will take up to two years to complete.

CONSULTATION

Consultation with POS external land holders and managers will commence first, with community online collaboration held once all information on open spaces and their current and potential service provisions are collected. Public sessions will be held where required.

RESOURCES

The Strategy has no directly allocated budget and will be prepared using internal staff resources and time.

RISKS

Not completing the strategy will place Council at risk of not meeting the requirements of Clause 11.04 of the Planning Scheme, which is to 'assist in the creation of a diverse and integrated network of public open space commensurate with the needs of the community'. The Strategy is also required to reduce the risk of POS being purchased or sold by public authorities without appropriate consideration being given to the broad range of issues affecting the diverse values of open space.

STAFF DISCLOSURE

Nil

ATTACHMENTS

1. Open Space Strategy - Policy Review Summary **[2.3.1]**

REFERENCE DOCUMENTS

Council Policy

Documents are available on Council's website: www.southgippsland.vic.gov.au
Council Plan 2017-2021

2.4. GRANT APPLICATION - GREAT SOUTHERN RAIL TRAIL EXTENSION PLANNING PROJECT (2019/20 COMMUNITY SPORTS INFRASTRUCTURE FUND – SPORT & RECREATION VICTORIA)

Infrastructure Directorate

EXECUTIVE SUMMARY

Sport and Recreation Victoria's Community Sports Infrastructure Fund is a Victorian Government funding program that helps provide high-quality, accessible community sport and recreation facilities across Victoria. Funding is available under the following categories; Better Pools, Major Facilities, Small Aquatic Projects, Minor Facilities, and Planning.

On the 30 May 2018, Council endorsed four project applications to the Small Aquatic Projects, Minor Facilities and Planning - Recreation Planning or Facility Feasibility Grants programs.

An opportunity has arisen to submit an additional application for the development of a Business Case and Infrastructure report for the Great Southern Rail Trail (GSRT) Extension (Leongatha to Clyde) project.

RECOMMENDATION

That Council:

1. Applies for \$50,000 to Sport and Recreation Victoria – 2019/20 Community Sports Infrastructure Fund (CSIF) for the Great Southern Rail Trail (GSRT) Extension (Leongatha to Clyde) – Planning project;
2. Notes that the project is joint project between South Gippsland Shire Council, Cardinia Shire Council, Casey City Council and Bass Coast Shire Council;
3. Notes that due to the funding program timeframes, the application was submitted on 25 June 2018;
4. Notes that Council proportion of \$52,000 is already allocated in the Capital Works Budget for the Great Southern Rail Trail (GSRT) Extension (Leongatha to Clyde) – Planning project;
5. Notes that the Cardinia Shire Council and Casey City Council will allocate their proportion towards the overall cost of the Great Southern Rail Trail (GSRT) Extension (Leongatha to Clyde) – Planning project which is determined based on the length of trail within their municipality that the planning will cover ;

6. Provides staff resources within funding allocated in the total project cost for management of the projects if approved by Sport and Recreation Victoria.

MOVED: Cr Argento

SECONDED: Cr Rich

THAT COUNCIL:

1. **APPLIES FOR \$50,000 TO SPORT AND RECREATION VICTORIA – 2019/20 COMMUNITY SPORTS INFRASTRUCTURE FUND (CSIF) FOR THE GREAT SOUTHERN RAIL TRAIL (GSRT) EXTENSION (LEONGATHA TO CLYDE) – PLANNING PROJECT;**
2. **NOTES THAT THE PROJECT IS JOINT PROJECT BETWEEN SOUTH GIPPSLAND SHIRE COUNCIL, CARDINIA SHIRE COUNCIL, CASEY CITY COUNCIL AND BASS COAST SHIRE COUNCIL;**
3. **NOTES THAT DUE TO THE FUNDING PROGRAM TIMEFRAMES, THE APPLICATION WAS SUBMITTED ON 25 JUNE 2018;**
4. **NOTES THAT COUNCIL PROPORTION OF \$52,000 IS ALREADY ALLOCATED IN THE CAPITAL WORKS BUDGET FOR THE GREAT SOUTHERN RAIL TRAIL (GSRT) EXTENSION (LEONGATHA TO CLYDE) – PLANNING PROJECT;**
5. **NOTES THAT THE CARDINIA SHIRE COUNCIL AND CASEY CITY COUNCIL WILL ALLOCATE THEIR PROPORTION TOWARDS THE OVERALL COST OF THE GREAT SOUTHERN RAIL TRAIL (GSRT) EXTENSION (LEONGATHA TO CLYDE) – PLANNING PROJECT WHICH IS DETERMINED BASED ON THE LENGTH OF TRAIL WITHIN THEIR MUNICIPALITY THAT THE PLANNING WILL COVER; AND**
6. **PROVIDES STAFF RESOURCES WITHIN FUNDING ALLOCATED IN THE TOTAL PROJECT COST FOR MANAGEMENT OF THE PROJECTS IF APPROVED BY SPORT AND RECREATION VICTORIA.**

CARRIED UNANIMOUSLY

[Link to next agenda item](#)

REPORT

On the 19 April 2018, the Hon John Eren MP, Minister for Sport, officially launched the 2019/20 Community Sport Infrastructure Fund (CSIF). The 2019/20 CSIF is a Victorian Government funding program that helps provide high quality, accessible community sport and recreation facilities across Victoria.

Community Sport Infrastructure Fund (CSIF) Program

The CSIF provides grants for planning, building new and improving existing facilities where communities conduct, organise and participate in sport and recreation.

Applications to the CSIF program closed on Monday 25 June 2018.

Detailed information on the CSIF program categories and program guidelines is available on SRV's website. In summary, funding is available under the following categories:

- Better Pools – Grants of up to \$3 million are available to provide high-quality aquatic leisure facilities through new or redeveloped aquatic leisure centres.
- Major Facilities – Grants of up to \$800,000 (where the total project cost is more than \$500,000, excluding GST) are available to develop or upgrade sub-regional and regional sport and active recreation facilities.
- Small Aquatic Projects – Grants of up to \$250,000 are available to improve and upgrade aquatic facilities, seasonal pools and develop new water play spaces.
- Minor Facilities – Grants of up to \$250,000 are available for community sport and recreation groups, working in partnership with local government, to develop or upgrade community sport and recreation facilities.
- Planning
 - Recreation Planning or Facility Feasibility - Grants of up to \$30,000 for projects focusing on recreation planning or facility feasibility in one municipality.
 - Regional - Grants of up to \$50,000 for regional planning initiatives that demonstrate inter-municipal needs and financial support from multiple local government authorities.

Great Southern Rail Trail (GSRT) Extension (Leongatha to Clyde) Planning Project

The Planning category supports councils to provide a strategically planned response to community sport and active recreation needs. Funding is available for planning initiatives that address the future sport and active recreation needs of communities through better information gathering, consultation and strategic planning.

Although Council has already submitted one application for the Leongatha Recreation Reserve Master Plan, Councils may also submit an additional planning application that seeks to address a recreation planning or facility feasibility issue that affects more than one municipality.

The application is required to be auspiced by one municipality and requires a financial contribution from more than one local government authority to be eligible.

The GSRT Extension project is a Priority Project of Council with three distinct stages being:

- Welshpool to Alberton (Wellington Shire Council)
- Leongatha to Korumburra
- Korumburra to west of Nyora

Funding for the development of the Welshpool to Alberton section is being actively pursued by Wellington Shire Council in consultation with South Gippsland Shire Council. An Expression of Interest has been submitted to the Latrobe Valley Authority and Regional Development Victoria and should an invitation to application be received, a future report will be presented to Council for endorsement.

A stakeholder's group has been established between SGSC, Cardinia Shire Council, City of Casey and Bass Coast Shire Council to discuss the potential and benefits of developing the GSRT from Leongatha to Clyde along with other identified linkages to the trail (such as Nyora to Woolamai). It should be noted that the extension of the GSRT and linkages are identified in each individual Council's tracks and trails strategies.

The stakeholder group identified that to attract external funding, appropriate planning needs to be undertaken including a business case and infrastructure assessment/report. Due to the nature of the project and to assist with the costs associated with the planning, an application to SRV Planning - Regional

category is considered eligible and therefore it is recommended to seek the maximum \$50,000.

Applications to the SRV Community Sport Infrastructure Fund programs closed on the 25 June 2018, therefore an application has already been submitted to meet the program timeframes. Outcomes of the application are expected in September 2018 and once funding agreements are executed, the planning will be able to proceed.

CONSULTATION

The GSRT Extension Project (Leongatha to west to Nyora) and is a current Council Priority Project for Development.

The GSRT Extension Planning Project is supported by Cardinia Shire Council, City of Casey and Bass Coast Shire Council identifying the advantages of the project to the region as well as addressing the projects identified in their individual tracks and trails strategies. Refer to **Attachment [2.4.1]** for letters of support from the respective Councils.

Discussions have also taken place with Sport and Recreation Victoria representatives ensuring the eligibility and objective to the program.

The extension of the GSRT, along with future opportunities to leverage from the extension by developing other linkages, has obvious economic benefits as well health and social impacts. The project has been discussed broadly with Regional Development Victoria as a potential funding partner.

RESOURCES

GSRT Extension Planning Project is estimated at \$144,000 and will include the Business Case for the development of the trail from Leongatha to Clyde along with other potential linkages once the extension has been completed.

An application will be sought for \$50,000 towards the project. The remaining \$94,000 will be contributed by the three Council's (South Gippsland Shire Council, Cardinia Shire Council and City of Casey) that rail corridor dissects and determined by the length of the trail within each municipality. It should be noted however that actual final contribution by both Cardinia Shire Council and City of Casey may be amended once it is determined the exact planning previously undertaken in 2010. This investigation is currently being undertaken and will not affect the funding allocation required by South Gippsland Shire Council.

Although Bass Coast Shire Council is an identified stakeholder, as the planning will focus on the actual GSRT corridor, they have not been asked to allocate funding at this stage.

The proposed breakdown is as follows:

| Municipality | Length of Works | Percentage | Contribution |
|-------------------------------|------------------------|-------------------|---------------------|
| South Gippsland Shire Council | 43Km's | 56% | \$52,000 |
| Cardinia Shire Council | 26km's | 34% | \$32,000 |
| City of Casey | 8Km's | 10% | \$10,000 |

The scope will also include an assessment of the infrastructure requirements for the development of the trail and linkages along with Cost Estimate for the works. The report will provide cost breakdowns for each of the stages within the overall project. The project will also include the development of a business case.

Funding of \$170,000 is allocated to the development of the GSRT in the 2017/2018 Capital Works Budget which \$85,000 has been committed to investigation and design the trail crossing over Roughead Street, Leongatha. The remaining funds will cover Council's contribution of \$52,000 for the GSRT Planning project.

RISKS

If Council does not support the application, Council will miss an opportunity to obtain external funds to assist with funding for the planning of the GRST Extension project.

STAFF DISCLOSURE

Nil

REFERENCE DOCUMENTS

Council Policy

Documents are available on Council's website: www.southgippsland.vic.gov.au Priority Projects Council Plan 2017-20211

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

3.1. REVIEW OF COMMUNITY GRANTS PROGRAM FOR 2018/19

Corporate and Community Services Directorate

EXECUTIVE SUMMARY

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

RECOMMENDATION

That Council:

1. Adopts the revised C47 Community Grants Program Policy 27 June 2018 (Attachment [3.1.1]);
2. Adopts the revised Community Grants Program Guidelines and Information 2018/19 (Attachment [3.1.2]); and
3. Notes the opening date for the Community Grants Program on 1 July 2018.

MOVED: Cr Hill

SECONDED: Cr Kiel

THAT COUNCIL:

1. **ADOPTS THE REVISED C47 COMMUNITY GRANTS PROGRAM POLICY 27 JUNE 2018 (ATTACHMENT [3.1.1]);**
2. **ADOPTS THE REVISED COMMUNITY GRANTS PROGRAM GUIDELINES AND INFORMATION 2018/19 (ATTACHMENT [3.1.2]); AND**
3. **NOTES THE OPENING DATE FOR THE COMMUNITY GRANTS PROGRAM ON 1 JULY 2018.**

CARRIED UNANIMOUSLY

[Link to next agenda item](#)

REPORT

The Community Grants program continues to meet the objectives of the Community Grants Policy (**Attachment [3.1.1]** C47 Community Grants Program Policy 27 June 2018). However it is acknowledged that each year the program is monitored and adjusted accordingly to ensure that the program objectives continue to be met.

Recommendations:

1. Update the policy to reflect that the Program is now managed by Council's Community Strengthening team. (This program was previously managed by the Grants and Emergency Management team.)
2. Amend the guidelines to clarify eligibility criteria and information required by Council to assist with application assessment:
 - a. Clarify that all grant types are only available to not for profit, volunteer managed community organisations. It has become apparent that some commercial organisations have assumed their eligibility to apply for the Small Grants and Emergency Grants programs due to lack of clarity of the guidelines.
 - b. Delete reference to "Celebrations" in the Festivals, Events and Celebrations category. Having this term encourages groups to apply for activities that often do not receive funding as the group can self-fund the activity. Where the celebration has a wide community impact then the project can be assessed as a community event.
 - c. Advise that a series of events spread over a number of months or a whole year can be accepted under the Festivals and Events category. This will enable small cultural groups to seek support for a music/drama series over a period of time or a new recreational group to plan a series of smaller events to help become established.
 - d. Planning and Development grant contributions to more explicitly request a substantial contribution from applicants who have capacity to do so. For example, Council receives requests from groups to pay for masterplan updates where Council has substantially funded the original plan, and where the organisation has substantial reserves.
 - e. Small Grant program changes. Limit the number of Small Grants per year to a specific group to two. There has been a significant increase in the number of small grant applications this calendar year, with some groups making multiple applications. Council

currently offers up to \$1,000 with no requirement for the applicants to contribute any funds. It is also proposed that small grant applicants be required to provide full financial information as per all other grant categories to ensure that Council funds are provided to groups that are unable to fund their project at least in part themselves, and that applicants be required to show why they are unable to fund the project themselves.

- f. Reinforce that Community grants are not available for government funded agencies such as schools and health providers, and that these grants are for organisations directly managed by volunteer committees of management. Council is receiving an increased number of community grant requests from schools, kindergartens and child care centres for funds to increase their program offerings and at times for administrative equipment. In most cases these groups have substantial reserves and recurrent ongoing funding. Such groups could still apply for community projects that are not directly related to their core work or direct fundraising activities – e.g. an application for funds to run a community festival open to all, could be eligible.
- g. Financial disclosure. It appears that some groups do not realise that the current guidelines require them to disclose all their financial holdings including term deposits, investment accounts etc. The guidelines will make this clear so that Council can be confident that it is contributing funds to groups who need the support. The guidelines will also encourage groups with reserves that are committed to major projects to provide this advice to Council so that they are not discriminated against for being successful and prudent.

Application form changes:

- 1. A new section asking the applicant to describe their project, which is not used as a criterion but enables the applicant to state in simple language just what they intend to do - more than just a project title which can be misleading.
- 2. Add a new weighted criterion asking why the applicant needs Council financial support to be able to undertake the project.
- 3. Require groups applying for major projects and planning grants to discuss their proposed project with Council's Community Grants staff prior to submitting an application.

4. Advise applicants that time taken to make the application does not qualify as part of their in-kind contribution. However volunteer time taken to implement the project will remain as a legitimate way of matching Council funds as per the current processes.
5. Conditions of funding – include a requirement for Councillors to be invited to attend events, festivals, launches and openings supported through the Community Grants program.

CONSULTATION

Consultation has been undertaken:

Internally with the grant assessment team:

- Council was briefed 16 May 2018.

The Community Strengthening team:

- Informed by direct questions for clarification and feedback provided by applicants for all levels of grants during 2017/18.

RESOURCES

All resources necessary to implement the program under this Policy and revised guidelines are included in current budget allocations.

RISKS

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

STAFF DISCLOSURE

Nil

ATTACHMENTS

Attachments are available on Council's website: www.southgippsland.vic.gov.au

1. Revised C 47 - Community Grants Program Policy - 27 June 2018 **[3.1.1]**
2. Revised Community Grants Program Guidelines and Information 2018-19 **[3.1.2]**

REFERENCE DOCUMENTS

Council Policy

Documents are available on Council's website: www.southgippsland.vic.gov.au

Community Grants Policy

Community Grants Guidelines

Council Plan 2017-2021

Legislative Provisions

Local Government Act 1989

3.2. FOSTER POOL MASTER PLAN ADOPTION

Infrastructure Directorate

EXECUTIVE SUMMARY

In accordance with the Council Plan 2017-2021, Strategic Objective 2.2.3 (*Renew and maintain aquatic facilities in accordance with the Asset Management Plan and the Aquatic Strategy*), Council included the development and adoption of the Foster Pool Master Plan in the 2017/18 Annual Plan.

The Foster Pool Master Plan 2018 (**Attachment [3.2.1]**) has been developed following consultation with the community and investigations into the operation of the facility. It identifies a range of renewal and improvement opportunities that will inform allocations in the future *15-year Capital Works Program*.

RECOMMENDATION

That Council:

1. Adopts the Foster Pool Master Plan 2018 (Attachment [3.2.1]) and publish it on Council's website.
2. Thank the Foster Swimming Pool Association for its submission and assistance in preparing the Foster Pool Master Plan 2018.
3. Consider the opportunities to implement the projects identified in the Foster Pool Master Plan during the development of future 15-year Capital Works Program.

MOVED: Cr Argento

SECONDED: Cr Skinner

THAT COUNCIL:

1. **ADOPTS THE FOSTER POOL MASTER PLAN 2018 (ATTACHMENT [3.2.1]) AND PUBLISH IT ON COUNCIL'S WEBSITE.**
2. **THANK THE FOSTER SWIMMING POOL ASSOCIATION FOR ITS SUBMISSION AND ASSISTANCE IN PREPARING THE FOSTER POOL MASTER PLAN 2018.**
3. **CONSIDER THE OPPORTUNITIES TO IMPLEMENT THE PROJECTS IDENTIFIED IN THE FOSTER POOL MASTER PLAN DURING THE DEVELOPMENT OF FUTURE 15-YEAR CAPITAL WORKS PROGRAM.**

CARRIED UNANIMOUSLY

[Link to next agenda item](#)

REPORT

The *Strategic Direction for Aquatic Facilities in South Gippsland 2015-2020* (the report) provides the foundation for Council and the community to plan future capital works at the Foster, Poowong, Toora, Mirboo North, and Korumburra pools. The report proposed that master plans be developed for each outdoor pool site to guide future capital works prioritisation and investment. The Foster Pool Master Plan is the final master plan to be completed.

Master plans for the Poowong, Toora, Mirboo North, and Korumburra pools have been developed and adopted by Council. Future capital works investment is aligned to these master plans.

The Foster Pool Master Plan 2018 identifies opportunities to:

- improve access into and around the pools;
- renew existing amenities;
- add accessible and family change spaces;
- renew plant infrastructure; and
- add fun elements with water play spaces.

The Foster Pool Master Plan 2018 consists of two volumes; Volume One (**Attachment [3.2.1]**) is the master plan, and Volume Two (**Attachment [3.2.2]**) details the research and consultation involved.

CONSULTATION

Otium Planning Group has completed significant consultation in the development of the Foster Pool Master Plan 2018. This involved reviewing 117 completed community surveys, benchmarking against pools in three other municipalities, and engaging with the following key stakeholders:

- Foster Community Association
- Foster Primary School
- Foster Secondary College
- Foster Swimming Pool Association
- Prom Coast Aged Care
- Prom Coast Children's Centre
- South Gippsland Hospital in Foster

- South Gippsland Shire Council
- Sport and Recreation Victoria.

The draft Foster Pool Master Plan 2018 was developed and presented to Council at a Strategic Briefing on 21 February 2018. Volume One: The Master Plan was released to the community for comment in March 2018 and was available on Councils website and in hard copy at the Foster Library and Visitor Information Centre. A media release was prepared and distributed and social media was used to promote the draft master plan. A stall was set up at the March Prom Coast Farmers Market with copies of the master plan and information on how to provide comments or feedback. Council received one submission from the Foster Swimming Pool Association which is included in **Confidential Attachment [15.2.1]**.

In its submission, the Foster Swimming Pool Association noted that it is:

“...supportive of the Master Plan that was prepared by Otium Planning Group consultants and consider the overall design as being appropriate for an outdoor pool facility for a town the size and demographic of Foster...”

It also highlighted that the need to implement the proposed change room improvements is required at the earliest possible time due to the condition of the existing facilities.

RESOURCES

The current *15-year Capital Works Program* for pools includes \$200,000 towards renewal of the plant room at Foster in 2019/20.

The Foster Swimming Pool Association has indicated that it believes improvements to the existing change rooms are a higher priority than plant room renewal.

Further implementation of projects identified in the Foster Pool Master Plan 2018 will be reliant on future allocations being made within the *15-year Capital Works Program*.

RISKS

If the Foster Pool Master Plan 2018 is not adopted by Council, it will lead in delays in allocating funds within future capital works programs.

STAFF DISCLOSURE

Nil

ATTACHMENTS

Attachments are available on Council's website: www.southgisland.vic.gov.au

1. Foster Pool Master Plan (Volume One) **[3.2.1]**
2. Foster Pool Master Plan (Volume Two) **[3.2.2]**

CONFIDENTIAL ATTACHMENTS

Confidential Attachment [15.2.1] – Foster Pool Master Plan Submission – 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 item 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

Annual Plan 2017/18

Council Plan 2017-2021

Strategic Direction for Aquatic Facilities in South Gippsland 2015-2020

3.3. NEW POLICY: ART AND ARTEFACTS COLLECTION POLICY

Corporate and Community Services Directorate

EXECUTIVE SUMMARY

Council has an Arts and Culture Policy 2016 **Attachment [3.3.2]** - C03 Arts and Culture Policy 2016 that supports Council maintaining an arts collection. Council currently has a large collection of items listed as art works. The collection is not adequately stored or insured.

The development of the Arts and Artefacts Collection Policy 2018 (The Policy) **Attachment [3.3.1]** will assist Council to manage the Collection and provide direction for future: acquisitions; disposal; identification of items no longer required; or items which do not fit within a clear definition as art works.

RECOMMENDATION

That Council adopts the proposed Arts and Artefacts Collection Policy 2018 (Attachment [3.3.1]).

MOVED: Cr McEwen

SECONDED: Cr Rich

THAT COUNCIL ADOPTS THE PROPOSED ARTS AND ARTEFACTS COLLECTION POLICY 2018 (ATTACHMENT [3.3.1]).

CARRIED UNANIMOUSLY

[Link to next agenda item](#)

REPORT

Council holds a collection of over 300 items that are listed as the Arts collection. From time-to-time community members offer art works to Council to add to this Collection either by donation to Council or purchase by Council, and on two occasions in the last 18 months community groups have borrowed items from the collection to exhibit locally.

Council's Arts and Culture Policy adopted in 2016 specifically states that "Council will continue to maintain, and where appropriate, place on public exhibition, a collection of art work created by South Gippsland based artists."

Council does not currently have a policy to direct what items should be held in the collection, or when Council should accept or purchase new items. Most of the current collection would appear to fall outside the generally accepted definition of an artwork. The Policy (**Attachment [3.3.1]**) will provide guidance regarding the appropriate classification of the collection. Council also needs to ensure, where practical, an external valuation of collection is undertaken for insurance purposes. The Arts and Artefacts Collection Policy will also assist in determining those items that require valuation for insurance purposes.

There is also interest in Council developing an on-line gallery that enables the wider community to view Council's collection. The proposed Policy will assist staff with selecting which items should be included in this on-line facility.

Public Art

Council has also indicated in the Arts and Culture Policy that Public Art plays an important role in the community. However, there is no guidance on what Council should commission in this field or what is defined as Public Art. This new Policy addresses these matters.

Disposing (Deaccessioning) of Collection items

There is currently no guidance available to staff on when and how to deaccession works that no longer fulfil the original purpose or which have fallen into disrepair.

CONSULTATION

This policy has been developed primarily by the Coal Creek Curatorial Officer, in consultation with Community Strengthening staff, the Arts Development Officer, Risk and Procurement staff and Governance staff within Council. The draft Policy is informed by existing collection management policies in museums and galleries in Victoria.

RESOURCES

Council can implement The Policy **Attachment [3.3.1]** - C69 Arts and Artefacts Collection Policy – Draft 27 June 2018 with the current resources allocated to Community Strengthening. Council has no allocation for acquiring new works or commissioning Public Art, but from time to time external funding opportunities arise that could be accessed if Council had a policy to guide such activity.

RISKS

Council is at financial risk if the current items in the collection cannot be adequately assessed and insured. Council cannot adequately store more than 300 items, and needs to undertake a transparent process to reduce the number of items listed as art works. Council has reputational risk if decisions on declining donations or deaccessioning current items is not guided by a clear policy.

STAFF DISCLOSURE

Nil

ATTACHMENTS

Attachments are available on Council's website: www.southgippsland.vic.gov.au

1. C69 Arts and Artefacts Collection Policy - Draft 27 June 2018 **[3.3.1]**
2. C03 Arts and Culture Policy 2016 - To be adopted 27 July 2016 **[3.3.2]**

REFERENCE DOCUMENTS

Council Policy

Documents are available on Council's website: www.southgippsland.vic.gov.au
C03 Arts and Culture Policy 2016

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

4.1. PRIORITY PROJECTS FOR ADVOCACY AND FUNDING 2018/19 - ANNUAL PLAN MAJOR PROJECTS STATUS UPDATE 2017/18

Infrastructure Directorate

EXECUTIVE SUMMARY

Council performs an important role in identifying and advocating for government funding and/or commitments needed to deliver priority projects of local significance, with the objective of enhancing economic prosperity and liveability of the municipality. Each year, Council typically reviews, updates, and confirms its list of annual priorities for the year ahead.

A refined focus for 2018/19 is proposed to allow Council to deliver a more targeted message and be clear to the community and other levels of government as to its priorities for the year for projects which are considered ready for investment and delivery. Once the 2018/19 Priority Projects are adopted, officers will continue to investigate, develop, and pursue the realisation of each project.

To provide Council with a more targeted approach when advocating for projects that are considered 'shovel ready', it is proposed that Council categorise projects into three groups based on levels of readiness; projects for advocacy, projects for development, and projects for consideration. It will also allow for proposed projects to be justified, investigated, and the risk considered prior to projects moving to the development stage and then ready for advocacy. At this stage there are no projects under the "projects for consideration" category.

Included in this report is an update on the 2017/18 Priority Projects with most of the big ticket items reflected in Council's 2017/18 Annual Plan and are required to be reported to Council prior to the end of the financial year. The majority of these projects are proposed as 2018/19 Priority Projects.

RECOMMENDATION

That Council:

- 1. Adopts the following three groups to categorise the annual Priority Projects for advocacy and funding based on levels of readiness as follows:**
 - a. Category 1 - Priority Projects for advocacy.**

- b. **Category 2 - Priority Projects for development.**
 - c. **Category 3 - Priority Project for consideration.**
2. **Adopts the 2018/19 Priority Projects for two of the three categories based on levels of readiness as follows:**
- a. **Priority Projects for advocacy:**
 - i. **Leongatha Revitalisation Project – Leongatha Business Precinct Development Project (Bair Street and Railway Station Stage 1) component.**
 - ii. **Great Southern Rail Trail – Welshpool to Alberton Link component.**
 - iii. **Mirboo North Pool Refurbishment.**
 - b. **Priority Projects for development:**
 - i. **Korumburra Revitalisation Project.**
 - ii. **Great Southern Rail Trail – Leongatha to Korumburra and West of Korumburra components.**
 - iii. **Leongatha Community Hub Development.**

MOVED: Cr Rich

SECONDED: Cr Brunt

THAT THE RECOMMENDATIONS IN AGENDA ITEMS 4.1, 4.2, 4.3, 4.4, 4.5 AND 4.6 BE ADOPTED.

MOVED: Cr Skinner

SECONDED: Cr McEwen

THAT COUNCILLOR SKINNER SPEAKING TIME BE EXTENDED BY 3 MINUTES.

CARRIED

FOR: Councillors Rich, Hill, Skinner, McEwen and Argento.

AGAINST: Councillors Brown, Brunt, Kiel and Edwards.

The Motion was CARRIED UNANIMOUSLY.

[Link to next agenda item](#)

REPORT

In accordance with the Council Plan 2017-2022, Strategic Objective 1.2 – *“Identify Priority Projects and advocate to the State and Federal Governments for funding and support: Korumburra Revitalisation, Leongatha Revitalisation, Great Southern Rail Trail Extensions, Mirboo North Pool Refurbishment, East/West South Gippsland Public Transport Study”*, these 2017/18 Priority Projects were presented and adopted by Council at the Ordinary Meeting of Council 26 July 2017. These included:

1. Korumburra Revitalisation Project
2. Leongatha Revitalisation Project
3. Great Southern Rail Trail Projects
4. Mirboo North Pool Refurbishment Project
5. East / West South Gippsland Public Transport Study

At the same meeting, Council endorsed to further consider the **Stony Creek Equestrian / Expo Centre** as a future Priority Project following the completion of a business case. The scope of this project has now changed pending the outcome of a feasibility study for a suitable site for the location of an Equestrian / Exhibition Centre in South Gippsland. This is discussed further in this report.

An update on each of the 2017/18 Priority Projects is provided below in accordance with Council’s 2017/18 Annual Plan which is to report to Council by 30 June 2018 on the progress of these projects. It is proposed to continue to implement the 2017/18 Priority Projects (or a particular project component / stage) in the 2018/19 financial year with one project recommended for removal (East / West South Gippsland Public Transport Study) and one new project for the inclusion (Leongatha Community Hub) to form the suite of 2018/19 Priority Projects for advocacy and funding.

2017/18 PRIORITY PROJECTS – PROGRESS REPORT

1. Leongatha Revitalisation Project

2017/18 Annual Plan initiative – *“1.3. Advocate for funding of Council’s Bair Street Leongatha Priority Project development.”*

2017/18 Annual Plan initiative – *“3.3. Leongatha Railway Station Precinct Master Plan finalised and presented to Council.”*

The Leongatha Revitalisation Project has been carried over from 2016 and consists of three distinct parts which are at various stages.

- a. **Leongatha Business Precinct Development** (Bair Street and the Railway Precinct Stage 1) is considered investment ready, however, efforts during 2017/18 to secure funding for the project have not been realised as yet. Council are now advocating to relevant State Government Ministers and local members to support the project during the pending State Government election.
- b. **Anderson Street Town Entry Upgrade** was completed during 2017.
- c. **Leongatha Railway Precinct Redevelopment** – community consultation has been completed for the master planning exercise. Stage 1 is made up of the car parking, pedestrian bridge to Bair Street, and open space and funding is being sought as part of the Leongatha Business Precinct Development project. The remaining components of the master plan will not seek funding until Stage 1 has been completed.

Proposed 2018/19 Priority Project: Leongatha Business Precinct Development (Bair Street and the Railway Precinct Stage 1).

2. **Great Southern Rail Trail (GSRT) Project**

2017/18 Annual Plan initiative – “1.5. Investigate feasibility of further extensions and upgrades to the Rail Trails, particularly between Leongatha and Korumburra and explore opportunities to develop nationally.”

The Great Southern Rail Trail project comprises of three sections which are at various stages.

- a. **Welshpool to Alberton Link** – The Wellington Shire Council formally endorsed an application to the Latrobe Valley Authority (LVA) and Regional Development Victoria (RDV) for the project. An Expression of Interest is expected to be submitted to both funding bodies by the end of May. As a stakeholder, should the EOI process progress to the application stage, a formal resolution by Council will be required to support the application and allocate the required funding contribution towards the project. At present, Council has allocated \$500,000 towards its section (Welshpool to Hedley), however, advice from RDV recommends that this figure be increased to approximately \$600,000. This is primarily due to the limitation of funds within RDV’s Regional Jobs Infrastructure Fund.

- b. **Leongatha to Korumburra** – leasing for the rail corridor has commenced. A stakeholder group has been established with the first objective to develop a Business Case for the project. Assessment of the infrastructure (bridges) between **Leongatha and the shire boundary west of Nyora will be undertaken in 2018.**
- c. **Korumburra to west of Nyora** – as above.

Proposed 2018/19 Priority Project: Great Southern Rail Trail (GSRT) Project.

3. **Korumburra Revitalisation Project**

2017/18 Annual Plan initiative – “3.1. Scope a Korumburra Revitalisation Project that considers the Town Centre Framework Plan, Streetscape Master Plan, future Community Hub Library, railway land and station uses.”

The Korumburra Revitalisation Project is made of three distinct components that are at various stages of development.

- a. **Korumburra Railway Station** – A consultant’s brief is being finalised ready for the tender process at the end of May 2018. The brief requires a master plan to be developed for the site, focusing on three main elements; location of the community hub incorporating the railway station, accessibility in and around the site with connectivity to the main street and location of the Skate Park and open space for future use. It will also take into consideration the GSRT.
- b. **Korumburra Community Hub** – the consultant’s brief for the master plan of the railway site will also include a needs analysis, concept plans and detailed designs for the hub and will incorporate the railway station.
- c. **Korumburra Streetscape** – detailed design of the streetscape will be undertaken once the master plan for the railway site has been completed.

Proposed 2018/19 Priority Project: Korumburra Revitalisation Project.

4. **Mirboo North Pool Redevelopment**

Detailed designs are due for completion late May/early June 2018.

**Proposed 2018/19 Priority Project: Mirboo North Pool
Redevelopment**

5. East / West South Gippsland Public Transport Study

This project is part of the larger South West Gippsland Transport Strategy and is being led by Public Transport Victoria. It is recommended that this project be removed as a priority for 2018/19 as it does not require funding from Council.

Stony Creek Equestrian / Expo Centre Business Case

2017/18 Annual Plan initiative – “1.9. Progress the development of a business case to investigate in detail factors to be considered in the establishment of a multipurpose undercover ‘Equestrian / Expo Centre’ and provide a report to Council by 30 June 2018.”

As mentioned previously, Council endorsed to further consider the **Stony Creek Equestrian / Expo Centre** as a future Priority Project following the completion of a business case.

Following a quotation process in early 2018, no submissions to complete the business case were received. Another request for tender process is now underway to appoint a suitably experienced and qualified consultant to complete the business case, however, it is envisaged that the scope of the business case will be amended to consider the feasibility of an Equestrian / Exhibition Centre in South Gippsland which will include confirmation of a suitable location.

Therefore, for this project to be considered as a future Priority Project will be dependent on the outcome of the business case / feasibility study for an Equestrian / Exhibition Centre in South Gippsland. The business case will need to clearly demonstrate the feasibility of the centre and viability of the proposed business model. Once the business case is completed, this project can then be included in the “projects for consideration” category.

PROPOSED PRIORITY PROJECT CATEGORIES

To provide Council with a more targeted approach when advocating for projects that are considered ‘shovel ready’, it is proposed that Council group projects into three categories based on levels of readiness:

1. Projects for advocacy;
2. Projects for development; and

3. Projects for consideration.

It will also allow for proposed projects to be justified, investigated, and the risks considered prior to projects moving to the development stage and then ready for advocacy. At this stage, there are no proposed 2018/19 Priority Projects for inclusion under “projects for consideration”, however as mentioned previously, the Equestrian / Exhibition Centre in South Gippsland may be considered by Council for inclusion in this category pending the outcome of the business case / feasibility study.

2018/19 PRIORITY PROJECTS (PROPOSED)

In accordance with the Council Plan 2017-2022, Strategic Objective 1 – *Strengthen Economic Growth and Prosperity*, Strategy 4 – *Identify Priority Projects and advocate to the State and Federal Governments for funding and support*, the proposed 2018/19 Priority Projects were presented to Councillors at a Confidential Strategic Briefing on 16 May 2018 for Councillor direction and support in readiness for adoption by 30 June 2018.

At this briefing, the proposed 2018/19 Priority Projects were categorised into the three categories based on levels of readiness; projects for advocacy, projects for development, and projects for consideration.

The only change to the proposed 2018/19 Priority Projects since the 16 May strategic briefing was the removal of the Stony Creek Equestrian / Expo Centre Business Case under the “projects for consideration” category as it is envisaged that the scope of the project will be amended to consider the feasibility of an Equestrian / Exhibition Centre in South Gippsland which will recommend a suitable location. Therefore, for this project to be considered as a future Priority Project will be dependent on the outcome of the feasibility study.

Priority Projects for Advocacy

1. Leongatha Revitalisation Project - Business Precinct Development Project
2. GSRT Extension - Welshpool to Alberton link
3. Mirboo North Pool Refurbishment

Priority Projects for Development

1. Korumburra Revitalisation Project - Railway Station Site - Community Hub - Streetscape

2. GSRT Extensions - Leongatha to Korumburra and Korumburra to west of Nyora
3. Leongatha Community Hub (Library and Community House)

Priority Projects for Consideration

There are no proposed projects for 2018/19 under this category, however, Council can elect to include projects at a future Council Meeting as they arise and become a priority for consideration eg. South Gippsland Equestrian / Expo Centre.

CONSULTATION

Consultation with the relevant internal and external key stakeholders for progressing each of the 2017/18 Priority Projects, including the planning of the proposed 2018/19 Priority Projects has been or is currently being undertaken.

A Confidential Strategic Briefing with the Councillors on 16 May 2018 presented the proposed 2018/19 Priority Projects grouped into the three project categories based on levels of readiness; projects for advocacy, projects for development, and projects for consideration.

RESOURCES

Council's anticipated financial contributions towards the proposed 2018/19 Priority Projects has been accounted for in the Long Term Financial Plan. Council will be seeking grant funding to support the realisation of the endorsed Priority Projects for advocacy as outlined in the Advocacy Strategy¹.

Any decision to increase or alter the amounts already committed will need to be accounted for elsewhere in the budget and would have a direct impact on the organisation's ability to deliver its adopted Capital Works Program. Further, any variation to existing financial commitments would need to be formally accounted for and adopted through Council's statutory annual budget process.

RISKS

In determining the highest order priority projects for advocacy during 2018/19, Council should be aware that the chances of success could be considerably reduced by endorsing an excessive number of projects. Councillors are also encouraged to consider the potential financial risk associated with varying its

¹ ① Confidential Strategic Briefing - 2 May 2018 – Attachment 2.6.1 Economic Development and Tourism Steering Committee Briefing

existing contributions towards each of the recommended priority projects or with adding additional projects.

STAFF DISCLOSURE

Nil

REFERENCE DOCUMENTS

Council Policy

Documents are available on Council's website: www.southgippsland.vic.gov.au

Annual Plan 2017/18

Council Plan 2017-2021

Priority Projects

Legislative Provisions

Local Government Act 1989

4.2. STRATEGY REVIEW: SOCIAL COMMUNITY INFRASTRUCTURE BLUEPRINT 2014-2029

Infrastructure Directorate

EXECUTIVE SUMMARY

In accordance with the Council Plan 2017-2021, Strategic Objective 2.3 - *Update and continue to implement the Blueprint for Social Community Infrastructure so that services and the associated supporting infrastructure are planned, ready for business and population growth*, an initiative was included in the 2017/18 Annual Plan to update the Social Community Infrastructure Blueprint 2014-2029 'Community Facility Actions' and report to Council on the progress.

The Social Community Infrastructure Blueprint 2014-2029 (**Attachment [4.2.1]**) is currently being updated with 2016 Census data and future population forecasts, with completed projects being moved to an appendix in the document, and new actions being added.

This report provides commentary on the progress of the nineteen *Community Facility Actions*, and discusses the revisions, such as amended demographic data, and inclusion of new projects.

RECOMMENDATION

That Council:

- 1. Notes the progress to date of the review of the Social Community Infrastructure Blueprint 2014-2029 (Attachment [4.2.1]).**
- 2. Notes the progress to date on the implementation of the Community Facility Actions as documented in Section 8 of the Social Community Infrastructure Blueprint 2014-2029.**
- 3. Updates the demographic data in the Social Community Infrastructure Blueprint 2014-2029 with the 2016 Census and future population forecast.**
- 4. Supports the additional focus areas for inclusion in the Blueprint's Community Facility Actions being the Early Years Services Infrastructure Strategy and Corner Inlet and Western End (Loch, Poowong, and Nyora) - Early Years Services infrastructure reviews.**
- 5. Finalise the revised Social Community Infrastructure Blueprint 2014-2029 and publish to Council's web site.**

NOTE: The recommendation was CARRIED UNANIMOUSLY as part of a single motion, refer to page 46.

[Link to next agenda item](#)

REPORT

Background

Council engaged consultant, Andrew Nixon Land Use Management, in 2014 to develop a blueprint to assist Council and the community to plan for and manage social community infrastructure, optimising utilisation of facilities, and reflecting future growth of the Shire. The Social Community Infrastructure Blueprint 2014-2029 (2014 Blueprint) was prepared and adopted by Council at the Ordinary Council Meeting 24 September 2014. The 2014 Blueprint is available to download from Council's website and is provided in **Attachment [4.2.1]**.

The 2014 Blueprint sets guiding principles together with infrastructure standards and triggers, and a series of actions to guide Council and the community in making informed decisions regarding community infrastructure over the fifteen year period, 2014 to 2029.

The 2014 Blueprint is the culmination of an extensive review of community and Council documentation resulting in the development of the *Strategy and Audit for Social Community Infrastructure 2014-2029* (**Attachment [4.2.2]**) which underpins the final strategic 2014 Blueprint.

Summary of Updates to the 2014 Blueprint

Demographic data from the 2016 Census is being used to update the population forecasts in the revised Blueprint. On review, the 2016 Census population forecasts are in line with the stated forecasts in the 2014 Blueprint which were based on the 2011 Census data.

A number of projects in the 2014 Blueprint have been completed as noted in **Table 1** below. There are also additional focus areas which require inclusion, such as the Early Years Services Infrastructure Strategy and in particular the Corner Inlet and Western End (Loch, Poowong, and Nyora) Early Years Services infrastructure reviews.

2014 Blueprint Community Facility Actions

The progress of each of the nineteen *Community Facility Actions* in the 2014 Blueprint is documented in **Table 1** below. The Actions have been grouped according to timeframe; short term (0-5 years), medium term (5-10 years), long term (10-15 years), and ongoing.

Table 1 – Community Facility Actions Progress Update

| NO | ACTION | STATUS / COMMENT |
|-------------------------------|---|---|
| Short Term 0 – 5 Years | | |
| 1 | In collaboration with the community, review underutilised facilities to optimise use to a smaller number of strategically located multipurpose facilities. This may include a reassessment of some facilities, redevelopment of others, and change of use for some community facilities. | This is a continual process with facilities being identified for optimisation as the need arises. An example of this process is the amalgamation of early years services in Korumburra into the Karmai Community Children’s Centre. |
| 2 | Investigate staffing of future multipurpose community centres by: <ul style="list-style-type: none"> Identifying a lead agency such as a neighbourhood house, library, or Visitor Information Centre and incorporate Council customer service into the model. Consider the location of commercial activities on site and a range of government and non-government services should also be considered. | This is an ongoing process as projects are investigated. Karmai Community Children’s Centre Inc. is a good example of the effective amalgamation of two organisations; Birralee Childcare Centre and Korumburra Kindergarten. The Korumburra and Leongatha Community Hubs are being investigated (refer to action 11 under “Medium Term”). |
| 3 | Provide spaces for the delivery of youth programs and services within future multipurpose community facilities. | This remains an ongoing action, however it has to date been limited to skate parks. |
| 4 | Prioritise and implement Paths and Cycle paths as identified in community plans and the SGSC Paths and Trails Strategy 2010 and include in the Capital Works 15 yr. budget. | This is an ongoing action. The Paths and Trails Strategy was adopted at the 30 May 2018 Ordinary Council Meeting. Examples of this are the completed Great Southern Rail Trail (GSRT) works and advocacy for future stages, as well as the Jumbunna Road, Korumburra shared path scheduled for completion in 2018/19. |

| NO | ACTION | STATUS / COMMENT |
|----|---|--|
| 5 | Investigate the need for additional indoor leisure facilities in particular to service the Mirboo North catchment. | This project has been postponed as the Mirboo North Pool has taken precedence. However, an indoor activity space has been included in the Mirboo North Pool upgrade. |
| 6 | Investigate the expansion of Mirboo North Kindergarten with inclusion of Maternal and Child Health services and follow-on impact on the Mirboo North Library. | This has been highlighted as part of the Early Years Infrastructure Review with further community consultation required. |
| 9 | Develop a Shire-wide Recreation Reserve Infrastructure Plan, addressing community expectations for reserve improvement and equity. | Yet to be commenced. |
| 10 | Complete the GSRT linkages at the Black Spur. | Complete. |

Medium Term 5 – 10 Years

| | | |
|----|--|--|
| 11 | Develop strategically located community hubs in Leongatha and Korumburra that are well connected to public transport (where available), pedestrian and cycle links, commercial, retail and community activity centres. | Underway. The consultant's brief for the Korumburra Hub will be advertised in June 2018. Initial internal planning has commenced on the Leongatha Hub. |
| 12 | Plan for new recreation multipurpose facilities in Leongatha South (north of Simons Lane) using a predetermined completion (50%) of sub division target as a trigger for budgeting, design, and implementation. | Negotiations with the developer to progress this subdivision are underway. |

| NO | ACTION | STATUS / COMMENT |
|----|---|---|
| 13 | Plan to upgrade or extend the existing and available library floor space for current population needs in Foster. Investigate new static libraries in growth towns and as demanded by the community and growth within multipurpose facilities. | Requirements for the upgrade of the Foster Library are yet to be determined in collaboration with West Gippsland Regional Library Corporation (WGRLC). Planning for new libraries has commenced in Korumburra and Leongatha as part of the hub projects. The tender for the design of the Korumburra Hub is expected to be advertised in June 2018. |
| 14 | Plan for infrastructure in the coastal towns. | Actions are ongoing. Completed examples are upgrades to toilet facilities at Sandy Point, Waratah Bay, and Tarwin Lower, as well as a shared path along the foreshore at Port Welshpool. |
| 15 | Initiate planning for the expansion or upgrade of multipurpose facilities in the smaller towns using a range of triggers and standards. | Actions are ongoing. Karmai Community Children's Centre is an example of a completed project. The Korumburra and Leongatha Hubs are in the early investigation stages. A similar approach is being taken which was used for the Baromi Centre in Mirboo North to enable a wider range of community groups to use the facilities. |

| NO | ACTION | STATUS / COMMENT |
|--------------------------------|--|---|
| Long Term 10 – 15 Years | | |
| 16 | Seek external funding for future multipurpose facilities including developer contributions, community contributions, facility rationalisation, voluntary community management agreements, commercial arrangements and government grants. | Actions are ongoing. An example is the Karmai Community Children’s Centre project where State, Federal, and community funding was secured. |
| 17 | Continue the GSRT from Welshpool to Yarram. | The project has been advanced due to current government grant funding. The budget has been allocated in 2019/20 and the project will be delivered collaboratively with Wellington Shire Council. |
| 18 | Investigate the extension of the Rail Trail from Nyora to Anderson. | <p>Currently in discussions with Bass Coast Shire Council which has indicated interest in the project.</p> <p>The opportunity has arisen since 2014 to investigate the extension of the Rail Trail from Leongatha to Nyora and considerable initial investigation work has commenced on this project.</p> |
| 19 | Investigate the need for a community hub in Nyora when population triggers are activated. | Yet to be commenced. |

| NO | ACTION | STATUS / COMMENT |
|---------|---|--|
| Ongoing | | |
| 7 | Continue to gather community facility information data and build community connections through networks with the aim of sharing information, resources, and equipment. | This is continually being undertaken by Council's Community Strengthening and Children and Family Services teams as well as Council's Recreation Officer. The Karmai Community Children's Centre is an example of sharing resources and equipment. The proposed Korumburra Hub will also achieve this with multiple community organisations utilising common facilities and resources. |
| 8 | Liaise with non-Council community facility owners and managers through specific networks seeking agreement to promote access to the wider community and promote shared access to these facilities networks. | This is continually being undertaken by Council's Community Strengthening and Children and Family Services teams as well as Council's Recreation Officer who are in close contact with the non-Council community facility owners and managers. |

CONSULTATION

Consultation throughout the review process of the 2014 Blueprint has consisted of internal consultation with the Community Strengthening, Infrastructure Delivery (Engineering), Infrastructure Planning (Assets), Planning, and Children & Family Services.

The Community Strengthening team is continually communicating with community groups throughout the Shire regarding their infrastructure needs. The Recreation Officer and Coordinator Major Projects/Emergency Management are in regular consultation with sporting and recreation groups, including recreation reserve committees and sport peak bodies, to consider infrastructure needs for this sector.

RESOURCES

The *Community Facility Actions* within the 2014 Blueprint are reviewed annually as part of Council's forward *15-year Capital Works Program* budgeting process and when potential grant funding opportunities become available. Where budget allows, projects will be incorporated into the forward *15-year Capital Works Program* and Council's *Long Term Financial Plan*.

Council will continue to investigate a range of funding options for future multipurpose facilities, including developer contributions, community contributions of a negotiated pre-set percentage, realisation of existing assets, government grants partnerships with both government and non-government organisations, and by providing income-generating spaces within multipurpose facilities (e.g. a café or gym).

Reviewing the *Community Facility Actions* and updating 2016 Census demographic data ensures that social infrastructure projects are being investigated appropriately for potential inclusion in the Future 15-year Capital Works Program in accordance with the timeframes and responsibilities recommended in Section 8 of the 2014 Blueprint (**Table 1** above).

RISKS

The Blueprint is a snapshot in time of community infrastructure in the Shire. To remain relevant, the database and the transfer of information on community facility condition and usage must be maintained through Council's Geographical Information System and translated into Council's Capital Works Program.

While the Blueprint notes that growth will be constrained in areas that lack sewer, reticulated water, geography, planning restrictions, and available land, there a number of identified actions that will benefit towns of various sizes across the Shire.

By continually reviewing and updating the Blueprint for social community infrastructure and by aligning it with focus areas of Council, population growth forecasts and community needs, Council can ensure that adequate infrastructure is being provided to meet community demands.

STAFF DISCLOSURE

Nil

ATTACHMENTS

Attachments are available on Council's website: www.southgippsland.vic.gov.au

1. Social Community Infrastructure Blueprint 2014-2029 **[4.2.1]**
2. Strategy & Audit for Social Community Infrastructure **[4.2.2]**

REFERENCE DOCUMENTS

Council Policy

Documents are available on Council's website: www.southgippsland.vic.gov.au

15-year Capital Works Program

Council Plan 2017-2022

Long Term Financial Plan

Social Community Infrastructure Blueprint 2014-2029

4.3. DOMESTIC ANIMAL MANAGEMENT PLAN REVIEW - CAT CURFEW AND LEASH ORDER

Development Services Directorate

EXECUTIVE SUMMARY

At Council's Ordinary Meeting of Council 27 September 2017, Council resolved that a background report be provided by 30 June 2018 to consider the introduction of a Cat Curfew and Leash Order.

To clarify, a Cat Curfew is an order adopted by Council to contain cats within a house or enclosure for a particular period of time, such as a sunset to sunrise, 24 hours, or specified times.

A Leash Order is aimed at providing the community, clear and defined areas where dogs can play and be exercised, free of restraints. For example, certain Councils implement specified dog parks or recreation reserves as areas where dogs can play off leash.

This report provides the information collated from surrounding councils as well as some of the leading animal protection organisations across Australia and presents them in an impartial view.

Due to the complexities surrounding the implementation of either a Cat Curfew or Leash Order, this report recommends that Council undertake public consultation in the form of a survey, prior to consideration of implementing any order.

RECOMMENDATION

That Council undertake a community survey on the implementation of a cat curfew and dog leash order and report the results to Council at the Ordinary Meeting of Council 19 December 2018.

NOTE: The recommendation was CARRIED UNANIMOUSLY as part of a single motion, refer to page 46.

[Link to next agenda item](#)

REPORT

Background

At its Ordinary Meeting on 24 May 2018, Council agreed to endorse the Domestic Animal Management Plan (DAMP) 2017-2021 for the purpose of public exhibition for a four week community consultation period.

The four week community consultation period ended on 28 June 2017. Council received six submissions on the draft DAMP. As a result of the submissions an additional action was added to the DAMP: for Council to investigate the introduction of a 'Cat Curfew and Leash Order' pursuant to ss.25 and 26 of the Domestic Animals Act 1994 (Act) by 30 June 2018.

Under the *Domestic Animals Act 1994*, Section 25, councils are given the power to make orders by resolution relating to the control of cats. Under the Act, councils may make an order that prohibits cats from being outside the premises of the owner during the hours specified in the order. Any such order must be published in the Government Gazette and a local newspaper. This power has been used by councils to introduce night curfews that require cats to be confined to an owner's premises during specified times.

Discussion

At its Ordinary Meeting on 27 September 2017, Council resolved to receive this report, investigating the pros and cons of introducing a Cat Curfew and also a Leash Order pursuant to ss.25 and 26 of the Act by 30 June 2018. Along with determining whether a Cat Curfew order is required, the investigation would consider areas of the Shire where the order may apply and hours that cats may be required to be confined. As yet, no community consultation on where or how the curfew should be introduced has been undertaken.

This report recommends that Council should undertake public consultation, in the form of a survey before implementing a Cat Curfew or Leash Order. The information gathered from the survey will be utilised to inform Council of the public interest in a cat curfew and dog leash order, providing analysis of the responses and recommendations, to be presented to Council in a subsequent report for decision.

Council comparison

There is merit in comparing ourselves against our neighbouring Councils. **Table 1** below, shows the number of Gippsland councils that have introduced a Cat Curfew or Dog Leash Order over the past few years, with **only** Wellington and South Gippsland Shire Councils not having a curfew. It is interesting to note that all other councils included in the table currently have Leash Orders for dogs in public areas.

Table 1 - Dog Leash Order and Cat Curfew and Curfew Times per Council

| Council | Leash Order | Leash Free Areas | Cat Curfew | Curfew Times |
|----------------|-------------|------------------|------------|--------------|
| Baw Baw | Yes | Yes | Yes | 24 hours |
| Bass Coast | Yes | Yes | Yes | Night Time |
| Wellington | Yes | Yes | No | N/A |
| Latrobe | Yes | Yes | Yes | 2100-0600 |
| East Gippsland | Yes | No | Yes | 24 hours |
| Cardinia | Yes* | Yes | Yes | 24 hours |
| Casey | Yes | Yes | Yes | 24 hours |
| Frankston | Yes | Yes | Yes | Night Time |
| Morn Pen | Yes | Yes | Yes | 24 hours |
| Dandenong | Yes | Yes | No | N/A |
| SGSC | No | N/A | No | N/A |

*Cardinia Shire Council deals with its control of dogs via a Local Law as follows: A person who owns or is in apparent control of a dog in a public place must keep the dog under control by a leash, chain or cord connecting that person to the dog unless the public place is designated by Council signage to be an 'off leash' area.

As **Table 1** above clearly shows, South Gippsland is the only municipality without an Order to control Domestic Animals through either a Cat Curfew or Dogs on Leash. These controls help protect our community from possible attacks, which can cause injury or death to people or animals. This is a pressing issue, and implementing the Order will, at the very least, make us consistent with our neighbouring councils.

Positives of a Cat Curfew

Reduced impacts on fauna

The benefits of implementing a Cat Curfew are numerous and have been discussed in all forms of media for a number of years. Most positives are seen in relation to reduced impacts on Fauna, for example.

"An Australian Capital Territory study revealed domestic cats are responsible for killing a total of 67 different species of birds and animals. You can reduce the risk to native wildlife by keeping your cat indoors, particularly between

sunset and sunrise and by putting a bell on your cat's collar to provide a warning to other animals."

Community Support

The community survey conducted during the development of the DAMP highlighted concerns from the respondents about cats and wildlife, cats on private property and stray cats. There will be a level of community support for the introduction of a curfew.

A local wildlife shelter operator presented to Council during the public consultation period for the DAMP in August 2017. As a resident and wildlife carer within the South Gippsland Shire, the carer delivered an informative presentation on the impacts she has witnessed from cats on native wildlife, and supported a 24 hour Cat Curfew.

Other councils that have introduced curfews have done so in response to community support.

Good for Cats

An effective cat curfew is beneficial for cats generally:

- Cats wandering at night are more likely to be hit by a car
- Cats wandering at night are more likely to be involved in a fight with other cats and get injured
- Cats wandering at night are more likely to catch diseases
- Cats confined to their owners' homes live longer than cats that are allowed to wander

A survey conducted by the Victorian University published on 6 March 2015, concluded that...

"We know cats kept indoors, particularly at night, will reduce the high rates of cat injury from cat fights, disease transmission and vehicle collisions. Importantly, 99 per cent of owners surveyed said they would be willing to bring their cats in at night,"...

PhD research by Victoria University graduate, Dr Edith MacDonald, shows cat owners are concerned most for their cats' welfare, rather than impacts on wildlife. This is an effective tool to utilise when implementing any proposed curfew.

Amenity issues

Some understanding of the size of the cat problem for residents can be demonstrated by the following resident request data in **Table 2** below, from Council's Customer Request System. This shows Council requests and responses to community complaints.

Table 2 – Customer Request Data for Cats and Dogs

| Type of Request | 2016 | 2017 | 2018 (to 16/4/18) |
|-------------------|------|------|-------------------|
| Cat cage requests | 93 | 96 | 46 |
| Cat pick ups | 105 | 130 | 54 |
| Dog Attacks | 32 | 51 | 16 |
| Dog at large | 127 | 131 | 57 |
| Dog Pick ups | 264 | 186 | 64 |

Discussions with neighbouring councils, indicate it is likely that a curfew would prompt an initial influx of resident requests to deal with cats at large. As the "cat trap scheme" is the only effective way to enforce a curfew, it is expected that there would be an increase in the number of requests to borrow cat traps.

Education

To get the most effect from implementing a Cat Curfew, an education program should be introduced to provide cat owners tips and advice on how to keep their contained cats, entertained and enriched during the curfew hours. One such resource is the joint Zoos Victoria and RSPCA Victoria website www.safecat.org.au, which provides tips and a forum for people wanting advice on cat care. South Gippsland Shire Council is recognised as a Campaign Supporter for this initiative.

Cat Curfew Issues

The issues with cats and curfews has been in the media for a number of years, with plenty of debate from both camps. The consensus amongst the supporters against the curfews, is that cats should be allowed to roam free and should be treated differently to dogs. Also, domesticated cats do not cause any impacts on the surrounding wildlife, only feral cats.

The Australian Wildlife Conservancy (AWC), which runs private conservation reserves across the nation, released the Wildlife Matters Summer 2012/13

edition, which estimated the total population of 5 to 18 million feral cats in Australia. It is estimated based on a conservative population of 15 million feral cats, that 75 million native animals/birds are killed every day. The implementation of a Cat Curfew may only have a small benefit for wildlife protection within our Shire, but our cats and wildlife deserve the best chance at life.

If a Cat Curfew is implemented, it is recommended that consulting the public and gathering feedback on the proposed curfew should be undertaken, including when and where it could be trialled.

Positives of a Leash Order

Reduced attacks

The implementation of a Leash Order has numerous benefits, most importantly, reduced rates of dog attacks or dog-related vehicle accidents. Whilst very few dog attacks happen outside of the family home or yard, South Gippsland does not want to be known as the first to have a serious or deadly attack within one of its townships. To date, dog attacks are on the decrease due to increased registration and containment from dog owners, supported by hefty fines from the Courts acting as a deterrent.

The individuals most prone to dog attacks or charges, are children under the age of five. These attacks often leave emotional or physical scaring and occasionally cause death. Implementing a Leash Order for all townships across the Shire, will heavily reduce the chances of this happening.

Over the past few years no dog attacks have been reported on Council land on humans, however there have been a number of dog-on-dog attacks, due to no leashes on the offending dogs.

One such incident on the main street of Mirboo North, resulted in a dog being attacked, which then fled onto the highway and caused a car accident. Luckily there were no one was hurt in the incident, but there were impacts to property and permanent injuries to one animal. Had a Leash Order been in place, this incident may have been avoided.

Education

Implementation of a Program or Campaign making owners aware of their responsibilities when controlling an animal is positive toll for enforcing Leash Orders and reducing the chance of attacks. If a Leash Order is implemented, it will be important to also implement an education program on how to keep animals and the community safe.

Increased Surveillance

When investigating the dog attack cases in the media, most animals have been known to authorities as having prior incidents of near misses or minor attacks. Implementing a Leash Order will allow officers to be more vigilant when spotting dogs at large when off-leash, rather than second guessing themselves, if a person is in close proximity to a dog.

Community safety and support

It is believed that the wider community will see the implementation of a Leash Order as a positive to reinforce Council's commitment to keeping the community safe and free from harm.

Leash Order Issues

Recently, the issue of Dog Attacks has received plenty of attention in the media. This has, in turn, influenced a number of recent Magistrate rulings, with large fines being issued for owners with offending dogs. When investigating dog attack cases in the media, most animals have been known to authorities as having prior incidents of near misses or minor attacks.

It is also widely expressed that a vast majority of attacks happen within the owner's home or yard, and often to a family member. Implementing a Leash Order may protect attacks from happening in the public areas, though it will not reduce the number of attacks on private property.

CONSULTATION

A number of Council's were consulted, in preparing the DAMP and this report.

The councils consulted or researched included:

- Baw Baw Shire Council
- Bass Coast Shire Council
- Wellington Shire Council
- Latrobe City Council
- East Gippsland Shire Council
- Cardinia Shire Council
- Greater Geelong City Council
- Whitsunday Regional Council (QLD)

- Australian Capital Territory (ACT)

Websites:

- Victorian Law Society
- Agriculture Victoria
- RSPCA
- Cat Assist.org
- Safecat.org
- Australian Wildlife Conservancy
- Various newspaper articles.

RESOURCES

There are no additional cost implications to implement the Cat Curfew or Leash Order, as our Officers currently do not attend to dog or cat pick-ups after hours. Other than costs associated with the public consultation process, such as print material, newspaper articles and social media campaigns, no additional staffing or materials are needed to monitor the implementation of the Order.

However, should Council implement Off Leash areas across the Shire, signage and or fencing of areas may be required.

Revenue is not likely to increase in the immediate future, as a grace period for the first 12 months will be implemented until the public become familiar with the Order. However, an increase in dog and cat call-outs or pick-ups may add increased pressure on our Local Laws Officers and our Pound. **Table 3** below shows the total number of surrendered or impounded animals for the current financial year 2017/18, which could increase in the first year of the introduced Order.

Table 3 – Dogs and Cats Pound Statistics – July 2017 to March 2018

| Dogs | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Total |
|------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------|
| Impounded | 16 | 21 | 18 | 13 | 18 | 29 | 23 | 28 | 19 | 185 |
| Surrendered | 3 | 4 | 2 | 4 | 2 | 0 | 1 | 1 | 1 | 18 |
| Cats | | | | | | | | | | |
| Impounded | 9 | 15 | 9 | 9 | 11 | 8 | 23 | 15 | 21 | 120 |
| Surrendered | 2 | 2 | 1 | 2 | 2 | 5 | 1 | 7 | 2 | 24 |
| Declared "Feral" | 13 | 8 | 9 | 8 | 14 | 4 | 4 | 9 | 5 | 74 |

RISKS

The possible risks to Council may be reputational and financial, should a dog attack causing serious injury happen within our public spaces, without an implemented Leash Order.

STAFF DISCLOSURE

Nil

REFERENCE DOCUMENTS

Council Policy

Documents are available on Council's website: www.southgippsland.vic.gov.au
Domestic Animals Management Plan 2017-2021

Strategic Objective 3.3 of the Council Plan is to...

...Improve South Gippsland's Built Assets and Value our Natural Environment...

Out of this Objective, the Local Laws team work with the community to achieve Strategy 3.3 to...

...Strategy 3.3: Promote a safe and healthy community through our municipal public health programs, Emergency Management Plans and regulatory activities that meet our statutory obligations...

Legislative Provisions

Domestic Animals Act 1994

4.4. SAND RESOURCE PROTECTION PROJECT

Development Services Directorate

EXECUTIVE SUMMARY

This Council Report proposes to commence a Planning Scheme Amendment based on the recommendations of the Extractive Industries (Sand) Report (refer **Attachment [4.4.1]**): Planning Implementation – May 2018. The aim of this amendment is to protect the State-significant Nyora sand resource and its associated employment from encroachment by inappropriate land uses and development. Investigation of protection of sand resources is an Action in the Council Plan 2017/18.

Extractive resources, and in particular mineral and construction resources, are extremely important to the development of both the local and State economy. A recent report by the Department of Economic Development, Jobs, Transport and Resources (DEDJTR) estimates that the value of production generated from the 485 quarries in Victoria is around \$676M per year. This report identified that the encroachment of sensitive land uses (e.g. dwellings and accommodation) close to resource extraction operations, or on top of resource reserves, reduces the economic viability of resource extraction resulting in a range of negative economic impacts. It is estimated that mineral deposits in South Gippsland can supply 33 per cent of Melbourne's hard rock needs and 22 per cent of its sand and gravel needs until 2050.

Council is working with DEDJTR on the 'Strategic Extractive Resources Area Pilot Project' investigating extractive resource land use management and protection policy, which was launched by the Minister for Resources - Tim Pallas MP - at a Nyora sand quarry in February 2018. DEDJTR supports Council's proposed amendment running concurrently with its involvement in the pilot project.

It is recommended that authorisation be sought from the Minister for Planning to prepare and exhibit the amendment.

RECOMMENDATION

That Council:

- 1. Seek authorisation from the Minister for Planning to prepare and exhibit a planning scheme amendment based on the recommendations from the Extractive Industries (Sand) Report: Planning Implementation – May 2018 (Attachment [4.4.1]).**
- 2. Exhibit the Planning Scheme Amendment in accordance with the procedural requirements of the Planning and Environment Act 1987.**
- 3. Refer any unresolved submissions to an Independent Planning Panel.**

NOTE: The recommendation was CARRIED UNANIMOUSLY as part of a single motion, refer to page 46. [Link to next agenda item](#)

REPORT

Victoria is growing rapidly. The State is currently experiencing a surge in construction and infrastructure development, placing increased pressure on our extractive industry resources to keep up with the demand. These resources are needed to continue to build new housing, roads, rail lines, hospitals, schools and other essential infrastructure to support this growth.

Having access to high quality earth resources close to market (end user) is increasingly at risk due to land use planning conflicts, which can result in the loss of resources, or restrictions on existing quarries through other incompatible land uses. This can lead to increased construction project costs (as a result of higher transport costs) as quarries are having to be located further from demand centres.

Given that urban encroachment and other competing land uses are a key threat to the extractive resource industry it is important that the State Government and Council look for opportunities to better identify strategically important extractive resource areas and to apply suitable planning provisions to secure these areas. South Gippsland Shire was identified in the DEDJTR report as being a key resource for hard rock, sand and gravel resources to help meet the growing demand of Greater Melbourne and the western Gippsland region, so it is crucial that Council look to identify and acknowledge extractive industry and resource areas.

The most practical approach to address the issue of resource protection is the introduction into the South Gippsland Planning Scheme of tailored Environmental Significance Overlay Schedules (ESOs) along with supporting statements within the Local Planning Policy Framework – refer **Attachment [4.4.1]** – Extractive Industry (Sand) Report: Planning Implementation. The attachments in the report detail the proposed planning scheme amendment provisions and a map identifying where it is proposed to apply the ESO overlays.

Extractive industries often involve the use of an extensive range of plant and equipment which creates noise, dust and sometimes odour. By the very nature of the industry the stone and sand deposits need to be processed and worked onsite. This can cause conflict between community, environmental and industry interests. To reduce these potential conflicts it is proposed that two ESOs are implemented. ESO10 is to be applied to the land containing the resource and ESO11 to be applied to a buffer area of 500m from the outer most known extent of the resource. The buffer distance is consistent with the Recommended Separation Distances for Industrial Air Emissions (EPA 2013).

The need for more transparent guidance in the management of new development surrounding mining operations is illustrated in the VCAT case *Langdon v South Gippsland SC* [2017] VCAT 1454 (9 September 2017), in which VCAT found in favour of Council's decision to refuse an application to construct a dwelling on property approximately 200m from a quarry. Council refused the application partly because the dwelling would reduce the buffer distance between a sand quarry and the proposed dwelling. Until an objection was received from the mining company it is likely that the permit applicant was not aware that Council would consider the land's proximity to the mine in its consideration of the application. The application of the ESOs will assist in addressing awareness of the issue and allow landowners to be forewarned of the key issues.

The targeted application of the ESO mapping, combined with the ESO planning permit exemptions mean that the amendment will have limited impact on affected landowners. In the proposed ESO10 there are 18 privately owned lots of which only five do not contain a dwelling. Of these, four lots are over 40ha and a dwelling could be justified for agricultural reasons. In the proposed ESO11 there are 15 lots of which four are vacant. The four lots are between 4.1ha and 40ha and require an agricultural use to justify a dwelling.

The purpose of the overlays is not to prohibit development but to ensure the balancing of competing interests. The ESO schedule provisions promote the suitable siting of dwellings and make new landowners aware of the existing nearby industrial activity. The ESOs will have no effect on existing farming uses, mining activity or the existing use rights of dwellings. Application of the overlays will result in only three lots requiring a planning permit for a new dwelling (all Farming Zone lots over 40Ha) which otherwise would not have required any planning permit. The burden of the ESOs are low.

The ESO Schedule provisions have been designed to minimise their potential impact on landowners and include an extensive list of planning permit exemptions, including for dwelling additions. The development of more intensive forms of sensitive land uses (e.g. group accommodation / multi dwelling developments) are likely to be discouraged by the ESOs.

Council has received support from DEDJTR to proceed with this amendment.

CONSULTATION

Extensive consultation will be undertaken as part of the proposed amendment. Engagement will occur with sand companies, communities and any residents affected by the proposed overlay.

RESOURCES

Statutory fees and administrative costs will be covered within Planning Department budgets.

RISKS

With growth continuing to occur in Nyora, failure to have planning provisions that protect earth resources could see access to these resources being compromised, resulting in costs to the consumer being driven up as supply reduces.

STAFF DISCLOSURE

Nil

ATTACHMENTS

Attachments are available on Council's website: www.southgippsland.vic.gov.au

1. Extractive Industry (Sand) Report - Planning Implementation **[4.4.1]**

REFERENCE DOCUMENTS

Council Policy

Documents are available on Council's website: www.southgippsland.vic.gov.au
South Gippsland Planning Scheme

Legislative Provisions

Planning and Environment Act 1987

4.5. SIGNIFICANT TREE REGISTER

Development Services Directorate

EXECUTIVE SUMMARY

This Report recommends the preparation of a planning scheme amendment to introduce a Vegetation Protection Overlay (VPO) to protect trees identified in Council's Significant Tree Register and to update the existing Heritage Overlay as it applies to trees on the Significant Tree Register. It is recommended that authorisation be sought from the Minister for Planning to prepare and exhibit the amendment.

The Council Plan for 2017/18 sought to "review the Significant Tree Register and investigate the introduction of a Vegetation Protection Overlay". This work has identified the current health of the trees and provide direction for further protection of their outstanding visual, environmental, cultural and heritage significance.

RECOMMENDATION

That Council:

- 1. Seek authorisation from the Minister for Planning to prepare a Planning Scheme Amendment to apply a Vegetation Protection Overlay to the trees and stands identified in Attachment [4.5.1] – Trees and Stands List for Proposed Vegetation Protection Overlay and amend the existing Heritage Overlay to update its protected tree provisions.**
- 2. Exhibit the Planning Scheme Amendment in accordance with the procedural requirements of the Planning and Environment Act 1987.**

NOTE: The recommendation was CARRIED UNANIMOUSLY as part of a single motion, refer to page 46.

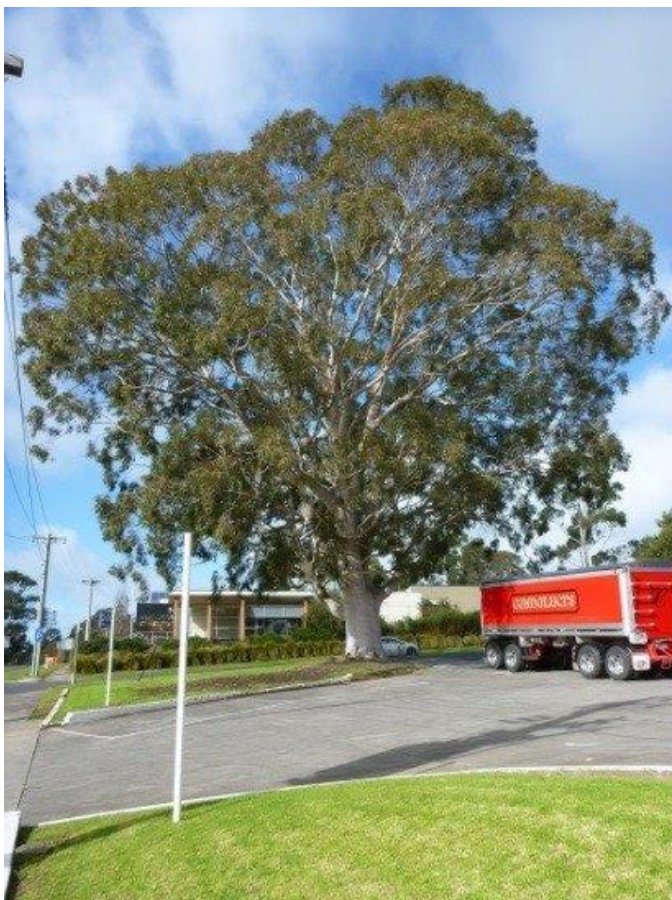
[Link to next agenda item](#)

REPORT

South Gippsland Shire Council first established and adopted a Significant Tree Register in 2002 (**Attachment [4.5.2]**) to help identify and conserve trees of importance to the community. The register aimed to preserve the Shire's leafy neighbourhood character, cultural heritage, history and biological diversity and contained 162 individual trees, sites (groups of different species) and stands (group of same species).

The trees were selected for their outstanding visual, environmental, cultural and heritage significance.

Figure 1 - Example of a Significant Tree, Lemon Scented Gum, Smith Street, Leongatha, 2017



Over time trees decline and are removed and so it was important that the register be reviewed and updated. Council's Volunteer Program was used to conduct the review and update information on each tree. Following this, each tree was assessed by Council specialists to ensure they met the criteria and to identify those of the highest value. A total of 60 individual trees and 13 stands of trees identified are now proposed for inclusion in the Vegetation Protection Overlay (refer to **Attachment [4.5.1]**). Thirty four of the trees are on private property.

To ensure the high value trees are protected from potential impacts of future building and works, the planning scheme amendment proposes to:

- Apply a Vegetation Protection Overlay to the significant trees
- Amend the existing Heritage Overlay (HO) provisions for some Avenues of Honour trees
- Add some trees that were excluded from the HO's initial application.

Four scheduled heritage places and associated land, HO10 (Nerrena Avenue of Honour), HO91 (Meeniyan Avenue of Honour), HO40 (former Foster Court House and Stables) and HO72 (Leongatha Secondary College - former Leongatha Agricultural College), require amendment to include tree controls. None of the HO changes affect private land.

A Vegetation Protection Overlay is a specifically designed overlay to protect significant native and exotic vegetation in both urban and rural environments. It can be applied to individual trees, stands of trees or areas of significant vegetation. It is generally used to preserve significant vegetation to ensure development minimises loss of the significant vegetation and enhances habitat and habitat corridors for indigenous fauna.

The proposed VPO (refer to **Attachment [4.5.3]**) and updated HO will be targeted at trees on public land with an invitation provided to private landowners to voluntarily agree to list trees identified on their property as part of the public exhibition process. It is important to note that trees on private land will only be included in the VPO with the consent of the landowner. Voluntary inclusion is consistent with Council's approach in relation to the protection of heritage buildings.

The areas covered by the VPO or HO are narrowly defined by the tree protection area (zone), which is designed to minimise the number of planning permits triggered by the overlays while retaining adequate protection for the tree.

An interactive map of the location, details and photo of each tree will be made available through Council's webpage to allow improved interaction with the community and monitoring of tree health over time.

CONSULTATION

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

Council officers will work with landowners to address any concerns raised by the proposed amendment, the outcomes of which, will be presented to Council for further consideration.

RESOURCES

Administration fees and charges associated with the amendment will be covered through Council's internal planning budget.

RISK

The development and review of the Register has been driven by the communities' concern that these trees are important to the wider community and need protection. Without planning controls these trees may face damage from development activities and result in the loss of the trees and their associated cultural, environmental, heritage or aesthetic significance.

STAFF DISCLOSURE

Nil

ATTACHMENTS

Attachments are available on Council's website: www.southgippsland.vic.gov.au

1. Significant Tree Register - Trees and Stands - Proposed cover by Vegetation Protection ~ 2018 **[4.5.1]**
2. Significant Tree Register 2002 **[4.5.2]**
3. Proposed Vegetation Protection Overlay **[4.5.3]**

REFERENCE DOCUMENTS

Council Policy

Documents are available on Council's website: www.southgippsland.vic.gov.au

South Gippsland Planning Scheme

South Gippsland Tree Management Plan

Legislative Provisions

Planning and Environment Act 1987

4.6. PROGRESS REPORT - SUSTAINABILITY STRATEGY 2016-2020

Infrastructure Directorate

EXECUTIVE SUMMARY

In accordance with the Council Plan 2017-2021, Strategic Objective 3.2.1 - *Waste Management and Sustainability Strategies implemented*, and the 2017/18 Annual Plan, this report updates Council on the progress to date of key actions within the Implementation Plan contained in the Sustainability Strategy 2016-2020 (the Strategy).

RECOMMENDATION

That Council notes the report.

NOTE: The recommendation was CARRIED UNANIMOUSLY as part of a single motion, refer to page 46.

[Link to next agenda item](#)

REPORT

The Sustainability Strategy 2016-2020 was adopted by Council at the Ordinary Council Meeting on 24 August 2016. The document provides a framework to guide the activities of Council in:

1. Planning for and responding to the impacts of climate change;
2. Protecting and enhancing the natural environment;
3. Effectively managing waste;
4. Promoting energy efficiency; and
5. Reducing greenhouse emissions.

An update on some of the key activities undertaken in 2017/18 that are linked to implementation of the Strategy is provided below.

Environmental Upgrade Agreements (EUAs)

The EUA program assists businesses to reduce carbon emissions, minimise water use, increase productivity and cut energy costs through the provision of loan funding, with repayments made through Council's rates system.

During 2017/18, several businesses expressed interest in the program but once a detailed analysis of their proposed projects was completed, most business owners elected to fund the works themselves. In these cases, the program was still instrumental in the projects being completed, because they would not have been proposed if the program did not exist or progressed without the analysis being undertaken.

One business has elected to utilise the program however, with a local dairy product manufacturer commencing a project that includes the installation of a 21kW solar PV system, an upgrade of their single gas boiler and the implementation of an energy monitoring system. The value of the project is \$67,000 which will be wholly funded by the EUA program and completed by 30 June 2018.

Leongatha Solar Farm

Council has commenced a collaborative grant funded project in partnership with the Bass Coast Shire Council and Baw Baw Shire Council to investigate the feasibility of establishing medium scale solar energy facilities (1 - 1.5 MW) on Council-owned land. The site being considered in South Gippsland is a large block in the industrial estate in Leongatha, off Horn Street, between the BMX track and the Equestrian Centre. The location is ideal due to its proximity to a major electricity substation.

The project will develop a business case that considers matters such as reducing long term electricity procurement costs for councils, increasing the generation of local renewable energy, job creation opportunities and community support. If the establishment of a medium scale solar farm on the site is viable and supported by Council, the business case will be used to support future funding applications to construct the infrastructure.

The total value of the project is \$87,860, with funding support provided through a \$52,620 State Government grant, along with cash and in-kind contributions from each participating Council.

A consultant has been engaged to deliver the business case and work has commenced.

Leongatha Memorial Hall Solar PV System

Funds from Council's 2017/18 Revolving Sustainability Fund have been allocated to the installation of a Solar PV system on the Leongatha Memorial Hall. The project involves the installation of a 31.2kW system at a total cost of \$36,356. The payback period for the system is approximately 4.3 years, which is considered a very short payback period, demonstrating an excellent return on investment. It is estimated that the system will provide ongoing annual cost savings for Council of approximately \$6,961 through reduced electricity costs.

Solar Savers Program

The Solar Savers program is an initiative that supports the installation of solar PV systems onto the homes of eligible South Gippsland residents that receive either a concession or pensioner rebate on their rates. The program assists these residents who own their own homes to purchase high quality solar PV systems through the provision of low-interest loans. There are no upfront costs to the residents and the savings made on electricity bills more than cover the cost of the loan repayments.

Implementation of the program commenced in South Gippsland in August 2017 with an initial target of 50 homes. This was subsequently revised to 40 due to a revision in the maximum of available installations for South Gippsland under the program. This target was achieved with 40 systems installed in the shire, representing a great outcome for those participants, through the achievement of reduced ongoing electricity costs.

Sustainability Festival

The 2018 Sustainability Festival was held on 8 April at the State Coal Mine in Wonthaggi. Approximately 1,200 people attended the festival this year, with positive feedback received from those in attendance on such things as

information provided and products on display. Visitation numbers at the festival have declined in recent years though, suggesting that a review of the value of the festival be undertaken to determine whether it should continue in its current form.

Management of Seawalls

A grant funded project to identify options for the future management and governance of existing seawalls, levees and drains within the shire was implemented. Key activities included the following:

- Consultants appointed
- Desktop analysis completed
- Points of weakness assessment undertaken
- Level of protection assessment completed
- Land tenure details confirmed
- Consideration of management options partially completed
- Risk assessment undertaken
- Draft report completed and submitted for peer review

A briefing has been scheduled for 4 July 2018 to advise Council of the outcomes of the project.

Waste Management Strategy Actions

An action of the Sustainability Strategy is to implement Council's Waste Management Strategy 2016-2021 (WMS). The WMS contains a broad range of activities aimed at reducing waste to landfill and increasing the volume of materials collected for reuse or recycling. A summary of key actions from the WMS that have been implemented in 2017/18 is provided below.

Action 1 - Kerbside Collection Services

Council was briefed in April 2018 on the viability and collection options for a full organics collection service (combined food waste and green waste - FOGO) in the next kerbside waste collection services tender. The briefing looked at different collection models and the benefits and negative aspects of each model were discussed. Learnings from other councils that have introduced FOGO collection services was also discussed. Feedback from Councillors and benchmarking with other councils will be taken into account when preparing the new contracts.

Action 3 - Landfills

Council worked collaboratively with the EPA and consultants to re-assess the Hydrogeological Assessment that had previously been completed for the Foster Landfill. As a result, amendments to the associated Aftercare Plan for the site were negotiated that will lead to significant ongoing savings for Council through avoided leachate disposal costs.

Action 8 - Other Service Opportunities

Council continued to work collaboratively with the Gippsland Waste and Resource Recovery Group and other Gippsland councils to identify and consider opportunities to improve services and obtain better value for the community through the joint procurement of waste management services.

RESOURCES

In general, activities within the Sustainability Strategy are funded from allocated budgets. When opportunities to apply for grants arise, an additional budget allocation may be sought to support a desired project.

RISKS

The risks associated with sustainability, in particular climate change, are continually being considered, and actions developed and implemented to address them.

STAFF DISCLOSURE

Nil

REFERENCE DOCUMENTS

Council Policy

Documents are available on Council's website: www.southgippsland.vic.gov.au

Sustainability Strategy 2016-2020

Waste Management Strategy 2016-2021

Legislative Provisions

Local Government Act 1989

Climate Change Act 2010

Victorian Adaptation and Sustainability Partnership

Victorian Climate Change Adaptation Plan

Councillor Aaron Brown left the Council Meeting at 2.58pm with a declared indirect financial conflict of interest in Agenda Item 4.7 PROPOSED SALE OF RESERVE – 8 VARNEY ROAD, FOSTER as the “Drainage line in this item runs through a property I have an interest on O’Connell Road, Foster”.

4.7. PROPOSED SALE OF RESERVE - 8 VARNEY ROAD, FOSTER

Infrastructure Directorate

EXECUTIVE SUMMARY

This report is presented to Council to commence the statutory process for the proposed sale of Reserve 1 PS704469 (**Figure 4** - Reserve 1) known as 8 Varney Road, Foster to the adjoining land owner for further development.

The reserve is currently a drainage reserve created by the same adjoining land owner that provided an open drain in an earlier stage of the Varney Road development. To further develop the adjoining land, engineers have determined that the drain can be piped and easements amended.

If the proposed sale of land statutory process is successful, the adjoining land owner would be responsible for the removal of the reservation and amendment of the easements before the sale would occur for not less than a valuation obtained not more than six months prior to the sale.

RECOMMENDATION

That Council:

1. Commence the statutory procedures in accordance with ss.189 and 223 of the Local Government Act 1989 for the proposed sale of Reserve 1 PS704469 with an area of 408m², being the land described in certificate of title volume 11399 folio 545 situated at 8 Varney Road Foster to the adjoining land owner on the western boundary of the reserve for not less than a valuation obtained not more than six months prior to the sale.
2. Gives public notice in the local newspapers in the week commencing 2 July 2018 on the proposal in accordance with s.223 of the Local Government Act 1989 to commence a public consultation process inviting written submissions to the proposal from the community by 5:00pm, Tuesday 31 July 2018.
3. Authorises the Chief Executive Officer to undertake the administrative procedures necessary to enable the Council to carry out its administrative functions under s.223 of the Local Government Act 1989 in respect of the proposal.

4. If submissions are received to the public notice:
 - a. Authorises the Chief Executive Officer to set the time, date, and place to hear submissions.
 - b. Hears submitters who elected to speak to their submission at a Special Committee of Council in open session comprising:
 - i. The Mayor (or delegate) who will chair the meeting;
 - ii. Not less than two other Councillors; and
 - iii. The Director Infrastructure for administrative purposes.
 - c. Considers and determines submissions at the Ordinary Meeting of Council 26 September 2018 in an open hearing session.
5. If no submissions are received:
 - a. Authorise the adjoining land owner to proceed with the removal of the reservation and amendment of the easements in accordance with ss.23 and 24A of the Subdivision Act 1988.
 - b. Sell the land currently known as Reserve 1 PS704469 being the land described in certificate of title volume 11399 folio 545 situated at 8 Varney Road Foster to the adjoining land owner on the western boundary of the reserve for not less than a valuation obtained not more than six months prior to the sale.

MOVED: Cr Argento

SECONDED: Cr Skinner

THAT COUNCIL:

1. **COMMENCE THE STATUTORY PROCEDURES IN ACCORDANCE WITH SS.189 AND 223 OF THE LOCAL GOVERNMENT ACT 1989 FOR THE PROPOSED SALE OF RESERVE 1 PS704469 WITH AN AREA OF 408M2, BEING THE LAND DESCRIBED IN CERTIFICATE OF TITLE VOLUME 11399 FOLIO 545 SITUATED AT 8 VARNEY ROAD FOSTER TO THE ADJOINING LAND OWNER ON THE WESTERN BOUNDARY OF THE RESERVE FOR NOT LESS THAN A VALUATION OBTAINED NOT MORE THAN SIX MONTHS PRIOR TO THE SALE.**
2. **GIVES PUBLIC NOTICE IN THE LOCAL NEWSPAPERS IN THE WEEK COMMENCING 2 JULY 2018 ON THE PROPOSAL IN ACCORDANCE WITH S.223 OF THE LOCAL GOVERNMENT ACT 1989 TO COMMENCE A PUBLIC**

CONSULTATION PROCESS INVITING WRITTEN SUBMISSIONS TO THE PROPOSAL FROM THE COMMUNITY BY 5:00PM, TUESDAY 31 JULY 2018.

- 3. AUTHORISES THE CHIEF EXECUTIVE OFFICER TO UNDERTAKE THE ADMINISTRATIVE PROCEDURES NECESSARY TO ENABLE THE COUNCIL TO CARRY OUT ITS ADMINISTRATIVE FUNCTIONS UNDER S.223 OF THE LOCAL GOVERNMENT ACT 1989 IN RESPECT OF THE PROPOSAL.**
- 4. IF SUBMISSIONS ARE RECEIVED TO THE PUBLIC NOTICE:**
 - a. AUTHORISES THE CHIEF EXECUTIVE OFFICER TO SET THE TIME, DATE, AND PLACE TO HEAR SUBMISSIONS.**
 - b. HEARS SUBMITTERS WHO ELECTED TO SPEAK TO THEIR SUBMISSION AT A SPECIAL COMMITTEE OF COUNCIL IN OPEN SESSION COMPRISING:**
 - i. THE MAYOR (OR DELEGATE) WHO WILL CHAIR THE MEETING;**
 - ii. NOT LESS THAN TWO OTHER COUNCILLORS; AND**
 - iii. THE DIRECTOR INFRASTRUCTURE FOR ADMINISTRATIVE PURPOSES.**
 - c. CONSIDERS AND DETERMINES SUBMISSIONS AT THE ORDINARY MEETING OF COUNCIL 26 SEPTEMBER 2018 IN AN OPEN HEARING SESSION.**
- 5. IF NO SUBMISSIONS ARE RECEIVED:**
 - a. AUTHORISE THE ADJOINING LAND OWNER TO PROCEED WITH THE REMOVAL OF THE RESERVATION AND AMENDMENT OF THE EASEMENTS IN ACCORDANCE WITH SS.23 AND 24A OF THE SUBDIVISION ACT 1988.**
 - b. SELL THE LAND CURRENTLY KNOWN AS RESERVE 1 PS704469 BEING THE LAND DESCRIBED IN CERTIFICATE OF TITLE VOLUME 11399 FOLIO 545 SITUATED AT 8 VARNEY ROAD FOSTER TO THE ADJOINING LAND OWNER ON THE WESTERN BOUNDARY OF THE RESERVE FOR NOT LESS THAN A VALUATION OBTAINED NOT MORE THAN SIX MONTHS PRIOR TO THE SALE.**

CARRIED UNANIMOUSLY

[Link to next agenda item](#)

REPORT

History

January 1978 – A drainage easement was created at the low point in Varney Road, Foster as part of the 2 lot subdivision LP128576 to enable runoff from Varney Road to legally drain to O'Connell Road – refer to **Figure 1** (all figures are located at the end of this report).

July 2010 – Planning Permit 2010/231 lodged for 50 lot subdivision of lot 2 and additional land to east – refer to **Figure 2**.

The application identified that significant runoff occurred along the above easement, so to reduce runoff and assist drainage of new subdivision, a number of conditions were proposed:

1. Construct new road and associated drainage as a major drainage route to cater for major storm events, including most of the runoff from Varney Road,
2. Create a drainage reserve to allow for existing Council drainage and any overflow runoff that may still need to go along easement, and
3. Form an open drain through reserve to ensure no adverse runoff impact into proposed subdivision

May 2013 – Plan of Subdivision 704469 was created from Planning Permit 2010/231. Council's drainage reserve is shown in bold in **Figure 3**.

To facilitate the development of the land to the west of the reserve, the adjoining land owner (who is the original developer) requires the amendment of the drainage easement to pipe the drain then acquire the reserve back from Council to create suitable block sizes due to the position of sewer easements of the remaining land to be developed.

CONSULTATION

There have been many discussions over the past few years between Council Officers and the developer regarding the development.

The statutory process is required in accordance with s.223 of the Local Government Act 1989 that will call for public submissions. If submissions are received, Council will be required to consider them before an outcome can be determined.

RESOURCES

Council will be responsible for the statutory process in accordance with ss.189 and 223 of the Local Government Act 1989.

It is proposed that the adjoining land owner/developer will be responsible for the subdivision that will remove the drainage reservation, amend the easement, construct the drainage, and pay for the land at valuation.

RISKS

The risks to Council appear to be minimal due to the public being able to lodge a submission to the proposal.

If the statutory process is successful, the planning permit process will allow for conditions to be in place in order to satisfy Council's drainage requirements.

STAFF DISCLOSURE

Nil

REFERENCE DOCUMENTS

Council Policy

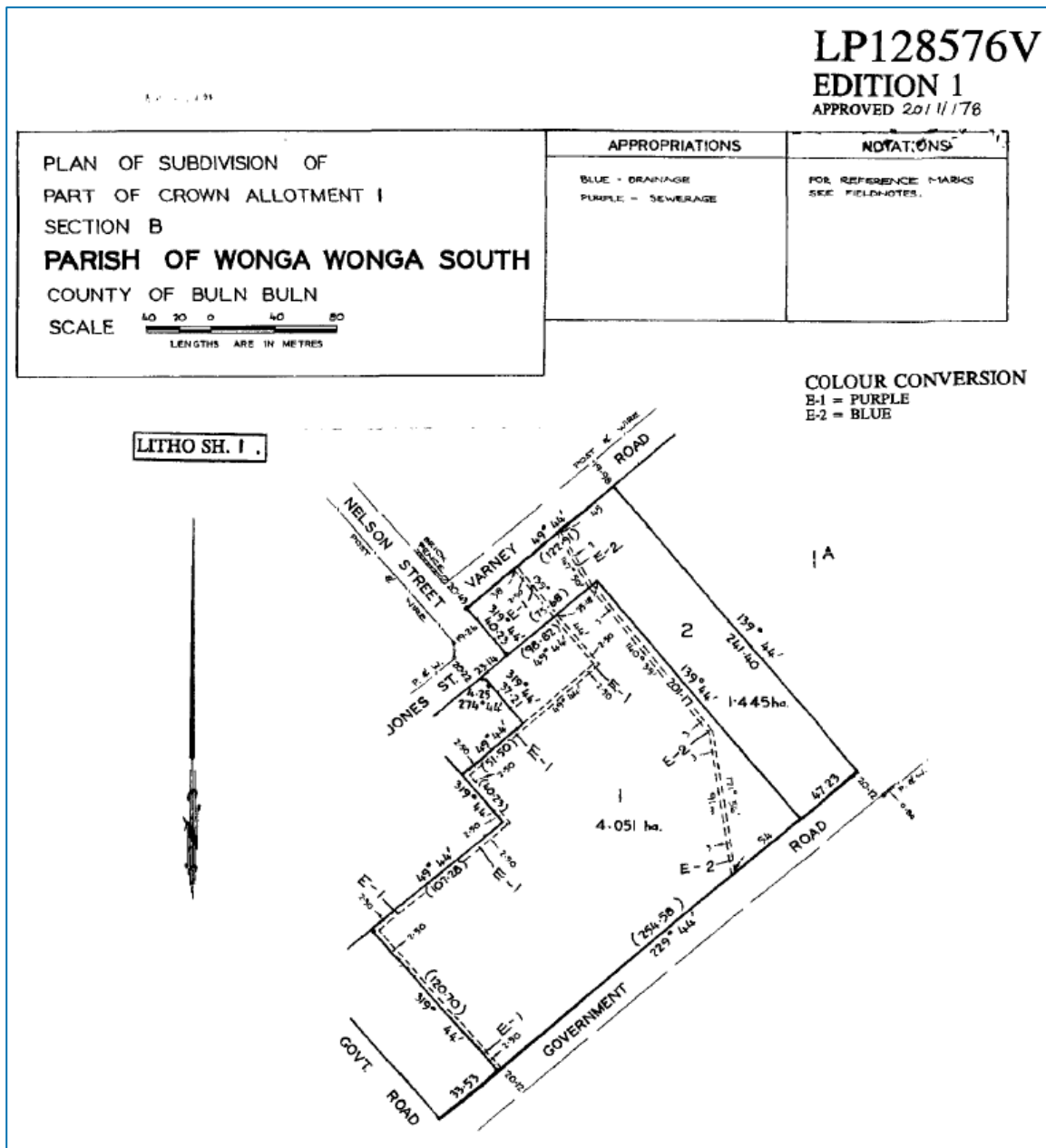
Documents are available on Council's website: www.southgippsland.vic.gov.au
C34 Council Land Ownership Policy

Legislative Provisions

Local Government Act 1989 (ss.189 and 223)

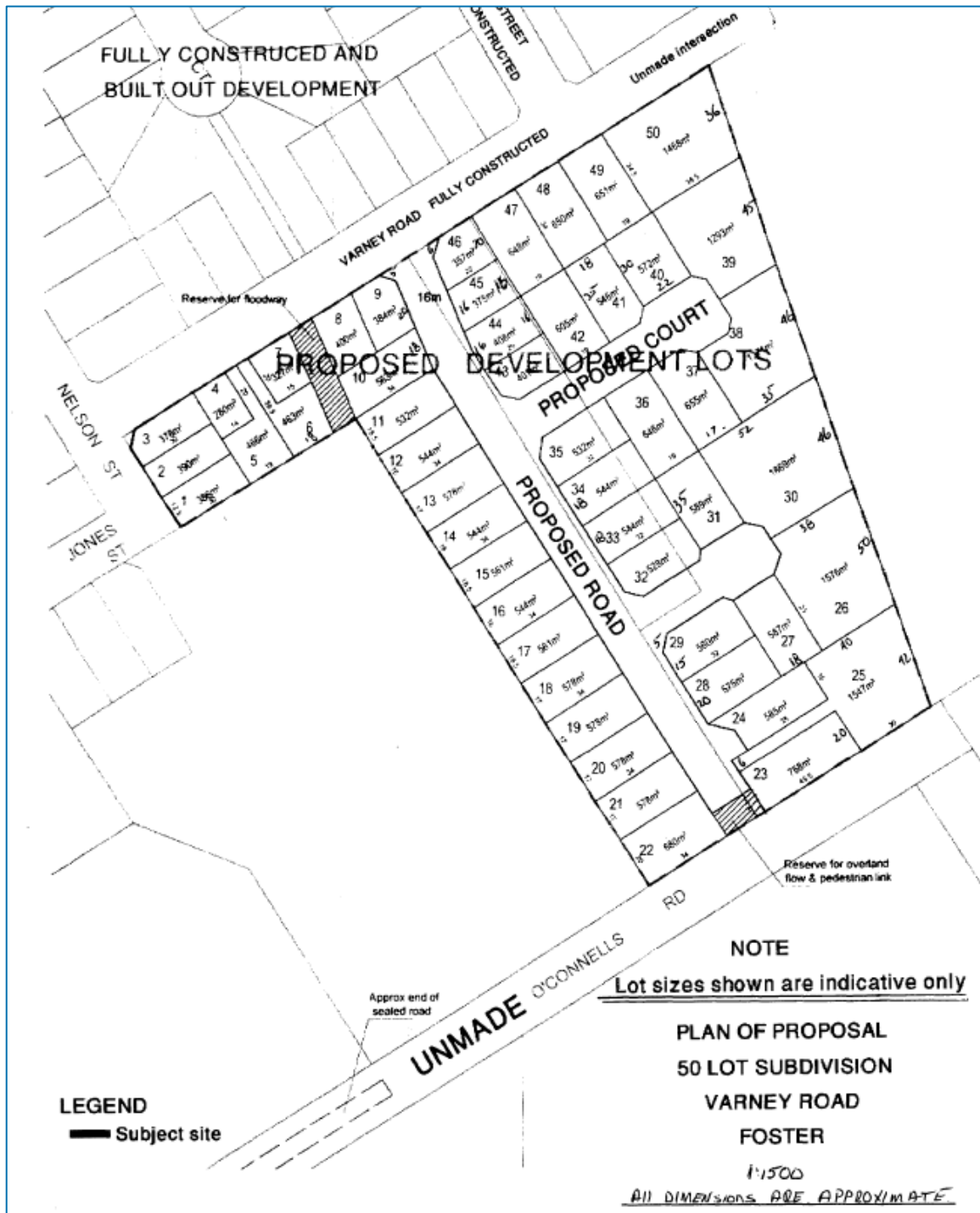
Subdivision Act 1988 (ss.23 and 24A)

Figure 1



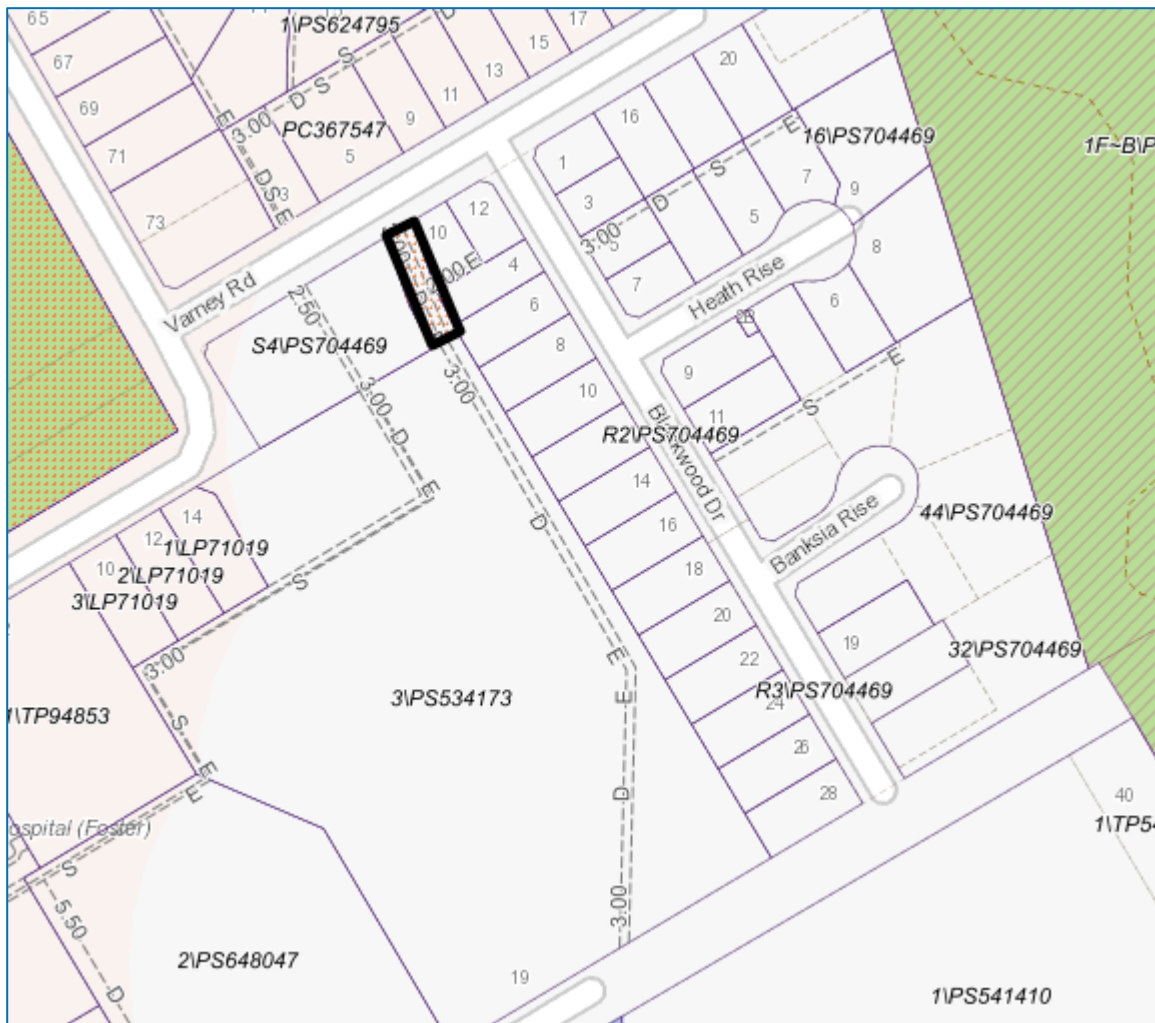
January 1978 – A drainage easement was created at the low point in Varney Road, Foster as part of the 2 lot subdivision LP128576 to enable runoff from Varney Road to legally drain to O’Connell Road.

Figure 2



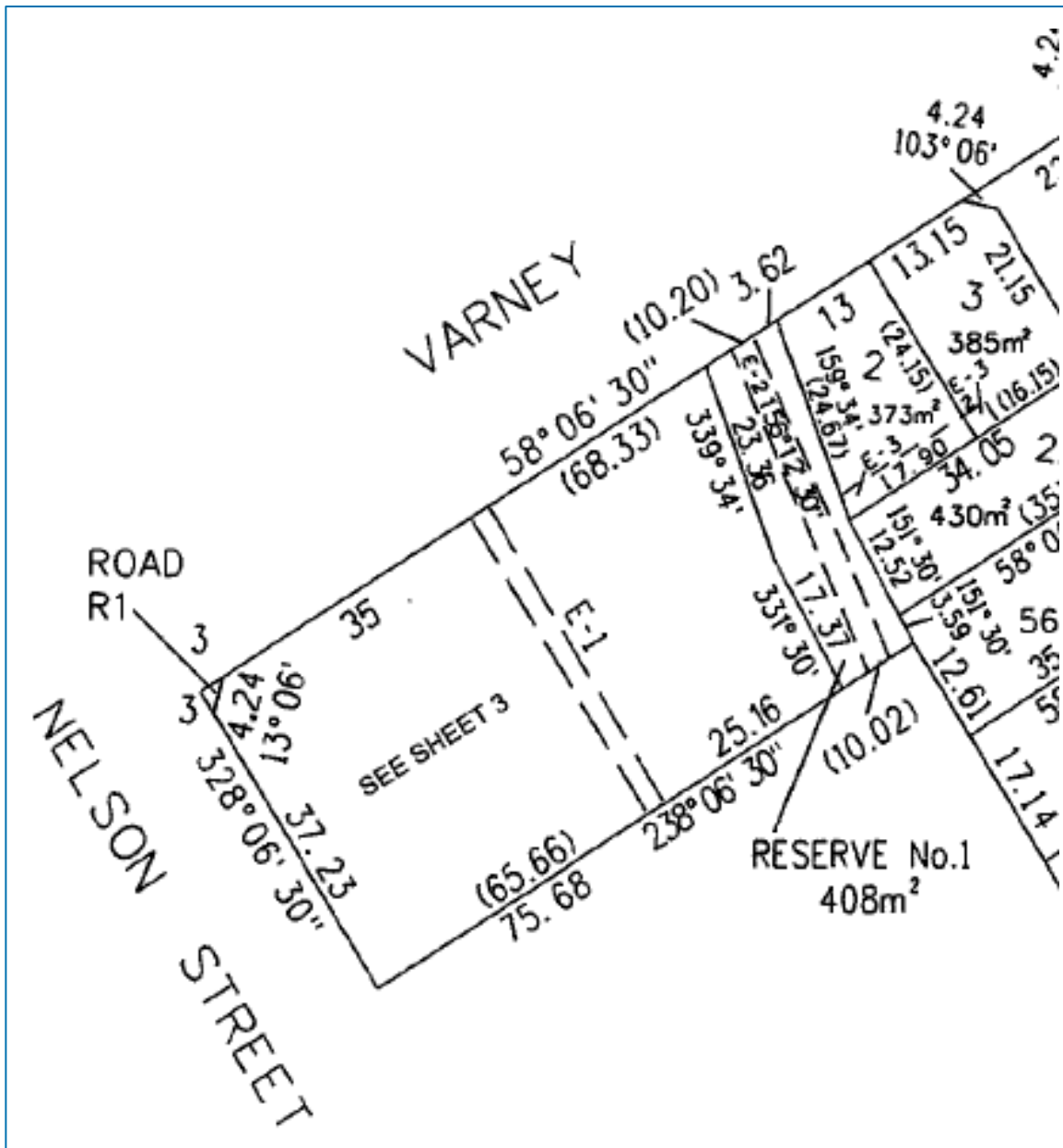
July 2010 – Planning Permit 2010/231 lodged for 50 lot subdivision of lot 2 and additional land to east.

Figure 3



May 2013 – Plan of Subdivision 704469 was created from Planning Permit 2010/231. Council’s drainage reserve is shown in bold.

Figure 4 - Reserve 1 PS704469



Cr Brown returned to the Council Meeting at 3.00pm.

4.8. PROPOSED LEASE TO PARKS VICTORIA - 12 MCDONALD STREET, FOSTER

Infrastructure Directorate

EXECUTIVE SUMMARY

This report proposes that Council commence the statutory procedures required under the Local Government Act 1989 (the Act) to enable it to continue leasing part of premises 12 McDonald Street, Foster to Parks Victoria for use as office space for a term of five (5) years with an option of one (1) further term of five (5) years. The lease would commence 19 September 2018 at market rent.

RECOMMENDATION

That Council:

1. Commences the statutory procedures in accordance with ss.190 and 223 of the Local Government Act 1989 to lease area of building 465.76m² located on Crown Allotment 16D Section 2 Parish of Wonga Wonga South, 12 McDonald Street, Foster, being land in Certificate of Title Volume 9873 Folio 363 to Parks Victoria for an initial term of five (5) years with one (1) option of a further term of five (5) years at a market rental.
2. Gives public notice in local newspapers in the week commencing 2 July 2018 of the proposal in accordance with s.223 of the Local Government Act 1989 to commence a public consultation process inviting written submissions to the proposal from the community by 5.00pm, Tuesday 31 July 2018.
3. Authorises the Chief Executive Officer to undertake the administrative procedures necessary to enable the Council to carry out its administrative functions under s.223 of the Local Government Act 1989 in respect of the proposal.
4. If submissions are received to the public notice:
 - a. Authorises the Chief Executive Officer to set the time, date, and place to hear submissions.
 - b. Hears submitters who elected to speak to their submission at a Special Committee of Council in open session comprising:
 - i. The Mayor (or delegate) who will chair the meeting;

- ii. Not less than two other Councillors: and
 - iii. The Director Infrastructure for administrative purposes.
 - c. Considers and determines submissions at the Ordinary Meeting of Council 26 September 2018 in an open session.
5. If no submissions are received, enter into the lease.

MOVED: Cr Skinner

SECONDED: Cr Rich

THAT COUNCIL:

1. **COMMENCES THE STATUTORY PROCEDURES IN ACCORDANCE WITH SS.190 AND 223 OF THE LOCAL GOVERNMENT ACT 1989 TO LEASE AREA OF BUILDING 465.76M² LOCATED ON CROWN ALLOTMENT 16D SECTION 2 PARISH OF WONGA WONGA SOUTH, 12 MCDONALD STREET, FOSTER, BEING LAND IN CERTIFICATE OF TITLE VOLUME 9873 FOLIO 363 TO PARKS VICTORIA FOR AN INITIAL TERM OF FIVE (5) YEARS WITH ONE (1) OPTION OF A FURTHER TERM OF FIVE (5) YEARS AT A MARKET RENTAL.**
2. **GIVES PUBLIC NOTICE IN LOCAL NEWSPAPERS IN THE WEEK COMMENCING 2 JULY 2018 OF THE PROPOSAL IN ACCORDANCE WITH S.223 OF THE LOCAL GOVERNMENT ACT 1989 TO COMMENCE A PUBLIC CONSULTATION PROCESS INVITING WRITTEN SUBMISSIONS TO THE PROPOSAL FROM THE COMMUNITY BY 5.00PM, TUESDAY 31 JULY 2018.**
3. **AUTHORISES THE CHIEF EXECUTIVE OFFICER TO UNDERTAKE THE ADMINISTRATIVE PROCEDURES NECESSARY TO ENABLE THE COUNCIL TO CARRY OUT ITS ADMINISTRATIVE FUNCTIONS UNDER S.223 OF THE LOCAL GOVERNMENT ACT 1989 IN RESPECT OF THE PROPOSAL.**
4. **IF SUBMISSIONS ARE RECEIVED TO THE PUBLIC NOTICE:**
 - a. **AUTHORISES THE CHIEF EXECUTIVE OFFICER TO SET THE TIME, DATE, AND PLACE TO HEAR SUBMISSIONS.**
 - b. **HEARS SUBMITTERS WHO ELECTED TO SPEAK TO THEIR SUBMISSION AT A SPECIAL COMMITTEE OF COUNCIL IN OPEN SESSION COMPRISING:**
 - i. **THE MAYOR (OR DELEGATE) WHO WILL CHAIR THE MEETING;**

- ii. NOT LESS THAN TWO OTHER COUNCILLORS: AND
 - iii. THE DIRECTOR INFRASTRUCTURE FOR ADMINISTRATIVE PURPOSES.
- c. CONSIDERS AND DETERMINES SUBMISSIONS AT THE ORDINARY MEETING OF COUNCIL 26 SEPTEMBER 2018 IN AN OPEN SESSION.
5. IF NO SUBMISSIONS ARE RECEIVED, ENTER INTO THE LEASE.

CARRIED UNANIMOUSLY

[Link to next agenda item](#)

REPORT

Parks Victoria commenced occupancy of the premises in November 1990 for a term of then (10) years. The office site is ideal for Parks Victoria as it abuts its Depot on adjoining crown land.

Council has been keen to maintain the presence of Government Agencies and the economic flow-on effect they provide to Foster. A need for increased services at Wilsons Promontory led to the expansion of Parks Victoria's staffing levels and towards the end of the 1990s, pressure for increased accommodation led to discussions between Council and Parks Victoria. A number of options were considered. The only Council-owned site suitable for the Parks Victoria operations was the Foster Works Depot. The works to accommodate Parks Victoria at the Depot were more expensive than an option to extend its current premises. In 2003, Council and Parks Victoria agreed to the extension and new lease for a commercial rental.

The premises also house the Foster Library, Stockyard Gallery, and Visitor Information Centre.

Parks Victoria is one of the major employers in Foster. It has significant local economic impact through their purchases of supplies and equipment and its workers also make a significant impact through their retail purchases in the town.

In 2015, Council entered into a further lease (current lease) with Parks Victoria for three (3) years expiring 18 September 2018.

The current lease allows for the tenant (Parks Victoria) to remain occupying the premises under the over holding provisions of the lease. This means that if Council and Parks Victoria agree, the leases can continue under the same conditions on a month-by-month basis until a new lease is made.

A proposal for a new lease will trigger the need to advertise the proposed lease in accordance with ss.190 and 223 of the Local Government Act 1989 because the proposed term is for ten (10) years and the rental will be greater than \$50,000.00 per annum.

Lease Particulars

Particulars of the proposed lease are in **Table 1** as follows:

Table 1 Particulars of the proposed lease

| | |
|---------------|---|
| Tenant | Parks Victoria |
| Land | Crown Allotment 16D section 2 Parish of Wonga Wonga South known as 12 McDonald Street (corner McDonald Street and |

| | |
|----------------|---|
| | Victory Avenue), Foster and being land in certificate of title 9873 folio 363 |
| Area | 465.76m ² see Figure 1 |
| Purpose | Office space |
| Term | An initial term of five (5) years with one (1) option of a further term of five (5) years |
| Rent | Not less than market rental determined by a Valuer |

CONSULTATION

Parks Victoria has been consulted and indicated that a longer term lease is best to ensure the continued effective delivery of its services to the wider community. Parks Victoria representatives made comment that the site has become a “landmark” within Foster and it provides their organisation with a direct link to the community.

RESOURCES

The ongoing maintenance and operation of the premises will be the responsibility of Parks Victoria and will be set out in a standard maintenance schedule included in the lease.

A market rental will be charged with provision in the leases to adjust the rental in line with annual movements in the CPI (Consumer Price Index).

RISKS

Parks Victoria has been an excellent tenant for thirteen years without issue.

Parks Victoria will be required to have \$20M public liability insurance cover to mitigate risk to Council.

The s.223 process will allow for community consultation and an alert to possible risk.

STAFF DISCLOSURE

Nil

REFERENCE DOCUMENTS

Council Policy

Documents are available on Council's website: www.southgippsland.vic.gov.au
C62 Leasing Policy 2014

Legislative Provisions

Local Government Act 189, ss.190 and 223

Figure 1 – Floor Plan

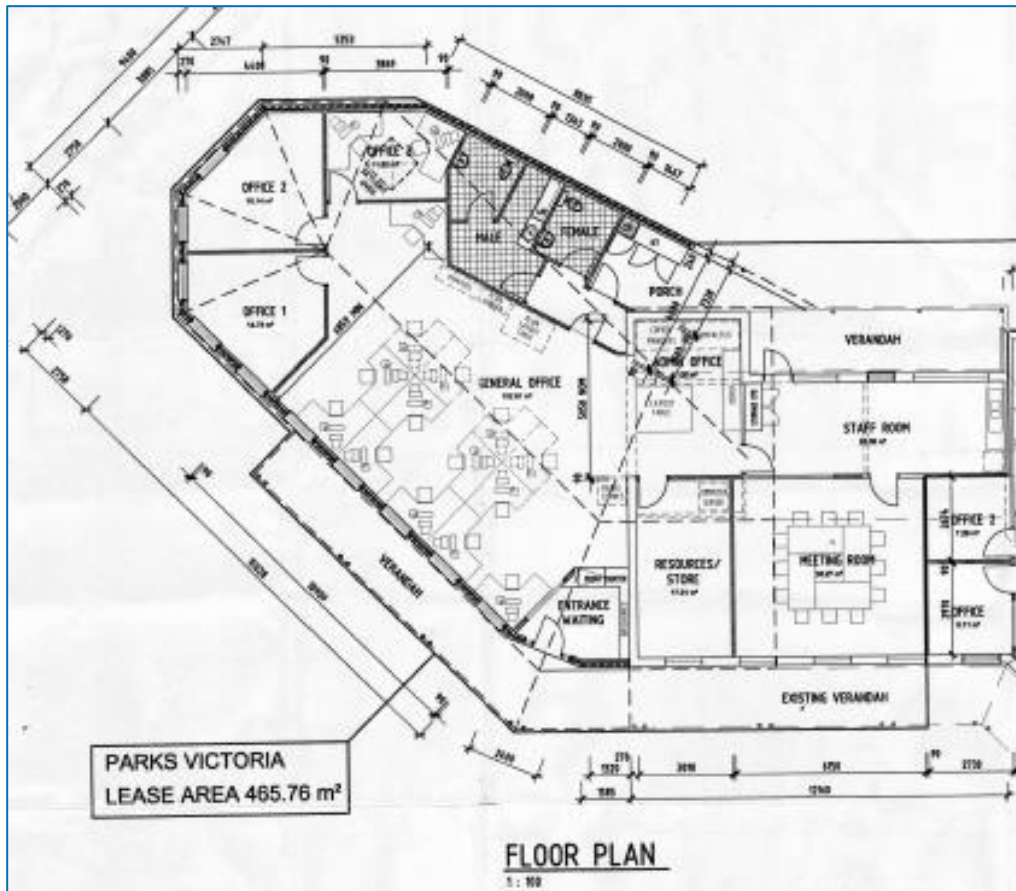


Figure 2 – Aerial Map



4.9. GRANT APPLICATION - FISH CREEK KINDERGARTEN UPGRADE (2018/19 CHILDREN'S FACILITIES CAPITAL PROGRAM - DEPARTMENT OF EDUCATION & TRAINING)

Infrastructure Directorate

EXECUTIVE SUMMARY

An application for the upgrade of the Fish Creek Kindergarten facility was initially submitted to the State Government Department of Education and Training (DET) Children's Facilities Capital Program – 2017/18 Major Grants round. Unfortunately Council was advised in December 2017 that the application was unsuccessful.

Feedback was sought from the funding body which is addressed in the preparation of the 2018/19 submission. However, Council has been advised that the program is extremely competitive with less than 50 per cent of applications approved in the 2017/18 program.

It is proposed to resubmit an application to the State Government DET Children's Facilities Capital Program – 2018/19 Major Grants to upgrade the Fish Creek Kindergarten facility.

The Children's Facilities Capital Program (CFCP) provides funding support to local governments and other service providers to invest in early childhood infrastructure.

RECOMMENDATION

That Council submits an application to the Department of Education and Training (DET) Children's Facilities Capital Program – 2018/19 Major Grants for the Fish Creek Kindergarten Facility Upgrade project.

MOVED: Cr Hill

SECONDED: Cr Rich

THAT THE RECOMMENDATIONS IN AGENDA ITEMS 4.9, 4.10 AND 4.11 BE ADOPTED.

CARRIED UNANIMOUSLY

[Link to next agenda item](#)

REPORT

In 2011, a new integrated service was built in Foster for the families of Corner Inlet. Prom Coast Centres for Children (PCCC) was established, providing long day care, kindergarten, and maternal and child health services at the Foster site and continued kindergarten programs at the satellite centres in Fish Creek, Toora, and Welshpool.

In 2014, the sudden withdrawal of operator Uniting Care Gippsland led to a local campaign to save the Corner Inlet service from closure. A community-based committee of management was appointed to continue the provision of services, with a strong commitment by PCCC to retain services at all three satellite centres.

Currently the satellite kindergarten programs at Toora, Welshpool, and Fish Creek operate in ageing infrastructure that will require major upgrades in the next 10-15 years.

While the existing facilities meet the functional space requirements of program delivery, the design and/or layout of the buildings make programming a challenge in order to meet the Commonwealth Government's *National Quality Framework* for education and care services.

In 2015, the current and future demands for Early Years services in Toora, Welshpool, and Fish Creek were investigated in order to plan for the long term Early Years infrastructure needs in Corner Inlet. The Corner Inlet Kindergarten Infrastructure Review was presented to Council in October 2015 and resolved to support the review's recommendations:

- Continue to maintain and improve the existing facilities at Fish Creek, Toora and Welshpool for a minimum of five years;
- Collaborate with PCCC to identify functionality requirements across the three satellite kindergartens (Toora, Welshpool, and Fish Creek) and invest a previously allocated amount of \$168,195 according to agreed priorities over the next five years;
- Investigate, in consultation with the community, the development of one integrated community hub to meet the service requirements of a 22-place kindergarten and ancillary services servicing Toora and Welshpool in the next 5-10 years; and
- Plan for the upgrade of the Fish Creek Kindergarten in the next 15-20 years. As an outcome of the above and after consultation with the PCCC, it was agreed that the allocated funds should be utilised to upgrade the Fish Creek Kindergarten as a priority.

Fish Creek Kindergarten Upgrade Project Scope

The objective of the Fish Creek Kindergarten Facility Upgrade project is to bring the existing structurally sound facility up to a standard that will continue to meet service requirements for the next 15 years. To date, the committee has driven the proposed concept designs.

In summary, the proposed works will:

- Provide access for all to the building through the construction of a compliant access ramp as well as a new entry/sign-in area;
- Upgrade and re-position the existing kitchen and office areas to improve operational functionality; and
- Extend the facility to provide a new DET compliant toilet area.

In addition, the project will also include essential maintenance works to the facility.

Final drawings are required to be developed and approved by Department of Education and Early Childhood Development (DEECD).

Children's Facilities Capital Program (CFCP) – 2018/19 Major Grants²

The CFCP has been established to provide families flexible, accessible, and affordable early childhood education and care services, including kindergarten programs. It identifies that these programs should be delivered alongside other key services such as maternal and child health, early childhood intervention services, playgroups and family services.

The State Government has committed \$70M between 2015 and 2019 to support local governments and other service providers to invest in early childhood infrastructure. Of this \$70M, \$10M was committed to address demand for early years' services in high growth areas, and a further \$10M to co-locate early years' infrastructure with schools. This investment through the CFCP will support the provision of high quality early years' programs for children and their families by:

- Increasing infrastructure capacity to deliver a kindergarten program for children in the year before school;

² **Department of Education and Training website -**
<http://www.education.vic.gov.au/childhood/providers/funding/Pages/201718grantsround.aspx>

- Promoting integrated service delivery at one location where families can access early childhood education and care, health and development and family services;
- Improving access for children from vulnerable and/or disadvantaged families to local and responsive early childhood services; and
- Providing early childhood infrastructure on or near school sites.

Applications to the program opened on the 18 April 2018 with applications closing on 31 July 2018. The program has three streams of funding, namely:

1. Integrated Children's Centre
2. New Early Learning Facility
3. Early Learning Facility Upgrade

It is recommended that Council considers applying to the Early Learning Facility Upgrade stream for the Fish Creek Kindergarten Facility Upgrade project.

The Early Learning Facility Upgrade grants are for the renovation or refurbishment of existing licensed early childhood education and care facilities, including those not currently used for the delivery of a funded kindergarten program, to expand licensed capacity and/or improve the quality of the learning environment.

Eligible organisations can apply for up to 75 per cent of the total project cost, capped at \$350,000 per grant (GST exclusive).

CONSULTATION

Extensive consultation occurred during the preparation of the Corner Inlet Kindergarten Infrastructure Review.

Council staff have continued to liaise with the PCCC in implementing the review recommendations.

Feedback in relation to the unsuccessful submission to the 2017/18 Major Grants round has been sought from the funding body and will be taken into account in the preparation for the 2018/19 Major Grants round application.

RESOURCES

The overall project includes the upgrade and maintenance works at the Fish Creek Kindergarten facility and is estimated at \$338,000. However, funding will only be sought through the CFCP for the upgrade portion of the project.

The upgrade works is estimated at \$308,000. Funding of \$160,106 for the upgrade is identified in the forward *15-year Capital Works Program* for 2018/19.

An additional \$30,000 is estimated to deliver the additional works which are considered maintenance and therefore outside the funding guidelines. Funding of these works is available in Council's asset maintenance budget.

RISKS

If Council does not support an application for the project, it will miss an opportunity to obtain external funding to upgrade the Fish Creek Kindergarten and therefore will be required to fully fund the project.

STAFF DISCLOSURE

Nil

REFERENCE DOCUMENTS

Legislative Provisions

Local Government Act 1989

4.10. GRANT APPLICATION - LEONGATHA & DISTRICT NETBALL COURTS REDEVELOPMENT PROJECT (2018/19 FEMALE FRIENDLY FACILITIES FUND - SPORT & RECREATION VICTORIA)

Infrastructure Directorate

EXECUTIVE SUMMARY

Sport and Recreation Victoria has recently opened the 2018/19 Female Friendly Facilities Fund offering grants of up to \$500,000 to assist local clubs and organisations to develop grounds, pavilions, courts, and lighting to enable more women and girls to participate in sport and active recreation.

The Leongatha and District Netball Association (LDNA) Netball Courts Redevelopment project is considered eligible and 'shovel ready' for the 2018/19 funding program.

RECOMMENDATION

That Council:

- 1. Applies for \$500,000 to Sport and Recreation Victoria 2018/19 Female Friendly Facilities Fund for the Leongatha and District Netball Association Netball Courts Redevelopment project.**
- 2. Allocates \$150,000 from the 2019/20 Community Infrastructure Projects budget towards the Leongatha and District Netball Association Netball Courts Redevelopment project if the application is approved by Sport and Recreation Victoria.**
- 3. Advises the Leongatha and District Netball Association that any project overruns are the responsibility of the committee to fund, in accordance with Council's Community Project Management Policy and Guidelines.**
- 4. Provides staff resources within funding allocated in the total project costs for management of the project if approved by Sport and Recreation Victoria in the 2018/19 financial year.**

NOTE: The recommendation was CARRIED UNANIMOUSLY as part of a single motion, refer to page 100.

[Link to next agenda item](#)

REPORT

Sport and Recreation Victoria (SRV) has a suite of infrastructure programs including the Community Sports Infrastructure Fund, Country Football and Netball Program, Female Friendly Facilities Fund, Better Indoor Stadiums Fund and the World Game Facilities Fund. Through these programs, the State Government is investing millions into community sports infrastructure across Victoria.

Each year Council submits applications to appropriate programs for eligible projects that are either in Council's *15-Year Capital Work Program* or initiatives driven by the community.

Female Friendly Facilities Fund

The Female Friendly Facilities Fund (FFFF) is a Victorian Government funding program that assists local clubs and organisations with grants of up to \$500,000 to develop grounds, pavilions, courts, and lighting to enable more women and girls to participate in sport and active recreation. Detailed information on the FFFF program guidelines is available on SRV's website³.

The fund aims to support local clubs and organisations for projects that encourage more women and girls to become active and all projects must ensure that women and girls have prioritised and equitable access to existing and new facilities.

Councils may submit applications for one or more venues with a total (combined) funding request of up to \$500,000 on a \$2:\$1 ratio.

Applications close on Monday 23 July 2018 with funding announcements and notifications of outcomes from September 2018.

LDNA Netball Courts Redevelopment Project

The LDNA Netball Courts Redevelopment project is considered eligible and therefore recommended for submission.

The project is for the redevelopment of the current eight court facility to achieve seven compliant courts. The project will include resurfacing courts, competition lighting for all courts, civil construction including the construction of a retaining wall on the northern end of the courts, and appropriate drainage.

| | |
|------------------------------|------------------|
| Estimated Total Cost: | \$800,000 |
| SRV Grant | \$500,000 |

³ **Female Friendly Facilities Fund:** <http://www.sport.vic.gov.au/grants-and-funding/our-grants/2018-19-female-friendly-facilities-fund>

| | |
|----------------------------------|-----------|
| Recommended Council Contribution | \$150,000 |
| Community Contribution | \$150,000 |

CONSULTATION

The LDNA committee presented its proposed project to Council at a public presentation session on 16 May 2018. The project has been developed in consultation with relevant Council officers and was provided community grant funding to develop the required support and planning documentation. Further consultation has also been undertaken with Netball Victoria and SRV to ensure that the project meets their objectives.

The project has also been presented to Council at a Strategic Briefing on 16 May 2018.

RESOURCES

In 2019/20, funding of \$196,817 is available through Council's Long Term Financial Plan for community infrastructure projects. Council has allocated \$10,000 from this budget at its Ordinary Council Meeting 30 May 2018 for the Leongatha Recreation Reserve Precinct Master Plan application. Therefore Council's recommended contribution of \$150,000 for the LDNA Netball Courts Redevelopment project will be covered.

Staff resources are required to prepare the projects for application and if approved, management of the projects.

RISKS

If Council does not support this project, it will miss an opportunity to obtain external funds to assist in improving this recreational facility.

To mitigate the risk of project cost overruns, it is recommended that the LDNA be advised that any overruns are the responsibility of the LDNA to fund in accordance with Council's *C09 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

C09 Community Project Management Policy

Long Term Financial Plan

4.11. GRANT APPLICATION - FOSTER INDOOR STADIUM REDEVELOPMENT PROJECT (2018/19 BETTER INFRASTRUCTURE STADIUM FUND - SPORT & RECREATION VICTORA)

Infrastructure Directorate

EXECUTIVE SUMMARY

Sport and Recreation Victoria has recently opened the 2018/19 Better Indoor Stadiums Fund offering grants of up to \$3M to assist with providing indoor multi-sports stadiums across metropolitan Melbourne and regional Victoria..

It is expected that only a very small number of projects will be approved for funding across the state. Despite the challenges, the Foster Indoor Stadium Redevelopment project is considered eligible and 'shovel ready' for the 2018/19 funding program.

RECOMMENDATION

That Council:

- 1. Applies for \$1,000,000 to Sport and Recreation Victoria 2018/19 Better Indoor Stadiums Fund (BISF) for the Foster Indoor Stadium Redevelopment project.**
- 2. Notes that it has the funding in Council's Long Term Financial Plan.**

NOTE: The recommendation was CARRIED UNANIMOUSLY as part of a single motion, refer to page 100.

[Link to next agenda item](#)

REPORT

Sport and Recreation Victoria (SRV) has a suite of infrastructure programs including the Community Sports Infrastructure Fund, Country Football and Netball Program, Female Friendly Facilities Fund, Better Indoor Stadiums Fund, and the World Game Facilities Fund. Through these programs, the State Government is investing millions into community sports infrastructure across Victoria.

Each year Council submits applications to appropriate programs for eligible projects that are either in Council's Capital Work Program or initiatives driven by the community.

Better Indoor Stadiums Fund (BISF)

The BISF is a Victorian Government funding program offering grants of up to \$3M that helps provide indoor multi-sports stadiums across metropolitan Melbourne and regional Victoria. The fund assists in meeting the community demand for indoor sport and recreation participation opportunities.

Detailed information on the BISF program guidelines is available on SRV's website⁴.

Indoor multi-sports stadiums are indoor facilities that are purpose-built for traditional indoor sports such as badminton, basketball, netball, and volleyball. In addition, these facilities can also be used for a range of other physical activities including futsal (indoor soccer), table tennis, gymnastics, calisthenics, and dance, as well as community based programs and local and regional sporting events.

Councils may submit one application for funding to the 2018/19 Better Indoor Stadiums Fund and may be successful in receiving up to \$3M.

Applications close on Monday 6 August 2018 with funding announcements and notifications of outcomes from September 2018.

Foster Indoor Stadium Redevelopment Project

The BISF will be extremely competitive due to the limited funds in the program and strength of the applications anticipated. It is expected that only a very small number of projects will be approved for funding across the state. Despite the challenges, the Foster Indoor Stadium Redevelopment project is considered eligible and therefore recommended for submission. Although a

⁴ **Better Indoor Stadiums Fund:** <http://sport.vic.gov.au/grants-and-funding/our-grants/better-indoor-stadiums-fund>

successful outcome is not anticipated, submitting an application will raise the profile of the project for future funding possibilities.

The project is for the redevelopment of the indoor stadium at the Foster Showgrounds and is highlighted in Council's *15-year Capital Works Program*. The project will include reconstruction of the current amenities to provide change room facilities that meet Basketball Victoria and Netball Victoria guidelines along with accessible amenities. The scope will also extend the current stadium to provide a fully compliant basketball court along with a dry programs area. The foyer will be redeveloped to provide multi-use spaces and accommodate the U3A.

Overall, the project is being designed to meet the needs of a variety users by providing a multi-sports indoor facility. Detailed designs and costs have been prepared and will be completed in readiness for the BISF timelines.

| | |
|----------------------------------|-------------|
| Estimated Total Cost: | \$2M |
| SRV Grant | \$1M |
| Recommended Council Contribution | \$1M |

CONSULTATION

The Foster Indoor Stadium Redevelopment project is an outcome of various master plans for both the Foster Showgrounds and the actual stadium. The project is identified in Council's *15-year Capital Works Program* and has been developed in consultation with Basketball Victoria, SRV, Foster Showgrounds Section 86 Committee, and relevant stakeholders to ensure that the project meets all necessary objectives and guidelines.

RESOURCES

Detailed designs are currently being finalised for the Foster Indoor Stadium Redevelopment project, however, it is anticipated that the final costs will be \$2M. Funding of \$1,000,000 has been allocated in 2019/20 in Council's *15-year Capital Works Program*.

RISKS

If Council does not support this project, it will miss an opportunity to obtain external funds to assist in improving this recreational facility within the Shire.

STAFF DISCLOSURE

Nil

REFERENCE DOCUMENTS

Council Policy

Documents are available on Council's website: www.southgippsland.vic.gov.au

15-year Capital Works Program

Long Term Financial Plan

Procurement Policy

Legislative Provisions

Local Government Act 1989

4.12. AWARD CONTRACT CON/175 - FISH CREEK NETBALL COURT DEVELOPMENT

Infrastructure Directorate

EXECUTIVE SUMMARY

The Fish Creek Football Netball Club (FCFNC) Netball Court Redevelopment project involves the construction of a new netball court, lighting, and players shed fit-out. The project is jointly funded by the State Government, FCFNC, and Council.

In accordance with Council's Procurement Policy and procedures, Council is required to follow an open tender process for its contracts. In response to Council's Request for Tender RFT/175, one tender submission was received which was over budget.

In order to minimise the budget overrun, some items have been removed from the project scope and the revised cost overrun has been reduced to \$45,000 on the basis that the majority of these items would be provided at a later date by the FCFNC.

Both Council and the FCFNC are currently contributing \$80,000 to the project on top of the \$100,000 State Government contribution. The FCFNC has agreed to make a further \$5,000 contribution which would necessitate an increase of \$40,000 in Council's contribution.

It is recommended that Council agree to an increase in its contribution to the project of a further \$40,000 and awards contract CON/175 for the construction of the new Fish Creek netball court, lighting, and players shed fit-out.

RECOMMENDATION.

That Council:

1. Increases its current contribution of \$80,000 by a further \$40,000 to a total of \$120,000 for this project.
2. Approves the award of Contract CON/175 Construction of New Netball Court, Lighting and Players Shed – Fish Creek Football Netball Club.
3. Publish on Council's website the successful contractor and lump sum amount within one week of Council's decision to approve the award of CON/175 to allow sufficient time for the formal award of the contract.

4. Delegate to the Manager Infrastructure Delivery the power to approve variations up to the contingency allowance within the contract.
5. Authorise the Chief Executive Officer to sign and affix the Common Seal of the Municipality to the contract documents.

MOVED: Cr Edwards

SECONDED: Cr Kiel

THAT COUNCIL:

1. **INCREASES ITS CURRENT CONTRIBUTION OF \$80,000 BY A FURTHER \$40,000 TO A TOTAL OF \$120,000 FOR THIS PROJECT.**
2. **APPROVES THE AWARD OF CONTRACT CON/175 CONSTRUCTION OF NEW NETBALL COURT, LIGHTING AND PLAYERS SHED – FISH CREEK FOOTBALL NETBALL CLUB.**
3. **PUBLISH ON COUNCIL'S WEBSITE THE SUCCESSFUL CONTRACTOR AND LUMP SUM AMOUNT WITHIN ONE WEEK OF COUNCIL'S DECISION TO APPROVE THE AWARD OF CON/175 TO ALLOW SUFFICIENT TIME FOR THE FORMAL AWARD OF THE CONTRACT.**
4. **DELEGATE TO THE MANAGER INFRASTRUCTURE DELIVERY THE POWER TO APPROVE VARIATIONS UP TO THE CONTINGENCY ALLOWANCE WITHIN THE CONTRACT.**
5. **AUTHORISE THE CHIEF EXECUTIVE OFFICER TO SIGN AND AFFIX THE COMMON SEAL OF THE MUNICIPALITY TO THE CONTRACT DOCUMENTS.**

CARRIED UNANIMOUSLY

[Link to next agenda item](#)

REPORT

Background

The existing Fish Creek netball court was constructed within the floodplain of Fish Creek. Periodic flooding has impacted on the moisture levels in the underlying natural material and resulted in construction joints within the concrete court opening up. These joints have been sealed a number of times but have progressively deteriorated and therefore deemed to be a safety issue for players.

In order to rectify this issue, it is proposed to redevelop the netball court at a new location beyond the limits of the modelled 100-year flood event. The FCFNC Netball Court Redevelopment project involves the construction of a new netball court, lighting, and players shed fit-out and is supported by an audit conducted by Netball Victoria. The project is jointly funded by the State Government, FCFNC, and Council.

Discussion

In response to Council's Request for Tender RFT/175 - Construction of new netball court, lighting, and players shed fit-out, Council received one tender submission. The tenderer submitted a lump sum price for these works which exceeded Council's budget of \$260,000 by around \$70,000.

The evaluation panel considered that, whilst the one tender received is over the original budget, the price still represents value for money in the current contracting environment. The price was submitted in a competitive market. Re-tendering this work would be unlikely to attract additional tenderers and could risk the price going up.

In order to minimise the budget overrun, some items have been removed from the project scope on the basis that the majority of these items would be provided at a later date by the FCFNC. Removing these items does not jeopardise the objective of the project for which funding was approved. Items excluded are as follows:

- LED lighting
- Pavement between court and oval
- Furnishings
- Fixtures
- Painting shed/rooms
- Electrical works to shed/rooms
- Walls other than Hardieflex linings (cement sheeting)

The revised cost overrun has been reduced to \$45,000 by removing the above items. Both Council and the FCFNC are currently contributing \$80,000 to the project on top of the \$100,000 State Government contribution. Council's current contribution was approved at the Ordinary Meeting of Council 26 July 2017 in a resolution supporting the project and an application to the Sport and Recreation Victoria's Football Netball Program. The FCFNC has agreed to make a further \$5,000 contribution which would require an increase in Council's contribution of \$40,000.

It is recommended that Council agree to increase its contribution towards the project by a further \$40,000 and the award contract CON/175 for the construction of the new Fish Creek netball court, lighting, and players shed fit-out. The submitted contract lump sum would need to be adjusted in accordance with the items removed from the project as noted above.

CONSULTATION

Tender specifications were developed in consultation with all relevant officers involved in planning this project.

RFT/175 was advertised on 17 March 2018 and closed on 10 April 2018.

The tenders were assessed in accordance with the criteria specified in the contract documentation by an evaluation panel on 19 April 2018. The evaluation panel consisted of the Manager Infrastructure Delivery, Senior Design Engineer, Civil Technical Officer, and Procurement Officer.

A summary of the tender evaluation has been included in **Confidential Attachment [15.3.1]**.

RESOURCES

The budget for this project is accommodated within Council's *15-year Capital Works Program* under cost code 93190 which currently has a budget of \$260,000. As noted above, this budget will need to be increased by \$45,000 to successfully deliver the project. There is capacity in the balance sheet for this increase.

A breakdown of the project budget and budget overrun is reflected in **Table 1** and proposed revised contributions from the FCFNC and Council to fund the overrun is reflected in **Table 2** below.

| | | |
|----------------------|----|---------|
| State Government | \$ | 100,000 |
| FCFNC Contribution | \$ | 80,000 |
| Council Contribution | \$ | 80,000 |

| | |
|--------------------------------|-------------------|
| Original Project Budget | \$ 260,000 |
| Original Project Budget | \$ 260,000 |
| Revised Budget | \$ 305,000 |
| Budget Increase | \$ 45,000 |

The FCFNC has agreed to make a further \$5,000 contribution which would necessitate an increase of \$40,000 in Council's contribution in order to fund the additional \$45,000 to deliver this project. The revised budget includes an allowance for Council's project management costs and contingency.

Table 2 – Revised Contributions to Fund Overrun of \$45,000 (excludes GST)

| | |
|----------------------|------------|
| FCFNC Contribution | \$ 85,000 |
| Council Contribution | \$ 120,000 |

RISKS

If Council does not support the project by not increasing its contribution and awarding the contract, it will miss an opportunity to utilise the approved external funding to develop a new netball court for the FCFNC and address the limited lifespan of the current court which is a Council owned facility.

STAFF DISCLOSURE

Nil

CONFIDENTIAL ATTACHMENTS

Confidential Attachment [15.3.1] – Tender Evaluation Summary - RFT/175 Fish Creek Netball Court Development – 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.

This item is deemed confidential to protect the privacy of the contractor, tender score, and tendered amount submitted for consideration.

REFERENCE DOCUMENTS

Council Policy

Documents are available on Council's website: www.southgippsland.vic.gov.au

Long Term Financial Plan

Procurement Policy

Road Management Plan

Legislative Provisions

Local Government Act 1989

Occupation Health and Safety Act 2004

4.13. AWARD CONTRACT CON/177 - ANNUAL SUPPLY OF PLANT HIRE AND CARTAGE CONTRACTORS

Infrastructure Directorate

EXECUTIVE SUMMARY

Council requires the supply of plant and cartage services from contractors in order to deliver programmed works in Council's annual capital and maintenance programs throughout the municipality. There is likely to be works associated with other projects such as storm / flood / extreme weather events that will require some of these services.

In accordance with Council's Procurement Policy and procedures, Council is required to follow an open tender process for the provision of plant hire and cartage contractor services.

In response to Council's Request for Tender RFT/177 Plant and Cartage Contractor Services, 27 tenders were received. It is recommended that Council award contract CON/177 for the supply of plant hire and cartage contractor services to a panel of preferred suppliers.

The panel shall operate on a schedule of rates basis and will be for a one year term commencing 1 July 2018.

Council has a good working relationship with each of the recommended contractors and has found their works to be of an acceptable standard. In previous years, works have been awarded to several contractors to provide the maximum flexibility in operations and this has been most successful.

RECOMMENDATION

That Council:

- 1. Approves the award of contract CON/177 Annual Supply of Plant Hire and Cartage Contractors for the Schedule of Rates items (as outlined in schedule 2 of their tender submissions) for a one year term commencing 1 July 2018 to a panel of preferred suppliers as follows:**
 - a. The Trustee for the Allen Family Trust trading as Allens Contracting**
 - b. Beyer Contractors Pty Ltd**
 - c. Hugh Patrick Pty Ltd trading as BJ's Earthmoving**
 - d. Ecoprojects Australia Pty Ltd**
 - e. Envirogain Pty Ltd**

- f. **Forrester Haulage**
 - g. **Fowlers Asphaltting Pty Ltd**
 - h. **Goldsmith Civil & Environmental Pty Ltd**
 - i. **JT Earthmoving Contractors Pty Ltd**
 - j. **KND Maintenance Pty Ltd ATF Williams Family Trust**
 - k. **Russell Hinds**
 - l. **TG & DA Williams**
2. **Authorise the Chief Executive Officer to sign and affix the Common Seal of the Municipality to the contract documents.**

MOVED: Cr Brown

SECONDED: Cr McEwen

THAT THE RECOMMENDATIONS IN AGENDA ITEMS 4.13, 4.14, 4.15. 4.16 AND 4.17 BE ADOPTED.

CARRIED UNANIMOUSLY

[Link to next agenda item](#)

REPORT

In response to Council's Request for Tender RTF/177 Annual Supply of Plant Hire and Cartage Contractors, Council received a total of 27 tender submissions.

Each of these contractors submitted schedule of rates prices for the provision of plant hire and cartage contractors services in all or selected components.

So that Council may obtain value for money, and to ensure the supply of a diverse range of services and products from across the Shire, the evaluation panel has proposed to accept twelve tenders received in response to RFT/177. Successful tenderers will be placed on a panel of preferred suppliers.

CONSULTATION

Tender specifications were developed in consultation with all relevant officers involved in the use of plant and cartage contractors.

RTF/177 Annual Supply of Plant Hire and Cartage Contractors was advertised on 26 March 2018 and closed on 17 April 2018.

The tenders were assessed in accordance with the criteria specified in the contract documentation by an evaluation panel on 23 May 2018. The evaluation panel consisted of the Manager Operations, Coordinator Parks & Gardens, Coordinator Sealed Roads Planning, and Procurement Officer.

The tender documentation noted that the ten highest scored contractors would be selected to form the panel of approved suppliers, however, due to the extremely close scores for a couple of the contractors, the evaluation panel recommends twelve contractors be awarded the contract and included on the panel.

A summary of the Tender Evaluation has been included in **Confidential Attachment [15.4.1]**.

RESOURCES

The purchase of plant hire and cartage contractors is accommodated within the Operations budget and Council's Long Term Financial Plan. Council's expected annual budget for plant hire and cartage contractor services is approximately \$1.5M of programmed works within the Operations area.

The majority of works to be carried out under this contract are to supplement the labour, plant, and equipment required to complete works associated with the Operations department and the *Capital Works Program*.

RISKS

Council has an obligation under the *Road Management Plan* to minimise the hazards to users of the road network and to maintain the integrity of road and parks network.

To give Council the best opportunity to complete the projects on time and within budget, and to ensure the supply of a diverse range of products and services from across the Shire, the evaluation panel has proposed to accept twelve conforming tenders received in response to RFT/179.

STAFF DISCLOSURE

Nil

CONFIDENTIAL ATTACHMENTS

Confidential Attachment [15.4.1] – Tender Evaluation Summary - RFT/179 Plant Hire and Cartage Contractors – 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)(d) - contractual matters.

This item is deemed confidential to protect the privacy of the contractors, tender scores, and tendered amounts submitted for consideration.

REFERENCE DOCUMENTS

Council Policy

Documents are available on Council's website: www.southgippsland.vic.gov.au

Long Term Financial Plan

Procurement Policy

Road Management Plan

Legislative Provisions

Local Government Act 1989

4.14. AWARD CONTRACT CON/178 - ANNUAL SUPPLY OF QUARRY PRODUCTS / ROAD MAKING MATERIALS

Infrastructure Directorate

EXECUTIVE SUMMARY

Council is responsible for the maintenance of approximately 1,269km of unsealed roads. This requires large amounts of quarry products and road making materials to keep these roads safe and trafficable for all road users.

In accordance with Council's Procurement Policy and procedures, Council is required to go out to open tender for the supply and delivery of quarry products.

In response to Council's Request for Tender RTF/178 Annual Supply of Quarry Products and Road Making Materials, ten conforming tenders were received. It is recommended that Council accepts all ten tenders submitted and award the contract for the supply and delivery of quarry products and road making materials to a panel of preferred suppliers.

The panel shall operate on a schedule of rates basis and will be for a one year term commencing 1 July 2018.

Council has a good working relationship with each of the recommended contractors and has found their work to be of an acceptable standard. In previous years, works have been awarded to several contractors to provide the maximum flexibility in operations and this has been most successful.

RECOMMENDATION

That Council:

- 1. Approves the award of contract CON/178 Annual Supply of Quarry Products and Road Making Materials for a one year term commencing 1 July 2018 to a panel of preferred suppliers as follows:**
 - a. The Trustee for the Allen Family Trust trading as Allens Contracting**
 - b. South Gippsland Quarries Pty Ltd**
 - c. Goldsmith Civil & Environmental**
 - d. F & T Concrete Pty Ltd**
 - e. Holcim (Aust) Pty Ltd**
 - f. Demerlo Contractors**

- g. David Harris Earthmoving Pty Ltd**
 - h. K & RJ Mathews Quarries Pty Ltd**
 - i. Casacir Pty Ltd trading as Neerim North Quarry**
 - j. Kennedy Haulage Pty Ltd**
- 2. Authorise the Chief Executive Officer to sign and affix the Common Seal of the Municipality to the contract documents.**

NOTE: The recommendation was CARRIED UNANIMOUSLY as part of a single motion, refer to page 118.

[Link to next agenda item](#)

REPORT

In response to Council's Request for Tender RFT/178 Annual Supply of Quarry Products and Road Making Materials, Council received a total of ten conforming tender submissions.

Each of these contractors submitted schedule of rates prices for the provision of quality assured quarry products and road making materials.

The location of the quarry (or point of supply) has a major influence on the 'landed cost to site' of the material. Transport costs are high. The distance from the quarry to the worksite can influence the cost so much that it is often more cost effective to pay more for a product if the quarry is closer to the worksite.

So that Council may obtain value for money, and to ensure the supply of a diverse range of products from across the Shire, the evaluation panel has proposed to accept all ten tenders received in response to RFT/178. Successful tenderers will be placed on a panel of preferred suppliers. No one supplier offers the full range of products.

For larger projects, such as resheets, reseals, and construction works over \$20,000, or products not listed in the schedule of rates, Council may choose to seek quotes from the panel and/or from other suppliers.

CONSULTATION

Tender specifications were developed in consultation with all relevant officers involved in the use of quarry products.

RTF/178 Annual Supply of Quarry Products and Road Making Materials was advertised on 24 March 2018 and closed on 17 April 2018.

The tenders were assessed in accordance with the criteria specified in the contract documentation by an evaluation panel on 30 April 2018. The evaluation panel consisted of the Manager Operations, Coordinator Works, Coordinator Sealed Roads Planning, and Procurement Officer.

A summary of the tender evaluation has been included in **Confidential Attachment [15.5.1]**.

RESOURCES

The purchase of quarry products and road making materials is accommodated within Council's annual maintenance budget, capital works budget, and in Council's Long Term Financial Plan.

For the past two years, Council has spent approximately \$3.5 million per annum on quarry products and road making materials.

RISKS

A panel of preferred suppliers will reduce the risk of supply issues and logistics across the Shire.

STAFF DISCLOSURE

Nil

CONFIDENTIAL ATTACHMENTS

Confidential Attachment [15.5.1] – Tender Evaluation Summary - RFT/178 Quarry Products – 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.

This item is deemed confidential to protect the privacy of the contractors, tender scores, and tendered amounts submitted for consideration.

REFERENCE DOCUMENTS

Council Policy

Documents are available on Council's website: www.southgippsland.vic.gov.au

Long Term Financial Plan

Procurement Policy

Road Management Plan

Legislative Provisions

Local Government Act 1989

Occupation Health and Safety Act 2004

4.15. AWARD CONTRACTS UNDER CEO DELEGATION - 2018/19 CAPITAL WORKS PROGRAM

Infrastructure Directorate

EXECUTIVE SUMMARY

Council delivers a number of projects through its Capital Works Program on an annual basis and many of the projects are delivered by way of contract. The construction period in South Gippsland is quite short due to the weather patterns in the region. Therefore, it is critical that projects commence as early as possible in the construction season to enable contractors the maximum available time to complete the construction works.

In order to expedite the contract process and enable the delivery of the Capital Works Program in a timely manner, it is recommended that Council delegate to the Chief Executive Officer (CEO) the power to award the contracts listed in this report which exceed the CEO's financial delegation of \$250,000 (incl. GST), subject to the recommended tenders being within Council's adopted budget, the contract complying with Council's Procurement Policy, and the awarding being reported to the next practicable Council Meeting. This recommendation is in accordance with Council's Instrument of Delegation to the CEO dated 22 February 2017.

RECOMMENDATION

That Council:

- 1. Subject to the recommended tenders being within Council's adopted budget and comply with Council's Procurement Policy, delegate to the Chief Executive Officer the power to award the following contracts which exceed the Chief Executive Officer's financial delegation of \$250,000 (incl. GST):**
 - a. Port Welshpool Caravan Park Toilet Upgrade - \$376,419**
 - b. Yanakie Caravan Park Capital Works - \$267,250**
 - c. Koonwarra Landfill Cell 3 Cap Construction - \$777,852**
 - d. Koonwarra Landfill Leachate Evaporation System - \$351,556**
 - e. Footpath Renewal Program - \$308,232**
 - f. Drainage Rehabilitation Program - \$340,642**
 - g. Loch Main Street Renewal Stage 1 - \$710,582**

- h. Great Southern Rail Trail - \$1,000,000**
 - i. Ruby Arawata Road Bridge - \$470,000**
 - j. Jumbunna Road, Korumburra Footpath Extension - \$922,500**
 - k. Sealed Roads Rehabilitation Program - \$1,307,819**
 - l. Korumburra Skate Park - \$250,000**
 - m. Waratah Bay Caravan Park Toilet Block - \$435,216**
 - n. Mirboo North Swimming Pool - \$3,800,000**
 - o. Early Years Renewal Program - Prom Coast Centre - \$308,200**
 - p. Road Reseal Program - \$1,921,573**
 - q. Road Reseal Preparation Program - \$850,512**
 - r. Footpath Extension Program - \$184,500**
 - s. Agnes Falls Cantilever Outlook - \$520,000**
- 2. Receive a report at the next practicable Ordinary Meeting of Council following the award of any contract detailing the contract awarded and the successful contractor; and**
 - 3. Delegate to the Manager Infrastructure Delivery the power to approve variations up to the contingency allowance within each contract.**

NOTE: The recommendation was CARRIED UNANIMOUSLY as part of a single motion, refer to page 118.

[Link to next agenda item](#)

REPORT

On 22 February 2017, Council amended Clause 4.1 of the Council Instrument of Delegation to the CEO to give the power to award any contract exceeding the CEO's financial delegation of \$250,000 (incl. GST) which complies with Council's Procurement Policy and is delegated to the CEO to award by a resolution of Council.

Detailed in **Table 1** below is the list of projects for which construction contracts are proposed to be publicly advertised this financial year. Those projects marked with an asterisk are subject to further investigation and resolutions of Council.

Delegation to the CEO is sought for the awarding of these contracts if the preferred tendered price falls within Council's adopted budget.

Table 1 – 2018/19 Construction Projects

| NO. | [COST CENTRE] PROJECT NAME | BUDGET (EX. GST) |
|-----|--|------------------|
| a. | [73510] Port Welshpool Caravan Park Toilet Block * | \$ 376,419 |
| b. | [98020] Yanakie Caravan Park Capital Works * | \$ 267,250 |
| c. | [95010] Koonwarra Landfill Cell 3 Cap Construction | \$ 777,852 |
| d. | [95030] Koonwarra Landfill Leachate Evaporation System * | \$ 351,556 |
| e. | [88050] Footpath Renewal Program | \$ 308,232 |
| f. | [91010] Drainage Rehabilitation Program | \$ 340,642 |
| g. | [82350] Loch Main Street Renewal Stage 1 | \$ 710,582 |
| h. | [93120] Great Southern Rail Trail (subject to grant funding) | \$ 1,000,000 |
| i. | [85060] Ruby Arawata Road Bridge | \$ 470,000 |
| j. | [88090] Jumbunna Road, Korumburra – Footpath Extension | \$ 922,500 |
| k. | [82210] Sealed Roads Rehabilitation Program | \$ 1,307,819 |
| l. | [93180] Korumburra Skate Park | \$ 250,000 |
| m. | [73670] Waratah Bay Caravan Park Toilet Block * | \$ 435,216 |
| n. | [99020] Mirboo North Swimming Pool | \$ 3,800,000 |
| o. | [73530] Early Years Renewal Program – Prom Coast Centre | \$ 308,200 |
| p. | [82110] Road Reseal Program | \$ 1,921,573 |
| q. | [82120] Road Reseal Preparation Program | \$ 850,512 |
| r. | [88040] Footpath Extension Program ⁵ | \$ 184,500 |

* Subject to further investigation and resolutions of Council.

⁵ To be included in the Footpath Renewal Program contract.

| NO. | [COST CENTRE] PROJECT NAME | BUDGET (EX. GST) |
|-----|--|------------------|
| s. | [65350} Agnes Falls Cantilever Lookout | \$ 520,000 |

The construction period in South Gippsland is quite short due to the weather patterns in the region. Therefore, it is critical that projects commence as early as possible in the construction season to enable contractors the maximum available time to complete the construction works.

Contracts are typically advertised for three weeks followed by a period to evaluate tenders, clarify any tender issues, carry out the necessary referee checks, and then prepare the contract approval report. Without the power delegated to the CEO to award the above contracts, subject to the recommended tenders being within Council's adopted budget, there is typically a delay of a month in order to present the report at the next available Council meeting. Delegating approval to the CEO the power to approve these contracts greatly assists in delivering the *Capital Works Program* and reduces the risks of increased costs due to delays.

CONSULTATION

The proposed *2018/19 Capital Works Program* was presented to Council throughout the 2017/18 financial year in the lead up to the 2018/19 Annual Budget adoption.

In preparing this report, internal consultation has been held within the Infrastructure Delivery & Infrastructure Planning departments and the Finance, Risk and Procurement department.

RISKS

Providing delegation to the CEO will reduce the risk of delay costs associated with the time to award contracts due to the short construction season.

STAFF DISCLOSURE

Nil

REFERENCE DOCUMENTS

Council Policy

Documents are available on Council's website: www.southgippsland.vic.gov.au

15-year Capital Works Program

Annual Budget 2018/19

Council Instrument of Delegation to the CEO, 22 February 2017

Long Term Financial Plan

Procurement Policy

Legislative Provisions

Local Government Act 1989

4.16. AWARD CONTRACT CON/180 - TOORA SWIMMING POOL AMENITIES UPGRADE (STAGE 1 - TOILETS & CHANGEROOMS REDEVELOPMENT)

Infrastructure Directorate

EXECUTIVE SUMMARY

The Toora Swimming Pool Amenities Upgrade (Stage 1 - Toilet and Changerooms Redevelopment) project involves the renovation of the existing male and female amenities blocks, construction of a new all person change facility, and the construction of a new ramp access way to the main pool. The project is fully funded by Council.

In accordance with Council's Procurement Policy and procedures, Council is required to follow an open tender process for its contracts. In response to Council's Request for Tender RFT/180, one tender submission was received which was over budget.

In order to minimise the budget overrun, it is proposed that the contingency allowance be reduced. The tenderer has also provided revised pricing for some items which could be utilised if budget pressures arose during the contract.

The revised cost overrun has been lowered to \$60,000 by reducing the contingency as noted above. Council's budget allocation to this project for 2018/19 is currently \$347,382.

It is recommended that Council agree to increase its contribution to the project by a further \$60,000 and awards contract CON/180 for the Toora Swimming Pool toilet and changerrooms redevelopment project (Stage 1).

RECOMMENDATION

That Council:

- 1. Increases its current budget allocation of \$347,382 by a further \$60,000 to a total of \$407,382 excl. GST for this project.**
- 2. Approves the award of contract CON/180 Toora Swimming Pool – Amenities Upgrade, Toora (Stage 1 - Toilets and Changerooms Redevelopment).**
- 3. Publish on Council's website the successful contractor and lump sum amount within one week of Council's decision to approve the award CON/180 to allow sufficient time for the formal award of the contract.**
- 4. Delegate to the Manager Infrastructure Delivery the power to approve variations up to the contingency allowance in the contract.**

5. **Authorise the Chief Executive Officer to sign and affix the Common Seal of the Municipality to the contract documents.**

NOTE: The recommendation was CARRIED UNANIMOUSLY as part of a single motion, refer to page 118.

[Link to next agenda item](#)

REPORT

In response to Council's Request for Tender RFT/180 Toora Swimming Pool Amenities Upgrade (Stage 1 - Toilet and Changerooms Redevelopment) project, Council received one tender submission. The tenderer submitted a lump sum price for these works. The lump sum price exceeded Council's budget of \$347,382 by around \$70,000.

The evaluation panel considered that whilst the one tender received is over the original budget, the price still represents value for money in the current contracting environment. The price was submitted in a competitive market. Re-tendering this work would unlikely attract additional tenderers and could risk the price going up. One other potential local tenderer has already indicated it is not interested in submitting a tender for this project.

In order to minimise the budget overrun, it is proposed that the contingency allowance be reduced by a small amount. The tenderer has also provided revised pricing for some items which could be utilised if budget pressures arose during the contract.

The revised cost overrun has been lowered to \$60,000 by reducing the contingency allowance. Council's budget allocation to this project for 2018/19 is currently \$347,382.

It is recommended that Council agree to increase its contribution towards this project by a further \$60,000 for this project and award contract CON/180 Toora Swimming Pool – Amenities Upgrade, Toora (Stage 1 - Toilet and Changerooms Redevelopment). The submitted contract lump sum would need to be adjusted in accordance with the contingency adjustment as noted above.

CONSULTATION

Tender specifications were developed in consultation with all relevant officers involved in planning this project.

RFT/180 was advertised on 7 May 2018 and closed on 29 May 2018.

The tenders were assessed in accordance with the criteria specified in the contract documentation by an evaluation panel on 1 June 2018. The evaluation panel consisted of the Manager Infrastructure Delivery, Coordinator Building and Contract Administrator.

A summary of the tender evaluation has been included in **Confidential Attachment [15.6.1]**.

RESOURCES

The budget for this project is accommodated within Council's *15-Year Capital Works Program* under cost code 93070 (Pools Renewal Program) and activity level 188890 which currently has a budget of \$347,382. As noted above, this budget will need to be increased by \$60,000 (revised project budget of \$407,382 excl. GST) to successfully deliver the project. There is capacity in the balance sheet for this increase.

RISKS

If Council does not support the project by not increasing its contribution and awarding the contract, this important renewal project will not be delivered by the start of the 2018/19 pool season and address the deficiencies with the existing change rooms at this Council owned facility.

STAFF DISCLOSURE

Nil

CONFIDENTIAL ATTACHMENTS

Confidential Attachment [15.6.1] – Tender Evaluation Summary - RFT/180 Toora Pool Toilets and Changerooms Upgrade – 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.

This item is deemed confidential to protect the privacy of the contractor, tender score, and tendered amount submitted for consideration.

REFERENCE DOCUMENTS

Council Policy

Documents are available on Council's website: www.southgippsland.vic.gov.au

15-year Capital Works Program

Long Term Financial Plan

Procurement Policy

Legislative Provisions

Local Government Act 1989

4.17. PRODUCT STEWARDSHIP ACT 2011 REVIEW (RECYCLING INDUSTRY)

Infrastructure Directorate

EXECUTIVE SUMMARY

The Department of the Environment and Energy is seeking input from industry, governments, and the general public to ensure the Product Stewardship Act 2011 (the Act) is effective and delivering the best outcomes for business and the environment.

Product stewardship is an approach to managing the impacts of different products and materials. It acknowledges that those involved in producing, selling, using, and disposing of products have a shared responsibility to ensure those products or materials are managed in a way that reduces their impact, throughout their lifecycle, on the environment and on human health and safety.

This report provides commentary on how South Gippsland Shire Council (SGSC) will support and provide input into to the review.

RECOMMENDATION

That Council:

- 1. Note the report; and**
- 2. Authorise the Mayor to review and provide letters of support for the submissions from Gippsland Waste and Resource Recovery Group (GWRRG) and Municipal Association of Victoria (MAV).**

NOTE: The recommendation was CARRIED UNANIMOUSLY as part of a single motion, refer to page 118.

[Link to next agenda item](#)

REPORT

The Department of the Environment and Energy is seeking input from industry, governments, and the general public to ensure the Act is effective and delivering the best outcomes for business and the environment.

The Act is required to be reviewed five years after commencement, with this being the first review. The Department of the Environment and Energy will undertake the review and consultation process.

Product stewardship is an approach to managing the impacts of different products and materials. It acknowledges that those involved in producing, selling, using, and disposing of products have a shared responsibility to ensure those products or materials are managed in a way that reduces their impact, throughout their lifecycle, on the environment and on human health and safety.

The Department of the Environment and Energy is undertaking a number of activities associated with the review including:

- Making minor amendments to the *National Television and Computer Recycling Scheme*, to take effect from 1 July 2018.
- Developing a Product Impact Management Strategy to support a shared approach to product stewardship by the Australian, state, territory, and local governments.
- Reinvigorating the scheme for accreditation of voluntary product stewardship arrangements.

The Department of the Environment and Energy has also been gathering views and information to inform the review from a number of different sources, and will continue to do so over the coming months. This may include engaging external service providers to provide input or advice on specific matters.

Gippsland Waste and Resource Recovery Group (GWRRG) of which SGSC is a member, is preparing a submission to the review of the *Product Stewardship Act 2011*, including the *National Television and Computer Recycling Scheme* currently being undertaken by the Department of the Environment and Energy. All members throughout Gippsland will have an opportunity to provide input into the submission (**Attachment [4.17.1]**), as implementation of the Act has the potential for substantive impacts on local government operations.

The MAV will also prepare a submission in consultation with councils.

CONSULTATION

Consultation has occurred with GWRRG and MAV regarding their submissions.

RISKS

To not support the Act would be contradictory to Council's *Sustainability Strategy 2016-2020*.

STAFF DISCLOSURE

Nil

ATTACHMENTS

1. Product Stewardship Act review - Draft MAV Submission **[4.17.1]**

REFERENCE DOCUMENTS

Council Policy

Documents are available on Council's website: www.southgippsland.vic.gov.au
Sustainability Strategy 2016-2020

Legislative Provisions

Product Stewardship Act 2011

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

5.1. RATING STRATEGY 2018/19

Corporate and Community Services Directorate

EXECUTIVE SUMMARY

At the Ordinary Meeting of Council 21 March 2018, Council endorsed the Proposed Rating Strategy 2018/19 and resolved that it be made available for public comment until 26 April 2018.

During this time, five written submissions were received. These submissions were considered by Council during a Special Meeting of Council 30 May 2018. Following deliberations on the submissions, Council determined that no changes be made to the Proposed Rating Strategy 2018/19.

This report presents the Rating Strategy 2018/19 **Attachment [5.1.1]** for Council's consideration and adoption.

The Rating Strategy 2018/19 has been developed with community engagement through the Rating Strategy Review Steering Committee and the s.223 public submission process on the Proposed Rating Strategy 2018/19.

Although the format of the strategy document has changed to that of 2014-2018, there have been no changes to the rating structure, as detailed in the Rating Strategy 2018/19 (**Attachment [5.1.1]**). It is considered that the current strategy continues to provide an equitable distribution of the rate burden.

Council will, over the course of the next 12 months, undertake a further internal review in time for the 2019/20 Budget. This will take into consideration the recommendations from the Rating Review Committee, Rating Committee minority report, rating submissions and other ideas put forward.

RECOMMENDATION

That Council:

1. Adopts the Rating Strategy 2018/19 in accordance with s.130 (1) of the Local Government Act 1989 including the Declaration of Rates and Charges in accordance with s.158 of the Local Government Act 1989 (Attachment [5.1.1]);
2. Authorises the Chief Executive Officer to give public notice of this decision to adopt the Rating Strategy 2018/19 (Attachment [5.1.1]) in accordance with s.130 (2) of the Local Government Act 1989;

3. Provides the Minister for Local Government with a copy the Rating Strategy 2018/19 (Attachment [5.1.1]);
4. Publishes the Rating Strategy 2018/19 (Attachment [5.1.1]) on Council's website; and
5. Distributes copies of the Rating Strategy 2018/19 (Attachment [5.1.1]) to the Council's Customer Service Centre and libraries.

MOVED: Cr Kiel

SECONDED: Cr Skinner

THAT COUNCIL:

1. **ADOPTS THE RATING STRATEGY 2018/19 IN ACCORDANCE WITH S.130 (1) OF THE LOCAL GOVERNMENT ACT 1989 INCLUDING THE DECLARATION OF RATES AND CHARGES IN ACCORDANCE WITH S.158 OF THE LOCAL GOVERNMENT ACT 1989 (ATTACHMENT [5.1.1]);**
2. **AUTHORISES THE CHIEF EXECUTIVE OFFICER TO GIVE PUBLIC NOTICE OF THIS DECISION TO ADOPT THE RATING STRATEGY 2018/19 (ATTACHMENT [5.1.1]) IN ACCORDANCE WITH S.130 (2) OF THE LOCAL GOVERNMENT ACT 1989;**
3. **PROVIDES THE MINISTER FOR LOCAL GOVERNMENT WITH A COPY THE RATING STRATEGY 2018/19 (ATTACHMENT [5.1.1]);**
4. **PUBLISHES THE RATING STRATEGY 2018/19 (ATTACHMENT [5.1.1]) ON COUNCIL'S WEBSITE; AND**
5. **DISTRIBUTES COPIES OF THE RATING STRATEGY 2018/19 (ATTACHMENT [5.1.1]) TO THE COUNCIL'S CUSTOMER SERVICE CENTRE AND LIBRARIES.**

Cr Edwards left the Council Meeting at 3.30pm and returned at 3.32pm.

CARRIED UNANIMOUSLY

[Link to next agenda item](#)

REPORT

On 25 June 2014, Council adopted a Rating Strategy 2014-2018 that included a key element:

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

On 23 August 2017, a report to Council recommended that Council again considers implementing this better practice approach to developing a rating strategy, similar to that which was undertaken four years prior.

At this meeting, the following items were adopted:

1. Council adopted the Rating Strategy Steering Committee Terms of Reference.
2. Council called for nominations to the steering Committee.
3. Council nominated three Councillors to the Committee.
4. Council provided a sitting fee of \$300 per meeting for the independent non-voting Chair person, to chair the committee meetings and attend Council briefings as required.
5. Council provided a sitting fee of \$50 per meeting to the community committee members.

At the Ordinary Meeting of Council 25 October 2017, Council appointed six nominees and an Independent non-voting Chairperson along with three Councillors to join a Rating Strategy Steering Committee to review the existing strategy and make recommendations to Council for a new strategy.

The Committee was established with a Terms of Reference outlining the objectives as follows:

1. Identify and recommend to the Council the principles that the Council should consider when striking general rates, particularly with regard to the creation and maintenance of any differential rates.
2. Make recommendations to the Council regarding the equitable sharing of the rates burden between various categories of ratepayers, including residential, rural, commercial and industrial, and both rural and urban vacant land.
3. Recommend to the Council any changes to the structure of current charges and their relationship to general rates, e.g. Municipal Charges.

The Rating Strategy Review Committee met on eight occasions between November 2017 and February 2018 and had approximately 25 submission papers presented to it from various members of the committee putting forward ideas on how to get the most equitable outcome for ratepayers through an equitable distribution of the rate burden.

The committee was supported by Council officers at each meeting through the taking of minutes, providing professional advice and modelling scenarios as requested by the Committee.

A briefing was provided to Council by the Steering Committee on 21 February 2018 with their report, *Draft Recommendations of the Rating Strategy Committee 2018 – 2022 Rating System*. This report recommended a number of changes to the existing strategy including the following:

- Commercial differential to increase from 1.05 to 1.10 times that of the General rate
- Industrial differential to increase from 1.05 to 1.20 times that of the General rate
- Rural Residential differential to increase from 0.70 to 1.00 times that of the General rate
- Farm differential to decrease from 0.70 to 0.65 times that of the General rate
- Incorporate a new category, “Rural Vacant” with a differential of 1.40 times that of the General rate
- Re-introduce a Municipal Charge at 5.00 per cent
- That the definition of farm land be expanded to incorporate properties between 2ha and 20ha that have a dwelling or a permit for a dwelling and is used predominantly for farming purposes and which has applied to it an AVPCC code with the range 500-583. Previously, the AVPCC code range only included 540-583.

An alternative minority report by two of the members of the committee was also presented at the briefing speaking against the Committee Report stating:

- Committee recommendations are flawed in not taking into account the burden placed on several classes of rate-paying population
- Re-instatement of the Municipal Charge ignores the previous Council’s declaration that it is a regressive instrument and could not be adequately defined

- Commercial and Industrial activities should be encouraged to attract growth in these areas which will in-turn provide more opportunities for employment
- Evidence for change to the existing strategy was unsupported
- Inclusion of Rural Residential category in 2015 should be reversed.

Following the presentations by the committee to Council on 21 February 2018, it was determined based on the differing views of the committee that there was insufficient evidence to support making the changes recommended by the committee for the 2018/19 budget and that Council would undertake an internal review in time for the 2019/20 budget.

CONSULTATION

The Rating Strategy Review Steering Committee, established and appointed by Council, consisted of three Councillors, six community members and an independent non-voting chair-person. Eight Committee Meetings were held between 8 November 2017 and 7 February 2018.

A report was presented to Council for consideration on 21 February 2018 by the Rating Strategy Steering Committee: *Draft Recommendations of Rating Strategy Committee 2018 – 2022 Rating System*.

At the Ordinary Meeting of Council 21 March 2018, Council endorsed the Proposed Rating Strategy 2018/19 and authorised the Chief Executive Officer to invite public submissions.

The public submission process was advertised extensively through local papers and Council's website during the submission period in order to attract as many submissions as possible.

Five written submissions were received for the formal s.223 submission requirement by the closing time on 26 April 2018. Two submitters asked to speak to their submissions. The hearing of submissions took place at a Special Meeting of Council 23 May 2018. All submissions were considered and determined at the Special Meeting of Council held on 30 May 2018.

Following consideration of the submissions, it was determined that there be no change to the existing strategy and that Council will over the course of the next 12 months undertake a further internal review in time for the 2019/20 Budget taking into consideration the recommendations from the Rating Review Committee, Rating Committee minority report, rating submissions and other ideas put forward.

RISKS

Whilst there have been no recommended changes to the structure of the rating outcomes for 2018/19, some ratepayers may be confused and upset when they receive their rate bills for 2018/19 due to the new valuations that come into play at 1 January 2018. Depending on how valuations have changed, relative to other valuations, some ratepayers may receive large increases to their rates, whilst others may have their rates reduced. This will become the norm in future as re-valuations are required to be undertaken every year from 2018/19 instead of the previous biennial revaluation cycle.

The Rating Strategy 2018/19 document (**Attachment [5.1.1]** Rating Strategy 2018/19), informs the Annual Budget 2018/19. Any material changes made to the Rating Strategy 2018/19 may impact the Annual Budget 2018/19.

ATTACHMENTS

Attachments are available on Council's website: www.southgippsland.vic.gov.au

1. Rating Strategy 2018/19 **[5.1.1]**

REFERENCE DOCUMENTS

Council Policy

Documents are available on Council's website: www.southgippsland.vic.gov.au

Annual Budget and Long-Term Financial Plan

Council Plan 2017-2021

Legislative Provisions

Local Government Act 1989

Valuation of Land Act 1960

Directions for a New Local Government Act

Ministerial Guidelines on differential rating (2013)

5.2. ANNUAL BUDGET 2018/19

Corporate and Community Services Directorate

EXECUTIVE SUMMARY

Council endorsed the Annual Budget 2018/19 at the Ordinary Meeting of Council 21 March 2018. A formal s.223 public consultation program has been completed, following a hearing of submissions on 23 May 2018 and the consideration and determination of submissions made at a Special Meeting of Council on 30 May 2018.

The Annual Budget 2018/19 is presented to Council for adoption.

South Gippsland Shire Council Annual Budget 2018/19 (**Attachment [5.2.1]**) has been prepared pursuant to ss.127 and 130 of the Local Government Act 1989.

There have been a number of changes made to the Proposed Budget presented to the Ordinary Meeting of Council 21 March 2018 relating to operating income, operating and capital expenditure. These budget adjustments have not compromised the integrity of either the Annual Budget 2018/19 or the budgeted financial statements in the Long Term Financial Plan.

These movements are summarised below and the major changes are expanded upon under the Report heading section:

| Income Statement | Proposed Budget (March) \$'000 | Annual Budget (June) \$'000 | Variation Projected to Current budget \$'000 | |
|--------------------------|-----------------------------------|--------------------------------|---|----------|
| Total income | 67,317 | 64,722 | 2,595 | Decrease |
| Total expenses | 59,555 | 63,277 | 3,722 | Increase |
| Surplus (deficit) | 7,762 | 1,445 | 6,317 | (Unfav) |

| Capital Expenditure | Proposed Budget (March) \$'000 | Annual Budget (June) \$'000 | Variation Projected to Current budget \$'000 | |
|---------------------|-----------------------------------|--------------------------------|---|----------|
| Expenditure | 21,393 | 23,363 | 1,970 | Increase |

| Other | Proposed Budget (March) \$'000 | Annual Budget (June) \$'000 | Variation Projected to Current budget \$'000 | |
|-----------------|--------------------------------|-----------------------------|--|----------|
| Rates & Charges | 42,153 | 42,505 | 352 | Increase |
| Employee EFT | 266.53 | 267.03 | 0.5 | Increase |

Financial impact

The budget adjustments have not compromised the integrity of either the Annual Budget 2018/19 or the budgeted financial statements in the Long Term Financial Plan.

RECOMMENDATION

That Council:

1. Adopts the Annual Budget 2018/19 (Attachment [5.2.1]) in accordance with s.130(1) of the Local Government Act 1989 including the Declaration of Rates and Charges in accordance with s.158 of the Local Government Act 1989;
2. Authorise the Chief Executive Officer to give public notice of this decision to adopt the Annual Budget 2018/19 budget (Attachment [5.2.1]) in accordance with s.130 (2) of the Local Government Act 1989;
3. Provide the Minister for Local Government with a copy of the adopted Annual Budget 2018/19 (Attachment [5.2.1]);
4. Publishes the Annual Budget 2018/19 (Attachment [5.2.1]) on Council's website; and
5. Distributes copies of the Annual Budget 2018/19 (Attachment [5.2.1]) to the Council's Customer Service Centre and libraries.

MOVED: Cr Brown

SECONDED: Cr Hill

THAT COUNCIL:

- 1. ADOPTS THE ANNUAL BUDGET 2018/19 (ATTACHMENT [5.2.1]) IN ACCORDANCE WITH S.130(1) OF THE LOCAL GOVERNMENT ACT 1989 INCLUDING THE DECLARATION OF RATES AND CHARGES IN ACCORDANCE WITH S.158 OF THE LOCAL GOVERNMENT ACT 1989;**
- 2. AUTHORISE THE CHIEF EXECUTIVE OFFICER TO GIVE PUBLIC NOTICE OF THIS DECISION TO ADOPT THE ANNUAL BUDGET 2018/19 BUDGET (ATTACHMENT [5.2.1]) IN ACCORDANCE WITH S.130 (2) OF THE LOCAL GOVERNMENT ACT 1989;**
- 3. PROVIDE THE MINISTER FOR LOCAL GOVERNMENT WITH A COPY OF THE ADOPTED ANNUAL BUDGET 2018/19 (ATTACHMENT [5.2.1]);**
- 4. PUBLISHES THE ANNUAL BUDGET 2018/19 (ATTACHMENT [5.2.1]) ON COUNCIL'S WEBSITE; AND**
- 5. DISTRIBUTES COPIES OF THE ANNUAL BUDGET 2018/19 (ATTACHMENT [5.2.1]) TO THE COUNCIL'S CUSTOMER SERVICE CENTRE AND LIBRARIES.**

CARRIED UNANIMOUSLY

[Link to next agenda item](#)

REPORT

At the Ordinary Council Meeting held 21st March 2018, Council considered and prepared the Annual Budget 2018/19 for the purposes of s.127 of the Local Government Act 1989.

Council resolved in part that the Annual Budget 2018/19 be referred to the Ordinary Meeting of Council 27 June 2018 for adoption.

As required under the provisions of s.129 of the Local Government Act the necessary public notices have been given. The requirement to make information available under Regulation 10 of the Local Government Regulations 2014 has been complied with.

Budget adjustments

Departments have reviewed their final budget projections for 2017/18 with the objective being that the financial year end 30 June 2018, actual costs incurred will correlate closely to projected costs.

As part of this process there were a number of capital, grant funded and other projects identified that will not be completed by financial year end. The budget projections for these projects have been reduced in 2017/18 and corresponding increases have been made to budgets in 2018/19.

A significant budget adjustment was to reduce \$4.82 million Victoria Grants Commission (VGC) income for 2018/19 that has been paid in advance and recorded as income in 2017/18.

The above adjustments distort the financial KPIs between the two financial years but do not present a strategic concern. The funding implications of budgeted carry forwards and the timing of receiving VGC grant income between the two years have a nil impact.

The major changes to the Proposed Budget presented in March 2018 are detailed below.

Operating Income

1. A reduction of \$4.82M Victoria Grants Commission income for 2018/19 has been paid in advance and recorded as income in 2017/18.
2. An increase of \$314,189 for additional Victorian Grants Commission payments as advised in 2018/19. This amount is compounded for future years as also.
3. \$419,988 removed from Private Works Sealing program due to no longer providing the service from 2018/19 and forward budgets.

4. \$220,000 additional revenue from Waste collection charges to offset additional recycling costs in 2018/19 and forward budgets.
5. \$156,369 additional anticipated revenue from Yanakie Caravan Park site fees.
6. \$120,595 additional anticipated revenue from Municipal Building statutory fees in 2018/19 and forward budgets.
7. \$1,943,240 grant for Long Jetty Restoration project carried forward from 2017/18 to 2018/19.
8. The 2018/19 Annual budget projection for rates and charges was increased by \$82,395 after taking into account supplementary valuation adjustments made subsequently to the Proposed Budget prepared in March 2018.
9. Removal of revenue from Baw Baw Shire Council for Risk shared services officer position due to project not continuing, \$58,482 and compounding to future years.
10. \$100,000 contribution from Foster Streetscape carried forward from 2017/18 to 2018/19.
11. \$60,000 for Leongatha Football Netball Club court development carried forward from 2017/18 to 2018/19.
12. \$121,367 contribution from Walkerville North road and retaining wall protection carried forward from 2017/18 to 2018/19.
13. \$500,000 Grant income budgeted for Great Southern Rail Trail in 2018/19 has been moved back to 2019/20.
14. Additional income from Parking Fines anticipated as a result of a new Senior Local Laws Officer position \$36,200 in 2018/19 and \$62,000 in forward budgets.
15. There has been an addition of 5 new planning fees since the proposed budget.

| Fee Description | Fee Amount \$ |
|--|----------------------|
| Development Plans and subsequent amendments to development plans | 530 |
| Notification of a Development Plan 0-10 letters | 103 |
| Notification of a Development Plan 10+ letters | 205 |
| Notification of a Development Plan – sign on site | 256 |
| Plan/report checking fee under conditions of a permit | 94 |

16. The introduction of an Environmental Health Class 3 – Sporting Club food registration at \$92.50 based on a benchmarking exercise from surrounding Councils. This fee is being introduced at the rate of 25% of standard class 3 commercial rate and will rise to 50% of the class 3 commercial rate in 19/20.

Operating Expenditure

1. \$98,417 for new Senior Local Laws Officer position included for 2018/19 and forward budgets. New FTE level for 2018/19 budget increased from 266.53 to 267.53 FTE.
2. Removal of Vacant 0.5 position in Legal and Contracts to offset shared services project with Baw Baw no longer continuing, \$49,208 and compounding in future years. New FTE level for 2018/19 budget decreased from 267.53 to 267.03 FTE.
3. \$343,327 removed from Private Works Sealing program due to no longer providing the service from 2018/19 and forward budgets.
4. \$220,000 additional expenditure for increased Waste recycling costs passed to Council from contractor in 2018/19 and forward budgets.
5. \$2,471,620 carried forward expenditure for Long Jetty Restoration project from 2017/18 to 2018/19.
6. \$520,000 carried forward expenditure for Agnes Falls project from 2017/18 to 2018/19.
7. \$90,000 carried forward expenditure for Stony Creek Equestrian Park project from 2017/18 to 2018/19.
8. \$115,000 carried forward expenditure for Leongatha Knights Soccer Club Lights and Pitch Upgrade project from 2017/18 to 2018/19.

9. \$10,000 carried forward expenditure in the Community Building area for the Lower Tarwin Communities Project from 2017/18 to 2018/19.
10. \$60,149 carried forward expenditure in the Building Inclusive Communities area for the Rural Access Program from 2017/18 to 2018/19.
11. \$25,000 carried forward expenditure in the Planning Management area for the Making Healthy Choice the Easy Choice program from 2017/18 to 2018/19.
12. \$113,358 carried forward expenditure in the Executive Services Management area for the Vision 2040 project from 2017/18 to 2018/19.
13. \$22,084 carried forward expenditure for Leongatha Recreation Reserve from 2017/18 to 2018/19.
14. \$125,000 carried forward expenditure for Arthur Sutherland Recreation Reserve for the stadium floor upgrade from 2017/18 to 2018/19.
15. \$200,000 carried forward expenditure for Leongatha Football Netball club court development project from 2017/18 to 2018/19.
16. \$5,000 allocated in the 18/19 budget for support to community participation and collaboration in Leongatha as per Council resolution 30th May.
17. \$25,000 allocated to the Mesley Hall Project proposed by the Leongatha Lyric Theatre group subject to a long term community joint use agreement being signed by the Education Department, Leongatha Lyric Theatre Group, South Gippsland Shire Council, along with any other required parties, being in place to formalise the cooperative use of Mesley Hall.

Capital Expenditure

The following capital projects have had budgets carried forward from 2017/18 to 2018/19

| Cost Centre Name | Activity Name | Account Name | \$ |
|-----------------------------------|---------------|--------------|---------|
| Drainage – Rehabilitation Program | General | Contractors | 108,644 |

| Cost Centre Name | Activity Name | Account Name | \$ |
|------------------------------|--------------------------------|---------------------|-----------|
| Fish Creek Netball Courts | General | Contractors | 250,000 |
| Pools Renewal Program | Toora Swimming Pool | Contractors | 305,353 |
| Pools Renewal Program | SPLASH | Contractors | 61,581 |
| * Community Hub – Korumburra | General | Contractors | -164,000 |
| Baromi Park masterplan | General | Contractors | 109,000 |
| IT Capital Works | Corporate Planning Software | Software Purchases | 40,000 |
| IT Capital Works | GIS | Software Purchases | 70,000 |
| IT Capital Works | Network Infrastructure | Hardware | 275,320 |
| IT Capital Works | Online Induction Software | Software Purchases | 19,320 |
| IT Capital Works | VOIP | Software Purchases | 27,420 |
| IT Capital Works | Integrated Platform | Software Purchases | 530,000 |
| IT Capital Works | Mobility Project | Software Purchases | 74,659 |
| Long Jetty Caravan Park | New Power Heads | Contractors | 5,790 |
| Long Jetty Caravan Park | Power Head Replacement Program | Minor Equipment | 6,109 |
| Yanakie Caravan Park | New Power Heads | Contractors | 14,871 |

| Cost Centre Name | Activity Name | Account Name | \$ |
|---|--------------------------------|---------------------|-----------|
| Yanakie Caravan Park | Power Head Replacement Program | Minor Equipment | 9,881 |
| Coal Creek | General | Contractors | 17,500 |
| Bair Street streetscape | General | Contractors | 34,000 |
| Foster streetscape | General | Contractors | 66,000 |
| Korumburra commercial streetscape | General | Contractors | 20,000 |
| North Poowong Road | General | Contractors | 25,000 |
| Guard rail replacement program | General | Contractors | 22,764 |
| Sun shelter – Tarwin Lower to Venus Bay walking track | General | Materials | 14,364 |
| Powney's road bridge | General | Contractors | 200,000 |
| Grand Ridge road, Leongatha | General | Contractors | 17,634 |
| Sealed rehabilitation program | General | Contractors | 90,000 |
| Walkerville North road and retaining wall protection | General | Contractors | 110,000 |
| Buildings renewal program | Franklin River Toilet | Contractors | 77,580 |
| Buildings renewal program | Mirboo North Hall | Contractors | 45,324 |
| Old Korumburra kindergarten refurbishment | General | Contractors | 275,000 |

| Cost Centre Name | Activity Name | Account Name | \$ |
|-------------------------------|-------------------------|-------------------------|------------|
| Bridge rehabilitation program | General | Materials | 28,949 |
| Major culvert renewal program | General | Materials | 31,977 |
| Major culvert renewal program | Bechers Road, Welshpool | Contractors | 7,231 |
| Fleet purchases | General | Capital Plant Purchases | 35,382 |
| ** Great Southern Rail Trail | Welshpool to Hedley | Contractors | -1,000,000 |
| ** Great Southern Rail Trail | Welshpool to Hedley | Contractors | 106,291 |

- * At the Ordinary Council Meeting 28 February 2018, Council resolved to allocate \$282,000 in 2017/18 to refurbish the old Korumburra kindergarten into the interim library for Korumburra and to relocate the Historical Society and the Rotary Art Gallery, and resolved to work with the individual groups to ensure they are accommodated during the transition phase. This was funded via a reduction in the Korumburra community hub program in 2018/19 for \$164,000, \$63,000 in 19/20 and a reduction in the operating Buildings Retirement program in 2017/18 for \$56,000.
- ** The Great Southern Rail Trail has had budgets carried forward from 17/18 to 18/19 (\$106,291) and 18/19 to 19/20 (\$1,000,000).

CONSULTATION

- A formal s.223 public consultation program was undertaken between 27 March to 26 April 2018 inviting written submissions to the Proposed Annual Budget 2018/19, Revised Council Plan 2017-2021 and Proposed Rating Strategy 2018/19.
- At a Special Meeting of Council 23 May 2018 a hearing of submissions was made prescribed under the Local Government Act 1989 s.223 in respect to Proposed Annual Budget 2018/19, Revised Council Plan 2017-2021 and Proposed Rating Strategy 2018/19.

- Five written submissions were received for the formal s.223 submission requirement by the closing time on 26 April 2018. Two submitters asked to speak to their submissions. The hearing of submissions took place at a Special Meeting of Council 23 May 2018. All submissions were considered and determined at the Special Meeting of Council held on 30 May 2018.
- There was one Council resolution from the 30 May 2018 Special Meeting that required an amendment to the 2018/19 Budget. Council resolved to, "Allocate \$25,000 to the Mesley Hall project proposed by the Leongatha Lyric Theatre subject to a long term community joint use agreement being signed by the Education Department, Leongatha Lyric Theatre Group, South Gippsland Shire Council, along with any other required parties, being in place to formalise the cooperative use of Mesley Hall."
- Submitters have been advised in writing of Council's decision at the 30 May 2018 Special Meeting.

RISKS

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

- Some costs incurred may vary materially to what was budgeted
- Unavoidable cost events or increases may occur and / or
- Strategic opportunities may arise that require funding

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

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 and comparing to the originally adopted Long Term Financial Plan's budgeted financial statements.

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

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

ATTACHMENTS

Attachments are available on Council's website: www.southgippsland.vic.gov.au

1. Annual Budget 2018/19 **[5.2.1]**

REFERENCE DOCUMENTS

Council Policy

Documents are available on Council's website: www.southgippsland.vic.gov.au

Council Plan 2017-2021

Annual Budget and Long Term Financial Plan

Legislative Provisions

Local Government Act 1989

5.3. REVISED COUNCIL PLAN 2017-2021

Corporate and Community Services Directorate

EXECUTIVE SUMMARY

The Council Plan 2017-2021, adopted by Council in June 2017, has been reviewed and updated by Council. Council endorsed the Revised Council Plan 2017-2021 at its Ordinary Meeting on 21 March 2018. A formal s.223 public consultation program has been completed, following a hearing of submissions on 23 May 2018 and the consideration and determination of submissions made at a Special Meeting of Council on 30 May 2018.

The Council Plan 2017-2021 – Revised June 2018 (Council Plan) as set out in **Attachment [5.3.1]** has been updated to reflect final changes determined by Council and is presented to Council for adoption.

RECOMMENDATION

That Council:

1. Adopts the Council Plan 2017-2021 - Revised June 2018 (Attachment [5.3.1]) including an updated list of Priority Projects to align with Council's resolutions in today's Agenda item 4.1 'Priority Projects for Advocacy and Funding 2018/19 – Annual Plan Major Projects Status Update 2017/18';
2. Provides a copy of the Council Plan 2017-2021 - Revised June 2018, to the Minister for Local Government;
3. Publishes the Council Plan 2017-2021 - Revised June 2018, on Council's website; and
4. Distributes copies to the Council's Customer Service Centre and libraries.

MOVED: Cr Hill

SECONDED: Cr McEwen

THAT COUNCIL:

1. **ADOPTS THE COUNCIL PLAN 2017-2021 - REVISED JUNE 2018 (ATTACHMENT [5.3.1]) INCLUDING AN UPDATED LIST OF PRIORITY PROJECTS TO ALIGN WITH COUNCIL'S RESOLUTIONS IN TODAY'S AGENDA ITEM 4.1 'PRIORITY PROJECTS FOR ADVOCACY AND FUNDING 2018/19 – ANNUAL PLAN MAJOR PROJECTS STATUS UPDATE 2017/18';**

2. PROVIDES A COPY OF THE COUNCIL PLAN 2017-2021 - REVISED JUNE 2018, TO THE MINISTER FOR LOCAL GOVERNMENT;
3. PUBLISHES THE COUNCIL PLAN 2017-2021 - REVISED JUNE 2018, ON COUNCIL'S WEBSITE; AND
4. DISTRIBUTES COPIES TO THE COUNCIL'S CUSTOMER SERVICE CENTRE AND LIBRARIES.

Cr Rich left the Council Meeting at 4.22pm

CARRIED UNANIMOUSLY

Noting that Cr Rich was not present for the vote.

[Link to next agenda item](#)

REPORT

The role of Council is to provide leadership for the good governance of the Shire. This is achieved, in part, by establishing strategic directions in a four-year Council Plan, supported by a rolling four year Strategic Resource Plan. These requirements are legislated under ss.125 and 126 of the Local Government Act 1989 (the Act).

The Council Plan contains the four year Strategic Resource Plan (SRP), taken from Council's Annual Budget 2018/19 (Budget) and Long Term Financial Plan (LTFP). The SRP outlines the resources required to achieve the Council Plan and will be updated annually as a rolling four-year plan. Section 126 of the Act requires that the SRP be included in the Council Plan.

Council is required under s.125 of the Act to review the Council Plan annually, to ensure it remains current. Amendments have been made to the Council Plan in light of the review and this occurred in three stages.

The first stage included an internal review by Councillors. These amendments were endorsed by Council on 20 December 2017 to allow for community feedback to be gauged through a community engagement program.

The second stage included changes in response to the community engagement program. A formal s.223 public submission followed the endorsement of the proposed revised Council Plan on 28 March 2018.

The third stage concluded the review, with formal s.223 written submissions sought, heard, considered and determined based on the endorsed version presented to Council at Special Meetings on 23 and 30 May 2018.

The Council Plan 2017-2021 – Revised June 2018, contained in **Attachment [5.3.1]** is now presented to Council to consider. Once adopted, a copy will be provided to the Minister for Local Government in accordance with s.125 of the Act. It will also be published on Council's website and distributed to the libraries.

Summary of the Revised Council Plan

The Council has retained its 'Vision' that states:

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

Achievement of this Vision is supported by the four unchanged Strategic Objectives below, with an Overview outlining the scope of each Objective:

1. *Strengthen economic growth and prosperity.*
2. *Build strong partnerships, strengthen arts and culture and deliver equitable outcomes.*
3. *Improve South Gippsland's built assets and value our natural environment.*
4. *Enhance organisational development and implement governance best practice.*

Indicators assist in monitoring the achievement of the Objectives over the four-year term.

Strategies provide directions that can realistically be progressed for each Strategic Objective, given the resources and four-year timeframe of the Council Plan.

A couple of Strategies have been re-located under a different Strategic Objective to better align to the outcomes they seek to achieve. The Strategies have also been reformatted into a series of strategies and sub strategies under each Strategic Objective. This is predominantly a formatting change, given that all the strategies are considered of equal importance.

Three additional Strategies have been included. The first is under Strategic Objective 1, as follows:

'Undertake a coastal study to explore opportunities for developing the Shire's coastal areas, while still protecting the coastline environment.'

The second is included under Strategic Objective 2, as follows:

'Review and update recreation, aquatic and the paths and trails strategies.'

This second strategy is now the overarching strategy, with the individual recreation, aquatic and paths and trails strategies sitting underneath.

The third is included under Strategic Objective 2, as follows:

Develop and implement a Youth Strategy to determine the needs of young people and assist them to have a voice regarding matters that affect them.

Sub Strategy 1.3.7 has been reworded to: 'Commence a feasibility study into an Equestrian / Expo Centre within the Shire, including a preferred location'.

Strategy 1.2 now includes the five Priority Projects adopted by Council being:

- *Korumburra Revitalisation*

- *Leongatha Revitalisation*
- *Great Southern Rail Trail Extensions*
- *Mirboo North Pool Refurbishment*
- *East/West South Gippsland Public Transport Study*

These Priority Projects will be updated and amended as required to align with Council's resolutions for today's Agenda item 4.1 – 'Priority Projects for Advocacy and Funding 2018/19 – Annual Plan Major Projects Status Update 2017/18.

The major initiative under Objective 3 has been expanded as follows:

'Complete a service level review of gravel roads and roadside maintenance, test assumptions and report the finding to Council with the review to include:

- *Development of a program to seal the top priority rural gravel roads over the next ten to twenty years;*
- *Advocate to VicRoads to lower the speed limit of various roads to 80kph or lower, across the region;*
- *Investigate how levels of service can be improved on unsealed roads*

The Strategic Resource Plan has been updated to reflect the next four years of the Long term Financial Plan. This includes the financial and non-financial resources required to achieve the Council Plan.

Annual Initiatives for 2018/19 have been developed. These are included in the Council Plan under each Strategic Objective. They are also included in Chapter 2 of the Annual Budget 2018/19 (Budget).

Following the s.223 submission process one major initiative under Objective 3 has been expanded as follows:

'Complete a service level review of gravel roads and roadside maintenance, test assumptions and report the finding to Council with the review to include:

- *Development of a program to seal the top priority rural gravel roads over the next ten to twenty years;*
- *Advocate to VicRoads to lower the speed limit of various roads to 80kph or lower, across the region;*
- *Investigate how levels of service can be improved on unsealed roads*

Budget considerations to fund the Annual Initiatives has been factored into the Budget, SRP and LTFFP.

CONSULTATION

Council has considered community feedback and Councillors' ideas received through a range of mediums in the development of the Council Plan. These include:

1. Presentations given at public presentation sessions by community members and interested groups;
2. An OurSay Forum - 121 ideas generated by 65 submissions and involving 135 people through the OurSay online forum held in January and February 2018, along with ideas from previous OurSay budget forums;
3. Community Outreach days - held in February 2018 by Council officers in Leongatha (59 active participants), Mirboo North (63 active participants) and Foster (58 active participants), with a total of 180 participants;
4. Sixty-one additional outreach participants provided written comments on specific priorities for Council to consider;
5. Nine written submissions on the Council Plan were provided through the s.223 public consultation program, with six submitters speaking at the 23 May 2018 Hearing of submissions;
6. Council workshops and briefings on the Council Plan and Annual Initiatives held on 16 August 2017, 4 and 11 October 2017, 1 November 2017 and 21 February and 23 May 2018;
7. Council Departments have assisted in the development of Annual Initiatives;
8. The 2017 Community Satisfaction Survey results;
9. Previous community engagement activities and the feedback provided in the initial development of the Council Plan;
10. Comparative Local Government Performance Reporting Framework data from the 'Know Your Council' website;
11. Ideas and reflections raised by Councillors from their community interactions with the community; and
12. Regional, State and Federal directions.

RESOURCES

The resources required to implement the directions set out in the Council Plan are reflected in the Budget, SRP and LTFP. These plans are all interlinked and dependent on one another.

Any final amendments made to the Council Plan will need to be updated in the Budget, SRP and LTFP, where applicable. In the same manner, any further changes to the Budget, SRP and LTFP may require changes to the Council Plan.

RISKS

Sections 125 and 126 of the Act require Council to adopt a four-year Council Plan which sets out Objectives, Strategies, Indicators and a Strategic Resource Plan. Further, the Act requires the Council Plan to be reviewed annually. Public submissions are required when changes to the strategic directions of Council are made. The community outreach program and the s.223 public submission program have mitigated the risk of Council being in breach of the Act.

The adoption of the revised Council Plan, along with the provision of a copy to the Minister for Local Government and its publication on Council's website, further mitigate the risk of Council being in breach of the Act.

STAFF DISCLOSURE

Nil

ATTACHMENTS

Attachments are available on Council's website: www.southgippsland.vic.gov.au

1. Council Plan 2017-2021 - Final Revised Version - June 2018 **[5.3.1]**

REFERENCE DOCUMENTS

Council Policy

Documents are available on Council's website: www.southgippsland.vic.gov.au
Council Plan 2017-2021

Legislative Provisions

Local Government (Planning and Reporting) Regulations 2015
Local Government Act 1989

5.4. COMMUNITY SATISFACTION SURVEY RESULTS 2018

Corporate and Community Services Directorate

EXECUTIVE SUMMARY

This report presents the results of the South Gippsland Shire Council Community Satisfaction Survey for 2018 (the 2018 Survey) **Attachment [5.4.1]** to Council.

The results for core performance measures will be included in the Victorian Local Government Performance Reporting Framework (LGPRF) for 2017/18. These survey results will be inserted in the 2017/18 Annual Report and placed on the State Government's 'Know Your Council' website, <https://knowyourcouncil.vic.gov.au/>.

RECOMMENDATION

That Council:

1. Notes South Gippsland Shire Council's results in the Community Satisfaction Survey (Attachment [5.4.1]); and
2. Includes the relevant survey results in the South Gippsland Shire Council 2017/18 Annual Report.

MOVED: Cr Skinner

SECONDED: Cr Hill

THAT COUNCIL:

1. **NOTES SOUTH GIPPSLAND SHIRE COUNCIL'S RESULTS IN THE COMMUNITY SATISFACTION SURVEY (ATTACHMENT [5.4.1]); AND**
2. **INCLUDES THE RELEVANT SURVEY RESULTS IN THE SOUTH GIPPSLAND SHIRE COUNCIL 2017/18 ANNUAL REPORT.**

Cr Rich returned to the Council Meeting at 4.24pm.

CARRIED

FOR: Councillors Argento, Skinner, Brown, Brunt, Rich, Edwards, Hill and Kiel.

AGAINST: Councillor McEwen

[Link to next agenda item](#)

REPORT

Previously Council has used the State Government appointed consultants to undertake the mandated Annual Customer Satisfaction Survey. This survey has limited Council's ability to provide context around the questions and returned minimal information on the responses provided.

This year Council appointed an independent survey company (Key Research) to undertake the 2018 Survey.

It was deemed important to seek a greater level of information from the survey to better understand community sentiments, given that Council's results have been either stable or in decline over recent years. The ability to create a longer, more detailed survey has enabled questions to be asked on a wider range of Council's services. It also allowed questions to be broken down to sub categories of service provision.

The benefit of this breakdown can be illustrated through using the example of local sealed roads, an ongoing area of community concern and frustration in all previous surveys. The State Government survey included one broad question on customer satisfaction regarding local sealed roads. In our 2018 Survey seven areas of roads and roadsides have been captured, including the condition of VicRoads roads, gravel roads and local sealed roads. Additional questions on footpath maintenance, provision of cycle ways and trails, availability of car parks and street lighting have all been included.

The 2018 Survey has included the same questions as those previously asked in the State Government survey for comparison purposes. These questions cover core competencies required by Local Government Act Regulations. These results will be incorporated in the 2017/18 Annual Report. They will also be provided to Council's Audit Committee and Local Government Victoria to meet Council's obligations in regard to the Local Government Performance Reporting Framework (LGPRF).

The core competency results will be made available on the State Government website 'Know Your Council' for comparison against all other Victorian councils.

Responses provided in the remainder of this report are drawn from the Key Research report into Council's 2018 Customer Satisfaction Survey in **Attachment [5.4.1]**. Please refer to **Attachment [5.4.1]** for the full contextual details of these summary responses.

Information on the 'Research Objectives' and 'Methodology' used for the survey can be found on page 3 of **Attachment [5.4.1]**. The questionnaire, rating scale and categorisation for reporting satisfaction scores have been

refined and is somewhat similar to what has been used in previous years. Further details are provided on page 6 of **Attachment [5.4.1]**.

An overview of the survey framework used to determine how the various reputation, service and value elements impact residents' overall performance evaluation of Council, is explained on pages 13 to 15 of **Attachment [5.4.1]**.

'Reputation' considers how competent the Council is perceived to be and the extent to which residents have developed an affinity with Council. These form the major components of its reputation.

'Overall Service and Facilities' considers that perceptions are also influenced by how well residents believe council is delivering core services such as roads, waste services and other infrastructure.

'Value for Money' considers how residents develop perceptions of value, based on what they receive by way of services and what they pay for these via their rates and user based fees.

Slight variations when making direct comparisons to the previous survey may be attributable to differences in questionnaire layout and question wording, scale and index score calculations. When undertaking the survey design and reporting of results, every effort has been made to minimise any potential for variation. One variation of note though, is the change from 'Overall Council Direction' to 'Overall Image and Reputation'.

The overall performance evaluation is most strongly influenced by image and reputation, more so than the various services, infrastructure and facilities, as well as value for money.

Overall Summary of Results

Close to half of residents (46 per cent) are satisfied with Council's overall performance, giving a rating of six or more out of ten.

The table below is a summary of the Council's core competency results for 2018. The table provides trend comparisons of Council's performance against the results received from 2015 to 2017. A comparison to the Large Rural Average and State Wide Average for 2018 cannot be made at this stage. These results may be accessible once the State Government Survey results are released to all councils.

| Performance Measures | SGSC 2015 | SGSC 2016 | SGSC 2017 | SGSC 2018 |
|-----------------------------|------------------|------------------|------------------|------------------|
| Overall Performance | 49 | 47 | 46 | 46 |

| | | | | |
|------------------------------|-----|-----|-----|-----|
| Community Consultation | 49 | 47 | 47 | 48 |
| Advocacy | 45 | 47 | 46 | 45 |
| Making Community Decisions | 44 | 47 | 45 | 42 |
| Sealed Local Roads | 27 | 30 | 36 | 46 |
| Customer Service | 65 | 65 | 61 | 70 |
| Overall Council Direction | 44 | 43 | 51 | N/A |
| Overall Image and Reputation | N/A | N/A | N/A | 42 |

Reputation

Council received relatively low scores for reputation, with residents least satisfied with Council's financial management. Trust, faith and leadership are also areas of concern. Given reputation strongly influences perceptions of Council and performance for reputation is relatively low (42), this is an improvement opportunity.

Overall Services and Facilities

Residents are mostly satisfied with Council services and facilities (overall 54 index). Parks and Reserves are the areas of most satisfaction (71). The community is less likely to be satisfied with roads, footpaths and trails (47) around the Shire.

Value for Money

Fewer than half of residents are satisfied with the value for money they receive from Council (41), with rates (38) and other fees (43) generally not being seen as fair or reasonable. Conversely payment arrangements (73), clear invoicing (72) and the usefulness of timely reminders (71) received strong results.

Roads, Footpaths and Trails

A continuing improvement in the condition of sealed local roads is encouraging, however there remain greater percentages of dissatisfaction with gravel roads (35), sealed local roads (46) and VicRoads Highways (35), than percentages of satisfied community members. Residents would most value improvements to the condition of gravel roads, followed by the upkeep of sealed local roads. (Refer to pages 19 and 20)

Waste Management

Waste services has received a score of 65. Improving perceptions of the waste services is best achieved by focusing on improving perceptions of the transfer stations, as this has a large impact while performance is evaluated as average. (Refer to pages 19 and 21)

Parks and Reserves

Performance is reasonably strong across aspects of parks and reserves (71), with those in Tarwin Valley being the most satisfied.

Facilities and Events

The allocation of grants has a high level of impact on the overall facilities and events score (64), yet performance is poor relative to other measures, identifying this is an opportunity to improve.

Regulatory Services

Slightly over half of residents (55 per cent) are satisfied with regulatory services overall, although residents are less satisfied with Building Control (38) and Town Planning (37). Town Planning has the greatest impact on the overall regulatory services score, yet it has the lowest level of performance, therefore offering the greatest opportunity to improve.

Family and Children's Services

In terms of Family and Child Care services (67), residents are satisfied with immunisation (81), and Maternal and Child Health services (77), but are less satisfied with the services and facilities for youth (50).

Aged and Disability Services

Aged care and disability care services (61) are being performed reasonably well, with two-thirds of residents satisfied overall.

Customer Service and Contact with Council

The overall customer service performance index has significantly increased from 61 to 70 this year. Around two-thirds of residents have contacted Council in the past 12 months, with Coastal Promontory residents the least likely to have contacted Council. The most common contact methods are telephone during office hours, followed by visiting in person. Close to three-quarters of residents who contacted Council were satisfied or very satisfied with the overall customer service.

The quality of services provided by staff is the biggest influencer of satisfaction with customer service, and while performance is reasonable, improvements would be valued by residents.

Community Engagement

There are mixed reviews of Council's community engagement (48), with half of, or slightly fewer, residents satisfied with the various elements and significant proportions of dissatisfied residents. 'Decisions made in the interests of the community' being the area receiving the lowest index in this category (42).

General Comments

Most residents think Council's performance has stayed the same over the past 12 months, although around one-fifth think it has deteriorated.

General feedback from all residents highlights their concern regarding rates, as well as rubbish collection and recycling.

Residents who were dissatisfied with overall performance of Council had a range of suggestions on how to improve the scores. The most common theme being reducing rates. This theme included a fairer rates system, user pays and providing value for money. The next common theme raised being to listen to ratepayers, with more collaboration, better communications, more transparency and accountability.

Greater detail on suggestions for a higher performance rating are outlined on page 50 of **Attachment [5.4.1]**.

The 2018 Survey was conducted by an independent research company, Key Research (Thinkfield). It was conducted as a representative random sample probability survey of residents aged 18+ years in South Gippsland Shire, in the period 28 March 2018 to 8 May 2018. The hardcopy survey was sent to 4,000 residents. Respondents were able to either complete and return the hard copy survey, or complete it on-line.

The representative survey was based on 621 responses from across the three Wards. The post-data collection has been weighted to align with known population distributions from the 2016 census. Previous years surveys were based on a survey sample of 400 residents.

Detail on the sample profile for the demographics can be found on pages 54 and 55 of **Attachment [5.4.1]**.

Residents rate Council's reputation as poor, with those in Tarwin Valley being less positive about Council than residents in other areas. Respondents aged

65 and older have a more favourable view of Council than younger residents in the 18-34 year aged bracket.

South Gippsland Shire Council has a high proportion of 'sceptics', with 69 per cent of residents being less emotionally connected and believing Council could be doing a better job.

Residents aged over 65 are the most likely to be Council champions viewing Council as competent, although there are still a large number of sceptics among this group (55 per cent).

RESOURCES

The information provided in the 2018 Survey will be utilised in a few months' time to inform the 2018/19 annual review of the Council Plan and the development of the 2019/20 Annual Initiatives and Annual Budget and the Long Term Financial Plan.

There is a tension between people who want more services, facilities and improved levels of service, and others who want to see rates and service levels reduced. Council has aimed for a balanced allocation of resources in the directions it has established in the Revised Council Plan 2017-2021, Annual Budget 2018/19 and the four year Strategic Resource Plan.

The completion of an annual Customer Satisfaction Survey is a requirement of all Victorian councils to meet legislated reporting requirements. Resources are allocated within existing budgets to meet this requirement.

The survey cost \$20,000. This was funded from the annual allocation for the Customer Satisfaction Survey and the Council Plan community engagement budget. The added value of detailed information obtained through the 2018 Survey provides Council with a richer source of representational data than has previously been available.

RISKS

It is important for Council to consider the diverse needs and views of the community to deliver improved services. The survey results provide one source of feedback for Council to consider as it reviews and monitors its service objectives and risks.

Ongoing below average levels of community satisfaction with Council's performance or understanding of Council's improvement initiatives, may hamper Council and community efforts to work effectively together to achieve common objectives.

The 2018 Survey was undertaken to meet legislated reporting requirements and to build a greater understanding of community sentiment in regard to a broader range of Council services than previous surveys have been able to provide.

STAFF DISCLOSURE

Nil

ATTACHMENTS

Attachments are available on Council's website: www.southgippsland.vic.gov.au

1. South Gippsland Shire Council Customer Satisfaction Survey 2018 **[5.4.1]**

REFERENCE DOCUMENTS

Council Policy

Documents are available on Council's website: www.southgippsland.vic.gov.au

Council Plan 2017-2021

Legislative Provisions

Local Government Act 1989 Part 6

Local Government (Planning and Reporting) Regulations 2015

5.5. GENERAL REVALUATION 2018

Corporate and Community Services Directorate

EXECUTIVE SUMMARY

In accordance with the provisions of the Valuation of Land Act 1960, a General Valuation of all rateable properties in the Shire of South Gippsland is now required annually.

The 2018 General Valuation has been completed. Council is required to formally adopt the Valuation.

Council is also required to resolve to “cause a General Valuation of rateable land” for the 2019 General Valuation.

RECOMMENDATION

That Council:

1. Receives and adopts the General Valuation 2018 (Attachment [5.5.2] Report of General Valuation Under s.7AA(1)); and
2. Submits a copy of the valuation return to the Valuer General seeking certification as to its general trueness and correctness;
3. In accordance with the provisions of ss.11 and 13H of the Valuation of Land Act 1960 (as amended) hereby resolves to cause a General Valuation of rateable and non-rateable leviable land to be made as at 1 January 2019 and be returned to Council after 1 January 2019 and before 30 April 2019;
4. Appoints Council’s Valuer Andrew Begg under s.13DA(1) of the Valuation of Land Act 1960.
5. Advises the Valuer General and each interested rating authority of Council’s intent to cause a general valuation as pursuant to s. 6(1) of the Valuation of Land Act 1960.
6. Notes the Statutory Declaration of Council’s Valuer (Attachment [5.5.1] Signed – Statutory Declaration Dec 2018 – Revaluation Return).

Cr Skinner left the Council Meeting at 4.47pm.

MOVED: Cr Hill

SECONDED: Cr Brunt

THAT COUNCIL:

- 1. RECEIVES AND ADOPTS THE GENERAL VALUATION 2018 (ATTACHMENT [5.5.2] REPORT OF GENERAL VALUATION UNDER S.7AA(1)); AND**
- 2. SUBMITS A COPY OF THE VALUATION RETURN TO THE VALUER GENERAL SEEKING CERTIFICATION AS TO ITS GENERAL TRUENESS AND CORRECTNESS;**
- 3. IN ACCORDANCE WITH THE PROVISIONS OF SS.11 AND 13H OF THE VALUATION OF LAND ACT 1960 (AS AMENDED) HEREBY RESOLVES TO CAUSE A GENERAL VALUATION OF RATEABLE AND NON-RATEABLE LEVIABLE LAND TO BE MADE AS AT 1 JANUARY 2019 AND BE RETURNED TO COUNCIL AFTER 1 JANUARY 2019 AND BEFORE 30 APRIL 2019;**
- 4. APPOINTS COUNCIL'S VALUER ANDREW BEGG UNDER S.13DA(1) OF THE VALUATION OF LAND ACT 1960.**
- 5. ADVISES THE VALUER GENERAL AND EACH INTERESTED RATING AUTHORITY OF COUNCIL'S INTENT TO CAUSE A GENERAL VALUATION AS PURSUANT TO S. 6(1) OF THE VALUATION OF LAND ACT 1960.**
- 6. NOTES THE STATUTORY DECLARATION OF COUNCIL'S VALUER (ATTACHMENT [5.5.1] SIGNED – STATUTORY DECLARATION DEC 2018 – REVALUATION RETURN).**

Cr McEwen left the Council Meeting at 4.48pm.

Cr Skinner returned to the Council Meeting at 4.49pm.

Cr McEwen returned to the Council Meeting at 4.51pm.

CARRIED UNANIMOUSLY

[Link to next agenda item](#)

REPORT

Background

In accordance with the provisions of s.11 of the Valuation of Land Act 1960, a General Valuation of all rateable properties in the Shire of South Gippsland is required annually where previously it was biennially.

Council formally resolved to undertake the re-valuation at the Ordinary Council Meeting held on 22 February 2017.

The General Valuation of all rateable properties in the Shire has now been completed by Council's in-house valuation team under the supervision of Council's Valuer and is required to be formally adopted by Council.

Council is also required to resolve to "cause a general valuation of rateable land" for the 2019 general valuation.

Discussion

The 2018 General Valuation is based on levels of value as at 1 January 2018. The valuation reflects changes in the relativity of the property market during the past two years.

The Site Value (SV), Capital Improved Value (CIV) and Net Annual Value (NAV) totals for rateable properties and non-rateable leviable properties are required for reporting purposes. There are a total of 20,005 assessments. The table below details the change in value between 2016 and 2018 at rollover.

Rateable and Non Rateable Leviable Assessments

| Level of Value | Site Value | Capital Improved Value | Net Annual Value |
|----------------|-----------------|------------------------|------------------|
| 2016 | \$4,398,819,400 | \$7,797,506,500 | \$412,625,475 |
| 2018 | \$4,762,809,000 | \$8,351,355,500 | \$440,869,025 |

The table below details the Capital Improved Value of rateable assessments only at rollover. There are 19,598 rateable assessments.

Rateable Assessments

| Level of Value | Capital Improved Value |
|----------------|------------------------|
| 2016 | \$7,684,038,500 |
| 2018 | \$8,234,439,500 |

The Capital Improved Value of total rateable properties has increased by \$550,401,000, an increase of 7.16 per cent from 2016.

There have been modest gains/reductions in valuation relativity with a few notable exceptions. It should be noted that the commentary is not a differential rating category analysis.

Residential Properties

The positive gain across all residential Australian Valuation Property Classification categories is 7.18 per cent.

An increase in value is noted in townships towards the western end of the Shire as the distance to metropolitan Melbourne decreases. Values tend to stagnate towards the eastern end of the Shire. Some towns experienced a variation to the general trend. Toora valuations decreased by 8.19 per cent and Korumburra increased by 11.88 per cent. The smaller townships in the western portion of the municipality reflect higher percentage increases than those in the east.

Residential Units

Residential units have generally increased less than other residential properties. Increases have varied with the more mature unit market of Leongatha decreasing by 1.17 per cent. Foster increased by 1.87 per cent and Korumburra posted a positive gain of 0.54 per cent, with an average decrease of 0.37 per cent for all other areas.

Coastal Towns

Although land values remained stagnant in many coastal townships, the added value of improvements have generally increased producing varied results in overall CIV valuations. Sandy Point has increased 3.63 per cent and Venus Bay 5.4 per cent. Waratah Bay had a larger increase of 13.6 per cent.

Premium Coastal Properties

Premium coastal lifestyle properties increased 3.03 per cent although some individual properties received greater increases.

Commercial Property

Commercial properties have generally increased in Site Value. A minor decrease of 0.4 per cent is reflected in the Capital Improved Valuations. The largest commercial market of Leongatha has decreased by 6.22 per cent, Korumburra commercial increased overall by 2.33 per cent with Foster increasing by 8.61 per cent. Demand for commercial properties with secure leases remains strong, however high vacancy rates in some precincts has put

downward pressure on rental returns. Secondary or low profile locations continue to struggle to attract long term tenants.

Industrial Property

The all-inclusive industrial statistic indicates a minor increase in value overall. This is skewed by specialised industrial properties such as wind farms and quarries which are depreciating assets due to obsolescence, reducing resources and limited permitted life spans.

The non-specialized industrial market reflects a positive increase of 0.3 per cent in Leongatha while Korumburra reflects an increase of 2.44 per cent. Demand for both vacant and improved industrial property in these areas remains consistent.

Rural Property

The demand for larger high-quality dairy properties was strong despite the dry conditions and volatile farm gate prices. Demand for premium undulating grazing land has remained steady. Steeper more remote land has experienced increased demand over the previous period with some good increases seen for more desirable and better located properties.

The majority of properties under 50ha with existing dwellings have increased in value by varying degrees. The residential content of these properties generally reflects a higher value gain the closer in proximity they are to the urban centres of Melbourne and the Latrobe Valley. These properties have skewed the overall statistical increase of the rural category upwards to an overall increase of 7.63 per cent

The well-established farming districts have generally experienced a minor increase in CIV levels since the 2016 revaluation. The premium areas of Leongatha and Korumburra rural have remained steady. Among the other better performers were Loch / Jeetho rural and the Strzelecki / Allambee rural areas at 13.63 per cent and 16.63 per cent respectively. Poowong / Nyora also reflected the trend of higher increases in the Western end of the Municipality with an increase of 13.36 per cent. Other rural groups reflected positive increases of between 3 per cent and 7 per cent on average, however, individual properties within these groups can vary widely above and below these figures.

CONSULTATION

The General Valuation of the municipality has been completed in accordance with Council's statutory obligations and Council is now required to formally adopt the 2018 general valuation and resolve to cause the 2019 general valuation.

RESOURCES

The costs associated with the return of the 2018 general valuation and undertaking the 2019 general valuation are contained within the 2018/19 and 2019/20 budgets.

RISKS

This report complies with the statutory process pursuant to the Valuation of Land Act 1960.

STAFF DISCLOSURE

Nil

ATTACHMENTS

Attachments are available on Council's website: www.southgippsland.vic.gov.au

1. Signed Statutory Declaration May 2018 - Revaluation Return **[5.5.1]**
2. Report to Valuer General s.7AA(1) **[5.5.2]**

REFERENCE DOCUMENTS

Legislative Provisions

Valuation of Land Act 1960

5.6. POLICY REVIEW: C32 PROCUREMENT POLICY

Corporate and Community Services Directorate

EXECUTIVE SUMMARY

The purpose of this report is to recommend that Council approve a revised C32 Procurement Policy (the Policy) (**Attachment [5.6.1]**).

RECOMMENDATION

That Council adopts the revised C32 Procurement Policy (Attachment [5.6.1] - C32 Draft Procurement Policy – Council Version – 27 June 2018).

MOVED: Cr Rich

SECONDED: Cr Kiel

THAT COUNCIL ADOPTS THE REVISED C32 PROCUREMENT POLICY (ATTACHMENT [5.6.1] - C32 DRAFT PROCUREMENT POLICY – COUNCIL VERSION – 27 JUNE 2018).

Cr Hill left the Council Meeting at 4.56pm and returned at 4.58pm.

CARRIED UNANIMOUSLY

[Link to next agenda item](#)

REPORT

During 2015, Council formed an internal Procurement Working Group (PWG) and conducted a significant review of its Procurement Policy, which resulted in the development and adoption of a simplified Policy with significant components of procedural information removed and transferred into a Procurement Manual. On the 16 December 2015, Council adopted the new, simplified Procurement Policy and the CEO approved the new Procurement Manual.

This Policy was last reviewed and adopted by Council on 28 June 2017, with minor amendments made. Council is required by s.186A of the Local Government Act 1989 (the Act) to prepare, approve and comply with a Procurement Policy. At least once in each financial year, a Council must review and may amend its Procurement Policy. The adoption of a revised Policy at this meeting will ensure compliance with the Act.

It should be noted that legislative changes arising from the Local Government Act review will require Council to adopt a new Procurement Policy by 31 December 2019, with Council required to define its own specific procurement thresholds.

In light of this a only a minor review of the current Procurement Policy need be undertaken at this point. The updated Procurement Policy includes the following recommended changes:

- **Changed terminology relating to tenders and quotations:** it is proposed to adopt a recommendation arising from a recent external review of Procurement to rename the following procurement processes as outlined below. This is proposed to create clarity, as in essence a Major Quotation is identical to an Open Tender with the exception that is not publically advertised and an invitation is sent is sent to a number of selected suppliers.
 - **Public Tender:** to now be Open Public Tender.
 - **Major Quotation:** to now be Closed Tender.
 - **Minor Quotation:** to now be Quotation.
- **Updated Section 2.4: Late Tenders:** to reflect the renaming of the major quotation process (see above) and to reflect the removal of Council's physical tender box on 1 January 2018.
- **Updated heading to Section 2.12: Contract extensions:** to correct an editing error in the current Procurement Policy.

- **New Section 2.14: Property leases or licences:** to address a VAGO recommendation to provide guidance to staff in relation to the entering into and extension of Property Leases and Licences. This new content has been reviewed and approved by Council's Audit Committee and VAGO.
- **Minor edit to the Record Keeping Requirements in Attachment A: Procurement Thresholds:** to reflect that Council now uses an updated Oracle system for Expense and Purchase Requisition Management.

CONSULTATION

This policy has been reviewed by Council's Risk and Procurement Team, Procurement Working Group, an external consultant, Council's Executive Leadership Team and Council's Audit Committee. Councillors were also provided an opportunity to provide feedback via an InfoSum article dated 16 May 2018.

RESOURCES

Resourcing to review Council's Procurement Policy is contained within Council's current and forward budgets.

RISKS

Through the effective implementation of the revised Procurement Policy and Procurement Manual Council will manage the risk of legislative non-compliance associated with procurement activities.

STAFF DISCLOSURE

Nil

ATTACHMENTS

Attachments are available on Council's website: www.southgippsland.vic.gov.au

1. C32 - Draft Procurement Policy - 27 June 2018 **[5.6.1]**

REFERENCE DOCUMENTS

Council Policy

Documents are available on Council's website: www.southgippsland.vic.gov.au
Procurement Policy, December 2015

Legislative Provisions

Local Government Act 1989

6. OTHER COUNCIL REPORTS

Councillor Jeremy Rich left the Council Meeting at 5.02pm with a declared direct conflict of interest in Agenda Item 6.1 WALKERVILLE RETARDING BASIN – LEGAL ADVICE as “I am a Director of Ansevata Nominees this report relates to legal advice in response to an issue with Ansevata”.

6.1. WALKERVILLE RETARDING BASIN - LEGAL ADVICE

Executive Office

EXECUTIVE SUMMARY

Council received a report as Urgent Business, item 10.1. WALKERVILLE RETARDING BASIN REPORT at its Ordinary Meeting of Council No. 423 - 30 May 2018 where the following was resolved:

THAT COUNCIL:

1. *RECEIVES AND NOTES THE REPORT PROVIDED BY COUNCIL'S ENGINEERING CONSULTANT GHD TITLED “WALKERVILLE BASIN VOLUME ASSESSMENT” DATED 2 MARCH 2018 (ATTACHMENT [10.1.1]).*
2. *RECEIVES AND NOTES THE RECENT CORRESPONDENCE RECEIVED FROM ANSEVATA NOMINEES LIMITED:*
 - a. *LETTER TO COUNCIL DATED 13 APRIL 2018 TITLED “PROPOSED WALKS [SIC] ON WALKERVILLE RETARDING BASIN” (ATTACHMENT [10.1.2]).*
 - b. *LETTER TO COUNCIL DATED 17 APRIL 2018 TITLED “PROPOSED WALKS [SIC] ON WALKERVILLE RETARDING BASIN” (ATTACHMENT [10.1.3]).*
 - c. *LETTER TO COUNCIL DATED 9 MAY 2018 TITLED “PROPOSED WORKS AT WALKERVILLE RETARDING BASIN” (ATTACHMENT [10.1.4]).*
 - d. *LETTER TO COUNCIL DATED 22ND OF MAY 2018 TITLED “ANSEVATA NOMINEES LIMITED V SOUTH GIPPSLAND SHIRE COUNCIL” (ATTACHMENT [10.1.5]).*
 - e. *LETTER TO ENVIRONMENT PROTECTION AUTHORITY DATED 22 MAY 2018 TITLED “ANSEVATA NOMINEES LIMITED V SOUTH GIPPSLAND SHIRE COUNCIL - WALKERVILLE RETARDING BASIN” (ATTACHMENT [10.1.6]).*

- f. STATEMENT OF EXPERT EVIDENCE DATED 1 MAY 2018 BY PETER J RAMSAY AND ASSOCIATES (ATTACHMENT [10.1.7]).
- g. SUPPLEMENTARY STATEMENT OF EXPERT EVIDENCE DATED 22 MAY 2018 BY PETER J RAMSAY AND ASSOCIATES (ATTACHMENT [10.1.8]).
- 3. INSTRUCTS ITS LAWYERS TO:
 - a. PROVIDE ADVICE TO COUNCIL ON HOW TO BEST RESPOND TO THE RECENT CORRESPONDENCE AT ITS JUNE 2018 ORDINARY MEETING
 - b. WRITE TO ANSEVATA'S LAWYERS ADVISING THAT:
 - i. FOURTEEN DAYS IS NOT A PRACTICAL OR POSSIBLE TIMEFRAME FOR COUNCIL TO RECEIVE ADVICE AND DETERMINE A RESPONSE TO ANSEVATA'S REQUEST TO STOP THE WATER FLOW INTO THE RETARDING BASIN BY 5 JUNE 2018,
 - ii. COUNCIL WILL ADVISE ANSEVATA OF ITS RESPONSE TO THE ABOVE MATTERS WITHIN THREE BUSINESS DAYS FOLLOWING ITS JUNE 2018 MEETING.
- 4. RECEIVES AND NOTES THE REPORT FROM DELWP TITLED "LOCAL GOVERNMENT ASSOCIATION DAM SAFETY PROGRAM FROM SOUTHERN RURAL WATER" DATED MARCH 2018 (ATTACHMENT [10.1.9]).
- 5. RECEIVES A REPORT AT ITS 27 JUNE 2018 ORDINARY MEETING ADDRESSING THE MATTERS RAISED IN THE RECENT CORRESPONDENCE.

This report is in response to Council's resolution at Item 5 above.

Council's lawyers have considered the matter and the associated risks of different potential responses. The legal advice received is attached and forms the basis of this report (**Confidential Attachment [15.7.1]**). The lowest cost, lowest risk option is for Council to respond as detailed in the Recommendation.

RECOMMENDATION

That Council:

- 1. Continue to advise that the decision not to take water from the Walkerville Retarding Basin remains entirely with Ansevata.

2. Continue to use the Walkerville Retarding Basin for the purpose it was constructed as there is no evidence of any pollution based on the water sampling;
3. Continue to comply with its obligations under the 1990 Agreement for Taking of Water.

MOVED: Cr Argento

SECONDED: Cr Skinner

THAT COUNCIL:

1. **CONTINUE TO ADVISE THAT THE DECISION NOT TO TAKE WATER FROM THE WALKERVILLE RETARDING BASIN REMAINS ENTIRELY WITH ANSEVATA.**
2. **CONTINUE TO USE THE WALKERVILLE RETARDING BASIN FOR THE PURPOSE IT WAS CONSTRUCTED AS THERE IS NO EVIDENCE OF ANY POLLUTION BASED ON THE WATER SAMPLING; AND**
3. **CONTINUE TO COMPLY WITH ITS OBLIGATIONS UNDER THE 1990 AGREEMENT FOR TAKING OF WATER.**

CARRIED

FOR: Councillors Argento, Hill, Kiel, Edwards, Brown, Skinner and Brunt.

ABSTAIN: Councillor McEwen

[Link to next agenda item](#)

REPORT

Background

Council received a report, item 6.1. WALKERVILLE RETARDING BASIN REPORT at its Ordinary Meeting of Council No. 421 - 28 March 2018 where the following was resolved:

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.*

In the report received by Council at its March 2018 meeting the following commentary was made in the risks section:

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.

Ansevata Pty Ltd continues to pursue Council over matters which it believes contrary to the 1990 Agreement.

Ansevata's lawyers, in a letter dated 22 May 2018 state:

We are instructed to inform you that unless your client (Council) notifies us within 14 days of the date of this letter that it proposes to stop the flow of water into the dam, pending implementing remedial measures to ensure the water flowing into the dam is not polluted and is fit for irrigation and stock use, then our client will commence proceedings seeking both damages and an order restraining the continued flow of water into the dam.

Council has undertaken a cautious and diligent review of all of the matters raised by Ansevata, which have been addressed in three previous Reports presented to Council at its October 2017, March 2018 and May 2018 Ordinary Meetings.

This includes reports from specialist organisations and expert witnesses presented to Council at its March 2018 Ordinary Council Meeting as follows:

- Engineering firm GHD Pty Ltd;
- Department of Environment, Land, Water & Planning with Southern Rural Water;
- Water and Sediment Quality Analysis from agricultural consultants RM Consulting Group Pty Ltd; and
- Expert Statements from Veterinary Scientists Dr David Rendell and Dr Kathryn Robertson.

A summary of the two later reports listed above from specialist organisations and expert witnesses revealed a very low risk in relation to the water quality. The only issue is that on occasion the E.coli measurement in the water supply samples exceeds "100" which does not indicate the water is undrinkable by stock, rather it is seen as a signal for potential further checking.

It should be noted that the "100" measure (100cfu/100ml) is properly treated as a *median*, namely a measure to be considered over an extended period and a series of measurements. The advice from the Veterinary Scientists is that there is no evidence of any kind that if stock drink water above these measures (and the measures seen at the Basin) that they are at any risk.

Finally, the EPA Reclaimed Water Guidelines (which includes the measure of "100" for stock) is specific to reclaiming and reusing sewerage, not storm water. The Walkerville Retarding Basin is used to capture storm water run-off,

not sewerage. As to cropping, even if the EPA Reclaimed Water Guidelines are applied (or a series of other Guidelines), water quality from the Basin would have to vastly deteriorate before there was any risk associated with applying it to pasture or crops.

Ansevata's Water Quality Report assesses data from a limited number of the results from the monitoring undertaken over many years. The Report's author was provided with this limited number of results by Ansevata's lawyers. Based on the 18 results provided, the author comes to the conclusion that there are uncertainties relating to processes used, including questions about the location from which samples are taken and the processes for taking, storing and transferring of samples. This conclusion, in summary is:

- because of the uncertainty around the sampling and a median level that sits above 100 (approximately 165) there cannot be confidence that the water is not polluted;
- the report asserts pollution in terms of the *Water Act 1989* and under the *Environment Protection Act 1970*.

The author of the report has no qualifications in relation to stock health and minimal qualification or experience in relation to agriculture. The author is a well experienced hydrogeologist with experience in land contamination. The lack of appropriate qualifications would not matter if the sampling (over many years) had revealed significantly higher readings, or there was any evidence, of any kind, of either stock or crops being impacted in any way. Neither of these has been demonstrated to be a matter of fact.

Ansevata's current allegations

Ansevata has written a number of letters to the Council recently, most notably letters of 9 May 2018 and 22 May 2018, which were included in the agenda for the 30 May 2018 Ordinary Meeting of Council.

Council's lawyer has also received a letter to Council dated 7 June 2018 (**Attachment [6.1.1]**).

In combination, these letters:

- ask a series of questions of or seek information from the Council;
- repeat the allegation of pollution and an alleged breach of the *Water Act 1989* and indicate that unless the Council ceases to discharge water in to the Basin by a particular date Ansevata will take legal action; and

- asset a breach of the 1990 Agreement in relation to both the water quality issue and also the lack of maintenance undertaken on the Basin.

Slightly different to the previous letters, the letter of 7 June 2018 requires Council to convey a “resolution” or process to resolve its client’s claims about water quality. The latest correspondence also includes (again) a calculation or recalculation of the assumed cost of water that Ansevata has not received totalling \$249,369.75.

Pollution allegations – Water Act claim

The latest material includes an allegation that Council’s discharge of water into the Basin is a breach of Section 16 of the *Water Act 1989*.

Section 16 of the Water Act provides:

Liability arising out of flow of water etc.

(1) If—

(a) there is a flow of water from the land of a person onto any other land; and

(b) that flow is not reasonable; and

(c) the water causes—

(i) injury to any other person; or

(ii) damage to the property (whether real or personal) of any other person; or

(iii) any other person to suffer economic loss—

the person who caused the flow is liable to pay damages to that other person in respect of that injury, damage or loss.

Notably, it does not appear that the damage from the water must necessarily occur by flowing onto the property affected, in this case the Ansevata land.

In the present case, it is thought Ansevata’s lawyers are asserting that because the flow of water is to the Basin, and because of Ansevata’s right to take the water, and its claim that it cannot take the water, that the company is suffering damage.

On the current facts this is a convoluted and difficult claim. Importantly there is no evidence of any damage of any kind.

Council's position and suggested response

The letter of 7 June 2018 (**Attachment [6.1.1]**) contains a request from Ansevata for Council to advise that Ansevata either should, or should not, take water from the Basin. This is an ongoing reaction to Council advice, via its lawyers, to Ansevata that any decision about not taking water from the Basin is entirely with Ansevata and that Council has and will not issue any direction about whether or not Ansevata should take the water.

The advice from Council's lawyers is that this self-serving and convoluted question is from Ansevata's lawyers and is designed to illicit something upon which Ansevata can base a claim or legal action and should not be responded to as requested.

It is recommended that Council:

1. continue to advise that the decision not to take water from the Basin remains entirely with Ansevata.
2. continue to use the Basin for the purpose it was constructed as there is no evidence of any pollution based on the water sampling; and
3. continue to comply with its obligations under the 1990 Agreement.

CONSULTATION

Consultation in this matter has included independent experts as identified in this and previous reports as listed.

RESOURCES

The costs incurred by Council in maintenance of the Agreement were set out in the report presented to Council in the March 2018 and May 2018 reports.

Council has incurred legal expenses to date and is likely to incur future legal expenses, certainly if it is required to defend itself against legal proceedings initiated by Ansevata.

RISKS

The report adopted by Council at its March 2018 meeting provided sound evidence based rebuttal of the Ansevata concerns. Despite this Ansevata continues to pursue Council over its interpretation of the 1990 Agreement. It may be that some form of litigation is an inevitable outcome of this ongoing issue and that as such it will continue to be a drain on Council resources and time.

Additionally, there is a risk to internal governance processes and Council's reputation in that a sitting Councillor, Cr Jeremy Rich, is also a Director of Ansevata Pty Ltd.

STAFF DISCLOSURE

Nil

ATTACHMENTS

Attachments are available on Council's website: www.southgippsland.vic.gov.au

1. Ansevata letter dated 7 June 2018 **[6.1.1]**

CONFIDENTIAL ATTACHMENTS

Confidential Attachment [15.7.1] – Advice from Council's lawyer, Russell Kennedy Lawyers dated 12 June 2018 – 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) legal advice.

This item is deemed confidential as it is providing privileged legal advice to Council.

REFERENCE DOCUMENTS

Council Policy

Documents are available on Council's website: www.southgippsland.vic.gov.au

Council Report, item 4.2. WALKERVILLE RETARDING BASIN CAPACITY MAINTENANCE OPTIONS - Ordinary Meeting of Council No. 417 - 25 October 2017

Council Report, item 6.1. WALKERVILLE RETARDING BASIN REPORT - Ordinary Meeting of Council No. 42: 28 March 2018

Council Report, item 10.1. WALKERVILLE RETARDING BASIN REPORT - Ordinary Meeting of Council No. 423: 30 May 2018

7. NOTICES OF MOTION AND/OR RESCISSION

7.1. NIL

8. PROCEDURAL REPORTS

8.1. FINANCIAL PERFORMANCE REPORT JULY TO MAY 2018

Corporate and Community Services Directorate

EXECUTIVE SUMMARY

This Financial Performance report provides an overview of Council's financial performance for the period July to May 2018, in summary:

- Operating result: \$4.44M surplus which is \$2.41M favourable when compared with the year-to-date budget projection of a \$2.03M deficit.
- Capital works: \$11.68M expenditure which is \$3.29M behind a year-to-date budget of \$14.97M.
- Cash assets: Projected 30 June \$23.77M, against the Original budget of \$7.74M.
- Underlying working capital ratio: Projected 30 June 2.77 to 1 against the Original budget of budget 1.65 to 1.
- The projected financial outcome for 2017/18 is a \$8.09M surplus. This is \$6.33M favourable 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 notes the Financial Performance Report July 2017 to May 2018 (Attachment [8.1.1]).

MOVED: Cr Kiel

SECONDED: Cr Brown

THAT THE RECOMMENDATIONS IN ITEMS 8.1, 8.2 AND 8.3 BE ADOPTED.

Cr Rich returned to the Council Meeting at 5.11pm.

CARRIED UNANIMOUSLY

[Link to next agenda item](#)

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

Financial Performance Report July to May 2018 contains detailed reporting on **Attachment [8.1.1]:**

Executive Summary

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

Financial Statements as at 31 May 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.

STAFF DISCLOSURE

Nil

ATTACHMENTS

Attachments are available on Council's website: www.southgippsland.vic.gov.au

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

REFERENCE DOCUMENTS

Council Policy

Documents are available on Council's website: 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 APRIL 2018 TO 21 MAY 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 April and 21 May 2018.

RECOMMENDATION

That Council receives and notes this report.

NOTE: The recommendation was CARRIED UNANIMOUSLY as part of a single motion, refer to page 188.

[Link to next agenda item](#)

REPORT

| Meeting Title | Details |
|---|---|
| Monday 23 April 2018 | |
| Access and Inclusion Advisory Committee | <p>Councillors Attending: Councillor Brunt</p> <p>Conflict of Interest: Nil</p> <p>Matters Considered:</p> <ul style="list-style-type: none"> • Road Safety Strategy • Public issue: Pedestrian traffic lights in McCartin St, Leongatha (advocacy support) • Development of plain English version of Terms of Reference. |
| Tuesday 24 April 2018 | |
| Meeting with Councillors re: Planning Scheme Amendment C90 – Housing and Settlement Strategy | <p>Councillors Attending: Councillors Brunt, Skinner and Edwards.</p> <p>Conflict of Interest: Nil</p> <p>Matters Considered: Councillors considered details of clarification in respect of Planning Scheme Amendment C90 – Housing and Settlement Strategy.</p> |
| Thursday 26 April 2018 | |
| Ordinary Council Meeting Agenda Topic Discussion 26 April 2018 | <p>Councillors Attending: Councillors Skinner, McEwen, Brown, Argento, Kiel and Rich.</p> <p>Conflict of Interest: Nil disclosed.</p> <p>Matters Considered: Councillors considered agenda topics for the Ordinary Council Meeting 26 April 2018.</p> |

| Meeting Title | Details |
|--|---|
| Thursday 26 April 2018 | |
| Public Presentations Open Session | <p>Councillors Attending: Councillors McEwen, Skinner, Argento, Brunt, Brown, Kiel and Rich.</p> <p>Conflict of Interest: Nil Disclosed.</p> |
| <p>Presentations were made to Council by the following community members: Graeme and Gillian Nicoll, regarding Council Agenda Item 2.1. Planning Scheme Amendment C90 - Housing And Settlement - Submissions Consideration And Planning Panel Referral.</p> | |
| Ordinary Council Meeting Agenda Topic Discussion 26 April 2018 | <p>Councillors Attending: Councillors Hill, Skinner, Brown, Argento, Kiel and Rich.</p> <p>Conflict of Interest: Councillor Alyson Skinner declared an indirect interest in Agenda Item 4.4 POLICY REVISION - C45 WASTE DISPOSAL PRIVILEGES FOR FUNDRAISERS AND COMMUNITY GROUPS as she is employed by the Venus Bay Community Centre which is one of the organisations listed as a beneficiary of the policy (C45). The matter was not discussed.</p> <p>Matters Considered: Councillors considered agenda topics for the Ordinary Council Meeting 26 April 2018.</p> |
| Wednesday 2 May 2018 | |
| Early Years Infrastructure Review | <p>Councillors Attending: Councillors Brown, Kiel, Brunt, Argento and McEwen.</p> <p>Conflict of Interest: Nil disclosed.</p> <p>Matters Considered: Councillors considered an Early Years Infrastructure Review and proposed investigation for Early Years services in the Corner Inlet area, Mirboo North and Western end of the Shire (Loch, Poowong and Nyora).</p> |
| Draft 2017 Paths & Trails Strategy - Submissions | <p>Councillors Attending: Councillors Brown, Skinner, Kiel, Brunt, Argento and McEwen.</p> <p>Conflict of Interest: Nil disclosed.</p> <p>Matters Considered: Councillors considered a draft 2017 Paths & Trails Strategy – submissions.</p> |

| Meeting Title | Details |
|---|--|
| Wednesday 2 May 2018 | |
| Workshop: Community Strengthening Strategy 2018 - 2022 | <p>Councillors Attending: Councillors Brown, Skinner, Kiel, Brunt, Edwards, Argento McEwen and Rich.</p> <p>Conflict of Interest: Nil disclosed.</p> <p>Matters Considered: Councillors undertook a workshop with respect of the draft Community Strengthening Strategy.</p> |
| Disability Awareness Training | <p>Councillors Attending: Councillors Brown, Kiel, Brunt, Argento, McEwen and Rich.</p> <p>Conflict of Interest: Nil disclosed.</p> <p>Matters Considered: Council was provided Disability Awareness training.</p> |
| Executive Update | <p>Councillors Attending: Councillors Brown, Kiel, Brunt, Argento, McEwen, Rich and Skinner.</p> <p>Conflict of Interest: Nil disclosed.</p> <p>Matters Considered:</p> <ul style="list-style-type: none"> • Foster Showgrounds (s.86 Committee of Council) • Community Grants Presentation evening • Councillor Timetable scheduled briefing times • Street Trading permit conditions • Venus Bay jetty |

| Meeting Title | Details |
|---|---|
| Wednesday 2 May 2018 | |
| Planning Briefing | <p>Councillors Attending: Councillors Brown, Kiel, Brunt, Argento, McEwen, Rich, Skinner and Edwards.</p> <p>Conflict of Interest: <i>Director Development Services</i> left the assembly when the item was considered with an indirect COI for Planning Briefing – 2017/280 Planning Application for two-day motor bike event as he has a conflicting duty as he is an ‘executive member of the Leongatha Golf Club which has been advertised and responded to the planning application’.</p> <p>Matters Considered:</p> <ul style="list-style-type: none"> • Making the Healthy Choice the Easy Choice • Strategic Planning Project List <ul style="list-style-type: none"> ○ C90 Housing and Settlement Strategy • Planning Applications of Interest <ul style="list-style-type: none"> ○ Sandy Point subdivision • Decisions for March • VCAT decisions • General Business <ul style="list-style-type: none"> ○ Planning Application for two-day motor bike event ○ Shipping containers |
| Economic Development & Tourism Steering Briefing | <p>Councillors Attending: Councillors Brown, Skinner, Kiel, Brunt, Edwards, Argento, McEwen and Rich.</p> <p>Conflict of Interest: Nil</p> <p>Matters Considered:</p> <ul style="list-style-type: none"> • Advocacy Strategy for Council’s Priority Projects • South Gippsland Shire Brand Review • General Business <ul style="list-style-type: none"> ○ Retails shop-front retention ○ AirBNB |

| Meeting Title | Details |
|--|---|
| Wednesday 9 May 2018 | |
| South Gippsland Coastal Strategy | <p>Councillors Attending: Councillors Argento, Kiel, Brunt, McEwen, Rich and Skinner.</p> <p>Conflict of Interest: Nil disclosed.</p> <p>Matters Considered: Councillors further considered the development of a South Gippsland Coastal Strategy.</p> |
| Domestic Animal Management Plan Review – cat curfew and leash order | <p>Councillors Attending: Councillors Argento, Kiel, McEwen, Skinner, Edwards and Brunt.</p> <p>Conflict of Interest: Nil disclosed.</p> <p>Matters considered: Councillors considered bench marking information with respect of cat curfew and dog leash order.</p> |
| Councillor Strategic Discussions | <p>Councillors Attending: Councillors Skinner, Argento, McEwen, Brunt, Edwards, Kiel and Rich.</p> <p>Conflict of Interest: Nil disclosed.</p> <p>Matters considered:</p> <ul style="list-style-type: none"> • Community Strengthening Strategy development • Scheduling time for Councillors to meet • Rail Trail meeting update • West Gippsland Regional Library meeting update |
| Caravan and Camping Parks Steering Committee | <p>Councillors Attending: Councillors Argento, McEwen, Brunt, Kiel and Rich.</p> <p>Conflict of Interest: Nil disclosed.</p> <p>Matters considered: Councillors considered the direction they would like to take in respect of progressing the strategic considerations and operations of Council’s caravan parks. The Committee will meet monthly.</p> |

| Meeting Title | Details |
|-------------------------------|---|
| Thursday 10 May 2018 | |
| Transport for Victoria | <p>Councillor Attending: Councillor McEwen</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters considered:</p> <ul style="list-style-type: none"> • Potential Public Transport Strategy for South Gippsland • Potential steps that could be taken, initially collate historical information on transport in the region • Potential community consultation |
| Wednesday 16 May 2018 | |
| Executive Update | <p>Councillors Attending: Councillors Kiel, Argento, Brunt, McEwen, Skinner and Edwards.</p> <p>Conflict of Interest: Nil</p> <p>Matters considered:</p> <ul style="list-style-type: none"> • Letter of request from City of Greater Geelong • Local Laws review • Council Budget, Council Plan and Rating Strategy briefings and hearings overview for the coming weeks • Councillor Timetable • Loch Streetscape Plan |

| Meeting Title | Details |
|--|---|
| Wednesday 16 May 2018 | |
| Proposed SRV Applications – Leongatha Netball Courts and Foster Stadium Redevelopment Projects | <p>Councillors Attending: Councillors Edwards, Kiel, Argento, Brunt, McEwen and Skinner.</p> <p>Conflict of Interest: Nil disclosed.</p> <p>Matters considered: Councillors considered Sport and Recreation Victoria’s (SRV) 2018/19 Female Friendly Facilities Fund and Better Indoor Stadiums Fund in relation to current project proposals.</p> |
| 2018/19 Review of Community Grants Program | <p>Councillors Attending: Councillors Edwards, Kiel, Argento, Brunt, McEwen, Skinner and Hill.</p> <p>Conflict of Interest: Nil disclosed.</p> <p>Matters Considered: Councillors considered Councillors considered a review of the 2018/19 Community Grants Program, which aims to make funds available to a broad range of community initiatives across the municipality.</p> |
| 2017/18 Community Grants Round 2 Assessment | <p>Councillors Attending: Councillors Edwards, Kiel, Argento, Brunt, McEwen, Skinner and Hill.</p> <p>Conflict of Interest: Nil disclosed.</p> <p>Matters considered: Councillors considered assessments and recommendations for the 2017/18 Community Grants Program – Round 2.</p> |
| Public Presentation | <p>Councillors Attending: Councillors McEwen, Argento, Brunt, Brown and Kiel.</p> |
| Open Session | <p>Conflict of Interest: Nil disclosed.</p> |
| <p>Presentations were made to Council by the following community member: David Amor, regarding how to make a submission to the Korumburra Karmai Centre lease proposal and his preference for communicating with Council.</p> | |

| Meeting Title | Details |
|---|--|
| Wednesday 16 May 2018 | |
| 2018/19 Priority Projects | <p>Councillors Attending: Councillors Hill, Skinner, McEwen, Brunt and Kiel.</p> <p>Conflict of Interest: Nil disclosed.</p> <p>Matters considered: Councillors considered and reviewed its list of annual priorities for the year ahead.</p> |
| Coal Creek Community Park and Museum Current Operations | <p>Councillors Attending: Councillors Hill, Skinner, McEwen, Brunt and Kiel.</p> <p>Conflict of Interest: Nil disclosed.</p> <p>Matters considered: Councillors further considered the operational model of Coal Creek Community Park and Museum.</p> |
| Public Presentations | <p>Councillors Attending: Councillors Hill, Skinner, McEwen, Brunt and Kiel.</p> |
| Open Session | <p>Conflict of Interest: Nil Disclosed.</p> |
| <p>Presentations were made to Council by the following community members: Anna Patterson, representing the Leongatha & District Netball Association and Michael Dawson from Sustainability Works presented to Council regarding the Redevelopment and Business Plan for the LDNA courts.</p> | |

REFERENCE DOCUMENTS

Council Policy

Public Participation in Meetings with Council Policy (C65)

Legislative Provisions

Local Government Act 1989

8.3. DOCUMENTS SEALED AWARDED OR EXTENDED BY CEO 28 APRIL TO 25 MAY 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 28 April to 25 May 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.

NOTE: The recommendation was CARRIED UNANIMOUSLY as part of a single motion, refer to page 188.

[Link to next agenda item](#)

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 28 April to 25 May 2018:

1. Section 173 Agreement between South Gippsland Shire Council and the owner of 6 Keane Street, Port Welshpool in relation to the development of land with a dwelling – Seal Applied 9 May 2018.
2. Section 173 Agreement between South Gippsland Shire Council and the owner of 135 and 143 Wintles Road, Leongatha South in relation to subdivision of the land into two lots – Seal Applied 9 May 2018.
3. Section 173 Agreement between South Gippsland Shire Council and the owner of 47 Waratah Avenue, Waratah Bay in relation to use and development of a dwelling, ancillary works and native vegetation removal – Sealed Applied 17 May 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 28 April to 25 May 2018 under the CEO's financial delegation of \$250,000 (inclusive of GST) following a public tender.

1. CON/172 Arthur Sutherland Recreation Reserve Welshpool – Stadium Floor Upgrade.

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 28 April to 25 May 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 28 April to 25 May 2018:

1. Nil.

STAFF DISCLOSURE

Nil

REFERENCE DOCUMENTS

Council Policy

Documents are available on Council's website: www.southgippsland.vic.gov.au

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, ss.5 and 186

9. COUNCILLOR REPORTS

9.1. REQUESTS FOR LEAVE OF ABSENCE

Nil

9.2. COUNCILLOR UPDATES

| |
|-------------------|
| Cr Argento |
|-------------------|

| |
|---|
| Cr Argento addressed Council by informing them of a letter that he received from a rate payer thanking and praising Council officers for completing works in respect of a road upgrade and repair of drainage issues in Fish Creek. |
|---|

| |
|-----------------|
| Cr Brown |
|-----------------|

| |
|---|
| Cr Brown addressed Council by reporting on his attendance at Annual General Meeting (AGM) for the Korumburra Agricultural and Pastoral Society. |
|---|

| |
|----------------|
| Cr Kiel |
|----------------|

| |
|---|
| Cr Kiel addressed Council by reporting on her attendance at the Berrys Creek Centenary Avenue of Honor. |
|---|

| |
|-----------------|
| Cr Brunt |
|-----------------|

| |
|---|
| Cr Brunt addressed Council by reporting on her attendance at: <ul style="list-style-type: none">• Korumburra and Leongatha Rotary changeover dinners; and• AGM for the Korumburra Agricultural and Pastoral Society. |
|---|

9.3. COMMITTEE UPDATES

Nil

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.

Councillor Jeremy Rich left the Council Meeting at 5.18pm with a declared direct conflict of interest in Agenda Item 10.1 WALKERVILLE RETARDING BASIN - PROPOSAL THAT COUNCIL CONSTRUCT AND MAINTAIN A 50ML DAM AT COUNCIL'S COST AND OTHER ASSOCIATED MATTERS as "I am a Director of Ansevata that is a party to this matter".

10.1 WALKERVILLE RETARDING BASIN - PROPOSAL THAT COUNCIL CONSTRUCT AND MAINTAIN A 50ML DAM AT COUNCIL'S COST AND OTHER ASSOCIATED MATTERS

RECOMMENDATION TO CONSIDER AS AN URGENT ITEM

That Council consider Item 10.1 WALKERVILLE RETARDING BASIN - PROPOSAL THAT COUNCIL CONSTRUCT AND MAINTAIN A 50ML DAM AT COUNCIL'S COST AND OTHER ASSOCIATED MATTERS as urgent in order to bring the matter to Council's immediate attention and determination regarding ongoing legal matters.

MOVED: Cr McEwen

SECONDED: Cr Skinner

THAT COUNCIL CONSIDER ITEM 10.1 WALKERVILLE RETARDING BASIN - PROPOSAL THAT COUNCIL CONSTRUCT AND MAINTAIN A 50ML DAM AT COUNCIL'S COST AND OTHER ASSOCIATED MATTERS AS URGENT IN ORDER TO BRING THE MATTER TO COUNCIL'S IMMEDIATE ATTENTION AND DETERMINATION REGARDING ONGOING LEGAL MATTERS.

CARRIED UNANIMOUSLY

10.1 WALKERVILLE RETARDING BASIN - PROPOSAL THAT COUNCIL CONSTRUCT AND MAINTAIN A 50ML DAM AT COUNCIL'S COST AND OTHER ASSOCIATED MATTERS

Corporate and Community Services Directorate

EXECUTIVE SUMMARY

On Wednesday 20 June 2018, Council received a proposal from Wisewould Mahoney Lawyers on behalf of its client, Ansevata Nominees Pty Ltd (**Attachment [10.1.1]**).

In summary, Ansevata has requested Council, at Council's cost, to: acquire land from Ansevata; construct a 50ML dam and wetlands; maintain the facility, provide all water to Ansevata in perpetuity; warrants and test the water; pay Ansevata \$85,000; and, have the structure in place by 1 April 2019.

The costs to undertake this work have been estimated to be between \$710,000 and \$1,170,000. The ongoing maintenance costs are estimated at \$26,000 to \$36,000 per annum in perpetuity.

The estimated cost to Council for the Walkerville Retarding Basin 1990 Agreement for Taking of Water, for the remaining 52 years of the agreement is \$188,448.

RECOMMENDATION

That Council:

- 1.** Receives the proposal from Wisewould Mahoney Lawyers contained in Attachment [10.1.1] on behalf of its client, Ansevata Nominees Pty Ltd dated Wednesday 20 June 2018,
- 2.** Declines the above proposal, as it is not in the best interest for the local community having regard to the long term and cumulative effects of the proposal.
- 3.** Instructs its Lawyers to write to Ansevata's lawyers advising that:
 - a.** Council has declined the Ansevata proposal for 'Proposed works and Walkerville Retarding Basin', dated Wednesday, 20 June 2018, contained in Attachment [10.1.1]; and
 - b.** Requests Ansevata to put forward for Council's consideration a proposal that will cost the same or less than the estimated future expense of \$188,448 by virtue of the 1990 Agreement for Taking of Water.

MOVED: Cr McEwen

SECONDED: Cr Skinner

THAT COUNCIL:

- 1. RECEIVES THE PROPOSAL FROM WISEWOULD MAHONEY LAWYERS CONTAINED IN ATTACHMENT [10.1.1] ON BEHALF OF ITS CLIENT, ANSEVATA NOMINEES PTY LTD DATED WEDNESDAY 20 JUNE 2018.**
- 2. DECLINES THE ABOVE PROPOSAL, AS IT IS NOT IN THE BEST INTEREST FOR THE LOCAL COMMUNITY HAVING REGARD TO THE LONG TERM AND CUMULATIVE EFFECTS OF THE PROPOSAL.**
- 3. INSTRUCTS ITS LAWYERS TO WRITE TO ANSEVATA'S LAWYERS ADVISING THAT:**
 - a. COUNCIL HAS DECLINED THE ANSEVATA PROPOSAL FOR 'PROPOSED WORKS AND WALKERVILLE RETARDING BASIN', DATED WEDNESDAY, 20 JUNE 2018, CONTAINED IN ATTACHMENT [10.1.1]; AND**
 - b. REQUESTS ANSEVATA TO PUT FORWARD FOR COUNCIL'S CONSIDERATION A PROPOSAL THAT WILL COST THE SAME OR LESS THAN THE ESTIMATED FUTURE EXPENSE OF \$188,448 BY VIRTUE OF THE 1990 AGREEMENT FOR TAKING OF WATER.**

CARRIED UNANIMOUSLY

REPORT

On Wednesday 20 June 2018, Council received a proposal from Wisewould Mahoney Lawyers (**Attachment [10.1.1]**) on behalf of its client, Ansevata Nominees Pty Ltd.

Among other matters, Ansevata has requested that:

- *Council acquires other land from Ansevata at a price fixed by an independent valuer. The particular location of this other land to be further discussed between the parties.*
- *Council constructs at its cost on the land so acquired, a 50ML dam and associated wetlands.*
- *The new dam is constructed and maintained in accordance with the requirements of SRW (Southern Rural Water) and other sound engineering and water management practices.*
- *Council grants to Ansevata (and any subsequent owner of the Ansevata land) the right to take and use water from the new dam in perpetuity.*
- *Each of the parties enters into a new "water taking agreement" which provides for amongst other things:*
 - *Council warrants that the water in the new dam is and will be fit for irrigation and stock purposes in accordance with the criteria set out in Dr Bennet's recent report;*
 - *Subject to the agreement, Ansevata has free and unfettered access to all the water in the new dam at no cost to it;*
 - *If each of Ansevata and Council agree, third parties such as the CFA may take and use water from the new dam.*
 - *Sampling from incoming water from the estate is to be done monthly in summer and quarterly in winter in accordance with the SRW and EPA guidelines, all results to be provided to **Ansevata and SRW** (their emphasis).*
- *Council pays to Ansevata its legal costs and disbursements, including experts' fees, incurred to date in pursuing its claim. Those costs are currently estimated to be about \$85,000.00.*
- *The new dam is to be in place and operative by **1 April 2019** (their emphasis) to allow the dam to fill.*

In response to these requests, Council's Engineers have prepared the following cost estimate.

| Item | Estimate - low | Estimate - high |
|--------------------------------------|-----------------------|------------------------|
| Land - 10 acres at market value | \$60,000 | \$80,000 |
| Design and Permits | \$30,000 | \$40,000 |
| Dam construction 50,000 cubic meters | \$250,000 | \$350,000 |
| Wetlands | \$150,000 | \$250,000 |
| Crushed rock track on dam wall | \$50,000 | \$60,000 |
| Sub Total | \$540,000 | \$780,000 |
| Contingency 50% | \$270,000 | \$390,000 |
| Budget | \$710,000 | \$1,170,000 |

These estimates are based on a number of assumptions:

- That there is adequate clay available onsite.
- That the dam will measure approximately 2m x 100m x 250m.
- That the 'wetlands' would provide a very basic water filtration function and include no landscaping or other extraneous items. On this basis the estimate is for 3 to 5 acres at \$50,000 per acre.

Ongoing maintenance

| Dam and wetland maintenance | \$20,000 to \$30,000pa |
|------------------------------------|-------------------------------|
| Dam inspections – four per year | \$2,000pa |
| Water testing | \$4,000pa |
| Total | \$26,000 to \$36,000pa |

It must be noted that these costs are expected to be borne by Council in perpetuity.

Maintenance includes:

- Weed Spraying
- Slashing
- Track Maintenance
- Fence repairs
- Plant replacement

It is also worth noting that the property in question is covered by the ESO3, which requires a planning permit for a dam over 3000 cubic meters:

SCHEDULE 3 TO THE ENVIRONMENTAL SIGNIFICANCE OVERLAY (ES03 Coastal Settlements)

3.0 Permit requirement

A permit is not required to construct the following buildings or to construct or carry out the following works:

Agricultural activities

- *Agricultural activities including ploughing, fencing and the construction of a dam with a capacity of less than 3000 cubic metres.*
- *Buildings or works specifically identified in a whole farm plan prepared to the satisfaction of the responsible authority.*

Finally, the proposal put by Ansevata does not address the ongoing testing regime as articulated in the 1990 Agreement, so it is assumed that the costs estimated above are in addition to those expenses.

| Item | Cost |
|---|------------------|
| Water testing (over past 28 years) | \$101,472* |
| Water testing for the remaining 52 years of the agreement | \$188,448 |
| Total | \$289,920 |

*\$3,624 per annum – in current dollar terms

CONCLUSION

It is recommended that Council declines the proposal put by Ansevata on 20 June 2018, as it would be an unnecessary financial burden on current and future ratepayers of South Gippsland Shire. Upfront (by 1 April 2019) costs could be up to \$1.17 million for the dam and wetlands plus \$85,000 in legal costs and disbursements. Maintenance costs are likely to be in the order of \$30,000 a year in perpetuity.

Council remains of the view – supported by the independent reports recently commissioned – that it continues to fulfil its obligations under the 1990 Agreement. With this in mind it is somewhat perplexing that Ansevata has put a proposal to the Council – and therefore to the ratepayers of South Gippsland – that public money be used to provide greater benefit to a private company. It is recommended that Council suggests that Ansevata put a proposal that will cost the same or less than the expenses borne by ratepayers by virtue of the 1990 Agreement.

CONSULTATION

Consultation in response to this proposal has been limited to internal departments and Council's lawyer.

RESOURCES

The costs incurred by Council in maintenance of the agreement were set out in the report presented to Council in the March 2018 and May 2018 reports.

The proposal raised by Ansevata in **Attachment [10.1.1]** has significant short and long term financial ramifications for Council. The proposal seeks in perpetuity costs that, if supported, would place financial imposts and constraints on current and all future elected Council's. Key budget implications are outlined in the body of this report.

Council has incurred legal expenses to date and is likely to incur future legal expenses, certainly if it is required to defend itself against legal proceedings. A component of Ansevata's proposal is for Council to pay its legal costs, being an additional financial impost on Council.

RISKS

The report adopted by Council at its March 2018 meeting provided sound evidence-based rebuttal of the Ansevata concerns. Despite this, Ansevata continues to pursue Council over its interpretation of the 1990 Agreement.

In the proposal (**Attachment [10.1.1]**) Ansevata is seeking a new funding agreement by Council that is excessively higher than the remaining value of the current Agreement. While the report recommendation is to decline this proposal, it may be that some form of litigation is an inevitable outcome of this ongoing issue and that it will continue to be a drain on Council resources and time.

Additionally, there is a risk to internal governance processes and Council's reputation, given that a sitting Councillor, Cr Jeremy Rich, is also a Director of Ansevata Pty Ltd.

STAFF DISCLOSURE

Nil

ATTACHMENTS

Attachments are available on Council's website: www.southgippsland.vic.gov.au

1. Letter to Russell Kennedy – 20 June 2018 (002) **[10.1.1]**

REFERENCE DOCUMENTS

Council Policy

Documents are available on Council's website: www.southgippsland.vic.gov.au

Council Report, item 4.2. WALKERVILLE RETARDING BASIN CAPACITY MAINTENANCE OPTIONS – Ordinary Meeting of Council No.417 – 25 October 2017

Council Report, item 6.1. WALKERVILLE RETARDING BASIN REPORT – Ordinary Meeting of Council No.421 – 28 March 2018

Council Report, item 10.1. WALKERVILLE RETARDING BASIN REPORT – Ordinary Meeting of Council No.423 – 30 May 2018

Council Report, item 6.1. WALKERVILLE RETARDING BASIN – LEGAL ADVICE – Ordinary Meeting of Council No.424

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.

Cr Rich returned to the Council Meeting at 5.35pm.

11.1.1 RE-ESTABLISH A RECREATIONAL SANDY BEACH BETWEEN THE ROCK WALL AND LONG JETTY AT PORT WELSHPOOL

Councillor Ray Argento presented a petition to Council (the prayer outlined below) on behalf of lead petitioner Rodger Harvey. The petition contains approximately 581 signatures from residents across Victoria and other States and includes approximately 256 signatures from residents within the Shire.

BRING BACK THE BEACH

Background. Port Welshpool is a unique seaside town in that it has a wharf area, beach and the iconic Long Jetty. However the existing beach is depleted of sand and previously dredged material is evident and unsightly. A significant drop in the sand level from the sea wall has also occurred that is both dangerous and limits the passive recreational use of the beach.

The undersigned urge the State Government in coordination with the South Gippsland Shire Council to re-establish a recreational sandy beach between the rock wall and Long Jetty.

RECOMMENDATION

That Council:

1. Receive and note the petition; and
2. Lay the petition on the table until the matter is considered at the ordinary council meeting 25 July 2018.

MOVED: Cr Argento

SECONDED: Cr Skinner

THAT COUNCIL:

1. **RECEIVE AND NOTE THE PETITION; AND**
2. **LAY THE PETITION ON THE TABLE UNTIL THE MATTER IS CONSIDERED AT THE ORDINARY COUNCIL MEETING 25 JULY 2018.**

CARRIED UNANIMOUSLY

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.

Nil

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.

RECOMMENDATION

That Council close the meeting to the public to allow for consideration of:

1. Closed ITEM 14.1 2017/18 COMMUNITY GRANTS ROUND 2 ASSESSMENT pursuant to section 89(2)(h) a matter which the Council or Special Committee considers would prejudice the Council or any person;
2. Closed ITEM 14.2 pursuant to section 89(2)(h) a matter which the Council or Special Committee considers would prejudice the Council or any person; and
3. Closed ITEM 14.3 pursuant to section 89(2)(d) contractual matters.

MOVED: Cr Skinner

SECONDED: Cr Brown

THAT COUNCIL CLOSE THE MEETING TO THE PUBLIC TO ALLOW FOR CONSIDERATION OF:

1. **CLOSED ITEM 14.1 2017/18 COMMUNITY GRANTS ROUND 2 ASSESSMENT PURSUANT TO SECTION 89(2)(H) A MATTER WHICH THE COUNCIL OR SPECIAL COMMITTEE CONSIDERS WOULD PREJUDICE THE COUNCIL OR ANY PERSON;**
2. **CLOSED ITEM 14.2 PURSUANT TO SECTION 89(2)(H) A MATTER WHICH THE COUNCIL OR SPECIAL COMMITTEE CONSIDERS WOULD PREJUDICE THE COUNCIL OR ANY PERSON; AND**
3. **CLOSED ITEM 14.3 PURSUANT TO SECTION 89(2)(D) CONTRACTUAL MATTERS.**

CARRIED UNANIMOUSLY

The Mayor adjourned the Council Meeting for 20 minutes in order to clear the room prior to the Closed Session.

13. MEETING CLOSED

NEXT MEETING

The next Ordinary Meeting of Council open to the public will be held on Wednesday, 25 July 2018 commencing at 2pm in the Council Chambers, Leongatha.

The Council Meeting closed at 6.10pm.

Confirmed this

25th day of July 2018.

Mayor, Councillor Lorraine Brunt