



Agenda

Council Meeting

24 April 2019

Our Vision

Happy, healthy people sharing prosperity and knowledge from living sustainably and in harmony with our rural identity, thriving villages, productive and inspiring landscapes.

Our Mission

Leaders in delivering quality, innovative and community focused services today that make a difference for tomorrow.

Core Values

Community focused

Accessible, responsive (we're here to help), can do attitude, communicative, empathetic.

Integrity

Equitable, honest, ethical, transparent.

Respect

Listening, compassionate, open minded, understanding, patient.

Pride

Caring, enthusiastic, inspiring, accountable.

Innovation

Creative, bold, challenging, flexible.

Collaboration

Partnering, building productive relationships, inclusive.

Agenda

1. Opening and Recognition of Traditional Custodians.....	5
2. Reading of Affirmation and Prayer	5
3. Apologies	5
4. Civic Ceremonies	5
5. Confirmation of Previous Meeting Minutes.....	5
6. Councillors Declarations of Interest/Conflict of Interest	6
7. Meeting Closed To The Public: Release of Information to the Public.....	6
8. Community Participation Time.....	6
8.1 Questions on Notice.....	6
8.2 Submissions.....	6
9. Petitions	6
10. Vibrant Communities	7
10.1 Rawson Skatepark Concept Design.....	7
10.2 PLA0272/18 - 96 Trickeys Road, Yarragon - Use and Development of Dwelling and Associated Outbuilding	12
11. Thriving Economy	15
12. Safe and Sustainable Environments.....	16
12.1 Community Compliance Service Review Project	16
13. Organisational Excellence	23
13.1 Draft revised Council Plan 2017 - 2021 for public exhibition .	23
13.2 Long Term Financial Strategy	27
13.3 Long Term Infrastructure Plan	30
13.4 Draft Capital Evaluation Policy	36
13.5 Annual Budget 2019/20.....	39
13.6 Draft Rating Strategy 2019/20.....	44
14. Notices of Motion	48
15. Committee and Delegates Reports	49

16. Assembly of Councillors50
 16.1 Assembly of Councillors50

17. Mayoral Minute50

18. General Business50

1. OPENING AND RECOGNITION OF TRADITIONAL CUSTODIANS

I would like to acknowledge the Traditional Owners of the land on which we are meeting, the Gunaikurnai People. I pay my respects to their Elders both past and present, and Elders of other communities who may be here today.

2. READING OF AFFIRMATION AND PRAYER

Cr Power will read the Councillors affirmation, being, 'We now pause to reflect upon the solemn responsibilities conferred on us by the Parliament of Victoria through the *Local Government Act (1989)*.

We acknowledge that it is the responsibility of local government to ensure the peace, order and good governance of our Shire.

We are to be responsible and accountable to our community here in Baw Baw Shire through good governance and leadership.

Almighty God,

Give wisdom and understanding to the members of this Baw Baw Shire Council.

In all our deliberations help each of us to listen carefully, perceive the best course of action have courage to pursue it and grace to accomplish it.

Amen

3. APOLOGIES

Cr J O'Donnell

Ms A Leighton, Chief Executive Officer

4. CIVIC CEREMONIES

5. CONFIRMATION OF PREVIOUS MEETING MINUTES

6. COUNCILLORS DECLARATIONS OF INTEREST/CONFLICT OF INTEREST

7. MEETING CLOSED TO THE PUBLIC: RELEASE OF INFORMATION TO THE PUBLIC

Council will not hold a confidential council meeting and therefore no information is required to be released to the public.

Nil Reports

8. COMMUNITY PARTICIPATION TIME

8.1 QUESTIONS ON NOTICE

8.2 SUBMISSIONS

Any community member is welcome to comment or ask questions on any of the officer reports listed in this agenda if it has not been part of another hearing process.

Submitters will be given up to 3 minutes to speak on their submission.

9. PETITIONS

10. VIBRANT COMMUNITIES

10.1 RAWSON SKATEPARK CONCEPT DESIGN

Recreation Officer

Directorate: Community Assets

Ward: East

Appendix: 4 attachments

PURPOSE

To provide Council with an update on the Rawson Skate Park Concept Design and finalise a project scope for grant funding.

RECOMMENDATION

That Council:

1. Adopts the Rawson Skate Park Concept Design.
2. Allocates funding of \$90,000 as part of the 2019/2020 Council budget, towards Stage 1 of the Rawson Skate Park, generally including:
 - a. Skate Park,
 - b. Pedestrian Paths,
 - c. Shade Structures,
 - d. Furniture & Fixtures,
 - e. Landscaping, and
 - f. Other relevant ancillary items as per the cost estimate in Attachment 3 of this report.
3. Commence a grant application process with the Latrobe Valley Authority, seeking an additional \$270,000 of funding towards Stage 1 of the Rawson Skate Park, for a total project budget of \$360,000.

KEY ISSUES

Background

- At the 1 October 2018 Council meeting Council moved the recommendation (See attachment 1) to:
- Proceed to concept design on the preferred site on the Rawson Shopping Centre Carpark based on the feedback from the Project Reference Group.
- Council has engaged the services of Enlocus a skate park consultant and design company to complete the initial concept design work.
- On 29 January 2019, Enlocus presented a draft of the initial concept design to the Project Reference Group (PRG). Feedback was received at the PRG meeting, as well as the draft being provided electronically, so the PRG could gather additional comments from the community.
- Feedback on the draft concept design was positive with only minor changes being suggested and made.
- Attachment 2 shows the draft initial concept design.

- During the review of the Rural Recreation Reserve Masterplan for Rawson, a secondary scope to include a recommendation for a new half basketball court, including a rebound wall, was identified to be integrated with the proposed skate park project. This secondary scope could be undertaken as a second stage of the proposed skate park project or possibly included as part of a total project.
- The Rawson Recreation Reserve Draft Masterplan also identifies investigating the potential sale of land of the existing tennis courts. The rebound wall component in stage 2 would ensure the community is not without a tennis facility.
- Enlocus has further developed the design to include the secondary scope (stage 2) for consideration as part of the project.
- Attachment 3 is the updated final concept design including both stages of the project.
- Incorporation of the half basketball court and rebound wall did not have any impact on the initial design scope for the skate park elements and element layout. However, the additional scope did require the skate park to be realigned on the site, to provide the space required for the inclusion of the above-mentioned secondary scope.
- The realignment being slightly further from the road has seen a reconfiguration of carparking, alterations to the design of the access ramp/footpaths and the inclusion of a retaining system given the additional set-back into the embankment area.

TRIPLEBOTTOMLINE IMPLICATIONS

Financial Impact

- The cost of design work to date is \$13,777 ex GST.
- The cost estimate to complete stage 1 only of the works as per attachment 3 is \$344,992.74 ex GST.
- The cost estimate to complete stage 2 only of the works as per attachment 3 is \$105,460.46 ex GST.
- The cost estimate to complete both stage 1 and 2 is \$450,453.20 ex GST.
- A skatepark project is currently listed as a future project within Council's existing Long-Term Infrastructure Plan 2017-2018 for \$80,000 of funding based on the recommendation from the Skate and BMX Strategy 2013.
- The draft Rawson Recreation Masterplan recommends investigating the sale of land at the current tennis court site with profits to be re-invested into recreation facilities.
- This final concept design and cost estimates will enable the project to be shovel ready.
- A shovel ready project enables Council to seek potential grant funding. However, this would require a financial commitment from Council

towards the project to match any funding ratio requirements of a suitable funding program.

- The Latrobe Valley Authority's Community Facilities Fund has a ratio of 3:1 available for requests up to \$300,000, 2:1 for requests up to \$500,000 and 1:1 for requests up to \$1,000,000.
- Recent discussions with the Latrobe Valley Authority suggest that Council could submit an expression of interest for either stage 1 only or a total project including both stages 1 and 2.

Environmental Impact

- Landscaping design has been incorporated in the overall concept design to ensure the park fits well in the landscape of the chosen location.
- Amenities including appropriately designed drinking fountains, rubbish bins, seats and shelters have been considered and reflected in the design and project budget.
- Proximity to existing amenities such as public toilets, formed part of the site assessment process.

Community Impact

- Community stakeholders have been involved in the consultation process with positive feedback around the development of this project.
- Graffiti and vandalism has been identified as a concern during the consultation process. This was also a key consideration during the site assessment with the preferred location having a high level of natural surveillance. Community involvement during the development of this project has been vital to reduce the risk of future problems arising in this area though building a strong sense of pride and ownership at a site.
- Recreation and physical activity plays a vital role in enhancing one's quality of life.

CONSULTATION

- A meeting with the Project Reference Group (PRG) was held in Rawson on Tuesday 29 January 2019 where Enlocus presented the draft concept design. Feedback was received on the night as well as the draft being provided electronically so the PRG could gather additional comments from the community.
- The PRG were provided with a draft sketch of stage 2 to gather initial feedback on the new secondary scope of the project before proceeding to finalise the concept designs.
- If Council commits seed funding to the project to allow a funding application to be submitted, the PRG will continue to be consulted during the grant application phase and construction phase, should the grant application be successful.

LEGAL/COUNCIL PLAN/POLICY IMPACT

COUNCIL PLAN

The Rawson Skate Park Project assists with the achievement of the key strategic objective as set out in the Council Plan 2017 - 2021:

Vibrant Community

- A vibrant, healthy and inclusive community
- Quality community focused services, facilities and infrastructure to support a growing community.

CHARTER OF HUMAN RIGHTS AND RESPONSIBILITIES

This Rawson Skate Park Project will be considered under the *Charter of Human Rights and Responsibilities*. Amendments will be recommended to ensure compatibility if required.

LEGAL

- The design has been completed by experienced skatepark designers.
- “Planning for and providing facilities for the local community” is listed as a core role/responsibility of Council in the *Local Government Act 1989*.

POLICY IMPACTS

The Baw Baw Skate and BMX Strategy 2012 to 2030 identifies a local/incidental skate facility be developed in Erica or Rawson.

CONFLICT OF INTEREST DECLARATION

No officer involved in the preparation of this report has a disclosable interest.

OPTIONS FOR CONSIDERATION

There are a range of options available to Council in relation to the Rawson Skate Park project. These include, but are not limited to, the following.

- Council could commit to undertaking both Stage 1 and Stage 2 – as a total project.
 - This option would require Council to commit to a funding contribution of \$130,000 towards the project and seek \$335,000 of funding through the LVA for the estimated \$465,000 required for the total project budget.
 - This option would mean that the project can be delivered as a total project and therefore could ensure efficiencies of scale.
- Council could refer the project to the scoring and prioritisation process developed as part of the Recreation Strategy, and subsequent master plan reviews.
 - This option would allow Council to prioritise this project against a range of other recreation projects across the Shire, however it may mean that this project results in a lower priority than other recreation projects.

- It is expected that this option would not be favourable to the community and given the level of engagement through the development of the concept design it is also likely that there will be an expectation of Council to commit to and fund the project, following the adoption of the concept design.

10.2 PLA0272/18 - 96 TRICKEYS ROAD, YARRAGON - USE AND DEVELOPMENT OF DWELLING AND ASSOCIATED OUTBUILDING

Statutory Planning Officer

Directorate: Planning Development

Ward: East Ward

Appendix: 1 attachment

PURPOSE

To determine Planning Application PLA0272/18 at Trickeys Road, Yarragon (CP1272573).

RECOMMENDATION

That Council issue a Notice of Decision to Refuse to Grant a Permit for the Use and Development of a Dwelling and Associated Outbuilding on the following grounds:

1. The proposal is inconsistent with the relevant Clauses under the Planning Policy Framework, including:
 - Clause 14.01-1R Protection of agricultural land
2. The proposal is inconsistent with the relevant Clauses under the Local Planning Policy Framework, including the Municipal Strategic Statement, including:
 - Clause 21.01 – Municipal Profile
 - Clause 21.02 – Municipal Vision
 - Clause 21.06-6 – Farmland and Soil Quality
3. The proposal is inconsistent with the provisions of the Rural Zones Policy (Clause 22.01) as the proposal:
 - Is not supported by a Farm Management Plan that justifies that the dwelling is an integral and ancillary part of the use of the land for a commercial farming purpose;
 - Does not appropriately respond to the building envelope requirement; and
 - contributes to the proliferation of dwellings.
4. The proposal does not meet the relevant Objectives and Decision Guidelines of the Farming Zone (Clause 35.07).
5. The proposal is inconsistent with the relevant Decision Guidelines at Clause 65.01 of the Baw Baw Planning Scheme, including:
 - The State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies;
 - The purpose of the zone;
 - Any matter required to be considered in the zone; and

- The orderly planning of the area.

KEY ISSUES

- It is proposed to use and develop the site for a single dwelling and associated outbuilding on a rural land parcel of approximately 4 hectares.
- The proposal is considered to be inconsistent with the State and Local Planning Policy Framework of the Baw Baw Planning Scheme as it will permanently remove the highest quality agricultural land from agriculture.
- The proposal is not in accordance with Clause 22.01: Rural Zone Policy of the Baw Baw Planning Scheme as it fails to justify that a dwelling is an integral and ancillary part of the use of the land for a commercial farming purpose. The Farm Management Plan provided by the applicant indicates that the intended use of the land is for their home and hobby farm to subsidise the income of the family but not replace the current income stream.
- The proposal results in a proliferation of dwellings as there are existing dwellings on adjacent land within close proximity to the subject site.
- The proposal does not meet the Objectives and Decision Guidelines of the Farming Zone.
- The matter is required to be reported to Council as Councillors have called the application in.

TRIPLEBOTTOMLINE IMPLICATIONS

Financial Impact

The proposal is not considered to have any financial impact on Council unless the applicant were to seek a review of Council's decision at VCAT.

Environmental Impact

Nil.

Community Impact

- The planning permit application was advertised in accordance with the *Planning and Environment Act 1987*.
- One submission was received against the proposal for the following reasons:
 - The impact flooding on the site will have on the proposed development's effluent system.
 - Proposed effluent disposal system's impact on existing drainage water health.
 - Storage of chemicals in proposed outbuilding associated with dwelling.
 - Access from Scanlons Road.

CONSULTATION

- The planning permit application was advertised in accordance with the *Planning and Environment Act 1987*.
- One submission was received against the proposal.

LEGAL/COUNCIL PLAN/POLICY IMPACT

COUNCIL PLAN

This planning permit application does not assist with achieving the key strategic objectives set out in the Council Plan 2017-2021:

Strategic Objective 1: *Vibrant Communities*

1.2 *Managing Baw Baw's growth and development.*

CHARTER OF HUMAN RIGHTS AND RESPONSIBILITIES

This planning permit application will be considered under the *Charter of Human Rights and Responsibilities*. Amendments will be recommended to ensure compatibility if required.

LEGAL

The planning permit application was assessed and processed in accordance with the *Planning and Environment Act 1987*.

POLICY IMPACTS

Nil

CONFLICT OF INTEREST DECLARATION

No officer involved in the preparation of this report has a disclosable interest.

11. THRIVING ECONOMY

Nil Reports

12. SAFE AND SUSTAINABLE ENVIRONMENTS

12.1 COMMUNITY COMPLIANCE SERVICE REVIEW PROJECT

Manager Building & Regulatory Services

Directorate: Planning Development

Ward: All

Appendix: 3 attachments

PURPOSE

To seek Council approval on the scope, project timelines and external stakeholder engagement approach for the Community Compliance Service Review and the Community Local Law Review.

RECOMMENDATION

That Council;

1. Approve the project scope for the Community Compliance Service Review project.
2. Approve the project timelines for the Community Compliance Service Review and Community Local Law Review projects.
3. Approve the external engagement approach for both projects.

BACKGROUND

- The Community Compliance service team sits within the Building and Regulatory Services business unit, which is comprised of the following service teams:
 - Building Services;
 - Community Compliance;
 - Emergency Management;
 - Public Health; and
 - Municipal Animal Pound.
- The Baw Baw Shire Council Plan 2017 - 2021 outlines the key themes, supporting strategies and actions that validate the current and future priorities for Council business units and service teams. Community Compliance activities contribute to achieving Council Plan Strategic Objective 3 – Safe and Sustainable Environments:
 - 3.3 Community safety and protection
 - 3.4 Preparing for the impacts and consequences of climate change
- Community Compliance aims to protect the community and Council amenity through education and enforcement of local laws and State Government legislation. Key service areas include local laws, parking

enforcement, animal management, planning enforcement, permit administration and coordination of the school crossing supervisor program.

- Objectives of Community Compliance include, to:
 - Protect the community and Council amenity through education and enforcement of local laws and legislated state government powers.
 - Ensure Council meets Victorian legislative responsibilities.
 - Ensure Council meets reporting requirements to state government agencies.
 - Create and administer local laws to improve quality of life and amenity in the shire.
 - Provide appropriate support and recovery arrangements to animals in an emergency, affected communities and individuals.
- Community Compliance activities are designed to contribute towards influencing the following desired community outcomes:
 - A safe community who is educated in their rights and responsibilities under state government legislation and local laws.
 - Enhanced amenity in the community.
 - A reduction in the number of wandering dogs and reported dog attacks.
 - Increased compliance in relation to parking restrictions.
 - The better community understanding of the importance of domestic animal management and registering dogs and cats in compliance with the *Domestic Animals Act 1994*.
 - Increased compliance in relation to planning enforcement.

SERVICE REVIEW

- The last service review of the Community Compliance team was conducted in 2013 and was part of a wider organisational review.
- The recommendations from the 2013 review were included in a four-year action plan. These have been implemented and it is now a great opportunity to conduct a comprehensive review to ensure the business objectives, and priorities of the team meets community expectations and its statutory obligations now and into the future.

OBJECTIVES AND PURPOSE

The key objective of the project is to undertake a service review of the Community Compliance service team. The purposes of this review are to:

- Review current operations of the Community Compliance service team;
- Identify operational efficiencies and innovations for delivering this service to the community, to enhance Council's ongoing commitment to continuous improvement;
- Determine if Council is meeting statutory obligations required to be delivered by this service, and to identify any services or functions that are not statutory;
- Determine the extent to which the delivery of this service aligns with organisational strategies, plans and policies;
- Identify any areas of non-compliance or risk for priority action; including development of a draft risk-based enforcement matrix for further consideration;
- Assess the current delivery models for this service against other partner Victorian councils by undertaking a benchmarking activity, including analysis based on an environmental scan for opportunities and threats;
- Develop a model for service delivery into the future, inclusive of 'options' that allow for both compliance-based services and community 'value-adds';
- Develop a five-year prioritised action plan identifying how, in a growing municipality, Community Compliance intends to successfully deliver into the future; and
- Ensure that any recommended service model is in line with the Victorian Charter of Human Rights and Responsibility, Victorian Charter for Child Friendly Cities and Communities and the Aged Friendly Victorian Partnership and Leadership Declaration.

PROJECT METHODOLOGY AND APPROACH

The project approach and activities are in eight phases, this will be used to effectively address the objectives and scope of the project as well as the development and delivery of the identified deliverables within the required timelines, the eight phases are:

1. Project Planning;
2. Situational Analysis and Research;
3. Council Benchmarking;
4. Internal Council Stakeholder Engagement;
5. Community Consultation;
6. Deliverables;
7. Communication; and
8. Post-Project Review.

SCOPE

The following areas of Community Compliance will be used as the scope for inclusion in the service review:

Community Compliance	<ul style="list-style-type: none">• Parking patrols and enforcement• Private parking MOU's• Animal management and enforcement including S84Y agreements• Community Local Law education and enforcement• Roadside and Footpath Trading education and enforcement• Infringement review, processing and reporting• Processing and issuing permits• School Crossing Supervisor program• Compliance policies and procedures• Planning enforcement and reporting• IPA VicRoads agreement, audit and reporting requirements• DOJR reporting requirements• After hours service (including animal pick up service)• L2P Program support requirements.
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Note - pound management is not included in scope for this review as it does not sit within the Community Compliance service team, although the Municipal Animal Pound service team are considered as stakeholders for this review, with outcomes from the report used to help inform the Municipal Animal Pound business plan and objectives.

TRIPLEBOTTOMLINE IMPLICATIONS

Financial Impact

- Operating (short term) budget will not be affected during the service review. Staff from the Community Compliance service team will be tasked with certain aspects of the project to ensure it is completed within project timeframes.
- Operating (long term) budget considerations will be based on recommendations provided in the final report. Recommendations that may have a long-term financial impact will be presented to the Executive team for consideration as part of the five-year prioritised action plan.

Environmental Impact

Nil

Community Impact

- The community will be involved throughout the engagement phase of the project and their feedback is essential in shaping the Community Compliance service team's priorities and business objectives in protecting community and Council amenity through education and enforcement of local laws and State Government legislation.
- Additionally, during the engagement phase, feedback will be sought from the community on improvements and amendments required to the Community Local Law 2016. Changes to the Community Local Law will have a direct impact on community amenity and the feedback will inform the Community Local Law so that it addresses current local amenity issues and is future focussed.

CONSULTATION

- The Service Review Engagement Plan has been developed to comply with Councils Community Engagement Framework. The plan includes a range of feedback opportunities with internal and external stakeholders.
- Internal stakeholder engagement will be done through online surveys, workshops and meetings. The project will also use existing Culture Amp internal survey processes. There will be Executive team and Councillor touchpoints before and after the commencement of external stakeholder and community engagement. These tentative dates are included in the attached integrated project plan.
- External engagement will include broad community and targeted engagement for key stakeholders. The engagement will aim to determine current perceptions, and expectations of service provision into the future. This will be done through several mediums including:
 - Surveys – online to identified targeted external stakeholders (with hard copies available as required). These will be featured on Council's website (Have Your Say) as an engagement exercise, open to all community members. Including links emailed to any existing Council groups such as Community Hubs / Engagement Panels, and other Community Groups;
 - Other online engagement tools – including quick polls, forums and Facebook links; and
 - Community workshops/drop in sessions – these will be facilitated in each Council Ward areas to provide external stakeholders and community members an opportunity for an in-person conversation.
- Proposed community workshops/drop in sessions with suggested locations are listed below:

Thursday 16 May 2019

- Drouin Civic Centre - 10am to 12pm
- Longwarry Hall - 2pm to 4pm
- Warragul Arts Centre - 6pm to 8pm

Monday 20 May 2019

- Walhalla Mechanics Institute - 10am to 12pm
- Neerim South Public Hall - 2pm to 4pm
- Trafalgar Community Centre - 6pm to 8pm.
- External stakeholders have been identified during the project plan planning phase, these are based on the service profiles and include the following:
 - General public;
 - Pet owners;
 - Veterinary clinics (S84Y);
 - Animal Rescue and Foster Groups (S84Y);
 - Agriculture Victoria, Department Jobs, Precincts and Regions (DJPR);
 - Construction industry;
 - Emergency services agencies;
 - Schools; and
 - Businesses.

Feedback will be sought from internal stakeholders to ensure this list is accurate and reflects the majority of key external stakeholders.

- The engagement phase will also seek feedback that helps to inform the Community Local Law Review project. Targeted questions will be incorporated.

LEGAL/COUNCIL PLAN/POLICY IMPACT

COUNCIL PLAN

This Community Compliance Service Review project will assist with the achievement of the key strategic objective as set out in the Council Plan 2017-2021:

Strategic Objective 3 – *Safe and Sustainable Environments:*

3.3 Community safety and protection

CHARTER OF HUMAN RIGHTS AND RESPONSIBILITIES

The Community Compliance Service Review project has been reviewed under the *Charter of Human Rights and Responsibilities* and is considered compatible.

LEGAL

The Community Compliance Service Review project will ensure that all legislative and statutory requirements and obligations are considered during the review. Feedback for the Community Local Law Review project will also be considered in accordance with federal and state legislative requirements.

POLICY IMPACTS

- The review will analyse current business / operational /service plans, policies and procedures as part of the Situational Analysis and Research phase.
- The final report may recommend policy or procedural changes that may affect service delivery in a positive way.

CONFLICT OF INTEREST DECLARATION

No officer involved in the preparation of this report has a disclosable interest.

13. ORGANISATIONAL EXCELLENCE

13.1 DRAFT REVISED COUNCIL PLAN 2017 - 2021 FOR PUBLIC EXHIBITION

Manager Corporate Strategy

Directorate: Corporate and Community Services

Ward: All

Appendix: 1 attachment

PURPOSE

To present the revised Council Plan 2017 - 2021 for adoption “in principle” and refer the plan for public consultation under section 223 of the *Local Government Act 1989* (Act).

RECOMMENDATION

That Council:

1. Approves in principle the draft revised Council Plan 2017 - 2021 and;
2. Authorise the Chief Executive Officer to:
 - a. Make available copies of the documents for public inspection until close of business Friday 24 May 2019, and provide submitters with the opportunity to be heard in person by Council
 - b. In accordance with Section 223 of the *Local Government Act 1989*, invite submissions on the draft revised Council Plan 2017 – 2021 and provide submitters with the opportunity to be heard in person at a Special Council Meeting to be held on 5 June 2019 at the West Gippsland Arts Centre, Warragul.

KEY POINTS/ISSUES

- The Council Plan represents a four year road map for the Council, and describes the key priorities that Council will focus between 2017 and 2021.
- The Council Plan 2017 – 2021 reflects the Council’s long term planning, Councillor’s aspirations for their term, and community views as set out in Baw Baw 2050 and during community consultation carried out prior to the preparation of the draft Plan.
- An annual review has been carried out and several changes have been made to the Plan as a result. These comprise:
 - Edit and refresh in accordance with Council’s new corporate style guide.
 - An update to the Mayor’s message.
 - Review and update to the section ‘Council’s planning for the future’, based on updated environmental scans on key issues facing the organisation.

- Amendment to several KPIs.
- A range of new and continuing initiatives identified to progress the achievement of the Council Plan's four-year strategies.
- No other changes have been made with regards to the Strategic Objectives or the Council's ongoing priorities for the four year term.
- The Plan will be resourced by the proposed annual Budget, which has been aligned along each of the four objectives of the Council Plan.

Key Initiatives identified 2019/20

● ***Objective 1: Vibrant Communities***

- Complete and open of the new Warragul Early Years facility at Warragul Primary School.
- Commence the multi-year design and construction program for extensions to the existing Drouin Early Years facility and the new Early Years facility at Trafalgar.
- Commence the design of community hub facility in Drouin.
- Deliver the Baw Baw's youth FReeZa program.
- Implement the Integrated Municipal Public Health and Wellbeing Plan.
- Continue the small town and rural communities placemaking program.

● ***Objective 2: Thriving Economy***

- Implement Council's Economic Development Strategy.
- Implement Council's Destination Action Plans as part of the Shire's Tourism Marketing Campaign.
- Implement the 'Closer Than You Think' tourism marketing and events attraction and delivery.
- Continue to implement Council's Recreation Vehicle Strategy.

● ***Objective 3: Safe and Sustainable Environments***

- Develop a new Waste Management Strategy.
- Implement Council's Environmental Sustainability Strategy action plan.
- Engage with the community in relation to options for improved management of car parking in the Warragul CBD.
- Continue the Warragul CBD streetscape improvement works.

● ***Objective 4: Organisational Excellence***

- Advocate on behalf of community needs as set out in Council's new advocacy strategy A Better Future for Baw Baw.

- Continue Council's service planning and review program to improve the effectiveness and efficiency of Council services.

Key Performance Indicators

- A review of performance indicators used to monitor the Thriving Economy objective has been carried out, and new indicators proposed to be included in the Plan, which significantly improves indicators for this theme:
 - Number of visitors to the Shire.
 - Dollar value of visitor spend in Baw Baw Shire.
 - Dollar value of financial grants to Council and municipal businesses as a result of Council advocacy.
 - Number of businesses in the Shire.
 - Gross Regional Product (GRP).
- Two indicators have been proposed for removal:
 - Participation in Council committees and committees of management. The purpose of the KPI is to capture community volunteerism and participation. This is more effectively demonstrated by the alternative KPI - Number of volunteers registered on Council programs.
 - Total waste to landfill. Total waste diverted from landfill is a more meaningful measure and reflects the aims of Council's Waste Management Strategy.

TRIPLE BOTTOM LINE IMPLICATIONS

COMMUNITY IMPACT

The Council Plan and Budget strongly focuses on delivering quality services, facilities and infrastructure to meet community needs.

ENVIRONMENTAL IMPACT

The draft Council Plan includes an objective with regards to 'safe and sustainable environments', which includes sustainable natural resource management.

FINANCIAL IMPACT

The Council Plan sets out Council's objectives and directs the Capital and Operational Budget presented in the 2018/19 proposed Budget and the Strategic Resource Plan.

CONSULTATION

Consultation on both the Council Plan and Budget is proposed to commence on 26 April 2019 through to 24 May 2019, following adoption "in principle" by the Council.

LEGAL/COUNCIL PLAN/POLICY IMPACT

COUNCIL PLAN

The review of the Council Plan fulfils Council's requirement to review the Council Plan 2017 – 2021 at least once per annum.

CHARTER OF HUMAN RIGHTS AND RESPONSIBILITIES

The draft Council Plan and Budget has been reviewed under the *Charter of Human Rights and Responsibilities* and is considered compatible.

LEGAL

The Council Plan is a requirement of the *Local Government Act*, which requires a new Plan be prepared following Council elections, and then revised annually.

CONFLICT OF INTEREST DECLARATION

No officer involved in the preparation of this report has a disclosable interest.

13.2 LONG TERM FINANCIAL STRATEGY

Chief Financial Officer, Finance Manager

*Directorate: Corporate and Community
Services, Corporate and Community
Services*

Ward: All

Appendix: 1 attachment

PURPOSE

To present to Council the Long Term Financial Strategy that aligns to the proposed 2019/20 Budget.

RECOMMENDATION

That Council:

1. Approves in principle the Long Term Financial Strategy 2019/20 to 2028/29;
2. Authorise the Chief Executive Officer to:
 - a. Give public notice of the preparation of the Long Term Financial Strategy and make available copies of the documents for public inspection until close of business Friday 24 May 2019, and provide submitters with the opportunity to be heard in person by Council.
 - b. In accordance with Section 223 of the *Local Government Act 1989*, invite submissions and provide submitters with the opportunity to be heard in person at a Special Council Meeting to be held on 5 June 2019 at the West Gippsland Arts Centre, Warragul.

KEY POINTS/ISSUES

- The draft Long Term Financial Strategy:
 - Provides a ten-year financial framework against which Council's strategies, policies and financial performance may be measured;
 - Establishes a prudent and sound financial framework, combining and integrating financial strategies as expressed in the Council Plan;
 - Provides an assessment of the resources required to accomplish the objectives and strategies included in the Council Plan;
 - Ensures that Council complies with sound financial management principles, as required by the *Local Government Act (1989)* and plan for the long term financial sustainability of Council.
- The Long Term Financial Strategy (LTFS) achieves the following strategic outcomes:
 - Significantly higher investment in the 2019/20 and 2020/21 financial years of the capital works program. The four-year future capital

program includes a total of \$32.7 million for new strategic projects mainly to develop sporting facilities and community hubs in response to the increased community demand. The \$32.7 million is to be primarily funded from external grants, new loan borrowings and Council cash reserves.

- Infrastructure renewal is expenditure on an existing asset or on replacing an existing asset, which returns the service capability of the asset to that which it had been originally. In this LTFS Council has committed to the funding of maintaining and improving existing assets over the next few years as a priority. This commences with \$12.1 million in 2019/20 of the total capital expenditure spend of \$32.3 million.
- Endorses the rating parameters based on the State Government imposed rate cap increase of 2.5% per annum with an additional allocation of 0.8% for growth (supplementary rates mainly from new properties);
- Continues to allocate additional funds to the renewal of existing assets while investing in strategic infrastructure projects to service the growth within the municipality;
- Optimise revenue from user charges, fees and fines by applying an annual cost escalation factor as the index to all discretionary fees and charges;
- Continue to focus on securing grant revenue particularly for capital works projects;
- Applies loan borrowing to fund new and/or significantly upgraded major assets that provide a broad multigenerational community benefit over the period of the strategy.

TRIPLE BOTTOM LINE IMPLICATIONS

COMMUNITY IMPACT

The Long Term Financial Strategy promotes the social, economic and environmental viability of municipal district and its role in maintaining the viability of Council to ensure that resources are managed in a responsible manner.

ENVIRONMENTAL IMPACT

The Long Term Financial Strategy promotes the social, economic and environmental viability of municipal district and its role in maintaining the viability of Council to ensure that resources are managed in a responsible manner.

FINANCIAL IMPACT

The Long Term Financial Strategy sets out Council's ten-year financial framework that aligns to the Capital and Operational Budget presented in the 2019/20 proposed Budget and the Strategic Resource Plan.

CONSULTATION

- Consultation on the Long Term Financial Strategy is proposed to commence on Friday 26 April 2019 to Friday 24 May 2019, following adoption “in principle” by Council.
- Submissions will be heard on Wednesday 5 June 2019 commencing at 5.30 pm at the special meeting of Council held for this purpose.

LEGAL/COUNCIL PLAN/POLICY IMPACT

COUNCIL PLAN

The Long Term Financial Strategy assists with the achievement of the key strategic objective as set out in the Council Plan 2017-2021:

Organisational Excellence

“Providing community benefit by effectively managing council’s resources and finances” and “Sustainably manage Council’s financial position”.

CHARTER OF HUMAN RIGHTS AND RESPONSIBILITIES

This Long Term Financial Strategy has been reviewed under the *Charter of Human Rights and Responsibilities* and is considered compatible.

LEGAL

Council complies with sound financial management principles, as required by the *Local Government Act 1989* and plan for the long term financial sustainability of Council.

POLICY IMPACTS

The Long Term Financial Strategy is consistent with Council’s Rating Strategy, Borrowing Policy and Investment Policy.

CONFLICT OF INTEREST DECLARATION

No officer involved in the preparation of this report has a disclosable interest.

13.3 LONG TERM INFRASTRUCTURE PLAN

Manager Assets and Recreation

Directorate: Community Assets

Ward: All

Appendix: 1 attachment

PURPOSE

To present to Council the Long Term Infrastructure Plan that includes the proposed 2019/20 Budget.

RECOMMENDATION

That Council:

1. Approves in principle the Long Term Infrastructure Plan 2019/20-2028/29 as per Attachment 1 of this report;
2. Authorise the Chief Executive Officer to:
 - a. Give public notice of the preparation of the Long Term Infrastructure Plan 2019/20-2028/29 and make available copies of the documents for public inspection until close of business Friday 24 May 2019, and provide submitters with the opportunity to be heard in person by Council.
 - b. In accordance with Section 223 of the *Local Government Act 1989*, invite submissions and provide submitters with the opportunity to be heard in person at a Special Council Meeting to be held on 5 June 2019 at the West Gippsland Arts Centre, Warragul.

KEY POINTS/ISSUES

- Baw Baw Shire has made a significant revision to its Long Term Infrastructure Plan (LTIP). The review of the LTIP has been based on several key principles established by Council in the planned investment of capital over the next ten years. This includes the following.
 - Increasing expenditure on renewing and rehabilitating existing infrastructure,
 - Investing in major strategic capital projects for the benefit of current and future generations, and
 - Funding key infrastructure upgrades and new projects to support Council service delivery and meet community expectations.
- Over the next ten years, Council through its revised Long Term Infrastructure Plan, intends to invest a total of \$252.8M including:
 - \$142.3M in renewal of assets,
 - \$45.4M in major strategic capital projects, and
 - \$65.0M in general capital projects.

- The total \$252.8M of planned expenditure is proposed to be funded through the following sources.
 - \$51.1M from State and Federal Government grants
 - \$6.8M from external contributions including developer contributions
 - \$16.2M from borrowings towards major strategic capital projects
 - \$4.0M from reserves
 - \$174.6M from general rate revenue
- In terms of the the 2019/20 financial year, a total spend of \$32.3M is proposed, which includes an estimated \$4.2M of carry forward expenditure from the 2018/19 financial year's capital program.
- The 2019/20 capital works budget lays the groundwork for the delivery of up to \$32.3 million in key strategic, intergenerational projects for the community over the next three years. In 2019/20 \$7.3 million is proposed for the delivery of individual projects and major design works to position Council to apply for external funding for the major projects. These projects include the Drouin Community Hub, the Warragul Indoor Stadium and the Warragul Civic Place Precinct.
- In 2019/20 the following strategic projects will be delivered: female friendly pavilions at Darnum, Buln Buln and Hallora and early learning centres at Drouin, Trafalgar and Warragul.
- In summary the proposed 2019/20 financial year capital program includes the following.
 - \$12.1M for infrastructure renewal,
 - \$7.3M for progressing key strategic projects,
 - \$8.7M for general infrastructure works,
 - \$4.2M for carry forward projects.
- A summary of the investment in infrastructure renewal, key major strategic projects and general capital projects within each asset category for the 2019/20 financial year capital program is outlined below.
 - Roads
 - Over 100,000 sq m of gravel road resheets (\$1.1M)
 - Over 235,000 sq m of roads resealed (\$1.3M)
 - Five roads in poor condition fully reconstructed (\$2.0M)
 - Over 20,000 sq m of road repairs (\$1.2M)
 - Over 1400 metres of kerb and channel replaced
 - Extensive re-linemarking, guardrail and signage replacement
 - Stage 2 of sealing the unsealed section of Shillinglaw Road in Drouin (\$0.7M)

- Funding commitment towards the Fixing Country Roads Program, which would see over \$2.2M of road upgrade works occur in Shady Creek and Neerim North
- Continuation of Warragul CBD streetscape works, with the upgrade of Victoria Street between Queen Street and Napier Street (\$0.8M)
- Road safety improvements (\$0.4M)
- New or improved township entry, parking and traffic signs (\$0.1M)
- Carparks
 - Accessible parking space improvements, the implementation of key parking study actions for Drouin and Warragul, as well as four carpark reconstructions (\$0.3M)
- Paths
 - Gravel and sealed path replacements, trip hazard rectifications, DDA upgrades and pram ramp replacements (\$0.5M)
 - New footpaths across the municipality (\$0.8M)
- Bridges and Major Culverts
 - Standfields Road bridge replacement in Poowong East as well as two major culvert rehabilitations (\$0.8M)
- Drainage
 - Retarding basins in Trafalgar and Warragul (\$1.3M)
 - Piped drainage renewal (\$0.3M)
 - Open drain cleaning and roadside works (\$0.4M)
 - Dam safety and wetland establishment works (\$0.1M)
- Buildings
 - Replacement or renewal works at public toilets and other community facilities (\$1.9M)
 - Two new public toilets in Drouin and Warragul (\$0.4M)
 - Expand the capacity of Normanby Street Family and Children's Service Centre (\$0.1M)
 - Fountain Room community meeting and event space in Warragul (\$0.35M)
 - Construction of female friendly changerooms at Darnum Recreation Reserve (\$0.9M)
 - Female friendly pavilion upgrades at Hallora Recreation Reserve and Buln Buln Recreation Reserve (\$0.9M)
 - Extension of the Drouin Early Learning Centre (\$0.35M)

- A new Early Learning Centre for Trafalgar (\$1.8M)
- Recreation and Open Space
 - Sports field and hard surface replacement/renewal (\$0.5M)
 - Dosing system replacement at Rawson Swimming Pool (\$0.1M)
 - Sports and playground equipment including skate and BMX, as well as open space furniture replacement (\$0.2M)
 - Placemaking program across a number of smaller townships (\$0.2M)
 - Progress key actions from the draft Community Hubs Strategy (0.2M)
 - Fenced dog parks for Drouin, Warragul and Trafalgar (\$0.1M)
 - Upgrade of Neerim South Oval (\$0.7M)
 - Upgrade for four netball courts at Drouin Recreation Reserve (\$0.6M)
 - Upgrade of Civic Park Drouin as per masterplan (\$1.2M)
- Future designs and investigations
 - Design and planning for indoor stadiums in Drouin and Warragul (\$0.3M)
 - Future road reconstructions, intersection upgrades, external funding application support and general infrastructure improvements (\$0.2M)
 - Recreation and open space design and scoping works (\$0.1M)
 - Further design for a multi use facility at Trafalgar Recreation Reserve (\$0.1M)
 - Further investigation and design relating to a community hub for Drouin (\$0.2M)
 - Design for Civic Place Precinct in Warragul (\$0.25M)
- A number of projects planned for in the 2019/20 financial year are subject to successful funding through application to government grant programs, contributions from external parties, which is detailed within the Long Term Infrastructure Plan in Attachment 1. Should Council not be successful in obtaining this external grant funding then Council would be required to reconsider the funding model or delivery of these projects.

TRIPLE BOTTOM LINE IMPLICATIONS

COMMUNITY IMPACT

The Long Term Infrastructure Plan promotes the social and economic viability of the municipal district and its role in maintaining the viability of Council to ensure that resources are managed in a responsible manner.

ENVIRONMENTAL IMPACT

The Long Term Infrastructure Plan promotes the environmental sustainability of the municipal district.

FINANCIAL IMPACT

The Long Term Infrastructure Plan sets out Council's ten year financial framework that aligns to the Capital and Operational Budget presented in the 2019/20 proposed Budget and the Strategic Resource Plan.

CONSULTATION

Consultation on the Long Term Infrastructure Plan is proposed to commence on Friday 26 April 2019 through to Friday 24 May 2019, following adoption "in principle" by Council.

LEGAL/COUNCIL PLAN/POLICY IMPACT

COUNCIL PLAN

This Long Term Infrastructure Plan assists with the achievement of the key strategic objective as set out in the Council Plan 2017-2021:

Organisational Excellence

"Providing community benefit by effectively managing council's resources and finances" and *"Sustainably manage Council's financial position"*.

CHARTER OF HUMAN RIGHTS AND RESPONSIBILITIES

This Long Term Infrastructure Plan has been reviewed under the *Charter of Human Rights and Responsibilities* and is considered compatible.

LEGAL

Council complies with sound financial management principles, as required by the *Local Government Act 1989* and plan for the long term financial sustainability of Council.

POLICY IMPACTS

The Long Term Infrastructure Plan is consistent with Council's Rating Strategy, Borrowing Policy and Investment Policy.

CONFLICT OF INTEREST DECLARATION

No officer involved in the preparation of this report has a disclosable interest.

13.4 DRAFT CAPITAL EVALUATION POLICY

*Manager Infrastructure Planning, Programs
and Waste*

Directorate: Community Assets

Ward: All

Appendix: 3 attachments

PURPOSE

To seek formal feedback on the draft Capital Evaluation Policy in accordance with the related 28th November 2018 Council resolution.

RECOMMENDATION

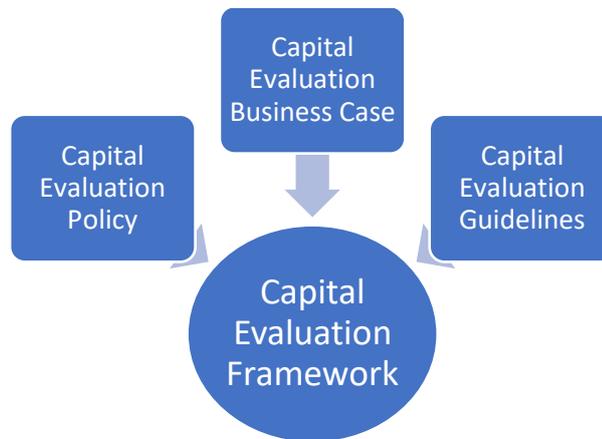
That Council:

1. Approves in principle the draft Capital Evaluation Policy;
2. Authorise the Chief Executive Officer to:
 - a. Give public notice of the preparation of the draft Capital Evaluation Policy and make available copies of the document for public inspection until close of business Friday 24 May 2019, and provide submitters with the opportunity to be heard in person by Council.
 - b. In accordance with Section 223 of the Local Government Act 1989, invite submissions and provide submitters with the opportunity to be heard in person at a Special Council Meeting to be held on 5 June 2019 at the West Gippsland Arts Centre, Warragul.

KEY ISSUES

- At its 28 November 2018 Council meeting, Council decided to:
 - Note the draft the Capital Evaluation Framework, which comprises of the Capital Evaluation Policy, Capital Evaluation Guidelines and the Capital Evaluation Business Case; and,
 - Seek formal feedback regarding the Capital Evaluation Policy, through the submission process for 2019/20 Annual Budget and the review of the Long Term Infrastructure Plan.
- In a financially constrained and rate-capped environment, it is essential that Council makes sound capital investment decisions with its finite capital resources that maximise public value for current and future generations.
- The draft Capital Evaluation Framework provides a means of evaluating and appraising proposed infrastructure investments, as well as setting priorities within the context of the Long Term Infrastructure Plan (LTIP) and the annual Capital Works Program (CWP) to address strategic service delivery needs.
- The intent of the framework is to:

- Establish a robust impartial appraisal methodology and priority-based system for allocating finite Council resources for investment towards infrastructure assets;
- Ensure that investment in capital is undertaken in a financially sustainable manner and in accordance with best practice asset management principles; and
- Enhance transparency and public confidence in Council's decision-making process relating to the investment of capital.
- The draft Capital Evaluation Framework comprises of the Capital Evaluation Policy, the Capital Evaluation Business Case and the Capital Evaluation Guidelines.



- The Capital Evaluation Policy outlines the overarching objectives and goals for Baw Baw Shire in capital investment.
- The Capital Evaluation Guidelines are a practical guide to support the Policy in an operational and administrative setting.
- The Capital Evaluation Business Case is the project evaluation tool that reflects the overarching objectives and goals of the policy. The business case evaluates a project against the Council Plan objectives and outcomes, the degree of community impact, risk management benefits, its readiness to deliver as well as its upfront and ongoing costs (lifecyle costings).

TRIPLEBOTTOMLINE IMPLICATIONS

Financial Impact

The Capital Evaluation Policy (as part of the Capital Evaluation Framework) intends to assist Council to make financially sustainable capital investment decisions that provide best value to the community.

A number of business cases have been created as part of the review and development of the revised Long Term Infrastructure Plan.

Environmental Impact

The proposed Capital Evaluation Framework ensures that the protection and management of Baw Baw's environment is considered as part of any capital

investment proposal. This reflects part of the Council Plan's "Safe and sustainable environments" objective.

Community Impact

The Capital Evaluation Policy (as part of the Capital Evaluation Framework) intends to enhance transparency and public confidence in Council's decision-making process relating to the investment of capital. It also ensures that a robust and impartial appraisal of capital investment proposals is consistently undertaken.

CONSULTATION

The outputs of the Capital Evaluation Policy (as part of the Capital Evaluation Framework) will guide the draft budget and LTIP inclusions each year.

LEGAL/COUNCIL PLAN/POLICY IMPACT

COUNCIL PLAN

The Capital Evaluation Policy (as part of the Capital Evaluation Framework) will assist in the achievement of the key strategic objective as set out in the Council Plan 2017-2021:

Organisational Excellence

- *'Positive leadership, advocacy and decision making around shared goals' and*
- *'providing community benefit by effectively managing Council's resources and finances'.*

CHARTER OF HUMAN RIGHTS AND RESPONSIBILITIES

This initiative has been reviewed under the *Charter of Human Rights and Responsibilities* and is considered compatible.

LEGAL

Nil.

POLICY IMPACTS

The Capital Evaluation Policy will impact:

- Future Council budgets
- The Long Term Infrastructure Plan
- The Long Term Financial Plan

CONFLICT OF INTEREST DECLARATION

No officer involved in the preparation of this report has a disclosable interest.

13.5 ANNUAL BUDGET 2019/20

Finance Manager

*Directorate: Corporate and Community
Services*

Ward: All

Appendix: 1 attachment

PURPOSE

To present the Annual Budget 2019/20 and Schedule of Fees and Charges for 'in principle' approval.

RECOMMENDATION

That Council:

1. Approves in principle the 2019/20 proposed Budget and Schedule of Fees and Charges as required by Section 127 of the *Local Government Act 1989*;
2. Authorises the Chief Executive Officer to give public notice of the preparation of the Budget in accordance with the Act and make available copies of the documents for public inspection;
3. In accordance with Section 223 of the *Local Government Act 1989*, invite submissions, until close of business Friday 24 May 2019, and provide submitters with the opportunity to be heard in person by Council;
4. Hear any submission on any proposal (or proposals) contained in the proposed budget, made in accordance with sections 129 and 223 of the *Local Government Act 1989*, at a Special Council Meeting to be held on 5 June 2019 at the West Gippsland Arts Centre, Warragul;
5. Consider the adoption of the budget and the declaration and levy of rates and charges for the 2019/20 financial year at the Council Meeting to be held on Wednesday 26 June 2019 at the Trafalgar Council Chambers, Trafalgar Business Centre.

KEY POINTS/ISSUES

The Annual Budget correlates to the aspirations and commitments of the Council Plan 2017-2021. The Budget is an integral part of Council's overall strategic planning framework and endeavours to resource the directions that have been established in the Council Plan 2017-2021.

The Annual Budget is integrated with the Long Term Financial Strategy and the Rating Strategy.

2019/20 Annual Budget

- The 2019/20 Annual Budget focuses on delivering quality services to the community through a combination of existing programs, new initiatives and capital works. The Budget is framed to deliver on the Council Plan 2017-2021 and is aligned with each of the themes and objectives of the Plan.

- The 2019/20 Annual Budget focuses on improving Council's financial status whilst at the same time delivering the objectives of the Council Plan.
- The increase in rate revenue is fixed to a maximum of 2.5% in line with the State Government rate cap. The budget is formulated to provide sufficient funding to maintain the current range of community programs and services as well as a capital works program of \$32.3 million.
- The major challenges have been to meet the needs of the growing population of the Shire, continuing to review its critical infrastructure renewal requirements, improve Council's overall financial position, within the constraints of the rate cap.
- Highlights of the proposed Budget are:
 - The proposed budget represents income of \$96.9 million and expenditure of \$79.6 million resulting in a surplus of \$17.3 million.
 - Council's annual expenses are expected to increase by 3.4% mainly due to an increase in approved employee positions in the areas of maternal child and health, statutory planning, compliance, property management and customer service in response to growth and community demand. Several of these positions are either externally funded or self-funding via associated revenue generation. By contrast revenue is expected to increase by 11.6% predominately due to an increase in operating grants as a result of the early payment in the prior year of the 2018/19 Financial Assistance Grant. Rates and charges income has increased 3.9% mainly due to the impact of the 2.5% rate cap and supplementary rates and waste service charges for new properties and or/existing dwellings representing growth within the municipality.
 - New operating initiatives include providing for new waste initiatives, including a new waste management plan, increased maternal child health services for those with special needs, additional funding for tourism events in the shire, additional costs associated with panel hearings, extra planning and compliance resourcing and increased resourcing for open space as demand increases.
 - The 2019/20 capital works budget lays the groundwork for the delivery of up to \$32.7 million in key strategic, intergenerational projects for the community over the next three years. In 2019/20 \$7.3 million is proposed for the delivery of individual projects and major design works to position Council to apply for external funding for the major projects. These projects include the Drouin Community Hub, the Warragul Indoor Stadium and the Warragul Civic Place Precinct.
 - In 2019/20 the following strategic projects will be delivered: female friendly pavilions at Darnum, Buln Buln and Hallora and early learning centres at Drouin, Trafalgar and Warragul.

- Infrastructure renewal is expenditure on an existing asset or on replacing an existing asset, which returns the service capability of the asset to that which it had been originally. In the Long Term Financial Strategy Council has committed to the funding of maintaining and improving existing assets over the next few years as a priority. This commences with \$12.1 million in 2019/20 of the total capital expenditure spend of \$32.3 million.
- The total capital expenditure program is \$32.3 million comprising \$28.0 million new works plus \$4.2 million carry over projects from the prior 2017/18 year. The \$28.0 million new works include:
 - Roads investment of \$10.9 million including \$2.3 million fixing country roads, \$2.0 million shire wide road reconstruction works, \$1.1 million for shire wide gravel road resheet works, \$1.3 million for shire wide road resealing works, \$1.2 million for shire wide major pavement repairs and \$0.7 million for shire wide road upgrade/sealing works.
 - Drainage investment of \$2.1 million that mainly includes \$1.0 million for Copelands Road Wetland and Retarding Basin and \$0.5 million for rural road roadside drainage works.
 - Bridges and major culverts investment of \$0.8 million primarily for vehicle bridge renewal program.
 - Recreation, Leisure and Community investment of \$6.1 million mainly comprising of \$1.2 million Drouin Civic Park redevelopment, \$0.9 million for female friendly pavilion at Darnum, \$0.7 million Neerim South Oval upgrade, \$0.6 million Drouin Recreation Reserve netball courts, \$0.4 million pavilion upgrade at Buln Buln and \$0.4 million pavilion upgrade at Hallora Recreation Reserve.
 - Footpaths investment of \$1.3 million comprising \$0.7 million for shire wide new footpath works and \$0.5 million for footpath gravel and sealed path replacements, trip hazard rectifications, DDA upgrades and pram ramp replacements.
 - Buildings investment of \$5.5 million that mainly includes \$1.8 million for a new Early Learning Centre for Trafalgar, \$0.7 million for renewal of community facilities across the shire and \$0.4 million extension of the Drouin Early Learning Centre.
 - Community hub strategy implementation & forward program design investment of \$0.4 million.

2019/20 Rates and Charges

- The 2019/20 Budget includes an increase in rates of 2.5% based on the State Government imposed rate cap. Total revenue from rates and charges for 2019/20 is \$59.9 million. This amount comprises of \$50.9 million rates, \$8.3 million waste charges, \$0.5 million from supplementary valuations (new property additions) and \$0.2 million interest on rates and charges.
- The Rating Strategy recommends that Council continues to apply the following differential rates for:
 - Residential Land, including flats and units; and
 - Farm Land, at a discount of 10% to the general rate; and
 - Commercial and Industrial properties at a surcharge of 20%; and
 - Vacant Land differential to a surcharge of 80%; and
 - Urban Living Land at a discount of 10% to the general rate in order to ease the rate burden on properties within the Urban Growth Zone with a Precinct Structure Plan in place under the Baw Baw Planning Scheme; and
 - Residential Development Land with a surcharge 30% in respect of properties within the Urban Growth Zone with a Precinct Structure Plan and a planning permit authorising subdivision has been issued.
- The 2.5 per cent increase applies to the total rates revenue received by Council, not to individual ratepayers. The residential garbage charge per rateable property budgeted for 2019/20 remains unchanged from 2018/19 residential garbage charge per rateable property. The average residential garbage charge is \$384 per rateable property.
- From the 1 July 2018 land valuations were centralised under the Valuer-General Victoria with a new annual cycle of valuations for rating and taxing purposes. All rateable properties within Baw Baw Shire Council have been revalued at 1 January 2019 and are effective from 1 July 2019. The change in rates will be different for each property due to the CIV of each property. Overall Council's Capital Improved Values have increased by 15.0% over the one year period 2018 to 2019.

TRIPLE BOTTOM LINE IMPLICATIONS

COMMUNITY IMPACT

The 2019/20 Annual Budget focuses on delivering quality services, facilities and infrastructure to meet community needs.

ENVIRONMENTAL IMPACT

The 2019/20 Annual Budget promotes the social, economic and environmental viability of municipal district and its role in maintaining the

viability of Council to ensure that resources are managed in a responsible manner.

FINANCIAL IMPACT

The Council Plan 2017-2021 sets out Council's objectives and directs the Capital and Operational Budget presented in the 2019/20 Annual Budget and the Strategic Resource Plan.

CONSULTATION

- Consultation on the 2019/20 Annual Budget is proposed to commence on Friday 26 April 2019 through to Friday 24 May 2019, following adoption "in principle" by Council on Wednesday 26 June 2019.
- Submissions will be heard on Wednesday 5 June 2019 commencing at 5.30pm at the special meeting of council held for this purpose.

LEGAL/COUNCIL PLAN/POLICY IMPACT

This 2019/20 Annual Budget assists with the achievement of the key strategic objective as set out in the Council Plan 2017-2021:

Organisational Excellence

"Providing community benefit by effectively managing council's resources and finances" and "Sustainably manage Council's financial position".

CHARTER OF HUMAN RIGHTS AND RESPONSIBILITIES

This 2019/20 Annual Budget has been reviewed under the *Charter of Human Rights and Responsibilities* and is considered compatible.

LEGAL

Council is required to prepare a budget pursuant to section 127 of the *Local Government Act 1989*.

POLICY IMPACTS

The Budget is consistent with Council's Rating Strategy, Borrowing Policy and Investment Policy.

CONFLICT OF INTEREST DECLARATION

No officer involved in the preparation of this report has a disclosable interest.

13.6 DRAFT RATING STRATEGY 2019/20

Finance Manager

*Directorate: Corporate and Community
Services*

Ward: All

Appendix: 1 attachment

PURPOSE

To present the Rating Strategy 2019/20 for 'in principle' approval.

RECOMMENDATION

That Council:

1. Approves in principle the 2019/20 Draft Rating Strategy;
2. Authorise the Chief Executive Officer to:
 - a. Give public notice of the preparation of 2019/20 Rating Strategy and make available copies of the documents for public inspection until close of business Friday 24 May 2019, and provide submitters with the opportunity to be heard in person by Council.
 - b. In accordance with Section 223 of the *Local Government Act 1989*, invite submissions and provide submitters with the opportunity to be heard in person by Council at a Special Council Meeting to be held on 5 June 2019 at the West Gippsland Arts Centre, Warragul.

KEY POINTS/ISSUES

- As part of the development of the Council Plan 2017-2021 and 2019/20 Budget, a review of the Council's Rating Strategy has been completed.
- The focus of the strategy is to assess whether the rates revenue raised by the Council is fairly and equitably distributed amongst Council's ratepayers. Each year the Minister for Local Government will set the rate cap that will specify the maximum increase in Council's rates and charges for the forthcoming financial year. The rate cap set by the Minister for 2019/20 is 2.5 per cent. The residential garbage charge per rateable property budgeted for 2019/20 remains unchanged from 2018/19 residential garbage charge per rateable property. The average residential garbage charge is \$384 per rateable property.
- The key recommendations of the strategy suggest that Council:
 - Continues to apply differential rating as its rating system, and
 - Continues to apply the following differential rates, as a discount or a surcharge to the General (residential) rate:
 - Farms at a discount of 10%
 - Commercial and Industrial properties at a surcharge of 20%

- Vacant Land differential at a surcharge of 80%
- Urban Living Land at a discount of 10%
- Residential Development Land at a surcharge of 30%
- Continues to provide an additional eligible pensioner rebate of \$50.00, in addition to the State Government rebate.
- Does not implement a Municipal Charge.
- Continues to apply a Waste Service charge as part of its rating strategy, based on full cost recovery of the waste function.
- Continues to apply the legislated four instalment payment option and does not reintroduce the February lump sum payment option that was abandoned during 2014/15.
- From the 1 July 2018 land valuations were centralised under the Valuer-General Victoria (VGV) with a new annual cycle of valuations for rating and taxing purposes. All rateable properties within Baw Baw Shire Council have been revalued at 1 January 2019 and are effective from 1 July 2019. The change in rates will be different for each property due to the CIV of each property. The general valuation impacts the distribution of rating liability across the municipality. It does not provide Council with any additional revenue within the Shire.
- The value placed on each property by the VGV contract valuer is current and closely reflects market values. All valuations are reviewed taking into account the latest market evidence (sales and rents) for each type of property and each district in a municipality. Adjustments are then made to property valuations where appropriate.
- VGV's contract valuers, Gippsland Property Valuations, throughout the 2019 general valuation inspected 10,648 properties out of 26,412 rateable properties. The 2019 general valuation inspections focussed on properties within the Warragul, Yarragon, Longwarry, Neerim South, Noojee, Nilma, Darnum, Erica, Rawson, Willow Grove and Thorpdale townships. This inspection involved an external inspection of each property to collect or confirm data requiring quantitative assessment (factual data such as land or building area) or qualitative assessment (e.g. grading of building condition or quality of style).
- Overall Council's Capital Improved Values have increased by 15.0% over the one year period 2018 to 2019. Throughout the first half of 2018 residential, rural residential and smaller rural properties generally increased significantly in value in the western area of the municipality. Larger farms and those located in eastern areas have generally shown little change since the 2018 revaluation.

TRIPLE BOTTOM LINE IMPLICATIONS

COMMUNITY IMPACT

The Rating Strategy focuses on the equitable distribution of rates amongst all Council's ratepayers.

ENVIRONMENTAL IMPACT

The strategy has no impact on the environment.

FINANCIAL IMPACT

The Rating Strategy sets out recommendation on the fair and equitable distribution of rates and charges and has no financial impact on the quantum of rates required.

CONSULTATION

- Consultation on the Rating Strategy is proposed to commence on Friday 26 April 2019 through to Friday 24 May 2019, following adoption "in principle" by Council on Wednesday 26 June 2019.
- Submissions will be heard on Wednesday 5 June 2019 commencing at 5.30pm at the special meeting of council held for this purpose.

LEGAL/COUNCIL PLAN/POLICY IMPACT

COUNCIL PLAN

This Rating Strategy assists with the achievement of the key strategic objective as set out in the Council Plan 2017-2021:

Organisational Excellence

"Providing community benefit by effectively managing councils resources and finances" and "Sustainably manage Council's financial position".

CHARTER OF HUMAN RIGHTS AND RESPONSIBILITIES

The Rating Strategy has been reviewed under the Charter of Human Rights and Responsibilities and is considered compatible.

LEGAL

Sections 154 to 166 of the *Local Government Act 1989* set out the requirements for declaration of rates and charges including the application of differential rating (section 161).

POLICY IMPACTS

The Rating Strategy is reviewed on an annual basis as part of the budget process.

CONFLICT OF INTEREST DECLARATION

No officer involved in the preparation of this report has a disclosable interest.

14. NOTICES OF MOTION

Nil Reports

15. COMMITTEE AND DELEGATES REPORTS

16. ASSEMBLY OF COUNCILLORS

16.1 ASSEMBLY OF COUNCILLORS

Governance Officer

*Directorate: Corporate and Community
Services*

Ward: All

Appendix: 7 attachments

PURPOSE

To present the written records of Assemblies of Councillors that have occurred.

RECOMMENDATION

That Council receives and notes the Assembly of Councillors records tabled for the period from Friday 29 March to Friday 12 April 2019.

KEY POINTS/ISSUES

The *Local Government Act 1989* requires that the written record of an Assembly of Councillors be, as soon as practicable, reported at an ordinary meeting of the Council and incorporated into the minutes of that meeting.

17. MAYORAL MINUTE

18. GENERAL BUSINESS