

SOUTH GIPPSLAND SHIRE COUNCIL

# Special Meeting of Council

Endorse Proposed Annual Budget 2019/20, Revised  
Council Plan 2017- 2021 and Rating Strategy 2019-2022  
for Public Exhibition and Confidential Item  
Prejudicial Matter (LG Act, s.89(2)(h))

## MINUTES

**20 March 2019**  
**Council Chambers, Leongatha**  
**Commenced at 12.30pm**



# 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](http://www.southgippsland.vic.gov.au).

## PRESENT

COUNCILLORS:	Cr Don Hill, Mayor Cr Alyson Skinner, Deputy Mayor Cr Lorraine Brunt Cr Ray Argento Cr Rosemary Cousin Cr Andrew McEwen Cr Jeremy Rich Cr James Fawcett
COUNCILLORS NOT PRESENT:	Cr Aaron Brown with leave of absence granted at Ordinary Council Meeting 27 February 2019.
OFFICERS:	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 Jodi Cumming, Corporate and Council Business Officer

## SOUTH GIPPSLAND SHIRE COUNCIL

Special Meeting of Council  
Wednesday 20 March 2019  
Council Chambers, Leongatha  
commenced at 12.30pm

### TABLE OF CONTENTS

<b>1. PRELIMINARY MATTERS .....</b>	<b>5</b>
1.1 LIVE STREAMING COUNCIL MEETING DISCLAIMER.....	5
1.2. WELCOME.....	5
1.3. OPENING PRAYER.....	5
1.4. ACKNOWLEDGEMENT OF TRADITIONAL CUSTODIANS .....	5
1.5. REQUESTS FOR LEAVE OF ABSENCE .....	6
1.6. APOLOGIES.....	6
1.7. DECLARATION OF CONFLICT OF INTEREST FOR COUNCILLORS .....	7
1.8. DECLARATION OF CONFLICT OF INTEREST FOR STAFF.....	8
<b>2. COUNCIL REPORTS.....</b>	<b>9</b>
2.1. 2017-2021 REVISED COUNCIL PLAN .....	9
2.2. 2019/20 PROPOSED ANNUAL BUDGET .....	20
2.3. 2019-2022 PROPOSED RATING STRATEGY .....	29
<b>3. CLOSED SESSION .....</b>	<b>29</b>
3.1 CONFIDENTIAL - PREJUDICIAL MATTER.....	29
<b>4. MEETING CLOSED.....</b>	



**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. REQUESTS FOR LEAVE OF ABSENCE**

**Nil**

**1.6. APOLOGIES**

**Councillor Aaron Brown with leave of absence granted at the Ordinary Meeting of Council 27 February 2019.**

## 1.7. DECLARATION OF CONFLICT OF INTEREST FOR COUNCILLORS

Any interest that a Councillor or staff member has deemed to be significant and has disclosed as either a direct or an indirect interest is now considered to be a conflict of interest. Conflict of interest legislation is in sections 77A, 77B, 78, 78A-D and 79 of the Local Government Act 1989 (the Act). This legislation can be obtained by contacting the Council's Corporate & Community Services Directorate (Council Business) or by accessing the Victorian Legislation and Parliamentary Documents website at [www.legislation.vic.gov.au](http://www.legislation.vic.gov.au).

An interest may be by close association, financial, conflicting duties or receipt of gifts. If a Councillor or staff member discloses any interest in an item discussed at any Council Meeting (whether they attend or not) they must:

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

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

Councillors should check the Minutes of the Council Meeting to ensure their disclosure is recorded accurately. Councillors are not required to disclose conflict of interest in relation to matters only considered at Meetings they do not attend. Detailed information is available in *Conflict of Interest – A Guide for Councillors – October 2012*.

**Nil**

## 1.8. DECLARATION OF CONFLICT OF INTEREST FOR STAFF

Sections 80B and 80C of the Local Government Act 1989 require members of Council staff who have delegated functions and/or provide advice to Council or a Special Committee to disclose conflicts of interest. If Council staff have written, provided information/advice or approved a Council Report and have a conflict of interest, it is the responsibility of that staff member to disclose the interest.

Guidance to identifying and disclosing a conflict of interest is contained in the Victorian State Government, Department of Transport, Planning and Local Infrastructure – *Conflict of Interest – A Guide for Council Staff – October 2011*.

**Nil**

## 2. COUNCIL REPORTS

### 2.1. 2017-2021 REVISED COUNCIL PLAN

Corporate and Community Services Directorate

#### EXECUTIVE SUMMARY

The Council Plan 2017-2021 – Revised 2019, including the rolling four year Strategic Resource Plan, (Revised Council Plan 2019) (**Attachment [2.2.1]**) outlines the strategic objectives, strategies and indicators Council wishes to achieve in its four year term. Council has completed a review of the Revised Council Plan 2019, in accordance with s.125 of the Local Government Act 1989 (the Act). Amendments have been made to a number of the strategies. The changes include adjustments that warrant a formal consultation on the Revised Council Plan 2019, as a result of this year's review.

The Revised Council Plan 2019 also contains the proposed 2019/20 Annual Initiatives (Annual Initiatives) to provide context for actions that will progress the Council Plan Objectives and Strategies in 2019/20. These are also captured in Section 2 of the Proposed Annual Budget 2019/20 (Proposed Budget 2019/20) through which they will be funded. Formal s.223 public consultation and submissions will be sought on the Annual Initiatives through the Proposed Budget 2019/20.

Any changes required to the Annual Initiatives and/or the four year Strategic Resource Plan (SRP) following the public consultation phase, will be amended in both the Revised Council Plan 2019 and the Proposed Budget 2019/20 ready for formal adoption by Council in June 2019.

The Revised Council Plan 2019 in **Attachment [2.2.1]** is presented to Council for endorsement.

Once endorsed, formal public submissions will be sought on the Revised Council Plan 2019 and Proposed Budget 2019/20 from 26 March 2019 until 5.00pm on Friday 26 April 2019. This public submission process will also incorporate the Proposed Rating Strategy 2019-2022. These three strategic documents are interlinked.

A public hearing of submitters who wish to speak will be held on Wednesday 22 May 2019 at 10.45am at the Council Chambers, Leongatha.

Council will consider and decide on submissions to the Revised Council Plan 2019, Proposed Annual Budget 2019/20 and Proposed Rating Strategy 2019-2022 at a Special Meeting of Council in the Council Chambers, at 11.00am on Wednesday 29 May 2019. Copies of submissions (including

submitters' names and addresses) will be made public in the Agenda and Minutes at the Open Hearing on 22 May 2019 and the Special Meeting of Council 29 May 2019.

## **RECOMMENDATION**

That Council:

1. Endorses the Council Plan 2017-2021 – Revised 2019, including the Strategic Resource Plan, contained in Attachment [2.2.1], pursuant to s.125 and s.126 of the Local Government Act 1989;
2. Approves commencement of the statutory procedures to invite public submissions on the Proposed Council Plan 2017-2022 – Revised 2019, in conjunction with the Proposed Budget 2019-2020 and Proposed Rating Strategy 2019-2022 pursuant to ss.125, 129, 158, 129 and 223 of the Local Government Act 1989;
3. Authorises the Chief Executive Officer to undertake the administrative procedures necessary to enable the Council to carry out its functions under s.223 of the Local Government Act 1989 in respect of the statutory procedures outlined in Item 2 above;
4. Gives public notice on Tuesday 26 March 2019 and on Council's website of the Proposed Council Plan 2017-2021 – Revised 2019, Proposed Annual Budget 2019-2020 and Proposed Rating Strategy 2019-2022 in accordance with ss.125, 127 and 129 of the Local Government Act 1989 and commences a s.223 public consultation process inviting written submissions from the community on the Proposed Council Plan 2017-2021 – Revised 2019, Proposed Annual Budget 2019-2020 and Proposed Rating Strategy 2019-2022 by 5.00pm on Friday 26 April 2019;
5. The public notice on Tuesday 26 March 2019, incorporates that:
  - a. The Council Plan 2017-2021 – Revised 2019, Proposed 2019-2020 Annual Budget and Proposed Rating Strategy 2019-2022, have been prepared;
  - b. Copies of the Council Plan 2017-2021 – Revised 2019, Proposed Annual Budget 2019-2020 and Proposed Rating Strategy 2019-2022 together with information prescribed by the Local Government (Planning and Reporting) Regulations 2014, is available for inspection on Council's website [www.southgippsland.vic.gov.au](http://www.southgippsland.vic.gov.au) and Main Office, 9 Smith Street Leongatha from 8.30am to 5.00pm between 26 March 2019 and 26 April 2019; and that

- c. A person proposing to make a submission under s.223 of the Local Government Act 1989 must do so by 5.00pm on Friday 26 April 2019. Late submissions will not be considered by Council;
  - d. Submissions must be addressed to the Chief Executive Officer, South Gippsland Shire Council.
  - e. Separate submissions are to be lodged for each separate document.
  - f. Submissions are to be sent via email for the Proposed Council Plan 2017-2021 – Revised 2019 and Proposed Annual Report 2019-2020 to [submission@southgippsland.vic.gov.au](mailto:submission@southgippsland.vic.gov.au); and submissions for the Proposed Rating Strategy 2019-2022 to [ratingstrategy@southgippsland.vic.gov.au](mailto:ratingstrategy@southgippsland.vic.gov.au)
  - g. All formal written submissions will be considered in accordance with s.223 of the Local Government Act 1989;
  - h. Any person making a written submission is required to state in their submission(s) if he or she wishes to appear in person, or be represented by a person specified in their submission(s), at an open meeting to be heard in support of their submission;
  - i. Copies of submissions (including submitter's names and addresses) will be made available at the Open Hearing and Special Meeting of Council at which the submissions are considered and decided, and Council is required to make submissions available for public inspection for a period of twelve months;
  - j. The time, date and place for hearing of submissions; and
  - k. Following consideration of the submissions, Council may or may not amend the Council Plan 2017-2021 – Revised 2019, Proposed Annual Report 2019-2020 and Proposed Rating Strategy 2019-2022.
6. Authorises the Chief Executive Officer to fix the time, date and place for the s.223 hearing for persons who have indicated in their written submissions that they wish to be heard in support of their submission, as Wednesday 22 May 2019 at 10.45am for the Council Plan 2017-2021 – Revised 2019, in conjunction with the Proposed Annual Budget 2019-2020, at the Council Chambers, Michael Place, Leongatha.
  7. Appoints all Councillors in attendance to hear the submissions;
  8. Advises those persons who have indicated in their written submission that they wish to be heard in support of their submission, of the date, time and place of the hearing of submissions, as soon as practicable;

9. Authorises the Chief Executive Officer to fix the time, date and place to consider and determine the submissions for inclusion in the final Council Plan 2017-2021 – Revised 2019, Annual Budget 2019-2020 and Rating Strategy 2019-2022 at a Special Meeting of Council on Wednesday 29 May 2019 at 11.00am in the Council Chambers, Michael Place, Leongatha; and
10. Requires the final Council Plan 2017-2021 – Revised 2019 be presented to Council for adoption at the Ordinary Meeting of Council 26 June 2019.

**MOVED:** Cr Skinner

**SECONDED:** Cr Cousin

**THAT COUNCIL:**

- 1. ENDORSES THE COUNCIL PLAN 2017-2021 – REVISED 2019, INCLUDING THE STRATEGIC RESOURCE PLAN, CONTAINED IN ATTACHMENT [2.2.1], PURSUANT TO S.125 AND S.126 OF THE LOCAL GOVERNMENT ACT 1989;**
- 2. APPROVES COMMENCEMENT OF THE STATUTORY PROCEDURES TO INVITE PUBLIC SUBMISSIONS ON THE PROPOSED COUNCIL PLAN 2017-2022 – REVISED 2019, IN CONJUNCTION WITH THE PROPOSED BUDGET 2019-2020 AND PROPOSED RATING STRATEGY 2019-2022 PURSUANT TO SS.125, 129, 158, 129 AND 223 OF THE LOCAL GOVERNMENT ACT 1989.**
- 3. AUTHORISES THE CHIEF EXECUTIVE OFFICER TO UNDERTAKE THE ADMINISTRATIVE PROCEDURES NECESSARY TO ENABLE THE COUNCIL TO CARRY OUT ITS FUNCTIONS UNDER S.223 OF THE LOCAL GOVERNMENT ACT 1989 IN RESPECT OF THE STATUTORY PROCEDURES OUTLINED IN ITEM 2 ABOVE;**
- 4. GIVES PUBLIC NOTICE ON TUESDAY 26 MARCH 2019 AND ON COUNCIL'S WEBSITE OF THE PROPOSED COUNCIL PLAN 2017-2021 – REVISED 2019, PROPOSED ANNUAL BUDGET 2019-2020 AND PROPOSED RATING STRATEGY 2019-2022 IN ACCORDANCE WITH SS.125, 127 AND 129 OF THE LOCAL GOVERNMENT ACT 1989 AND COMMENCES A S.223 PUBLIC CONSULTATION PROCESS INVITING WRITTEN SUBMISSIONS FROM THE COMMUNITY ON THE PROPOSED COUNCIL PLAN 2017-2021 – REVISED 2019, PROPOSED ANNUAL BUDGET 2019-2020 AND PROPOSED RATING STRATEGY 2019-2022 BY 5.00PM ON FRIDAY 26 APRIL 2019;**
- 5. THE PUBLIC NOTICE ON TUESDAY 26 MARCH 2019, INCORPORATES THAT:**
  - a. THE COUNCIL PLAN 2017-2021 – REVISED 2019, PROPOSED 2019-2020 ANNUAL BUDGET AND PROPOSED RATING STRATEGY 2019-2022, HAVE BEEN PREPARED;**
  - b. COPIES OF THE COUNCIL PLAN 2017-2021 – REVISED 2019, PROPOSED ANNUAL BUDGET 2019-2020 AND PROPOSED RATING STRATEGY 2019-2022 TOGETHER WITH INFORMATION PRESCRIBED BY THE LOCAL GOVERNMENT (PLANNING AND REPORTING) REGULATIONS 2014, IS AVAILABLE FOR INSPECTION**

ON COUNCIL'S WEBSITE [WWW.SOUTHGIPPSLAND.VIC.GOV.AU](http://WWW.SOUTHGIPPSLAND.VIC.GOV.AU) AND MAIN OFFICE, 9 SMITH STREET LEONGATHA FROM 8.30AM TO 5.00PM BETWEEN 26 MARCH 2019 AND 26 APRIL 2019; AND THAT

- c. A PERSON PROPOSING TO MAKE A SUBMISSION UNDER S.223 OF THE LOCAL GOVERNMENT ACT 1989 MUST DO SO BY 5.00PM ON FRIDAY 26 APRIL 2019. LATE SUBMISSIONS WILL NOT BE CONSIDERED BY COUNCIL;
- d. SUBMISSIONS MUST BE ADDRESSED TO THE CHIEF EXECUTIVE OFFICER, SOUTH GIPPSLAND SHIRE COUNCIL.
- e. SEPARATE SUBMISSIONS ARE TO BE LODGED FOR EACH SEPARATE DOCUMENT.
- f. SUBMISSIONS ARE TO BE SENT VIA EMAIL FOR THE PROPOSED COUNCIL PLAN 2017-2021 – REVISED 2019 AND PROPOSED ANNUAL REPORT 2019-2020 TO [SUBMISSION@SOUTHGIPPSLAND.VIC.GOV.AU](mailto:SUBMISSION@SOUTHGIPPSLAND.VIC.GOV.AU); AND SUBMISSIONS FOR THE PROPOSED RATING STRATEGY 2019-2022 TO [RATINGSTRATEGY@SOUTHGIPPSLAND.VIC.GOV.AU](mailto:RATINGSTRATEGY@SOUTHGIPPSLAND.VIC.GOV.AU)
- g. ALL FORMAL WRITTEN SUBMISSIONS WILL BE CONSIDERED IN ACCORDANCE WITH S.223 OF THE LOCAL GOVERNMENT ACT 1989;
- h. ANY PERSON MAKING A WRITTEN SUBMISSION IS REQUIRED TO STATE IN THEIR SUBMISSION(S) IF HE OR SHE WISHES TO APPEAR IN PERSON, OR BE REPRESENTED BY A PERSON SPECIFIED IN THEIR SUBMISSION(S), AT AN OPEN MEETING TO BE HEARD IN SUPPORT OF THEIR SUBMISSION;
- i. COPIES OF SUBMISSIONS (INCLUDING SUBMITTER'S NAMES AND ADDRESSES) WILL BE MADE AVAILABLE AT THE OPEN HEARING AND SPECIAL MEETING OF COUNCIL AT WHICH THE SUBMISSIONS ARE CONSIDERED AND DECIDED, AND COUNCIL IS REQUIRED TO MAKE SUBMISSIONS AVAILABLE FOR PUBLIC INSPECTION FOR A PERIOD OF TWELVE MONTHS;
- j. THE TIME, DATE AND PLACE FOR HEARING OF SUBMISSIONS; AND
- k. FOLLOWING CONSIDERATION OF THE SUBMISSIONS, COUNCIL MAY OR MAY NOT AMEND THE COUNCIL PLAN 2017-2021 – REVISED 2019, PROPOSED ANNUAL REPORT 2019-2020 AND PROPOSED RATING STRATEGY 2019-2022.

- 6. AUTHORISES THE CHIEF EXECUTIVE OFFICER TO FIX THE TIME, DATE AND PLACE FOR THE S.223 HEARING FOR PERSONS WHO HAVE INDICATED IN THEIR WRITTEN SUBMISSIONS THAT THEY WISH TO BE HEARD IN SUPPORT OF THEIR SUBMISSION, AS WEDNESDAY 22 MAY 2019 AT 10.45AM FOR THE COUNCIL PLAN 2017-2021 – REVISED 2019, IN CONJUNCTION WITH THE PROPOSED ANNUAL BUDGET 2019-2020, AT THE COUNCIL CHAMBERS, MICHAEL PLACE, LEONGATHA.**
- 7. APPOINTS ALL COUNCILLORS IN ATTENDANCE TO HEAR THE SUBMISSIONS;**
- 8. ADVISES THOSE PERSONS WHO HAVE INDICATED IN THEIR WRITTEN SUBMISSION THAT THEY WISH TO BE HEARD IN SUPPORT OF THEIR SUBMISSION, OF THE DATE, TIME AND PLACE OF THE HEARING OF SUBMISSIONS, AS SOON AS PRACTICABLE;**
- 9. AUTHORISES THE CHIEF EXECUTIVE OFFICER TO FIX THE TIME, DATE AND PLACE TO CONSIDER AND DETERMINE THE SUBMISSIONS FOR INCLUSION IN THE FINAL COUNCIL PLAN 2017-2021 – REVISED 2019, ANNUAL BUDGET 2019-2020 AND RATING STRATEGY 2019-2022 AT A SPECIAL MEETING OF COUNCIL ON WEDNESDAY 29 MAY 2019 AT 11.00AM IN THE COUNCIL CHAMBERS, MICHAEL PLACE, LEONGATHA.**
- 10. REQUIRES THE FINAL COUNCIL PLAN 2017-2021 – REVISED 2019 BE PRESENTED TO COUNCIL FOR ADOPTION AT THE ORDINARY MEETING OF COUNCIL 26 JUNE 2019.**

**CARRIED UNANIMOUSLY**

## 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 articulated in a four year Council Plan and supported by a four year SRP. These requirements are legislated under s.125 of the Act.

Council has worked together to develop the Strategic Objectives, Strategies and Strategic Indicators contained in the Revised Council Plan 2019 in **Attachment [2.2.1]**.

A number of Strategies have been amended in the Revised Council Plan 2019. These changes have been incorporated following seven workshops held with Councillors in late 2018 and early 2019. The changes are considered significant enough to warrant the call for formal submissions. The changes made include:

**1. Objective 3 - Sub Strategy 3.3.1 has been amended from:**

*“Establish a Council Committee to review the implementation of Council’s ‘Compliance and Enforcement Policy’, and that it seeks appropriate input from the general public and from people who have had concerns with Council’s enforcement of the Policy”.*

To:

*“Establish a Council Committee to review the implementation of Council’s ‘Compliance and Enforcement Policy’, taking into consideration community concerns and regulatory requirements.”*

**2. Objective 4 – Strategy 4.3 has been amended from:**

*“Work in partnership with the Chief Executive Officer and senior staff to develop a four year Rate Reduction Strategy, to reduce the rate burden by 3 per cent through improved innovation and productivity savings, streamlining the administrative structures and processes, through improved Business Unit performance and economic growth”.*

To:

*“Develop a ten year ‘Sustainable Cost Reduction Strategy’ based on improved operational efficiencies and population growth, to be utilised for value for money service improvements, better infrastructure and/or rate reductions.”*

Feedback received from the Annual Community Satisfaction Survey and various other community engagements has highlighted that improvements to

gravel roads maintenance is a primary service area where service improvements are required. Other areas raised for improved standards of service included parks and sporting areas, reduced costs for waste management and increased support for community festivals and events. An overall theme of value for money and rates reductions is also frequently raised.

The original Strategy 4.3 has been amended to reflect the wider range of outcomes sought by the community. The impact of a 3 per cent rate reduction would have significantly impaired Council's ability to address the community concerns and to maintain a sustainable financial position in the short, medium and long-term. The revised Strategy 4.3 retains the emphasis on finding organisational efficiencies to reduce costs and use the savings prudently.

The Revised Council Plan 2019 contains the four year SRP, taken from Council's Proposed Budget and Long-Term Financial Plan. The SRP outlines the resources required to achieve the Revised Council Plan 2019.

This Revised Council Plan 2019, including the Annual Initiatives and the SRP, is presented to Council for endorsement. Formal submissions will then be sought and heard, prior to the presentation of a final Revised Council Plan 2019 for adoption in June 2019.

The Revised Council Plan 2019 contains the 2019/20 Annual Initiatives that are proposed to progress Council's strategic directions. The Annual Initiatives are also contained in the Proposed Budget 2019/20 through which they will be funded. It is recommended that formal consultation be undertaken on the Initiatives through the Proposed Budget 2019/20, in accordance with ss.128, 129 and 223 of the Act. Any changes to the SRP or the Initiatives arising from the consultation phase will be updated in the final Revised Council Plan 2019 and presented to Council for adoption at the Ordinary Meeting of Council 26 June 2019.

Community members interested in making a submission regarding the Annual Initiatives are encouraged to refer to the Proposed Budget 2019/20 report, being considered by Council at today's meeting, for details on the timeline and process for making a formal submission.

## **CONSULTATION**

Council has considered community feedback and Councillors' ideas in the development of the Revised Council Plan 2019 over the course of seven workshops held between October 2018 and February 2019. Information from various Council Departments has also been included to inform the review, the development of Initiatives and any budgetary implications. These include:

1. Council's top ten strategic risks;

2. Verbatim comments from community members from the 2018 Customer Satisfaction Survey and the first wave of the 2019 survey feedback;
3. Community ideas and feedback from various community engagement activities held during 2018 and in previous years;
4. Council Plan strategies;
5. Councillors areas of interests and suggestions for outcomes on the ground by the end of Council's term;
6. Council's priority projects; and
7. Budgetary considerations for various Initiatives and proposed new Capital Works.

Further public consultation will be undertaken through formal written s.223 submissions to be conducted from 26 March to 26 April 2019.

### **RESOURCES**

Financial implications normally arise as a result of the directions and priorities Council sets for the four year term. Council has considered these implications through the development of the Revised Council Plan 2019, Proposed Budget and Long Term Financial Plan (LTFFP).

### **RISKS**

Consideration of the financial implications required to implement the strategic directions of Council aims to mitigate the risk of overcommitting Council to achieve outputs and outcomes it does not have the resources to support. The Financial Strategies, outlined in the Proposed Budget and in the SRP, provide guidance for Council in determining how to responsibly plan for future service provision. Adherence to these strategies will further mitigate this risk.

Council is required to adopt a Council Plan for its four year term and review it annually in accordance with s.125 of the Act. The Council Plan must contain Strategic Objectives, Strategies to achieve the Objectives for at least four years, Strategic Indicators to monitor the achievement of the Objectives and a rolling four year SRP to deliver the Council Plan. Without these sections, Council risks breaching the legislative requirements set out in the Act. The Revised Council Plan 2019 contains all of these sections.

### **STAFF DISCLOSURE**

Nil

## **ATTACHMENTS**

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

1. Council Plan 2017-2021 – Revised 2019 – 2019/20 Annual Initiatives **[2.1.1]**

## **REFERENCE DOCUMENTS**

### **Council Policy**

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

Revised Council Plan 2017-2021 incorporating the Strategic Resource Plan

### **Legislative Provisions**

Local Government Act 1989

## **2.2. 2019/20 PROPOSED ANNUAL BUDGET**

Corporate and Community Services Directorate

### **EXECUTIVE SUMMARY**

The three formal steps required by the Local Government Act 1989 (the Act) in relation to the Annual Budget are:

- Preparation (s.127);
- Public submission process (s.223); and
- Adoption (s.130).

This report recommends that Council formally prepare the Proposed 2019/20 Annual Budget in accordance with s.127 of the Act and advertise it under s.129.

### **RECOMMENDATION**

That Council:

1. Prepares the Proposed 2019/20 Annual Budget (Attachment [2.1.1]), pursuant to s.127 of the Local Government Act 1989;
2. Approves commencement of the statutory procedures to invite public submissions on the Proposed Budget 2019-2020, in conjunction with the Proposed Council Plan 2017-2022 – Revised 2019 and Proposed Rating Strategy 2019-2022 pursuant to ss.125, 129, 158, 129 and 223 of the Local Government Act 1989;
3. Authorises the Chief Executive Officer to undertake the administrative procedures necessary to enable the Council to carry out its functions under s.223 of the Local Government Act 1989 in respect of the statutory procedures outlined in Item 2 above;
4. Gives public notice on Tuesday 26 March 2019 and on Council's website of the Proposed Council Plan 2017-2021 – Revised 2019, Proposed Annual Budget 2019-2020 and Proposed Rating Strategy 2019-2022 in accordance with ss.125, 127 and 129 of the Local Government Act 1989 and commences a s.223 public consultation process inviting written submissions from the community on the Proposed Council Plan 2017-2021 – Revised 2019, Proposed Annual Budget 2019-2020 and Proposed Rating Strategy 2019-2022 by 5.00pm on Friday 26 April 2019;

5. The public notice on Tuesday 26 March 2019, incorporates that:
- a. The Council Plan 2017-2021 – Revised 2019, Proposed 2019-2020 Annual Budget and Proposed Rating Strategy 2019-2022, have been prepared;
  - b. Copies of the Council Plan 2017-2021 – Revised 2019, Proposed Annual Budget 2019-2020 and Proposed Rating Strategy 2019-2022 together with information prescribed by the Local Government (Planning and Reporting) Regulations 2014, is available for inspection on Council’s website [www.southgippsland.vic.gov.au](http://www.southgippsland.vic.gov.au) and Main Office, 9 Smith Street Leongatha from 8.30am to 5.00pm between 26 March 2019 and 26 April 2019; and that
  - c. A person proposing to make a submission under s.223 of the Local Government Act 1989 must do so by 5.00pm on Friday 26 April 2019. Late submissions will not be considered by Council;
  - d. Submissions must be addressed to the Chief Executive Officer, South Gippsland Shire Council.
  - e. Separate submissions are to be lodged for each separate document.
  - f. Submissions are to be sent via email for the Proposed Council Plan 2017-2021 – Revised 2019 and Proposed Annual Report 2019-2020 to [submission@southgippsland.vic.gov.au](mailto:submission@southgippsland.vic.gov.au); and submissions for the Proposed Rating Strategy 2019-2022 to [ratingstrategy@southgippsland.vic.gov.au](mailto:ratingstrategy@southgippsland.vic.gov.au)
  - g. All formal written submissions will be considered in accordance with s.223 of the Local Government Act 1989;
  - h. Any person making a written submission is required to state in their submission(s) if he or she wishes to appear in person, or be represented by a person specified in their submission(s), at an open meeting to be heard in support of their submission;
  - i. Copies of submissions (including submitter’s names and addresses) will be made available at the Open Hearing and Special Meeting of Council at which the submissions are considered and decided, and Council is required to make submissions available for public inspection for a period of twelve months;
  - j. The time, date and place for hearing of submissions; and

- k. Following consideration of the submissions, Council may or may not amend the Council Plan 2017-2021 – Revised 2019, Proposed Annual Report 2019-2020 and Proposed Rating Strategy 2019-2022.
6. Authorises the Chief Executive Officer to fix the time, date and place for the s.223 hearing for persons who have indicated in their written submissions that they wish to be heard in support of their submission, as Wednesday 22 May 2019 at 10.45am for the Council Plan 2017-2021 – Revised 2019, in conjunction with the Proposed Annual Budget 2019-2020, at the Council Chambers, Michael Place, Leongatha.
7. Appoints all Councillors in attendance to hear the submissions;
8. Advises those persons who have indicated in their written submission that they wish to be heard in support of their submission, of the date, time and place of the hearing of submissions, as soon as practicable;
9. Authorises the Chief Executive Officer to fix the time, date and place to consider and determine the submissions for inclusion in the final Council Plan 2017-2021 – Revised 2019, Annual Budget 2019-2020 and Rating Strategy 2019-2022 at a Special Meeting of Council on Wednesday 29 May 2019 at 11.00am in the Council Chambers, Michael Place, Leongatha; and
10. Requires the final Annual Budget 2019-2020 be presented to Council for adoption at the Ordinary Meeting of Council 26 June 2019.

**MOVED:** Cr McEwen

**SECONDED:** Cr Rich

**THAT COUNCIL:**

- 1. PREPARES THE PROPOSED 2019/20 ANNUAL BUDGET (ATTACHMENT [2.1.1]), PURSUANT TO S.127 OF THE LOCAL GOVERNMENT ACT 1989;**
- 2. APPROVES COMMENCEMENT OF THE STATUTORY PROCEDURES TO INVITE PUBLIC SUBMISSIONS ON THE PROPOSED BUDGET 2019-2020, IN CONJUNCTION WITH THE PROPOSED COUNCIL PLAN 2017-2022 – REVISED 2019 AND PROPOSED RATING STRATEGY 2019-2022 PURSUANT TO SS.125, 129, 158, 129 AND 223 OF THE LOCAL GOVERNMENT ACT 1989.**
- 3. AUTHORISES THE CHIEF EXECUTIVE OFFICER TO UNDERTAKE THE ADMINISTRATIVE PROCEDURES NECESSARY TO ENABLE THE COUNCIL TO CARRY OUT ITS FUNCTIONS UNDER S.223 OF THE LOCAL GOVERNMENT ACT 1989 IN RESPECT OF THE STATUTORY PROCEDURES OUTLINED IN ITEM 2 ABOVE;**
- 4. GIVES PUBLIC NOTICE ON TUESDAY 26 MARCH 2019 AND ON COUNCIL’S WEBSITE OF THE PROPOSED COUNCIL PLAN 2017-2021 – REVISED 2019, PROPOSED ANNUAL BUDGET 2019-2020 AND PROPOSED RATING STRATEGY 2019-2022 IN ACCORDANCE WITH SS.125, 127 AND 129 OF THE LOCAL GOVERNMENT ACT 1989 AND COMMENCES A S.223 PUBLIC CONSULTATION PROCESS INVITING WRITTEN SUBMISSIONS FROM THE COMMUNITY ON THE PROPOSED COUNCIL PLAN 2017-2021 – REVISED 2019, PROPOSED ANNUAL BUDGET 2019-2020 AND PROPOSED RATING STRATEGY 2019-2022 BY 5.00PM ON FRIDAY 26 APRIL 2019;**
- 5. THE PUBLIC NOTICE ON TUESDAY 26 MARCH 2019, INCORPORATES THAT:**
  - a. THE COUNCIL PLAN 2017-2021 – REVISED 2019, PROPOSED 2019-2020 ANNUAL BUDGET AND PROPOSED RATING STRATEGY 2019-2022, HAVE BEEN PREPARED;**
  - b. COPIES OF THE COUNCIL PLAN 2017-2021 – REVISED 2019, PROPOSED ANNUAL BUDGET 2019-2020 AND PROPOSED RATING STRATEGY 2019-2022 TOGETHER WITH INFORMATION PRESCRIBED BY THE LOCAL GOVERNMENT (PLANNING AND REPORTING) REGULATIONS 2014, IS AVAILABLE FOR INSPECTION ON COUNCIL’S WEBSITE [WWW.SOUTHGIPPSLAND.VIC.GOV.AU](http://WWW.SOUTHGIPPSLAND.VIC.GOV.AU)**

**AND MAIN OFFICE, 9 SMITH STREET LEONGATHA FROM 8.30AM TO 5.00PM BETWEEN 26 MARCH 2019 AND 26 APRIL 2019; AND THAT**

- c. A PERSON PROPOSING TO MAKE A SUBMISSION UNDER S.223 OF THE LOCAL GOVERNMENT ACT 1989 MUST DO SO BY 5.00PM ON FRIDAY 26 APRIL 2019. LATE SUBMISSIONS WILL NOT BE CONSIDERED BY COUNCIL;**
- d. SUBMISSIONS MUST BE ADDRESSED TO THE CHIEF EXECUTIVE OFFICER, SOUTH GIPPSLAND SHIRE COUNCIL.**
- e. SEPARATE SUBMISSIONS ARE TO BE LODGED FOR EACH SEPARATE DOCUMENT.**
- f. SUBMISSIONS ARE TO BE SENT VIA EMAIL FOR THE PROPOSED COUNCIL PLAN 2017-2021 – REVISED 2019 AND PROPOSED ANNUAL REPORT 2019-2020 TO [SUBMISSION@SOUTHGIPPSLAND.VIC.GOV.AU](mailto:SUBMISSION@SOUTHGIPPSLAND.VIC.GOV.AU); AND SUBMISSIONS FOR THE PROPOSED RATING STRATEGY 2019-2022 TO [RATINGSTRATEGY@SOUTHGIPPSLAND.VIC.GOV.AU](mailto:RATINGSTRATEGY@SOUTHGIPPSLAND.VIC.GOV.AU)**
- g. ALL FORMAL WRITTEN SUBMISSIONS WILL BE CONSIDERED IN ACCORDANCE WITH S.223 OF THE LOCAL GOVERNMENT ACT 1989;**
- h. ANY PERSON MAKING A WRITTEN SUBMISSION IS REQUIRED TO STATE IN THEIR SUBMISSION(S) IF HE OR SHE WISHES TO APPEAR IN PERSON, OR BE REPRESENTED BY A PERSON SPECIFIED IN THEIR SUBMISSION(S), AT AN OPEN MEETING TO BE HEARD IN SUPPORT OF THEIR SUBMISSION;**
- i. COPIES OF SUBMISSIONS (INCLUDING SUBMITTER'S NAMES AND ADDRESSES) WILL BE MADE AVAILABLE AT THE OPEN HEARING AND SPECIAL MEETING OF COUNCIL AT WHICH THE SUBMISSIONS ARE CONSIDERED AND DECIDED, AND COUNCIL IS REQUIRED TO MAKE SUBMISSIONS AVAILABLE FOR PUBLIC INSPECTION FOR A PERIOD OF TWELVE MONTHS;**
- j. THE TIME, DATE AND PLACE FOR HEARING OF SUBMISSIONS; AND**
- k. FOLLOWING CONSIDERATION OF THE SUBMISSIONS, COUNCIL MAY OR MAY NOT AMEND THE COUNCIL PLAN 2017-2021 – REVISED 2019, PROPOSED ANNUAL REPORT 2019-2020 AND PROPOSED RATING STRATEGY 2019-2022.**

- 6. AUTHORISES THE CHIEF EXECUTIVE OFFICER TO FIX THE TIME, DATE AND PLACE FOR THE S.223 HEARING FOR PERSONS WHO HAVE INDICATED IN THEIR WRITTEN SUBMISSIONS THAT THEY WISH TO BE HEARD IN SUPPORT OF THEIR SUBMISSION, AS WEDNESDAY 22 MAY 2019 AT 10.45AM FOR THE COUNCIL PLAN 2017-2021 – REVISED 2019, IN CONJUNCTION WITH THE PROPOSED ANNUAL BUDGET 2019-2020, AT THE COUNCIL CHAMBERS, MICHAEL PLACE, LEONGATHA.**
- 7. APPOINTS ALL COUNCILLORS IN ATTENDANCE TO HEAR THE SUBMISSIONS;**
- 8. ADVISES THOSE PERSONS WHO HAVE INDICATED IN THEIR WRITTEN SUBMISSION THAT THEY WISH TO BE HEARD IN SUPPORT OF THEIR SUBMISSION, OF THE DATE, TIME AND PLACE OF THE HEARING OF SUBMISSIONS, AS SOON AS PRACTICABLE;**
- 9. AUTHORISES THE CHIEF EXECUTIVE OFFICER TO FIX THE TIME, DATE AND PLACE TO CONSIDER AND DETERMINE THE SUBMISSIONS FOR INCLUSION IN THE FINAL COUNCIL PLAN 2017-2021 – REVISED 2019, ANNUAL BUDGET 2019-2020 AND RATING STRATEGY 2019-2022 AT A SPECIAL MEETING OF COUNCIL ON WEDNESDAY 29 MAY 2019 AT 11.00AM IN THE COUNCIL CHAMBERS, MICHAEL PLACE, LEONGATHA.**
- 10. REQUIRES THE FINAL ANNUAL BUDGET 2019-2020 BE PRESENTED TO COUNCIL FOR ADOPTION AT THE ORDINARY MEETING OF COUNCIL 26 JUNE 2019.**

**CARRIED UNANIMOUSLY**

## REPORT

### Implementation

The tabled Proposed 2019/20 Annual Budget document in **Attachment [2.1.1]** is the Budget for the purposes of preparing a budget under s.127 of the Local Government Act 1989 (the Act).

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

Council is required to give 28 days' notice of its intention to adopt the Proposed 2019/20 Annual Budget (**Attachment [2.1.1]**). During this public exhibition period the general public can consider the budget and make formal written submissions to the Chief Executive Officer pursuant to s.223 of the Act. An opportunity to speak to submissions will be provided to submitters upon request. Any written submission must be considered by Council before the adoption of the Budget.

Submissions will be heard at a hearings meeting on 22 May 2019. Council will consider and determine submissions at a Special Meeting of Council on 29 May 2019 and adopt the Proposed Budget at the Ordinary Meeting of Council 26 June 2019.

Council may endorse the Proposed Annual Budget (**Attachment [2.1.1]**) as presented or consider any further amendments, prior to the commencement of the public consultation period.

### CONSULTATION

Council has considered community feedback and Councillors' ideas in the development of the Budget over a number of workshops held between October 2018 and February 2019. Information from various Council Departments and other sources has also informed the Budget, including:

1. Verbatim comments from community members from the 2018 Customer Satisfaction Survey and the first wave of the 2019 survey feedback;
2. Community ideas and feedback from various community engagement activities held during 2018 and in previous years;
3. Discussions at Rating Strategy workshops;
4. The Council Plan; and
5. Council's strategic risk register;

Once the Proposed 2019/20 Annual Budget is formally prepared by Council, the community engagement process will commence with written public submissions being called for in accordance with s.223 of the Act.

The public notice that is required under s.129 of the Act will contain the information required by the Act and regulations and advise:

- That copies of the proposed budget are available for inspection at the Council office at Leongatha and be published on the Council's website until 26 April 2019;
- That written submissions addressed to the Chief Executive Officer will close at 5:00 p.m. on Friday 26 April 2019 and that late submissions will not be accepted;
- That submissions can be emailed or posted;
- That any person wishing to be heard in support of their submission must state that in their submission;
- That copies of submissions (including submitters' names and addresses) will be made public for a period of 12 months;
- The time, date and place for hearing of submissions.

All submissions will be considered and determined at a Special Meeting of Council at 11.00am on Wednesday 29 May 2019 at the Council Chambers, Leongatha.

Council is scheduled to formally adopt the proposed Budget at the Ordinary Meeting of Council 26 June 2019.

## **RESOURCES**

The Budget is the primary document of Council that identifies the resources needed to carry out Council's functions and meet its objectives. These resources include cash, infrastructure, property, plant and equipment, and people.

## **RISKS**

One of the principles of sound financial management under s.136 of the Act is that Council manages financial risks prudently, having regard to economic circumstances. To that end, Council's Audit Committee regularly considers reports in relation to Council's strategic risks.

The risk of not adopting a Budget by the statutory deadline of 30 June 2019 is that Council will suffer reputational damage and be constrained in its ability to raise the necessary funds to carry out its functions and meet its objectives.

**STAFF DISCLOSURE**

Nil

**ATTACHMENTS**

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

1. 2019-20 Proposed Annual Budget **[2.2.1]**

**REFERENCE DOCUMENTS**

**Council Policy**

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

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

Council Plan 2017-2021

**Legislative Provisions**

Local Government Act 1989

### **2.3. 2019-2022 PROPOSED RATING STRATEGY**

Corporate and Community Services Directorate

#### **EXECUTIVE SUMMARY**

The objective of a Rating Strategy is to consider the rating options available to Council under the Local Government Act 1989 (the Act) and how Council's choices contribute towards achieving an equitable distribution of rates among different classes of ratepayers. The purpose of the Annual Budget is to determine the amount of money to be raised by rates, whereas the Rating Strategy determines how the rates burden is to be shared.

The Act gives Council the power to raise general rates by the application of a differential rate under s.161. Differential rates allow Council to achieve fairness in its rating system by providing rate relief to some classes of property and to raise additional rates from other classes of property.

The Proposed Rating Strategy 2019-2022 (**Attachment [2.3.1]**) is presented to Council for endorsement. Once endorsed, the public will be given the opportunity to make submissions under s.223 prior to the Strategy's adoption on 26 June 2019.

#### **RECOMMENDATION**

That Council:

1. Endorses the Proposed Rating Strategy 2019-2022 (Attachment [2.3.1]), pursuant to ss.155,157, and 161 of the Local Government Act 1989;
2. Approves commencement of the statutory procedures to invite public submissions on the Proposed Rating Strategy 2019-2022, in conjunction with the Proposed Council Plan 2017-2022 – Revised 2019 and Proposed Annual Budget 2019-2020 pursuant to ss.125, 129, 158, 129 and 223 of the Local Government Act 1989.
3. Authorises the Chief Executive Officer to undertake the administrative procedures necessary to enable the Council to carry out its functions under s.223 of the Local Government Act 1989 in respect of the statutory procedures outlined in Item 2 above;
4. Gives public notice on Tuesday 26 March 2019 and on Council's website of the Proposed Council Plan 2017-2021 – Revised 2019, Proposed Annual Budget 2019-2020 and Proposed Rating Strategy 2019-2022 in accordance with ss.125, 127 and 129 of the Local Government Act 1989 and commences a s.223 public consultation process inviting written submissions from the community on the Proposed Council Plan

2017-2021 – Revised 2019, Proposed Annual Budget 2019-2020 and Proposed Rating Strategy 2019-2022 by 5.00pm on Friday 26 April 2019;

5. The public notice on Tuesday 26 March 2019, incorporates that:
- a. The Council Plan 2017-2021 – Revised 2019, Proposed 2019-2020 Annual Budget and Proposed Rating Strategy 2019-2022, have been prepared;
  - b. Copies of the Council Plan 2017-2021 – Revised 2019, Proposed Annual Budget 2019-2020 and Proposed Rating Strategy 2019-2022 together with information prescribed by the Local Government (Planning and Reporting) Regulations 2014, is available for inspection on Council's website [www.southgippsland.vic.gov.au](http://www.southgippsland.vic.gov.au) and Main Office, 9 Smith Street Leongatha from 8.30am to 5.00pm between 26 March 2019 and 26 April 2019; and that
  - c. A person proposing to make a submission under s.223 of the Local Government Act 1989 must do so by 5.00pm on Friday 26 April 2019. Late submissions will not be considered by Council;
  - d. Submissions must be addressed to the Chief Executive Officer, South Gippsland Shire Council;
  - e. Separate submissions are to be lodged for each separate document;
  - f. Submissions are to be sent via email for the Proposed Council Plan 2017-2021 – Revised 2019 and Proposed Annual Report 2019-2020 to [submission@southgippsland.vic.gov.au](mailto:submission@southgippsland.vic.gov.au); and submissions for the Proposed Rating Strategy 2019-2022 to [ratingstrategy@southgippsland.vic.gov.au](mailto:ratingstrategy@southgippsland.vic.gov.au);
  - g. All formal written submissions will be considered in accordance with s.223 of the Local Government Act 1989;
  - h. Any person making a written submission is required to state in their submission(s) if he or she wishes to appear in person, or be represented by a person specified in their submission(s), at an open meeting to be heard in support of their submission;
  - i. Copies of submissions (including submitter's names and addresses) will be made available at the Open Hearing and Special Meeting of Council at which the submissions are considered and decided, and Council is required to make submissions available for public inspection for a period of twelve months;
  - j. The time, date and place for hearing of submissions; and

- k. Following consideration of the submissions, Council may or may not amend the Council Plan 2017-2021 – Revised 2019, Proposed Annual Report 2019-2020 and Proposed Rating Strategy 2019-2022.
6. Authorises the Chief Executive Officer to fix the time, date and place for the s.223 hearing for persons who have indicated in their written submissions that they wish to be heard in support of their submission, as Wednesday 22 May 2019 at 2.15pm for the Proposed Rating Strategy 2019-2020, at the Council Chambers, Michael Place, Leongatha.
7. Appoints all Councillors in attendance to hear the submissions;
8. Advises those persons who have indicated in their written submission that they wish to be heard in support of their submission, of the date, time and place of the hearing of submissions, as soon as practicable;
9. Authorises the Chief Executive Officer to fix the time, date and place to consider and determine the submissions for inclusion in the final Council Plan 2017-2021 – Revised 2019, Annual Budget 2019-2020 and Rating Strategy 2019-2022 at a Special Meeting of Council on Wednesday 29 May 2019 at 11.00am in the Council Chambers, Michael Place, Leongatha; and
10. Requires the final Rating Strategy 2019-2022 be presented to Council for adoption at the Ordinary Meeting of Council 26 June 2019.

**MOVED:** Cr Skinner

**SECONDED:** Cr Rich

**THAT COUNCIL:**

- 1. ENDORSES THE PROPOSED RATING STRATEGY 2019-2022 (ATTACHMENT [2.3.1]), PURSUANT TO SS.155,157, AND 161 OF THE LOCAL GOVERNMENT ACT 1989;**
- 2. APPROVES COMMENCEMENT OF THE STATUTORY PROCEDURES TO INVITE PUBLIC SUBMISSIONS ON THE PROPOSED RATING STRATEGY 2019-2022, IN CONJUNCTION WITH THE PROPOSED COUNCIL PLAN 2017-2022 – REVISED 2019 AND PROPOSED ANNUAL BUDGET 2019-2020 PURSUANT TO SS.125, 129, 158, 129 AND 223 OF THE LOCAL GOVERNMENT ACT 1989.**
- 3. AUTHORISES THE CHIEF EXECUTIVE OFFICER TO UNDERTAKE THE ADMINISTRATIVE PROCEDURES NECESSARY TO ENABLE THE COUNCIL TO CARRY OUT ITS FUNCTIONS UNDER S.223 OF THE LOCAL GOVERNMENT ACT 1989 IN RESPECT OF THE STATUTORY PROCEDURES OUTLINED IN ITEM 2 ABOVE;**
- 4. GIVES PUBLIC NOTICE ON TUESDAY 26 MARCH 2019 AND ON COUNCIL’S WEBSITE OF THE PROPOSED COUNCIL PLAN 2017-2021 – REVISED 2019, PROPOSED ANNUAL BUDGET 2019-2020 AND PROPOSED RATING STRATEGY 2019-2022 IN ACCORDANCE WITH SS.125, 127 AND 129 OF THE LOCAL GOVERNMENT ACT 1989 AND COMMENCES A S.223 PUBLIC CONSULTATION PROCESS INVITING WRITTEN SUBMISSIONS FROM THE COMMUNITY ON THE PROPOSED COUNCIL PLAN 2017-2021 – REVISED 2019, PROPOSED ANNUAL BUDGET 2019-2020 AND PROPOSED RATING STRATEGY 2019-2022 BY 5.00PM ON FRIDAY 26 APRIL 2019;**
- 5. THE PUBLIC NOTICE ON TUESDAY 26 MARCH 2019, INCORPORATES THAT:**
  - a. THE COUNCIL PLAN 2017-2021 – REVISED 2019, PROPOSED 2019-2020 ANNUAL BUDGET AND PROPOSED RATING STRATEGY 2019-2022, HAVE BEEN PREPARED;**
  - b. COPIES OF THE COUNCIL PLAN 2017-2021 – REVISED 2019, PROPOSED ANNUAL BUDGET 2019-2020 AND PROPOSED RATING STRATEGY 2019-2022 TOGETHER WITH INFORMATION PRESCRIBED BY THE LOCAL GOVERNMENT (PLANNING AND REPORTING) REGULATIONS 2014, IS AVAILABLE FOR INSPECTION**

**ON COUNCIL'S WEBSITE [WWW.SOUTHGIPPSLAND.VIC.GOV.AU](http://WWW.SOUTHGIPPSLAND.VIC.GOV.AU) AND MAIN OFFICE, 9 SMITH STREET LEONGATHA FROM 8.30AM TO 5.00PM BETWEEN 26 MARCH 2019 AND 26 APRIL 2019; AND THAT**

- c. A PERSON PROPOSING TO MAKE A SUBMISSION UNDER S.223 OF THE LOCAL GOVERNMENT ACT 1989 MUST DO SO BY 5.00PM ON FRIDAY 26 APRIL 2019. LATE SUBMISSIONS WILL NOT BE CONSIDERED BY COUNCIL;**
- d. SUBMISSIONS MUST BE ADDRESSED TO THE CHIEF EXECUTIVE OFFICER, SOUTH GIPPSLAND SHIRE COUNCIL.**
- e. SEPARATE SUBMISSIONS ARE TO BE LODGED FOR EACH SEPARATE DOCUMENT.**
- f. SUBMISSIONS ARE TO BE SENT VIA EMAIL FOR THE PROPOSED COUNCIL PLAN 2017-2021 – REVISED 2019 AND PROPOSED ANNUAL REPORT 2019-2020 TO [SUBMISSION@SOUTHGIPPSLAND.VIC.GOV.AU](mailto:SUBMISSION@SOUTHGIPPSLAND.VIC.GOV.AU); AND SUBMISSIONS FOR THE PROPOSED RATING STRATEGY 2019-2022 TO [RATINGSTRATEGY@SOUTHGIPPSLAND.VIC.GOV.AU](mailto:RATINGSTRATEGY@SOUTHGIPPSLAND.VIC.GOV.AU)**
- g. ALL FORMAL WRITTEN SUBMISSIONS WILL BE CONSIDERED IN ACCORDANCE WITH S.223 OF THE LOCAL GOVERNMENT ACT 1989;**
- h. ANY PERSON MAKING A WRITTEN SUBMISSION IS REQUIRED TO STATE IN THEIR SUBMISSION(S) IF HE OR SHE WISHES TO APPEAR IN PERSON, OR BE REPRESENTED BY A PERSON SPECIFIED IN THEIR SUBMISSION(S), AT AN OPEN MEETING TO BE HEARD IN SUPPORT OF THEIR SUBMISSION;**
- i. COPIES OF SUBMISSIONS (INCLUDING SUBMITTER'S NAMES AND ADDRESSES) WILL BE MADE AVAILABLE AT THE OPEN HEARING AND SPECIAL MEETING OF COUNCIL AT WHICH THE SUBMISSIONS ARE CONSIDERED AND DECIDED, AND COUNCIL IS REQUIRED TO MAKE SUBMISSIONS AVAILABLE FOR PUBLIC INSPECTION FOR A PERIOD OF TWELVE MONTHS;**
- j. THE TIME, DATE AND PLACE FOR HEARING OF SUBMISSIONS; AND**
- k. FOLLOWING CONSIDERATION OF THE SUBMISSIONS, COUNCIL MAY OR MAY NOT AMEND THE COUNCIL PLAN 2017-2021 – REVISED 2019, PROPOSED ANNUAL REPORT 2019-2020 AND PROPOSED RATING STRATEGY 2019-2022.**

- 6. AUTHORISES THE CHIEF EXECUTIVE OFFICER TO FIX THE TIME, DATE AND PLACE FOR THE S.223 HEARING FOR PERSONS WHO HAVE INDICATED IN THEIR WRITTEN SUBMISSIONS THAT THEY WISH TO BE HEARD IN SUPPORT OF THEIR SUBMISSION, AS WEDNESDAY 22 MAY 2019 AT 2.15PM FOR THE PROPOSED RATING STRATEGY 2019-2020, AT THE COUNCIL CHAMBERS, MICHAEL PLACE, LEONGATHA.**
- 7. APPOINTS ALL COUNCILLORS IN ATTENDANCE TO HEAR THE SUBMISSIONS;**
- 8. ADVISES THOSE PERSONS WHO HAVE INDICATED IN THEIR WRITTEN SUBMISSION THAT THEY WISH TO BE HEARD IN SUPPORT OF THEIR SUBMISSION, OF THE DATE, TIME AND PLACE OF THE HEARING OF SUBMISSIONS, AS SOON AS PRACTICABLE;**
- 9. AUTHORISES THE CHIEF EXECUTIVE OFFICER TO FIX THE TIME, DATE AND PLACE TO CONSIDER AND DETERMINE THE SUBMISSIONS FOR INCLUSION IN THE FINAL COUNCIL PLAN 2017-2021 – REVISED 2019, ANNUAL BUDGET 2019-2020 AND RATING STRATEGY 2019-2022 AT A SPECIAL MEETING OF COUNCIL ON WEDNESDAY 29 MAY 2019 AT 11.00AM IN THE COUNCIL CHAMBERS, MICHAEL PLACE, LEONGATHA.**
- 10. REQUIRES THE FINAL RATING STRATEGY 2019-2022 BE PRESENTED TO COUNCIL FOR ADOPTION AT THE ORDINARY MEETING OF COUNCIL 26 JUNE 2019.**

**CARRIED UNANIMOUSLY**

## REPORT

### Background

In 2017/18, Council established a Rating Strategy and Review Committee (RSRC) to review its Rating Strategy for the 2018-2022 period. The RSRC comprised a cross-section of rate paying stakeholders, Councillors and an independent non-voting chairperson. The RSRC made eleven recommendations, which were presented to Council on 21 February 2018.

Following the presentation by the RSRC, Council decided, based on the differing views of individual members of the Committee and various Councillors, that there was insufficient support to make the changes. At the 21 March 2018 Special Meeting of Council, Council resolved to commit to reviewing the Rating Strategy internally in time for the 2019/20, taking into consideration the recommendations from the Rating Review Committee and other ideas put forward.

Subsequently at the Ordinary Meeting of Council on 27 June 2018 the Rating Strategy 2018/19 was adopted with no changes to the previously adopted Rating Strategy 2014-2018.

Between August and December 2018, Council conducted a series of seven workshops to consider the Rating Strategy, and the final outcome was general agreement that the Rating Strategy would include:

1. Continuation of the Capital Improved Value as the valuation methodology to levy Council rates (s.161(1));
2. Continuation of the differential rating system (s.161 (2));
3. Introduction of three new rating categories:
  - a. Extractive Industries (separated out from Industrial);
  - b. Infrastructure and Utilities (separated out from Industrial); and
  - c. Vacant Rural Land (separated out from Vacant Land).
4. A differential of 105 per cent of the general rate for properties that meet the Extractive Industries definition;
5. A differential of 105 per cent of the general rate for properties that meet the Infrastructure and Utilities definition;
6. A differential of 190 per cent of the general rate for properties that meet the Vacant Rural Land definition;

7. A differential of 105 per cent of the general rate for properties that meet the Industrial definition (no change);
8. A differential of 105 per cent of the general rate for properties that meet the Commercial definition (no change);
9. A differential of 70 per cent of the general rate for properties that meet the Farm definition (no change);
10. A differential of 70 per cent of the general rate for properties that meet the Rural Residential definition (no change);
11. A differential of 200 per cent of the general rate for properties that meet the Vacant Land definition (no change);
12. A differential of 50 per cent of the general rate for properties that meet the Cultural and Recreational Land definition (no change); and
13. Does not re-introduce a Municipal Charge.

### **Content of the Rating Strategy**

The Rating Strategy is a comprehensive document that discusses in detail:

- The legislative provisions that Council must consider;
- The valuation bases that Council can choose from;
- The pros and cons of a differential rating system versus a uniform rate, and the differential rates that Council should apply; and
- The pros and cons of municipal charges, service rates and charges, and special rates and charges.

### **Next Steps**

Once endorsed, Council will advertise the Rating Strategy and invite the public to make submissions under s.223. Submissions will close on Friday 26 April 2019 at 5.00pm. Copies of submissions (including submitters' names and addresses) will be made public.

A public hearing of submitters who wish to speak will be held on Wednesday 22 May 2019 at 2.15pm in the Council Chambers, Michael Place, Leongatha.

Council will consider submissions at a Special Meeting of Council in the Council Chambers, at 11.00am on Wednesday 29 May 2019.

## **STAFF DISCLOSURE**

Nil

## **ATTACHMENTS**

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

1. 2019-2022 Proposed Rating Strategy **[2.3.1]**

## **REFERENCE DOCUMENTS**

### **Legislative Provisions**

Council's Existing Rating Strategy 2017-2018

Local Government Better Practice Guide – Revenue and Rating Strategy (2014)

Fair Rates and Sustainable and Efficient Councils - Act for the Future -  
Directions for a New Local Government Act

Ministerial Guidelines on differential rating (2013)

Local Government Act 1989

Valuation of Land Act 1960

### **3. 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 Closed ITEM 3.1 pursuant to Local Government Act 1989, section 89(2)(h) a matter which the Council or Special Committee considers would prejudice the Council or any person.

**MOVED:** Cr Skinner

**SECONDED:** Cr Argento

**THAT COUNCIL CLOSE THE MEETING TO THE PUBLIC TO ALLOW FOR CONSIDERATION OF CLOSED ITEM 3.1 PURSUANT TO LOCAL GOVERNMENT ACT 1989, SECTION 89(2)(H) A MATTER WHICH THE COUNCIL OR SPECIAL COMMITTEE CONSIDERS WOULD PREJUDICE THE COUNCIL OR ANY PERSON.**

**CARRIED UNANIMOUSLY**

**The Mayor adjourned the Council Meeting for 5 minutes in order to clear the Chambers prior to the Closed Session.**

**3.1 CONFIDENTIAL - PREJUDICIAL MATTER**

**7. AUTHORISES THE CHIEF EXECUTIVE OFFICER TO REPORT COUNCIL'S DECISION PUBLICLY ON THE FUTURE DELIVERY OF COMMUNITY TRANSPORT.**

## **4. MEETING CLOSED**

### **NEXT MEETING**

The next Ordinary Meeting of Council open to the public will be held on Wednesday, 27 March 2019 commencing at 2pm in the Council Chambers, Leongatha.

**The Council Meeting closed at 1.53pm.**

**Confirmed this**

**24<sup>th</sup> day of April 2019.**

.....  
**Mayor, Councillor Don Hill**