

SOUTH GIPPSLAND SHIRE COUNCIL

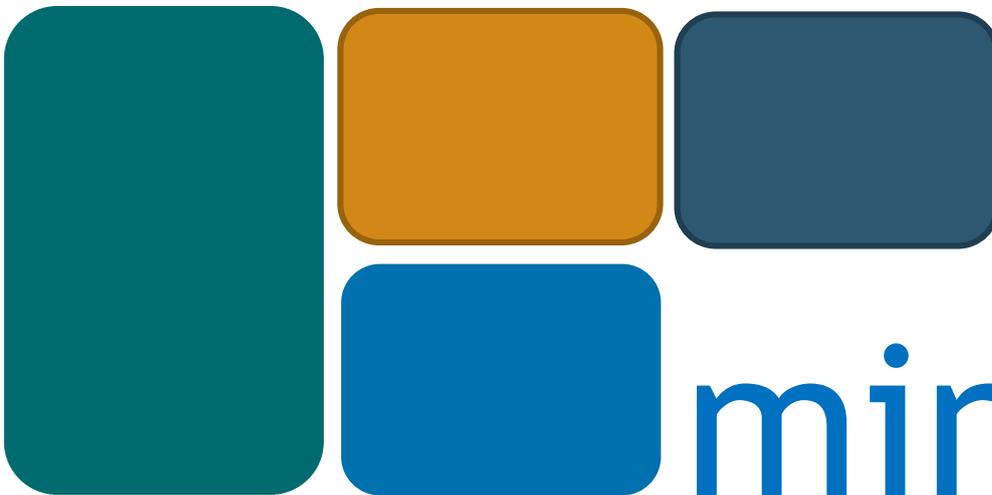
Council Minutes

Ordinary Meeting of Council
25 September 2019

Ordinary Meeting No. 438
Council Chambers, Leongatha
Commenced at 2pm

ADMINISTRATORS

Christian Zahra, Deputy Chair
Rick Brown



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.

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

PRESENT

ADMINISTRATORS:	Christian Zahra, Deputy Chair Frederick (Rick) Brown
NOT PRESENT:	Julie Eisenbise with leave of Council granted at Ordinary Council Meeting 28 August 2019.
OFFICERS:	Bryan Sword, Acting Chief Executive Officer Faith Page, Director Corporate and Community Services Tony Peterson, Acting Director Infrastructure Services Paul Stampton, Acting Director Development Services Rick Rutjens, Manager Executive Support and Community Information June Ernst, Coordinator Council Business Natasha Berry, Corporate and Council Business Officer Jodi Cumming, Corporate and Council Business Officer

SOUTH GIPPSLAND SHIRE COUNCIL

Ordinary Meeting No. 438
 Wednesday 25 September 2019
 Council Chambers, Leongatha commenced at 2pm

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Bryan Sword
Acting 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, present and emerging, their Spirits and Ancestors.

1.5. APOLOGIES

Administrator Chair, Julie Eisenbise with leave of absence granted at Ordinary Council Meeting 28 August 2019.

In the absence of the Chair, Administrator Deputy Chair Christian Zahra will be Chairing the Meeting.

1.6. CONFIRMATION OF MINUTES

RECOMMENDATION

That the Minutes of the South Gippsland Shire Council Ordinary Meeting No. 437, held on 28 August 2019 in the Council Chambers, Leongatha be confirmed.

MOVED: Administrator Zahra

SECONDED: Administrator Brown

THAT THE MINUTES OF THE SOUTH GIPPSLAND SHIRE COUNCIL ORDINARY MEETING NO. 437, HELD ON 28 AUGUST 2019 IN THE COUNCIL CHAMBERS, LEONGATHA BE CONFIRMED.

CARRIED UNANIMOUSLY

1.7. DECLARATION OF CONFLICTS OF INTEREST FOR ADMINISTRATORS

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

An interest may be by close association, financial, conflicting duties or receipt of gifts. If an Administrator 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 Administrator 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.

Administrators should check the Minutes of the Council Meeting to ensure their disclosure is recorded accurately. Administrators 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 – October 2012*.

Nil

1.8. DECLARATION OF CONFLICTS OF INTEREST FOR STAFF

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

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

Bryan Sword, Acting Chief Executive Officer declared a direct conflict of Interest in the Section 12 - Closed Session Item 14.2 PERSONNEL MATTER pursuant section 89(2)(a) of the Local Government Act 1989.

2. OBJECTIVE 1 - STRENGTHEN ECONOMIC GROWTH AND PROSPERITY

2.1. CARAVAN PARKS - MANAGEMENT SUMMARY

Development Services Directorate

EXECUTIVE SUMMARY

The Long Jetty and Yanakie caravan parks are located on Crown Land and Council is the appointed Committee of Management. Council took direct management of the caravan park operations in 2013 following the expiry of 21 year lease agreements. The caravan parks were returned to Council in a state of disrepair and almost exclusively occupied by annual permit holders.

Since taking on the direct management of caravan parks, Council has continued to rejuvenate the land, renew essential infrastructure and take steps to bring the land back into compliance with Victoria's rules and regulations for managing caravan and camping parks on Crown Land.

At the end of each financial year a Council report is tabled to disclose the revenue, operating cost and capital investment for each Council managed caravan park.

For the year ending 30 June 2019 the Yanakie caravan park returned an operating surplus of \$84,105 (revenue minus operating expenses) and the Long Jetty caravan park operated at a net cost of \$69,162. Council made a capital investment of \$263,236 towards a new toilet block at Long Jetty.

The caravan park operations continue to improve year on year. The combined operating surplus for the two caravan parks in 2018/19 was \$14,943. This compares favourably with the net cost of the previous two financial years of \$123,879 in 2017/18 and \$330,184 in 2016/17.

Revenue increased by \$24,893 and operating expenses were reduced by \$47,440 at the Yanakie caravan park over the previous financial year.

Revenue increased by \$31,602 and operating expenses were reduced by \$34,867 at the Long Jetty caravan park over the previous financial year.

RECOMMENDATION

That Council receives the Yanakie and Long Jetty Caravan Park - Summary of Operations Report for the 2018/19 financial year.

Administrator Brown moved a motion different from the Recommendation.

MOVED: Administrator Brown

SECONDED: Administrator Zahra

THAT COUNCIL:

- 1. RECEIVES THE YANAKIE AND LONG JETTY CARAVAN PARK - SUMMARY OF OPERATIONS REPORT FOR THE 2018/19 FINANCIAL YEAR; AND**
- 2. RECEIVES A REPORT BY THE MAY 2020 ORDINARY COUNCIL MEETING, THAT CONSIDERS COUNCIL'S ROLE IN THE DIRECT MANAGEMENT OF CARAVAN PARK OPERATIONS.**

CARRIED UNANIMOUSLY

[Link to next Agenda Item.](#)

REPORT***Background***

Council is the Committee of Management for the land comprising the Long Jetty and Yanakie caravan parks. Council took direct management of these parks following the expiry of 21 year lease agreements entered into by Commissioners during Victorian Local Government reform in 1993/94.

By the time the leases had expired, the caravan parks were in a state of disrepair requiring capital investment to address electrical, fire and public safety compliance requirements.

The parks were predominantly occupied by annual site holders with limited short stay accommodation options. Many private caravans and annexes were in poor condition and a range of private structures were unlawfully erected on Crown Land.

The parks had not been managed in accordance with the Victorian Government's *Best Practice Guidelines (2011) for Committees of Management Managing Caravan and Camping Parks on Crown Land*.

In preparing for the expiry of the 21 year leases, Council undertook a public Expression of Interest (EOI) for the parks to be privately managed under a new lease. At the 24 April 2013 Council Meeting it was determined that suitable EOIs had not been received and Council resolved to bring the parks back under direct management.

Since taking on direct management of the caravan parks, Council has continued to rejuvenate the land, renew essential infrastructure and take steps to bring the land back into compliance with Victoria's rules and regulations for managing caravan and camping parks on Crown Land.

Yanakie Caravan Park financials for the year ending 30 June 2019

The table below provides the revenue, operating costs and capital investment for the Yanakie Caravan Park for the 2018/19 financial year.

<i>Yanakie - 2018/19</i>	<i>Actuals (\$)</i>	<i>Budget (\$)</i>	<i>2017/18 (\$)</i>
Revenue	642,297	606,929	617,404
Operating Expenses	558,192	488,914	605,632
Operating Result	84,105	118,015	11,772
Capital Investment	2,556	292,002	7,975

For the 2018/19 financial year the Yanakie caravan park returned an operating surplus of \$84,105 (revenue minus operating expenses). Combined operating expenses includes all operating costs associated with running the business inclusive of depreciation of assets. This result is an improvement on the 2017/18 financial year by \$72,333.

Capital allocations for a camp kitchen (\$99,000), Electrical upgrade (\$168,000) and powerhead replacements (\$25,000) have been deferred until a preferred site plan and business model are adopted by Council.

Revenue increased by \$24,893 and operating expenses were reduced by \$47,440 over the previous financial year.

Long Jetty Caravan Park financials for the year ending 30 June 2019

The table below provides the revenue, operating costs and capital investment for the Long Jetty Caravan Park for the 2018/19 financial year.

<i>Long Jetty - 2018/19</i>	<i>Actuals (\$)</i>	<i>Budget (\$)</i>	<i>17/18 (\$)</i>
Revenue	317,348	300,064	285,746
Operating Expenses	386,500	392,890	421,367
Operating Result	(69,162)	(92,826)	(135,621)
Capital Investment	263,236	616,978	16,300

For the financial year ending 2018/19 the Long Jetty caravan park operated at a net cost of \$69,162 (revenue minus operating expenses). Combined operating expenses includes all operating costs associated with running the business inclusive of depreciation of assets. This result is an improvement over the 2017/18 financial year by \$66,459.

Council made a capital investment of \$263,236 towards a new toilet block at Long Jetty. The previous toilet block has reached the end of its life and the project will be completed over 2 financial years.

Revenue increased by \$31,602 and operating expenses reduced by \$34,867 on the previous financial year.

RESOURCES

This report provides the revenue, operating costs and capital investments made during the annual operation of Council managed caravan parks.

The annual budget makes provision for operating and capital requirements for the caravan park operations.

RISKS

Council has a variety of reputational, financial and operational risks associated with the management of Crown land and the direct or indirect management of caravan parks. Council's decision to take direct management of the caravan parks and transition them into compliance with the guidelines seeks to mitigate many of Council's risks.

STAFF DISCLOSURE

Nil

REFERENCE DOCUMENTS

Council Policy

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

Economic Development and Tourism Strategy 2018-2021

Legislative Provisions

Best Practice Guidelines for Management of Crown Land Caravan Parks (DELWP)

Crown Land Equity of Access Policy (DELWP)

Crown Land (Reserves) Act 1978

Improving Equity of Access to Crown Land Caravan Parks 2011 Policy (DELWP)

Leasing Policy for Crown Land in Victoria 2010 (DELWP)

Local Government Act 1989

Residential Tenancies (Caravan Parks and Movable Dwellings) Regulations 2010

Water and Planning (DELWP)

2.2. KORUMBURRA RAILWAY STATION SITE MASTER PLAN / COMMUNITY HUB LOCATION

Infrastructure Directorate

EXECUTIVE SUMMARY

The Korumburra Community Hub is an adopted priority project of Council that will relocate and modernise Council's library service. The project will build community partnerships by co-locating a number of community groups and community services. The land vacated by this project is identified as forming part of a future site for a full-line supermarket.

Council resolved at the December 2017 Ordinary Meeting to endorse the Korumburra Railway Yards as the preferred location for the Korumburra Community Hub.

The Council decision required site massing and preliminary costing and design to be undertaken before progressing the project. As Council is not the land owner of the Korumburra railway yards, land tenure was identified as a significant risk to the project's feasibility from the outset. Following negotiations with Vic Track, Council is unable to purchase the land or secure a lease that will cover the life of the building.

Building a Community Hub at this site was also dependent on incorporating the use of the Station building into the Hub design. Grant funding of \$1.5M earmarked for the restoration of the Korumburra Railway Station Building under Vic Track's '*Community Use of Vacant Rail Buildings Program*' has been withdrawn due to other funding commitments.

Delivery of a Community Hub is an important project in the revitalisation of Korumburra and was first identified in the development of the *Korumburra Town Centre Framework Plan (KTCFP)*, which was adopted by Council in 2013. Without certainty of land tenure and funding for the redevelopment of the Railway Station building, it is recommended that development of a Community Hub on the railway yards is abandoned.

Following an assessment of three alternate sites, it is recommended that the Korumburra Community Hub development return to where it was previously identified in the *KTCFP* at 4 Victoria Street, Korumburra (former Kindergarten site).

This recommendation is supported by a feasibility report undertaken by Francis-Jones Morehen Thorp P/L (FJMT) consultants. Consultation with the Chief Executive Officer of the West Gippsland Regional Library Corporation also supports this recommendation.

RECOMMENDATION

That Council:

1. Endorse the location of the Korumburra Community Hub development from the Korumburra Railway Station site to 4 Victoria Street, Korumburra (former Korumburra Kindergarten);
2. Finalise the Master Plan for the Korumburra Railway Station site that does not include the development of a Community Hub but accommodates the Great Southern Rail Trail extension project;
3. Authorise the Chief Executive Officer to approve the contract variation fee of \$139,755 excluding GST from Francis-Jones Morehen Thorp P/L consultants in relation to the above recommendations;
4. Continue to advocate to Vic Track to restore the Korumburra Railway Station building due to its historical significance;
5. Note that an application will be submitted to the 2019 Living Libraries Infrastructure program which closes on 30 September 2019, for \$750,000 grant towards the library component of the Korumburra Community Hub.

MOVED: Administrator Zahra

SECONDED: Administrator Brown

THAT COUNCIL:

- 1. ENDORSE THE LOCATION OF THE KORUMBURRA COMMUNITY HUB DEVELOPMENT FROM THE KORUMBURRA RAILWAY STATION SITE TO 4 VICTORIA STREET, KORUMBURRA (FORMER KORUMBURRA KINDERGARTEN);**
- 2. FINALISE THE MASTER PLAN FOR THE KORUMBURRA RAILWAY STATION SITE THAT DOES NOT INCLUDE THE DEVELOPMENT OF A COMMUNITY HUB BUT ACCOMMODATES THE GREAT SOUTHERN RAIL TRAIL EXTENSION PROJECT;**
- 3. AUTHORISE THE CHIEF EXECUTIVE OFFICER TO APPROVE THE CONTRACT VARIATION FEE OF \$139,755 EXCLUDING GST FROM FRANCIS-JONES MOREHEN THORP P/L CONSULTANTS IN RELATION TO THE ABOVE RECOMMENDATIONS;**
- 4. CONTINUE TO ADVOCATE TO VIC TRACK TO RESTORE THE KORUMBURRA RAILWAY STATION BUILDING DUE TO ITS HISTORICAL SIGNIFICANCE;**
- 5. NOTE THAT AN APPLICATION WILL BE SUBMITTED TO THE 2019 LIVING LIBRARIES INFRASTRUCTURE PROGRAM WHICH CLOSSES ON 30 SEPTEMBER 2019, FOR \$750,000 GRANT TOWARDS THE LIBRARY COMPONENT OF THE KORUMBURRA COMMUNITY HUB.**

CARRIED UNANIMOUSLY

[Link to next Agenda Item.](#)

REPORT

At the 20 December 2017 Ordinary Meeting, Council endorsed the development of the Korumburra Community Hub on the Korumburra Railway Station site. It was previously identified to be constructed on the former Korumburra Kindergarten Site (4 Victoria Street) in the Korumburra Town Centre Framework Plan (KTCFP). The *KTCFP* was adopted by Council and incorporated into the *South Gippsland Planning Scheme* in 2013.

The proposed master plan of the Railway site and concept designs were presented to Council by Francis-Jones Morehen Thorpe (FJMT) at a Strategic Briefing on 7 August 2019. Administrators were also briefed by Council staff on concerns relating to the security of land tenure and the associated project costs of constructing the Community Hub on the railway station site.

As Council is not the land owner of the Korumburra railway yards, land tenure was identified as a significant risk to the project's feasibility from the outset. Following negotiations with Vic Track, Council is unable to purchase the land or secure a lease that will cover the life of the building. This exposes Council to the unacceptable risk of having to demolish the building at the end of a lease tenure and the potential for Korumburra to be without library and associated community services.

Building a Community Hub at the railway yards was also dependent on incorporating the use of the Station building into the Hub design. Grant funding of \$1.5M earmarked for the restoration of the Korumburra Railway Station Building under Vic Track's '*Community Use of Vacant Rail Buildings Program*' has been withdrawn due to other funding commitments. Realisation of the concept master plans which includes the restoration of the station building would require a contribution from Council of up to \$1M above the proposed \$1.5M grant funding needed to restore the station building and make it fit for purpose.

Officers have reviewed the locations previously identified during the development of this project to determine if an alternative location can deliver the project outcomes and provide certainty on when this important community infrastructure can be delivered.

The following three sites were reviewed and assessed:

- Site 1: Former Korumburra Kindergarten (4 Victoria Street)
- Site 2: Former Birralee Child Care (28 Victoria Street)
- Site 3: Korumburra Senior Citizens (14-16 Radovick Street)

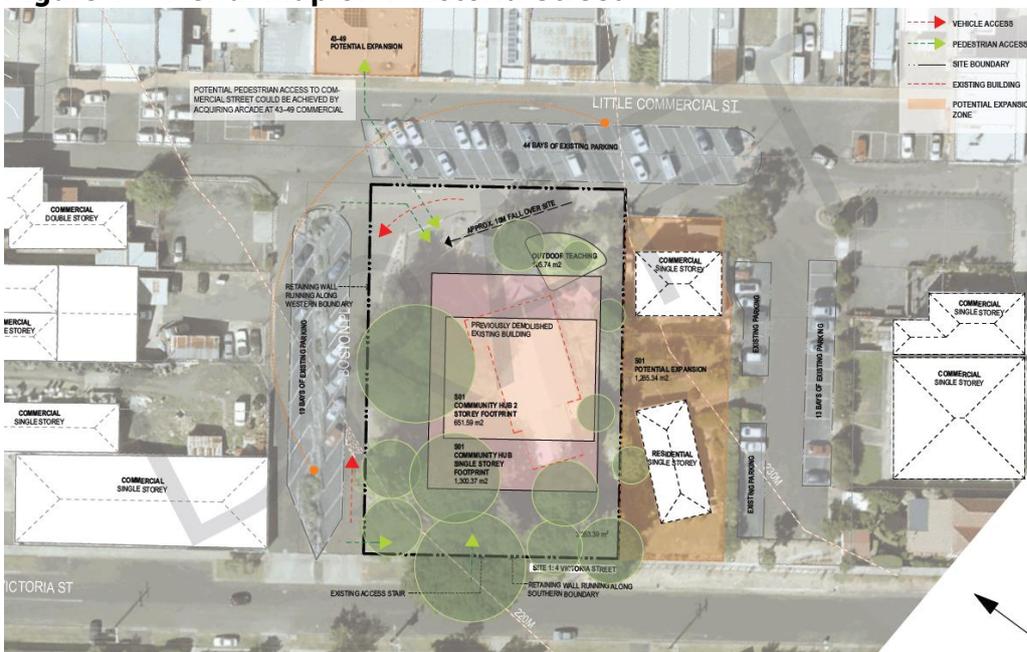


The following aerial maps demonstrate how a Community Hub can be massed on the alternate sites. Pros and cons for each alternate site are provided.

FJMT undertook a Feasibility Study (**Attachment [2.2.1]**) of the proposed sites which identified 4 Victoria Street, Korumburra (former Korumburra Kindergarten site) as the preferred location.

Site 1: Former Korumburra Kindergarten (4 Victoria Street)

Figure 1 – Aerial Map of 4 Victoria Street



Site 1: Former Korumburra Kindergarten (4 Victoria Street)***Positives***

- Endorsed by the Korumburra Town Centre Framework Plan
- FJMT preferred alternate site
- Excellent views and northern aspect which support ESD design
- Provision for outdoor space
- The site is Crown Land and under Council's management. It is available for use and unable to be sold
- The site is reserved for Public Use
- The site is situated in the CBD with car parking provisions and accessible from 3 sides
- Site is approximately 3,390m² which easily accommodates a Hub
- Good vehicle access to the site
- Allows the Senior Citizens to remain in their current location during construction
- Access to Commercial Street is achieved from the Arcade at 43-49 Commercial Street

Negatives

- Access to site being at the highest point of town
- Some members of the community would prefer the site be retained for public open space

Site 2: Former Birralee Child Care (28 Victoria Street)

Figure 2 – Aerial Map of 28 Victoria Street



Site 2: Former Birralee Child Care (28 Victoria Street)

Positives

- Council Freehold Land
- This site is currently unoccupied
- The land is zoned Public Use Zone – Health and Community (PUZ3)
- Northern aspect
- Site is relatively flat
- Located next to proposed supermarket providing foot traffic for the library
- Good visibility and security
- Existing car parking access

Negatives

- Council can sell the site to off-set development costs
- The site is 1,676.01m² and there is a Public Acquisition Overlay over approximately 560m² to extend Little Commercial Street car parking
- Site may be too small to accommodate the Hub unless the design was multi storey
- Limited outdoor / breakout space
- May require the acquisition of private land to complete
- Additional traffic / parking demand if located near supermarket
- Connectivity with restaurants not ideal for evening functions that would be operated out of the hub

Site 3: Korumburra Senior Citizens (14-16 Radovick Street)

Figure 3 – Aerial Map of 14-16 Radovick Street



Site 3: Korumburra Senior Citizens (14-16 Radovick Street)

Positives

- Council Free Hold Land
- Part of the land is zoned PUZ3
- Connectivity to Commercial Street
- Existing parking access
- Street frontage
- Access from three sides of the site

Negatives

- Current building is in good condition (rated 3)
- Provides no future growth capacity
- Requires relocation of Senior Citizens during construction
- Acquisition of private land required for car parking and access improvements
- Potential setbacks will impact building envelope
- Ramps required to access site from the south
- Limited access to northern sun
- Overshadowing of private residence
- Currently recommended as a retail anchor in the KTCFP
- Limited opportunity for onsite parking
- Requires relocation of power pole to underground

Korumburra Community Hub

The Korumburra Community Hub will provide a multi-purpose shared venue as well as providing provisions for future flexibility. Users currently identified to be included in the Korumburra Community Hub are:

- West Gippsland Regional Library Corporation services;
- Milpara Community House services;
- Korumburra Senior Citizens;
- Korumburra and District Historical Society; and
- Korumburra Rotary Art display and storage for collection.

Initial assessments considered that approximately 1,500m² to 1,700m² internal floor space would be required for the Community Hub development. FJMT consultants advise from recent experience and planning exercises that between 1,200m² and 1,300m² would be adequate.

Construction costs have increased in Victoria and cost estimates provided by FJMT advise Council should budget between \$3,800 to \$4,000 per m².

VicTrack

On the 26 July 2017, Council passed a resolution to:

That Council commence negotiations with Vic Track for a lease of the Korumburra Railway Station building and surrounding land to Council with the ability to sub-lease.

This resolution was required to support an application by The Station @ Working Group in their grant submission to the Vic Track 'Community Use of Vacant Rail Buildings Program'. Grant funding for \$1.5M was withdrawn due to other funding commitments.

Now that the lease for the rail corridor has been secured, it is recommended that Council continue to develop the site to accommodate the development of the rail trail and open space as identified in the KTCFP.

It is recommended that Council continue to advocate to Vic Track for the restoration of the Railway Station building.

FJMT Contract Variation Fee

The relocation of the Korumburra Community Hub will require a variation to the contract with FJMT. The contract lump sum is \$350,750, of which \$120,315 has already been committed to development of the concept master

plans for the Railway Yard site. The remaining \$230,435 is allocated for detail design documentation of the community hub.

FJMT have submitted a variation fee of \$139,755 excluding GST to deliver the revised scope and amended timeframes (refer **Confidential Attachment [15.8.1]**). The scope also includes a high level concept for the precinct surrounding 4 Victoria Street that demonstrates the vision and functionality of the hub in meeting the objective of the *KTCFP* and *Korumburra Streetscape Master Plan*. It will incorporate improvements to Little Commercial Street to improve the amenity and access to the Korumburra Community Hub.

FJMT advise that the detail design documentation will be completed by May 2020. This will ensure that works can commence in the second half of 2020 and realistically meet the intent of completing the project by September 2021.

Living Libraries Infrastructure Program 2019

The Living Libraries Infrastructure Program enables Victorian Councils and regional library corporations to deliver new or renewed library infrastructure for their communities.

An application will be submitted to the 2019/20 funding round. It closes on 30 September 2019. Funding of up to \$750,000 is available through this program.

CONSULTATION

Community and stakeholder consultation has occurred at a range of intervals during the development of the Korumburra Community Hub project. The most extensive consultation occurred through the development of the *KTCFP* which Council adopted in 2013 and is an incorporated document in the *South Gippsland Planning Scheme*.

The *KTCFP* identifies 4 Victoria Street (former Korumburra Kindergarten Site) as the preferred Community Hub location.

The *KTCFP* involved seven months of extensive community consultation and resulted in 275 individual submissions. External consultation was undertaken by the means of:

- 'Town Forum' sessions held in March and April 2013 including a Business Breakfast.
- Draft Context Report made available on Council's website and in hard copy in Korumburra and Leongatha.
- Surveys of town users and businesses (approximately 120 responses) plus more than 40 consultant discussions with business owners.

- Discussion session held with Council's Access and Inclusion Advisory Committee and with Korumburra Secondary College students.

Further consultation occurred to reconsider the proposed Hub location during 2017. This consultation received a small number of submissions and resulted in Council adopting the Korumburra Railway Station site as the preferred location. Due to the limitations detailed in this report, it is recommended that the preferred location return to the preferred site identified in the *KTCFP*.

Council has continued to keep key stakeholders including the West Gippsland Regional Library Corporation (WGRLC) up to date with project developments. The WGRLC Chief Executive Officer is supportive of the proposal to move the Korumburra Hub back to the original location identified in the *KTCFP*.

RESOURCES

Council has \$5.2M allocated for the Korumburra Community Hub. The fee variation for the work required to be undertaken by FJMT can be accommodated within this budget.

Council is actively seeking funding support from the Victorian Government to help facilitate the delivery of Council's priority project. An application to the Living Libraries Infrastructure Program for \$750,000 will be submitted prior to the closing date of 30 September 2019.

Once the concept plans are developed and the outcomes of grant funding applications known, a future report will be presented to Council on budget implications. Infrastructure delivery costs have risen in Victoria since the budget for this project was first developed. High level estimates to complete this project are approximately \$6.5M. This is less than the development estimates for a Community Hub at the Railway Yards.

RISKS

Developing a Hub on land that has a tenure less than the building life exposes Council to the unacceptable risk of having to demolish the Hub building at the end of the lease tenure. This could lead to Korumburra being without library and key community services.

STAFF DISCLOSURE

Nil

ATTACHMENTS

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

1. FJMT Consultant Alternative Sites Pre- Feasibility Study [2.2.1 - 30 pages]

CONFIDENTIAL ATTACHMENT

Confidential Attachment [15.8.1] – Fee Variation for New Site – 4 Victoria Street, Korumburra (FJMT consultants) – has been provided in accordance with s.77(2)(c) of the Local Government Act 1989, the Chief Executive Officer designates this item as confidential information on the grounds that it relates to s.89(2)(e) – proposed development and s.89(2)(d) – contractual matter.

This item is deemed confidential as it relates to a proposed development and includes contractual matters.

REFERENCE DOCUMENTS

Council Policy

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

Korumburra Streetscape Master Plan
Korumburra Town Centre Framework Plan
South Gippsland Planning Scheme

Legislative Provisions

Local Government Act 1989

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

3.1. YOUTH STRATEGY IMPLEMENTATION PLAN 2019-2020

Corporate and Community Services Directorate

EXECUTIVE SUMMARY

Council recently adopted a four year South Gippsland Shire Council Youth Strategy 2019-2023 (the Strategy) at its Ordinary Council Meeting 24 July 2019. An implementation plan for the first year of the Strategy has been developed based on the priorities for action and included in the *South Gippsland Shire Council Youth Strategy Implementation Plan 2019/20* (refer Attachment [3.1.1]).

RECOMMENDATION

That Council:

1. Endorse the *South Gippsland Shire Council Youth Strategy Implementation Plan 2019/20* (refer Attachment [3.1.1]) ; and
2. Receive a report at the Ordinary Council Meeting held in August 2020 on the actions undertaken from the *South Gippsland Shire Council Youth Strategy Implementation Plan 2019/20*.

MOVED: Administrator Zahra

SECONDED: Administrator Brown

THAT COUNCIL:

1. **ENDORSE THE SOUTH GIPPSLAND SHIRE COUNCIL YOUTH STRATEGY IMPLEMENTATION PLAN 2019/20 (REFER ATTACHMENT [3.1.1]) ; AND**
2. **RECEIVE A REPORT AT THE ORDINARY COUNCIL MEETING HELD IN AUGUST 2020 ON THE ACTIONS UNDERTAKEN FROM THE SOUTH GIPPSLAND SHIRE COUNCIL YOUTH STRATEGY IMPLEMENTATION PLAN 2019/20.**

CARRIED UNANIMOUSLY

[Link to next Agenda Item.](#)

REPORT

Council adopted the South Gippsland Shire Council Youth Strategy 2019-2023 (the Strategy) at the Ordinary Council meeting of 24 July 2019, Agenda item 3.1. NEW: YOUTH STRATEGY 2019 - 2023. Council also resolved:

2. *DEVELOPS AN IMPLEMENTATION PLAN FOR 2019/20 TO BE PRESENTED TO COUNCIL AT THE 25 SEPTEMBER 2019 ORDINARY MEETING OF COUNCIL.*

The *South Gippsland Shire Council Youth Strategy Implementation Plan 2019/20 (Implementation Plan)* has been developed based on the vision developed by young people for how they live in South Gippsland (Quote from Strategy):

"Young People in South Gippsland are valued, respected and supported.

We are safe, informed of issues that affect us, and free to make decisions on these issues.

We are able to grow and thrive in an environment that is clean, sustainable and offers opportunities for the future."

The *Strategy* is to be delivered within four key themes, with direct participation by young people integral to success of this Strategy. The themes are:

1. Environment;
2. Advocacy and Representation;
3. Health and Wellbeing; and
4. Participation.

The *Implementation Plan* is located in **Attachment [3.1.1]**.

Current projects that enable direct participation by young people are the "Made In South Gippsland" FReeZA (youth-led events) program and the L2P Learner Driver program. The Strategy identifies the opportunity to obtain greater contribution from young people in development of new initiatives in the next South Gippsland Municipal Health and Wellbeing plan.

A wide range of Council teams and external organisations will be encouraged to play a role in helping with the delivery of the initiatives listed in the *Implementation Plan*, with the Community Strengthening team taking responsibility for coordinating activity and reporting on outcomes to Council.

The young people who are involved in the delivery of initiatives listed in the *Implementation Plan* will also be supported to report directly to Council on outcomes throughout the life of the Strategy.

CONSULTATION

The *Implementation Plan* was developed after talking with the youth network.

RESOURCES

The resources required to complete most of the actions outlined in the *Implementation Plan* are provided through a combination of external funding (FReeZA and L2P program) and allocations in Council's Annual Budget for youth engagement activities. Further external funds will be sought to assist with specific elements of the Strategy as opportunities arise.

RISKS

Failure to implement the Strategy would disengage the youth that contributed to its development. Council needs to find more opportunities to engage with our youth.

STAFF DISCLOSURE

Nil

ATTACHMENTS

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

1. South Gippsland Youth Strategy Implementation Plan Year One (2019/2020)
[3.1.1 - 4 pages]

REFERENCE DOCUMENTS

Council Policy

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

South Gippsland Shire Council Youth Policy (C46)

Council Strategy

South Gippsland Shire Council Youth Strategy 2019-2023

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

4.1. SOUTH GIPPSLAND EQUESTRIAN AND EXHIBITION CENTRE IN SOUTH GIPPSLAND

Infrastructure Directorate

EXECUTIVE SUMMARY

The *Equestrian and Exhibition Centre Site Selection and Feasibility Study* is complete. Refer to **Attachment [4.1.1] – Event and Exhibition Centre Feasibility - South Gippsland Shire Council - July 2019 (Feasibility Study)**. Five existing locations and one greenfield site were evaluated to determine the most suitable site. Each site was then assessed against selection criteria to determine the site suitability for the proposed development. This process concluded that the Stony Creek Racecourse was the preferred site due to its central location in the municipality, existing infrastructure, and relatively few development constraints.

The *Feasibility Study* identified 55 equestrian facilities across Gippsland and within the Cardinia and Casey Shires. Benchmarking was also undertaken with other major venues around the nation. After developing income and expenditure estimates, the consultants have determined that the facility is unlikely to be able to cover its annual operating cost. For the facility to be sustainable, it would require an annual contribution from Council towards its ongoing operations and a commitment to funding future maintenance and renewal.

This report recommends that Council not proceed any further with the proposal to develop an Equestrian and Exhibition Centre within the municipality for the following reasons:

- The *Feasibility Study* does not provide strong justification on the demand for the facility and identifies that it is unlikely to generate enough income to cover its annual operating cost.
- Development of the facility would require capital investment from Council and a commitment to subsidise the ongoing operational and renewal expenditure.
- The assets would not be on Council land and without an ongoing subsidy, the proposal would be unviable.

In a rate capped environment with a finite level of resources available supporting this project could only occur at the expense of other existing infrastructure, services or priorities of Council.

RECOMMENDATION

That Council:

1. Not proceed any further with the proposal to develop an Equestrian and Exhibition Centre within the municipality and acknowledge that the *Event and Exhibition Centre Feasibility - South Gippsland Shire Council* (refer Attachment [4.1.1]) does not support the proposal; and
2. Writes to the Stony Creek Equestrian Centre Working Group acknowledging its contribution and effort in pursuing this project.

Administrator Brown moved a motion different from the Recommendation.

MOVED: Administrator Brown

SECONDED: Administrator Zahra

THAT COUNCIL:

1. **NOT PROCEED ANY FURTHER WITH THE PROPOSAL TO DEVELOP AN EQUESTRIAN AND EXHIBITION CENTRE WITHIN THE MUNICIPALITY AND ACKNOWLEDGE THAT THE *EVENT AND EXHIBITION CENTRE FEASIBILITY - SOUTH GIPPSLAND SHIRE COUNCIL* (REFER ATTACHMENT [4.1.1]) DOES NOT PROVIDE ADEQUATE JUSTIFICATION TO SUPPORT THE PROPOSAL;**
2. **WRITES TO THE STONY CREEK EQUESTRIAN CENTRE WORKING GROUP ACKNOWLEDGING ITS CONTRIBUTION AND EFFORT IN PURSUING THIS PROJECT; AND**
3. **PROVIDES THE STONY CREEK EQUESTRIAN CENTRE WORKING GROUP ACCESS TO THE RECENTLY COMPLETED FEASIBILITY STUDY FOR FUTURE PROGRESSION.**

CARRIED UNANIMOUSLY

[Link to next Agenda Item.](#)

REPORT

At the Ordinary Meeting of Council on 24 November 2010, it was resolved:

"That Council:

- 1. Support further consultation and investigations into the development of a regional level equestrian facility at Stony Creek Racecourse;*
- 2. Utilise funding allocated within the 2010/11 recreation budget to develop concept plans, detailed costings, a draft management plan and investigate funding opportunities for the proposed facility; and*
- 3. Prepare a report on the outcome of this investigation for further consideration."*

In 2012, work commenced on the preparation of concept plans and costings for the development of a regional equestrian facility at the Stony Creek Racecourse. Early in the consultation process, the Leongatha Equestrian Club (based at Tilson Court) advised they would not support a proposal to relocate the club to Stony Creek. The club advocated that Leongatha required a dedicated equestrian facility that was easily accessible to local residents.

The Stony Creek Recreation Reserve Committee of Management, the Meeniyah Pony Club, and the Stony Creek Riding Club are strong supporters of the project and formed a working group that actively participated in the development of the proposal. The concept plans showed the development of a high quality indoor area and new stables complex to accommodate a range of equestrian events and activities. The development cost estimate based on the plans is \$4.4M.

Stakeholders who were involved in the development of the concept plans advocated to Council the need to develop such a facility in South Gippsland. They acknowledged that the proposed development cost provided a significant barrier to the development proceeding and in February 2015, briefed Council on how the benefits of the facility were achievable at a much lower cost.

The 2015 'Our Say' budget process indicated there was community support for the development of a regional equestrian facility. In the 2015/16 Annual Budget, Council allocated \$30,000 towards further work on the project proposal. These funds were used to reduce the scope of the facility design, investigate management models, and undertake an assessment of the broader economic benefits to the region of the proposed facility.

During the investigation of the potential economic impact, the Stony Creek Equestrian Centre Working Group suggested that there might be complimentary uses. The group identified a number of other potential users and activities that could be conducted at the facility. The proposed development was then rebranded as the South Gippsland Regional Equestrian and Exhibition Centre.

On 15 February 2017, the revised concept plans, management model options, draft business plan, and the economic impact assessment were presented to Council. The economic impact assessment showed the facility had potential to generate economic benefit to the region. To secure the capital funding required to develop the facility, it was identified that further investigation was required into the feasibility of the business plan.

At the 27 June 2018 Ordinary Council Meeting, as part of the 2018/19 Priority Projects report, the following was noted:

“It is envisaged that the scope of the business case will be amended to consider the feasibility of an equestrian / exhibition centre in South Gippsland which will include confirmation of a suitable location.”

At the same meeting, the Council Plan 2017-2021 was updated with sub-strategy 1.3.7 reworded to:

“Commence a feasibility study into an Equestrian / Expo Centre within the Shire, including a preferred location.”

Experienced recreation consultants were appointed to conduct the site investigations and develop the *Feasibility Study*. The advantages and disadvantages of each site were identified along with high level estimated developed costs.

While the proposed facility would have benefits to the community, there is little evidence to demonstrate that Council investment in this facility should be a higher priority than other recreation or community infrastructure within the municipality.

CONSULTATION

The following groups have engaged with the consultants during the development of the draft document:

Bass Coast Shire Council
Baw Baw Shire Council
Boneo Equestrian Centre
Dressage Victoria

Equestrian Victoria
GippSport
Informant 1 - previously involved in the project planning
Informant 2 - previously involved in the project planning
Informant 3 - previously involved in the project planning
Leongatha and District Equestrian Club
Leongatha Equestrian Park
Lindawarra Equestrian Centre
Meeniyon Pony Club
Nyora Pony Club
Past member of the Berrys Creek Pony Club
Pony Club Victoria
Riding Develops Abilities (RDA) Victoria
South Gippsland Campdraft Association
Stony Creek Racing Club
Stony Creek Recreation Committee
Stony Creek Riding Club
Victorian Livestock Exchange
Victorian Working Sheep Dog Association

RESOURCES

Cost estimates for the development of all the infrastructure required for a facility of this scale (some of which is already in place at Stony Creek) are over \$7M.

The minimum estimated construction cost of the centre at Stony Creek is between \$3M - \$4M. This can only be confirmed if detailed designs on the proposal are prepared.

While untested, there appears to be limited capacity for the users or the community to make a significant financial contribution towards the development of the facility.

Due to the findings of the *Feasibility Study* it is unlikely that this project would attract state or federal support funding. This means that Council would need to contribute the full project cost.

Based on a construction cost of \$3M - \$4M, the annual renewal / depreciation cost of the facility is estimated to be at least \$60,000 per annum.

The forecast operating income and expenditure for the facility also indicates it is likely to incur a loss in Year 1 of operations. When combined with the renewal / depreciation cost, Council would likely be required to subsidise the operation of the centre by up to \$100,000 per annum.

Council has allocated \$90,000 in total for the project; \$30,000 towards the site selection and *Feasibility Study* and \$60,000 towards the detailed design of the Equestrian and Exhibition Centre proposal. Based on the recommendation to not proceed any further with the proposal, the \$60,000 allocation for detailed design will not be required.

RISKS

A decision not to proceed with the project is likely to cause frustration and negative comments from stakeholders who have committed significant time towards the project and passionately believe in the need and benefits of the centre at Stony Creek.

This disappointment should be balanced against the possibility of Council incurring ongoing costs to support the operation and renewal of the centre should the development proposal proceed.

Applying for grant funding for new infrastructure reduces the chances of applications for renewal of existing recreation facilities/services that can demonstrate a greater need. Some facilities do not meet current community expectations and compliance.

In a rate capped environment with a finite level of resources available supporting this project could only occur at the expense of other existing infrastructure, services or priorities of Council.

STAFF DISCLOSURE

Nil

ATTACHMENTS

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

1. SGSC - Event and Exhibition Centre Feasibility - July 2019 [4.1.1 - 41 pages]

REFERENCE DOCUMENTS

Council Policy

Council Plan 2017 – 2021 (Objective 1.3.7)

4.2. 2019/20 PRIORITY PROJECTS

Infrastructure Directorate

EXECUTIVE SUMMARY

Council performs an important role in advocating to the State and Federal Government for grant funding support and for commitments needed to deliver priority projects. Priority projects have the objective of enhancing economic prosperity and liveability within the Shire. Council reviews, updates, and adopts a list of priorities each year. Examples of past priority projects delivered in South Gippsland include the Port Welshpool Long Jetty restoration, Foster Streetscape, Karmai Children's Community Centre and development of the current Great Southern Rail Trail (GSRT) alignment.

Council requires support from other levels of government to deliver on its priority projects. Adopting a list of priority projects allows Council to send a clear message to other levels of government of its priorities. Once the 2019/20 priority projects are adopted, Council will continue to investigate, develop, and pursue support funding for the realisation of each project.

Council has two priority project categories; 'Projects for Advocacy' which are projects that are shovel ready, and 'Projects for Development' which are projects that are anticipated to be shovel ready within twelve months.

RECOMMENDATION

That Council:

1. Adopts the following 2019/20 Priority Projects:
 - a. Priority Projects for Advocacy:
 - i. Great Southern Rail Trail (GSRT) Extension – Leongatha to Korumburra;
 - ii. Great Southern Rail Trail (GSRT) Extension – Korumburra to Nyora; and
 - iii. Korumburra Community Hub.
 - b. Priority Projects for Development:
 - i. Korumburra Streetscape; and
 - ii. Leongatha Community Hub.

MOVED: Administrator Brown

SECONDED: Administrator Zahra

THAT COUNCIL ADOPTS THE FOLLOWING 2019/20 PRIORITY PROJECTS:

1. PRIORITY PROJECTS FOR ADVOCACY:

- a. **GREAT SOUTHERN RAIL TRAIL (GSRT) EXTENSION – LEONGATHA TO KORUMBURRA;**
- b. **GREAT SOUTHERN RAIL TRAIL (GSRT) EXTENSION – KORUMBURRA TO NYORA; AND**
- c. **KORUMBURRA COMMUNITY HUB.**

2. PRIORITY PROJECTS FOR DEVELOPMENT:

- a. **KORUMBURRA STREETScape; AND**
- b. **LEONGATHA COMMUNITY HUB.**

CARRIED UNANIMOUSLY

[Link to next Agenda Item.](#)

REPORT

2018/2019 Priority Projects – Funded Projects

Council has successfully secured the required grant funds to complete the following 2018/19 Priority Projects. These projects are now entering the construction phase:

- Leongatha Business Precinct (Bair Street) Development
- Mirboo North Pool Refurbishment

2019/20 Priority Projects for Adoption

Priority Projects for Advocacy

1. GSRT Extension – Leongatha to Korumburra (Stage 1)

The Great Southern Rail Trail (GSRT) is a tourism asset which is 71km in length and runs from Leongatha to Port Welshpool.

The project seeks to extend the trail from Leongatha to Nyora, an additional 36km towards Melbourne. Further development of this tourism asset is identified in the *Council Plan, South Gippsland Shire's Economic Development and Tourism Strategy* and in Gippsland's *Destination Management Plan* endorsed by the Victorian Government.

Council's vision is to use this abandoned asset as an economic driver and value add to our tourism economy. It will create greater amenity for our residents and provide safe linkages between many of our towns. The long-term vision is to develop Australia's longest rail trail in partnership with adjoining Municipal councils.

To support advocacy efforts, Council in partnership with Cardinia Shire Council and the City of Casey have engaged SGS Economics and Planning Consultants Pty Ltd to undertake a Cost Benefit Analysis and Economic Impact Study for the entire rail trail extension from Leongatha to Clyde. The infrastructure assessment for the Leongatha to Nyora extension is being completed by qualified engineers within Council's Infrastructure team.

Council has access to independent financial data which tracks local and visitor spend. The towns along the existing rail trail had an increase in visitor spend by \$2.6M (up 6%) in the 2018/19 peak season when compared to 2017/18 season. After completing the missing link between Koonwarra and Meeniyan there was an increase in visitor spend by 15% in the following peak season across these two towns.

In February 2019, a Heads of Agreement for the corridor between Leongatha and Nyora was executed between Council and VicTrack. A lease was signed for the rail corridor in August 2019.

The Leongatha to Korumburra section is ready to be advocated to external funding bodies and should be considered a 2019/20 Priority Project for Advocacy.

Project cost estimate: \$3M

Council budget: \$2M

Contribution sought: \$1M

2. GSRT Extension – Korumburra to Nyora Section (Stage 2)

Refer to the Leongatha to Korumburra section above for more information about the project, rail corridor lease, cost benefit analysis, economic impact study, and infrastructure assessment.

Due to the status of the planning studies being undertaken, it is considered that this section is ready for advocating for external funding and should be considered a 2019/20 Priority Project for Advocacy.

To realise the full benefit of the GSRT, Council will support any advocacy efforts of the Cardinia Shire Council and City of Casey for the trail to extend beyond Nyora to Clyde.

Project cost estimate: \$3M

Council budget: \$1M

Contribution sought: \$2M

3. Korumburra Community Hub

The Korumburra Community Hub will relocate and contemporise Council's library service. The project will build community partnerships by co-locating a number of community groups and services. The land vacated by this project is identified as forming part of a future development site for a full-line supermarket to be located within the town centre.

As the detailed designs for the community hub will be completed within 2019/20, it is recommended that this project be considered a 2019/20 Priority Project for Advocacy.

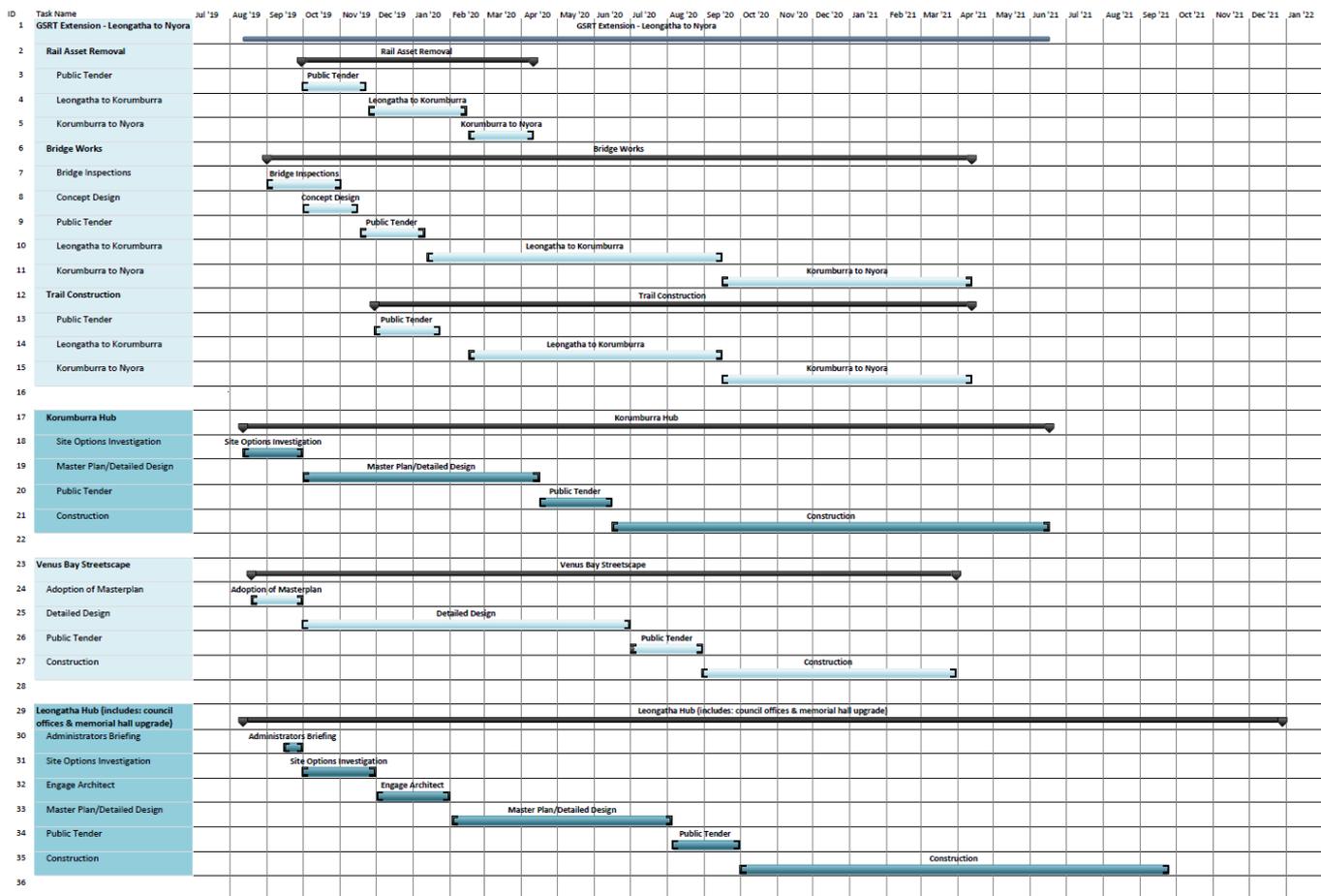
Project cost estimate: \$6.5M

Council budget: \$4.1M

Contribution sought: \$2.4M

Priority Projects for Advocacy – Timeframe

Subject to securing funding or making alternate budget arrangements, it is envisaged the GSRT extension projects and Korumburra Community Hub will be completed within the next two years. The following chart indicates the timeframes for delivery of these projects.



Priority Projects for Development

4. Korumburra Streetscape

This project will rejuvenate the main street of Korumburra which also serves as a Highway and heavy vehicle route. The redevelopment provides for much needed traffic and pedestrian safety enhancements. It will improve the visual appeal and functionality of Commercial Street, Radovick Street and Little Commercial Street. It will encourage and support economic development opportunities within the town centre.

A concept design was completed following extensive community consultation. Completing detailed design is the next phase of the project.

Once the design and cost plan are complete, the project will become a Priority Project for Advocacy.

5. Leongatha Community Hub

The Leongatha Community Hub project seeks to provide a contemporary library service in Leongatha and to integrate a range of community services into the Community Hub. This project is still in the planning and feasibility stage.

It is recommended that this project remain as a 2019/20 Priority Project for Development until the project planning studies are completed.

Once the design and cost plan are complete, the project will become a Priority Project for Advocacy.

CONSULTATION

Identification of Council's priority projects is completed through the development of the *Council Plan* and *Annual Budget*. Each of these projects are identified within these documents and are subject to formal public notice and consultation processes each year.

Updates on the progress of the 2018/19 Priority Projects were provided to Council at Strategic Briefings on 15 May, 11 July and 14 August 2019.

RESOURCES

Council's anticipated financial contributions towards the proposed 2019/20 Priority Projects have been accounted for in the *Long Term Financial Plan*. Where required, Council will seek grant funding to support the endorsed projects.

Any decision to increase or alter the amounts already committed in the budget will have a direct impact on Council's ability to deliver its adopted Capital Works Program. Any changes to the adopted budget or capital works program will require a future report to Council.

RISKS

The chances of success could be reduced if Council endorses an excessive number of projects when determining its Priority Projects for Advocacy during 2019/20.

Council is also encouraged to consider the potential financial risk associated with varying its existing contributions towards each of the recommended 2019/20 Priority Projects.

STAFF DISCLOSURE

Nil

REFERENCE DOCUMENTS

Council Policy

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

Revised Council Plan 2017-2021

Annual Budget 2019-2020

Korumburra Town Centre Framework Plan

Long Term Financial Plan

Priority Projects (2019)

Legislative Provisions

Local Government Act 1989

4.3. 2019/20 STRATEGIC ROADS PROJECTS

Infrastructure Directorate

EXECUTIVE SUMMARY

Council performs an important role in advocating for government funding and/or commitments needed to deliver projects of local significance to enhance economic prosperity and liveability within the shire.

The focus of Strategic Road Projects is to advocate to other levels of government to provide support funding for road projects delivered by Regional Roads Victoria (RRV) with the objective of improving the road network within the municipality for the benefit of the South Gippsland community.

Included in this report is an update on the 2017/18 Strategic Road Projects and those recommended to remain as 2019/20 Strategic Road Projects for Council's consideration and adoption.

RECOMMENDATION

That Council adopts the following 2019/20 Strategic Road Projects:

1. Leongatha Heavy Vehicle Alternate Route – Stage 2 Hughes Street;
2. Coal Creek / South Gippsland Highway Bends, Korumburra;
3. Bass Highway – Leongatha to Anderson;
4. South Gippsland Highway – Grassy Spur realignment; and
5. Strzelecki Highway – Crightons Hill realignment.

MOVED: Administrator Zahra

SECONDED: Administrator Brown

THAT COUNCIL ADOPTS THE FOLLOWING 2019/20 STRATEGIC ROAD PROJECTS:

- 1. LEONGATHA HEAVY VEHICLE ALTERNATE ROUTE – STAGE 2 HUGHES STREET;**
- 2. COAL CREEK / SOUTH GIPPSLAND HIGHWAY BENDS, KORUMBURRA;**
- 3. BASS HIGHWAY – LEONGATHA TO ANDERSON;**
- 4. SOUTH GIPPSLAND HIGHWAY – GRASSY SPUR REALIGNMENT; AND**
- 5. STRZELECKI HIGHWAY – CRIGHTONS HILL REALIGNMENT.**

CARRIED UNANIMOUSLY

[Link to next Agenda Item.](#)

REPORT

On 22 March 2017, Council adopted nine significant road projects for advocating to the State and Federal governments for funding. The status of these projects including those recommended to remain as 2019/20 Strategic Road Projects were presented to Council at a Strategic Briefing on 14 August 2019 and are discussed below.

1. **Bair Street, Leongatha**

The project is funded and estimated project costs are \$5.4M (Federal Government Grant \$2.7M, State Government Grant \$1.5M, Council contribution \$1.2M) with works scheduled to commence in 2019/20.

2. **Bena Kongwak Road Bridge, Bena**

This project was funded under the Federal Government's Bridges Renewal Program with a contribution from VicTrack and the bridge was completed in late 2018 at a cost of \$1.8M.

3. **Powneys Road Bridge, Middle Tarwin**

This project was funded under the State Government's Local Roads to Market Program and the bridge was completed in early 2019 at a cost of \$260,000.

4. **Ruby Arawata Road Bridge, Ruby**

This project was funded under the State Government's Local Roads to Market Program and the bridge was completed in mid-2019 costing \$680,000.

5. **North Poowong Road, Loch**

The project was abandoned at the 19 December 2018 Ordinary Council meeting due to the costs to mitigate the environmental impacts of vegetation removal and the offsets for the Gippsland Giant Earthworms.

It is recommended to remove this project from the Strategic Roads Project list.

6. **Simons Lane, Leongatha**

The existing intersection has been recognised as having significant safety issues and consequently, Regional Roads Victoria (RRV) has directed that the intersection be upgraded prior to any further development along Simons Lane. VicRoads indicated no objection to the closure of Simons Lane at the Bass Highway to allow development to proceed. To facilitate access from Simons Lane to the Bass Highway, a new intersection approximately 250m north of the existing location is the

preferred location due to property access, sight distance, and topography difficulties. Once the intersection has been relocated, the sealing of Simons Lane can be carried out to cater for the expected growth in traffic along this road.

The total project cost is still being developed but is currently estimated a \$3M.

It is recommended to remove this project until the design has been finalised.

7. Leongatha Heavy Vehicle Alternative Route – Stage 2 (Hughes Street, Leongatha)

This project is unfunded. This project is Stage 2 of the Leongatha Heavy Vehicle Alternate Route. The project has been submitted to the Victorian Government by RRV for planning funding.

It is recommended this remains a Strategic Road Project.

8. Coal Creek / South Gippsland Highway Bends, Korumburra

The proposed works will improve the standard by realigning a 4.1km section of the South Gippsland Highway, south-east of Korumburra, by removing a number of sharp and winding corners. Several options for the proposed realignment were presented to the community during the initial planning stages in 2001 and 2007. Following the public consultation, RRV adopted the community's preferred route and a Public Acquisition Overlay reserved the land for future realignment.

The project is well into the planning stages by RRV with strategic justification undertaken, and it likely to be put forward as part of the 2020/21 budget. The project is considered ready for advocacy.

In 2017, RRV introduced a temporary 60km/h speed limit along the Coal Creek corners to improve safety for motorists and this has subsequently become the permanent speed limit.

RRV has since met with affected landowners as part of its current planning stage and will continue to work closely with the community and Council as planning progresses.

The total cost of the project is estimated at \$50M and still remains unfunded.

It is recommended this remains a Strategic Road Project.

9. South Gippsland Highway between Foster and Welshpool

This project was to advocate for maintenance funding to improve the road surface condition. These works are now being undertaken.

It is recommended to remove this project.

New Strategic Road Projects for Consideration

After consultation with RRV, it is recommended to include the Bass Highway – Leongatha to Anderson project, planning for the South Gippsland Highway – Grassy Spur realignment and the Strzelecki Highway – Crightons Hill realignment to the proposed list.

1. Bass Highway – Leongatha to Anderson

RRV are to present to the community the preliminary concept designs for the potential upgrade of the highway from west of Kilcunda Ridge Road to Ridgway Road in Kilcunda, and at the Leongatha South-Outtrim Road / Rougheads Road intersection in Leongatha South. RRV is pursuing funding opportunities to undertake these improvements.

It is recommended this project is included as a 2019/20 Strategic Road Project.

2. South Gippsland Highway – Grassy Spur

The first stage of the Grassy Spur section of the South Gippsland Highway was completed many years ago. The second stage of the Grassy Spur section between Stony Creek and Foster has a poor alignment with tight bends. Electronic speed warning signs are in place to encourage safer speeds. With other sections of the South Gippsland Highway being progressively improved, the poor standard of this section will limit further economic development in the area.

The South Gippsland Highway is the main arterial route through South Gippsland and this section is a key connector to the southern districts of the Shire including Wilsons Promontory National Park, the ports of Corner Inlet, and towns such as Foster and Toora.

It is recommended that this project is included as a 2019/20 Strategic Road Project.

3. Strzelecki Highway – Crightons Hill realignment

There were seventeen reported crashes along this section of highway between January 2014 and December 2018, resulting in two fatalities and five serious injuries. This project is currently in the cost benefit stage at RRV.

It is recommended this project is included as a 2019/20 Strategic Road Project.

CONSULTATION

The list of Strategic Road Projects has been developed in consultation with RRV, the Gippsland Local Government Network (GLGN), and South East Australian Transport Strategy (SEATS).

An update on the progress of the 2017/18 Strategic Road Projects and those projects recommended to be pursued for 2019/20 were provided to Council at a Strategic Briefing on 14 August 2019.

RISKS

Should Council not adopt the recommended 2019/20 Strategic Road Projects for advocacy, the risk is that South Gippsland could potentially miss out to other municipalities on securing funding for important road projects.

STAFF DISCLOSURE

Nil

REFERENCE DOCUMENTS

Council Policy

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

Annual Budget 2019/20
Procurement Policy (C32)
Road Management Plan

Legislative Provisions

Local Government Act 1989
Road Management Act 2004

4.4. ENDORSE NEW ROAD NAME - UNNAMED ROAD OFF CENTRE ROAD, VENUS BAY

Infrastructure Directorate

EXECUTIVE SUMMARY

Council is proposing to name an unnamed road off Centre Road, Venus Bay. This section of road to be named is directly behind the shops and is used as access for deliveries. The location and extent of the road proposed to be named is detailed in **Figure 1** of this report.

The proposed name of 'Magnat' has been put forward by the Leongatha & District Historical Society (LDHS). The German iron barque 'Magnat' was shipwrecked on the sandy beach at Venus Bay in the early 1900s, on its voyage from Capetown to Newcastle where it was to load coal for Valparaiso, Chile.

Consultation has occurred with the immediate community via a survey to gauge the level of support for the proposed name of 'Magnat'. A public notice was also placed in local newspapers and Council's website inviting feedback from the public. (A copy of the Public Notice is available in **Attachment [4.4.3]** and copies of the survey letters (redacted) to the immediate community are available in **Attachment [4.4.1]**).

Seven survey responses were received all in favour of the proposed name 'Magnat'. There was one submission to the public notice that was not in favour of the proposed name proposing an alternate name of 'Wombat'. The outcome from the community consultation process are detailed in **Table 2** of this report. (Copies of the survey responses and the submission received in response to the public notice is available in **Attachment [4.4.2]**).

Public safety is paramount. Roads need to be officially named and registered with Geographic Names Victoria to ensure emergency services can locate them.

It is recommended Council considers the survey responses being in favour of the Proposal and determines the new road name as outlined in the recommendation.

RECOMMENDATION

That Council:

1. Considers the survey and public notice responses for the proposed unnamed road traversing in a westerly direction off Centre Road, Venus Bay to be named as 'Magnat Lane' (the Proposal);

- a. Seven survey responses were in favour of the proposal to name the unnamed road as 'Magnat'.
 - b. One objection from the public notice was not in favour of the proposed name and proposed an alternate name.
2. Determines that the unnamed road traversing in a westerly direction off Centre Road, Venus Bay be named as 'Magnat Lane';
3. Forwards the proposed road name to Geographic Names Victoria for final consideration and approval;
4. Subject to Geographic Names Victoria's approval and gazettal of the proposed new name, places a notice in local newspapers and advises abutting land owners / occupiers, local organisations, and local stakeholders of the new road name; and
5. Renumbers all affected properties accordingly.

MOVED: Administrator Zahra

SECONDED: Administrator Brown

THAT COUNCIL:

- 1. CONSIDERS THE SURVEY AND PUBLIC NOTICE RESPONSES FOR THE PROPOSED UNNAMED ROAD TRAVERSING IN A WESTERLY DIRECTION OFF CENTRE ROAD, VENUS BAY TO BE NAMED AS 'MAGNAT LANE' (THE PROPOSAL);**
 - a. SEVEN SURVEY RESPONSES WERE IN FAVOUR OF THE PROPOSAL TO NAME THE UNNAMED ROAD AS 'MAGNAT'.**
 - b. ONE OBJECTION FROM THE PUBLIC NOTICE WAS NOT IN FAVOUR OF THE PROPOSED NAME AND PROPOSED AN ALTERNATE NAME.**
- 6. DETERMINES THAT THE UNNAMED ROAD TRAVERSING IN A WESTERLY DIRECTION OFF CENTRE ROAD, VENUS BAY BE NAMED AS 'MAGNAT LANE';**
- 7. FORWARDS THE PROPOSED ROAD NAME TO GEOGRAPHIC NAMES VICTORIA FOR FINAL CONSIDERATION AND APPROVAL;**
- 8. SUBJECT TO GEOGRAPHIC NAMES VICTORIA'S APPROVAL AND GAZETTAL OF THE PROPOSED NEW NAME, PLACES A NOTICE IN LOCAL NEWSPAPERS AND ADVISES ABUTTING LAND OWNERS / OCCUPIERS, LOCAL ORGANISATIONS, AND LOCAL STAKEHOLDERS OF THE NEW ROAD NAME; AND**
- 9. RENUMBERS ALL AFFECTED PROPERTIES ACCORDINGLY.**

CARRIED UNANIMOUSLY

[Link to next Agenda Item.](#)

REPORT

Background

Council has identified a road on Council's Public Road Register that needs to be named. This unnamed road traverses in a westerly direction off Centre Road, Venus Bay. The road is directly behind the Venus Bay shops and is used as secondary access for deliveries, refer to **Figure 1**.

Figure 1 – Locality Map



Public safety is paramount. Providing a unique road registered with Geographic Names Victoria (GNV) and allocating appropriate property numbering (if applicable) will ensure emergency services and the general public can locate all properties on this road.

In April 2019, the Leongatha & District Historical Society (LDHS) was consulted by Council to provide a name for this section of unnamed road. The proposed name put forward by the LDHS was 'Magnat'.

History

The Magnat was to sail in ballast from Capetown to Newcastle where it was to load coal for Valparaiso, Chile. The Magnat had an easy voyage until forty days out from Capetown, when on 8 May 1900, a storm was encountered by the vessel at 4:00am as it entered Bass Strait.

Captain Ostermann set a new course as they passed King Island at noon, and soon after midnight when land was sighted and rollers heard, they realised that something had gone drastically wrong. Full sail was set and the crew tried to save the vessel, but being in ballast, the Magnat was too light and would not answer her helm and went ashore at 2:00am on 9 May 1900.

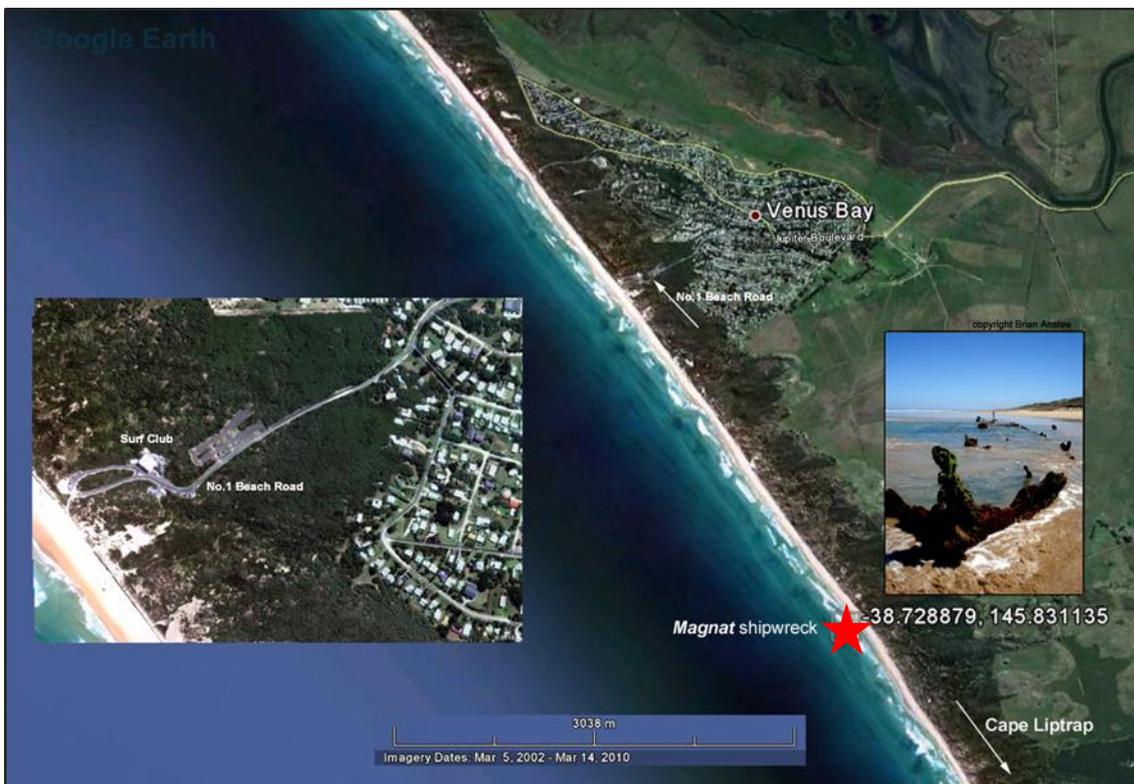
The Magnat was 32 miles off its course, and when it struck the beach at Tarwin Lower, Captain Ostermann blamed the tide, stating that it must have carried him that far off course in 20 hours. The Magnat went ashore broadside on to the sandy beach with no injury or loss of life. Captain Ostermann died on the ship on 20 August 1900 and is buried at the Tarwin Lower cemetery.

Figure 2 – The ‘Magnat’ Ashore at Tarwin Lower, Victoria in 1900



Photo courtesy Knut Hancker - Syke/Bremen-Germany. Knut's grandfather's brother was a seaman on the Magnat when she was lost.

The ‘Magnat’ Location Area Map at Tarwin Lower, Victoria in 1900



VICNAMES Compliance Check

A VICNAMES 15km duplicate¹ or similar spelling / sounding name search was carried out on the suggested name of 'Magnat'. This search resulted in three similar spelling and sounding names; 'McIndoe' in Venus Bay 2nd Estate, 'McIntosh' in Inverloch, and 'Messmate' in Inverloch – refer to **Table 1** below.

Council forwarded the proposal to the Registrar of Geographic Names seeking 'In Principle' support for the proposed name of 'Magnat' on 9 April 2019. On the 24 June 2019, Council received 'In Principle' support from The Registrar of Geographic Names subject to a compliant naming proposal being submitted to the office.

Council's risk liability is deemed as low by accepting any potential risks in regards to the duplicate names due to:

- No abutting properties will be formally addressed to this section of road as it is secondary access only; and
- The duplicate names do not sound similar when sounded out.

GNV's Naming Rules for Places in Victoria - Statutory Requirements for Naming Roads, Features and Localities - 2016 (naming rules) provides a strong basis for standardised and unambiguous naming procedures across the state.

Table 1 - VICNAMES 15km Compliance Check

	MAGNAT	WOMBAT
Origin:	On 9 May 1900, the German iron barque 'Magnat' (owned at the time of her loss by Fehsenfeldt and Ostermann) was beached in a storm at Tarwin Lower whilst on voyage from Capetown to Newcastle to load coal for Valparaiso, Chile. Captain Ostermann became ill and died on board the wreck on 20 August 1900. He is buried in the Tarwin Lower cemetery.	Put forward as result of the public submission process to celebrate a wildlife creature that is popular to our community.

¹ Duplicates are considered to be two (or more) names within close proximity, or names that are identical or have similar spelling or pronunciation.

Duplication Search:	<p>Duplication search has resulted in three similar spelling / sounding names; 'McIndoe' in Venus Bay 2nd Estate, 'McIntosh' in Inverloch, and 'Messmate' in Inverloch, therefore an 'In Principle' Support Form was required to be completed and forwarded to the GNV for their consideration.</p> <p>On 25 June 2019, The Registrar of Geographic Names provided 'In Principle' support, subject to a compliant naming proposal being submitted.</p>	<p>Duplication search has resulted in no similar spelling and sounding names.</p>
VICNAMES Compliance:	✓	✗

CONSULTATION

Consultative actions are carried out for the naming and renaming of all roads, primarily in consideration of the significance and potential effects of a proposal. The views of potentially affected property owners and occupiers must be sought and considered in line with the GNV naming rules.

Surveys can be used to gain an indication of community support or opposition to a naming / renaming proposal. They should be used with the immediate community (landowners/occupiers) if they will be affected by an address change arising from the successful outcome of a proposal.

First Round Consultation – Immediate Community Survey – Closed 9 August 2019

Affected land owners / occupiers were consulted via a survey to gauge the level of support for the proposed new name of 'Magnat Lane' with community consent in favour of naming the road as proposed.

When a survey is sent to the immediate community, consent is considered to be achieved when the number of respondents expressing consent, added to the number of non-respondents (indicating, if applicable, tacit consent) is greater than 50 per cent of the total surveyed population.

The outcome of the first-round consultation is noted in **Table 2** below. Copies of the survey letters (redacted) to the immediate community are available in **Attachment [4.5.1]** and survey responses (redacted) are included in **Attachment [4.4.2]**.

Table 2 - Survey Results (Attachment [4.5.3])

ANALYSING THE SURVEY RESULTS	RESPONSE
Population in immediate community	12
Respondents who objected	0
Respondents who expressed consent	7
Non-responses (tacit consent)	5
Total community that consents	100%
Survey outcome: This proposal can be considered as having community consent.	

Internet and Public Notice – Building Awareness – Closed 3 September 2019

A public notice was placed in the local newspapers on 5 August 2019 and a notice was also placed on Council's website under *Roads and Infrastructure > Roads in South Gippsland > Naming Roads, Places and Features > [Current Projects](#)* (**Attachment [4.4.3]**) requesting community feedback on the Proposal. One submission was received being not in favour of the proposed name of 'Magnat' as they do not like the name and suggest an alternate name of 'Wombat Lane' to "...celebrate a wild life creature popular to the community". The submission (redacted) is included in **Attachment [4.4.2]**.

Conclusion of the Community Consultation Process

The proposed name of 'Wombat' has been carefully considered by Council officers. The concerns raised can be mitigated under GNV naming rules under section 8.5 – *Informing the community of a decision*, by not providing sufficient reasoning why Council should not proceed with the current proposed name of 'Magnat'.

The proposed name of 'Wombat' will be held on Council's database for future use in the area should the opportunity arise.

The proposed name of 'Magnat' received overwhelming support from the immediate community in their survey responses resulting in 100 per cent community consent. In addition, the name 'Magnat' has stronger historical connection to the area.

The proposal to name this section of road 'Magnat' conforms to the principles and requirements of GNV naming rules.

Survey responses and the submission received in response to the public notice is available in **Attachment [4.4.2]**.

RESOURCES

The future cost to Council will be for the erection of one new sign at a cost of approximately \$150 which can be accommodated in Council's signage budget.

RISKS

Council's risk is minimal as the methodology for the road naming is consistent with GNV naming rules. Council's risk liability is deemed as low by accepting any potential risks in regards to the duplicate names due to:

- No abutting properties will be formally addressed to this section of road as it is secondary access only; and
- The duplicate names do not sound similar when sounded out.

Naming this section of road with a unique road name and applying standardised addressing (if applicable) will ensure each property is uniquely identified in the Victorian Government's spatial databases. This will ensure clarity for the general public, emergency services, and service providers.

STAFF DISCLOSURE

Nil

ATTACHMENTS

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

1. Survey Letter to Property Owners/Occupiers - Unnamed Road off Centre Road, Venus Bay - 11 July 2019 (Redacted) [4.4.1 - 48 pages]
2. Community Submissions - Survey and Public Notice (Redacted) [4.4.2 - 8 pages]
3. Public Notice - Venus Bay - 5 August 2019 [4.4.3 - 1 page]

REFERENCE DOCUMENTS

Council Policy

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

Road Naming Procedure

Legislative Provisions

Geographic Place Names Act 1998

Local Government Act 1989

[Naming Rules for Places in Victoria - Statutory Requirements for Naming Roads, Features and Localities - 2016](#)

Road Management Act 2004

4.5. PETITION RESPONSE - TRAFFIC MANAGEMENT AND SEALING OF ATHERTON DRIVE AND SPRING STREET, VENUS BAY

Infrastructure Directorate

EXECUTIVE SUMMARY

At the Ordinary Meeting of Council held 28 August 2019, two petitions were received from directly affected residents of Lees Road, Atherton Drive, Spring Street, and surrounding properties in Venus Bay requesting Council consider traffic management and sealing of Atherton Drive and Spring Street, Venus Bay. At the meeting, it was resolved unanimously:

"That Council:

- 1. Receives and notes the two petitions; and,*
- 2. Receives a report at Ordinary Meeting of Council 25 September 2019 that considers the two petitions."*

It is proposed that Council meets with the petitioners to investigate different options for addressing the two petitions. This may include some short term traffic management solutions and longer term solutions around construction of Atherton Drive and Spring Street including how this may be funded in a rate capped environment.

The outcome of the meeting will be reported back to Council.

RECOMMENDATION

That Council meet with the petitioners to investigate options to address the two petitions and report back to Council those findings at the next appropriate Council meeting.

MOVED: Administrator Zahra

SECONDED: Administrator Brown

**THAT COUNCIL MEET WITH THE PETITIONERS TO INVESTIGATE OPTIONS TO
ADDRESS THE TWO PETITIONS AND REPORT BACK TO COUNCIL THOSE
FINDINGS AT THE NEXT APPROPRIATE COUNCIL MEETING.**

CARRIED UNANIMOUSLY

[Link to next Agenda Item.](#)

REPORT

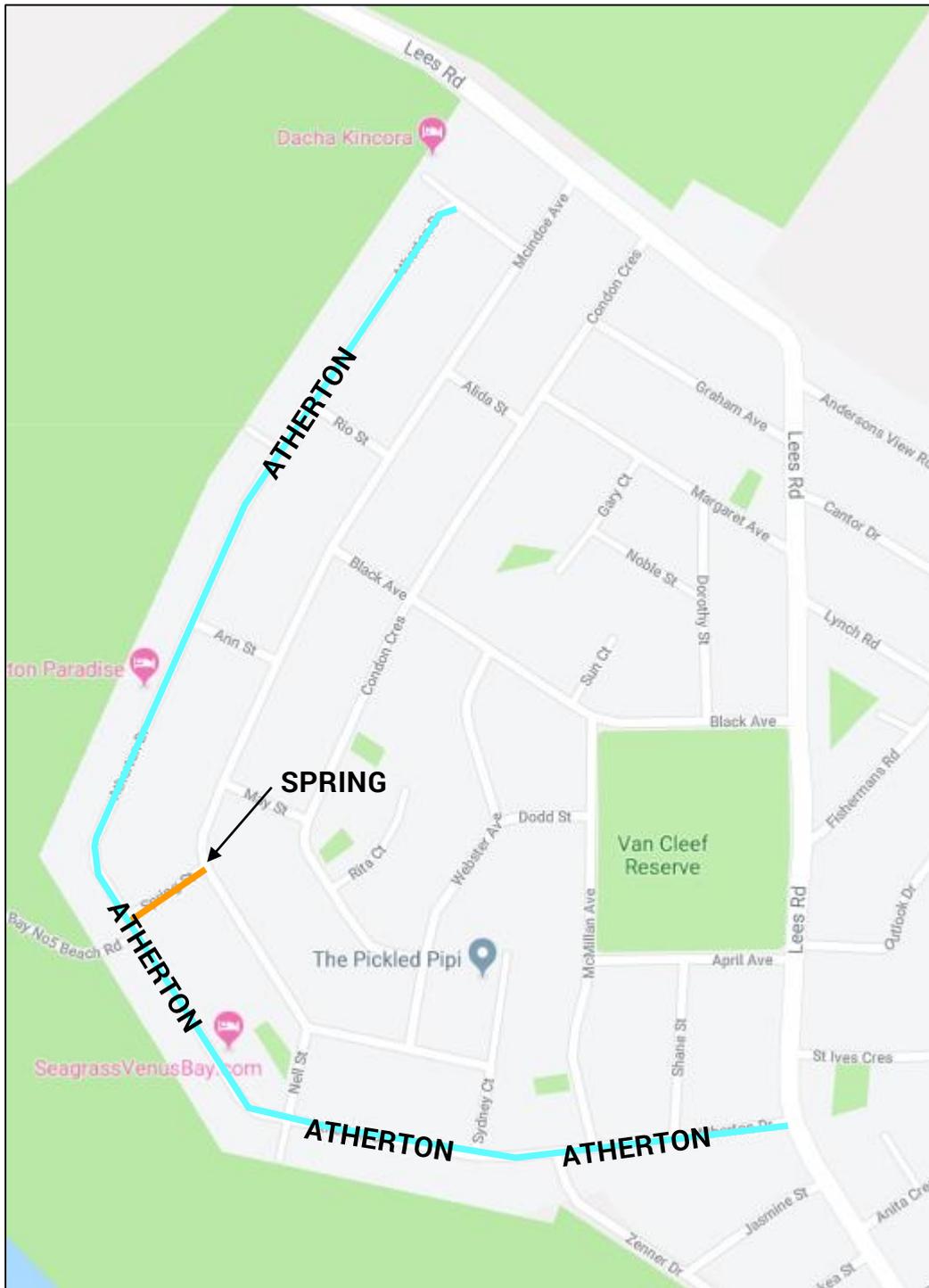
At the Ordinary Meeting of Council held 28 August 2019, two petitions were received from directly affected residents of Lees Road, Atherton Drive, Spring Street, and surrounding properties in Venus Bay requesting Council consider traffic management and sealing of Atherton Drive and Spring Street, Venus Bay. At the meeting, it was resolved unanimously:

"That Council:

- 1. Receives and notes the two petitions; and,*
- 2. Receives a report at Ordinary Meeting of Council 25 September 2019 that considers the two petitions."*

A locality map is included in **Figure 1**.

Figure 1 – Locality Map – Atherton Drive (—) – Spring Street (—)



Both petitions were accompanied by a covering letter detailing residents' concerns with the dust from these two unsealed roads, the amount of heavy pedestrian and vehicular traffic (bikes, cars, trucks, and buses), and parking constraints for most days of the year, particularly during the peak holiday season. Photos are also included to demonstrate the parking congestion on both roads. The cover letter and photos are included in **Attachment [4.5.1]**.

Petition No. 1

The first petition contains approximately 47 signatures requesting Council improve safety and traffic management of Atherton Drive and Spring Street by lowering the speed limit to 40km/h or less, installing traffic calming infrastructure to assist in reducing the speed of vehicles, and including parking restrictions on one side of both these roads. The petition prayer is included in **Figure 1** and the petition is available in **Confidential Attachment [15.1.1]**.

Figure 2 – Petition No. 1 Prayer (Traffic Management)

<p style="text-align: center;"><u>A PETITION TO SOUTH GIPPSLAND SHIRE COUNCIL TO IMPROVE SAFETY AND TRAFFIC MANAGEMENT OF ATHERTON DRIVE AND SPRING STREET, VENUS BAY 3956</u></p> <p>AIM: To strengthen the safety and health of pedestrians and home owners alike along the named roads.</p> <p>SUGGESTIONS:</p> <ul style="list-style-type: none">• Lowering the speed limit to 40km on both roads (the whole suburb of Sandy Point is 40km permanently).<ul style="list-style-type: none">▪ The roadway is a shared zone, with pedestrians, bike riders and children all using them as an access point to Beach 5.• Traffic calming management to aide in lowering speed of vehicles.• Parking restrictions on one side of road with residential parking permits if needed.

Petition No. 2

The second petition contains approximately 18 signatures requesting Council seal Atherton Drive down to Beach 5 and Spring Street due to the dust emanated from vehicles travelling on the two unsealed roads. The petition prayer is included in **Figure 3** and the petition is available in **Confidential Attachment [15.1.2]**.

Figure 3 – Petition No. 2 Prayer (Sealing)

<p style="text-align: center;"><u>A PETITION TO SOUTH GIPPSLAND SHIRE COUNCIL TO BITUMEN</u> <u>ATHERTON DRIVE AND SPRING STREET, VENUS BAY 3956</u></p> <p>AIM: To improve the health and safety for home owners and pedestrians by eliminating the plumes of dust.</p> <p>SUGGESTION:</p> <ul style="list-style-type: none">• To continue the bitumen of Atherton Drive down to Beach 5 and Spring Street.
--

CONSULTATION

It is proposed that Council meets with the petitioners to investigate different options for addressing the two petitions. This may include some short term traffic management solutions and longer term solutions around construction of Atherton Drive and Spring Street including how this may be funded in a rate capped environment.

RESOURCES

Council has not allocated a budget for traffic management and sealing works on Atherton Drive and Spring Street.

RISKS

Risks are limited at this stage as the consultation will investigate different options and the risks associated with the options.

STAFF DISCLOSURE

Nil

ATTACHMENTS

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

1. Petition Cover Letter & Photos [4.5.1 - 8 pages]
2. C42 Special Charge Scheme Policy (adopted 24 May 2017) [4.5.2 - 2 pages]

CONFIDENTIAL ATTACHMENTS

Confidential Attachment [15.1.1] – Petition (Traffic Management on Atherton Drive and Spring Street) and **Confidential Attachment [15.1.2]** – Petition (Sealing of Atherton Drive and Spring Street) have been provided in accordance with s.77(2)(c) of the Local Government Act 1989. The Chief Executive Officer designates this Agenda Item as confidential information on the grounds that it relates to s.89(2)(h) - any other matter which the Council or Special Committee considers would prejudice the Council or any persons.

These items are deemed confidential to protect the privacy of the petition signatories as the petitions contain their personal details.

REFERENCE DOCUMENTS

Council Policy

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

Annual Budget 2019/20

Asset Management Plan - Road Infrastructure

Asset Management Policy (C04)

Asset Management Strategy

Road Management Plan

Special Charge Scheme Policy (C42)

Legislative Provisions

Local Government Act 1989

Road Management Act 2004

4.6. MAV VENDOR PANEL - MOTOR GRADER PURCHASE

Infrastructure Directorate

EXECUTIVE SUMMARY

The Plant replacement program forms part of Councils 2019/20 capital works program with a combined total budget of \$2,741,000.

In accordance with Council's Procurement Policy (C32) and procedures for major quotations, Council utilised the Municipal Association Victoria (MAV) Vendor Panels contract NPN2.15 - Plant Machinery Equipment - to request quote submissions from suppliers within the Panel for the purchase of a new Motor Grader.

Of the three (3) requested quotations sourced from the MAV Vendor Panel quote reference VP158082, only two (2) suppliers responded and provided submissions.

Both submissions were below Council's allocated budget of \$385,000 Ex GST changeover price for a new Motor Grader with rear mounted roller attachment.

The quotations were assessed against the criteria specified in the contract documentation by an evaluation panel (refer **Confidential Attachment [15.2.1]**).

RECOMMENDATION

That Council:

1. Approves the award of contract NPN2.15 - Plant Machinery Equipment (18 Tonne Motor Grader) to <insert name > for the lump sum amount of \$<insert amount>.
2. Authorises the Chief Executive Officer to sign and affix the Common Seal of the Municipality to the Purchase Order.

MOVED: Administrator Brown

SECONDED: Administrator Zahra

THAT COUNCIL:

1. **APPROVES THE AWARD OF CONTRACT NPN2.15 - PLANT MACHINERY EQUIPMENT (18 TONNE MOTOR GRADER) TO William Adams Pty Ltd FOR THE LUMP SUM AMOUNT OF \$416,900.**
2. **AUTHORISES THE CHIEF EXECUTIVE OFFICER TO SIGN AND AFFIX THE COMMON SEAL OF THE MUNICIPALITY TO THE PURCHASE ORDER.**

CARRIED UNANIMOUSLY

[Link to next Agenda Item.](#)

REPORT

The Plant replacement program forms part of Council's 2019/20 capital works Program with a combined budget of \$2,741,000.

On 20 August 2019, Council used the Municipal Association Victoria (MAV) Vendor Panel to invite tenders for the replacement of Plant No. 431 Motor Grader with rear mounted roller attachment.

The grader shall be used by Council's operations team to maintain the unsealed road network in the South Gippsland Shire.

Quotations closed on 10 September 2019.

In accordance with Council's Procurement Policy (C32) and procedures for major quotations, an Evaluation Panel was convened on 11 September 2019 to assess the quotations from within the MAV Vendor Panel. The panel members were as listed below:

- Manager Operations
- Plant and Fleet Coordinator
- Workshop Supervisor

The quotations were assessed in accordance with the criteria specified in the evaluation documentation.

Of the three (3) requested quotations from the MAV Vendor Panel quote reference VP158082, only two (2) suppliers responded and provided submissions.

Both submissions were below Council's allocated budget of \$385,000 Ex GST changeover price for a new motor grader with rear mounted roller attachment.

Final consideration given to the preferred supplier came down to suitability to task, full compliance to specification and fit for purpose.

Each of the two (2) suppliers submitted a purchase price and trade in price as requested.

CONSULTATION

Quotation specifications were developed in consultation with relevant working group involved in the use and operation of an 18T Motor Grader.

Once a suitable specification was developed, Council utilised the MAV Vendor Panel to select three (3) suppliers and seek quotations according to the specification. Suppliers were notified to supply quotes and were also

requested to provide Council's operators and drivers with demonstration models delivered on site over a designated period.

A summary of the tender evaluation has been included in the **Confidential Attachment [15.2.1]**.

RESOURCES

The total annual plant replacement budget is \$2,741,000, of which \$385,000, changeover, was estimated for the replacement of plant number 431. The quoted value of the new 18T Grader was under the estimated amount.

RISKS

The existing unit is over 15 years old and is past its optimum replacement timing (normally 10 years), resulting in excessive downtime and higher repair costs.

STAFF DISCLOSURE

Nil

CONFIDENTIAL ATTACHMENT

Confidential Attachment [15.2.1] – Grader Plant Purchase 431 - Evaluation Summary accordance with s.77(2)(c) of the Local Government Act 1989. The Chief Executive Officer designates this item as confidential information on the grounds that it relates to s.89(2)(d) - contractual matters.

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

REFERENCE DOCUMENTS

Council Policy

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

Annual Budget 2019/20

Procurement Policy (C32)

Legislative Provisions

Local Government Act 1989

4.7. GIPPSWIDE KERBSIDE COLLABORATIVE TENDER FOR WASTE MANAGEMENT SERVICES

Infrastructure Directorate

EXECUTIVE SUMMARY

South Gippsland Shire Council has participated in a collaborative partnership project with the Gippsland Waste and Resource Recovery Group and all Gippsland councils to evaluate the potential benefits of joint procurement of waste management services.

The project to date has been comprised of multiple stages, as follows:

- 2015 – Initial market sounding exercise (Gippsland Collaborative Waste Investment Initiative).
- 2018 – Development of the Gippsland Collaborative Resource Recovery Business Case.
- 2019 – Completion of the formal Gippswide Kerbside Collaborative Procurement Expression of Interest (Eoi) process.

The recommendations of the formal Eoi process are that all Gippsland councils enter into a participation agreement to formally tender for the provision of various waste management services.

RECOMMENDATION

That Council:

1. Agrees to participate in collaborative tender processes for the provision of:
 - a. Organics processing services;
 - b. Commingled recycling processing services;
 - c. Kerbside waste, recycling, organics collection, and bulk haulage services;
 - d. Residual waste treatment services – Landfill or Alternative waste treatment (AWT²).
2. Receives a report at a future meeting to consider the results of the tender process.

² Alternative waste treatment (AWT) describes a range of activities that process mixed solid waste that would have gone to landfill into products such as compost, fuel or biogas, and increase recovery of resources including plastics, glass and metals.

MOVED: Administrator Zahra

SECONDED: Administrator Brown

THAT COUNCIL:

- 1. AGREES TO PARTICIPATE IN COLLABORATIVE TENDER PROCESSES FOR THE PROVISION OF:**
 - a. ORGANICS PROCESSING SERVICES;**
 - b. COMMINGLED RECYCLING PROCESSING SERVICES;**
 - c. KERBSIDE WASTE, RECYCLING, ORGANICS COLLECTION, AND BULK HAULAGE SERVICES;**
 - d. RESIDUAL WASTE TREATMENT SERVICES – LANDFILL OR ALTERNATIVE WASTE TREATMENT (AWT³).**
- 2. RECEIVES A REPORT AT A FUTURE MEETING TO CONSIDER THE RESULTS OF THE TENDER PROCESS.**

CARRIED UNANIMOUSLY

[Link to next Agenda Item.](#)

³ Alternative waste treatment (AWT) describes a range of activities that process mixed solid waste that would have gone to landfill into products such as compost, fuel or biogas, and increase recovery of resources including plastics, glass and metals.

REPORT

All Gippsland councils and the Gippsland Waste and Resource Recovery Group (GWRRG) have worked together to assess the viability and potential benefits of jointly procuring waste management services within the Gippsland region.

Commencing in 2014, the work to date has included a number of separate projects that have led to the development of a business case and the undertaking of an expression of interest (Eoi) process.

The Gippsland Collaborative Resource Recovery Business Case concluded that potentially significant benefits could be achieved through joint procurement of waste services, particularly if three or more Councils were involved. In order to explore these opportunities further and to determine appetite within the region for this type of approach, the Eoi project was developed and implemented. Copies of both the Eoi report and the business case are provided in **Confidential Attachments [15.3.1]** and **[15.3.2]**.

The strategic intent of the Eoi project was to increase the diversion of municipal solid waste (MSW) material streams away from landfill by:

- developing an integrated and consistent approach to solid waste management in the region to create opportunities for resource recovery and achieve greater efficiencies;
- amalgamating sufficient volumes of source separated kerbside MSW to drive private sector investment in material recovery and reuse generating sustainable economic development within the region; and
- reducing adverse environmental impacts and landfill related costs for the Gippsland community.

As a direct outcome of the Eoi process, Councils are being asked to enter into a tender participation agreement between the six Gippsland Councils and Resource Recovery Gippsland. Agreement to participate in the tender processes does not bind Council to enter into any contracts.

DISCUSSION

The costs associated with the provision of waste management services to the South Gippsland community are significant, with the total budget in 2019/20 exceeding \$4.8 million. Service charges and disposal fees are in place to recover most of those costs, so whatever initiatives can be implemented to reduce costs, result in a direct cost reduction benefit to users of the services.

Currently the Koonwarra landfill is operated in-house, but the provision of kerbside collection services, transfer station operations, hard waste collection

services, leachate disposal services, public litter, and recycling bin services are delivered under contract by various service providers. The annual value of these contracted services is currently more than \$3.7 million. The value of kerbside collection and processing services alone is more than \$2.4 million.

In the past, open tender processes for the provision of waste management services have been undertaken individually by each Gippsland council. Although the potential benefits of joint tenders have been discussed in the region, it has been difficult, until now, to align individual contract expiry dates to facilitate joint tendering. Most Gippsland councils are currently in a position to enter into a collaborative contract, either from the commencement of the proposed new contracts or within the next few years as part of a staged opt-in arrangement.

If Council resolved not to participate in the proposed tender processes, it would be at risk of missing the opportunity to achieve potential cost savings and/or other service benefits. In addition, if other councils were to enter into a collaborative contract as a result of the tender processes, South Gippsland Shire Council could potentially be placed at a disadvantage when tendering for the same waste services individually at a later date.

However, taking into account the risks associated with not participating, due to the current instability in the recycling processing industry, there are also risks associated with undertaking the tendering process at the current time. It is possible that due to the lack of certainty of processing options and existing markets for recycled materials, tendered prices could be higher than they may be in two or three years' time. Similar uncertainty exists in the area of residual waste disposal with a major Waste to Energy facility (WTE) currently in the final planning stages. These risks should not preclude Council from participating in the tendering processes, but a future report to Council, once those processes have been completed, will take them into account.

The service specifications for the proposed contracts have not yet been developed, but when finalised, will consider all aspects of leading practice (best value) in waste management services to ensure the best outcomes are achieved for the community and the environment. Council's Waste Management team will have direct input into the documents and will make sure that the contracts are flexible and allow consideration of various service options, along with staged commencement dates for the various services.

With consideration of the outcomes of the EoI process, it is recommended that Council participate in joint tenders for the provision of kerbside waste, recycling and organics collection, and processing and residual waste treatment and/or disposal.

CONSULTATION

Throughout the development and implementation of the various project stages, waste management and procurement staff from all Gippsland councils have been involved in working groups and/or consulted on specific matters.

The Chief Executive Officers of all six Gippsland councils signed a Memorandum of Understanding (MOU) to participate in the EoI process.

Officers from the GWRRG presented a briefing on the Gippswide Kerbside project to Council on 13 March 2019 and to Council's Administrators on 14 August 2019.

RESOURCES

Council has made a budget provision in future budgets for the provision of all waste management services. If cost savings were to be realised through collaborative procurement or other means, future budgets would be reduced accordingly.

RISKS

Identified risks and mitigation measures are listed in the table below.

Table 1 – Risks and Mitigation Measures

Risk	Mitigation Measures
If Council were not to participate in the tender processes, the opportunity to achieve costs savings or other benefits could be missed. In addition, Council could incur higher future costs when individually tendering for waste management services in the future.	Agree to participate as per the recommendation.
Non-compliance with Council's Procurement Policy and the Local Government Act.	Conduct a closed tender for the collaborative procurement of waste management services. Obtain formal approval from the Australian Competition and Consumer Commission to ensure that the proposed tender processes comply with associated legislation.
Tendered prices for recycling processing and residual waste disposal may be higher at this point in time due to industry uncertainty and the current progress of major projects.	Tendered prices will be evaluated against current contract rates and estimated future rates to assess the value they represent.

STAFF DISCLOSURE

Nil

CONFIDENTIAL ATTACHMENTS

Confidential Attachment [15.3.1] – Gippswide Kerbside Project Report and **Confidential Attachment [15.3.2]** – Gippsland Waste Resource Recovery Group – Business Case has been provided in accordance with s.77(2)(c) of the Local Government Act 1989. The Chief Executive Officer designates this Agenda Item as confidential information on the grounds that it relates to s.89(2)(d) – contractual matters.

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

REFERENCE DOCUMENTS

Council Policy

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

Procurement Policy (C32)

Waste Management Strategy

Legislative Provisions

Local Government Act 1989

4.8. AWARD CONTRACT CON/229 COLLECTION, TRANSPORT AND DISPOSAL OF LEACHATE FROM THE KOONWARRA LANDFILL

Infrastructure Directorate

EXECUTIVE SUMMARY

The Koonwarra Landfill accepts all of South Gippsland Shire's solid waste. A bi-product of operating a landfill is the generation of a liquid known as leachate, which is created by rain water filtering through the landfill and from the decomposition of waste.

At the Koonwarra Landfill, leachate is captured in a series of tanks before being transported by an appropriately licenced contractor to an Environment Protection Authority (EPA) approved liquid waste facility.

The service has been performed under Contract SGC15/15 since November 2014. This contract is due to expire on 31 October 2019 with no further extension options available.

In July 2019, Council advertised Request for Tender RFT/229 Collection, Transport and Disposal of Leachate from the Koonwarra Landfill and in response, five tenders were received. The tenders were assessed against the criteria specified in the contract documentation by an evaluation panel (refer **Confidential Attachment [15.4.1]**).

RECOMMENDATION

That Council:

1. Approves the award of contract CON/229 Collection, Transport and Disposal of Leachate from the Koonwarra Landfill to <insert name > for the schedule of rates items (as stated in Schedule 2 of their tender submission), commencing 1 November 2019 for a contract term of three years with two 1-year extension options upon satisfactory contractor performance;
2. Advises all tenderers the outcome of the Request for Tender RFT/229 - Collection, Transport and Disposal of Leachate from the Koonwarra Landfill process;
3. Authorises the Chief Executive Officer to approve extensions to the contract on the satisfactory performance of the contractor at the sole discretion of Council; and
4. Authorises the Chief Executive Officer to sign and affix the Common Seal of the Municipality to the contract documents.

MOVED: Administrator Brown

SECONDED: Administrator Zahra

THAT COUNCIL:

- 1. APPROVES THE AWARD OF CONTRACT CON/229 COLLECTION, TRANSPORT AND DISPOSAL OF LEACHATE FROM THE KOONWARRA LANDFILL TO CSA SPECIALISED SERVICES PTY LTD FOR THE SCHEDULE OF RATES ITEMS (AS STATED IN SCHEDULE 2 OF THEIR TENDER SUBMISSION), COMMENCING 1 NOVEMBER 2019 FOR A CONTRACT TERM OF THREE YEARS WITH TWO 1-YEAR EXTENSION OPTIONS UPON SATISFACTORY CONTRACTOR PERFORMANCE;**
- 2. ADVISES ALL TENDERERS THE OUTCOME OF THE REQUEST FOR TENDER RFT/229 - COLLECTION, TRANSPORT AND DISPOSAL OF LEACHATE FROM THE KOONWARRA LANDFILL PROCESS;**
- 3. AUTHORISES THE CHIEF EXECUTIVE OFFICER TO APPROVE EXTENSIONS TO THE CONTRACT ON THE SATISFACTORY PERFORMANCE OF THE CONTRACTOR AT THE SOLE DISCRETION OF COUNCIL; AND**
- 4. AUTHORISES THE CHIEF EXECUTIVE OFFICER TO SIGN AND AFFIX THE COMMON SEAL OF THE MUNICIPALITY TO THE CONTRACT DOCUMENTS.**

CARRIED UNANIMOUSLY

[Link to next Agenda Item.](#)

REPORT

Background

While most current landfill sites use large evaporation ponds to dispose of leachate, the EPA does not allow the Koonwarra Landfill to use evaporation ponds due to poor evaporation rates in the area. Instead, the Koonwarra Landfill has four 20,000 litre tanks which leachate is pumped into. Leachate is then removed by tanker truck and disposed of at an EPA-licensed liquid waste disposal facility.

The service has been performed under contract SGC15/15 since November 2014. This contract is due to expire on 31 October 2019 with no further extension options available. RFT/229 was prepared and advertised to carry on the service into the future.

Discussion

The tender evaluation criteria identified the tender sum as having the greatest single weighting, however strong weighting was also placed on a tenderer's capability (suitable EPA approvals and fleet capacity) to deliver the services, along with relevant experience in similar works. The full evaluation criteria and their respective weightings are listed in Table 1.

Table 1 – Evaluation Criteria and Weightings

Criteria	Assessment	Weighting
1. Schedule of Rates	1.1. Comparison of rate per litre of leachate collected and transported from the Koonwarra Landfill to the disposal facility. 1.2. Comparison of rate per litre of leachate treated/disposed of from the Koonwarra Landfill.	50%
2. Capability	2.1. Transporter suitably licenced to transport landfill leachate. 2.2. Disposal facility suitably licenced to accept landfill leachate. 2.3. Adequate vehicle fleet and disposal facility capacity.	25%
3. Relevant Experience	3.1. Past experience in delivering similar services.	10%
4. OH&S System	4.1. Compliant OH&S system. 4.2. Documentation and evidence.	10%
5. Environmental Management	5.1. Compliant Environmental Management System. 5.2. Documentation and evidence.	5%

In response to RFT/229, five tender submissions were received. The submissions were evaluated against the evaluation criteria by the nominated panel members. The panel members included:

- Manager Infrastructure Planning
- Coordinator Sustainability
- Waste Management Supervisor
- Procurement Officer

After evaluating the tender submissions, the evaluation panel is satisfied with recommending the award of contract CON/229 to collect, transport, and dispose of leachate from the Koonwarra Landfill to the preferred tenderer identified in **Confidential Attachment [15.4.1]**. The preferred tenderer's submission provides good value to Council from a contractor with extensive experience in providing similar services.

The tender evaluation summary is included in **Confidential Attachment [15.4.1]**. A summary of the tendered prices is included in **Confidential Attachment [15.4.2]**.

Contract Term and Extension Options

CON/229 has an initial contract term of 3 years commencing from 1 November 2019. Council have two 1-year extension options beyond the initial contract term based on satisfactory contractor performance.

The extension options are dependent on the contractor's performance in accordance with the following key performance indicators:

- All leachate loads collected within two working days in accordance with the contract documents;
- Any environmental incidents while performing the services must be reported to Council for investigation;
- All OH&S incidents while performing the services must be reported to Council for investigation; and
- Leachate transporter and disposal facility must maintain their EPA accreditation and / or licence.

CONSULTATION

Tender specifications were developed in consultation with all relevant officers involved in the provision of waste management services.

RFT/229 was advertised in The Age (13 July 2019), Latrobe Valley Express (15 July 2019) and in Council's Noticeboard section of the local papers (15 July 2019). Tenders closed on 6 August 2019.

The tenders were assessed in accordance with the criteria specified in the contract documentation (Table 1) by an evaluation panel on 12 August 2019.

The tender evaluation including weighted scores has been included in **Confidential Attachment [15.4.1]**.

RESOURCES

Council has made a budget provision of \$265,820 for the next three years for leachate disposal costs under this contract. This is based on 666,225L of leachate being transported from the Koonwarra Landfill each year.

The quantities required to be transported under this contract are prone to variation from year to year depending on rainfall and site conditions (e.g. depth of waste in the active landfill cell).

Activities to minimise leachate production are implemented at the Koonwarra Landfill. These include the progressive capping and rehabilitation of completed landfill cells and the use of a tarp style daily cover system.

This tender has been designed as a schedule of rates contract with no guaranteed future volumes. This means that if Council can reduce off-site leachate disposal, savings will be realised. Tenderers were requested to provide the leachate collection, transport, and disposal rate (per litre) based on pick up from Koonwarra Landfill and disposal at the nominated disposal facility.

RISKS

Leachate generation is an unavoidable aspect of operating a landfill. While measures such as progressively capping and rehabilitating landfill cells can reduce leachate generation rates, it can't be eliminated. Council's EPA license requires leachate levels to be maintained to a maximum depth of 300mm in the landfill cells. Anything over this depth must be pumped out and transported off-site or treated in an EPA approved manner.

Identified risks and mitigation measures are listed in the Table 3.

Table 3 – Risks and Mitigation Measures

Risk	Mitigation Measures
Increasing costs due to increasing leachate volumes.	Progressively rehabilitate landfill cells.
Non-compliance with Council's Procurement Policy and the Local Government Act.	Conduct a public tender for the collection, transport, and disposal of leachate.
Environmental pollution or EPA prosecution due to poor leachate management practices of contractor.	Award tender to an EPA licensed contractor with experience in delivering leachate disposal services and who has a satisfactory environmental management system.

STAFF DISCLOSURE

Nil

CONFIDENTIAL ATTACHMENT

Confidential Attachment [15.4.1] – RFT/229 Tender Evaluation Summary has been provided in accordance with s.77(2)(c) of the Local Government Act 1989. The Chief Executive Officer designates this Agenda Item as confidential information on the grounds that it relates to s.89(2)(d) – contractual matters.

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

REFERENCE DOCUMENTS**Council Policy**

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

Procurement Policy (C32)

Waste Management Strategy

Legislative Provisions

Local Government Act 1989

4.9. AWARD CONTRACT CON/232 CONSTRUCTION OF FOOTPATH RENEWALS & FOOTPATH EXTENSIONS

Infrastructure Directorate

EXECUTIVE SUMMARY

The footpath renewal and extension programs form part of Council's 2019/20 capital works program with a combined budget of \$363,640.

In accordance with Council's Procurement Policy and procedures, Council is required to follow an open tender process for the Construction of Footpath Renewals & Footpath Extensions.

In response to Council's Request for Tender RFT/232 – Construction of Footpath Renewals & Footpath Extensions (RFT/232), two tender submissions were received. One submission was within Council's budget allocation of \$363,640 while the second submission exceeded Council's budget. The tenders were assessed against the criteria specified in the contract documentation by an evaluation panel (refer **Confidential Attachment [15.5.1]**).

RECOMMENDATION

That Council:

1. Approves the award of contract CON/232 Construction of Footpath Renewals and Footpath Extensions to <insert name > for the lump sum \$ <insert amount>.
2. Delegates to the Manager Infrastructure Delivery (Contract Superintendent), the power to approve variations up to a contingency allowance of 10 per cent of the contract lump sum within the budget of \$363,640.
3. Authorises the Chief Executive Officer to sign and affix the Common Seal of the Municipality to the contract documents.

MOVED: Administrator Brown

SECONDED: Administrator Zahra

THAT COUNCIL:

1. **APPROVES THE AWARD OF CONTRACT CON/232 CONSTRUCTION OF FOOTPATH RENEWALS AND FOOTPATH EXTENSIONS TO M&M PAVING FOR THE LUMP SUM \$ 343,748.37.**
2. **DELEGATES TO THE MANAGER INFRASTRUCTURE DELIVERY (CONTRACT SUPERINTENDENT), THE POWER TO APPROVE VARIATIONS UP TO A CONTINGENCY ALLOWANCE OF 10 PER CENT OF THE CONTRACT LUMP SUM WITHIN THE BUDGET OF \$363,640.**
3. **AUTHORISES THE CHIEF EXECUTIVE OFFICER TO SIGN AND AFFIX THE COMMON SEAL OF THE MUNICIPALITY TO THE CONTRACT DOCUMENTS.**

CARRIED UNANIMOUSLY

[Link to next Agenda Item.](#)

REPORT

The footpath renewal and extension programs form part of Council's 2019/20 capital works program with a combined budget of \$363,640.

On 10 August 2019, Council invited tenders for RFT/232.

The works involved in this program are the removal and replacement of sections of sub-standard footpath and kerb & channel at nominated locations provided within the tender schedules and the construction of new footpaths as per the designs within the tender documents.

The tendered projects include:

- Whitelaw Street, Meeniyah (Footpath and Kerb & Channel Renewal)
- Boundary Road, Foster (Footpath and Kerb & Channel Renewal)
*Withdrawn
- Horn Street, Leongatha (Footpath Extension)
- Grand Ridge East Road, Mirboo North (Footpath Extension)
- Peacock Street, Mirboo North (Footpath Extension)
- Koala Drive, Koonwarra (Footpath Extension)
- McKitterick Street, Meeniyah (Footpath Extension)

Tenders closed on the 3 September 2019. In response to Council's Request for Tender for RFT/232, two tender submissions were received. One submission was within Council's budget of \$363,640.

The tender submissions were evaluated by the nominated panel members. The panel members were as listed below:

- Manager Infrastructure Delivery
- Engineering Coordinator
- Civil Technical Officer
- Procurement Officer

The evaluation panel considered the tenders and was satisfied with recommending the award of CON/232 based on the assessment of the submissions. The evaluation panel considered that the preferred price represents value for money in the current contracting environment.

The evaluation panel also gave consideration to deleting the Boundary Road, Foster project from the contract for the following reasons;

- There are major culverts in Stockyard Creek under Boundary Road adjacent to the proposed footpath and kerb & channelling works. Following the recent completion of the Foster flood study consultancy, it is likely that an upgrade of these culverts will be required within the next few years due to flooding issues. When these culvert works occur, it is likely the levels of the footpath and kerb & channel would change, resulting in Council having to demolish the newly laid footpath and kerb & channel, resulting in unnecessary costs to Council.

The evaluation panel agreed that it would be in Council's best interest to remove this project from the contract.

CONSULTATION

Tender specifications were developed in consultation with all relevant officers involved in planning these projects.

RFT/232 was advertised in The Age (10 August 2019), Latrobe Valley Express (13 August 2019) and in Council's Noticeboard section of the local papers (13 August 2019). Tenders closed on 3 September 2019.

The submitted tenders were assessed in accordance with the criteria specified in the tender documentation by an evaluation panel on 9 September 2019.

A summary of the tender evaluation has been included in the **Confidential Attachment [15.5.1], [15.5.2] and [15.5.3]**.

RESOURCES

The total project combined budget is \$363,640 which is provided within Council's 2019/20 Annual Budget. Project funding is broken down in the table below.

Budget:	\$363,640
(88040) Footpath Extension Program	\$136,701
(88050) Footpath Renewal Program	\$226,939

A contingency amount of 10 per cent has been allowed for over and above the lump sum contract amount. This contingency amount is for unforeseen expenditure items relating to these projects at the Superintendent's discretion.

The preferred tenderer's price is within the allocated budget and it is therefore recommended that Council approves the award of contract CON/232 for the Construction of Footpath Renewals & Footpath Extensions, with the tendered works in Boundary Road, Foster being removed from the Contract.

STAFF DISCLOSURE

Nil

CONFIDENTIAL ATTACHMENT

Confidential Attachment [15.5.1] – RFT/232 Tender Evaluation Summary - Construction of Footpath Extensions and Renewals, **Confidential Attachment [15.5.2]** – RFT/232 Signed Scope Change Letter and **Confidential Attachment [15.5.3]** – RFT/232 Tender Prices Received has been provided in accordance with s.77(2)(c) of the Local Government Act 1989. The Chief Executive Officer designates this item as confidential information on the grounds that it relates to s.89(2)(d) - contractual matters.

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

REFERENCE DOCUMENTS

Council Policy

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

Annual Budget 2019/20

Procurement Policy (C32)

Legislative Provisions

Local Government Act 1989

4.10. AWARD CONTRACT CON/233 DESIGN AND CONSTRUCTION OF TOORA SWIMMING POOL SPLASH PARK

Infrastructure Directorate

EXECUTIVE SUMMARY

The Toora Swimming Pool Stage 2 Splash Park & Carpark Project forms part of Council's 2019/20 capital works program, with a combined budget of \$630,702.

The Master Plan for Toora Pool highlighted a number of key improvement opportunities at the facility. The Master Plan was adopted by Council in April 2014.

The Toora Swimming Pool committee advice is the splash park is a higher priority than the carpark. Based on this advice, the Infrastructure Delivery department arranged to tender the Splash Park works first, and then with the remaining budget, will proceed with the carpark project in calendar year 2020. It was estimated that a budget of \$190,000 would be required to complete the carpark works, leaving a budget of \$440,702 for the Splash Park.

In accordance with Council's Procurement Policy and procedures, Council is required to follow an open tender process for the construction of the Toora Swimming Pool Stage 2 Splash Park.

In response to Council's Request for Tender RFT/233 – Design & Construction of Toora Swimming Pool Stage 2 Splash Park (RFT/233), three tender submissions were received. Two submissions were within Council's budget allocation of \$440,702 while the third submission exceeded Council's budget.

The tenders were assessed against the criteria specified in the contract documentation by an evaluation panel (refer **Confidential Attachment [15.6.1]**).

RECOMMENDATION

That Council:

1. Approves the award of contract CON/233 Design & Construction of Toora Swimming Pool Stage 2 Splash Park to <insert name > for the lump sum of \$ <insert amount>.
2. Delegates to the Manager Infrastructure Delivery (Contract Superintendent), the power to approve variations up to a contingency allowance of 10 per cent of the project lump sum within the budget of \$440,702.
3. Authorises the Chief Executive Officer to sign and affix the Common Seal of the Municipality to the contract documents.

MOVED: Administrator Zahra

SECONDED: Administrator Brown

THAT COUNCIL:

- 1. APPROVES THE AWARD OF CONTRACT CON/233 DESIGN & CONSTRUCTION OF TOORA SWIMMING POOL STAGE 2 SPLASH PARK TO WATERFEATURES BY DESIGN PTY LTD FOR THE LUMP SUM OF \$ 398,000.**
- 2. DELEGATES TO THE MANAGER INFRASTRUCTURE DELIVERY (CONTRACT SUPERINTENDENT), THE POWER TO APPROVE VARIATIONS UP TO A CONTINGENCY ALLOWANCE OF 10 PER CENT OF THE PROJECT LUMP SUM WITHIN THE BUDGET OF \$440,702.**
- 3. AUTHORISES THE CHIEF EXECUTIVE OFFICER TO SIGN AND AFFIX THE COMMON SEAL OF THE MUNICIPALITY TO THE CONTRACT DOCUMENTS.**

CARRIED UNANIMOUSLY

[Link to next Agenda Item.](#)

REPORT

The Toora Swimming Pool Stage 2 Splash Park & Carpark Project forms part of Council's 2019/20 capital works program, with a combined budget of \$630,702.

On 22 June 2019, Council invited contractors to tender for RFT/233. Tenders closed on 23 July 2019 with one tender submission received, which was over Council's allocated budget. The decision was made to re-tender, so the identical tender was issued back out to market on 10 August 2019, with tenders closing on 3 September 2019.

The works include the demolition of the existing toddler's play pool and construction of a new splash park inclusive of all splash park fixtures and dedicated infrastructure including plant area, tanks, pumps and filtration & water quality management systems.

In response to Council's second RFT/233, three tender submissions were received. Two submissions were within Council's budget allocation of \$440,702 while the third submission exceeded Council's budget.

The tender submissions were evaluated by a group of panel members. The panel members were as listed below:

- Building Coordinator
- Building Projects Officer
- Recreation Officer
- Procurement Officer

The evaluation panel considered the tenders and was satisfied with recommending the award of CON/233 to the preferred tenderer based on the assessment of the submissions. The evaluation panel considered that the preferred price represents value for money in the current contracting environment.

CONSULTATION

Tender specifications were developed in consultation with all relevant officers involved in the planning of these projects.

Council staff consulted with the Toora Pool Committee in the development of this project.

RFT/233 was advertised in The Age (10 August 2019), Latrobe Valley Express (13 August 2019) and in Council's Noticeboard section of the local papers (13 August 2019). Tenders closed on 3 September 2019.

The submitted tenders were assessed in accordance with the criteria specified in the tender documentation by an evaluation panel on 11 September 2019.

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

RESOURCES

The total project combined budget is \$630,702 which is provided within Council's 2019/20 Annual Budget.

Council has secured \$250,000 in grant funding from the Victorian Government Community Sports Infrastructure fund.

Budget:	\$630,702
State Government Grant	\$250,000
Council Contribution	\$380,702

A contingency amount of 10 per cent has been allowed for over and above the lump sum contract amount. This contingency amount is for unforeseen expenditure items relating to these projects at the Superintendent's discretion.

The preferred tenderer's price is within the allocated budget and it is therefore recommended that Council approves the award of contract CON/233 for the Design and Construction of the Toora Swimming Pool Stage 2 Splash Park.

STAFF DISCLOSURE

Nil

CONFIDENTIAL ATTACHMENT

Confidential Attachment [15.6.1] – RFT233 Tender Evaluation Summary – Design & Construction Toora Swimming Park has been provided in accordance with s.77(2)(c) of the Local Government Act 1989. The Chief Executive Officer designates this item as confidential information on the grounds that it relates to s.89(2)(d) – contractual matters.

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

REFERENCE DOCUMENTS

Council Policy

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

Annual Budget 2019/20

Procurement Policy (C32)

Legislative Provisions

Local Government Act 1989

4.11. AWARD CONTRACT CON/234 SUPPLY AND INSTALLATION OF GUARDRAILS - VARIOUS LOCATIONS

Infrastructure Directorate

EXECUTIVE SUMMARY

The guardrail installation program forms part of Council's 2019/20 Capital Works Program with a budget of \$115,361.

In accordance with Council's Procurement Policy and procedures, Council is required to follow an open tender process for the Supply and Installation of Guardrails.

In response to Council's Request for Tender RFT/234 – Supply and Installation of Guardrails – Various Locations (RFT/234), five tender submissions were received. One submission was within Council's budget allocation of \$115,361 while the remaining four submissions exceeded Council's available budget.

The tenders were assessed against the criteria specified in the contract documentation by an evaluation panel (refer **Confidential Attachment [15.7.1]**).

RECOMMENDATION

That Council:

1. Approves the award of contract CON/234 Supply and Installation of Guardrails – Various Locations to <insert name > for the lump sum \$ <insert amount >.
2. Delegates to the Manager Infrastructure Delivery (Contract Superintendent), the power to approve variations up to a contingency allowance of 10 per cent of the contract lump sum within the budget of \$115,361.
3. Authorises the Chief Executive Officer to sign and affix the Common Seal of the Municipality to the contract documents.

MOVED: Administrator Brown

SECONDED: Administrator Zahra

THAT COUNCIL:

- 1. APPROVES THE AWARD OF CONTRACT CON/234 SUPPLY AND INSTALLATION OF GUARDRAILS – VARIOUS LOCATIONS TO SAFETY BARRIER SOLUTIONS FOR THE LUMP SUM \$ 87,550.**
- 2. DELEGATES TO THE MANAGER INFRASTRUCTURE DELIVERY (CONTRACT SUPERINTENDENT), THE POWER TO APPROVE VARIATIONS UP TO A CONTINGENCY ALLOWANCE OF 10 PER CENT OF THE CONTRACT LUMP SUM WITHIN THE BUDGET OF \$115,361.**
- 3. AUTHORISES THE CHIEF EXECUTIVE OFFICER TO SIGN AND AFFIX THE COMMON SEAL OF THE MUNICIPALITY TO THE CONTRACT DOCUMENTS.**

CARRIED UNANIMOUSLY

[Link to next Agenda Item.](#)

REPORT

The guardrail installation program forms part of Council's 2019/20 Capital Works Program with a budget of \$115,361.

On 17 August 2019, Council invited tenders for Supply and Installation of Guardrails – Various Locations (RFT/234).

The works involved in this program are for the removal and replacement of sections of sub-standard guardrail at nominated locations provided within the tender schedules and as per the designs within the tender documents.

The tendered projects include:

- Sewells Road, Koonwarra
- Gwythers Siding Road, Leongatha South
- Hudsons Road, Leongatha South

Tenders closed on the 10 September 2019. In response to Council's Request for Tender for RFT/234, five tender submissions were received with one within Council's budget of \$115,361 and the other submissions exceeding Council's budget.

The tender submissions were evaluated by the nominated panel members. The panel members were as listed below:

- Manager Infrastructure Delivery
- Engineering Coordinator
- Civil Technical Officer
- Procurement Officer

The evaluation panel considered the tenders and was satisfied with recommending the award of CON/234 based on the assessment of the submissions. The evaluation panel considered that the preferred price represents value for money in the current contracting environment.

A summary of the tender evaluation has been included in the **Confidential Attachment [15.7.1]**.

CONSULTATION

Tender specifications were developed in consultation with all relevant officers involved in planning these projects.

RFT/234 was advertised in The Age (17 August 2019), Latrobe Valley Express (20 August 2019) and in Council's Noticeboard section of the local papers (20 August 2019). Tenders closed on 10 September 2019.

The submitted tenders were assessed in accordance with the criteria specified in the tender documentation by an evaluation panel on 16 September 2019.

RESOURCES

The total available budget is \$115,361 which is accommodated within Council's 2019/20 Annual Budget under cost code 82240 Guardrails Replacement Program.

A contingency amount of 10 per cent has been allowed for over and above the lump sum contract amount. This contingency amount is for unforeseen expenditure items relating to these projects at the Superintendent's discretion.

The preferred tenderer's price is within the allocated budget and it is therefore recommended that Council approves the award of contract CON/234 for the Supply and Installation of Guardrails – Various Locations.

STAFF DISCLOSURE

Nil

CONFIDENTIAL ATTACHMENT

Confidential Attachment [15.7.1] – RFT234 Tender Evaluation Summary - Supply and Installation of Guardrails – Various Locations has been provided in accordance with s.77(2)(c) of the Local Government Act 1989. The Chief Executive Officer designates this item as confidential information on the grounds that it relates to s.89(2)(d) - contractual matters.

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

REFERENCE DOCUMENTS

Council Policy

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

Annual Budget 2019/20

Procurement Policy (C32)

Legislative Provisions

Local Government Act 1989

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

5.1. DRAFT 2018/19 ANNUAL REPORT - REPORT OF OPERATIONS

Corporate and Community Services Directorate

EXECUTIVE SUMMARY

Council is required to complete an *Annual Report of Operations for the 2018/19* financial year and this is presented to Council for endorsement. The Report of Operations together with the audited Performance Statement and the Financial Statements form the 2018/19 Annual Report (Annual Report) refer to **Attachment [5.1.1]**. The Annual Report is required to be submitted to the Minister of Local Government by 30 September 2019.

The Performance Statement and Financial Statements are subject to audit by the Victorian Auditor General's Office (VAGO) and are submitted to Council in a separate report.

Once all reports are approved in principle, the final Annual Report will be advertised through a public notice and made available for public inspection for a two week period, prior to being presented at the 23 October 2019 Ordinary Meeting of Council for final adoption.

RECOMMENDATION

That Council:

1. Approves in principle the 2018/19 Annual Report (Report of Operations) (Attachment [5.1.1]);
2. Upon receipt of the certified Performance Statement and Financial Statements, combines these documents with the Report of Operations into the 2018/19 Annual Report;
3. Provides a copy of the 2018/19 Annual Report to the Minister for Local Government by 30 September 2019;
4. Advertises the preparation of the Annual Report through a public notice and makes it available for public inspection at the Council Offices 9 Smith Street, Leongatha and on Council's website, for a two week period prior to the 23 October 2019 Ordinary Meeting of Council; and
5. Considers the 2018/19 Annual Report at the Ordinary Meeting of Council 23 October 2019 for final adoption.

MOVED: Administrator Zahra

SECONDED: Administrator Brown

THAT COUNCIL:

- 1. APPROVES IN PRINCIPLE THE 2018/19 ANNUAL REPORT (REPORT OF OPERATIONS) (ATTACHMENT [5.1.1]);**
- 2. UPON RECEIPT OF THE CERTIFIED PERFORMANCE STATEMENT AND FINANCIAL STATEMENTS, COMBINES THESE DOCUMENTS WITH THE REPORT OF OPERATIONS INTO THE 2018/19 ANNUAL REPORT;**
- 3. PROVIDES A COPY OF THE 2018/19 ANNUAL REPORT TO THE MINISTER FOR LOCAL GOVERNMENT BY 30 SEPTEMBER 2019;**
- 4. ADVERTISES THE PREPARATION OF THE ANNUAL REPORT THROUGH A PUBLIC NOTICE AND MAKES IT AVAILABLE FOR PUBLIC INSPECTION AT THE COUNCIL OFFICES
9 SMITH STREET, LEONGATHA AND ON COUNCIL'S WEBSITE, FOR A TWO WEEK PERIOD PRIOR TO THE 23 OCTOBER 2019 ORDINARY MEETING OF COUNCIL; AND**
- 5. CONSIDERS THE 2018/19 ANNUAL REPORT AT THE ORDINARY MEETING OF COUNCIL 23 OCTOBER 2019 FOR FINAL ADOPTION.**

CARRIED UNANIMOUSLY

[Link to next Agenda Item.](#)

REPORT

The *Local Government Act 1989*, s.131(6) requires that Council prepares an Annual Report that provides a succinct end-of-year summary of Council's performance.

The report begins with a snapshot of Council's key achievements against the 2017-2021 Council Plan Strategic Objectives and 2018/19 Annual Initiatives.

This is followed by four main sections:

- Overview
- Reporting (against Council Plan and Strategic Objectives)
- Governance
- Performance (Audited Performance Statement Indicators and Financial Statement)

The Report of Operations section abides by the 2018/19 Better Practice Guide – Report of Operations (February 2019) produced by Local Government Victoria. These guidelines set the context of the report and the performance data requirements for all Victorian councils.

Council's *Local Government Performance Reporting Framework (LGPRF)* indicators and results are presented under each Strategic Objective in *Section 2 – Reporting*, under the heading 'Service Performance Indicators' (refer to **Attachment [5.1.1]**). These indicators are compared against the previous three years' results. Some of these indicators are also included in the Performance Statement and audited by VAGO.

Local Government Victoria has amended some LGPRF indicators and other reporting requirements and definitions in the Local Government (Planning and Reporting) Amendment Regulations 2017. The main changes that make a difference to previous data are as follows:

- The Home and Community Services indicators have been removed;
- The Statutory Planning indicator now provides for VicSmart and other planning application decisions; and
- The Food Services indicators now cover a calendar year, rather than a financial year.

The Local Government Act 1989 requires Council's Annual Report to be submitted to the Minister for Local Government by close of business on 30 September 2019.

CONSULTATION

Council departments have contributed to the information contained in the Report of Operations and the LGPRF indicators. This information has been validated by Coordinators, Managers and their Directors.

The Report of Operations and the Performance Statement were presented to the Audit Committee on 9 September 2019.

RESOURCES

The Annual Report is developed in-house, with limited printing to keep the costs of publishing and printing as low as possible.

RISKS

Completion of the Report of Operations and subsequent Annual Report is an annual legislative requirement. To not complete the Annual Report and not submit it to the Minister for Local Government by 30 September 2019 would be a breach of s.131 (Annual Report) of the *Local Government Act 1989*.

STAFF DISCLOSURE

Nil

ATTACHMENTS

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

1. 2018/19 Annual Report - Report of Operations [5.1.1 - 125 pages]

REFERENCE DOCUMENTS

Council Policy

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

Annual Budget 2018/19

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

Council Plan 2017-2021

Legislative Provisions

Local Government Act 1989, s. 131, 132, 133 and 134 relating to the Annual Report

Local Government Better Practice Guide 2018/19 – Performance Reporting Framework – Strategic Directions Paper 2018-21, February 2019

Local Government Better Practice Guide 2018/19 - Planning and Reporting
2018/19, February 2019

Local Government Better Practice Guide 2018/19 – Report of Operations,
February 2019

Local Government Better Practice Guide 2018/19 – Performance Reporting
Indicator Workbook, February 2019

5.2. UNAUDITED FINANCIAL STATEMENTS AND PERFORMANCE STATEMENT 2018/19

Corporate and Community Services Directorate

EXECUTIVE SUMMARY

The unaudited Financial Statement (**Attachment [5.2.1]**) and Performance Statement (**Attachment [5.2.2]**) for 2018/19 are presented to Council:

- To seek in-principle approval of the Statements; and
- To seek a resolution of Council authorising the Administrator representative on the South Gippsland Shire Council Audit Committee and one other Administrator to certify the Statements following audit completion.

The Financial Statement (**Attachment [5.2.1]**) and Performance Statement (**Attachment [5.2.2]**) for the 2018/19 financial year, present fairly the financial performance and position of the Council for the financial year.

It is recommended that Council approve the Statements in-principle, which will then be submitted to the Victorian Auditor-General's Office (VAGO) for further review.

RECOMMENDATION

That Council:

1. Approves in-principle the draft Annual Financial Statement (Attachment [5.2.1]) and the draft Performance Statement (Attachment [5.2.2]) for the year ended 30 June 2019;
2. Authorises Administrators Rick Brown and Christian Zahra to certify the Financial Statements, and Performance Statement on behalf of Council, once the audit has been finalised; and
3. Sends the draft Annual Financial Statements (Attachment [5.2.1]) and the draft Performance Statement (Attachment [5.2.2]) for the year ended 30 June 2019 to the Victorian Auditor-General's Office (VAGO) for certification.

MOVED: Administrator Brown

SECONDED: Administrator Zahra

THAT COUNCIL:

- 1. APPROVES IN-PRINCIPLE THE DRAFT ANNUAL FINANCIAL STATEMENT (ATTACHMENT [5.2.1]) AND THE DRAFT PERFORMANCE STATEMENT (ATTACHMENT [5.2.2]) FOR THE YEAR ENDED 30 JUNE 2019;**
- 2. AUTHORISES ADMINISTRATORS RICK BROWN AND CHRISTIAN ZAHRA TO CERTIFY THE FINANCIAL STATEMENTS, AND PERFORMANCE STATEMENT ON BEHALF OF COUNCIL, ONCE THE AUDIT HAS BEEN FINALISED; AND**
- 3. SENDS THE DRAFT ANNUAL FINANCIAL STATEMENTS (ATTACHMENT [5.2.1]) AND THE DRAFT PERFORMANCE STATEMENT (ATTACHMENT [5.2.2]) FOR THE YEAR ENDED 30 JUNE 2019 TO THE VICTORIAN AUDITOR-GENERAL'S OFFICE (VAGO) FOR CERTIFICATION.**

CARRIED UNANIMOUSLY

[Link to next Agenda Item.](#)

REPORT

Pursuant to s.133(1) of the Local Government Act 1989 (the Act), the Annual Report of Council must be submitted to the Minister of Local Government by 30 September 2019. Under s.131(2) of the Act, the audited Financial Statements and Performance Statement, including the Auditor's report on both Statements, are to form part of the Annual Report. This requires the completion and audit of the Statements by early to mid-September to allow sufficient time for their inclusion into the Annual Report.

Under s.132 (2) of the Act, Council must approve "in principle" the draft Financial Statements and Performance Statement prior to formally submitting the accounts for audit. Due to the timing constraints noted above and the requirements of the Auditor General, it is standard practice to complete audits prior to Council approving the draft Statements.

A meeting of the Audit Committee was held on 10 September 2019, which included reviewing the draft Financial and Performance Statements, the Final Management Letter and Closing Report 2018/19 with Council's auditors.

As Council's approval is only in-principle, based on the draft Financial Statements and Performance Statement, opportunities for changes to the Statements may arise, particularly after final review by VAGO. To cover such changes, s.132(5) requires Council to appoint two Councillors / Administrators to certify the Statements following any amendments that may arise after finalisation of the audit.

There is a strong correlation between the Long Term Financial Plan, the Annual Budget and the actual results in the Financial Statements. Annual budgets are set within a strategic 15 year forward financial planning framework. The actual financial performance achieved is also monitored within the context of the 15 year financial framework.

2018/19 The Highlights

Comprehensive Income Statement (Profit & Loss)	2017/18 \$000s	2018/19 \$000s
Total Revenue	69,369	71,446
Total Expenses	(61,871)	(65,750)
Surplus (Deficit)	7,498	5,696
Net asset revaluation increment	(13,462)	32,070
Comprehensive result	(5,964)	37,766

Balance Sheet	2017/18 \$000s	2018/19 \$000s
Current Assets	35,676	41,089
Current Liabilities	11,525	13,774
Working Capital Ratio	3.10:1	2.98:1
Non-current Assets	522,122	554,190
Non-current Liabilities	6,201	3,667
Net Assets/Total Equity	540,072	577,838

Statement of Changes in Equity	2017/18 \$000s	2018/19 \$000s
Balance at beginning of financial year	546,036	540,072
Surplus / (deficit) for the year	7,498	5,696
Net Asset revaluation increment (decrement)	(13,462)	32,070
Balance at end of financial year	540,072	577,838

Cash Flow Statement	2017/18 \$000s	2018/19 \$000s
Net cash inflows from operating activities	17,193	15,804
Net cash outflows from investing activities	(21,293)	(14,120)
Net cash outflows from financing activities	(143)	(142)
Net increase (decrease) in cash held	(4,243)	1,542
Cash at the beginning of the year	9,701	5,458
Cash at the end of the year	5,458	7,000

Comprehensive Income Statement

The Comprehensive Income Statement result is \$37.77M surplus (previous year \$5.96M deficit). The comprehensive result for 2018/19 includes an asset revaluation increment of \$32.07M (2017/18 revaluation decrement \$13.46M). The 2018/19 comprehensive result was impacted by asset revaluation increments of \$42.1M in roads (based on an increase in unit rates due to increased costs and new condition data) and a decrement of \$10.03M in bridges (based on revised condition data).

The surplus prior to asset revaluations is \$5.70M in 2018/19 compared to \$7.50M in 2017/18. The main differences between the two periods relates to additional employee costs tied up with the exiting of the Home and Community Care service in March 2019, additional depreciation on the property class due to increased property valuations, additional legal fees and provision for landfill rehabilitation expenses. This was partially offset by additional contributions and increased rates.

Balance Sheet

The Balance Sheet shows an overall strengthened position, as a result of the comprehensive surplus result achieved for the financial year.

The working capital ratio of 2.98 to 1 is weaker than the previous year's ratio of 3.10 to 1, primarily due to the reclassification of interest bearing liabilities (interest only loan due to be paid out November 2019) from non-current to current.

Statement of Changes in Equity

The total changes in equity for the 2018/19 year is a \$37.77M increase, reflecting the surplus from the Comprehensive Income Statement for the financial year. The total changes in equity for the previous 2017/18 year was a \$5.96M decrease.

It is important not to take the financial implications of revaluation increments out of context. Revaluations are conducted periodically to ensure that the current replacement cost of assets are reflected in the Balance Sheet. Generally speaking, these costs tend to increase rather than decrease over the years, however, they can be influenced by multiple variables in the valuation calculations such as a change to unit rates and the overall condition of the asset class. These variations typically have a material financial impact on the equity position of Council.

Any effect of the revaluation of non-current assets is ultimately reflected both in the Balance Sheet and Statement of Changes in Equity, with flow on impacts in future years' income statements through altered depreciation expenses.

Cash Flow Statement

The Cash Flow Statement shows the movement of cash from operating activities (recurrent income and expenses), investing activities (payments and proceeds associated with non-current assets and movements between cash and investment balances > 90 days at reporting date) and financing activities (new borrowings and repayments of principal). The cash position (\$7.0M) of the Shire has increased relative to that of the previous year (\$5.46M) by \$1.54M.

Cash Flow from operating activities generated \$15.8M and was utilised in Investing activities \$14.12M (\$10.92M for capital works, \$4M purchase of investments less Proceeds from sales \$0.8M) and Financing costs \$0.14M.

Performance Statement

The Performance Statement provided in (**Attachment [5.2.2]**) is in line with the required format and content. The audited Local Government Performance Reporting Framework indicators are incorporated from 2016 to 2019. The indicators provide a comparison against the past financial years' results. These indicators will be up-loaded to the 'Know Your Council' website managed by the State Government for each Council.

The Financial Statements and the Performance Statement will be combined with the Annual Report of Operations, once the two statements have been certified.

The Performance Statement includes material variation comments for a number of financial and non-financial indicators, particularly those that are outside the normal range established by the State Government, or where VAGO has indicated that a comment would be beneficial to assist the reader. Material variation comments are also included where a variance is + or – 10 per cent compared to 2017/18.

STAFF DISCLOSURE

Nil

ATTACHMENTS

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

1. 2018/19 Annual VAGO Audited - Financial Statement [5.2.1 - 46 pages]
2. 2018/19 Annual VAGO Audited - Performance Statement [5.2.2 - 13 pages]

REFERENCE DOCUMENTS

Council Policy

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

Annual Budget 2019/20

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

Legislative Provisions

Local Government Act 1989

Local Government Better Practice Guide 2016/17 - Performance Reporting Framework Indicator Workbook, Version 1, April 2017

6. OTHER COUNCIL REPORTS

6.1. NIL

7. NOTICES OF MOTION AND/OR RESCISSION

7.1. NIL

8. PROCEDURAL REPORTS

8.1. FINANCIAL PERFORMANCE REPORT JULY TO AUGUST 2019

Corporate and Community Services Directorate

EXECUTIVE SUMMARY

This *Financial Performance Report* (refer **Attachment [8.1.1]**) provides an overview of Council's financial performance for the period July to August 2019, in summary:

- Operating result: \$1.76M deficit which is \$0.87M favourable when compared with the year-to-date forecast projection of a \$2.63M deficit;
- Capital works: \$1.17M expenditure which is \$0.92M behind a year-to-date budget forecast of \$2.09M;
- Cash assets (including Other financial assets): Projected at 30 June 2020 \$19M, against the Original budget of \$18M;
- Working capital ratio: Projected 30 June 2020 2.30 to 1.00 against the Original budget of budget 2.01 to 1.00; and
- The projected financial outcome for 2019/20 is a \$5.99M surplus. This is \$0.82M favourable compared to the originally budgeted surplus of \$5.17M.

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

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

RECOMMENDATION

That Council receives and notes the *Financial Performance Report July to August 2019* (Attachment [8.1.1]).

MOVED: Administrator Zahra

SECONDED: Administrator Brown

THAT THE RECOMMENDATIONS IN AGENDA ITEMS 8.1, 8.2, 8.3 AND 8.4 BE ADOPTED.

CARRIED UNANIMOUSLY

[Link to next Agenda Item.](#)

REPORT

Council each year sets an Annual Budget within the framework of a 15 year Long Term Financial Plan. Guidance is provided by the Long Term Financial Strategies when developing annual and longer term budgets. The financial integrity of the budgeted financial statements in the annual and forward budgets can be assessed by reference to financial performance indicators.

Throughout the course of the financial year the actual financial performance is managed by:

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

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

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

The reporting timelines include:

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

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

Discussion

Financial Performance Report July to August 2019 (Attachment [8.1.1]) provides:

- Executive Summary - This section provides a high level overview of Budget and Actual Operating performance and Capital Work expenditure;
- Financial Statements as at 31 August 2019 - This section lists the three major financial statements: Income Statement, Balance Sheet and Cash Flow Statement;
- Annual Year-to-Date Financial Analysis - This section analyses the implications of the year-to-date performance and the projected outcome for the financial year end; and
- Long Term Financial Plan analysis - This section benchmarks and strategically analyses the financial impact of the projected financial results for the year against the adopted Annual Budget, Long Term Financial Plan and the Long Term Financial Strategies key performance indicators.

RISKS

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

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

STAFF DISCLOSURE

Nil

ATTACHMENTS

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

1. Financial Performance Report - July to August 2019 [8.1.1 - 14 pages]

REFERENCE DOCUMENTS

Council Policy

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

Annual Budget 2019/20

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

Legislative Provisions

Local Government Act 1989

8.2. ASSEMBLY OF COUNCILLORS - 22 JULY TO 21 AUGUST 2019

Corporate and Community Services Directorate

EXECUTIVE SUMMARY

Council is committed to making relevant, timely and useful information available for members of the public with the aim of enhancing transparency. The matters listed in this report were presented or considered at either an Advisory Committee Meeting, Councillor Strategic Briefing Session or Public Presentation Session between 22 July and 21 August 2019.

The matters summarised in this report satisfy Council's requirements under the *Local Government Act 1989*, s.80A(2):

The Chief Executive Officer must ensure that the written record of an assembly of Councillors is, as soon as practicable –

- a. reported at an ordinary meeting of the Council; and*
- b. incorporated in the minutes of that Council meeting.*

RECOMMENDATION

That Council receives and notes this report.

NOTE: The recommendation was CARRIED UNANIMOUSLY as part of a single motion, refer to page 106.

[Link to next Agenda Item.](#)

REPORT

Meeting Title	Details
Tuesday 23 July 2019	
Planning Application	<p>Administrator Attending: Julie Eisenbise</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrator considered the background and current status of a planning application for future consideration of Council.</p>
Wednesday 24 July 2019	
Ordinary Agenda Topic Discussion: 24 July 2019	<p>Administrators Attending: Julie Eisenbise, Rick Brown, Christian Zahra</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators considered and asked questions relating to Agenda items for the Ordinary Meeting of Council 24 July 2019.</p>
Administrators Swearing-in Ceremony	<p>Administrators Attending: Julie Eisenbise, Rick Brown, Christian Zahra</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The swearing-in ceremony took place for the three Administrators with gallery and media in attendance.</p>
Open Session	
Public Presentations	<p>Administrators Attending: Julie Eisenbise, Rick Brown, Christian Zahra</p> <p>Conflict of Interest: Nil disclosed</p>
Open Session	
<p>A presentation was made to Council by the following community members: Frank Oostermeyer, regarding Agenda Item 5.3. RATING STRATEGY 2019 – 2022. Peter Roden, regarding Agenda Item 5.3. RATING STRATEGY 2019 – 2022.</p>	

Meeting Title	Details
Wednesday 24 July 2019	
Ordinary Agenda Topic Discussion: 24 July 2019	<p>Administrators Attending: Julie Eisenbise, Rick Brown, Christian Zahra</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators considered and asked questions relating to Agenda items for the Ordinary Meeting of Council 24 July 2019.</p>
VicTrack Lease Discussion	<p>Administrators Attending: Julie Eisenbise, Rick Brown, Christian Zahra</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators considered and discussed VicTrack lease arrangements.</p>
Thursday 25 July 2019	
Ordinary Agenda Topic Discussion: 24 July 2019	<p>Administrators Attending: Julie Eisenbise, Rick Brown, Christian Zahra</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators considered:</p> <ul style="list-style-type: none"> • Agenda Item 5.3 Rating Strategy 2019 – 2022 • Priority Projects

Meeting Title	Details
Wednesday 31 July 2019	
Ordinary Agenda Topic Discussion: 24 July 2019	<p>Administrators Attending: Julie Eisenbise, Rick Brown, Christian Zahra</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators considered and asked questions relating to Agenda items for the adjourned Agenda Items from the Ordinary Council Meeting 24 July 2019:</p> <ul style="list-style-type: none"> • 4.2 Award Contract CON/226 Supply & Delivery of Premix Concrete • 5.3 Rating Strategy 2019-2022 • 5.4 Annual Budget 2019/20 • 5.5 Revised Council Plan 2017-2021
Awarding Contracts under CEO delegation	<p>Administrators Attending: Julie Eisenbise, Rick Brown, Christian Zahra</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators considered a briefing on 'Awarding Contracts Under CEO Delegation' that had been called per resolution of Council 24 July 2019.</p>
Appointment to Committees 2019/20	<p>Administrators Attending: Julie Eisenbise, Rick Brown, Christian Zahra</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators considered and updated Council's list of Appointment to Committees in anticipation of adoption at the Ordinary Council Meeting 28 August 2019.</p>
Capital Works Program	<p>Administrators Attending: Julie Eisenbise, Rick Brown, Christian Zahra</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators considered a briefing on the background of the projects listed on the Capital Works Program.</p>

Meeting Title	Details
Tuesday 6 August 2019	
Priority Projects	<p>Administrators Attending: Julie Eisenbise, Rick Brown, Christian Zahra</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators considered priority projects and briefing sessions.</p>
Wednesday 7 August 2019	
Prom Country Regional Tourism	<p>Administrators Attending: Julie Eisenbise, Rick Brown</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators considered an update of the Prom Country Regional Tourism membership and the tourism role in South Gippsland.</p>
Equestrian & Exhibition Centre In South Gippsland Feasibility Study & Site Locations	<p>Administrators Attending: Julie Eisenbise, Rick Brown</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators considered the historical context and current position of <i>Equestrian & Exhibition Centre in South Gippsland Feasibility Study</i> and site locations.</p>
Planning Briefing	<p>Administrators Attending: Julie Eisenbise, Rick Brown</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators considered the following planning matters:</p> <ul style="list-style-type: none"> • Strategic Planning Project List • Planning Applications of Interest • Decisions for May 2019 • VCAT Decisions • Applications received May 2019

Meeting Title	Details
Wednesday 7 August 2019	
Korumburra Railway Station/ Community Hub Master Plan	<p>Administrators Attending: Julie Eisenbise, Rick Brown</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators considered a status update of project Korumburra Railway Station/ Community Hub Master Plan.</p>
Korumburra Railway Site and Community Hub - Concept Plans	<p>Administrators Attending: Julie Eisenbise, Rick Brown</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators considered an external presentation from the Architects who have developed concept master plans for the proposed Korumburra Railway Station/ Community Hub.</p>
South Gippsland Coastal Strategy - Update	<p>Administrators Attending: Julie Eisenbise, Rick Brown</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators considered a briefing on the proposed <i>South Gippsland Coastal Strategy</i>.</p>
Tuesday 13 August 2019	
2019/20 Priority Projects Update	<p>Administrators Attending: Julie Eisenbise, Rick Brown, Christian Zahra</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators considered priority projects and Council services.</p>
Wednesday 14 August 2019	
2019/20 Priority Projects Update	<p>Administrators Attending: Julie Eisenbise, Rick Brown, Christian Zahra</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators considered timeframes for project commencement of '2019/20 Priority Projects'.</p>

Meeting Title	Details
Wednesday 14 August 2019	
2019/20 Priority and Strategic Roads	<p>Administrators Attending: Julie Eisenbise, Rick Brown, Christian Zahra</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators considered an update on both Council and State Government strategic road projects 2019/20.</p>
Administrator's Interview with The Great Southern Star	<p>Administrators Attending: Julie Eisenbise, Rick Brown, Christian Zahra</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators considered and answered questions from Brad Lester, Editor of the Great Southern Star local newspaper.</p>
Gippsland Waste and Resource Recovery Group – Gippswide Kerbside Collaborative Tender	<p>Administrators Attending: Julie Eisenbise, Rick Brown, Christian Zahra</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators considered the details of a Gippswide Kerbside Collaboration Tender from the Gippsland Waste and Resource Recovery Group.</p>
Southern Rail Group	<p>Administrators Attending: Julie Eisenbise, Rick Brown, Christian Zahra</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators considered an external briefing from representatives from the Southern Rail Group.</p>
VicTrack Lease	<p>Administrators Attending: Julie Eisenbise, Rick Brown, Christian Zahra</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators considered leasing arrangements for VicTrack land from Leongatha to Korumburra.</p>

Meeting Title	Details
Tuesday 20 August 2019	
Korumburra Priority Projects	<p>Administrators Attending: Julie Eisenbise, Christian Zahra</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators considered Korumburra Priority projects.</p>
2019/20 Priority Projects and Strategic Briefings	<p>Administrators Attending: Julie Eisenbise, Christian Zahra</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators considered priority projects and strategic briefing papers.</p>
Wednesday 21 August 2019	
Agenda Topics Discussion: Ordinary Meeting 28 August 2019	<p>Administrators Attending: Julie Eisenbise, Rick Brown, Christian Zahra</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators considered and asked questions relating to Agenda items for the Ordinary Meeting of Council 28 August 2019.</p>
Local Law Amendment 2019	<p>Administrators Attending: Julie Eisenbise, Rick Brown, Christian Zahra</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators considered proposed amendments to the <i>South Gippsland Shire Council General Local Law 2014</i>.</p>
Annual Report 2018/19	<p>Administrators Attending: Julie Eisenbise, Rick Brown, Christian Zahra</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators considered the draft Annual Report prior to adoption at the Ordinary Council Meeting 25 October 2019.</p>

Meeting Title	Details
Wednesday 21 August 2019	
Corporate Timetable 2019/20 - Budget, Council Plan and Annual Initiatives for 2020/21	<p>Administrators Attending: Julie Eisenbise, Rick Brown, Christian Zahra</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators considered the corporate timetable for the year ahead that takes into account community engagement, drafting the Annual Budget, Council Plan and Annual Initiatives.</p>
Priority Projects	<p>Administrators Attending: Julie Eisenbise, Rick Brown, Christian Zahra</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators considered priority projects for immediate and future commencement.</p>
Korumburra Community Hub	<p>Administrators Attending: Julie Eisenbise, Rick Brown, Christian Zahra</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators considered Korumburra Community Hub alternate site locations.</p>
Korumburra Supermarket	<p>Administrators Attending: Julie Eisenbise, Rick Brown, Christian Zahra</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators were briefed on Council's previous resolutions related to the proposed Korumburra Supermarket development.</p>
<p>Community Strengthening Activities Topic: Change Makers</p> <p>Open Session</p>	<p>Administrators Attending: Julie Eisenbise, Rick Brown, Christian Zahra</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators considered two presentations relating to activities in the community:</p> <ul style="list-style-type: none"> • Halls Network Update – Halston Hall • Change Makers Program Update

Meeting Title	Details
Wednesday 21 August 2019	
Public Presentations	Administrators Attending: Julie Eisenbise, Rick Brown, Christian Zahra
Open Session	Conflict of Interest: Nil disclosed
<p>Presentations were made to Council by the following community members:</p> <p>David Amor, regarding building developers.</p> <p>Paul Hamlett, regarding objections to Agenda Item 2.1 Planning Scheme Amendment C90.</p> <p>Di Scott and Desmond Lane, regarding objections to Agenda Item 2.3 Planning Application – 250 O’Grady’s Ridge Road Foster North.</p> <p>Alyson Skinner and Michelle Harris, representing the Venus Bay Community Centre regarding Tarwin River Precinct Plan.</p> <p>Allan Summerfield and Michelle Harris, representing Korumburra Recreation Reserve Committee of Management (Section 86 Committee of Council) regarding the Korumburra Recreation Reserve – Multipurpose Facility Business Case.</p>	
Public Presentation discussion	<p>Administrators Attending: Julie Eisenbise, Rick Brown, Christian Zahra</p> <p>Conflict of Interest: Nil disclosed</p> <p>Matters Considered: The Administrators considered and asked questions about the public presentations.</p>

REFERENCE DOCUMENTS

Council Policy

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

Public Participation in Meetings with Council Policy (C65)

Legislative Provisions

Local Government Act 1989

Local Government (South Gippsland Shire Council) Bill 2019

8.3. DOCUMENTS SEALED AWARDED OR EXTENDED BY CEO - 27 JULY TO 23 AUGUST 2019

Corporate and Community Services Directorate

EXECUTIVE SUMMARY

This document reports to Council the following actions undertaken by the Acting Chief Executive Officer (CEO) which occurred during the period from 27 July to 23 August 2019, as required by the Council's Instrument of Delegation to the Chief Executive Officer and Procurement Policy:

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

RECOMMENDATION

That Council receives and notes this report.

NOTE: The recommendation was CARRIED UNANIMOUSLY as part of a single motion, refer to page 106.

[Link to next Agenda Item.](#)

REPORT

Documents Sealed

Under the *Local Government Act 1989* (the Act), each Council is a body corporate and a legal entity in its own right. Each Council must have a common seal that is an official sanction of that Council.

Sealing a document makes it an official document of Council as a corporate body. Documents that require sealing may include agreements, contracts, leases or any other contractual or legally binding document that binds Council to another party.

Local Law No. 3 2010, Part 9, clause 107(f)(iv) – the Common Seal of Council, states that ‘If the Chief Executive uses the Common Seal in a manner prescribed by sub-clause (c) then he/she must advise Council of such use on a regular basis.’ Council’s Instrument of Delegation to the CEO also delegates to the CEO the power to ‘use the Common Seal of Council subject to that use being reported to Council’.

In accordance with the Local Law and Instrument of Delegation, the following are presented to Council as documents sealed during the period from 27 July to 23 August 2019:

1. Section 173 Agreement between South Gippsland Shire Council and the owner of 77 Pandora Avenue, Venus Bay in relation to development of the land with a dwelling – Seal applied 8 August 2019.
2. Section 173 Agreement between South Gippsland Shire Council and the owner of 44 Kennedys Road, Fish Creek in relation to use and development of the land for a leisure and recreation facility (yoga retreat), group accommodation and development of a dwelling – Seal applied 13 August 2019.

Contracts Awarded, Varied or Extended

1. Contracts awarded after a public tender process within the CEO’s delegation between 27 July to 23 August 2019:

Nil

2. Contracts awarded after a public tender process under the Statutory threshold by staff other than the CEO between 27 July to 23 August 2019:

Nil

3. Contract variations approved by the CEO between 27 July to 23 August 2019:

Nil

4. Contract extensions approved by the CEO between 27 July to 23 August 2019:

Nil

STAFF DISCLOSURE

Nil

REFERENCE DOCUMENTS

Council Policy

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

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

Procurement Policy (C32)

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

Legislative Provisions

Local Government Act 1989, ss.5 and 186

8.4. INSTRUMENT OF APPOINTMENT AND AUTHORISATION - PLANNING AND ENVIRONMENT ACT 1987

Corporate and Community Services Directorate

EXECUTIVE SUMMARY

This report recommends that Council adopts two Instruments of Appointment and Authorisation (Instrument) under the *Planning and Environment Act 1987* (the Act) to new employees who have been appointed to positions within the Planning Department.

RECOMMENDATION

That Council:

- 1. Resolves that, in the exercise of the powers conferred by s.224 of the *Local Government Act 1989* and the other legislation referred to in the attached Instruments of Appointment and Authorisation (Instruments of Appointment and Authorisation) Council to Staff under the Planning and Environment Act 1987 (Attachment [8.4.1] and [8.4.2]):**
 - a. The members of Council staff referred to in the Instruments of Appointment and Authorisation be appointed and authorised as set out in the instruments;**
 - b. The Instruments of Appointment and Authorisation comes into force immediately the common seal of Council is affixed to the instruments and remain in force until Council determines to vary it or it is revoked in accordance with Item 2 below; and**
 - c. The Instruments of Appointment and Authorisation be sealed.**
- 2. Delegates to the Chief Executive Officer the power to revoke the attached instruments of Appointment and Authorisation under the *Planning and Environment Act 1987* in the event the relevant officer resigns from Council or is appointed to a position where this appointment and authorisation is no longer suitable or required.**

NOTE: The recommendation was CARRIED UNANIMOUSLY as part of a single motion, refer to page 106.

[Link to next Agenda Item.](#)

REPORT

The allocation of authorisations and appointments to Council employees contributes to the effective functioning of Council. Therefore it is important to ensure that formal Instruments are updated to reflect changes in personnel. The employees identified in the attached Instruments have recently been recruited to a position within the Planning Department.

RISKS

Failure to adopt or revoke an Instrument of Appointment and Authorisation could result in a decision of a current employee being invalidated or Council being held liable for the actions of former employees.

STAFF DISCLOSURE

Nil

ATTACHMENTS

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

1. S11 A - Instrument of Appointment P& E Act - Robyn Begg - 25 September 2019 [8.4.1 - 1 page]
2. S11 A - Instrument of Appointment P& E Act - David Simon - 25 September 2019 [8.4.2 - 1 page]

REFERENCE DOCUMENTS

Legislative Provisions

Local Government Act 1989

Planning and Environment Act 1987

9. ADMINISTRATOR REPORTS

9.1. REQUESTS FOR LEAVE OF ABSENCE

NIL

9.2. ADMINISTRATORS UPDATES

Administrator Brown addressed Council by providing a summary of some of the events attended in the previous month, including:

- **Leongatha Lyric Production *Jasper Jones* and commented that it demonstrated what can be achieved when young people are given the support to develop their talents.**
- **Site visit to ViPlus, Toora and commented that it is a vital employer in the Shire is achieving great things in the dairy industry.**
- **Launch of Wilsons Promontory Cruises [Pennicott Wilderness Journeys] from Tidal River to the Prom, this business is another great benefit for the Shire.**

Administrator Zahra addressed Council by making comments that the Administrators have visited many businesses, towns and community organisations and have enjoyed the positive interactions with people.

9.3. COMMITTEE UPDATES

Nil

[Link to next Agenda Item.](#)

10. URGENT OR OTHER BUSINESS

There are two basic parts to this section of the Agenda:

Urgent Business

Normally no motion should be debated by Administrators unless the matter is already included as an item on the Agenda. However, in some circumstances it is possible to raise urgent motions.

The Meeting Procedure Local Law No. 3 (Clause 46) allows for where a situation has not been provided for under the Local Law, the Council may determine the matter by resolution. Established practice has provided for urgent motions to be raised at Council provided the matter cannot be dealt with at the next Ordinary Meeting of Council or by Officers under delegation.

It is necessary for the Administrator wishing to raise a matter of urgent business to raise a motion similar to the following:

'That consideration of (the issue) be dealt with as a matter of urgent business and Administrator...be allowed a 'short period' to indicate the reason(s) why the matter should be considered as a matter of urgent business.' If the Chairperson accepts the motion as meeting the urgent business criteria, normal meeting procedures in Local Law No. 3 will apply.

If the motion to accept the item as a matter of urgent business is passed by Council, the motion relating to the specific issue can then be put and debated in the normal way.

Other Business

This provides an opportunity for Administrators to raise items of general interest to the Council and the community. It may relate to an up and coming event or the outcomes of a recent meeting with a Minister etc.

Nil

11. PUBLIC QUESTIONS

11.1. PETITIONS AND JOINT LETTERS

Petitions and Joint letters are written requests that have been signed by a number of community members. According to the Local Law No.3 2010 petitions may be presented to Council by an Administrator. A petition presented to the Council must lay on the table until the next Ordinary Meeting of Council and no motion, other than to receive the petition, may be accepted by the Chair unless the Council agrees to deal with it earlier.

The lead petitioner or person organising the petition may in presenting the petition to an Administrator at a Public Presentation session speak briefly to its contents. At the following Ordinary Meeting of Council, an Administrator would accept the petition and introduce it to Council for formal noting and actioning by Council.

The Administrator presenting the petition is responsible for ensuring that they are familiar with the contents and purpose of the petition and that it is not derogatory or defamatory.

Administrator Brown acknowledged receipt of a petition lodged to Council by lead petitioner Gail Clay from Port Welshpool. The Prayer of the petition is included below, it contains approximately 62 valid signatures from Port Welshpool and surrounding towns and 8 signatures from outside the Shire.

Petition to keep 'Tommy' [horse] living in his backyard at 45 Townsend Street, Port Welshpool.

MOVED: Administrator Brown

SECONDED: Administrator Zahra

THAT COUNCIL:

- 1. RECEIVED AND NOTE THE PETITION; AND**
- 2. RECEIVE A REPORT AT ORDINARY MEETING OF COUNCIL 23 OCTOBER 2019 THAT CONSIDERS THE TWO PETITIONS.**

CARRIED UNANIMOUSLY

11.2. ANSWERS TO PREVIOUS QUESTIONS ON NOTICE

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

Questions can also be submitted in hard copy format into the 'Public Question Box' within the first 15 minutes of an Ordinary Council Meeting.

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

Source: Public Participation in Meetings with Council Policy (C65) – adopted 28 November 2018.

Gus Blaauw representing South Gippsland Action Group submitted questions at Ordinary Council Meeting 28 August 2019. The questions were taken on notice and responses are now provided.

Question 1

Does the rail lease require Council to return the easement with rail line and sleepers in place at the end of the 18 year [lease] term?

Response

VicTrack do not require Council to return the easement with the rail line, sleeper or ballast in place at the end of the 18 years.

Question 2

Does Council remove the rail line and sleepers to provide for a better negotiable track or will the rail line and sleepers left in situ?

Response

The rail, sleepers and ballast will not be left in place. They will be removed prior to the construction of the gravel trail.

11.3. SUBMITTED PUBLIC QUESTIONS

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

Questions can also be submitted in hard copy format into the 'Public Question Box' within the first 15 minutes of an Ordinary Council Meeting.

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

Source: Public Participation in Meetings with Council Policy (C65) – adopted 28 November 2018.

Marie Gerrard-Staton representing the Rates Challengers Community Group submitted written questions. The questions were read out by the acting Chief Executive Officer and taken on notice.

Question 1

Please detail times, dates and venues where community consultation has occurred on Ordinary Meeting 25 September 2019, Agenda Item 2.2. KORUMBURRA RAILWAY STATION SITE MASTER PLAN / COMMUNITY HUB LOCATION this topic since the Administrators have been appointed?

Question 2

Please detail if the current rating strategy and a proposed rate hardship waiver is considered to be a priority item.

W.E. Staton submitted a written question. The question was read out by the acting Chief Executive Officer and taken on notice.

Question 1

What is the cost to the ratepayers having Administrators in lieu of Councillors?

Peter Diekel submitted a written question. The question was read out by the acting Chief Executive Officer and taken on notice.

Question 1

What is the salary of the Administrators in comparison to the Prime Minister of Australia?

David Amor submitted written questions and they were taken on notice.

Gus Blaauw submitted written questions. The question was read out by the acting Chief Executive Officer and taken on notice.

Question 1

Why is the presentation of income items (from Ordinary Meeting 25 September 2019, Agenda Item 5.2. UNAUDITED FINANCIAL STATEMENTS AND PERFORMANCE STATEMENT 2018/19) in both categories which are badly presented and impossible to reconcile acceptable?

Kathleen Murray submitted written questions and they were taken on notice.

Jennifer McLeod-Blaauw submitted written questions and they were taken on notice.

12. CLOSED SESSION

Consideration of confidential matters under the Local Government Act 1989, section 89(2).

According to section 89 of the Local Government Act 1989, Council may consider items in closed session. There must be a resolution to move 'In-Committee' stating the reasons why the matter(s) need to be considered in this way. The reasons provided for within the Act are matters concerning personnel, personal hardship, industrial issues, contracts, proposed developments, legal advice or any other matter that Council considers would be prejudicial, to it or any other person.

Once 'In-Committee' discussions and debate have concluded, a further resolution to resume open Council is required.

RECOMMENDATION

That Council close the meeting to the public to allow for consideration of:

1. Closed ITEM 14.1 PREJUDICIAL MATTER pursuant to section 89(2)(h) a matter which the Council or Special Committee considers would prejudice the Council or any person; and
2. Closed ITEM 14.2 PERSONNEL MATTER pursuant to section 89(2)(a) a personnel matter of the Local Government Act 1989.

MOVED: Administrator Zahra

SECONDED: Administrator Brown

THAT COUNCIL CLOSE THE MEETING TO THE PUBLIC TO ALLOW FOR CONSIDERATION OF:

1. **CLOSED ITEM 14.1 PREJUDICIAL MATTER PURSUANT TO SECTION 89(2)(h) A MATTER WHICH THE COUNCIL OR SPECIAL COMMITTEE CONSIDERS WOULD PREJUDICE THE COUNCIL OR ANY PERSON; AND**
2. **CLOSED ITEM 14.2 PERSONNEL MATTER PURSUANT TO SECTION 89(2)(a) A PERSONNEL MATTER OF THE LOCAL GOVERNMENT ACT 1989.**

CARRIED UNANIMOUSLY

13. MEETING CLOSED

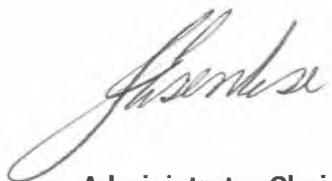
NEXT MEETING

The next Ordinary Meeting of Council open to the public will be held on Wednesday, 23 October 2019 commencing at 2pm in the Council Chambers, Leongatha.

The Ordinary Council Meeting closed at 1.57pm.

Confirmed this

23rd of October 2019.



Administrator Chair, Julie Eisenbise