

# **Agenda**

## **Ordinary Meeting of Council**

Corryong Council Office

Tuesday 6 December 2016

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**AGENDA FOR THE ORDINARY MEETING OF COUNCIL TO BE HELD AT TOWONG SHIRE COUNCIL, CORRYONG OFFICE ON TUESDAY 6 DECEMBER 2016 COMMENCING AT 10.00 AM.**

**Commonly used acronyms**

| <b>ABBREVIATION</b>     | <b>TITLE</b>  |
|-------------------------|---|
| Staff                   |   |
| CAE                     | Civil Asset Engineer                                      |
| CEO                     | Chief Executive Officer                                   |
| DCCS                    | Director Community and Corporate Services                 |
| DTS                     | Director Technical Services                               |
| EA                      | Executive Assistant                                       |
| MCS                     | Manager Community Services                                |
| MED                     | Manager Economic Development                              |
| MES                     | Manager Executive Services                                |
| Government/Organisation |   |
| ACSUM                   | Alliance of Councils and Shires of the Upper Murray       |
| DELWP                   | Department of Environment, Land, Water and Planning       |
| DEPI                    | Department of Environment and Primary Industries          |
| DPCP                    | Department Planning and Community Development             |
| DSDBI                   | Department of State Development, Business and Innovation  |
| DTPLI                   | Department of Transport Planning and Local Infrastructure |
| HRGLN                   | Hume Region Local Government Network                      |
| MAV                     | Municipal Association of Victoria                         |
| NECMA                   | North East Catchment Management Authority                 |
| NEW                     | North East Water  |
| NEWRRG                  | North East Waste and Resource Recovery Group              |
| RCV                     | Rural Councils Victoria                                   |
| RDA                     | Regional Development Australia                            |
| RDV                     | Regional Development Victoria                             |
| THS                     | Tallangatta Health Service                                |
| UMHCS                   | Upper Murray Health and Community Service                 |

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## **1 Opening Prayer**

"Almighty God, we ask that you be present at this meeting to assist us in our service to the Community through Local Government.

We pray that our decisions will be wise and taken with goodwill and clear conscience.

Amen."

**2 Councillor and Officer presence at the meeting**

**3 Apologies and granting of leave of absence**

Ms Juliana Phelps, Chief executive Officer.

**4 Declaration of pecuniary interest and/or conflict**

For the purpose of this section, Councillors must disclose the nature of the conflict of interest in accordance with s79 (2) of the Local Government Act.

**5 Confirmation of minutes**

8 November 2016

**RECOMMENDATION:**

**THAT THE MINUTES OF THE ORDINARY MEETING HELD ON 8 NOVEMBER 2016 AS CIRCULATED BE CONFIRMED.**

**6 Petitions, joint letters and declarations**

## **7 Assembly of Councillors**

A written record of the Assemblies of Councillors from 3 to 26 November 2016 is included at [Appendix 1](#).

### **RECOMMENDATION:**

**THAT THE INFORMATION BE NOTED.**

## **8 Open Forum**

## 9 Organisational improvement

### 9.1 Finance Report as at 31 October 2016 (DCCS)

#### Disclosure of Interests (S.80C):

This report was prepared by Mr Blair Phillips, Manager Finance.

At the time of preparation of the report the officer did not have a direct or indirect interest in any matter to which the report or advice relates.

#### OPERATING RESULT

|                    | Note | Oct-16<br>(Actual)<br>\$'000 | Oct-16<br>(Budget)<br>\$'000 | YTD<br>(Actual)<br>\$'000 | YTD<br>(Budget)<br>\$'000 | YTD<br>(Variance)<br>\$'000 | YTD<br>(Variance)<br>% | 2016/17<br>Full Year<br>(Budget)<br>\$'000 | 2016/17<br>Full Year<br>(Achieved)<br>% |
|--------------------|------|------------------------------|------------------------------|---------------------------|---------------------------|-----------------------------|------------------------|--|---|
| Income             | 1    | 422                          | 551                          | 9,779                     | 9,811                     | (32)                        | (0%)                   | 16,975                                     | 58%                                     |
| Expenditure        | 2    | 912                          | 774                          | 2,948                     | 3,336                     | 388                         | 12%                    | 14,013                                     | 21%                                     |
| Surplus/ (Deficit) |      | (490)                        | (223)                        | 6,831                     | 6,475                     | 356                         | 5%                     | 2,961                                      | 231%                                    |

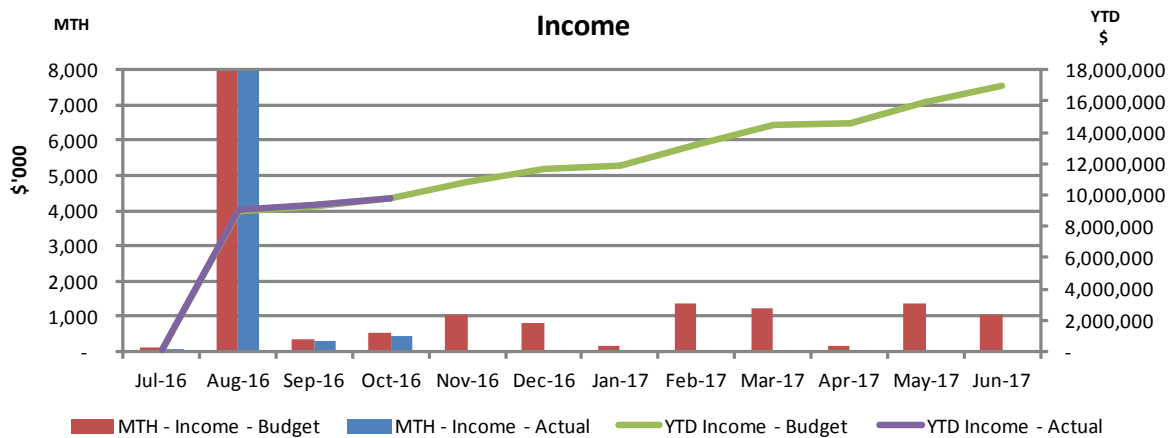
Table 1: Operating Result

#### Note 1:

Council's YTD income at 31 October 2016 is \$9.78 million against a budget of \$9.81 million. The major items contributing to the \$32,000 variance include:

- Revenue received that was not budgeted in 2016/17:
  - \$139,000 – North East Water's contribution to Destination Tallangatta project was invoiced and recognised as revenue in September 2016.
  - \$56,000 - Bushies Hit for Six – for cricket nets upgrade at Rowen Park Tallangatta.
  - \$45,000 – the final instalment for the completion of the Wyeboo Multi Purpose Facility.
  
- Revenue expected to be received later than anticipated:
  - \$150,000 – funding for the Corryong Airport upgrade
  - \$69,000 – for the State Revenue Office contribution to the Shire revaluation costs.
  - \$47,000 – for the State Government Library contribution.
  - \$30,000 - for the Municipal Emergency Response Program.

- Revenue budgeted that will not be received:
  - \$32,000 – from the State Government for the local State Emergency Services units. A change in procedure was introduced in September 2016 with the State Government paying their funding direct to the individual units and not through Council.
  
- Revenue received ahead of anticipated timing in the budget:
  - \$41,000 – we have received approximately 60% of budgeted kindergarten funding in the first four months of 2016/17.



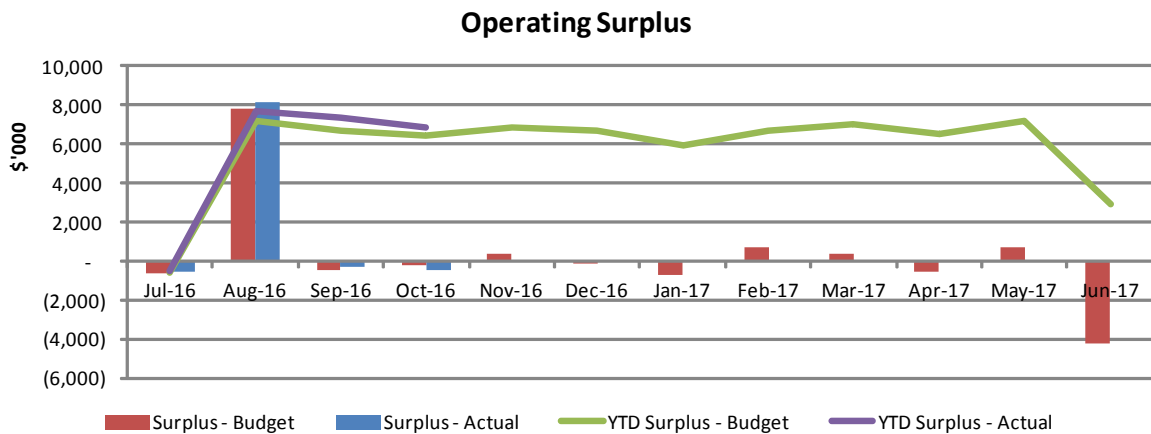
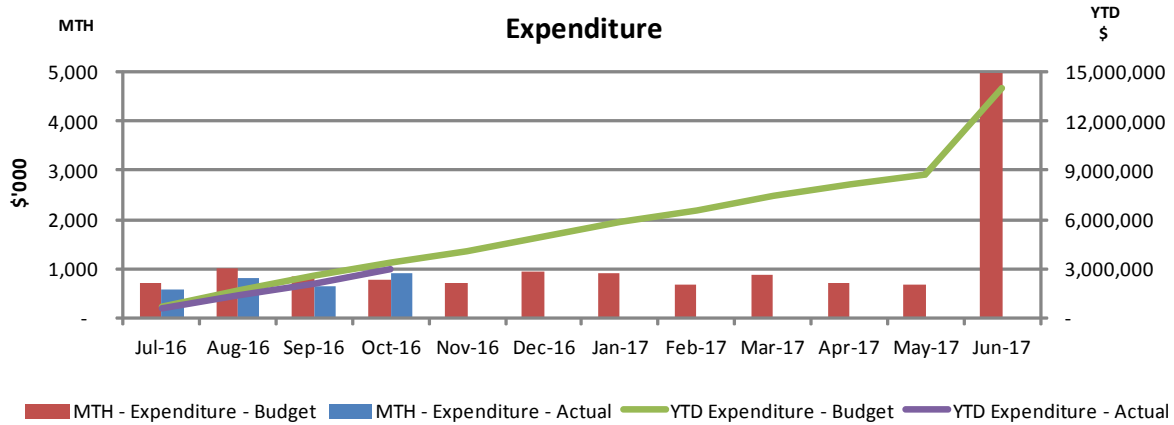
**Note 2:**

Council’s expenditure at 31 October 2016 is \$2.95 million against a budget of \$3.34 million. The major items contributing to the \$388,000 favourable variance include:

- Expenditure that will be incurred later than expected:
  - \$207,000 - staff costs – positions not yet filled in childcare and Executive services.
  - \$33,000 – other associated costs of the childcare facility that is not yet operational.
  - \$23,000 – audit fee invoice for 2015/16 not received in full.
  
- Expenditure savings of:
  - \$84,000 – in election costs due to voting not being required for Councillor Election as the number of nominations filled the number of vacancies.
  - \$32,000 – contribution to local State Emergency Service units due to new State Government funding model being implemented. The State Government is paying their funding direct to the SES units rather than through Council.
  - \$25,000 – Tourism North East membership program participation levels have been reduced.



- YTD to 31 October 2016 Council is operating at 64.9 EFT staff against a budget of 70.1 EFT.



**Grant Income**

|               | Note | Oct-16     | YTD          | YTD          | YTD          | YTD         | 2016/17      | 2016/17    |
|---------------|------|------------|--------------|--------------|--------------|-------------|--------------|------------|
|               |      | (Actual)   | (Actual)     | (Budget)     | (Variance)   | (Variance)  | Full         | Full       |
|               |      | \$'000     | \$'000       | \$'000       | \$'000       | %           | Year         | Year       |
|               |      |            |              |              |              |             | (Budget)     | (Achieved) |
|               |      |            |              |              |              |             | \$'000       | %          |
| Recurrent     | 1    | 3          | 1,158        | 1,248        | (90)         | (7%)        | 6,488        | 18%        |
| Non Recurrent | 2    | 267        | 389          | 446          | (57)         | (13%)       | 1,146        | 34%        |
| <b>Total</b>  |      | <b>270</b> | <b>1,547</b> | <b>1,694</b> | <b>(147)</b> | <b>(9%)</b> | <b>7,634</b> | <b>20%</b> |

Table 2: Grant Income

Note 1:

Council's YTD recurrent grant income at 31 October 2016 is \$1,158,000 against a budget of \$1,248,000. The major items contributing to the \$90,000 variance include:

- Revenue that will be received later than anticipated:
  - \$48,000 – from the State Government for the Library program.
  
- Revenue budgeted that will not be received:
  - \$32,000 – from the State Government for the local State Emergency Services units. A change in procedure was introduced in September 2016 with the State Government paying their funding direct to the individual units and not through Council.

Note 2:

Council's YTD non-recurrent grant income at 31 October 2016 is \$389,000 against a budget of \$446,000. The major items contributing to the \$57,000 variance include:

- Revenue received that was not budgeted in 2016/17:
  - \$56,000 - Bushies Hit for Six – for cricket nets upgrade at Rowen Park Tallangatta.
  - \$45,000 – the final instalment for the completion of the Wyeboo Multi Purpose Facility.
  
- Revenue expected to be received later than anticipated:
  - \$150,000 – funding for the Corryong Airport upgrade

Grants received Year-to-Date (YTD) are in the following table:

|   | \$'000       |
|---|--------------|
| Recurring   |              |
| Victorian Grants Commission - General Purpose Funding | 569          |
| Victorian Grants Commission - Local Roads Funding     | 352          |
| Library   | 52           |
| Maternal and Child Health                             | 40           |
| Corryong Pre School                                   | 40           |
| Weed Project  | 31           |
| Municipal Emergency Resourcing Program                | 30           |
| Tallangatta Pre School                                | 20           |
| Berringa Pre School                                   | 17           |
| Community Access                                      | 7            |
| <b>Total Recurring Grants</b>                         | <b>1,158</b> |
| Competitive and Non-Competitive                       |              |
| Destination Tallangatta - NSRF                        | 266          |
| Tallangatta Multi-sport Precinct                      | 56           |
| Wyeboon Multi Purpose Facility                        | 44           |
| Community Health and Wellbeing                        | 12           |
| Banking on Solar                                      | 9            |
| Seniors Week  | 2            |
| <b>Total Competitive and Non-Competitive Grants</b>   | <b>389</b>   |
| <b>Total Grants Received</b>                          | <b>1,547</b> |

Table 3: Grant Income received

***Unexpended Grants and Restricted Funds***

Where Council has received grants that are required to be expended in a specified manner, but the funds have not yet been expended, the grant is recognised as an unexpended grant or restricted funds. This identifies cash holdings that are required to be spent on a specified purpose and are not available for other Council priorities.

The following table provides a listing of current unexpended grants:

|                                       | <b>\$'000</b> |
|---------------------------------------|---------------|
| <b>Unexpended Grants</b>              |               |
| Roads to Recovery (R2R)               | 952           |
| Corryong Swimming Pool Upgrade Grant  | 242           |
| Country Roads and Bridges             | 123           |
| Community Access                      | 108           |
| Maternal and Child Health Enhancement | 100           |
| Corryong Tennis Courts Grant          | 77            |
| Flood Recovery Officer                | 42            |
| Weed Project                          | 38            |
| Local Gov Business Collaboration      | 32            |
| Tallangatta Neighbourhood House       | 30            |
| The Narrows Project                   | 25            |
| Bushfire Management Overlay           | 13            |
| Kinder Enrolment                      | 12            |
| Towong Shire Connections Project      | 12            |
| Children Services Review              | 10            |
| Improving Liveability of Older People | 10            |
| Freeza Funding                        | 7             |
| Health Promotions (Walk to School)    | 2             |
| Fire Access Track Maintenance         | 1             |
| <b>Total Unexpended Grants</b>        | <b>1,836</b>  |

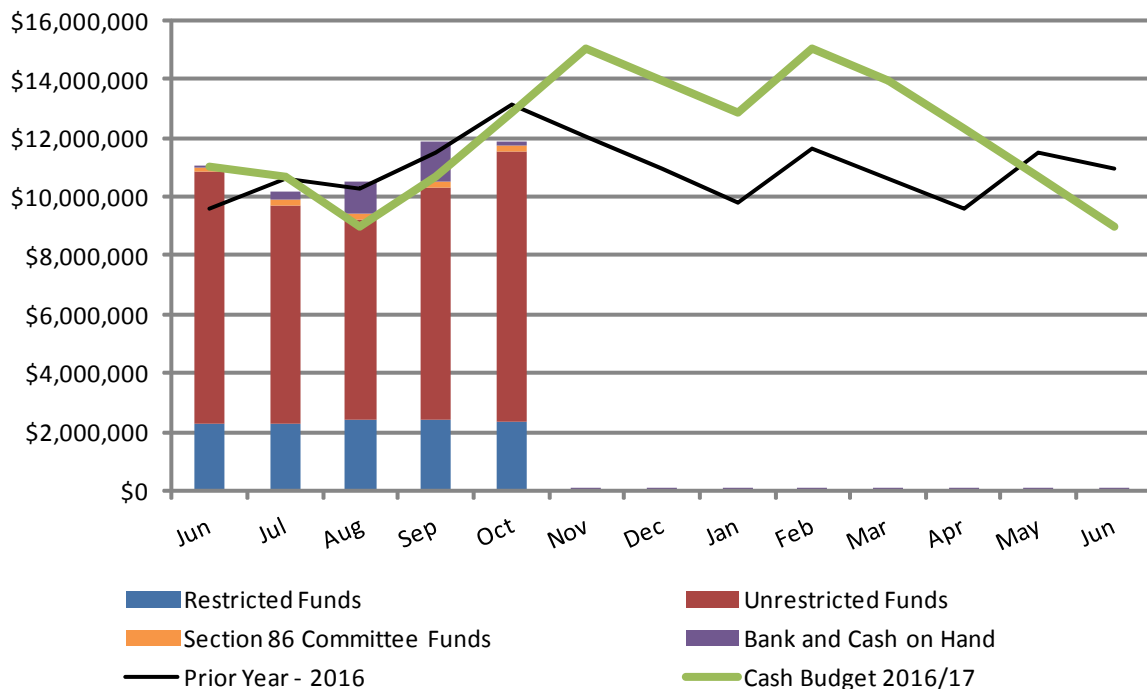
Table 4: Unexpended Grants

**CASH POSITION**

***Cash on Hand***

The cash position moved during the month as detailed below:

|                                     | Current Month<br>Oct-16<br>\$ | Prior Month<br>Sep-16<br>\$ | Variance    |        |
|-------------------------------------|-------------------------------|-----------------------------|-------------|--------|
|                                     |                               |                             | \$          | %      |
| Unexpended Grants                   | 1,835,695                     | 1,842,732                   | (7,037)     | -0.4%  |
| Other Provisions and Reserves       | 541,802                       | 541,802                     | -           | 0.0%   |
| Restricted Funds                    | 2,377,497                     | 2,384,534                   | (7,037)     | -0.3%  |
| Provision for Employee Entitlements | 1,175,631                     | 1,191,216                   | (15,584)    | -1.3%  |
| Other Unrestricted Funds            | 7,972,554                     | 6,761,468                   | 1,211,087   | 17.9%  |
| Total Unrestricted Funds            | 9,148,186                     | 7,952,683                   | 1,195,502   | 15.0%  |
| Section 86 Committee Funds          | 190,039                       | 190,039                     | -           | 0.0%   |
| Total Investments                   | 11,715,721                    | 10,527,256                  | 1,188,465   | 11.3%  |
| Bank and Cash on Hand               | 149,538                       | 1,347,760                   | (1,198,222) | -88.9% |
| Total Cash                          | 11,865,259                    | 11,875,016                  | (9,757)     | -0.1%  |
| Average Interest Rate               | 2.58%                         | 2.76%                       |             |        |



**Investments**

Investments were made up of the following at the month end:

| Date                     | Product         | Institution        | Principal         | Yield | Term     | Rating | Maturity   |
|--------------------------|-----------------|--------------------|-------------------|-------|----------|--------|------------|
| 18/05/2016               | Term Deposit    | AMP                | 1,500,000         | 3.00% | 183 Days | A1     | 17/11/2016 |
| 18/07/2016               | Term Deposit    | NAB                | 1,000,000         | 2.88% | 179 Days | A1+    | 13/01/2017 |
| 17/03/2017               | Term Deposit    | AMP                | 1,000,000         | 2.75% | 182 Days | A1+    | 17/03/2017 |
| 17/03/2016               | Term Deposit    | Bendigo Bank       | 1,000,000         | 2.80% | 180 Days | A2     | 14/03/2017 |
| 26/10/2016               | Term Deposit    | Bank of Queensland | 1,500,000         | 2.75% | 189 Days | A2     | 3/05/2017  |
| 18/05/2016               | Term Deposit    | Bank of Queensland | 1,000,000         | 3.00% | 184 Days | A2     | 18/11/2016 |
| 31/08/2016               | Term Deposit    | AMP                | 1,000,000         | 2.95% | 217 Days | A1     | 5/04/2017  |
| 11/07/2016               | Term Deposit    | WAW                | 852,186           | 2.60% | 180 Days |        | 11/01/2017 |
| N/A                      | Cash Management | Westpac            | 2,673,497         | 1.55% | On Call  | AA-    | N/A        |
| N/A                      | S86 Commitments | Various            | 190,039           | 4.68% | N/A      |        | N/A        |
| <b>Total Investments</b> |                 |                    | <b>11,715,721</b> |       |          |        |            |

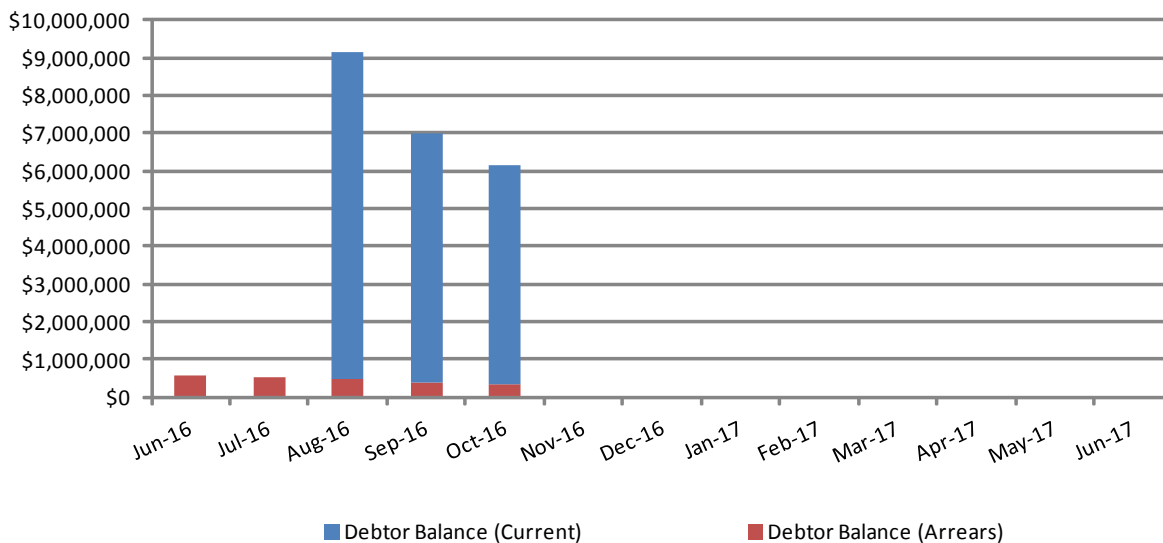
Table 5: Investments at month end

**RECEIVABLES**

**Rates, Municipal Charge, Waste Management Charge and Waste Collection Charge**

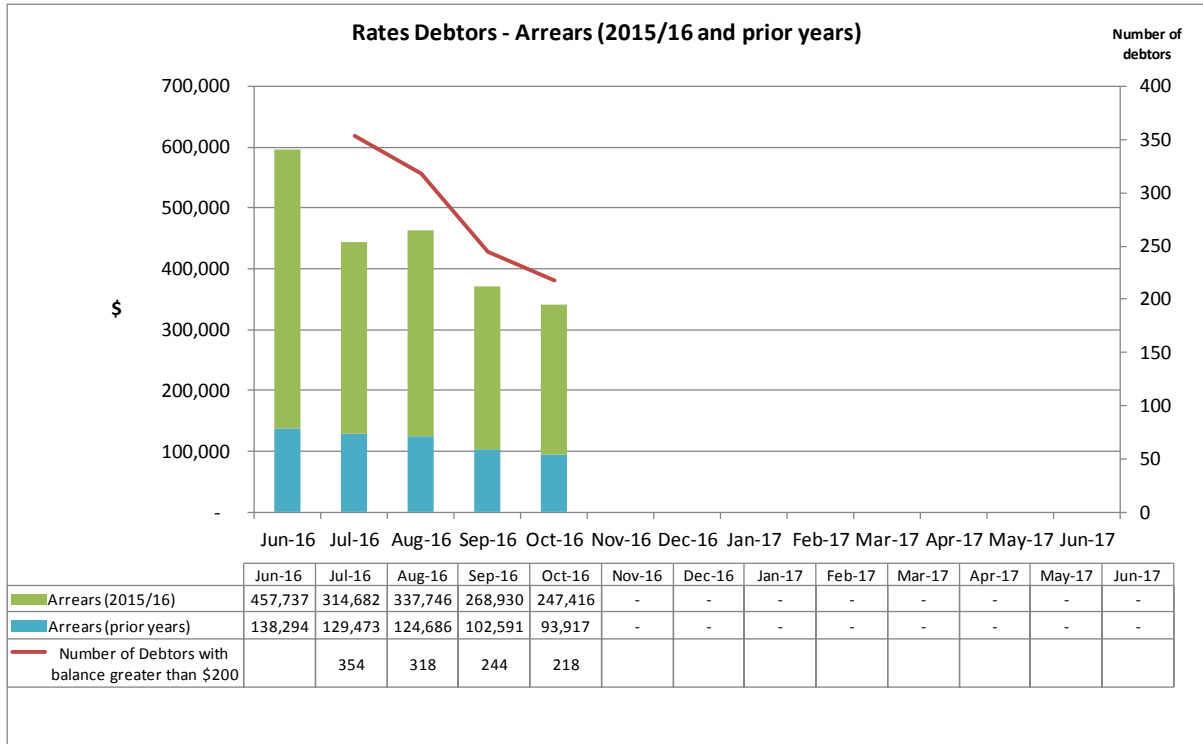
The breakdown of rates received for the current month and year-to-date is shown in the following table and graph:

|                          | Amount    | Received       | % Collected | Received         | Collected | Balance          |
|--------------------------|-----------|----------------|-------------|------------------|-----------|------------------|
|                          | \$        | Oct-16         | Oct-16      | YTD              | YTD       | Outstanding      |
|                          | \$        | \$             | %           | \$               | \$        | \$               |
| Levied 2016/17           | 8,762,334 | 795,808        | 9.1%        | 2,952,539        | 33.7%     | 5,809,795        |
| Arrears prior to 2016/17 | 596,030   | 30,188         | 5.1%        | 254,696          | 42.7%     | 341,334          |
| <b>Total Charges</b>     |           | <b>825,995</b> |             | <b>3,207,235</b> |           | <b>6,151,129</b> |



Note – rates were struck in August 2016. Quarterly instalments are due at the end of September, November, February and May.

**Debt Collection**

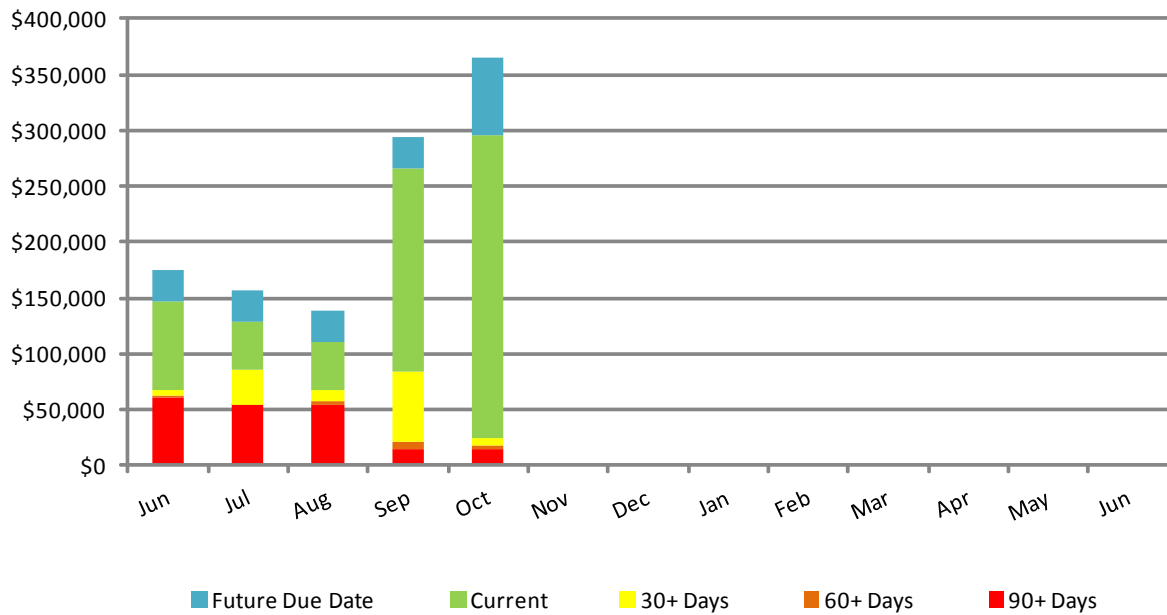


At 31 October 2016 there were 218 rates debtors with an outstanding balance of greater than \$200. This is a reduction of 26 debtors since 30 September 2016.

**Sundry Debtors**

The Sundry Debtors outstanding at month end and the movement from the prior month is shown below:

| Sundry Debtors        | Future Due Date<br>\$ | Current<br>\$ | 30 Days<br>\$ | 60 Days<br>\$ | 90+ Days<br>\$ | Total<br>\$ |
|-----------------------|-----------------------|---------------|---------------|---------------|----------------|-------------|
| <b>October 2016</b>   | 68,587                | 270,925       | 6,959         | 2,945         | 15,116         | 364,533     |
| <b>September 2016</b> | 27,664                | 181,934       | 62,686        | 6,601         | 14,355         | 293,240     |
| <b>Movement</b>       | 40,923                | 88,991        | (55,727)      | (3,656)       | 761            | 71,292      |





Significant debtors (>\$1,000) with ageing of greater than 90 days are as follows:

| <b>Debtor</b> | <b>Amount</b> | <b>Description</b>                 | <b>RO</b> | <b>Notes</b>   |
|---------------|---------------|------------------------------------|-----------|--|
| Debtor 8411   | \$1,580       | Contribution                       | JS        | Contribution has been included in joint grant funded program.  |
| Debtor 17007  | \$1,540       | Cost recovery for slashing         | BP        | Contact has been made with the debtor and is expected to be recovered.                                 |
| Debtor 18925  | \$3,250       | Community contribution             | BP        | Council considered a proposal at the May 2016 Council meeting. A letter has been issued to the debtor. |
| Debtor 19755  | \$1,548       | 50% Cost Recovery for weed control | BP        | Contact has been made with the debtor and is expected to be recovered.                                 |
| Debtor 20210  | \$1,100       | Fees                               | BP        | Contact has been made with the debtor and is expected to be recovered.                                 |

Table 6: Significant debtors > 90 days

## LOCAL ROADS

The following tables report on progress of Local Roads and Bridges Capital and Maintenance programs.

### *Local Roads and Bridges Capital Works*

| Local Roads and Bridges Infrastructure | Note | YTD Actual<br>\$ | YTD Budget     | Variance<br>\$ | Annual Budget<br>\$ |
|--|------|------------------|----------------|----------------|---------------------|
| 410 Road Construction                  | 1    | 100,498          | 130,000        | 29,502         | 980,523             |
| 416 Sealing                            | 2    | 15,949           | -              | (15,949)       | 50,000              |
| 417 Resealing                          |      | -                | -              | -              | 1,025,000           |
| 420 Drainage Construction              |      | -                | -              | -              | 130,000             |
| 421 Digouts                            | 1    | -                | 150,000        | 150,000        | 671,479             |
| 422 Resheeting                         | 1    | 34,174           | 15,000         | (19,174)       | 230,000             |
| 432 Footpaths                          | 1    | 18,844           | 100,000        | 81,156         | 431,496             |
| 433 Kerb and Channel                   | 1    | 12,115           | 25,000         | 12,885         | 840,737             |
| 442 Guardrails                         |      | -                | -              | -              | 30,000              |
| 450 Bridge Construction                | 1    | 19,330           | -              | (19,330)       | 20,000              |
| <b>Total</b>                           |      | <b>200,910</b>   | <b>420,000</b> | <b>219,090</b> | <b>4,409,235</b>    |

Table 7: Local Roads & Bridges – Capital Works (YTD)

#### Note 1:

The phasing of the budget does not align with the phasing of the works. Items as shown comprise of significant projects e.g. Hanson Street, Corryong upgrade, Walwa Main Street upgrade and Destination Tallangatta project.

#### Note 2:

A late invoice was received for works completed in 2015/16. This was funded as part of the Roads to Recovery program.

**Local Roads and Bridges Maintenance**

|                                  | Note | YTD Actual<br>\$ | YTD Budget<br>\$ | Variance<br>\$  | Annual Budget<br>\$ |
|----------------------------------|------|------------------|------------------|-----------------|---------------------|
| 302 Survey and Design            | 1    | 23,598           | 6,668            | (16,930)        | 40,000              |
| 304 Pavement Maintenance         | 2    | 83,781           | 30,000           | (53,781)        | 148,000             |
| 306 Grading                      | 3    | 32,156           | 153,332          | 121,176         | 452,000             |
| 308 Shoulder Maintenance         | 3    | 16,336           | 33,332           | 16,996          | 98,000              |
| 310 Drainage Maintenance         | 4    | 93,308           | 56,668           | (36,640)        | 167,000             |
| 312 Call Outs                    | 5    | 19,276           | 6,668            | (12,608)        | 20,000              |
| 324 General Roadside Maintenance | 6    | 42,053           | 25,000           | (17,053)        | 73,000              |
| 326 Mowing                       |      | 405              | -                | (405)           | 995                 |
| 328 Tree Maintenance             |      | 40,683           | 33,000           | (7,683)         | 99,000              |
| 330 Footpath Maintenance         |      | 2,566            | 2,000            | (566)           | 8,000               |
| 331 Kerb and Channel Maintenance | 7    | 2,739            | -                | (2,739)         | -                   |
| 334 Roadside Treatments          |      | 3,800            | 6,000            | 2,200           | 15,000              |
| 336 Signs Maintenance            |      | 3,870            | 4,000            | 130             | 12,000              |
| 338 Linemarking                  |      | -                | -                | -               | 10,000              |
| 340 Guideposts                   | 8    | 10,672           | 2,332            | (8,340)         | 7,000               |
| 342 Guardrail                    |      | -                | -                | -               | 5,000               |
| 346 Bridge Maintenance           |      | 9,081            | 10,788           | 1,707           | 32,366              |
| <b>Total</b>                     |      | <b>384,324</b>   | <b>369,788</b>   | <b>(14,536)</b> | <b>1,187,361</b>    |

Table 8: Local Roads & Bridges - Maintenance (YTD)

**Note 1:**

Surveying for 2016/17 capital streetscape projects including Destination Tallangatta was completed earlier than anticipated.

**Note 2:**

Pavement maintenance has been required earlier than anticipated due to the wet weather (timing variance).

**Note 3:**

Grading works and shoulder maintenance have been delayed due to the wet weather (timing variance).

**Note 4:**

Drainage maintenance has occurred earlier than anticipated in preparation for the reseal program (timing variance).

**Note 5:**

A large volume of callouts have occurred due to the excessive wet weather.

Note 6:

A significant amount of roadside maintenance has been required due to the excessive wet weather.

Note 7:

Unexpected kerb and channel maintenance required.

Note 8:

More guideposts have required to be replaced than expected.

## **OTHER FINANCIAL MATTERS**

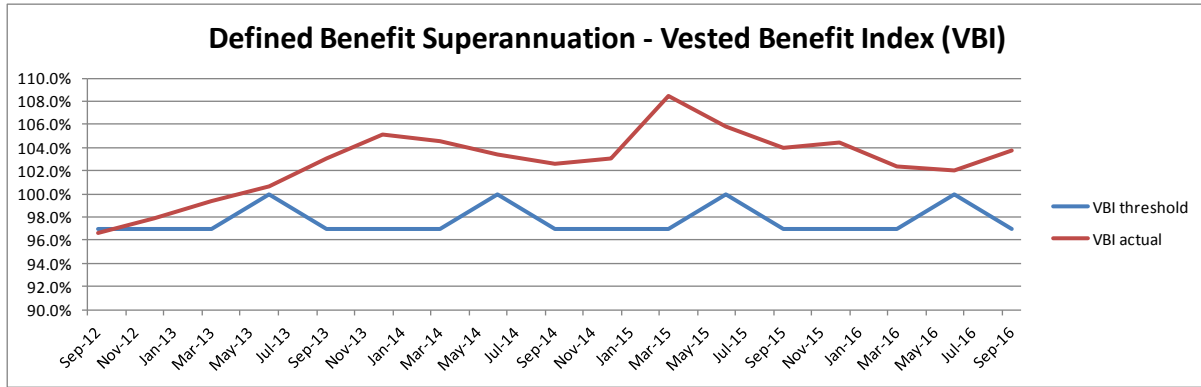
### ***Defined Benefit Superannuation:***

Council has obligations under a defined benefit superannuation scheme (Vision Super) that may result in the need to make additional contributions to the scheme to ensure that the liabilities of the fund are covered by the assets of the fund. There are nine current Towong Shire Council employees covered by the superannuation fund. Whilst the fund closed over 20 years ago, Council still has an obligation to the fund for benefits paid/payable to former employees who are still fund members.

The Vested Benefits Index (VBI) is the measure required to be used to determine whether there is an unfunded liability.

In Summary the VBI must generally be kept above a fund's nominated shortfall threshold. Vision Super have nominated a threshold of 97.5% for the September, December and March reporting periods and 100% for the June reporting period. This is represented by the blue line in the graph below.

The estimated VBI released by Vision Super for September 2016 is 103.7%. The graph below shows Vision Super's VBI performance against the fund's nominated VBI threshold.



If the actual VBI falls below the above VBI thresholds, a funding call will be initiated which will mean Council will have to provide additional funding to the Defined Benefit fund to ensure that the liabilities of the fund can be met.

**RECOMMENDATION:**

**THAT THE FINANCE REPORT BE NOTED.**

## 9.2 Occupational Health and Safety Report (06/04/0212-DCCS)

The Occupational Health and Safety report is presented every second month. The next report is due in February 2017.

The bi-monthly Council Plan Priorities report is included in this agenda at Item 9.4 and provides a progress report on relevant activities from the 2013-2017 Council Plan.

## 9.3 Action Sheet Reports (06/05/0010-CEO)

Items requiring action from the 8 November 2016 Council Meeting are attached at [Appendix 2](#).

**RECOMMENDATION:**

**THAT THE REPORT BE NOTED.**

## **9.4 Council Plan Priorities (07/05/0022-DCCS)**

The bi-monthly updates on the 2013-2017 Council Plan priorities are attached at [Appendix 3](#).

### **RECOMMENDATION:**

**THAT THE PROGRESS REPORT BE NOTED.**

## **9.5 Performance Reporting Graphs (DCCS)**

The Performance Reporting Graphs are attached at [Appendix 4](#) for information.

### **RECOMMENDATION:**

**THAT THE REPORT BE NOTED.**

## **10 Community wellbeing**

The Community Wellbeing report is presented every second month. The next report is due in February 2017.

The bi-monthly Council Plan Priorities report is included in this agenda at Item 9.4 and provides a progress report on relevant activities from the 2013-2017 Council Plan.

## **11 Asset management**

### **11.1 Asset Management report (01/07/0004-DTS)**

The Asset Management report is presented every second month. The next report is due in February 2017.

The bi-monthly Council Plan Priorities report is included in this agenda at Item 9.4 and provides a progress report on relevant activities from the 2013-2017 Council Plan.

## 11.2 Recreation and Open Space Asset Management Plan (01/04/0106-DTS)

### **Disclosure of Interests (S.80C):**

This report was prepared by Ms Rachael Gadd, Civil Asset Engineer.

At the time of preparation of the report the officer did not have a direct or indirect interest in any matter to which the report or advice relates.

### **Background/History:**

Council's current Asset Management Plan was adopted on 6 August 2012 and is made up of the following components:

- Part A – General Information
- Part B – Road Network
- Part C – Buildings & Structures
- Part D – Drainage

To ensure that the Asset Management Plan covers a more comprehensive range of Council's assets the 2013 -2017 Council Plan includes the following strategic priorities:

- 3.1 - Prepare an Asset Management Plan for Recreation
- 3.2 - Prepare an Asset Management Plan for Parks and Gardens (inclusive of trees of significance).

A proposed Asset Management Plan for recreation and open space assets has been developed in response to these Council Plan priorities and will form Part E of the above Asset Management Plan. The proposed plan is attached at [Appendix 5](#).

The Asset Management Plan: Part E – Recreation and Open Spaces (ROS- AMP) covers the recreation and open spaces asset group. This group includes a variety of municipal land types such as parks, gardens, and reserves as well as the associated infrastructure at these sites such as playgrounds, furniture, trees and fences. This plan defines the management criteria necessary to meet the service needs and functional expectations and financial sustainability of the Council, the community and the various facility users.

During 2015 and 2016 Council officers collected location, category and condition data of ROS assets under Council's management. The data collected has been used in the development of this plan.

This plan also puts in place a mechanism that defines Council's asset renewal and asset maintenance practices. It will be reviewed and updated as required to ensure that the Recreation and Open Space assets continue to provide an appropriate level of service delivery to the community.

**Impact on Council Policy:**

One of the objectives of Council's Asset Management Policy is to ensure that Asset Management Plans are prepared and maintained for key asset classes and that they are informed by community consultation and local government financial reporting frameworks (Section 4). Once adopted, the Asset Management Plan: Part E – Recreation and Open Spaces (ROS- AMP) will complete the suite of asset management plans for Council's main asset categories.

**State Government Policy Impacts:**

Nil.

**Budget Impact:**

The ROS-AMP is a means of outlining the key elements involved in managing the recreation and open space asset group. It combines management, financial, engineering and technical practices to ensure that the level of service required by user groups is provided at the lowest long term cost to the community within the limits of any Council fiscal constraints.

**Risk Assessment:**

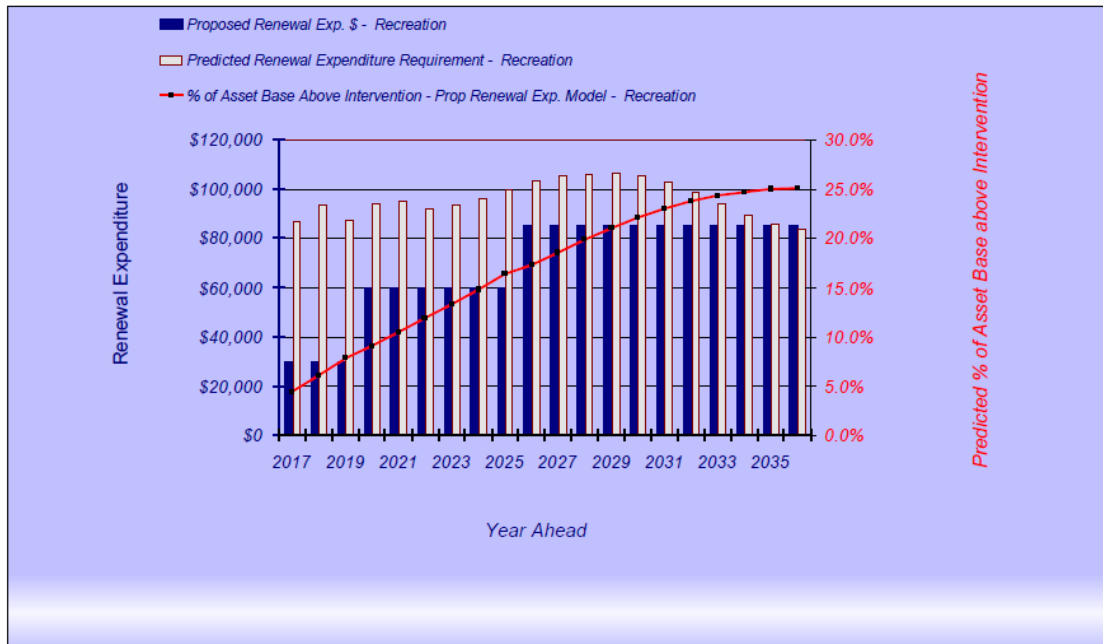
The 2016/17 budget provides for \$29,000 of asset renewal for playgrounds, street furniture and town beautification. In addition to this allocation, budgets for the Tallangatta Foreshore, Tallangatta Swimming Pool and Corryong Swimming Pool projects will also contribute to the renewal of Recreation and Open Space assets.

The proposed ROS-AMP recommends an increased level of annual renewal expenditure for Council's recreation and open space assets. To fully fund the renewal requirements from 2017 the plan recommends an average of \$80,000 per annum is allocated for capital renewal. This excludes any swimming pool shell related expenses.



In recognition of Council’s financial constraints it is proposed that this level of expenditure be phased in over the next ten years. As a result the proposal provides for renewal expenditure of \$30,000 per annum for the first three years, \$60,000 per annum for the next six years and then \$90,000 per annum thereafter, as detailed in the following chart.

*Graph 5 – Recommended future expenditure*



These proposed asset renewal requirements have been included in the Long Term Financial Plan that was updated as part of the 2016/17 budget. It is also envisaged that annual renewal expenditure may increase where Council is able to secure external funding for recreation and open space assets.

To manage the gap between the recommended asset renewal and proposed asset renewal, and to manage any associated risks to the public using Council’s recreation and open space assets, Council officers will undertake maintenance works that are able to manage public use risks and extend the life of existing assets and develop proposals where assets may be rationalised.

The modeling for the ROS-AMP will be updated at the completion of Destination Tallangatta and as the Upper Murray 2030 Vision Plan is implemented to reflect asset renewal, upgrade and rationalization this is undertaken as part of these works.

**Community Consultation/Responses:**

Information from the following sources has contributed information to this plan:

- Statewide Community Satisfaction Survey (2009, 2010, 2011, 2015)

*Community Survey Results*

| Service area                                       | Year of Survey |      |      |      |
|--|----------------|------|------|------|
|  | 2015           | 2011 | 2010 | 2009 |
| Satisfaction with recreational facilities %        | 74             | 66   | 68   | 70   |
| Satisfaction with the appearance of public areas % | 70             | 71   | 74   | 73   |

- Aged Priority Community Consultation Sessions
- Improving Liveability for Older People 2012
- Upper Murray Community Needs Assessment 2008
- UMHCS Workshop 2012
- Towong Recreation Futures 2011 – Community Consultation sessions for Master Plan development

**Discussion/Officers View:**

The proposed Asset Management Plan for recreation and open space assets has been developed to provide a robust plan for Council to manage and renew recreation and open space assets across the Shire.

It will enable Council to have greater visibility of and to better plan for upcoming asset renewal requirements.

It is the Officers view that Council adopt the Recreation and Open Space Asset Management Plan as attached.

**RECOMMENDATION:**

**THAT COUNCIL ADOPT THE RECREATION AND OPEN SPACE ASSET MANAGEMENT**

### 11.3 Tree Replacement Strategy (01/04/0107-DTS)

#### **Disclosure of Interests (S.80C):**

This report was prepared by Ms Rachael Gadd, Civil Asset Engineer.

At the time of preparation of the report the officer did not have a direct or indirect interest in any matter to which the report or advice relates.

#### **Background/History:**

A draft Tree Replacement Strategy attached at [Appendix 6](#) has been written as part of the 2013- 2017 Council Plan strategy to prepare an Asset Management Plan for Parks and Gardens (inclusive of trees of significance (e.g. Cudgewa Avenue, Tallangatta Triangles, etc)).

In 2015 Council adopted the Tree Management Plan which set a goal to achieve forty percent street tree canopy coverage in urban streets within the Shire. The plan recognises that trees can improve amenity in urban areas, improve the pedestrian experience in heat-waves and provide shading for on-street parking. These improvements can also contribute to local economies through an improved visitor experience. Furthermore, consistent canopy coverage in urban streets will assist in urban resilience to climate change.

Funding was obtained through the Department of Environment, Land, Water and Planning's Victorian Climate Change Grants 2015 through the Beating the Heat – cooling canopies for urban resilience project. This project involved the completion of a desktop assessment of the existing urban street tree canopy coverage and the researching and development of a climate change resilient species list for future planting consideration.

Following this assessment a Tree Replacement Strategy was developed for implementation over the next ten years with provision for the extension of the program pending budgetary constraints. The plan prioritises urban streets for tree planting based on existing canopy cover with a target to increase urban canopy cover to forty percent by 2025. Streets with the lowest amount of coverage will be planted first. The average existing canopy coverage in Towong Shire's streets and parks is currently fifteen percent. Coverage per town breakdown is provided below.

| Town            | % Canopy Coverage |
|-----------------|-------------------|
| Bellbridge      | 8%                |
| Bethanga        | 18%               |
| Corryong        | 13%               |
| Cudgewa         | 23%               |
| Dartmouth       | 23%               |
| Eskdale         | 20%               |
| Granya          | 17%               |
| Mitta Mitta     | 20%               |
| Old Tallangatta | 20%               |
| Tallangatta     | 13%               |
| Tintaldra       | 9%                |
| Towong          | 15%               |
| Walwa           | 15%               |

**Impact on Council Policy:**

The Tree Replacement Strategy is a supporting document for Council's Tree Management Policy and the 2013-2017 Council Plan.

**State Government Policy Impacts:**

Nil.

**Budget Impact:**

Tree replacement planting will be funded through existing tree management budgets. The tree replacement strategy document will be used in applications for further funding through climate change and natural resource management avenues as this funding becomes available.

**Risk Assessment:**

The presence of trees in public areas can present a degree of risk to people and property. The benefits provided by these trees can come at a considerable cost in terms of impacts on infrastructure such as drainage, roads and footpaths. The Tree Management Plan documents the management strategies that Towong Shire Council has in place to ensure the quality of trees within the Shire's urban environments and the risk management practices used to ensure minimal impact upon Council and private property due to the presence of Council managed trees.

**Community Consultation/Responses:**

Consultation with affected residents will be completed on an annual basis for properties located in those streets prioritised for planting. Consultation has been undertaken for Lees Crescent, Hillcrest Avenue and Elizabeth Drive in Bellbridge in preparation for planting in 2017. The feedback received was generally positive and any initial concerns have been resolved.

**Discussion/Officers View:**

A recent meeting with DELWP has identified that Towong Shire Council is one of the first rural Victorian Councils to undertake a project of this type. There is an opportunity to showcase this project over the next twelve months. A methodology has been developed to share the process with other Councils and to demonstrate what this project has and will achieve over the coming years.

**RECOMMENDATION:**

**THAT COUNCIL ADOPT THE TREE REPLACEMENT STRATEGY.**

## **12 Land-use planning**

No Planning reports.

## **13 Environmental sustainability**

The Environmental Sustainability report is presented every second month. The next report is due in February 2017.

The bi-monthly Council Plan Priorities report is included in this agenda at Item 9.4 and provides a progress report on relevant activities from the 2013-2017 Council Plan.

## **14 Economic and tourism development**

The Economic and Tourism Development report is presented every second month. The next report is due in February 2017.

The bi-monthly Council Plan Priorities report is included in this agenda at Item 9.4 and provides a progress report on relevant activities from the 2013-2017 Council Plan.

## **15 Councillor reports**

### **15.1 AGM Magorra Park Multi-Sporting Precinct Committee (02/08/0099-Cr Wortmann)**

|                                   |   |
|-----------------------------------|---|
| <b>Date</b>                       | 17 November 2016  |
| <b>Details About the Activity</b> | <p>The triennial AGM was held at Magorra Park Mitta</p> <p>The Executive positions were elected as following:<br/> President: Ted Tobin<br/> Treasurer: Lorrae Saxton-Smyth<br/> Secretary: Naomi Dower</p> <p>There were six more committee members elected from different user groups to complete the committee. This is very pleasing to see that the community is enthusiastic and committed to this great facility and sporting precinct.</p> <p>The committee has a number key priorities for this year including the following:</p> <ul style="list-style-type: none"> <li>-Upgrade of water pump for the Reserve</li> <li>-Encourage greater usage of the facility, with a number of potential events to be explored and expanding existing events.</li> </ul> <p>The committee is keen to develop a Camp Drafting area to facilitate Camp Drafting into the future. Outgoing President Scott Giltrap is working on this project with new committee to progress all the requirements of the referral authorities involved in the planning permit process.</p> |

## **16 Urgent business**

## **17 Committee minutes**

### **17.1 Audit Committee (07/07/0010-Cr Wortmann)**

The unconfirmed minutes of the meeting held on 9 September 2016 are attached at [Appendix 7](#) for information.

Recommendations from the Audit Committee meeting are reproduced for Councillor Information:

#### **Draft Financial Statements and Performance Statement**

MR LEES  
CR WORTMANN

THAT THE AUDIT COMMITTEE RECOMMEND TO COUNCIL THAT:

1. THE FINANCIAL STATEMENTS AND PERFORMANCE STATEMENT FOR THE YEAR ENDED 30 JUNE 2016 BE ADOPTED IN PRINCIPLE SUBJECT TO NO MATERIAL CHANGES BEING REQUIRED BY THE AUDITOR FOR COMPLETION OF THE AUDIT;  
AND
2. NOTE THAT THE AUDIT FOR MOMENTUMONE SHARED SERVICES PTY LTD IS NOT YET COMPLETE.

CARRIED

This item was actioned by Council at the Special Meeting held on 20 September 2016.

#### **Audit Committee Charter**

MR LEES  
CR WORTMANN

THAT THE AUDIT COMMITTEE REVIEW THE CHARTER AND RECOMMEND THE CHARTER TO COUNCIL FOR ADOPTION.

CARRIED

A copy of the recommended Charter is attached at [Appendix 8](#). The Charter will be presented to the February 2017 Council meeting for Council to consider its adoption.

**RECOMMENDATION:**

**THAT:**

- 1. THE AUDIT COMMITTEE CHARTER BE CONSIDERED AT THE FEBRUARY 2017 COUNCIL MEETING.**
  
- 2. THE UNCONFIRMED AUDIT COMMITTEE MINUTES BE NOTED.**

## **17.2 Municipal Emergency Management Plan (02/02/0001-Cr Wortmann)**

The unconfirmed minutes of the meeting held on 16 November 2016 are attached at [Appendix 9](#) for information.

**RECOMMENDATION:**

**THAT THE UNCONFIRMED MUNICIPAL EMERGENCY MANAGEMENT PLANNING COMMITTEE MINUTES BE NOTED.**

## **18 Occupational health and safety**

### **18.1 OHS Committee (06/04/0212-DCCS)**

The unconfirmed minutes of the meeting held on 15 November 2016 are attached at [Appendix 10](#) for information.

**RECOMMENDATION:**

**THAT THE UNCONFIRMED OCCUPATIONAL HEALTH AND SAFETY COMMITTEE MINUTES BE NOTED.**



## **19 Council policies (10/01/0007-CEO)**

The following policies are attached at [Appendix 11](#) for review. Councillors are requested to provide feedback on the policy to the Responsible Officer by 9 January 2017.

- Computer and Mobile Device Use
- Councillor Correspondence
- OH and S
- OH and S Committee Constitution
- Procurement
- Risk Management

## **20 Sealing of documents**

### **20.1 Section 173 Agreement – Ross Geoffrey Jarvis and Towong Shire Council (P 147100)**

Planning Permit 2015/050 provided consent to a re-subdivision of thirteen existing lots and the use and development of land for the purpose of seven new dwellings (2469 Murray Valley Highway, Cudgewa). Prior to a Statement of Compliance being issued for the subdivision, the owner is required to enter into an agreement pursuant to section 173 of the Planning and Environment Act 1987 with and at no cost to the Responsible Authority. The following agreements are required:

- a) An agreement is to be placed on all lots and is to state that the land is located in a rural area and there may be amenity impacts, such as noise, dust and smell caused by nearby agricultural activity.
- b) An agreement is to be placed on proposed lots 2, 9, 11 and 13 and indicate that the land may not be further subdivided so as to increase the number of lots.

Lodgement of the agreement at the Titles Office must occur at the time that the plan of subdivision is lodged at the Titles Office. The cost of preparation and lodgement of the Agreement at the Titles Office is to be at the applicant's expense.

The Agreement has now been drafted in accordance with the Planning Permit and needs to be signed and sealed.

**RECOMMENDATION:**

**THAT THE CHIEF EXECUTIVE OFFICER BE AUTHORISED TO SIGN AND SEAL THE SECTION 173 AGREEMENTS RELATING TO PLANNING PERMIT 2015/050.**

## **21 Sealing of documents**

### **21.1 Section 173 Agreement – M Smith (271250), P&R Hilton (311450), R&C Hanna (210150), G Turnbull (269950) - DTS**

The Stock Grid Policy enables Council to enter into a maintenance and repair agreement with a stock grid owner by a Section 173 Agreement under the Planning and Environment Act 1987.

Section 2.1 of the policy states that Council will enter into an agreement with owners of existing grids which sets out the conditions under which the grid will be permitted to remain on a public access road. Conditions include:

- The owner is responsible for ongoing maintenance and upgrade of the grid and associated signage to an acceptable standard as deemed by Council.
- The owner is responsible for the supply and installation of any upgrade grid and associated signage to Council requirements. A Permit for Works within Road Reserves must be obtained.
- The owner is to provide evidence of a current \$10M Public Liability Insurance Policy which is to be ongoing for the life of the grid.
- The owner must hold an annual Stock Grid Grazing Permit and pay the associated fee.
- If the grid is not maintained to a satisfactory standard, Council may carry out maintenance at the owner's cost or remove the grid.
- The owner is responsible for upgrade of the grid if the road is upgraded or minimum standards are altered.

Section 173 Agreements have been drafted to indicate that the owners and future owners of the land described as:

- Volume 08889, Folio 783 are responsible for the ongoing maintenance and renewal of the stock grids located at 0.1 km along Blind Creek Road as measured from Yabba Road
- Volume 11366, Folio 894 are responsible for the ongoing maintenance and renewal of the stock grids located at 2.2km and 3.6km km along Jarvis Creek Road as measured from Sirils Road

- Volume 10381, Folio 284 are responsible for the ongoing maintenance and renewal of the stock grids located at 0.5 km along Yonson Road as measured from Kurrajong Gap Road
- Volume 08226, Folio 702 are responsible for the ongoing maintenance and renewal of the stock grids located at 4.85 km along Timberlane Road as measured from Yabba Road

Compliance with the Section 173 Agreements is required to the satisfaction of the Responsible Authority until such time as these requirements are varied or superseded by a subsequent requirement.

The Section 173 Agreements are in accordance with the requirements of the Stock Grid Policy and it is the officer's recommendation that they be signed and sealed.

**RECOMMENDATION:**

**THAT THE CHIEF EXECUTIVE OFFICER BE AUTHORISED TO SIGN AND SEAL THE SECTION 173 AGREEMENTS RELATING TO LAND DESCRIBED AS VOLUME 08889, FOLIO 783; VOLUME 11366, FOLIO 894; VOLUME 10381, FOLIO 284 and VOLUME 08226, FOLIO 702 THAT HAVE BEEN DRAFTED IN ACCORDANCE WITH THE REQUIREMENTS OF THE STOCK GRID POLICY.**

## **22 Confidential**

In accordance with S77 (2) information is 'confidential information' if:

(a) the information was provided to the Council or a special committee in relation to a matter considered by the Council or special committee at a meeting closed to members of the public and the Council or special committee has not passed a resolution that the information is not confidential; or

(b) the information has been designated as confidential information by a resolution of the Council or a special committee which specifies the relevant ground or grounds applying under section 89(2) and the Council or special committee has not passed a resolution that the information is not confidential; or

(c) Subject to sub-section (3), the information has been designated in writing as confidential information by the Chief Executive Officer specifying the relevant ground or grounds applying under section 89(2) and the Council has not passed a resolution that the information is not confidential.

In accordance with Section 89(2) and 89(3) of the Local Government Act 1989,

(2) A Council or special committee may resolve that the meeting be closed to members of the public if the meeting is discussing any of the following—

- (a) Personnel matters;
- (b) The personal hardship of any resident or ratepayer;
- (c) Industrial matters;
- (d) Contractual matters;
- (e) Proposed developments;
- (f) Legal advice;
- (g) Matters affecting the security of Council property;
- (h) Any other matter which the Council or special committee considers would prejudice the Council or any person;
- (i) A resolution to close the meeting to members of the public.

(3) If a Council or special committee resolves to close a meeting to members of the public the reason must be recorded in the minutes of the meeting

No Confidential reports.