

# Minutes

## Ordinary Meeting of Council

Corryong Council Office

Tuesday 2 August 2016

---

This information is available in alternative formats on request

<p><b>MINUTES OF THE ORDINARY MEETING OF COUNCIL HELD AT TOWONG SHIRE COUNCIL, CORRYONG OFFICE ON TUESDAY 2 AUGUST 2016 COMMENCING AT 10.00 AM.</b></p>
---

**TABLE OF CONTENTS**

1	Opening Prayer.....	4
2	Councillor and Officer presence at the meeting.....	4
3	Apologies and granting of leave of absence .....	4
4	Declaration of pecuniary interest and/or conflict .....	5
5	Confirmation of minutes .....	5
6	Petitions, joint letters and declarations.....	6
6.1	Petition – SES Funding (07/01/0145- CEO).....	6
7	Assembly of Councillors .....	7
8	Open Forum.....	7
9	Organisational improvement.....	8
9.1	Finance Report as at 30 June 2016 (DCCS) .....	8
9.2	Proposed Budget 2016/17 (06/02/0075-DCCS).....	21
9.3	Occupational Health and Safety Report (06/04/0212-DCCS) .....	29
9.4	Action Sheet Reports (06/05/0010-EA) .....	29
9.5	Council Plan Priorities (07/05/0022-DCCS).....	29
9.6	Performance Reporting Graphs (DCCS) .....	30
10	Community wellbeing .....	30
11	Asset management.....	30
12	Land-use planning.....	30
12.1	Planning Permit Amendment 2015/050 (147100, 2015/050.1-MP).....	30
13	Environmental sustainability .....	31
13.1	Environment Sustainability Report (DTS) .....	31
13.2	Landfill and Waste Transfer Stations (WTS) Opening Hours (DTS).....	34
14	Economic and tourism development.....	39
14.1	Tourism North East – Membership (05/02/0161-CEO) .....	39
14.2	Corryong Saleyards Committee of Management (05/01/0145-CEO) .....	48
15	Councillor reports .....	51
15.1	Tallangatta Rotary Club Changeover Dinner (Cr Wortmann).....	51
15.2	Corryong Rotary Club Changeover (Cr Wortmann).....	51
15.3	NBN Satellite Service Launch Granya (Cr Wortmann).....	51
15.4	Parliamentary Rate Capping Inquiry Wodonga.....	52
15.5	Meeting with the Treasurer Mr Tim Pallas Melbourne (Cr Wortmann).....	54
15.6	ACSUM (Cr Fraser) .....	56
15.7	Mitta Valley Incorporated (Cr Scales).....	56
15.8	SES Meeting (Cr Fraser).....	56
16	Notice of Motion.....	56
16.1	Notice of Motion 1/2016 (Cr Fraser) .....	56

17	Urgent business.....	57
17.1	State Emergency Services Units (07/01/0145-Cr Fraser).....	57
18	Committee minutes.....	57
19	Occupational health and safety.....	57
19.1	OHS Committee (06/04/0212-DCCS).....	57
20	Council policies (10/01/0007-CEO).....	58
20.1	Climate Change Policy (10/01/0007-DCCS).....	59
21	Sealing of documents.....	62
22	Confidential.....	63

## **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**

**Present:** Crs Wortmann, Scales, Fraser and Joyce

<b>In Attendance:</b>	<b>Title:</b>
J Phelps	Chief Executive Officer
J Shannon	Director Community and Corporate Services
D Snaith	Executive Assistant

## **3 Apologies and granting of leave of absence** **(07/05/0007)**

Cr D Gadd

Cr Joyce requested leave of absence from the Ordinary Meeting of Council to be held on 6 September 2016.

**CR SCALES**  
**CR FRASER**

**THAT THE APOLOGY BE ACCEPTED AND LEAVE OF ABSENCE BE GRANTED TO  
CR JOYCE FOR THE ORDINARY MEETING TO BE HELD ON 6 SEPTEMBER 2016.**

**CARRIED**

#### **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.

Nil.

#### **5 Confirmation of minutes**

Ordinary Meeting of 5 July 2016 and Special Meeting of 5 July 2016.

**CR SCALES**

**CR JOYCE**

**THAT THE MINUTES OF THE ORDINARY MEETING HELD ON 5 JULY 2016 AND  
THE MINUTES OF THE SPECIAL MEETING HELD ON 5 JULY 2016 AS  
CIRCULATED BE CONFIRMED.**

**CARRIED**

## **6 Petitions, joint letters and declarations**

### **6.1 Petition – SES Funding (07/01/0145- CEO)**

A petition has been received from the combined SES units within Towong Shire (Corryong, Mitta Mitta and Tallangatta) requesting reinstatement of Council funding for the local Units.

The Petition is in two parts and attached at [Appendix A](#) and [Appendix B](#).

An extract from Council's Local Law No: 1, Meeting Procedures and Use of the Common Seal referring to Petitions and Joint Letters is provided below:

#### **Section 63. Petitions and joint letters**

- (1) A petition or joint letter presented to the Council at a meeting may lay on the table until the next Ordinary Meeting and no motion, other than to receive the petition or joint letter, may be accepted by the Chairperson unless the Council agrees to deal with it earlier.*
- (2) A petition or joint letter provided to the Chief Executive Officer at least 3 days prior to the cut off period for the preparation of the agenda shall be included on the agenda and may be followed immediately by a report from an officer providing advice in relation to that matter. Following formal receipt of the petition at the meeting, the Council may consider the report in relation to the petition.*

#### **Section 64. Signing petitions**

*Any person who fraudulently signs a petition or joint letter which is presented to the Council is guilty of an offence.*

#### **Section 65. Councillor presenting petition – obligations**

*Any Councillor presenting a petition or joint letter will be responsible for ensuring that-*

- (a) He or she is familiar with the content and purpose of the petition or joint letter; and*
- (b) The petition or joint letter is not derogatory or defamatory.*

**CR FRASER  
CR JOYCE**

**THAT COUNCIL CONSIDER THE PETITION IN CONJUNCTION WITH ITEM 9.2 –  
PROPOSED BUDGET 2016/17.**

**CARRIED**

## 7 Assembly of Councillors

A written record of the Assemblies of Councillors from 5 to 22 July 2016 is included at [Appendix 1](#).

**CR SCALES  
CR JOYCE**

**THAT THE INFORMATION BE NOTED.**

**CARRIED**

## 8 Open Forum

<b>NAME</b>	<b>TOPIC</b>
Mrs Marilyn Hill	Corryong Recreation Committee of Management - Corryong Netball Courts.
Ms Karly McKenzie-McHarg	Thanked Council for recent repairs to the footpath at Walwa and the installation of LED lighting.  Sought information on the current Minister for Roads and Ports.  Mobile library service for Walwa Primary School.
Mrs Lois Jephcott	Corryong Ratepayers Association - Requested that Council reconsider funding the local SES Units for a 12 month period.  Corryong Grandstand – VCAT hearing.

## 9 Organisational improvement

### 9.1 Finance Report as at 30 June 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

The figures in this report are based on full year interim financial results, prior to final year-end adjustments.

	Note	Jun-16 (Actual) \$'000	Jun-16 (Budget) \$'000	YTD (Actual) \$'000	YTD (Budget) \$'000	YTD (Variance) \$'000	YTD (Variance) %	2015/16 Full Year (Budget) \$'000	2015/16 Full Year (Achieved) %
Income	1	190	795	14,304	15,081	(777)	(5%)	15,081	95%
Expenditure	2	4,189	4,738	12,335	14,019	1,684	12%	14,019	88%
Surplus/ (Deficit)		(3,999)	(3,943)	1,969	1,062	907	85%	1,062	185%

Table 1: Operating Result

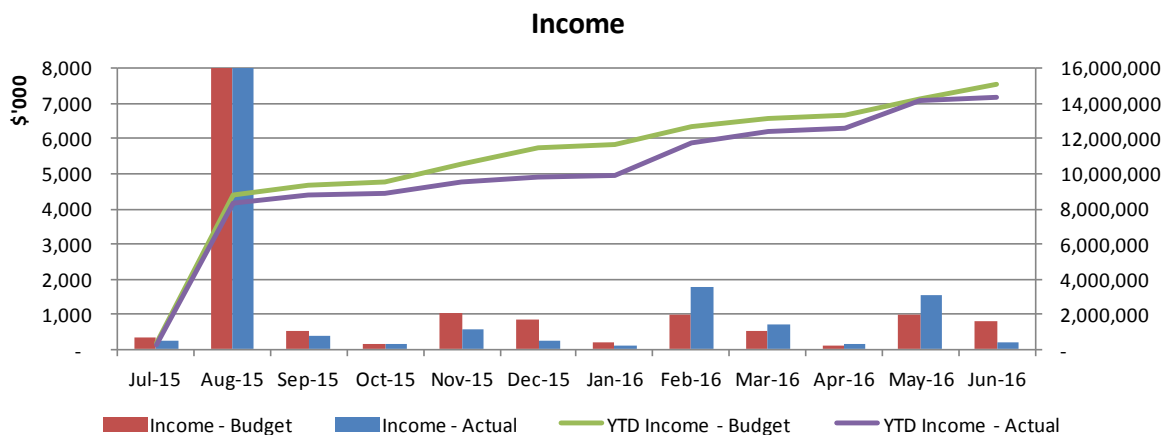
#### Note 1:

Council YTD income at 30 June 2016 is \$14.3m against a budget of \$15.1m. The major items contributing to the \$0.8m variance include:

- Revenue received in a prior period:
  - In the 2014/15 financial year an early payment of \$1.8 million was received for part of the 2015/16 Financial Assistance Grants allocation from the Victorian Grants Commission.
- Revenue expected to be received later than anticipated:
  - Council is yet to receive the final funding instalment of \$100,000 (\$50,000 from Sustainability Victoria and \$50,000 from Regional Development Victoria) for the Tallangatta Integrated Community Centre. This is anticipated to be received in the first quarter of 2016/17 due to delays in construction
  - Council had budgeted to receive grant funding of \$276,000 in 2015/16 for The Narrows project. Council has only received \$52,000 due to a revision in the timelines of the project.



- Revenue received that was not budgeted:
  - Roads to Recovery funding of \$1.92 million has been received during the 2015/16 financial year. This is \$575,000 higher than budget. This is in line with the new four year funding program
  - Council has received \$222,500 grant income from Regional Development Victoria as well as \$90,000 from community contributions for the Wyeeboo Multi Purpose Facility
  - Council has received \$100,000 grant income for the 'My Family First Pilot Program', the shared maternal and child health project with Alpine and Indigo Shire Councils.

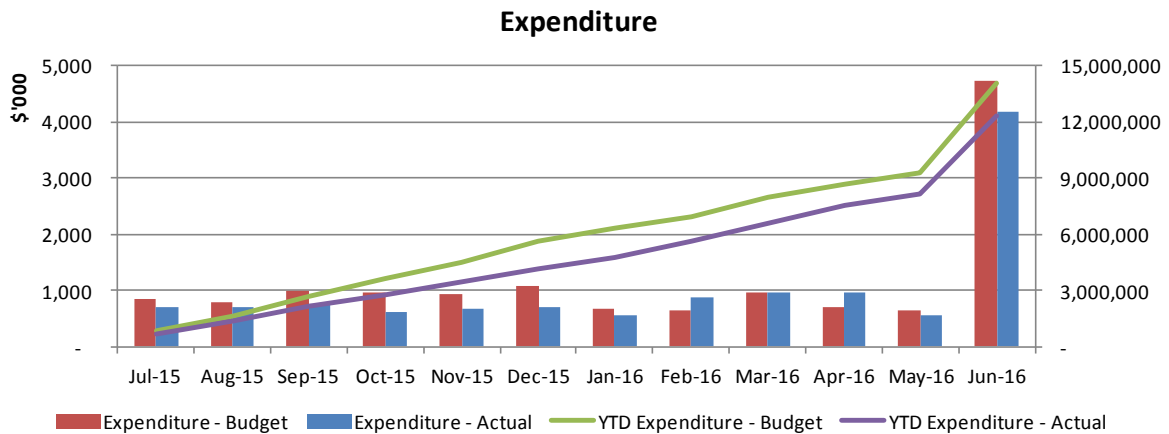


**Note 2:**

Council YTD expenditure at 30 June 2016 is \$12.3m against a budget of \$14.0m. The major items contributing to the \$1.7m variance include:

- Expenditure that will be incurred later than expected:
  - \$223,000 was budgeted to be spent on The Narrows project, however timelines have been revised for the project so this expenditure will be incurred in 2016/17
  - \$148,000 Corryong Tennis Court project (scheduled for September 2016)
  - \$71,000 Drainage maintenance – less demand for drainage maintenance, with anticipated savings to be used to carry out additional grading works
  - \$70,000 General Revaluation fee – the invoice for the 2016 revaluation has not yet been received (this will be accrued in year end adjustments)
  - \$37,000 staff costs – the funded Community Development Officer position was budgeted for the full year but was vacant for part of the year whilst the recruitment process was undertaken. These costs are fully funded and will be expended in 2016/17.

- Current savings against budget include:
  - \$423,000 Staff costs (Currently operating at 63.8 EFT against a Budget of 68.3 EFT)
  - \$259,000 Plant and equipment costs – a conservative budget approach was adopted for plant and equipment running costs in 2015/16 pending an audit of plant items and their associated costs.
  - \$97,000 Kerbside collection service – a higher plant utilisation rate has produced a saving against the budgeted plant costs



**Grant Income**

	Note	Jun-16	YTD	YTD	YTD	YTD	2015/16	2015/16
		(Actual)	(Actual)	(Budget)	(Variance)	(Variance)	Full	Full
		\$'000	\$'000	\$'000	\$'000	%	Year	Year
							(Budget)	(Achieved)
							\$'000	%
Recurring	1	98	4,310	5,418	(1,108)	(20%)	5,418	80%
Non-Competitive	2	3	39	-	39	0%	-	0%
Competitive	3	(34)	1,024	934	90	10%	934	110%
<b>Total</b>		<b>67</b>	<b>5,373</b>	<b>6,352</b>	<b>(979)</b>	<b>(15%)</b>	<b>6,352</b>	<b>85%</b>

Table 2: Grant Income

**Note 1:**

Council YTD recurring grant income at 30 June 2016 is \$4.3m against a budget of \$5.4m. The major items contributing to the \$1.1m variance are:

- Part of the 2015/16 Financial Assistance Grants allocation from the Victorian Grants Commission was received in the previous financial year (\$1.8m).
- Roads to Recovery funding of \$1.92 million has been received during the 2015/16 financial year. This is \$575,000 higher than budget. This is in line with the new four year funding program.

- Council has received kindergarten funding of \$129,000 above budgeted levels YTD.

Note 2:

Funding for Community Access and Inclusion is being received however was unbudgeted.

Note 3:

Council YTD competitive grant income at 30 June 2016 is \$1.0m against a budget of \$0.9m. The major items contributing to the \$0.1m variance are:

- Funding that has been received in advance of budget or is unbudgeted:
  - \$222,500 grant income from Regional Development Victoria for the Wyeboon Multi Purpose Facility (permanent variance).
  - \$100,000 grant income for the 'My Family First Pilot Program', the shared maternal and child health project with Alpine and Indigo Shire Councils (permanent variance).
  - \$50,000 for Magorra Park (unbudgeted income offset by additional expenditure)
  - \$44,000 for shade at Corryong pool (unbudgeted income which will be offset by additional capital expenditure in 2016/17)
  - \$30,000 for the Towong Shire Connections Project (unbudgeted income which will be offset by additional expenditure).
- Revenue that is expected to be received later than anticipated:
  - \$224,000 for The Narrows project (due to revision of project timelines)
  - Tallangatta Integrated Community Centre \$100,000 (due to delays in construction)
  - Corryong Pre-School upgrade \$79,000 from the Department of Education and Training (funding expected to be received in September 2016)

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

	\$'000
<b>Recurring</b>	
Roads to Recovery (R2R)	1,917
Victorian Grants Commission - General Purpose Funding	1,065
Victorian Grants Commission - Local Roads Funding	656
Corryong Pre School	138
Maternal and Child Health	127
Library	108
Tallangatta Pre School	82
Berringa Pre School	78
Municipal Emergency Response Program	60
Weed Project	31
State Emergency Service Corryong	13
State Emergency Service Tallangatta	13
LG Infrastructure Projects	10
State Emergency Service Mitta	7
Health Admin	5
<b>Total Recurring Grants</b>	<b>4,310</b>
<b>Competitive and Non-Competitive</b>	
Corryong Swimming Pool Upgrade Grant	241
Wyeboo Multi Purpose Facility	222
Maternal and Child Health Enhancement	100
Corryong Tennis Courts Grant	90
Tallangatta Transfer Station - Capital	60
The Narrows Project	52
Magorra Park (DSE)	50
Our Valley Our Future	50
L2P Program	47
Community Access	39
Towong Shire Connections Project	30
Pre-School Cluster	20
Corryong Tfr Station - Capital Grant	14
Kinder Enrolment	12
Freeza Funding	12
Community Health and Wellbeing	11
Regional Living Expo	10
Youth Week	2
Corryong Pre School Capital Grants	1
<b>Total Competitive and Non-Competitive Grants</b>	<b>1,063</b>
<b>Total Grants Received</b>	<b>5,373</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 and restricted funds:

	<b>\$'000</b>
<b>Unexpended Grants</b>	
Roads to Recovery (R2R)	952
Corryong Swimming Pool Upgrade Grant	241
Country Roads and Bridges	128
Community Access	110
Maternal and Child Health Enhancement	100
Corryong Tennis Courts Grant	77
Tallangatta Neighbourhood House	43
Flood Recovery Officer	42
The Narrows Project	37
Local Gov Business Collaboration	32
Bushfire Management Overlay	13
Kinder Enrolment	12
Freeza Funding	12
Towong Shire Connections Project	12
Children Services Review	10
Improving Liveability of Older People	10
Weed Project	8
Health Promotions (Walk to School)	4
Fire Access Track Maintenance	1
<b>Total Unexpended Grants</b>	<b>1,844</b>

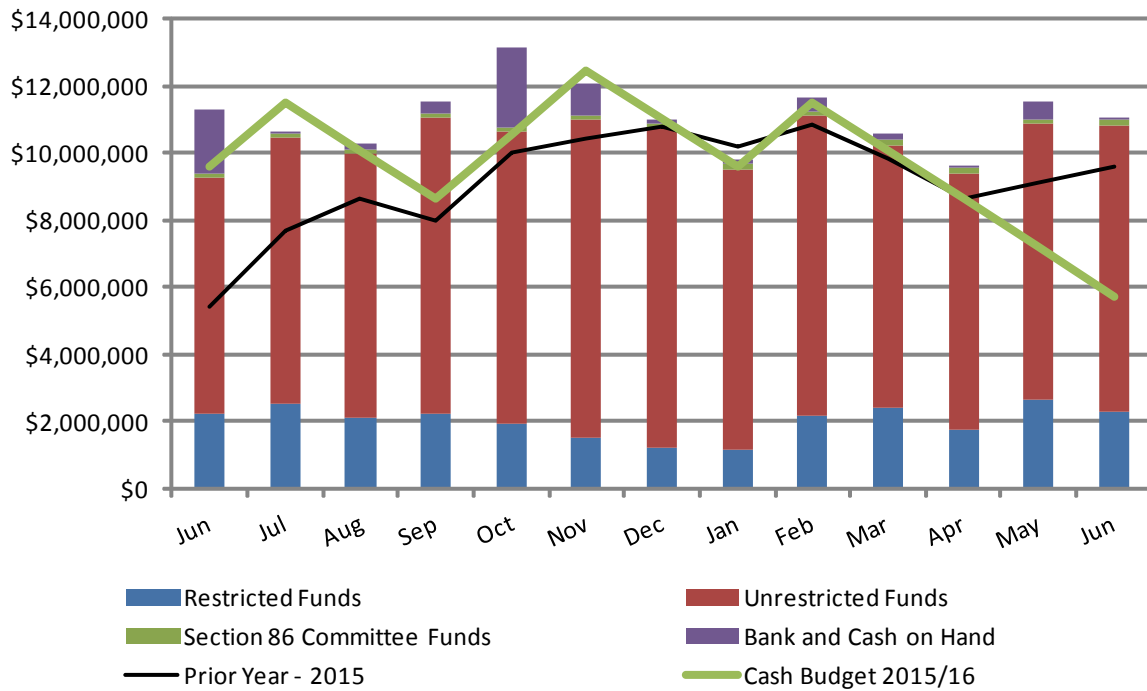
Table 4: Unexpended Grants and Restricted Funds

**CASH POSITION**

***Cash on Hand***

The cash position moved during the month as detailed below:

	Current Month	Prior Month	Variance	
	Jun-16	May-16	\$	%
	\$	\$	\$	%
Unexpended Grants	1,844,522	2,221,156	(376,634)	-17.0%
Other Provisions and Reserves	425,706	425,706	-	0.0%
<b>Restricted Funds</b>	<b>2,270,228</b>	<b>2,646,862</b>	<b>(376,634)</b>	<b>-14.2%</b>
Provision for Employee Entitlements	1,098,556	1,120,538	(21,982)	-2.0%
Other Unrestricted Funds	7,458,912	7,082,678	376,234	5.3%
<b>Total Unrestricted Funds</b>	<b>8,557,469</b>	<b>8,203,216</b>	<b>354,252</b>	<b>4.3%</b>
Section 86 Committee Funds	136,246	136,246	-	0.0%
<b>Total Investments</b>	<b>10,963,942</b>	<b>10,986,324</b>	<b>(22,382)</b>	<b>-0.2%</b>
Bank and Cash on Hand	8,825	518,560	(509,736)	-98.3%
<b>Total Cash</b>	<b>10,972,767</b>	<b>11,504,884</b>	<b>(532,118)</b>	<b>-4.6%</b>
Average Interest Rate	2.85%	2.85%		



## 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
19/01/2016	Term Deposit	NAB	1,000,000	3.00%	181 Days	A1+	18/07/2016
16/03/2016	Term Deposit	NAB	2,000,000	3.05%	182 Days	A1+	14/09/2016
26/04/2016	Term Deposit	Bank of Queensland	1,500,000	3.16%	183 Days	A2	26/10/2016
18/05/2016	Term Deposit	Bank of Queensland	1,000,000	3.00%	184 Days	A2	18/11/2016
1/03/2016	Term Deposit	ME Bank	1,000,000	2.95%	183 Days	A2	31/08/2016
11/01/2016	Term Deposit	WAW	840,896	2.70%	182 Days		11/07/2016
N/A	Online Saver	Westpac	1,986,801	2.05%	On Call	AA-	N/A
N/A	S86 Committees	Various	136,246	4.68%	N/A		N/A
<b>Total Investments</b>			<b>10,963,942</b>				

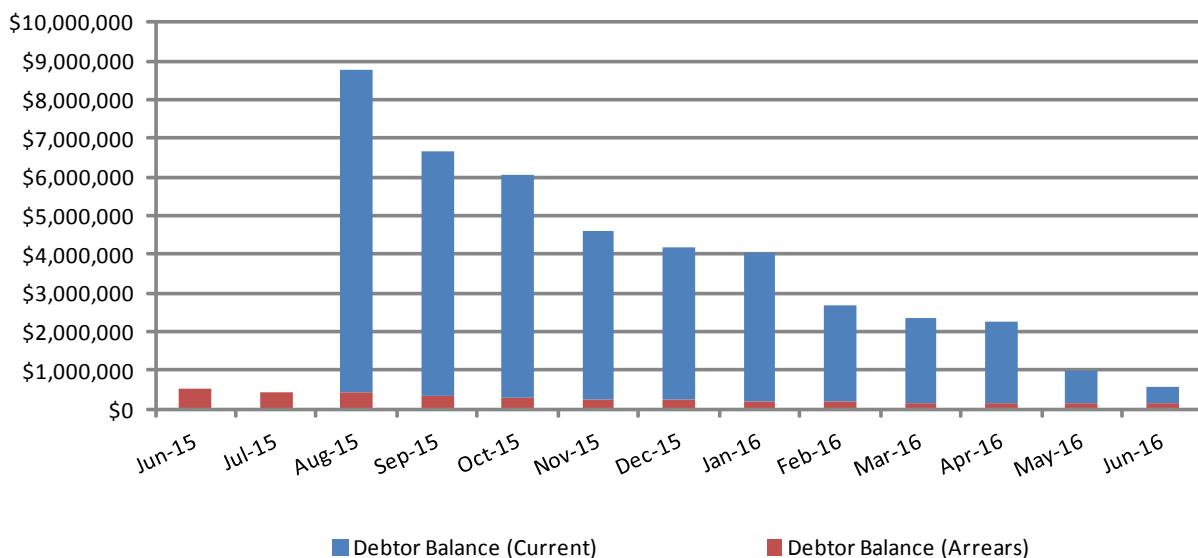
Table 5: Investments at month end

## 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:

Rates, charges and FSPL Debtors						
	Amount	Received	% Collected	Received	Collected	Balance
	\$	Jun-16	Jun-16	YTD	YTD	Outstanding
	\$	\$	%	\$	\$	\$
Levied 2015/16	8,447,140	406,586	4.8%	7,989,403	94.6%	457,737
Arrears prior to 2015/16	524,863	7,253	1.4%	386,570	73.7%	138,293
<b>Total Charges</b>		<b>413,839</b>		<b>8,375,973</b>		<b>596,030</b>

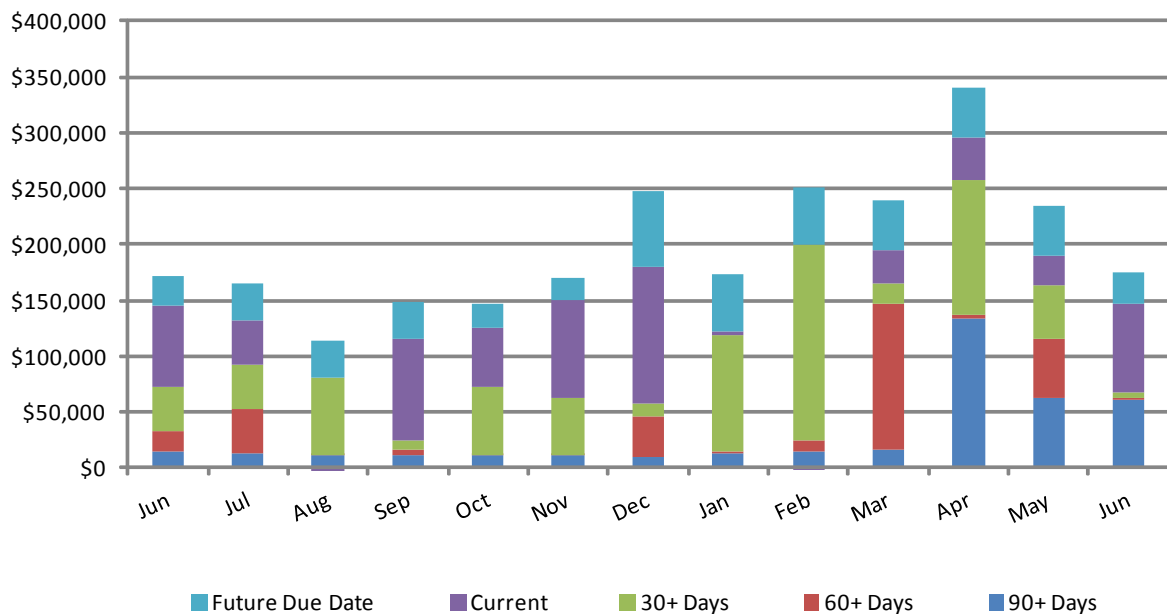


Note – rates were struck in August 2015. Quarterly instalments are due at the end of September, November, February and May.

**Sundry Debtors**

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

Sundry Debtors	Future Due Date \$	Current \$	30 Days \$	60 Days \$	90+ Days \$	Total \$
<b>June 2016</b>	27,664	79,292	5,720	1,338	60,691	174,706
<b>May 2016</b>	44,441	25,640	47,859	53,644	61,942	233,526
<b>Movement</b>	(16,777)	53,652	(42,139)	(52,306)	(1,250)	(58,819)



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

Debtor	Amount	Description	RO	Notes
Debtor 8411	\$1,580	Contribution to Towong Alliance	JS	Payment has been requested.
Debtor 13017	\$1,694	Water delivery	BP	Payment received 11/7/16.
Debtor 15570	\$40,548	FSPL Admin support	BP	Payment is expected in new financial year.
Debtor 15947	\$6,047	50% cost recovery of utilities in rented space	BP	Payment received 13/7/16.
Debtor 17007	\$1,540	Cost recovery for slashing	BP	Contact has been made with the debtor and is expected to be recovered.



<b>Debtor</b>	<b>Amount</b>	<b>Description</b>	<b>RO</b>	<b>Notes</b>
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**

### ***Local Roads and Bridges Capital Works***

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

<b>Local Roads and Bridges Infrastructure</b>	<b>Note</b>	<b>YTD Actual</b>	<b>YTD Budget</b>	<b>Variance</b>	<b>Annual Budget</b>
		<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
402 Survey and Design		3,901	-	(3,901)	-
410 Road Construction	1	335,625	584,778	249,153	584,778
416 Sealing		1,684	-	(1,684)	-
417 Resealing	2	645,708	962,500	316,792	962,500
420 Drainage Construction	3	15,824	30,000	14,176	30,000
421 Digouts	4	704,359	600,000	(104,359)	600,000
422 Resheeting	5	139,195	230,000	90,805	230,000
432 Footpaths	6	12,896	344,596	331,700	344,596
433 Kerb and Channel	7	65,156	168,504	103,348	168,504
442 Guardrails		26,650	30,000	3,350	30,000
450 Bridge Construction	8	66,735	20,000	(46,735)	20,000
<b>Total</b>		<b>2,017,733</b>	<b>2,970,378</b>	<b>952,645</b>	<b>2,970,378</b>

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

The commencement of some works has been delayed until mid 2016 and will form part of the National Stronger Regions Funded - Destination Tallangatta project.

Note 1:

Georges Creek Road construction is currently in progress. Towong Street and Shelley-Walwa Road will be carried forward to 2016/17.

Note 2:

The planned reseal program is complete. Some works are on hold as part of the Destination Tallangatta project and will be carried forward to 2016/17.

Note 3:

Drainage works that are part of the Destination Tallangatta project will be carried forward to 2016/17.

Note 4:

The over spend on digouts is to be offset against savings in the reseal and resheeting program and the additional funding received under the Roads to Recovery program.

Note 5:

The under spend in resheeting has been offset against the digouts program.

Note 6:

Footpath works will be undertaken as part of the Destination Tallangatta project which will be carried forward to 2016/17.

Note 7:

Some kerb and channel projects have been put on hold and will be undertaken as part of the Destination Tallangatta project which will be carried forward to 2016/17.

Note 8:

Additional works completed due to unexpended grants from Country Roads and Bridges program.

**Local Roads and Bridges Maintenance**

	Note	YTD Actual \$	YTD Budget \$	Variance \$	Annual Budget \$
301 Inspections		2,013	-	(2,013)	-
302 Survey and Design		37,478	45,205	7,727	45,205
304 Pavement Maintenance	1	89,024	150,000	60,976	150,000
306 Grading		452,672	460,000	7,328	460,000
308 Shoulder Maintenance	2	115,251	100,000	(15,251)	100,000
310 Drainage Maintenance	3	98,493	170,000	71,507	170,000
312 Call Outs	4	12,001	20,000	7,999	20,000
324 General Roadside Maintenance	5	93,523	75,000	(18,523)	75,000
326 Mowing		1,495	500	(995)	500
328 Tree Maintenance	6	117,368	102,000	(15,368)	102,000
330 Footpath Maintenance		11,222	8,000	(3,222)	8,000
334 Roadside Treatments	7	-	15,000	15,000	15,000
336 Signs Maintenance	8	17,639	32,000	14,361	32,000
338 Linemarking	9	169	10,000	9,831	10,000
340 Guideposts		9,470	7,000	(2,470)	7,000
342 Guardrail		1,429	5,000	3,571	5,000
346 Bridge Maintenance	10	42,978	29,210	(13,768)	29,210
<b>Total</b>		<b>1,102,225</b>	<b>1,228,915</b>	<b>126,690</b>	<b>1,228,915</b>

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

Note 1:

Pavement maintenance has been less than anticipated.

Note 2:

Additional works have been completed in preparation for the reseal program. This will be a permanent variance.

Note 3:

Lower demand for drainage works than anticipated.

Note 4:

Lower demand for callouts than anticipated.

Note 5:

The roadside maintenance program overspend will be offset by savings in drainage maintenance.

Note 6:

The tree maintenance program is complete. This overspend will be offset by savings in drainage maintenance.

Note 7:

No demand for budgeted roadside treatment works.

Note 8:

Lower demand for sign maintenance than anticipated.

Note 9:

Less line marking required than anticipated.

Note 10:

More bridge repairs have been required than initially anticipated. This overspend will be funded from the unexpended component of the Country Roads and Bridges grant funding.

### **OTHER FINANCIAL MATTERS**

No other financial matters to report.

**CR JOYCE  
CR SCALES**

**THAT THE FINANCE REPORT BE NOTED.**

**CARRIED**

## 9.2 Proposed Budget 2016/17 (06/02/0075-DCCS)

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

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

At the time of preparation or presentation 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 proposed 2016/17 Budget including updated Strategic Resource Plan and Long Term Financial Plan was adopted 'in-principle' at the Council Meeting held on 7 June 2016. Council resolved as follows:

CR SCALES  
CR FRASER

THAT:

THE RATE INCREASE BE 3.5% AND THE PROPOSED 2016/17 BUDGET BE AMENDED AS FOLLOWS:

1. CEASE THE CONTRIBUTION TO THE SES UNITS;
2. REDUCE THE YOUTH BUDGET BY \$9,000;
3. REDUCE THE SENIORS BUDGET BY \$9,000;
4. REVIEW THE MATERNAL AND CHILD HEALTH SERVICE DELIVERY;
5. REDUCE FUNDING TO THE ESKDALE POOL BY \$1,000;
6. REDUCE THE TALLANGATTA AND CORRYONG POOL BUDGET BY \$10,000;
7. CEASE MEMBERSHIP TO THE MURRAY DARLING ASSOCIATION;
8. CEASE THE COMMUNITY SATISFACTION SURVEY;
9. DISCONTINUE THE LOCAL GOVERNMENT SCHOLARSHIP;
10. REDUCE CONTRIBUTION TO MURRAY ARTS BY \$2,000;
11. THE ANNUAL SALARY AND WAGE INCREASE BE 1% OR CPI WHICHEVER IS THE LESSER;
12. REDUCE THE STAFF TRAINING BUDGET BY \$9,000;
13. REVIEW THE TALLANGATTA AND CORRYONG TRANSFER STATION OPERATIONS;
14. CEASE MEMBERSHIP OF TIMBER TOWNS FOR 2016/2017 AND REVIEW FOR 2017/2018;
15. IN ADDITION TO THE REDUCTION TO TALLANGATTA AND CORRYONG SWIMMING POOLS BY \$10,000, THAT A REVIEW OF SWIMMING POOL SERVICES BE UNDERTAKEN INCLUDING CONSIDERATION OF A COMMUNITY BASED MODEL.

CARRIED

**Report:**

***Public Exhibition***

In accordance with the Local Government Act 1989, public notices were placed in the Border Mail and Corryong Courier advising that Council had adopted a proposed 2016/17 Budget. In accordance with Section 223 of the Act, submissions could be made on the proposed 2016/17 Budget up until 5pm on Thursday 14 July 2016.

Thirteen submissions were received.

**Impact on Council Policy:**

Council Plan Objectives

Council's 2013-2017 Council Plan has an objective of providing community leadership through the provision of accessible, open and consultative government. Council encourages appropriate community involvement in its governance processes and will aim to produce accurate, concise and easy to read reports and publications for members of our public. Further, Council's objectives include ensuring that Council's plans and budgets are both responsible and sustainable.

Strategic Resource Plan (SRP)

The Strategic Resource Plan for 2016/17 to 2019/20 has been updated and included in the proposed Budget 2016/17.

Community Outcomes

The development of the proposed Budget 2016/17 is a critical component in the financial management of Council's operations to ensure the delivery of appropriate services and programs to residents and ratepayers.

Environmental Impact

The proposed Budget 2016/17 contains financial provision for Council to achieve significant environmental outcomes for the community.

Organisational Impact

The proposed Budget 2016/17 establishes the organisational arrangements necessary for Council's operations.

**State Government Legislation:**

The proposed Budget 2016/17 has been prepared in accordance with legislative requirements. The relevant sections and regulations of the Local Government Act 1989 and Local Government (Planning and Reporting) Regulations 2014 are included for information at [Appendix 2](#).

Section 130(3) of the Act states that "Council must adopt the budget by 30 June each year, or such other date fixed by the Minister by notice published in the Government Gazette." A request for an alternative budget adoption date was submitted to the Minister for Local Government. The alternative date was requested to enable Council to receive the Essential Services Commission decision on Council's application for a higher rate cap before releasing the proposed Budget 2016/17 for community consultation. The Minister approved the request and published a later date (3 August 2016) in the Government Gazette.

**Budget Impact:**

The proposed Budget 2016/17 establishes the financial framework of Council including income and expenditure, rating strategy, borrowings and asset management programs necessary for Council operations - [Appendix 3](#).

**Community Consultation/Responses:**

A person has a right to make a submission under section 223 on any proposal contained in the budget. Submissions could be made on the proposed 2016/17 Budget up until 5pm on Thursday 14 July 2016.

Thirteen submissions were received. All thirteen of the submissions supported reinstating the Council contribution to the SES units in the Shire.

**Risk Assessment:**

The proposed 2016/17 Budget, containing the Strategic Resource Plan 2016/17 to 2019/20 and the Long Term Financial Plan 2016/17 to 2025/26, has been prepared to enable Council to manage both short term and long term financial sustainability risk exposures.

This budget has also been prepared in accordance with Council's legislative requirements, thereby minimising Council's compliance risks.

**Discussion/Officers view:**

Council's financial sustainability is a key platform of the proposed Budget for 2016/17.

Over the past six years Council has been actively reducing the extent of its underlying deficit by adopting innovative practices in order to be as lean and efficient as

possible, whilst providing an appropriate level of services and infrastructure to the community.

The proposed Budget prepared for Council for public exhibition provides for an underlying deficit of \$180,000. This is in line with Council's long term financial planning to ensure that:

- The underlying result improves from the current underlying deficit to an underlying surplus within the next ten years (forecast for 2020/21).
- Cash reserves will be adequate to meet Council's commitments in ten years (2026).

All submissions received on the proposed Budget 2016/17 were in support of reinstating the SES funding.

The SES funding removed from the budget that was adopted in principle was \$32,340. If this were to be reinstated without an additional rate increase, Council's underlying deficit would increase by \$32,340 to an underlying deficit of \$214,000. If rates were increased to offset the expenditure, this would require an additional 0.51% increase for both the general rate and municipal charge on top of the proposed increase of 3.50%, totalling 4.01%.

The proposed Budget is recommended to Council as financially responsible and consistent with Council's long term financial planning objectives. Council will need to decide if any amendments need to be made to the Budget issued for public exhibition.

**CR FRASER  
CR JOYCE**

**THAT COUNCIL:**

- 1. REINSTATE FUNDING TO THE THREE SES UNITS WITHIN THE SHIRE FOR A PERIOD OF THREE MONTHS UP TO A VALUE OF \$8,085; AND**
- 2. CONTINUE TO LOBBY THE STATE FOR AN ADEQUATE FUNDING MODEL FOR SES SERVICES.**

**CARRIED**



**CR FRASER  
CR SCALES**

**THAT:**

- 1. COUNCIL CONSIDER THE SUBMISSIONS RECEIVED IN RELATION TO THE PROPOSED 2016/17 BUDGET;**
  
- 2. COUNCIL NOTES THAT:**
  - 2.1 THE PROPOSED BUDGET 2016/17 (APPENDIX 3) INCLUDES AN ESTIMATE OF THE VALUE OF CAPITAL PROJECTS THAT WILL BE CARRIED FORWARD FROM 2015/16 TO 2016/17**
  
  - 2.2 A REPORT WILL BE PROVIDED TO THE OCTOBER COUNCIL MEETING ON THE ACTUAL VALUE (POST AUDIT) OF CAPITAL PROJECTS THAT HAVE BEEN CARRIED FORWARD FROM 2015/16 TO 2016/17;**
  
- 3. THE PROPOSED BUDGET 2016/17 (APPENDIX 3), IS ADOPTED AS THE BUDGET 2016/17 FOR THE PURPOSES OF SECTION 127 OF THE LOCAL GOVERNMENT ACT 1989 WITH AN INCREASE TO GENERAL RATE INCOME AND MUNICIPAL CHARGE INCOME OF 3.50%.**
  - 3.1 SAVINGS BE IDENTIFIED TO ACCOMMODATE A CONTRIBUTION TO THE TOWONG SES UNITS OF UP TO \$8,085.**
  
- 4. THE CHIEF EXECUTIVE OFFICER BE AUTHORISED TO GIVE PUBLIC NOTICE OF ADOPTION OF THE 2016/17 BUDGET AND FORWARD A COPY TO THE MINISTER FOR LOCAL GOVERNMENT IN ACCORDANCE WITH SECTION 130 OF THE LOCAL GOVERNMENT ACT 1989.**

**5. PURSUANT TO SECTION 158 OF THE LOCAL GOVERNMENT ACT 1989,**

**5.1. THE AMOUNTS WHICH COUNCIL INTENDS TO RAISE BY GENERAL RATES, MUNICIPAL CHARGES, SERVICE RATES AND SERVICE CHARGES FOR THE 2016/17 FINANCIAL YEAR ARE AS FOLLOWS:**

<b>Type of Charge</b>	<b>2016/17 \$</b>
General rates	5,494,000
Municipal charges	1,024,000
Service charges (Waste Management and Garbage Collection)	1,153,000

**5.2. GENERAL RATES WILL BE RAISED BY THE APPLICATION OF A DIFFERENTIAL RATING STRATEGY.**

**6. PURSUANT TO SECTION 159 OF THE LOCAL GOVERNMENT ACT 1989, COUNCIL DECLARES A MUNICIPAL CHARGE AS FOLLOWS:**

<b>Type of Charge</b>	<b>Per Rateable Property 2016/17 \$</b>
Municipal	267

**7. PURSUANT TO SECTION 162 OF THE LOCAL GOVERNMENT ACT 1989,  
COUNCIL DECLARES THE FOLLOWING ANNUAL SERVICE CHARGES:**

Type of Charge	Per Rateable Property
	2016/17 \$
Waste management	101
Garbage Collection:	
Garbage and Recycling - 140/240 Litre Bins (Standard Size)	270
Garbage and Recycling - 240/240 Litre Bins	295
Garbage and Recycling - 80/240 Litre Bins	236
Additional Garbage - 140 Litre Bin (Standard Size)	221
Additional Garbage - 240 Litre Bin	288
Additional Garbage - 80 Litre Bin	188
Additional Recycling – 240 Litre Bin	122
Garbage/Recycle Service Extension – per km	133

**8. PURSUANT TO SECTION 161 OF THE LOCAL GOVERNMENT ACT 1989,  
COUNCIL DECLARES THE FOLLOWING RATE IN THE DOLLAR FOR EACH TYPE  
OF RATE TO BE LEVIED, WITH THE DEFINITION OF EACH TYPE OR CLASS OF  
LAND CONTAINED WITHIN THE 2016/17 BUDGET:**

Type or class of land	2016/17 \$/\$CIV
General rate for rateable residential properties (100%)	0.004228
General rate for rateable rural residential properties (100%)	0.004228
General rate for rateable rural properties (90%)	0.003805
General rate for rateable business properties (95%)	0.004017
General rate for rateable undeveloped residential properties (360%)	0.015221

## **9. REBATES**

**IN EXERCISE OF THE POWER CONFERRED BY SECTION 169 OF THE LOCAL GOVERNMENT ACT 1989, COUNCIL GRANTS TO EACH OWNER (OR, WHERE APPLICABLE, OCCUPIER) OF RATEABLE LAND A REBATE OF THE MUNICIPAL CHARGE AND A REBATE OF THE WASTE MANAGEMENT CHARGE DECLARED BY COUNCIL IN RESPECT OF THE FINANCIAL YEAR.**

### **9.1 IF:**

**9.1.1 THE RATEABLE LAND IS FARM LAND WITHIN THE MEANING OF SECTION 2(1) OF THE VALUATION OF LAND ACT 1960 OR WOULD BE FARM LAND IF IT WERE 2 HECTARES OR MORE IN AREA;**

**9.1.2 THE RATEABLE LAND FORMS PART OF A SINGLE FARM ENTERPRISE;**

**9.1.3 A REBATE IS NOT GRANTED IN RESPECT OF AT LEAST ONE OTHER RATEABLE PROPERTY WHICH FORMS PART OF THE SINGLE FARM ENTERPRISE; AND**

**9.1.4 IN THE CASE OF A SINGLE FARM ENTERPRISE, WHICH IS OCCUPIED BY MORE THAN ONE PERSON, A REBATE IS NOT GRANTED IN RESPECT OF MORE THAN ONE PRINCIPAL PLACE OF RESIDENCE.**

**9.2 COUNCIL RECORDS THAT, IN ITS OPINION, THE REBATES WILL ASSIST THE PROPER DEVELOPMENT OF ITS MUNICIPAL DISTRICT BY ENCOURAGING THE RETENTION OF FARMS AND REDUCING THE RATE AND CHARGE BURDEN ON OWNERS (AND, WHERE APPLICABLE, OCCUPIERS) OF SINGLE FARM ENTERPRISES.**

**9.3 COUNCIL GRANT A CONCESSION OF 50% ON THE GENERAL RATES LEVIED ON THE FOUR ELDERLY PERSONS UNITS LOCATED AT 24 WILLONG STREET, TALLANGATTA, AS PER EXISTING AGREEMENT DATED 1994 BETWEEN THE MINISTRY OF HOUSING AND COUNCIL.**

**9.4 COUNCIL GRANT A CONCESSION OF 50% ON THE RATES, MUNICIPAL CHARGE AND WASTE MANAGEMENT CHARGE LEVIED ON THE PROPERTY LOCATED AT 25 WHEELER STREET, CORRYONG, AS PER COUNCIL MINUTES DATED 1 MAY 2000.**

**10. CONSEQUENTIAL MATTERS**

**PAYMENT DATES FOR RATES AND CHARGES FOR 2016/17 SHALL BE BY  
INSTALMENTS PAYABLE ON OR BEFORE 30 SEPTEMBER 2016, 30  
NOVEMBER 2016, 28 FEBRUARY 2017 AND 31 MAY 2017.**

**CARRIED**

**9.3 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 September 2016.

The bi-monthly Council Plan Priorities report is included in this agenda at Item 9.5.

**9.4 Action Sheet Reports (06/05/0010-EA)**

Items requiring action from the 5 July 2016 Council Meeting are attached at [Appendix 4](#).

**CR JOYCE  
CR SCALES**

**THAT THE REPORT BE NOTED.**

**CARRIED**

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

The monthly updates on the 2013-2017 Council Plan priorities are attached at [Appendix 5](#) for information.

**CR FRASER  
CR SCALES**

**THAT THE PROGRESS REPORT BE NOTED.**

**CARRIED**

## 9.6 Performance Reporting Graphs (DCCS)

The Performance Reporting Graphs are attached at [Appendix 6](#) for information.

**CR JOYCE  
CR FRASER**

**THAT THE REPORT BE NOTED.**

**CARRIED**

## 10 Community wellbeing

The Community Wellbeing report is presented every second month. The next report is due in September 2016.

The bi-monthly Council Plan Priorities report is included in this agenda at Item 9.5.

## 11 Asset management

The Asset Management report is presented every second month. The next report is due in September 2016.

The bi-monthly Council Plan Priorities report is included in this agenda at Item 9.5.

## 12 Land-use planning

### 12.1 Planning Permit Amendment 2015/050 (147100, 2015/050.1-MP)

The applicant requested that Planning Application 2015/050 be withdrawn.

## **13 Environmental sustainability**

### **13.1 Environment Sustainability Report (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:**

This report is a bi-monthly report on Environmental Sustainability activities throughout the Shire.

#### **Landfill Operations**

Kerbside waste and recycling collections are operating well. The landfill is being covered with on site granitic sand material every Friday to prevent odour and litter across the site.

#### **Waste and recycling processing**

Concrete blocks have been installed at the Corryong Transfer Station to clearly identify the area for fridges and freezers. This area has also been tidied up to encourage users to neatly stack items for recycling and disposal.

Members of the Corryong Men's shed have dismantled mattresses at the Corryong Transfer Station as per their agreement with Council.

#### **Community Greenwaste sites**

A greenwaste and household rubbish dump has been identified on Giltraps Road, Mitta Mitta. Action has commenced to prevent further material accumulating at the site with illegal dumping signs to be installed. Preliminary negotiations have begun with a community representative for the implementation of a Greenwaste Memorandum of Understanding (MOU) for the site.

**Victorian Adaptation and Sustainability Partnership (VAS) Project**

Following from audits on four of our key buildings, reports have now been received for potential upgrades to participating Council buildings. These upgrades would improve the climate change resilience and energy performance of the buildings. The outcomes of the reports will be put into the CAPEX database for future capital budget consideration. The building assessment tool developed through the project is now complete and Council has received a copy to use in the assessment of other Council buildings as required.

**Impact on Council Policy:**

Nil.

**State Government Policy Impacts:**

Nil.

**Budget Impact:**

		Jun 2016 YTD (Actual) \$	Jun 2016 YTD (Budget) \$	Jun 2016 YTD (Variance) \$	Jun 2016 YTD (Variance) %	2015/16 Full Year (Budget) \$
	Note					
<b>Income</b>						
Waste collection		841,513	837,468	4,045	0%	837,468
Waste disposal		549,128	538,200	10,928	2%	538,200
Recycling		371	2,000	(1,629)	(81%)	2,000
<b>Total Income</b>		<b>1,391,012</b>	<b>1,377,668</b>	<b>13,344</b>	<b>1%</b>	<b>1,377,668</b>
<b>Expenditure</b>						
Waste collection	1	516,973	612,583	95,610	16%	612,583
Waste disposal		286,916	347,527	60,611	17%	347,527
Recycling		14,265	13,000	(1,265)	(10%)	13,000
<b>Total Expenditure</b>		<b>818,154</b>	<b>973,110</b>	<b>154,956</b>	<b>16%</b>	<b>973,110</b>
<b>Net Income / (Expenditure)</b>		<b>572,858</b>	<b>404,558</b>	<b>168,300</b>	<b>42%</b>	<b>404,558</b>
1. Garbage and recycling collection services now being delivered fully by Council.						



**Risk Assessment:**

Nil.

**Community Consultation/Responses:**

Nil.

**Discussion/Officers View:**

Nil.

**CR JOYCE  
CR FRASER**

**THAT THE REPORT BE NOTED.**

**CARRIED**

## 13.2 Landfill and Waste Transfer Stations (WTS) Opening Hours (DTS)

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

This report was prepared by Mr Tim Shilling, Acting Projects 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:

The Transfer Stations in Tallangatta and Corryong have traditionally been open to the public on limited weekday and weekend times. The current opening times are shown in the table below;

---

#### **Corryong Resource Recovery**

##### **Centre**

Tuesday & Thursday	3:00pm to 5:00pm (during winter) 4:00pm to 6:00pm (during daylight savings hours)
Saturday	8:00am to 12:00pm
Sunday	12:00pm to 4:00pm

#### **Tallangatta Waste Transfer**

##### **Station**

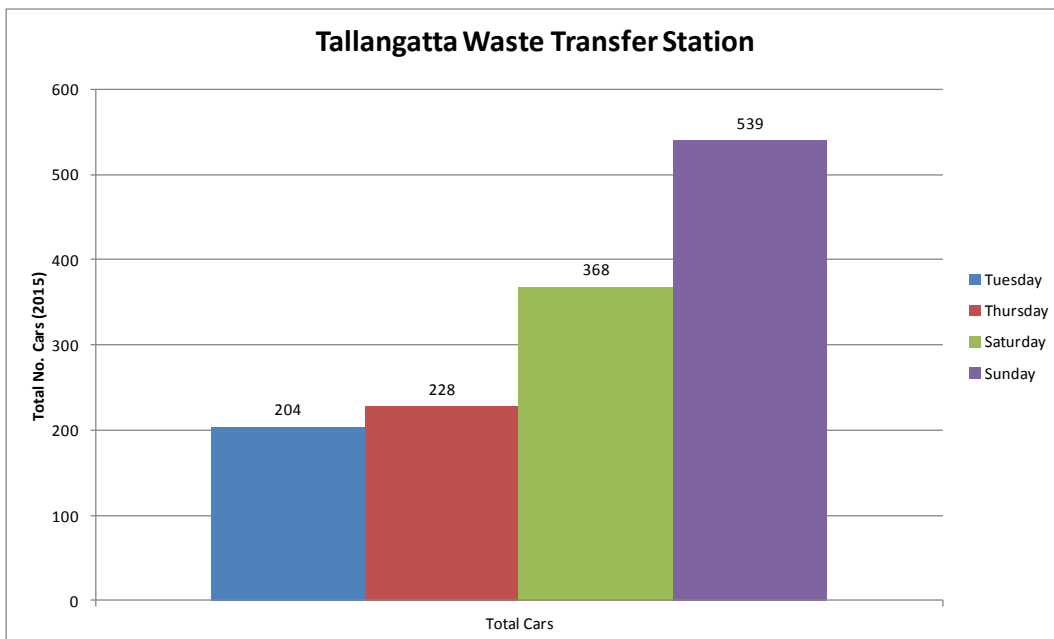
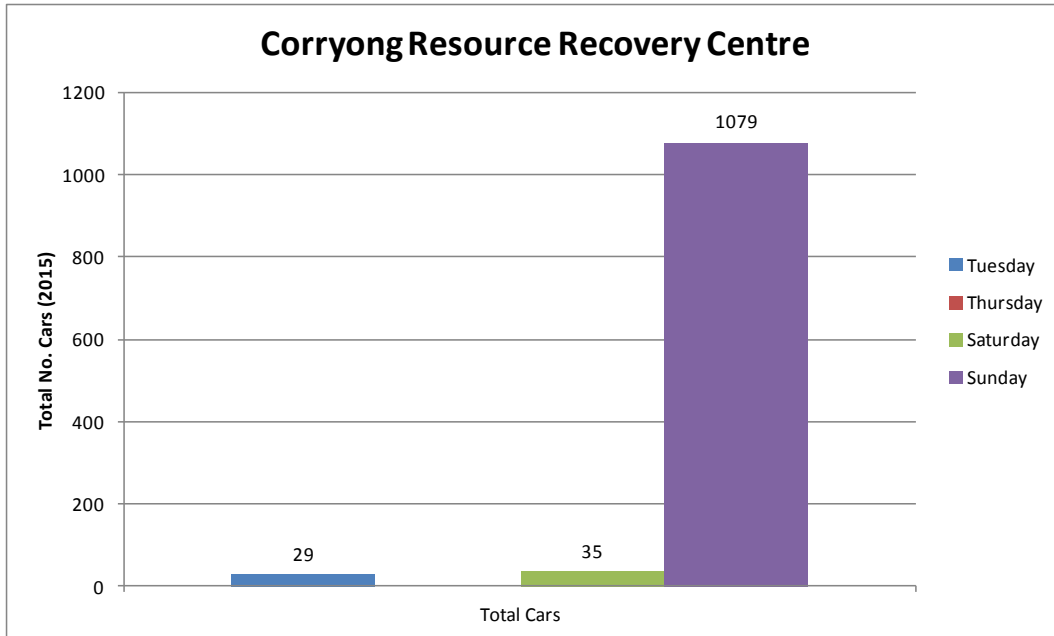
Tuesday & Thursday	10:00am to 12:00pm
Saturday	8:00am to 12:00pm
Sunday	12:00pm to 4:00pm

---

The Tallangatta facility is staffed by a dedicated employee on a negotiated flat rate contract that includes weekdays and weekends. In contrast, the Corryong facility is staffed on a rotating basis by three long-term depot-based staff. These employees are entitled to penalty rates on weekends.

The analysis in the report demonstrates alternative public opening hours that could result in significant reductions in expenditure compared to the current arrangements.

Usage data for the two facilities captured for the 2015 calendar year suggests a bias toward weekend use of both facilities with Corryong showing a particularly strong demand for Sunday over any other day.



**Impact on Council Policy:**

Nil.

**State Government Policy Impacts:**

Nil.

**Budget Impact:**

Operational savings can be made by reducing the operating hours to focus only on the times of high usage. Further, the relatively high cost of operating the Corryong facility could be reduced by investigating alternative staffing arrangements that are not subject to penalty rates for weekends.

**Risk Assessment:**

Nil.

**Community Consultation/Responses:**

While the analysis is based upon actual usage by day to develop the range of possible scenarios, no direct community consultation has been undertaken.

**Discussion/Officers View:**

Data from both the Tallangatta and Corryong facilities was acquired for the 2015 calendar year. These data included daily counts of the number of cars visiting each facility by day. During the period, Tallangatta recorded 1,339 vehicles and Corryong recorded 1,143 vehicles. The distribution of visits to each facility is presented above in the Background section.

Based upon the distribution of visits, a range of alternatives were developed for each facility incorporating a net reduction in operating hours. The calculated cost and potential savings are documented in the tables below for consideration.

At the Tallangatta Transfer Station there are a number of options that will generate a saving of \$14,133.60 annually. These scenarios are based on the current hourly rates of one staff member and directly correlate to a fifty percent reduction in Transfer Station opening hours. When aligned with the current attendance data supplied in this report the recommended days to open are either a Saturday and Sunday combination or a Thursday and Sunday combination with longer opening hours on a Sunday.

The Corryong Transfer Station scenarios are based on three staff members at different hourly rates and penalty rates applied on Saturdays and Sundays. The attendance data for the Corryong Transfer Station and Landfill indicates that the preferred day of operation is Sunday. The greatest savings will be obtained by both reducing the opening hours by fifty percent to six hours per week and only opening on two weekdays with a saving of \$29,179.49. This option is not recommended as it does not reflect the current usage trend.

A substantial saving of \$19,452.99 can still be obtained by opening for two hours on one week day and four hours on a Sunday. This scenario will satisfy the current usage trends.

### Tallangatta Transfer Station

Option No.	Tuesday Hours	Thursday Hours	Saturday Hours	Sunday Hours	Total Opening Hours	Annual Cost (Incl. On-costs)	Annual Saving
<i>Current</i>	2.00	2.00	4.00	4.00	<b>12.00</b>	\$28,267.20	\$0.00
1	0.00	0.00	4.00	4.00	<b>8.00</b>	\$18,844.80	\$9,422.40
2	2.00	0.00	4.00	4.00	<b>10.00</b>	\$23,556.00	\$4,711.20
3	0.00	2.00	4.00	4.00	<b>10.00</b>	\$23,556.00	\$4,711.20
4	0.00	0.00	2.00	4.00	<b>6.00</b>	\$14,133.60	\$14,133.60
5	0.00	0.00	4.00	2.00	<b>6.00</b>	\$14,133.60	\$14,133.60
6	0.00	0.00	0.00	6.00	<b>6.00</b>	\$14,133.60	\$14,133.60
7	0.00	0.00	6.00	0.00	<b>6.00</b>	\$14,133.60	\$14,133.60
8	0.00	2.00	0.00	4.00	<b>6.00</b>	\$14,133.60	\$14,133.60
9	3.00	3.00	0.00	0.00	<b>6.00</b>	\$14,133.60	\$14,133.60
10	0.00	0.00	3.00	3.00	<b>6.00</b>	\$14,133.60	\$14,133.60

### Corryong Transfer Station

Option No.	Tuesday Hours	Thursday Hours	Saturday Hours*	Sunday Hours**	Total Opening Hours	Annual Cost (Incl. On-costs)	Annual Saving
<i>Current</i>	2.00	2.00	4.00	4.00	<b>12.00</b>	\$43,769.23	\$0.00
1	0.00	0.00	4.00	4.00	<b>8.00</b>	\$34,042.74	\$9,726.50
2	2.00	0.00	4.00	4.00	<b>10.00</b>	\$38,905.98	\$4,863.25
3	0.00	0.00	3.00	3.00	<b>6.00</b>	\$25,532.05	\$18,237.18
4	0.00	0.00	2.00	4.00	<b>6.00</b>	\$26,747.86	\$17,021.37
5	0.00	0.00	0.00	6.00	<b>6.00</b>	\$29,179.49	\$14,589.74
6	0.00	0.00	6.00	0.00	<b>6.00</b>	\$21,884.62	\$21,884.62
7	0.00	2.00	0.00	4.00	<b>6.00</b>	\$24,316.24	\$19,452.99
8	3.00	3.00	0.00	0.00	<b>6.00</b>	\$14,589.74	\$29,179.49
* Saturday rate is time and a half (1.5)							
** Sunday rate is double time (2.0)							

**CR FRASER  
CR SCALES**

**THAT THE ITEM BE DEFERRED TO A COUNCIL WORKSHOP FOR FURTHER  
DISCUSSION.**

**CARRIED**

## **14 Economic and tourism development**

The Economic and Tourism Development report is presented every second month. The next report is due in September 2016.

The bi-monthly Council Plan Priorities report is included in this agenda at Item 9.5.

### **14.1 Tourism North East – Membership (05/02/0161-CEO)**

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

This report was prepared by Ms Lauren Elvin, Manager Economic Development.

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:**

Tourism North East (TNE) is one of eleven regional tourism boards established at the directive of Tourism Victoria (now Visit Victoria), the State tourism body. The regional tourism boards were created to act as the peak tourism organisations for their areas, working in partnership with Visit Victoria, industry and a range of government partners to support and develop regional tourism. Funding was provided through Tourism Victoria to support the operations of the regional tourism boards, including TNE.

Towong Shire Council signed a Memorandum of Understanding (MOU) in June 2014, in partnership with:

Alpine Shire Council  
Rural City of Wangaratta  
Benalla Rural City  
Indigo Shire Council  
Mansfield Shire Council  
Falls Creek Alpine Resort Management Board  
Mount Hotham Alpine Resort Management Board  
Mount Buller Alpine Resort Management Board

The MOU set out the terms and funding contributions required to establish Tourism North East (TNE) and to provide operational funding to TNE for three years. The agreement concludes on 30 June 2017.

A new Memorandum of Understanding is currently being developed to cover the period 1 July 2017 to 30 June 2020.

Negotiations to renew or renegotiate the MOU must be completed by 31 December 2016.

**Cost:**

The current MOU provides for a base cost of \$35,000 per year, increasing by CPI annually.

Additionally, Council has had the opportunity to buy-in to additional programs and activities, including the Regional Digital Platform project, High Country Harvest, Cycle Industry Development as well as industry development support, marketing and family support and destination based campaigns. These buy-in programs are value-adding propositions responding to the TNE Strategic Plan, developed by the TNE Board. They are delivered over and above the base level of service provided for through the MOU.

Total and proposed costs of this agreement to date and approximate costs for 2016-17 are below:

<b>YEAR</b>	<b>BASE CONTRIBUTION \$</b>	<b>ADDITIONAL BUY-IN \$</b>	<b>TOTAL CONTRIBUTION \$</b>
2014-15	35,000	24,500	59,500
2015-16	36,050	21,000	57,050
2016-17	36,050 + CPI	15,200	~53,000

The lower additional buy-in cost for 2016-17 reflects a reduction in contribution to some programs and non-renewal of other programs. Council's contribution to the RDP websites, listing costs and operator listing offsets are included in the above figures. The 2016-17 figures also reflect a waived fee of \$7,500 for operator engagement, explained below.



## **Benefits of being with Tourism North East**

Tourism North East provides the following range of benefits to Towong Shire Council:

### Cooperative Regional Initiatives

Regional initiatives such as the Cycle Guide, High Country Harvest and Regional Digital Platform have provided Towong Shire Council with opportunities to leverage a small investment into a significant, region wide initiative.

The Cycle Guide, for example, has provided an opportunity to promote the High Country rail trail and road cycling routes within the Towong Shire to a broad audience across the state.

As part of our buy-in, Tourism North East's Cycling Officer rode and mapped the trails within Towong Shire. These trails were then formatted and added in to the Cycle Guide. Opportunities for businesses in Towong Shire to advertise within the Cycle Guide were offered, however local businesses did not take up this opportunity.

Businesses throughout the Shire were approached to become Cycle Friendly, an accreditation program designed by TNE to educate businesses on how to welcome and encourage cyclists to explore local businesses during their stay. This accreditation was also promoted to encourage visitation.

Over 58,000 copies of the Cycle Guide were printed and have been distributed throughout the region and to the Melbourne Visitor Information Centre and to major cycle events.

Similarly, Towong Shire Council operators are able to access state-wide advertising and promotion for events held during the ten day High Country Harvest (HCH) festival. HCH events are open to operators to join and this year two events were held in Towong Shire. Upper Murray operators have indicated that they are keen to get at least one High Country Harvest event in the Upper Murray for 2016-17. While it has taken a number of years to get operators interested in running an event, their interest appears to be growing in this happening as momentum builds year on year.

The Regional Digital Platform (RDP) is possibly the most significant regional project for Towong Shire. It allows for the ongoing development of the platform to ensure that the functionality continues to grow, keeping the websites at the cutting edge of digital engagement. Support for the RDP sites is currently included with the base contribution to TNE and would have to be paid at commercial rates if Council elected to withdraw from the TNE partnership.

### Information and leverage from Tourism Victoria

Information from Tourism Victoria is fed directly to TNE who filter and distil the messages that are relevant to Councils and operators in the High Country region. This information is then provided at a high level to the TNE Board, at an operational level to the Tourism, Economic Development and Marketing Managers (TEDMM's) at each Council and to Visitor Information Centre staff to assist in their delivery of key messages to the public.

Campaigns such as Wander Victoria are well funded by Tourism Victoria and TNE identifies and provides opportunities for High Country operators to leverage the interest that the campaign has driven. For Wander Victoria, this has involved seeking packages from across the region to add to the statewide and regional websites as "specials".

### TEDMM's Meetings

These meetings are convened by Tourism North East and cover all aspects of TNE's delivery, as well as providing information and insight into wider industry trends, Tourism Victoria campaigns, upcoming funding opportunities, TNE campaigns, RDP developments, Visitor Information Centre management and trends. Importantly, the TEDMM's meetings offer opportunities to network with colleagues from neighbouring Councils and to share information and advice about common issues.

### Industry development

For 2016-17, Towong Shire Council's additional buy-in has been tailored to raise the profile of TNE with operators and to ensure that the links between operators in Towong Shire and TNE are robust. It is vital to ensure that all operators are getting the information that they need to get involved in activities provided through TNE. There is a need to recognise that the industry in Towong Shire is still developing, with operators working hard within their businesses and not necessarily seeing how TNE's role connects with their daily operations, or how being involved in initiatives such as the RDP, HCH or Cycle Guide could benefit them.

For 2016-17, TNE will focus the delivery of industry development on providing four high quality sessions across the Shire to provide updates to operators on industry trends and market demand, to promote the opportunities and benefits of getting involved with TNE activities.

From these sessions, businesses that express interest in getting involved will be provided with support and one-on-one mentoring around product development or

refinement, marketing and promotion. A small number of business operators will be identified as potential leaders and these businesses will be targeted for additional development through the year.

Cycle development has been refocussed for 2016-17, with the additional buy-in contribution dropping from \$5,000 to \$2,500. This recognises that the collateral, mapping and industry education has now been delivered and the time has come to focus the efforts on building our cycle destination credentials within the cycle community to attract both event and year round visitation.

The TNE resource will be used to support the cycle event planned for the Mitta Valley in December 2016 and another key cycle opportunity that has been identified but has not yet been announced. Particularly for the Mitta Valley event, the resource will provide information, advice, marketing support, network liaison and high level strategic advice on the events to ensure its success. This event was a priority that came from the Our Valley Our Future project, so having an expert cycling resource available to us through TNE is something that will provide a significant advantage to that event in its first year.

### **Opportunities for improvement**

Tourism North East covers nine partner areas, some of which have very well developed tourism industries. Towong Shire Council contributes the same amount of funding as all other partners, however the take up of programs has been lower here than in other areas. This has contributed to a perception that the focus for TNE is on other, more established areas such as Beechworth, Bright, Rutherglen and the snowfields.

Operators in Towong Shire have not responded to programs which would provide them with exposure and assistance; however it is unclear why the take up has been so poor. TNE is currently investigating whether their operator database for Towong Shire is comprehensive, to ensure that the communications are getting to every business. Even when businesses are personally approached, the results are mixed. Most businesses who were personally approached signed up to be Cycle Friendly, however none attended the information session that was organised to discuss Cycle Friendly accreditation. High Country Harvest has seen personal, individual approaches to identified businesses who meet the HCH criteria, offers to reduce the associated fees, mentoring has been offered and the businesses have still elected not to participate, even in the base level events (Winter Warmers or Harvest Menu) for the Festival.

Likewise, the Cycle Guide had multiple business listings for Alpine and Indigo Shires, but operators in Towong Shire did not elect to advertise within the guide, meaning that the Towong Shire section was smaller than those from other areas.

In 2015-16 there was a particularly poor result for operator engagement. Operator sessions were scheduled with several businesses that, on the day, didn't arrive for their sessions or cancelled. The reasons for the cancellations varied, however it was clear that the operators who did come to their sessions benefited from doing so. The overall operator engagement for 2015-16 was below what was expected from the buy in and in order to provide value for Towong's investment TNE has waived the buy-in fee for 2016-17 for operator engagement.

Tourism North East's new CEO, Amber Gardner, understands the need to develop the industry in Towong Shire, to track progress and to communicate clearly with operators and with Council. Regular reporting, to understand the level of engagement being undertaken by TNE has not been available in the past and this feedback has been received by TNE.

From 2016-17 onwards, TNE will be providing regular reports on the activity undertaken in each partner municipality by investment stream. These reports will allow us to better communicate with industry about how TNE are working to support operators and to encourage operators to get involved, as well as providing clarity and accountability for the activities taking place within Towong Shire.

### **Alternatives to Tourism North East**

If Council decided not to re-sign an MOU with TNE, Council could elect to spend the funds previously spent on TNE base contributions and additional buy-in on other support for tourism operators in Towong Shire.

Working from current figures plus CPI increases, it is likely that the new MOU would see an average expenditure of approximately \$60,000 per year over the three years of an MOU, depending on the programs that Council elected to participate in. Council could elect to return some of these funds to the budget, for reallocation. If Council elected to return 20% of the projected \$60,000 to the budget, then \$12,000 would be available for redistribution and \$48,000 would remain to provide an alternative solution for tourism support.

If Council elected to leave TNE, there would be costs associated with maintaining the RDP websites. TNE has indicated that they are working to transition the sites to open source, which will allow the handover of the sites to LGAs. If the open source testing which has commenced with the Regional site is successful, an LGA site will be tested

prior to all sites being transitioned. If all goes to plan, this transition is likely to be completed by the end of the current MOU period.

This would allow all member and non-member Councils to take control of their websites, with TNE continuing to offer support for the platform and ongoing upgrades to members at a nil or low cost. For non-members, this support would be charged at commercial rates. TNE has quoted a figure of \$13,371 in year one to deliver this support. This includes business as usual fixes, minor updates, support, and annual fees to maintain both an Upper Murray and Valleys Lakes and Vistas site.

Taking into account the RDP site costs and returning 20% of the current TNE spend to the global budget, there would be approximately \$34,629 remaining.

Council could elect to employ an industry development officer to provide direct support to our operators and provide support to the Manager Economic Development in delivering for this portfolio.

A Band 5 officer could be employed for two days per week and could potentially provide one-on-one mentoring and advice to businesses across the Shire. This would cost \$33,073 including oncosts. Of course, the availability of someone to take on such a role (and our ability to attract such a person) is unknown.

The officer would need to have high level skills in communication, business development and engagement to work effectively with operators. The officer would need to work closely with the Communications Officer to drive positive media stories about tourism and tourism businesses in the Towong Shire. This may prove difficult without access to the city based contacts that TNE have readily available, however in markets closer to the Towong Shire, such as Albury and Wagga, it is likely that an appropriately skilled officer could develop relationships with local media outlets and deliver positive local stories into those markets.

This approach could provide operators with more face to face interactions with a local development resource, which, given the current state of development could be very beneficial.

However, it should be noted that a significant portion of the officers time would need to be spent sourcing appropriate information to provide to the operators from Tourism Victoria and other sources, gathering industry data on trends and current campaigns that could be leveraged, creating networks with cycle, food and wine, agri-tourism and other sectors in order to support operators effectively. The one resource would need to provide a broad range of information and support, which may be challenging for any one individual to deliver. The TNE model provides a team of subject matter experts who can be called on to assist in specific areas.

While a resource within Council would be able to provide operators with additional support to grow to grow their product offering and to promote new offers within the Towong Shire, it is unlikely that the level of coverage and publicity would reach the levels achieved by TNE campaigns such as the High Country Harvest or the Cycle Guide.

**Impact on Council Policy:**

Nil.

**State Government Policy Impacts:**

Nil.

**Budget Impact:**

The cost to Council of continuing membership of TNE will be approximately \$60,000 per year for the next three years.

Should Council not choose to continue with TNE approximately \$12,000 could be returned to budget with \$13,371 to support the RDP, and \$34,629 to employ an industry development resource.

**Risk Assessment:**

Tourism North East is a well respected voice in tourism. Being a partner organisation means that TNE are willing to provide advice, letters of support and assistance to Towong Shire Council when seeking funding that is tourism related – for example the Destination Tallangatta project or the Great River Road. This support is well received by State and Federal Government, who will often seek the advice of Tourism North East during the assessment process for tourism projects. If Council elected to cease membership of TNE, this support may be less forthcoming, as TNE may elect to support projects from member organisations over external applications.

The TEDMMs group provides professional development in digital, marketing and tourism business support to the MED, included within the base contribution. Ceasing membership will mean that this professional development and network is no longer available.

**Community Consultation/Responses:**

Anecdotally, businesses who have engaged with TNE have found the experience to be useful to their businesses. Sessions held with TNE around RDP development and tourism updates have been very well attended with positive feedback received from those businesses who attended.

However, not all operators have engaged with TNE so there may also be operators who would report that the current arrangements are not meeting their needs. Other businesses have indicated that the costs associated with being involved with initiatives such as the RDP or Cycle Guide is a barrier to their participation. The cost points for entry are set as low as possible through TNE, but they are a cost to the business and each business needs to determine their own appetite for participating. It does follow though, that having high quality regional initiatives such as the Cycle Guide and the High Country Harvest can only help operators to grow their businesses if they choose to participate.

In the Officer's view, for any kind of tourism support to be successful, businesses need to be willing to engage with the initiatives being offered and take positive steps to help themselves. TNE is a tool that Council has employed to assist operators, a Council employed resource would be another tool Council could use, but unless operators chose to pick up the tool and use it, it cannot be effective.

**Discussion/Officers View:**

Tourism North East is a strong, regional, effective voice for tourism. The four pillars for promotion are now well established and regional initiatives are gaining momentum year on year in the Melbourne and regional market. High quality collateral has been developed to support the High Country Rail Trail, food and wine, the Cycle Guide and High Country Harvest promotions.

Having a multi-disciplinary team available to assist with activities within the Shire has proven to be a positive, but there have been some challenges. Regular reporting will serve to ensure that both TNE and Council are kept well informed of activities and outcomes, something that has not always been readily available as TNE established itself.

Whether Council elects to stay or move away from TNE, operator engagement will remain key to the success of any tourism support which is put in place.

**CR SCALES  
CR FRASER**

**THAT COUNCIL IMMEDIATELY WITHDRAW MEMBERSHIP TO TOURISM NORTH EAST DUE TO LACK OF ENGAGEMENT WITH TOURISM OPERATORS AND PERCEIVED LACK OF BENEFIT TO COUNCIL.**

**CARRIED**

## **14.2 Corryong Saleyards Committee of Management (05/01/0145-CEO)**

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

This report was prepared by Ms Lauren Elvin, Manager Economic Development.

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:**

The Corryong Saleyards are owned and managed by the Towong Shire Council.

Following the completion of the Corryong Saleyards Futures Study and works at the facility to provide calf and cattle scales following the removal of the equipment owned by the previous lessee at the site, Council determined that a Committee of Management should be formed to advise on the operations of the facility and provide oversight to operations.

A Deed of Delegation was subsequently drawn up to set out the terms under which the Committee would operate.

In April 2016, the first round of Expressions of Interest for Committee of Management members was put out to the public. Advertising was undertaken in the Border Mail, Corryong Courier, Towong Shire Council's website and facebook page and emails were sent to all available contacts in the Upper Murray who may have an interest in the facility. The information was forwarded by groups including Upper Murray Business Inc and the Tourist Association to their networks and was also sent out by the 2030 Vision Plan Steering Group.



Despite being well advertised, only two expressions of interest were received in the first round, both from local stock and station agents based in Corryong.

Those applicants were informed that the interest was insufficient to form a committee and the process was run again, with the same level of advertising and promotion.

The second round of Expressions of Interest yielded no additional applications.

The process was run for a third round following discussions with Council, and an article was run in the Corryong Courier explaining that should no further interest be put forward by the community, that Council would need to reconsider its position in relation to the Saleyards.

The third Expression of Interest process closed at 5pm, 18 July 2016. At the time of closing, two additional applications have been received, from a small local transporter and a producer.

One telephone enquiry had been made by an interested party; however that person elected not to apply.

**Impact on Council Policy:**

Nil.

**State Government Policy Impacts:**

Nil.

**Budget Impact:**

Nil.

**Risk Assessment:**

Council could elect to re-run the process, with the risk of a similar result.  
Council could elect to operate the Saleyards in house, at a low risk.

**Community Consultation/Responses:**

The process to seek applicants has been thorough and has run almost continuously for the past four months. The response from the community has been very low.

An email was received yesterday afternoon from Ed Barry, Chairperson of Upper Murray Business Inc. (UMBI) indicating that members of UMBI had spoken with up to five community members to encourage them to apply but that these applications "may not arrive until later in the week" and seeking for the process to be extended.

**Discussion/Officers View:**

Usage of the facility is, the Officer understands, strong and interest is there from both local agents to continue to use and grow the use of the facility.

Given the low level of interest for community members in participating on a Section 86 Committee, it is the Officer's recommendation that the saleyards be operated in-house for a period of twelve months with those community members who have expressed interest in the S.86 Committee being invited to participate on an advisory committee to Council. It is also recommended that a review of saleyard operations be carried out at the conclusion of the twelve month period.

**CR FRASER  
CR JOYCE**

**THAT:**

- 1. COUNCIL REVOKE THE CORRYONG SALEYARDS COMMITTEE OF MANAGEMENT INSTRUMENT OF DELEGATION.**
- 2. COUNCIL MANAGE THE CORRYONG SALEYARDS OPERATION AND ESTABLISH AN ADVISORY COMMITTEE OF MANAGEMENT WITH THOSE INDIVIDUALS WHO INDICATED INTEREST IN PARTICIPATING IN A SECTION 86 COMMITTEE; AND**
- 3. A REVIEW OF SALEYARD OPERATIONS BE CARRIED OUT AT THE CONCLUSION OF THE TWELVE MONTH PERIOD.**

**CARRIED**

## 15 Councillor reports

### 15.1 Tallangatta Rotary Club Changeover Dinner (Cr Wortmann)

<b>Date</b>	8 July 2016
<b>Details About the Activity</b>	The dinner was held at the Rowen Park Sports Complex. There was an excellent attendance of members and guests for the witnessing of the handover of the Presidency from Kevin Vance the president of the previous two years to the incoming president David Veal. Rotarian Jock Cavanagh recited a very amusing poem about the Rotary club and its members, which was enjoyed by all. At the conclusion of the delicious meal Greg Cavanagh entertained everyone with music and song.

### 15.2 Corryong Rotary Club Changeover (Cr Wortmann)

<b>Date</b>	15 July 2016
<b>Details About the Activity</b>	The dinner was held at Legends Restaurant. The outgoing President Peter Humphrey (President since 2011-12) was quite excited about handing over the Presidency to Mr Martin Dorman. In his report Peter listed all the fundraising and catering the club had carried out during the year, which included the Towong Races, Horse auction, Nariel Folk Festival, Corryong Show, Hang Gliders Evening, MFSRBF the Re-enactment and Riley's Ride. Peter stressed that this fund raising could not be successful without the hard work of the members of the Rotary Club. He wished Martin all the very best for the coming year.

### 15.3 NBN Satellite Service Launch Granya (Cr Wortmann)

<b>Date</b>	18 July 2016
<b>Details About the Activity</b>	I attended the launch of the National Broadband Networks Skymuster Satellite Service at the Granya Hotel. A good roll up of locals attended the launch to gain information on the new satellite service. The people from NBN explained that the two new satellites were dedicated to providing fast broadband to remote areas of Australia. Previously the access to satellites had been shared with other services which in peak demand reduced speeds. The new satellite service will offer greater download and

	<p>upload speeds which will be great for businesses students and families in Towong Shire.</p> <p>I would like to thank Lauren Elvin (Manager of Economic Development) for organising the week-long tour by the NBN staff throughout the Shire.</p>
--	---

#### 15.4 Parliamentary Rate Capping Inquiry Wodonga

<b>Date</b>	20 July 2016
<b>Details About the Activity</b>	<p>The CEO of Towong Shire Juliana Phelps and I gave evidence to the inquiry. Wangaratta, Wodonga, Indigo and Alpine Shires also gave evidence to the inquiry.</p> <p>We started our evidence that Towong Shire Council is one of the smallest Councils in the State and 1% increase in general rates raises approximately \$50,000 in extra revenue. Towong Shire fully supports the underlying principle of the Fair Go Rates System to keep rate increases to a minimum. We do not believe that ratepayers should be subject to ongoing high rate increases; Towong ratepayers simply cannot afford ongoing high rate increases. This is clearly demonstrated by the following data from the Know Your Council Website: Relative Socio-Economic Disadvantage of the municipality Towong 7.00 Similar Councils 4.00</p> <p>Around six years ago we developed our Long Term Financial Plan (LTFP) using a robust and detailed model capable of considering innumerable financial scenarios for Council. The LTFP plan gave a clear picture of Council's financial future. What our modelling effectively told us is that small Councils like Towong, with the many environmental factors that bear upon them, cannot be sustainable purely relying on rates and charges and own source revenue alone. Sustainability is only possible with an adequate level of financial support from the State and Federal governments.</p> <p>Through our systematic and aggressive demand and cost reduction program we have been able to achieve the following savings over the past six years without impacting on service levels to our communities:</p>

Item	Saving
Delivery of kerbside waste collection services 'in-house'	\$1million over a 7 year period
Organisational restructure	\$250,000pa
Motor vehicle policy changes and fleet reduction	\$130,000pa
Changes to water supply and usage arrangements	\$20,000pa
Consolidation of fuel suppliers and fuel cards for plant/fleet	\$1,300pa
Banking moved to State contract (Westpac)	\$7,000+pa
Rationalisation of multifunction devices and printers	\$4,000pa

In addition to our demand and cost reduction program we have also engaged in innovative shared service and collaborative arrangements with neighbouring Councils (Indigo Shire Council and Alpine Shire Council) with a view to achieving efficiencies and reducing costs.

Despite the significant steps Council had taken to be sustainable into the future (eg. demand and cost reduction initiatives, process efficiencies, maximising external funding for community projects, etc) decisions made outside of Council's control have negatively impacted our long-term financial outlook: This includes: The freezing of indexation on Federal Government Financial Assistance Grants

The indexation freeze has significantly impacted on Council's already lean financial situation. This decision has resulted in a \$658,000 decrease to Council's projected income over the 2014/15, 2015/16 and 2016/17 financial years with a flow on effect to future years.

We explained that the Council brought down a draft budget as close to the 2.5% cap as possible (3.5%) in doing so we had to implement a large number of cuts to services and funding. We then listed these and the dollar amounts that would be saved.

In conclusion we explained that these cuts were hurting our communities and if people do not receive the level of services that they require they may migrate to municipalities that can provide these services, which exacerbates Towong Shires problems.

I would like to say the inquiry was very limited for time, after the

	opening statements there was very little time for questioning of the people who were there to give evidence, which was disappointing.
--	---

### 15.5 Meeting with the Treasurer Mr Tim Pallas Melbourne (Cr Wortmann)

<b>Date</b>	21 July 2016
<b>Details About the Activity</b>	<p>The CEO Juliana Phelps and I travelled to meet with the Treasurer and his staff and the Chief of Staff of the Minister for Local Government Natalie Hutchins.</p> <p>We started our presentation explaining Towong’s financial position is primarily due to the many ‘environmental’ factors that bear upon Council which are outside of Council’s control. Factors such as the large geographic area we cover (6,635 sq kms), the significant amount of infrastructure that we are required to maintain (1,183 km of roads, 168 major bridges and culverts), our small, socio-economically disadvantaged, declining, dispersed population (21 towns and villages, 2,336 households and a total population of 5,896) and low rate base (\$7.5m in rates and charges).</p> <p>We then explained the enormous amount of work that has gone into our long term financial plan. Through the development of our Long Term Financial Plan we now have a very clear understanding of the level of funding required for a small rural Council to operate. We are in full support of the Fair Go Rates System and it is not our desire for Towong ratepayers to be faced with high rate increases. Accordingly, for a Council like Towong to be financially sustainable, additional financial support from the other two tiers of government is required.</p> <p>The Treasurer complimented Towong Shire Council on the long term financial plan and was pleased that it had been independently tested by the ESC process.</p> <p>We then listed our systematic and aggressive demand and cost reduction program. It demonstrated we have been able to achieve the following savings over the past six years without impacting on service levels to our communities:</p>

Item	Saving
Delivery of kerbside waste collection services 'in-house'	\$1million over a 7 year period
Organisational restructure	\$250,000pa
Motor vehicle policy changes and fleet reduction	\$130,000pa
Changes to water supply and usage arrangements	\$20,000pa
Consolidation of fuel suppliers and fuel cards for plant/fleet	\$1,300pa
Banking moved to State contract (Westpac)	\$7,000+pa
Rationalisation of multifunction devices and printers	\$4,000pa
<p>In addition to our demand and cost reduction program we have also engaged in innovative shared service and collaborative arrangements with neighbouring Councils (Indigo Shire Council and Alpine Shire Council) with a view to achieving efficiencies and reducing costs.</p> <p>Our flagship project is the Rates and Property Service which we deliver on behalf of our partner Indigo Shire Council.</p> <p>We explained the freeze on Federal Government Assistance Grants had significantly impacted on Council's already lean financial situation. This decision has resulted in a \$658,000 decrease in Council's projected income over the three year period.</p> <p>We demonstrated how we have been maintaining road and bridge infrastructure and meeting our renewal requirements. But our renewal peak is coming and we require assistance from both tiers of government. The Treasurer made it very clear the Andrews Government will not be funding road and bridge infrastructure that is the responsibility of Municipalities. Even though we explained that 80% of the road network in the State is the responsibility of Councils and with the implementation of Rate Capping most Councils will struggle to meet their infrastructure renewal requirements.</p> <p>The Treasurer did suggest the government was looking at an assistance package for Councils like Towong that can demonstrate through their Long Term Financial Plans that they are struggling to fund services. He asked us to submit details to Minister Hutchins Office of the administrative burden placed on Council by the State.</p>	

	I thought the meeting was very worthwhile and I do believe the State Government is genuinely looking at assisting Councils who have robust Long Term Financial Plans that are integrated into their Asset Management Plans.
--	---

### 15.6 ACSUM (Cr Fraser)

Verbal report

### 15.7 Mitta Valley Incorporated (Cr Scales)

Verbal report

### 15.8 SES Meeting (Cr Fraser)

Verbal report

<b>CR FRASER</b> <b>CR JOYCE</b>
-------------------------------------

<b>THAT THE COUNCILLOR REPORTS BE NOTED.</b>
--

<b>CARRIED</b>
----------------

## 16 Notice of Motion

### 16.1 Notice of Motion 1/2016 (Cr Fraser)

<b>CR FRASER</b> <b>CR JOYCE</b>
-------------------------------------

<b>THAT COUNCIL REVIEW AND CONSIDER A NEW APPROACH TO NEW USERS OF COUNCIL'S WASTE MANAGEMENT SYSTEM WHO MAY LIVE BEYOND THE CURRENT WASTE COLLECTION BOUNDARIES.</b>
---

<b>CARRIED</b>
----------------



## **17 Urgent business**

**CR FRASER  
CR SCALES**

**THAT ONE ITEM OF URGENT BUSINESS BE ADMITTED RELATING TO THE SES UNITS WITHIN TOWONG SHIRE.**

**CARRIED**

### **17.1 State Emergency Services Units (07/01/0145-Cr Fraser)**

Following previous discussions at the Council Meeting regarding the three local SES Units within the Towong Shire, Cr Fraser proposed that Council formally thank and acknowledge their service to the community.

**CR FRASER  
CR JOYCE**

**THAT COUNCIL FORMALLY ACKNOWLEDGE THE WORK OF THE LOCAL SES UNITS AND EXPRESS OUR APPRECIATION FOR THE SERVICE THEY PROVIDE TO OUR COMMUNITY.**

**CARRIED**

## **18 Committee minutes**

Nil.

## **19 Occupational health and safety**

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

There was no meeting conducted during the month of July.

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

The following policies were tabled for review at the 5 June 2016 Council meeting and are presented at **Appendix 8** for adoption. Please note that recommended changes are shown in red and blue.

- Discrimination, Workplace and Sexual Harassment (DCCS)
- No Smoking (DCCS)

**CR JOYCE  
CR SCALES**

**THAT THE FOLLOWING POLICY AS AMENDED BE ADOPTED:**

- **DISCRIMINATION, WORKPLACE AND SEXUAL HARASSMENT**
- **NO SMOKING**

**CARRIED**

The following policies are attached at **Appendix 9** for review. Councillors are requested to provide feedback on the policy to the Responsible Officer by 6 September 2016.

- Community use of Council Meeting Spaces and Facilities (DCCS)
- Computer and Mobile Use (DCCS)
- Debt Collection (AA)

## 20.1 Climate Change Policy (10/01/0007-DCCS)

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

This report was prepared by Ms Fiona Wigg, Climate Adaptation Officer.

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:**

The impacts of a changing climate are likely to place pressure on the delivery of Council services, objectives and priorities. The *Climate Change Adaptation Action Plans* (CCAAP) project is supporting Towong, Indigo and Wodonga councils to manage climate related risks relating to services, assets and operations. Project activities include:

- Reviewing existing climate risk assessments, with application of up-to-date organisational risk management, latest climate projections and current organisational context.
- Identifying, prioritising and promoting adaptation actions related to the delivery of council services, to reduce vulnerability to impacts and boost resilience. Developing a *Climate Change Adaptation Action Plan* for each partner council.
- Reviewing key council strategic and policy documents and creating a monitoring and evaluation tool to understand the difference made by the project.
- Planning and embedding outcomes into councils' strategic documents and business planning tools.
- Implementing selected actions, and setting out a knowledge sharing plan to ensure the lessons learned achieve widespread benefit.
- Developing individual Council Climate Change Policies to provide a mechanism which articulates Council's position on addressing the challenges of a changing climate.

A local policy is the most effective mechanism available at a strategic level for Council to ensure that funding for climate change adaptation and mitigation will be prioritised and allocated. As such, a policy which addresses and acknowledges the challenges of the changing climate will provide guidance for strategic and operational decision making and contribute to increasing the organisation's resilience and preparation for the future.

**Impact on Council Policy:**

The local policy and planning context relevant to climate change is tabulated in Table 1 of the policy ([Appendix 10](#)) with quotes from key Council documents. These documents include the Council Plan 2013-2017, Municipal Strategic Statement, Municipal Public Health and Wellbeing Plan, Heatwave Plan and Municipal Emergency Management Plan.

Some of these guiding documents acknowledge climate change and the increasing nature of extreme events and others take the additional step in putting forward various adaptation responses. These documents help set the scene for the climate risk assessment and are a reference point for existing (or intended) risk management controls.

**State Government Policy Impacts:**

The Victorian Government is "committed to positioning Victoria as a leader in climate change, by mitigating risks, reducing emissions and adapting to the impacts of climate change" (DELWP, 2015).

Two aspects of the Victorian Climate Change Act 2010 hold particular relevance to this project:

- The Act requires the Victorian Government to develop a Climate Change Adaptation Plan every four years (under development at time of writing).
- The Act requires decision makers in government to have regard to climate change when making specified decisions under other Acts. This includes a requirement for local government to consider climate change in the development of Municipal Public Health and Wellbeing Plans.

An independent review of the Climate Change Act 2010 was completed in 2015. The Victorian Government released its response in June 2016. In summary, the Victorian Government accepts all but one of the review's recommendations. These recommendations are expected to result in changes to State Government legislation

and policy. In addition the Victorian Government has committed to introducing a Victorian Climate Change Framework in late 2016.

With change expected at the State level, this proposed Council policy will provide Council with a clear direction to undertake climate change mitigation and adaptation action.

**Budget Impact:**

The policy proposal is an output from stage 4 of the *Climate Change Adaptation Action Plan* and is funded by the Victorian State Government through a Victorian Adaptation and Sustainability Partnership grant.

Climate events have the potential to have a significant impact on Council's financial resources. This policy will provide clear evidence of Council's commitment to responding to climate change and will be able to support funding proposals for mitigation and adaptation activities.

**Risk Assessment:**

A *Risk and Opportunity Assessment Report* was completed in stage 3 of the Climate Change Adaptation Action Plan project. Application of the organisation's risk and opportunity evaluation framework did the following: it supported systematic consideration of impacts; captured measures already in place that help respond to the risks; and rated risks according to their respective likelihoods and consequences.

The risk and opportunity assessment exercise resulted in 42 risks and opportunities described and evaluated across the full breadth of Towong Shire Council's functional areas. Treatments for these risks are under development and will be reported on in the *Adaptation Action Plan* (to be finalised by 30 September 2016).

**Community Consultation/Responses:**

The *Climate Change Adaptation Action Plans* project has a council business rather than whole of community scope with all considerations brought back to the context of local government roles and responsibilities.

Staff engagement for this project includes:

- Briefings to Towong Shire Council staff
- Memorandum of Understanding between partners
- Staff drop-in sessions and follow up (14 staff members)
- Presentation to Towong Working Group

**Discussion/Officers View:**

The CCAAP project is about adapting to future climate conditions. The *Risk and Opportunity Assessment Report* and *Adaptation Action Plan* resulting from this project are operational documents which will feed into Council staff work plans. A strategic mechanism is required to support implementation of the actions in these reports and to prioritise programs and projects arising from them.

Climate change is a growing community concern and is already influencing on Council's service delivery and asset management program. The Climate Change Policy articulates and formalises a position Council has adopted in many Council documents. It will provide a strategic mechanism which enables Council to respond to climate change impacts within Towong Shire Council's scope of activities; undertake actions to support State legislative requirements; and demonstrate leadership in this area to the community.

**CR JOYCE  
CR SCALES**

**THAT THE CLIMATE CHANGE POLICY BE DEFERRED TO A WORKSHOP FOR FURTHER DISCUSSION.**

**CARRIED**

## **21 Sealing of documents**

No documents for sealing.

## **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 have 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.

There being no further business the meeting was closed at 12.26 pm.

Minutes confirmed this ..... day of..... 2016.

---

**Mayor**