

Minutes

Ordinary Meeting of Council

Tallangatta Council Office

Tuesday 7 June 2016

This information is available in alternative formats on request

<p>MINUTES OF THE ORDINARY MEETING OF COUNCIL HELD AT TOWONG SHIRE COUNCIL, TALLANGATTA OFFICE ON TUESDAY 7 JUNE 2016 COMMENCING AT 10.00 AM.</p>
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The Mayor opened the meeting at 10.04 am.

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, Joyce, Fraser and Gadd

In Attendance:	Title:
J Phelps	Chief Executive Officer
J Heritage	Director Technical Services
J Shannon	Director Community and Corporate Services
D Snaith	Executive Assistant

3 Apologies and granting of leave of absence

Nil.

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.

Cr Wortmann declared a direct interest in Item 12.1 – Towong Planning Scheme Amendment C25 - Rural Living Zone Amendment as he owned land affected by the Amendment. Cr Fraser declared an indirect interest in Item 12.1 – Towong Planning Scheme Amendment C25 - Rural Living Zone Amendment as it affects land owned by her nephew who had written a submission for consideration.

Cr Fraser declared an indirect interest in Item 21.1 - Request for rental reduction as her husband is a shareholder in the Company.

5 Confirmation of minutes

3 May 2016

**CR JOYCE
CR SCALES**

**THAT THE MINUTES OF THE ORDINARY MEETING HELD ON 3 MAY 2016 AS
CIRCULATED BE CONFIRMED.**

CARRIED

6 Petitions, joint letters and declarations

Nil.

7 Assembly of Councillors

A written record of the Assemblies of Councillors from 3 to 24 May to 2016 is included at [Appendix 1](#).

**CR FRASER
CR JOYCE**

THAT THE INFORMATION BE NOTED.

CARRIED

8 Open Forum

NAME	TOPIC
Mrs Beverley Stewart	Tree pruning in the Tallangatta Triangles. Lights at the Tallangatta Integrated Community Centre.
Ms Valmay Newman	Tallangatta Roundabouts.

9 Organisational improvement

9.1 Finance Report as at 30 April 2016 (DCCS)

Disclosure of Interests (S.80C):

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

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

OPERATING RESULT

	Note	Apr-16 (Actual) \$'000	Apr-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	141	110	12,577	13,281	(704)	(5%)	15,081	83%
Expenditure	2	981	695	7,584	8,637	1,053	12%	14,019	54%
Surplus/ (Deficit)		(840)	(585)	4,993	4,644	349	8%	1,062	470%

Table 1: Operating Result

Note 1:

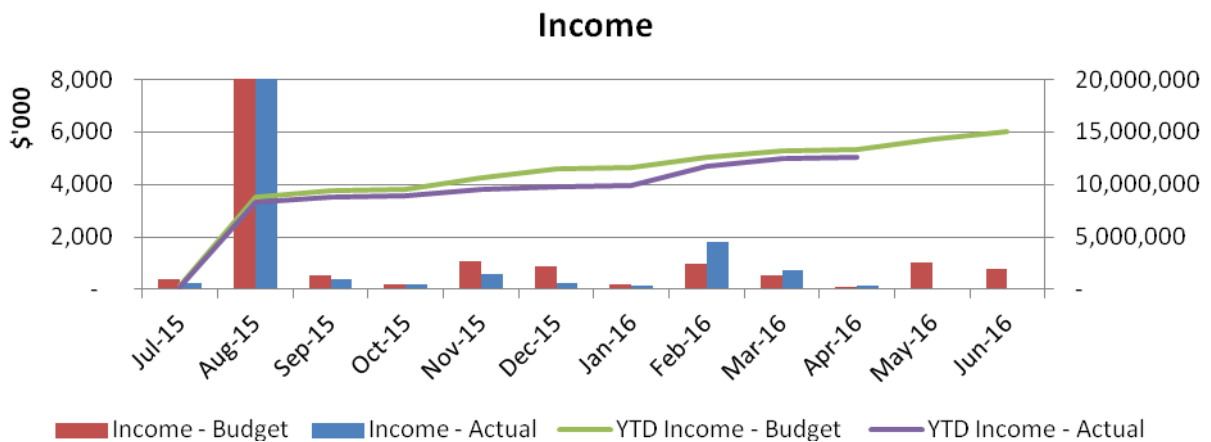
Council YTD income at 30 April 2016 is \$12.6m against a budget of \$13.3m. The major items contributing to the \$0.7m variance include:

- 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. This has resulted in receiving \$457,000 less per quarterly instalment than originally budgeted in 2015/16. This accounts for \$1.37 million of the YTD variance at 30 April 2016. This will be a permanent variance for 2015/16.

- Revenue received earlier than anticipated
 - Roads to Recovery funding of \$1.08 million has been received in February. This is \$88,000 higher than anticipated budget at this point in time. This is still in line with the total funding schedule (timing variance).

- Revenue expected to be received later than anticipated:
 - Council is yet to receive the final 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 May after construction is complete (timing variance).

- Revenue received that was not budgeted:
 - Council has received \$222,500 grant income from the Regional Development Victoria as well as \$90,000 from community contributions for the Wyeeboo Multi Purpose Facility (permanent variance)
 - 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 (permanent variance)

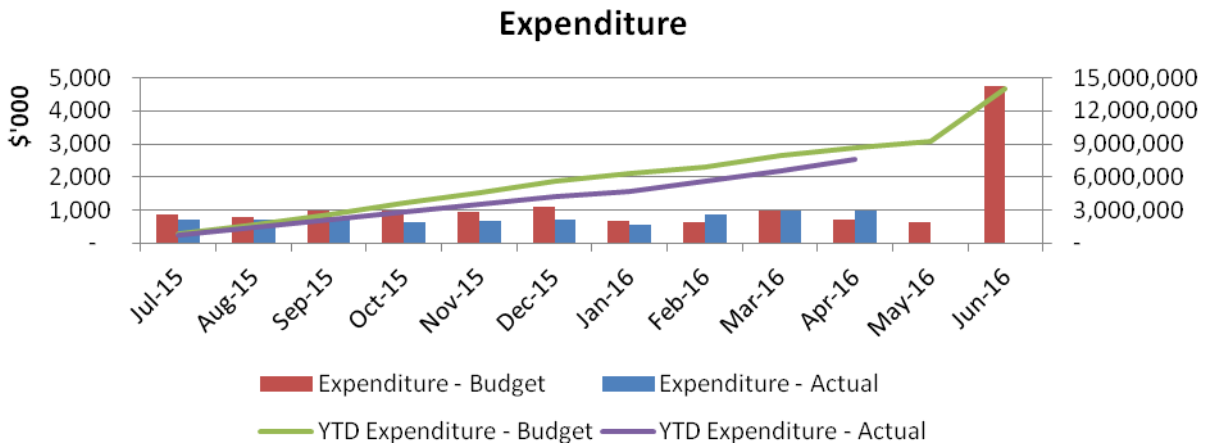


Note 2:

Council YTD expenditure at 30 April 2016 is \$7.6m against a budget of \$8.6m. The major items contributing to the \$1.0m variance include:

- Expenditure that will be incurred later than expected:
 - \$152,000 Corryong Tennis Court project (to be scheduled)
 - \$82,000 staff costs – funded positions not yet filled
 - \$74,000 Drainage maintenance – less demand for drainage maintenance, with anticipated savings to be used to carry out additional grading works.

- Current savings against budget include:
 - \$412,000 Staff costs (Currently operating at 63.5 EFT v Budget of 68.3 EFT)
 - \$240,000 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
 - \$86,000 Kerbside collection service – a higher plant utilisation rate has produced a saving against the budgeted plant costs.



Grant Income

	Note	Apr-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	38	2,907	4,124	(1,217)	(30%)	5,418	54%
Non-Competitive	2	3	33	-	33	0%	-	0%
Competitive	3	262	816	613	203	33%	934	87%
Total		303	3,756	4,737	(981)	(21%)	6,352	59%

Table 2: Grant Income

Note 1:

Council YTD recurring grant income at 30 April 2016 is \$2.9m against a budget of \$4.1m. The major items contributing to the \$1.2m variance is:

- Part of the 2015/16 Financial Assistance Grants allocation from the Victorian Grants Commission Revenue was received in a prior period. This has resulted in receiving \$457,000 less per quarterly instalment than originally budgeted in 2015/16. This accounts for \$1.37 million of the YTD variance at 30 April 2016 and will be a permanent variance for 2015/16.
- Council received \$1.08 million of the Roads to Recovery funding. This is \$88,000 higher than anticipated budget at this point in time. This is still in line with the total funding schedule (timing variance).
- Council has received kindergarten funding of \$40,000 above budgeted levels YTD.

Note 2:

Funding for Community Access and Inclusion is being received however was unbudgeted. This will be a \$38,000 permanent variance by June 2016.

Note 3:

Council YTD competitive grant income at 30 April 2016 is \$0.8m against a budget of \$0.6m. The major items contributing to the \$0.2m variance are:

- Funding that has been received in advance of budget or is unbudgeted and includes:
 - Council has received \$222,500 grant income from the Department of State Development, Business and Innovation for the Wyeboo Multi Purpose Facility (permanent variance).
 - Magorra Park \$50,000 (unbudgeted income offset by additional expenditure)

- The Narrows project \$52,000 (timing variance)
- Towong Shire Connections Project \$30,000 (unbudgeted income).

- Revenue that is expected to be received later than anticipated:
 - 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 mid 2016)

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

	\$'000
Recurring	
Roads to Recovery	1080
Victorian Grants Commission General Purpose Funding	799
Victorian Grants Commission Local Roads Funding	492
Maternal and Child Health	116
Library	108
Corryong Pre School	84
Municipal Emergency Response Program	60
Tallangatta Pre School	46
Berringa Pre School	45
Weed Project	31
State Emergency Service Corryong	13
State Emergency Service Tallangatta	13
LG Infrastructure Projects	10
State Emergency Service Mitta	7
Health Admin	3
Total Recurring Grants	2,907
Competitive and Non-Competitive	
Wyeboo Multi Purpose Facility	223
Corryong Swimming Pool Upgrade Grant	180
Corryong Tennis Courts Grant	90
Tallangatta Tfer Station - Capital	60
The Narrows Project	52
Magorra Park (DSE)	50
Our Valley Our Future	40
Community Access	32
Improving Liveability of Older People	30
L2P Program	23
Pre-School Cluster	20
Corryong Tfr Station - Capital Grant	14
Freeza Funding	12
Regional Living Expo	10
Community Health and Wellbeing	9
Youth Week	2
Corryong Pre School Capital Grants	2
Total Competitive and Non-Competitive Grants	849
Total Grants Received	3,756

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:

	\$'000
Unexpended Grants	
Roads to Recovery	421
Corryong Swimming Pool Upgrade Grant	180
Country Roads and Bridges	158
Community Access	103
Corryong Tennis Courts Grant	81
Our Valley Our Future	74
Tallangatta Tfer Station - Capital	59
The Narrows Project	52
Tallangatta Neighbourhood House	51
Flood Recovery Officer	42
Local Gov Business Collaboration	32
Improving Liveability of Older People	21
Weed Project	15
Bushfire Management Overlay	13
Freeza Funding	12
Children Services Review	10
Health Promotions (Walk to School)	4
Regional Living Expo	3
Library	2
Fire Access Track Maintenance	1
Total Unexpended Grants	1,334

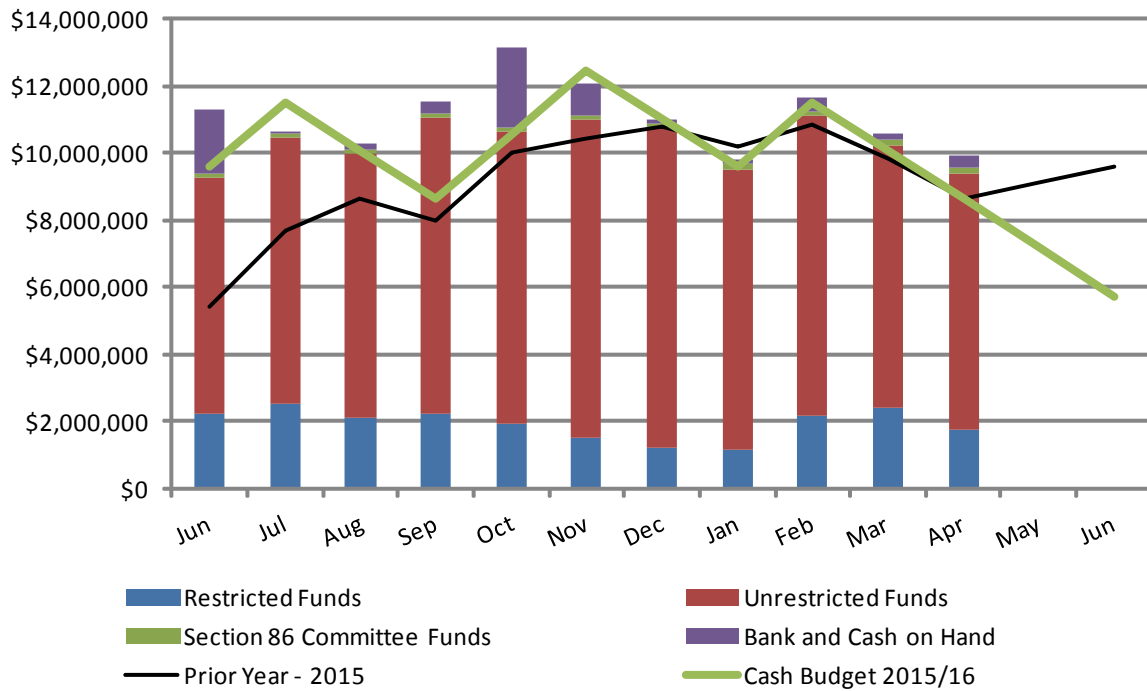
Table 4: Unexpended Grants and Restricted Funds

CASH POSITION

Cash on Hand

The cash position moved during the month as detailed below:

	Current Month Apr-16 \$	Prior Month Mar-16 \$	Variance	
			\$	%
Unexpended Grants	1,334,047	1,975,296	(641,249)	-32.5%
Other Provisions and Reserves	425,706	425,706	-	0.0%
Restricted Funds	1,759,753	2,401,002	(641,249)	-26.7%
Provision for Employee Entitlements	1,130,227	1,145,657	(15,430)	-1.3%
Other Unrestricted Funds	6,507,356	6,685,522	(178,165)	-2.7%
Total Unrestricted Funds	7,637,584	7,831,179	(193,595)	-2.5%
Section 86 Committee Funds	136,246	136,246	-	0.0%
Total Investments	9,533,583	10,368,426	(834,844)	-8.1%
Bank and Cash on Hand	385,102	226,699	158,403	69.9%
Total Cash	9,918,684	10,595,126	(676,441)	-6.4%
Average Interest Rate	2.91%	2.80%		



Investments

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

Date	Product	Institution	Principal	Yield	Term	Rating	Maturity
17/11/2015	Term Deposit	WBC	1,000,000	2.85%	180 Days	A1+	17/05/2016
19/01/2016	Term Deposit	NAB	1,000,000	3.00%	185 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
11/01/2016	Term Deposit	Bank of Queensland	1,000,000	3.00%	121 Days	A2	11/05/2016
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	1,056,441	2.05%	On Call	AA-	N/A
N/A	S86 Committees	Various	136,246	4.68%	N/A		N/A
Total Investments			9,533,583				

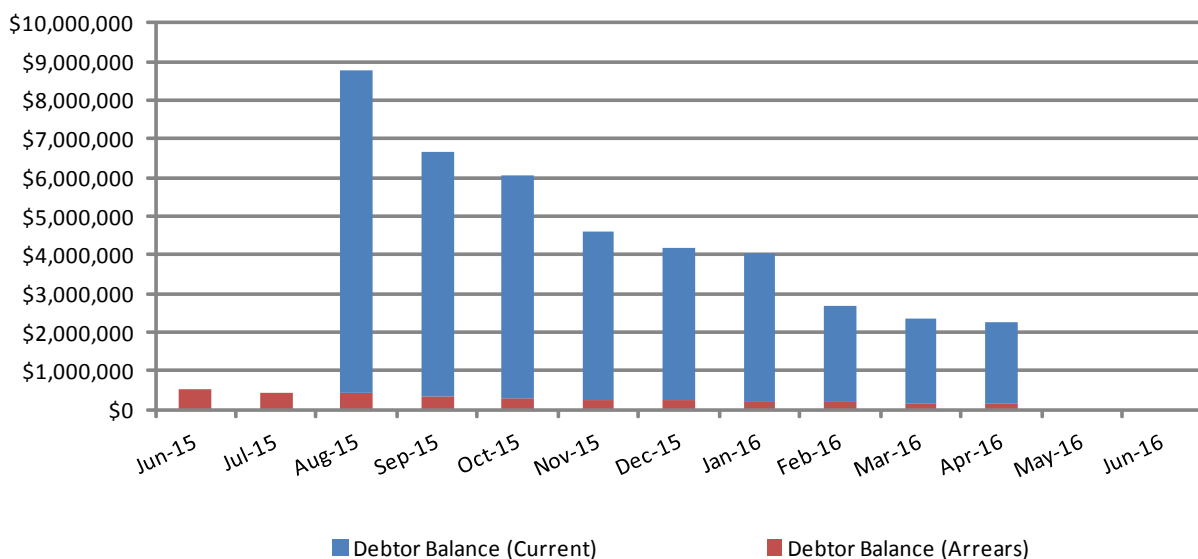
Table 5: Investments at month end

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	
	\$	Apr-16	Apr-16	YTD	YTD	Outstanding	
	\$	\$	%	\$	\$	\$	
Levied 2015/16	8,447,862	79,000	0.9%	6,353,490	75.2%	2,094,372	
Arrears prior to 2015/16	524,863	15,487	3.0%	369,649	70.4%	155,214	
Total Charges		94,486		6,723,139		2,249,586	

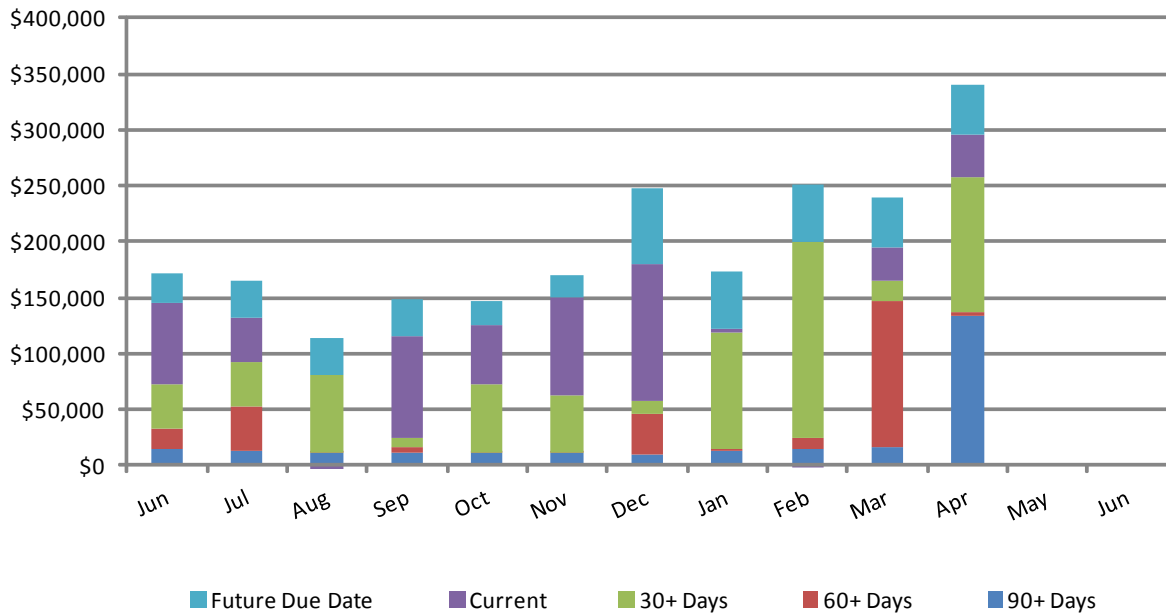


Rates for 2015/16 were struck in August 2015. Quarterly instalments are due at the end of September, November, February and May.

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
	\$	\$	\$	\$	\$	\$
April 2016	44,441	38,532	120,362	3,384	133,407	340,126
March 2016	44,441	30,346	17,277	130,814	15,990	238,867
Movement	-	8,187	103,085	(127,430)	117,417	101,259



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

Debtor	Amount	Description	RO	Notes
Debtor 8411	\$1,580	Contribution	JS	Payment has been requested.
Debtor 15570	\$40,548	FSPL Admin support	BP	Payment is expected in June.
Debtor 15849	\$47,536	Rates in lieu	BP	Payment is expected on 30 May 2016.
Debtor 15947	\$6,047	50% cost recovery	BP	Payment is expected in June.
Debtor 17007	\$1,540	Cost recovery for slashing	BP	Contact has been made with the debtor and is expected to be recovered.
Debtor 18925	\$3,250	Community contribution	BP	Council considered a proposal at the May 2016 Council meeting. A letter will be 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.
Debtor 21294	\$25,000	Community contribution	BP	Expected to be paid in May.

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.

Local Roads and Bridges Infrastructure	Note	YTD Actual \$	YTD Budget	Variance \$	Annual Budget \$
410 Road Construction	1	142,273	80,000	(62,273)	584,778
416 Sealing		499	-	(499)	-
417 Resealing	2	644,152	962,500	318,348	962,500
420 Drainage Construction	3	15,824	30,000	14,176	30,000
421 Digouts	4	670,493	600,000	(70,493)	600,000
422 Resheeting	5	72,159	230,000	157,841	230,000
432 Footpaths	6	12,896	233,100	220,204	344,596
433 Kerb and Channel	7	15,653	115,000	99,347	168,504
442 Guardrails		19,850	30,000	10,150	30,000
450 Bridge Construction	8	37,168	20,000	(17,168)	20,000
Total		1,630,967	2,300,600	669,633	2,970,378

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

The commencement of some works has been delayed until early/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 are on hold pending additional funding (timing variance).

Note 2:

The planned reseal program is complete. Some works are on hold as part of the Destination Tallangatta project (timing variance).

Note 3:

Drainage works are on hold as part of the Destination Tallangatta project (timing variance).

Note 4:

The over spend on digouts is to be offset against savings in the reseal program.

Note 5:

The resheeting began in April 2016 (timing variance).

Note 6:

Some footpath works are on hold and will be undertaken as part of the Destination Tallangatta project (timing variance).

Note 7:

Some kerb and channel projects have been put on hold and will be undertaken as part of the Destination Tallangatta project (timing variance).

Note 8:

Works completed due to unexpended grants from Country Roads and Bridges program. This will be a permanent variance of \$194,000 once all funded projects under this program are complete.

Local Roads and Bridges Maintenance

	Note	YTD Actual \$	YTD Budget \$	Variance \$	Annual Budget \$
301 Inspections		2,013	-	(2,013)	-
302 Survey and Design		28,248	43,545	15,297	45,000
304 Pavement Maintenance		84,106	120,000	35,894	150,000
306 Grading	1	411,935	383,330	(28,605)	460,000
308 Shoulder Maintenance	2	107,146	83,330	(23,816)	100,000
310 Drainage Maintenance	3	67,204	141,670	74,466	170,000
312 Call Outs		9,729	16,670	6,941	20,000
324 General Roadside Maintenance	4	75,610	62,500	(13,110)	75,000
326 Mowing		936	-	(936)	500
328 Tree Maintenance	5	104,814	85,000	(19,814)	102,000
330 Footpath Maintenance		10,385	6,000	(4,385)	8,000
334 Roadside Treatments		-	15,000	15,000	15,000
336 Signs Maintenance		15,450	25,000	9,550	32,000
338 Linemarking		169	10,000	9,831	10,000
340 Guideposts		8,121	5,830	(2,291)	7,000
342 Guardrail		161	5,000	4,839	5,000
346 Bridge Maintenance	6	32,796	24,340	(8,456)	29,210
Total		958,823	1,027,215	68,392	1,228,710

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

Note 1:

Grading works are currently ahead of anticipated budget at this point in time (timing variance)

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:

Roadside maintenance program has progressed faster than anticipated.

Note 5:

The tree maintenance program has been completed in advance of the budget schedule.

Note 6:

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

Fair Go Rates System

Towong Shire Council has applied for a variation to the State Governments Rate Cap of 2.5%. The application submitted, requested a higher rate cap of 6.34%.

Throughout April Council officers have responded to requests for additional information and analysis from the Essential Services Commission in support of Council's application for variation.

On 31 May 2016, the Essential Services Commission announced that Council's application for a higher rate cap (6.34%) has been approved for the 2016/17 financial year.

Financial Assistance Grants – 2016/17 allocation

The indicative allocation of Financial Assistance Grants for 2016/17 was received from the Victorian Grants Commission (VGC) in late May 2016. Council can now expect a 5% increase in the Financial Assistance Grants (General Purpose) and a 3% increase in the Financial Assistance Grants (Roads) for the year commencing 1 July 2016.

Early in 2015 a review of the Victorian Grants Commission model for allocating Financial Assistance Grants was conducted. With a greater understanding of the funding model and the impact that data supplied by Council to the Victorian Grants Commission has on the final funding allocation, Council officers identified some areas for improvement. In particular it was identified that the data supplied in relation to roads in Council's extensive network needed to be reviewed.

Significant work was undertaken during 2015 to analyse the usage and classification of roads in Council's extensive network. As a result of this work a number of changes were identified to road classifications and usage volumes. These changes were comprehensively reviewed by an internal team and subsequently by the Victorian Grants Commission. This data has now been factored into the calculation of the 2016/17 Financial Assistance Grants allocation.

Verbal advice from the Victorian Grants Commission indicates that the increase in the 2016/17 allocation primarily results from the updated roads data that was supplied in late 2015.

The announced funding allocation is detailed in the following table:

VGC Funding Summary				
	2013/14	2014/15	2015/16	2016/17
Announced Funding	\$	\$	\$	\$
General	2,218,817	2,243,999	2,209,135	2,275,409
Roads	1,380,801	1,366,993	1,339,653	1,406,636
Total allocation	3,599,618	3,610,992	3,548,788	3,682,045
Change from prior year		0.32%	-1.72%	3.76%

Whilst this increase assists with Council's ongoing financial position, the increase does not yet cover the shortfall experienced by Council since the indexation on Financial Assistance Grants was frozen in 2014/15.

Prior to the indexation freeze, Council had been expecting \$11.46 million in Financial Assistance Grants for the three years commencing 1 July 2014. When the freeze was announced, it was estimated that Council would only receive \$10.80 million over the three years, a shortfall of \$0.66 million. A range of cost savings and efficiencies were introduced, with a view to reducing the impact of the freeze on the community where possible. Changes included converting street lighting to more energy efficient LED, reducing the number of staff in the outdoor maintenance team, selling excess assets, changing banking, telecommunications and fuel suppliers, closing the Corryong office on Saturday mornings and not replacing the mobile library service when the existing provider withdrew the service. These changes have realised savings of \$475,000 over the three year period.

The latest Financial Assistance Grants allocation enables this update to be provided to Council on the impact of the three year indexation freeze.

Based on the funding allocations announced, Council now expects to receive \$10.84 million over the three years. This results in a shortfall of \$0.62 million. As detailed in the following table, after recognising savings (\$475,000) that have already been implemented the shortfall still remaining is \$143,000.

	General	Roads	Total
	\$	\$	\$
Total anticipated VGC funding - pre freeze			
2014/15	2,285,382	1,422,225	3,707,607
2015/16	2,353,943	1,464,892	3,818,835
2016/17	2,424,561	1,508,839	3,933,400
Total anticipated VGC funding - pre freeze (3 years)			11,459,841
Total announced VGC funding			
2014/15	2,243,999	1,366,993	3,610,992
2015/16	2,209,135	1,339,653	3,548,788
2016/17	2,275,409	1,406,636	3,682,045
Total announced VGC funding (3 years)			10,841,825
Total actual shortfall			618,016
Total savings realised			475,176
Additional savings to be found			142,840

Council officers will continue to pursue options for reducing this funding shortfall to secure Council's financial position. Some areas suggested for consideration by Council are included in the Budget 2016/17 report at Agenda Item 9.2.

CR JOYCE

CR GADD

THAT:

1. COUNCIL THANK THE STAFF FOR THE WORK THAT WAS DONE IN RELATION TO THE ROAD NETWORK REVIEW AND ALSO FOR THEIR DILIGENCE IN PREPARING THE APPLICATION TO THE ESSENTIAL SERVICES COMMISSION FOR A HIGHER RATE CAP; AND

2. 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 Ms Jo Shannon, Director Community and Corporate Services and 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.

Background/History:

A proposed Budget for 2016/17, updated Strategic Resource Plan and Long Term Financial Plan have been prepared for consideration by Council. The proposed Budget documentation provides an overview, summary and analysis of Council's current financial position, the proposed budget for 2016/17 and the long term financial projections through to 2026.

The following key assumptions have been considered in preparing the proposed budget:

- Underlying result to improve from the current underlying deficit to an underlying surplus within the next ten years
- Cash reserves will be adequate to meet Council commitments in 2026
- Borrowings will only be incurred to fund a Council contribution to multigenerational projects
- Asset renewal expenditure to be 100% of the recommended levels
- Service levels to the community to remain the same as in 2015/16.

To achieve this, the proposed Budget requires an average general rate and municipal charge increase of 6.34% for the 2016/17 financial year. The proposed Budget also provides for kerbside collection charges to increase by 2.00% and for no increase to the Waste Management Charge.

The 2016/17 financial year is the first year of implementation of the State Government's *Fair Go Rates System*. The Minister announced a rate increase cap of 2.5% in December 2015. This means that councils are limited to an average general rate and municipal charge increase of 2.5% for 2016/17. If a Council seeks an increase above this amount, an application to the Essential Services Commission is required. This process involves a comprehensive review of Council financial data and analysis.

As Council's proposed rate increase is greater than 2.5% (6.34%), an application was made to the Essential Services Commission for a higher rate cap of 6.34% so that Council could continue to provide day-to-day services and infrastructure maintenance and renewal at the current levels.

The higher cap is what is required to be financially sustainable in accordance with Council's Long Term Financial Plan and the Victorian Auditor General's financial sustainability indicators.

On 31 May 2016, the Essential Services Commission announced that Council's application for a higher rate cap (6.34%) has been approved for the 2016/17 financial year.

The proposed Budget has been prepared with a 6.34% increase to rates and municipal charge income. Subsequent to the Budget being prepared, further information has been received in relation to Financial Assistance Grants.

As detailed in the monthly finance report, Council has now received the indicative allocation of Financial Assistance Grants for 2016/17. In addition, the Commonwealth Government has announced that it will resume indexation of Financial Assistance Grants in 2017/18. These increases have not yet been factored into the proposed Budget and Long Term Financial Plan.

Council will need to make a decision on the average rate increase to be applied for 2016/17 (at or below the 6.34% higher cap) and consider if it wishes to change any service levels (and therefore operating expenditure) as contained in the proposed Budget.

The following areas are suggested for consideration by Council in the event that Council wishes to proceed with a rate increase below 6.34% for the 2016/17 financial year:

- State Emergency Service contributions
- Maternal and Child Health
- School crossing supervisors
- Kindergartens
- Swimming pools
- State-wide Community Satisfaction Survey
- Local Government School Leaver Scholarship
- Youth services
- Seniors services
- Arts and culture
- Memberships

- Enterprise Agreement increases
- Staff training

Council officers have undertaken further work on the areas listed above, detailing the current position and costs compared to a possible service level reduction, relevant savings from the reduction and also any potential consequences associated with the change. A summary table is attached at [Appendix 2](#) for Council's consideration.

In accordance with legislative requirements, Council is required to adopt a Budget by 30 June 2016. Council has applied to the Minister for an extension to this timeframe. Local Government Victoria has advised that they have recommended the time extension to the Minister.

At the time of writing this report Council is awaiting a response from the Minister.

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) and Long Term Financial Plan (LTFP)

The proposed Budget has been prepared within the guidelines provided by Council's Long Term Financial Plan. The updated financial outcomes for the draft Strategic Resource Plan period and Long Term Financial Plan until 2025/26 financial year have been included within the Budget document.

Community Outcomes

The establishment 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.

Council will need to decide on the level of rate increase that will be applied to Towong Shire ratepayers and whether any service levels will be reduced. Increases to rates will impact financially on all Towong Shire ratepayers. Any reductions to service levels will have broader impacts on the community.

Financial Impact

The proposed Budget establishes the financial framework of Council including income and expenditure, rating strategy, borrowings and asset management programs necessary for Council operations.

Environmental Impact

The proposed Budget contains financial provision for Council to achieve environmental outcomes for the community.

Organisational Impact

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

State Government Legislation:

The proposed Budget has been prepared in accordance with the relevant sections and regulations of the Local Government Act 1989 and Local Government (Planning and Reporting) Regulations 2014. Relevant extracts are included at [Appendix 3](#).

State Government Policy Impacts:

The Minister for Local Government, the Hon Natalie Hutchins MP, announced the *Fair Go Rates* cap on 22 December 2015, keeping an election commitment to cap council rate rises to the Consumer Price Index (CPI).

The cap for 2015/16 is 2.5% and this is based on the forecast Melbourne CPI.

An application was made to the Essential Services Commission for a higher rate cap of 6.34%. In this application Council confirmed that it fully supports the underlying principle of the *Fair Go Rates System* to keep rate increases to a minimum. Council does not wish Towong ratepayers to be faced with high rate increases and considers that additional financial support is required from other tiers of government.

On 31 May 2016, the Essential Services Commission announced that Council's application for a higher rate cap (6.34%) has been approved for the 2016/17 financial year.

Budget Impact:

N/A

Risk Assessment:

Council's proposed Budget, attached at [Appendix 4](#) has been developed to provide a modest service level to the community and is based on financially sound principles. The financial modeling also includes analysis of Council's financial performance / position against the Victorian Auditor General's financial sustainability indicators. These elements underpin the 6.34% rate increase proposed in the higher rate cap application to the Essential Services Commission. Formal approval of a higher rate cap of 6.34% for 2016/17 was announced by the Essential Services Commission on 31 May 2016. This higher rate cap applies for one financial year only.

Council currently operates with a significant underlying deficit. This deficit has been gradually reducing over a six year period as cost savings have been made throughout the organisation. The approved higher rate cap will enable Council to continue with its long term financial policy to return to an underlying surplus position.

Future year rate increases will be subject to the future rate caps provided under the Victorian Government's Fair Go Rates System. There is a risk that future year caps may not be adequate to fund Council's ongoing operational needs and that further applications to the Essential Services Commission will be required.

Community Consultation/Responses:

A person has a right to make a submission under section 223 of the Local Government Act on any proposal contained in the budget.

Submissions on the proposed Budget 2016/17 will be invited through the local media. Copies of the Proposed Budget Report 2016/17 will be available for inspection at both the Corryong and Tallangatta Council Offices, during office hours, and on Council's website once the budget has been adopted in-principle.

Submissions on any proposal contained in the proposed Budget may be lodged at either the Tallangatta or Corryong Office during that period.

Any submissions received will be tabled at the next Ordinary Meeting of Council and any person or persons requesting that they wish to appear or be represented will be heard.

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 provides for an underlying deficit of \$440,000. 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).

When preparing the application to the Essential Services Commission for a higher rate cap, an increase of 6.34% on the average rates per rateable assessment was the increase required to meet the Council's long term financial sustainability targets identified above.

Subsequent announcements in relation to Financial Assistance Grants have required the financial modelling underpinning the Budget and Long Term Financial Plan to be revised. The updated financial modelling supports an increase of 6.34% on the average rates per rateable assessment in 2016/17.

The proposed Budget was prepared on the basis of a 6.34% rate increase prior to the Essential Services Commission announcing the approval of a higher rate cap (6.34%) for 2016/17. Narrative within the budget will be updated to reflect this decision prior to the Council Meeting.

The proposed Budget is now recommended to Council as financially responsible and consistent with Council's long term financial planning objectives.

J Shannon left the Council Chamber at 11.14 am.

J Shannon returned to the Council Chamber at 11.15 am.

J Heritage left the Council Chamber at 11.15 am.

J Heritage returned to the Council Chamber at 11.20 am.

CR GADD
CR JOYCE

THAT:

- THE RATE INCREASE BE 3.5%
- CEASE THE CONTRIBUTION TO THE SES UNITS
- REDUCE THE YOUTH BUDGET BY \$9,000
- SENIORS BUDGET BE REDUCED BY \$9,000
- REVIEW MCH SERVICE DELIVERY
- REDUCE FUNDING TO THE ESKDALE POOL \$1,000
- REDUCED TALLANGATTA AND CORRYONG POOL BUDGET BY \$10,000
- CEASE MEMBERSHIP TO THE MDA
- CEASE THE COMMUNITY SATISFACTION SURVEY
- DISCONTINUE LOCAL GOVT SCHOLARSHIP
- REDUCE CONTRIBUTION TO MURRAY ARTS BY \$2,000
- THE ANNUAL SALARY AND WAGE INCREASE BE 1% OR CPI WHICHEVER IS THE LESSER.
- REDUCE STAFF TRAINING BUDGET BY \$9,000
- REVIEW TALLANGATTA AND CORRYONG TRANSFER STATION OPERATIONS

**CR SCALES MOVED AN AMENDMENT
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.**

THE AMENDMENT BECAME THE MOTION AND THE MOTION WAS PUT AND CARRIED.

**CR JOYCE
CR GADD**

THAT COUNCIL SEEK AN URGENT MEETING WITH THE PREMIER OF VICTORIA IN ORDER TO SEEK FINANCIAL ASSISTANCE SO THAT WE CAN CONTINUE TO PROVIDE SERVICES AND INFRASTRUCTURE MAINTENANCE AT THE 2015/2016 LEVELS (INCLUDING SES CONTRIBUTION AND SCHOOL CROSSING SUPERVISORS).

CARRIED

**CR GADD
CR SCALES**

THAT COUNCIL SUSPEND STANDING ORDERS THE TIME BEING 11.36 AM.

CARRIED

**CR JOYCE
CR GADD**

THAT STANDING ORDERS BE RESUMED THE TIME BEING 11.43 AM.

CARRIED

**CR JOYCE
CR GADD**

THAT:

- 1. THE CHIEF EXECUTIVE OFFICER BE AUTHORISED TO:
 - a. GIVE PUBLIC NOTICE OF THE PREPARATION OF THE PROPOSED BUDGET IN ACCORDANCE WITH SECTION 129(1) OF THE LOCAL GOVERNMENT ACT 1989; AND**
 - b. MAKE AVAILABLE FOR PUBLIC INSPECTION THE INFORMATION REQUIRED TO BE MADE AVAILABLE BY THE LOCAL GOVERNMENT (PLANNING AND REPORTING) REGULATIONS 2014;****

- 2. AT THE ORDINARY COUNCIL MEETING TO BE HELD AT CORRYONG ON 2 AUGUST 2016 COUNCIL:
 - a. CONSIDER ANY SUBMISSIONS IN RELATION TO THE PROPOSED BUDGET;**
 - b. HEAR ANY PERSON OR THEIR REPRESENTATIVE IN SUPPORT OF THEIR SUBMISSION; AND**
 - c. CONSIDER THE ADOPTION OF THE PROPOSED BUDGET.****

CARRIED

**CR JOYCE
CR SCALES**

THAT COUNCIL WRITE TO THE MINISTER FOR LOCAL GOVERNMENT SEEKING A REVIEW OF THE TIMELINES FOR HIGHER RATE CAP APPLICATION OUTCOMES IN ORDER TO MEET THE BUDGET ADOPTION DATE OF 30 JUNE AS SET OUT IN THE LOCAL GOVERNMENT ACT.

CARRIED

9.3 Rural Councils Victoria – S193- Entrepreneurial powers (07/01/0137-CEO)

Disclosure of Interests (S.80C):

This report was prepared by Ms Juliana Phelps, Chief Executive 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

Rural Councils Victoria (RCV) is an unincorporated organisation which represents the interests of rural councils within Victoria and currently has 38 members, of which Council is one.

The RCV's work includes:

1. providing opportunities for networking and professional development;
2. activities directed at ensuring the sustainability of rural councils; and
3. activities to assist rural communities to remain sustainable.

This occurs via a number of mechanisms, including the:

- organisation of forums and conferences for member councils;
- engagement of consultants to undertake project work; and
- applying for Government grants, particularly through Regional Development Victoria.

Given that the RCV is not a separate legal entity, it conducts its business through a 'Secretariat'. This involves the Executive appointing a willing council member to, essentially, act as its agent, providing administrative support and entering into contracts on its behalf.

Incorporation of RCV

As the RCV is currently unincorporated, Council is, together with all other member councils, exposed to liability in respect of its operations.

To address this, and to enable the RCV to operate with greater independence and ease, it is proposed to incorporate the RCV as an incorporated association. It will be called 'Rural Councils Victoria Incorporated' and will operate in accordance with the draft Rules, attached to this report as [Appendix 5](#).

The benefits of the RCV being incorporated include that it:

1. is recognised as a separate legal entity, with protection from debts for members and perpetual succession;
2. has the power to own and hold property, enter into contracts and otherwise act as any other legal entity would;
3. cannot distribute profit to its members;
4. must operate in accordance with a set of rules, including a statement of purpose – being the draft Rules attached to this report as 'Attachment A'; and
5. is operated by a Committee of Management and a Secretary, which are responsible for ensuring that all legislative obligations are complied with, and purposes are being achieved.

The RCV fulfils a number of functions that are important to rural councils in Victoria. Perhaps most importantly, it currently has responsibility for applying for Government grants, particularly through Regional Development Victoria, which are of benefit to rural councils.

It will be important that the RCV is incorporated to enable it to carry on those functions with greater independence and flexibility while still being subject to the views of its member councils.

It is not expected that the manner in which the RCV operates will be different from its current operations, although election to the Committee of Management will be based on slightly different zones, as set out in the draft Rules attached to this report as [Appendix 5](#).

Exercise of Entrepreneurial Powers

As Council will, if in favour of this proposal, be participating in the formation and operation of a separate legal entity, it is required, in accordance with s 193 of the *Local Government Act 1989* (LG Act), to have regard to the risks involved and comply with ss 193(5A) and (5B) of the LG Act.

Council is advised that:

1. the total investment involved in Council's participation in the formation of Rural Councils Victoria Limited is:
\$0

Council will be required to continue paying membership fees, as fixed by the Committee from time to time, but will not be required to invest anything in respect of the incorporation; and

2. the total risk involved in Council's participation in the formation of Rural Councils Victoria Limited is:
\$0

Any liability for the activities of Rural Councils Victoria Limited will attach to it, not to the individual members.

So, the total investment and risk exposure will be \$0, meaning that Council is not required to take any further action in relation to this matter under s 193(5C) of the LG Act.

Next Steps

If the RCV continues operating as an unincorporated association, there is a risk that its individual members, including Council, will be exposed to liability if the RCV fails to properly conduct its business. Furthermore, it will be unable to enter into contractual arrangements on its own behalf – instead relying on the Secretariat council to do so.

It is therefore recommended that Council accepts the analysis of Council's investment and risk exposure and votes in favour of RCV being incorporated on the basis of the draft Rules attached to this report as [Appendix 5](#).

It is proposed that a vote of all current members will be held at the next meeting of RCV to be held on 10 June 2016. The vote will, if a majority is in favour, authorise Mr Jim Nolan, Chief Executive Officer of Pyrenees Shire Council (the current Secretariat council), to apply to the Registrar of Incorporated Associations for the incorporation of RCV and approve the draft Rules.

**CR JOYCE
CR GADD**

THAT:

- 1. THE PROPOSED INCORPORATION OF RURAL COUNCILS VICTORIA DOES NOT INVOLVE AN INVESTMENT AND/OR RISK EXPOSURE THAT EXCEEDS THE THRESHOLDS SET OUT IN S 193(5C) OF THE LOCAL GOVERNMENT ACT 1989;**
- 2. COUNCIL VOTES IN FAVOUR OF AUTHORISING MR JIM NOLAN, CHIEF EXECUTIVE OFFICER OF PYRENEES SHIRE COUNCIL, TO APPLY TO THE REGISTRAR OF INCORPORATED ASSOCIATIONS FOR THE INCORPORATION OF RURAL COUNCILS VICTORIA INCORPORATED;**
- 3. COUNCIL APPROVES THE DRAFT RULES ATTACHED TO THIS REPORT AS APPENDIX 5 AS THE RULES FOR RURAL COUNCILS VICTORIA INCORPORATED; AND**
- 4. COUNCIL AUTHORIZES THE CHIEF EXECUTIVE OFFICER, MS JULIANA PHELPS, TO VOTE ON COUNCIL'S BEHALF ON THIS MATTER, IN ACCORDANCE WITH THIS RESOLUTION, AT THE MEETING OF RURAL COUNCILS VICTORIA TO BE HELD ON 10 JUNE 2016.**

CARRIED

9.4 Request for sponsorship (07/05/0007-EA)

Disclosure of Interests (S.80C):

This report was prepared by Mrs Diana Snaith, Executive Assistant.

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:

Correspondence has been received from Mr and Mrs Craig Stephens on behalf of their son Curtis. Curtis has been selected as a State Team Representative to play for Victoria in the 2016 U18 Boys National Hockey Championship to be held in Launceston from 8 to 17 July 2016. Hockey Victoria and Hockey Albury Wodonga have provided substantiating documentation relating to the State selection.

Since moving to the Upper Murray in 2005 the Stephens' family have been actively involved in a range of sporting activities, in playing, supporter and coaching roles. These sports have included AFL, Corryong Swimming club, Corryong Gymnastics Club, cricket, ballroom dancing and netball. Curtis played cricket and AFL for Jingellic and Walwa for nine years (both junior and senior). In 2014 Curtis played his first game of Hockey and since then has quickly progressed with selection in a number of representative teams.

Curtis is home-educated so his training schedule and education framework are flexible. As a rural based athlete living remote from public transport and reliant on parental involvement and private vehicles to attend training and elite sporting opportunities, the costs of participation are dramatically increased.

The Stephens' family is looking for financial support from Council to help with costs incurred and/or due to be incurred relating to travel, accommodation and training sessions.

Impact on Council Policy:

Nil.

State Government Policy Impacts:

Nil.

Budget Impact:

An allocation of \$1,000 is available in the 2015/2016 budget to be used for the Young Person Award.

Risk Assessment:

Nil.

Community Consultation/Responses:

Nil.

Discussion/Officers View:

The Young Person Award allows scope to recognize the efforts of Towong Shire students (who reside and attend school within Towong shire) who attain selection in State and National sporting teams. The Policy provides for an amount of up to \$500

per applicant that can be awarded annually to primary, secondary and tertiary students once selection has been finalised. The Policy does not make reference to 'home-educated' students.

**CR FRASER
CR GADD**

THAT COUNCIL GRANT \$500 TO CURTIS STEPHENS UNDER ITS YOUNG PERSON AWARD POLICY.

CARRIED

S Hollis entered the Council Chamber at 12.01 pm

9.5 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 July.

The bi-monthly Council Plan Priorities report is included in this agenda at Item 9.6.

9.6 Action Sheet Reports (06/05/0010-EA)

Items requiring action from the 3 May 2016 Council Meeting are attached at [Appendix 6](#).

**CR JOYCE
CR GADD**

THAT THE INFORMATION BE NOTED.

CARRIED

9.7 Council Plan Priorities (07/05/0022-DCCS)

The 2013 – 2017 Council Plan is a Council's medium-term strategic plan describing Council's strategic objectives, initiatives to achieve the objectives, indicators for measuring progress and the resources required to implement the Plan.

The bi-monthly updates on the 2013-2017 Council Plan priorities are attached at [Appendix 7](#) for information.

**CR GADD
CR FRASER**

THAT:

- 1. THE PROGRESS REPORT BE NOTED; AND**
- 2. STAFF BE THANKED FOR THE GOOD PROGRESS IN IMPLEMENTING THE COUNCIL PLAN.**

CARRIED

9.8 Performance Reporting Graphs (DCCS)

The Performance Reporting Graphs are attached at [Appendix 8](#) for information.

**CR FRASER
CR JOYCE**

THAT THE INFORMATION BE NOTED.

CARRIED

10 Community wellbeing

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

The bi-monthly Council Plan Priorities report is included in this agenda at Item 9.6.

11 Asset management

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

The bi-monthly Council Plan Priorities report is included in this agenda at Item 9.6.

Crs Wortmann and Fraser left the Council Chamber at 12.08 pm due to the Direct Interest previously declared at Item 4.

**CR JOYCE
CR GADD**

THAT COUNCILLOR SCALES BE APPOINTED ACTING MAYOR FOR THE PURPOSE OF CONSIDERING ITEM 12.1.

CARRIED

12 Land-use planning

12.1 Towong Planning Scheme Amendment C25 - Rural Living Zone Amendment (03/02/0032-CEO)

Disclosure of Interests (S.80C):

This report was prepared by Simon Hollis, Manager Planning.

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.

Land affected by the amendment

In addition to affecting land already zoned Rural Living Zone, the Amendment affects land in the following areas (Figure 1):

- Rural areas to the south, south east and west of Tallangatta;
- The existing extent of Old Tallangatta and areas to the north of the settlement framed by Jarvis Creek Road;
- Areas adjacent to the Murray River Road at the peninsula north of Drummonds Road;
- Land in the Bethanga Creek catchment, including areas adjacent to Martin's Road and land south of Retalicks and Mahers Road;
- Lakeside areas south of Kurrajong Gap Road adjacent to Lake Road;
- Land to the south and east of Parkhill Road Eskdale and to the north of the Omeo Highway at the northern entrance to Eskdale;
- Land between Murray River Road and the Upper Murray Resort approximately 3 km north west of Walwa;
- An area adjacent to the existing rural living area on Greenwattle Gap Road 3 km south west of Corryong;
- A small area comprised of three lots at the north west end of Donaldson Street Corryong;

- An area around Granya in the Cottontree Creek catchment and Macfarlane's Lane area; and
- Land at Towong south-west of Hume Street and adjacent to the Murray River Road.

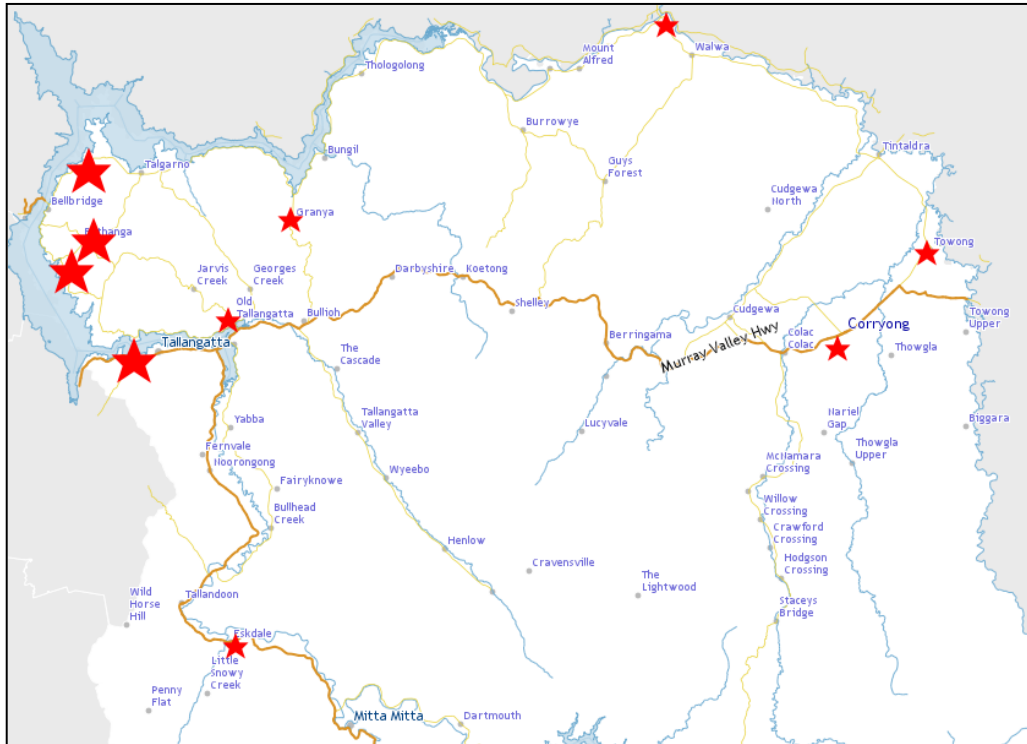


Figure 1: Proposed rural living areas

What the amendment does

The amendment implements the recommendations of the *Towong Shire Settlement Strategy* and *Towong Shire Rural Land Use Study* and seeks to undertake the following planning scheme changes:

- The rezoning to Rural Living Zone (RLZ) of the previously mentioned land to formalise within the Towong Planning Scheme existing areas of rural residential development as well as the provision of additional RLZ in areas close to existing settlements across the municipality (Figure 1).
- The creation of a new schedule to the RLZ (RLZ Schedule 3) that does not specify maximum building sizes and minimum setbacks to enable a greater range of merits based outcomes;
- The inclusion of areas to be rezoned to RLZ by Amendment C25 and existing rural living areas to the north of Bellbridge and to the south west of Tallangatta within Schedule 3 to the RLZ.

- Amendment of the Design Development Overlay Schedule 1 (DDO1) to enable a greater range of built form outcomes;
- Application of the DDO1 to all areas of proposed Rural Living Zone;
- Application of the Development Plan Overlay Schedule 6 (DPO6) to most land to be zoned Rural Living Zone by Amendment C25 to ensure land constraints inform development outcomes;
- Application of the Development Plan Overlay Schedule 6 to land currently zoned Rural Living Zone north of Bellbridge and west of Tallangatta; and
- Within the Local Planning Policy Framework deletion of Clause 22.07 'Rural Living' because the matters covered by the Policy are adequately dealt with by the proposed DPO6 and DDO1.

The main intention of Amendment C25 is to formalise within the Planning Scheme existing areas of rural living that have not been zoned for this purpose. A previous Towong Planning Scheme Amendment, C14, commenced this process in 2007 and Amendment C25 seeks to formalise the rezoning of additional rural residential areas not dealt with previously by Amendment C14. It also seeks to rezone discrete areas adjacent to existing settlements where additional rural residential development can contribute to the sustainability of those adjacent settlements.

In addition to implementing the recommendations of the *Towong Shire Settlement Strategy* and *Towong Shire Rural Land Use Study* the Amendment also implements the current *Council Plan* and is supported by the current *Municipal Strategic Statement (MSS)* and the *Regional Growth Plan (RGP)*.

Background:

Historically the rural residential market segment has not been catered for by the Towong Planning Scheme. This has resulted in relatively large rural lots being used and developed for rural residential purposes, creating inefficient land use planning outcomes. Amendment C25 will enable rural residential development to be undertaken in appropriate areas already dominated by this land use type, thereby providing a broader range of options to the residential land market. It will do this in areas close to existing settlements that are not strategically important for agriculture, largely away from identified natural hazards such as flooding.

An emphasis of Amendment C25 is the rezoning of land in the western part of Towong Shire which is strongly connected to Albury/Wodonga because of its proximity and accessibility. This part of the municipality is essentially an 'amenity' landscape located within 'peri urban' hinterland of Albury Wodonga where the areas proposed for rezoning are characterised by:

- An absence of high quality agricultural land as defined by the 2002 *North East Land Resource Assessment* and the *Rural Mapping Project* undertaken by the former Department of Agriculture in the mid 1980's;
- An absence of agriculture as a land use;
- A highly desirable rural residential environment with high levels of residential amenity due to the proximity of Lake Hume and the varied topography;
- High rates of existing residents that commute to Albury / Wodonga;
- Significant fragmentation of rural land holdings particularly in the Bellbridge and Bethanga areas and around the margins of Lake Hume;
- Strong demand for rural residential development evidenced by the market value of land being a function of its amenity value rather than productive value.

Rural living is the dominant land use in lakeside areas to the south of Bellbridge, near Tallangatta and in the Bethanga Creek catchment around Bethanga. In these areas the conventional planning approach of deploying zones that give primacy to agriculture in an increasingly vain attempt to protect any remaining vestiges of agriculture is no longer considered to be a relevant or appropriate planning approach. These areas are dominated by rural residential development and contain few genuine agricultural enterprises. The higher land values in these areas driven by lifestyle residents and people paying a higher price for the amenity of the landscape has made increasing operational scale impossible for farming enterprises and is a clear indication that the true value of the land in such areas lies in its amenity value rather than its productive value. In these areas it is evident that the market is prepared to purchase larger properties for the purpose of rural living, and if genuine rural living type development is not permitted, relatively large land parcels will continue to be traded essentially just for rural residential purposes.

Some areas on the Bethanga peninsula have been recommended for rural living by planning strategies going back to the late 1970's and the rezoning of such areas is long overdue.

Exhibition of Amendment C25

Notification of Amendment C25 pursuant to Sections 17, 18 and 19 of the *Planning and Environment Act 1987* occurred between 22 January and 7 April 2016. Notification included the following:

- Direct notice to affected land owners;
- Letters to relevant Ministers and referral authorities; and
- Notices placed in the Border Mail, Tallangatta Herald, Corryong Courier and the Government Gazette.

Submissions to Amendment C25

A total of 32 submissions were received during the exhibition period (Tables 1, 2, 3 and 4 and [Appendix 9](#)).

The majority of submissions received by Council were supportive, suggesting that Amendment C25 has broad community support. Of the 32 submissions, 23 were supporting submissions (Table 1). Six of these supporting submissions requested that Council give consideration to the inclusion of additional land in the amendment (Table 2).

Seven submissions from authorities (Table 3) have been received. The North East Catchment Management Authority (NECMA), VicRoads and Department of Environment Land Water and Planning (DELWP) have requested changes to the proposed DDO and DPO, all of which can be readily accommodated. North East Water has requested that one parcel of land near the Corryong wastewater facility, a small parcel of land at Eskdale and land abutting the Tallangatta wastewater facility be omitted from the Amendment.

Only three of the submissions received by Council objected to the Amendment (Table 4). Two of the objections were received from Blueprint Planning on behalf of P and D Hurst. One of these objections was concerned about the possible future development of land near the Tallangatta wastewater treatment facility. As North East Water has requested that the same land adjacent to the facility be omitted from the Amendment, removal of this land from the Amendment should address the concerns of the objector.

The other objection from Blueprint Planning was concerned about the need for a Developer Contributions Plan Overlay (DCPO) to ensure consistency in relation to future developer contributions. Despite the request from Blueprint Planning, the Department of Land Water and Planning (DELWP) advised Council that it did not support the use of the DCPO for a Rural Living Zone amendment like Amendment C25. In response to the issue raised by the objector and given that the DCPO was not considered by DELWP to be an appropriate use of the Victorian Planning Provisions, the Manager Planning suggested a modification to the proposed DPO to include reference to the *Towong Shire Council Road Construction Policy* and *Infrastructure Design Manual*. This would have provided clarity around road construction standards and developer obligations and potentially addressed the concerns of the objector. At the time of writing a response had not been received from the objector in relation to the proposal to make these changes to the DPO and the objection has not been withdrawn.

One objecting submission was also received from the Upper Murray Resort near Walwa. This objection expressed concern over the possible impact on the Resort if the abutting land were to be developed for rural residential purposes.

Table 1. Supporting Submissions	
Submitter	Action
Peter O'Dwyer (EDM Group) (On behalf of Stuart and Debbie Maddock)	No further action required
Peter O'Dwyer (EDM Group) (On behalf of Justine McKenzie-McHarg)	
Beverly Stewart	
John and Trish Maddock	
Ross Moyle	
Brenda Clissold	
Greg Hayes	
John and Heather Morgan	
Natalie and Trevor Butler	
Mac Butler	
Anthea and Graham Redman	
Alisha and Dax Woodall	
Daryl and Faye Cornish	
Allan Clissold	
Adam and Tracey Ladanay	
David Elder	
Brendan Person	

Table 2. Supporting Submissions Requesting Additional Land

Submitter	Additional land requested	Actions
Barry and Joan Elliot	Peninsula at Talgarno Park	<p>Strong support for the rezoning of this land resides within the Municipal Strategic Statement.</p> <p>DELWP have advised that inclusion of this land would not necessitate the need for re-exhibition of the amendment.</p> <p>Support the inclusion of the requested land in Amendment C25.</p>
John and Rhonda Maddock	Crown Allotment 7, section 10 Parish of Beethang	Advise the Planning Panel that Council does not oppose the inclusion of the portion of the additional land external to the Bushfire Management Overlay.
Thelma Moyle	Lot 2 PS30018	<p>Strong support for the rezoning of this land resides within the Municipal Strategic Statement.</p> <p>Support the inclusion of the requested land external to the wastewater facility odour buffer.</p>
Anthony Nichol	Land at Lake Road Bethanga within property numbers 207050 and 207100	Advise the Planning Panel that Council does not oppose the inclusion of the additional land.
Des Packer	Land along Springdale Road between the Lake Road intersection and Bethanga	Advise the Planning Panel that Council does not oppose the inclusion of the additional land.
Peter Star	Extend area of rezoning along the Murray River Road toward Georges Creek Road and Wisers Creek Road.	Advise the Planning Panel that Council does not oppose the inclusion of the additional land.

Table 3. Submissions from Referral Authorities		
Submitter	Change(s) requested	Actions
Goulburn Murray Water (GMW)	No change	No further action.
VicRoads	Requested that the DPO be modified to ensure VicRoads are included in the Traffic Impact Assessment process and in determining appropriate mitigating works	Agree to the requested change to DPO.
North East Catchment Management Authority (NECMA)	<p>Inclusion of the <i>North East Planning Referrals Committee Guidelines for the Protection of Water Quality 2001</i> (as amended) a reference in the DDO</p> <p>Changes to the DDO to include enhanced reference to environmental and landscape values, waterways and the management of domestic wastewater.</p> <p>Include reference to biodiversity values within the Development Plan Overlay</p>	Agree to the requested changes to the DDO and DPO.
Environment Protection Authority (EPA)	General concern over proximity of proposed Rural Living Zone to wastewater treatment facilities	No objection to amendment. Does not want to proceed to a Planning Panel.
North East Water	<p>Do not rezone land within Tallangatta wastewater treatment facility buffer (part Lot 1 LP88895 and Lot 2 PS300118)</p> <p>Do not rezone Lot 1 LP200992</p>	<p>Agree to the requested changes.</p> <p>North East Water has no objection to the Amendment and does not want to proceed</p>

	Donaldson St Corryong Exclusion of Lot 1 PS629163 (Parkhill Road Eskdale)	to a Planning Panel provided the changes are made.
Department of Environment Land Water and Planning (DELWP)	Minor changes to the DPO and DDO consistent with the NECMA submission. Recognition of the need for an appropriate setback for sites adjacent to Crown or heavily vegetated land.	Agree to the requested changes. The Department of Environment Land Water and Planning has no objection to the Amendment and does not want to proceed to a Planning Panel provide the changes are made.
Country Fire Authority (CFA)	No changes requested	No further action.

Table 4. Objecting Submissions

Submitter	Reason for objection	Discussion / Actions
Upper Murray Resort (Robyn and Brian Caldwell)	Possible impact on business from development of abutting land	Objection is unresolved. Request Planning Panel to make recommendations on the merit of the proposed rezoning of Lot 1 TP296821.
Blueprint Planning (On behalf of P and D Hurst)	Need for a Developer Contributions Overlay (DCPO) to enable better contribution from developers toward the upgrade of local roads. Concern over the development of land adjacent to the North East Water wastewater treatment facility	Objections are unresolved. Removal of land adjacent to the Tallangatta wastewater treatment facility from the Amendment should address one of the Blueprint Planning objections. DELWP has advised that the use of the DCPO is inappropriate. Council has

		<p>suggested an alternative to the DCPO but has not received any comment from the objector.</p> <p>Request Planning Panel to provide a recommendation in relation to the developer contributions issue.</p>
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Discussion/Officers View:

Amendment C25 offers a pragmatic planning response to established land use preferences in the western part of Towong Shire. It seeks to acknowledge the prevailing land use situation by providing a land use planning regime that enables ordered rural residential development with appropriate safeguards for landscape, amenity and the environment. Amendment C25 will allow rural living to be undertaken in discrete areas thereby providing a broader range of options to the residential land market in areas where the market has already signalled its preference for this type of land use.

It is anticipated that providing for rural residential development in areas adjacent to existing townships will complement and enhance these existing communities and assist in their sustainability. It will provide greater choice to the residential market in areas where this has previously not been available in a coordinated manner.

Amendment C25 implements the *Regional Growth Plan, Council Plan and Municipal Strategic Statement* and it is anticipated that provision of the additional rural living opportunities will provide a range of positive social and economic benefits for each of the areas nominated, and the Shire in general.

The responses received by Council through the Amendment exhibition process suggest that there is broad community support for the Amendment and the changes to the exhibited Amendment requested by North East Catchment Management Authority, VicRoads, North East Water and the Department of Environment, Land Water and Planning can be readily accommodated. The removal of land adjacent to the Tallangatta wastewater treatment facility from the Amendment as requested by North East Water also addresses one of the objecting submissions from Blueprint Planning.

In relation to the developer contributions issue raised by Blueprint Planning, by undertaking a minor modification to the exhibited Amendment to reference the

Infrastructure Design Manual and Towong Shire Council Road Construction Policy within the proposed Development Plan Overlay, clarity could be provided in terms of the expected standard of road construction required in a given situation and who might be required to make a contribution to that road construction. This relatively simple change could adequately address the matters raised by the objecting submission. Despite the Manager Planning advising that this change to the Amendment would be acceptable, to date it has received no response from the objector and the objection remains unresolved.

Whilst the objection from the Upper Murray Resort reflects a genuine concern over the potential impact on the resort business, the immediate area is one where low density residential and rural residential land uses are dominant. The land nominated for rezoning represents a logical opportunity for additional rural residential development in the Walwa and Jingellic area. It has excellent road access and is located outside areas of identified natural hazards such as flooding. It is also external to land being identified as being of strategic importance for agriculture.

Given that there are unresolved objections to the Amendment, it is recommended that Council request the Planning Minister to appoint a Planning Panel to allow consideration of matters raised by the two objectors to the Amendment. The Panel will then make recommendations that Council can consider before it formally makes a decision on the amendment.

**CR JOYCE
CR GADD**

THAT:

- 1. AMENDMENT C25 INCLUDE THE CHANGES REQUESTED BY VICROADS, NORTH EAST WATER, DEPARTMENT OF ENVIRONMENT LAND WATER AND PLANNING AND NORTH EAST CATCHMENT MANAGEMENT AUTHORITY;**
- 2. COUNCIL SUPPORT THE SUBMISSIONS REQUESTING THE INCLUSION OF LAND AT TALGARNO PARK PENINSULA NEAR DRUMMOND ROAD AND PART OF LOT 2 PS300118 THAT IS EXTERNAL TO THE TALLANGATTA WASTEWATER TREATMENT PLANT ODOUR BUFFER WITHIN AMENDMENT C25; AND**
- 3. THE PLANNING MINISTER BE REQUESTED, PURSUANT TO SECTION 23(1)(b) OF THE PLANNING AND ENVIRONMENT ACT 1987, TO APPOINT A PLANNING PANEL UNDER PART 8 TO CONSIDER THE UNRESOLVED SUBMISSIONS TO PLANNING SCHEME AMENDMENT C25.**

CARRIED

Crs Wortmann and Fraser returned to the Council Chamber at 12.22 pm.

S Hollis left the Council Chamber at 12.22 pm and did not return.

13 Environmental sustainability

The Environmental Sustainability report is presented every second month. The next report is due in July 2016.

The bi-monthly Council Plan Priorities report is included in this agenda at Item 9.6.

14 Economic and tourism development

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

The bi-monthly Council Plan Priorities report is included in this agenda at Item 9.6.

15 Councillor reports

15.1 Rural Councils Victoria (RCV) (Cr Fraser)

Verbal report

15.2 MAV State Council (Cr Fraser)

Verbal report

15.3 Farewell to Josephites (Sr Pat) (Cr Joyce)

Verbal report

J Shannon left the Council Chamber at 12.26 pm.

J Shannon returned to the Council Chamber at 12.29 pm.

**CR JOYCE
CR FRASER**

**THAT A LETTER BE SENT TO SISTER PAT AND THE SISTERS OF ST JOSEPH
THANKING THEM FOR THEIR CONTRIBUTION TO THE UPPER MURRAY.**

CARRIED

15.4 Rural Councils Victoria (RCV) (Cr Wortmann)

Verbal report.

15.5 MAV State Council (Cr Scales)

Verbal report.

15.6 NECMA Blackberry Action Groups (Cr Fraser)

Verbal report.

15.7 Meeting with Mr Bill Tilley (Cr Wortmann)

Verbal report.

15.8 Meeting with Barnaby Joyce/Fiona Nash (Cr Wortmann)

Verbal report.

**CR JOYCE
CR GADD**

**THAT STANDING ORDERS BE SUSPENDED FOR LUNCH THE TIME BEING 12.33
PM.**

CARRIED

**CR FRASER
CR GADD**

THAT STANDING ORDER BE RESUMED THE TIME BEING 12.55 PM.

CARRIED

Cr Joyce left the meeting and did not return.

Cr Scales left the Chamber at 12.55 pm.

16 Urgent business

**CR GADD
CR FRASER**

THAT ONE ITEM OF URGENT BUSINESS BE ADMITTED IN RELATION TO RURAL COUNCILS VICTORIA SECRETARIAT SERVICES.

CARRIED

16.1 Rural Councils Victoria – Secretariat Services (07/01/0137-CEO)

Disclosure of Interests (S.80C):

This report was prepared by Ms Jo Shannon, Director Community and Corporate Services.

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:

Rural Councils Victoria (RCV) is currently an unincorporated organisation which represents the interests of rural councils within Victoria and currently has 38 members, of which Council is one.

An Executive oversees the delivery of initiatives to achieve RCV objectives. The Executive comprises representatives (Councillor and CEO) from rural councils across the state.

As reported at Agenda Item 9.3, Rural Councils Victoria is seeking to establish itself as an incorporated association called Rural Councils Victoria Incorporated.

With this change, the Executive also proposes to enter into a three year agreement with a member council to provide Secretariat Services to the newly incorporated entity for an agreed fee.

In April 2016, the Executive sought Expressions of Interest for the conduct of Secretariat Services from 1 July 2016.

Council officers developed and submitted a proposal to provide the required Secretariat services to RCV.

The proposed solution involves a number of existing senior Council employees (Director and Managers) providing high level input into and having oversight of RCV Secretariat services. Council would engage one full time employee to fulfil the role of Executive Officer. The majority of this employee's time would be dedicated to day-to-day RCV activities and the balance would be used to backfill or support the senior Council employees that are also contributing to the service delivery.

The model provides for at least two senior managers with relevant experience to be across the various components of the Secretariat services (communication / administration / financial management / project management / event management). This reduces the risk to both RCV and Council of staff turnover and planned and unplanned leave. It means that additional support can be provided as a newly appointed executive officer gets up to speed with their responsibilities and any areas for development are identified. It also provides a level of quality assurance to all Secretariat outputs.

This model has the additional advantages of increasing the capability of existing Council staff and providing more opportunity for Council to participate more broadly in RCV activities / initiatives. It will provide opportunity to test innovative solutions in a real environment and assess their appropriateness for a local government environment.

An Expression of Interest was submitted to the RCV Executive and the Director Community and Corporate Services attended an interview on 26 May 2016.

On 6 June 2016, we were advised that Council's Expression of Interest for providing Secretariat Service to RCV has been successful.

Council is now requested to authorise the Chief Executive Officer to enter into a Memorandum of Understanding with Rural Councils Victoria for Secretariat services.

Impact on Council Policy:

N/A

State Government Policy Impacts:

N/A

Budget Impact:

The proposal has been fully costed and will be cost neutral to Council as all costs will be offset by revenue from Rural Councils Victoria.

Risk Assessment:

A formal risk assessment is currently being developed to support delivery of Secretariat services.

Community Consultation/Responses:

N/A

Discussion/Officers View:

This is a significant opportunity for Council to participate actively in the next phase of Rural Councils Victoria; to play a key role in RCV becoming the voice for rural councils in Victoria.

It is also a valuable opportunity to further develop Council officers, increasing their networks, resources and capability to pursue greater outcomes for rural communities.

It is therefore recommended that Council authorise the Chief Executive Officer to sign a Memorandum of Understanding with Rural Councils Victoria to provide Secretariat Services to RCV.

**CR FRASER
CR GADD**

THAT COUNCIL AUTHORISE THE CHIEF EXECUTIVE OFFICER, MS JULIANA PHELPS TO:

- 1. NEGOTIATE AND SIGN A MEMORANDUM OF UNDERSTANDING WITH RURAL COUNCILS VICTORIA (RCV) TO PROVIDE SECRETARIAT SERVICES TO RURAL COUNCILS VICTORIA FOR THE PERIOD 1 JULY 2016 TO 30 JUNE 2019;**
- 2. NEGOTIATE AND SIGN THE FUNDING AGREEMENT WITH THE STATE GOVERNMENT FOR THE REGIONAL JOBS AND INFRASTRUCTURE FUND FOR THE STRONGER RURAL COUNCILS INITIATIVE GRANT FUNDING; AND**
- 3. ENTER INTO, ON BEHALF OF RURAL COUNCILS VICTORIA, A CONTRACT WITH SOCOM FOR STRATEGIC ADVOCACY SERVICES TO RURAL COUNCILS VICTORIA.**

CARRIED

17 Committee minutes

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

The confirmed minutes of the meeting held on 5 February 2016 are attached at [Appendix 10](#) for information.

**CR GADD
CR FRASER**

THAT THE CONFIRMED AUDIT COMMITTEE MINUTES BE NOTED.

CARRIED

17.2 MAV Emergency Management Committee (Cr Wortmann)

The unconfirmed minutes of the meeting held on 18 December 2015 are attached at [Appendix 12](#) for information.

**CR FRASER
CR GADD**

**THAT THE UNCONFIRMED MAV EMERGENCY MANAGEMENT COMMITTEE
MINUTES BE NOTED.**

CARRIED

Cr Scales returned to the Council Chamber at 12.59 pm.

18 Occupational health and safety

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

The unconfirmed minutes of the meeting held on 12 May 2016 are attached at [Appendix 11](#) for information.

**CR FRASER
CR SCALES**

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

CARRIED

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

The following policies were tabled for review at the 5 April 2016 Council meeting and are presented at **Appendix 13** for adoption. Please note that recommended changes are shown in red and blue.

- Disability Access Funding
- Investment
- Occupational Health and Safety (OH and S)
- Temporary Road Closure
- Town Entrance Signage
- Young Person Award

Following the report at Item 9.4 (Request for Sponsorship) Council agreed to amend the Young Person Award to include "home-educated students".

**CR GADD
CR FRASER**

**THAT THE FOLLOWING POLICIES AS AMENDED AND PRESENTED BE ADOPTED:
DISABILITY ACCESS FUNDING;
INVESTMENT;
OCCUPATIONAL HEALTH AND SAFETY (OH AND S);
TEMPORARY ROAD CLOSURE;
TOWN ENTRANCE SIGNAGE; AND
YOUNG PERSON AWARD.**

CARRIED

The following policies are attached at **Appendix 14** for review. Councillors are requested to provide feedback on the policy to the Responsible Officer by 5 July 2016.

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

20 Sealing of documents

20.1 Section 173 Agreement – Allan Brewer and Marian Brewer (308450) and Simon Fraser Paton (258850-DTS)

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

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

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

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

- Volume 08516, Folio 398 are responsible for the ongoing maintenance and renewal of the stock grids located at 0.2 km and 0.17 km along Edgar Road and 0.32 km, 0.57 km and 1.73 km along Bilborough Road as measured from the Murray Valley Highway.
- Volume 05876, Folio 130 are responsible for the ongoing maintenance and renewal of the stock grids located at 2.03 km and 3.9 km along Edgar Road as measured from the Murray Valley Highway.
- Volume 08245, Folio 971 are responsible for the ongoing maintenance and renewal of the stock grids located at 12.95km, 14.64km, 15.07km and 20.88km on Callaghan Creek Road with the distance measured from Dartmouth Road

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

The Agreement is in accordance with the requirements of the Stock Grid policy and it is the officer's recommendation that they signed and sealed.

**CR FRASER
CR SCALES**

THAT THE CHIEF EXECUTIVE OFFICER BE AUTHORISED TO SIGN AND SEAL THE SECTION 173 AGREEMENTS RELATING TO LAND DESCRIBED AS VOLUME 08516, FOLIO 398, VOLUME 05876 FOLIO 130 AND VOLUME 08245 FOLIO 971 THAT HAVE BEEN DRAFTED IN ACCORDANCE WITH THE REQUIREMENTS OF THE STOCK GRID POLICY.

CARRIED

21 Confidential

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

- (a) the information was provided to the Council or a special committee in relation to a matter considered by the Council or special committee at a meeting closed to members of the public and the Council or special committee has not passed a resolution that the information is not confidential; or
- (b) the information has been designated as confidential information by a resolution of the Council or a special committee which specifies the relevant ground or grounds applying under section 89(2) and the Council or special committee has not passed a resolution that the information is not confidential; or
- (c) subject to sub-section (3), the information has been designated in writing as confidential information by the Chief Executive Officer specifying the relevant ground or grounds applying under section 89(2) and the Council has not passed a resolution that the information is not confidential.

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

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

- (a) personnel matters;
- (b) the personal hardship of any resident or ratepayer;
- (c) industrial matters;
- (d) contractual matters;
- (e) proposed developments;
- (f) legal advice;
- (g) matters affecting the security of Council property;
- (h) any other matter which the Council or special committee considers would prejudice the Council or any person;
- (i) a resolution to close the meeting to members of the public.

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

**CR GADD
CR SCALES**

THAT THE MEETING BE CLOSED TO THE PUBLIC TO CONSIDER INFORMATION CONSIDERED UNDER SECTION 89(2)(h) OF THE LOCAL GOVERNMENT ACT TO BE CONFIDENTIAL THE TIME BEING 1.04 PM.

CARRIED

Cr Fraser left the Council Chamber at 1.04 pm due to an Indirect Interest previously declared at Item 4.

L Elvin entered the Council Chamber at 1.04 pm.

**CR GADD
CR SCALES**

THAT THAT THE MEETING BE REOPENED TO THE PUBLIC THE TIME BEING 1.09 PM.

CARRIED

21.1 Request for rental reduction (05/01/0132 and 05/01/0089-CEO)

**CR SCALES
CR GADD**

THAT THE APPLICATION FOR THE RENTAL REDUCTION NOT BE GRANTED.

CARRIED

L Elvin left the Council Chamber at 1.09 pm.

Cr Fraser returned to the Council Chamber at 1.10 pm.

There being no further business the meeting was closed at 1.12 pm.

Minutes confirmed this day of 2016.

Mayor