

Ordinary Meeting of Council

to be held at the Civic Centre, Civic Drive, Greensborough
on Tuesday 28 August 2018 commencing at 7.30pm.

Agenda

Mark Stoermer
Chief Executive Officer

Thursday 23 August 2018

Distribution: Public

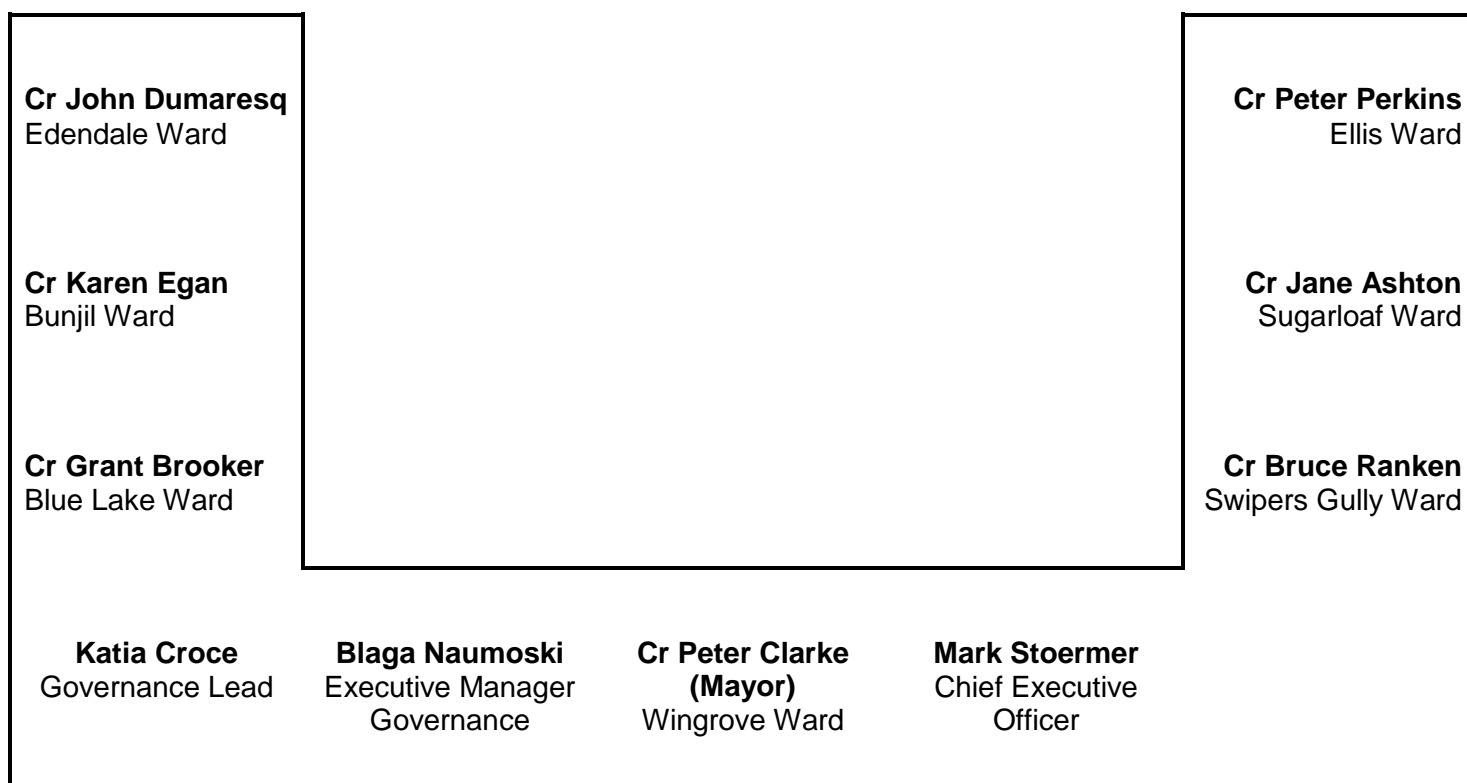
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Domin je ka

Ordinary Meeting of Council seating plan



Visitors in the gallery at Council meetings are:

- Welcome to copies of the reports which will be considered by the Council at the meeting. These are on the table in the foyer.
- Welcome to the tea, coffee and water provided in the foyer.
- Requested to observe Council deliberations quietly in order for Council meetings to run smoothly.
- Advised that the meeting will be recorded and an audio recording of the meeting will be made publicly available on Council's website.

Nillumbik Shire Council

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Nillumbik Shire Council

**Agenda of the Ordinary Meeting of Nillumbik Shire Council to be held
Tuesday 28 August 2018 commencing at 7.30pm.**

1. Welcome by the Mayor

Members of the public are advised the meeting will be recorded.

2. Reconciliation statement

The reconciliation statement to be read by the Mayor

Nillumbik Shire Council acknowledges the Wurundjeri as the traditional custodians of the land now known as the Shire of Nillumbik and values the significance of the Wurundjeri people's history as essential to the unique character of the Shire.

3. Prayer

A prayer will be read.

4. Apologies

Recommendation

That the apologies be accepted.

5. Presentations

Jayden Grey (Swipers Gully Ward) receives \$200 as a contribution for being selected to represent Australia at the World University Championships in China.

Nillumbik Shire Council wishes Jayden every success with his future sporting pursuits.

6. Confirmation of minutes

Confirmation of minutes of the Council Meeting held on Tuesday 31 July 2018.

Recommendation

That the minutes of the Council Meeting held on Tuesday 31 July 2018 be confirmed.

7. Disclosure of conflicts of interest

Councillors should note that any conflicts of interest should also be disclosed immediately before the relevant item.

8. Petitions

9. Questions from the gallery

10. Reports of Advisory Committees

AC.007/18 Advisory Committee Report

Distribution: Public

Manager: Katia Croce, Governance Lead

Author: Emma Christensen, Governance Officer

Council has a range of Advisory Committees which provide a formal mechanism for Council to consult with key stakeholders, seek specialist advice and enable community participation. Although they do not make any formal decisions, they provide valuable advice to Council.

In accordance with Advisory Committee Terms of Reference, the minutes of meetings are presented to Council. This month, the following minutes are attached for information:

- Arts Advisory Committee held on 2 July 2018.

Attachments

1. Arts Advisory Committee Minutes 2 July 2018

Recommendation

That Council notes the Arts Advisory Committee meeting minutes held on 2 July 2018.

12. Officers' reports

OCM.119/18 Process to rezone 13 parcels of Council owned land to Public Park and Recreation Zone (PPRZ)

Distribution: Public

Manager: Adrian Cully, Director Business and Strategy

Author: Julie Paget, Strategic Planner

Fae Ballingall, Senior Strategic Planner

Anthony Calthorpe, Strategic Planning Coordinator

Summary

Council previously resolved to rezone Council-owned properties to Public Park and Recreation Zone (PPRZ) at:

- Lot 1, Graysharps Road Hurstbridge following the decision not to sell the site at the 22 November 2016 Ordinary Meeting of Council; and
- 12 properties in Diamond Creek, Eltham, Greensborough and Research following Council's decision not to proceed with the sale of land at the 1 May 2018 Ordinary Meeting of Council.

Amendment C113 to the Nillumbik Planning Scheme has commenced for Lot 1, Graysharps Road Hurstbridge. To achieve cost and time savings to Council, it is opportune for this amendment to be modified to include the 12 additional properties. This status report provides an update on that process.

Recommendation

That Council notes the intention to seek authorisation to commence a planning scheme amendment to rezone 13 Council-owned properties to Public Park and Recreation Zone.

Attachments

1. Thirteen properties being rezoned to Public Park and Recreation

Background

1. Council resolved at the 22 November 2016 Ordinary Meeting of Council to undertake a planning scheme amendment to rezone Lot 1 Graysharps Road, Hurstbridge from Township Zone to Public Park and Recreation Zone (PPRZ). This also requires removing Schedule 7 of the Development Plan Overlay (DPO7).
2. At this meeting, Council also resolved the land be used for recreation and open space purposes, and prepare a recreation and open space plan for the site and surrounding recreation precinct. This work will be completed in 2018.
3. Further, Council resolved at the 1 May 2018 Ordinary Meeting of Council to not proceed with the sale of 14 Council properties, and for 12 of those properties to be rezoned to PPRZ (the remaining two properties already zoned PPRZ).
4. It is proposed to combine the two rezoning processes into a single amendment to the Nillumbik Planning Scheme, to be known as C113, achieving savings in both time and costs.

12. Officers' reports

OCM.119/18 Process to rezone 13 parcels of Council owned land to Public Park and Recreation Zone (PPRZ)

5. The location and current zoning of the 13 properties to be rezoned to PPRZ is provided in **Attachment 1**.

Policy context

6. This report directly supports the achievement of Council Plan 2017-2021 strategy:
- Plan for the community's future needs for services and infrastructure.

Budget implications

7. The cost of preparing the planning scheme amendment is funded in the 2018-2019 Council budget.

Consultation/communication

8. Extensive community consultation was undertaken as part of the proposed land sales project. Five Special Future Nillumbik Committee meetings were held in March and April 2018 for submitters to address Council on the matter. Community feedback informed Council's resolution to rezone twelve Council properties to PPRZ.
9. Lot 1 Graysharps Road Hurstbridge has undergone extensive community engagement through the preparation of the Open Space Precinct Plan. The Draft Precinct Plan was recently displayed for final community feedback. Feedback is being considered in finalising the Precinct Plan and Implementation Plan for Council's consideration at the 28 September 2018 Ordinary Meeting of Council.

Issues/options

10. Work has commenced on drafting planning scheme amendment C113. To amend the Nillumbik Planning Scheme, authorisation from the State Minister for Planning to commence and prepare the amendment will be sought. Final approval from the Minister is also required. Discussions with State Government have commenced.
11. The planning scheme amendment process includes a period of public exhibition of the proposed amendment to provide the opportunity for public submissions. An independent planning panel, required when objections are raised and cannot be resolved, may need to be appointed to consider unresolved submissions.

Conclusion

12. This report updates Council on the process for rezoning 13 properties to PPRZ.
13. Officers anticipate the process will commence by the end of October 2018, subject to State Government's authorisation.

12. Officers' reports

OCM.120/18 Potential development of 895 and 903-7 Main Road Eltham

Distribution: Public

Manager: Adrian Cully, Director Business and Strategy

**Author: Poul Tvermoes, Senior Project Manager
Naomi Paton, Manager Integrated Strategy**

Summary

Council has committed to exploring the development of the former Eltham Shire offices and adjacent site, located at 895 and 903-7 Main Road Eltham, with the vision to create a vibrant precinct supporting community and economic outcomes at the gateway to the Eltham town centre.

The precinct has the potential to offer a range of community benefits and uses including gathering and meeting places, spaces for community celebrations, place activation and growing local employment and economic activity, whilst retaining existing uses within the precinct.

Development would need to reflect Eltham’s unique sense of place and preferred character through the provision of appropriate design features and materials, and public spaces that could support community uses such as markets, concerts and outdoor cinema.

To explore the possibilities of renewing both sites, Council needs to find a development partner who can deliver on the vision at no cost to Council while delivering community benefit. The potential redevelopment may include a broad range of uses including retirement living, boutique hotel, regional art gallery and community spaces aligned with the needs of the community and Eltham town centre.

The feasibility of these or other potential uses will only be known by testing the market. A two-stage market-testing process is recommended to identify suitably qualified developers through an initial Expression of Interest and then a more formal Request for Proposal process to identify the best outcomes for the sites. The preferred proposal would then be considered by Council and released for broader community engagement in early 2019.

Recommendation

That Council:

1. Commence an urban renewal process for Council land at 895 and 903-7 Main Road, Eltham, to deliver enhanced social, economic and public realm outcomes and a built form reflective of Eltham’s preferred character.
2. Test market feasibility to achieve the desired outcome at no cost to Council through an Expression of Interest process then subsequent Request for Proposal process.
3. Subject to a future Council decision, select a development partner to prepare detailed plans as the basis for broader community engagement.

Attachments

1. Site Information Memorandum

12. Officers' reports

OCM.120/18 Potential development of 895 and 903-7 Main Road Eltham

Background

1. Council has committed in the Council Plan 2017-2021 to finding a visionary use for the former Eltham Shire offices site at 895 Main Road, Eltham. A vision for Precinct 3 and 4 of the Eltham Major Activity Centre, adopted by Council in 2013, highlights that *Precinct 3 and 4 will be locally cherished as a highly accessible, convenient and attractive location in the Eltham Town Centre to catch public transport, access information, art and civic services and conduct a range of social, community and every day business activities.*
2. Precinct 4, which encompasses 895 and 903-7 Main Road, has a civic focus. Development of the precinct has not been realised beyond the construction of the Eltham Library in 1993, and maintaining some community uses including a senior citizens hall, pre-school and maternal child health centre in buildings constructed in the 1950's and 1960's.
3. The Council property at 895 Main Road has remained vacant since 1996, delivering little benefit over that time. The undeveloped site results in the Eltham Library and adjacent recreation facilities including open space at Alistair Knox Park being somewhat isolated from the Eltham town centre.
4. At the January 2018 Ordinary Meeting of Council, Council resolved to consider a range of uses and development potential of both 895 and 903-7 Main Road, Eltham. Uses including tourism accommodation, gallery, tourist information centre, civic promenade (incorporating the cenotaph), community uses, offices (private or civic) and associated car parking were identified. Council resolved to consider the sale of land for both sites as part of the proposal.
5. Council also committed to any development needing to contribute strongly to the preferred character of the Eltham town centre.

Policy context

6. This report directly supports the achievement of Council Plan 2017-2021 strategy:
 - Develop a visionary plan for Precincts 3 and 4 in the Eltham Activity Centre, including the former Shire Office site and transport modal interchange.

Budget implications

7. Planning for the potential development of these sites is funded in the 2018-2019 Council budget.
8. Council's objective in undertaking this project is to maximise its financial return for the community, with new high quality community facilities and space being constructed on the land contained on the site at no additional cost to Council.

Consultation/communication

9. Officers have discussed Council's vision and aspirations for the sites with tenants and users, stakeholders and the wider community. Feedback focussed on retaining existing uses within Precinct 4, the provision of contemporary community meeting spaces and open space that would function as civic spaces. Feedback has been incorporated in objectives for the sites' redevelopment and reflected in the Site

12. Officers' reports

OCM.120/18 Potential development of 895 and 903-7 Main Road Eltham

Information Memorandum (**Attachment 1**) which will be provided to interested developers.

10. As part of the project's broader engagement strategy, officers are now recommending Council engage with the development industry to determine the feasibility of Council's aspirations, including the best possible uses and development potential of the site to achieve Council's objectives.
11. Should a development partner be identified and the project progress, Council would undertake wider community engagement on the preferred development proposal.

Issues

12. The redevelopment of 895 and 903-7 Main Road Eltham has the potential to significantly contribute to enhanced community, economic, place activation and public realm outcomes benefiting Eltham and the wider Nillumbik community.
13. The sites' prominent location at the Eltham town centre's main southern entrance offers a prospective landmark development opportunity, in keeping with the Eltham Activity Centre design guidelines which reinforces Eltham's preferred character, whilst providing a catalyst for urban renewal across the township.
14. The combined sites are 10,179 m² in area with significant Main Road frontage, sloping away to the north and west with views overlooking the Diamond Creek and Eltham's treed landscape in the distance. The proximity to Eltham's public transport hub, commercial heart of Eltham town centre and abutting library further attracts the sites' transformational potential to activate the precinct through a range of complementary uses.
15. Providing quality public spaces within the development would reinforce Eltham's natural landscape features to provide a welcoming environment for people to gather and celebrate, and support existing uses such as ANZAC Day commemorations and community festivals and events.
16. Council has committed to seeking government funding for a regional art gallery, which could be realised within the redevelopment. Other community uses seek to maximise participation through a range of community services or activities, located either within the development area or from new/upgraded facilities adjacent the sites.
17. Investment and development within the Shire to increase economic outcomes including local employment are a strategic objective of the Council Plan 2017-2021. The sites' redevelopment would seek to activate civic spaces through a range of potential uses including outdoor cinema, concerts, markets and complementary retail outlets, supporting jobs growth and economic activity. Active street frontages and improved pedestrian connections through Eltham precinct 4 will attract more people to the precinct and Eltham town centre beyond resulting in increased patronage of local businesses.
18. To determine the feasibility of Council's vision and desired outcomes for the sites, officers recommend engaging with the development industry through a two stage process, as follows:

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OCM.120/18 Potential development of 895 and 903-7 Main Road Eltham

Stage 1: Expression of Interest (EOI)

The purpose of the EOI is to seek a response from the market to Council's proposal to redevelop the land. Development firms will outline their experience of delivering successful development projects, their financial capacity, the quality of their proposed project team and any partners, as well as their ability to deliver this project within Council's time frame.

Marketing for the EOI will be completed by a suitably qualified property agent to maximise market interest in Council's vision for the sites.

Highly qualified submitters will be requested to participate in Stage 2 of the procurement process known as Request for Proposal.

Stage 2: Request for Proposal (RFP)

Potential development partners will be required to respond to and be assessed against Council's objectives for the future development of the sites, by submitting conceptual plans and financial modelling of their proposed development through the RFP stage. A preferred developer will be chosen and be subject to further negotiations for the potential sale and development of a part of the land.

19. Council will consider the development proposals and preferred development partner at a subsequent Meeting of Council.

Conclusion

20. Progressing the two-stage EOI and RFQ will assist Council to test objectives for the sites with the property market and financial feasibility of the proposed redevelopment.
21. The response to the EOI will indicate the extent of market interest to partner with Council for redevelopment of both sites. If there is sufficient interest, the RFP will enable Council to explore what community and other uses could be developed on the combined sites, ahead of further engagement on the proposal submitted by Council's preferred developer.
22. Redeveloping 895 and 903-7 Main Road Eltham to deliver community, economic and place making outcomes will be the catalyst for transformational urban renewal and change through the Eltham Activity Centre, in keeping with the community's vision and aspirations.

12. Officers' reports

OCM.121/18 Green Wedge Management Plan Review status update

Distribution: Public

Manager: Adrian Cully, Director Business and Strategy

Author: Nichole Johnson, Coordinator Strategy Projects - Community and Leisure

Naomi Paton, Manager Integrated Strategy

Summary

This report provides an update on the review of the Green Wedge Management Plan (GWMP). The purpose of the GWMP is to review “what is the best way for us to manage Nillumbik’s Green Wedge, now and into the future”.

The wider community engagement program was designed in collaboration with community leaders in April and May 2018. Between late May and mid July 2018, more than 1,000 participants attended a workshop, completed a survey, uploaded a story, attended a community conversation and/or drew a picture, detailing their values, challenges and aspirations for Nillumbik’s Green Wedge.

The community’s feedback has been presented to the 44-member Community Panel. The Panel has been recruited to consider information and hear from a range of speakers to deliberate and then recommend to Council a vision, objectives and key actions to shape the future management of Nillumbik’s Green Wedge.

The Panel’s recommendations will be presented to Council in late October. Council will formally respond to recommendations and consider the draft GWMP in late November ahead of further and final wider community consultation. Feedback will inform the final GWMP which is due to be completed by mid-2019.

Recommendation

That Council notes the status update of the Green Wedge Management Plan review.

Attachments

1. Green Wedge Management Plan community engagement summary

Background

1. In March 2018 Council endorsed the program, process and key milestones guiding the review of the Green Wedge Management Plan (GWMP). The process includes four-stages of community engagement including, for the first time in the Shire’s history, a Community Panel. The review is scheduled to be completed by mid-2019.

Policy context

2. The review of the Green Wedge Management Plan addresses Council Plan actions including:
 - 1.1 Improve community trust through better community connections and genuine engagement.
 - 3.1.2 Review the impacts of the Green Wedge Management Plan on those living in the landscape

12. Officers' reports

OCM.121/18 Green Wedge Management Plan Review status update

3.1.3 Clarify the planning scheme to enhance opportunities for agricultural enterprises and tourism to prosper in appropriate ways in rural areas of Nillumbik.

4.1 Encourage investment and development within the Shire to increase economic development and broaden the rate base while at the same time preserving the Green Wedge.

5.1.1 Ensure that Council policies and processes support good governance.

5.2.1 Advocate on important policy issues that affect the Nillumbik community.

Budget implications

3. A program budget has been allocated by Council in the 2017-2018 and 2018-2019 operating budgets to deliver this project. Funding to offset Council's budget allocation has been sought from State Government however no commitments have been made to date.

Consultation/communication

4. The four stages of community engagement to inform the review of the GWMP are detailed below. A summary of the community's feedback captured in Stage 2 is detailed in Attachment 1.

Stage 1: Council officers and self-nominated community leaders designed a far-reaching wider community engagement program to capture the community's views on the values, challenges and aspirations of Nillumbik's Green Wedge both now and into the future.

Stage 2: A six-week program of wider community engagement took place from 31 May 2018 until 13 July 2018. Engagement activities consisted of:

- Ten facilitated community workshops with 181 people attending.
- A survey which received 688 responses (275 survey respondents identified as living in rural areas and 246 in urban areas. Not all responders disclosed place of residence).
- A survey targeting children and young people aged 10 to 18 receiving 48 responses.
- Thirty-eight stories about the Green Wedge were submitted.
- Twenty-three community conversation drop-ins known as 'coffee and chats' were hosted in restaurants, cafes, hotels and general stores, and three markets were attended.
- Forty drawings were received from primary school aged children, and Nillumbik Youth Theatre created an artwork.

Stage 3: A community panel of 44 residents and ratepayers, representative of the Nillumbik-wide population, was independently appointed to recommend to Council a vision, objectives and key actions in response to the question *What is the best way for us to manage Nillumbik's Green Wedge, now and into the future?* The Panel is sitting for five days beginning on 18 August 2018 and concluding on 20 October 2018.

12. Officers' reports

OCM.121/18 Green Wedge Management Plan Review status update

Stage 4: The draft GWMP will be released for wider community consultation from early December 2018 until March 2019. Council will consider the community's feedback and any changes to finalise the new GWMP ahead of adopting the new Plan in mid-2019.

Issues/options

5. The Community Panel has begun its deliberations in preparation to develop a report recommending to Council a vision, objectives and key actions to manage Nillumbik's Green Wedge now and into the future, The report will be tabled at the 30 October 2018 Ordinary Meeting of Council.
6. The panel has been presented with a summary report of the community's views and values captured during the six-week community engagement concluding in mid-July.
7. The Panel has also been provided with a Background report. The report provides an overview of the history of green wedges in Victoria and the Nillumbik Green Wedge, a history of the Shire, the land use planning system in Victoria, and details our community, our economy, our landscape and associated land ownership and management arrangements and environmental values.
8. The Panel has and will continue to hear from a range of speakers on the regulatory, social, economic and environmental considerations in managing the Green Wedge. The Panel will identify who else they want to hear from or seek further information to assist in their deliberations.
9. All reports provided to the Panel are available to the wider community through Council's community engagement website at <https://participate.nillumbik.vic.gov.au/gwmp>

Conclusion

10. This report provides Council with a status update of the review of the GWMP. The Community Panel is underway, and will sit for a further four days ahead of finalising its recommendations to Council.
11. Officers will table the Community Panel's recommendations at the 30 October 2018 Ordinary Meeting of Council. Council will then respond to the Panel's recommendation and release a draft Green Wedge Management Plan for further and final community engagement at the 28 November 2018 Ordinary Meeting of Council. The draft GWMP will undergo final community consultation until late March 2019.
12. It is proposed the GWMP will be finalised for Council's consideration by June 2019.

12. Officers' reports

OCM.122/18 Audit Committee meeting August 2018

Distribution: Public

Manager: Vince Lombardi, Manager Finance

Author: Melika Sukunda, Financial Accountant

Summary

In accordance with section 139 of the *Local Government Act 1989* and good governance principles, Councils must have an Audit Committee. As resolved at the Ordinary Meeting of Council on 16 August 2005, the Audit Committee minutes are to be reported and presented at an Ordinary Meeting of Council following the Audit Committee meeting.

The Audit Committee met on 13 August 2018. The minutes for the meeting are attached in **Attachment 1**.

Recommendation

That Council notes the minutes of the Audit Committee meeting held on 13 August 2018.

Attachments

1. Audit Committee Minutes August 2018

Background

1. As resolved at the Ordinary Meeting of Council on 16 August 2005, following the Audit Committee meeting, minutes are to be reported and presented at an Ordinary Meeting of Council.
2. The Audit Committee meets a minimum of four times a year and has the role to assist the coordination of relevant activities of management, internal audit and the external auditor to facilitate good governance, effectiveness and efficiency.

Policy context

3. This report directly supports the achievement of Council Plan 2017-2021 strategies:
 - Maintain good governance and effective leadership.

Budget implications

4. The costs associated with this matter are contained within Council's 2018-2019 Budget.

Consultation/communication

5. The Audit Committee meeting on 13 August 2018 was attended by the Committee members, the internal Auditor from Crowe Horwath, the external auditors from HLB Mann Judd as well as the Chief Executive Officer and Manager Finance. Mayor Cr Peter Clarke and Cr Bruce Ranken are the Councillor representatives.

Audit Committee minutes

6. The minutes of the Audit Committee are submitted to Council after each meeting. To provide timely feedback, these are unconfirmed minutes.

12. Officers' reports

OCM.122/18 Audit Committee meeting August 2018

7. The Audit Committee plays a significant role in Council's governance framework. It provides external expert advice to Council on key areas of risk. Risk in this case is interpreted broadly and covers risk to Council's sustainability, reputation, fraud control and effectiveness, as well as financial risk.
8. Minutes of the Audit Committee held on the 13 August 2018 have not yet been adopted by the Committee, but will be presented at its next meeting.
9. The items considered by the Audit Committee were:
 - The Audit Committee appointed a new Chair, being Mr John Watson and welcomed a new independent committee member Mr Chris Eddy.
 - Council's Risk and Insurance report. These were received and noted
 - The risk policy and framework and strategic risks.
 - Presentations by the Director of Business and Strategy and the Executive Manager Governance.
 - The wildlife management services delivered by Council and associated risks.
 - The annual financial statements which included the Annual Financial Report and Performance Statement.
10. The next Audit Committee meeting is scheduled to take place in November 2018.

Conclusion

11. The Audit Committee minutes, of the 13 August 2018 meeting are presented to Council to ensure timely feedback and accurate information. This report is presented for noting by Council.

12. Officers' reports

OCM.123/18 Financial statements and performance statement for 2017 - 2018

Distribution: Public

Manager: Vince Lombardi, Manager Finance

Author: Melika Sukunda, Financial Accountant

Summary

Council is required to produce audited Annual Financial Statements and a Performance Statement pursuant to the requirements and process outlined in the *Local Government Act 1989* and the Local Government (Planning and Reporting) Regulations 2014.

The draft 2017-2018 Financial Statements and Performance Statement have been reviewed by Council's external auditors on behalf of the Victorian Auditor General.

For the 2017-2018 financial year Council has achieved an operating surplus of \$16.557 million on an accrual basis.

This report recommends that Council give 'in principle' approval to the 2017-2018 accounts and appoint the Mayor, Deputy Mayor and the Chief Executive Officer to sign the 2017-2018 Financial Statements and Performance Statement.

Council has produced a Performance Statement in accordance with the Local Government Performance Reporting Framework. This provides results on a range of prescribed indicators of service performance, financial performance and sustainable capacity.

The draft statements have been presented to Council's Audit Committee which has recommended that Council give in principle approval for the statements pursuant to Section 132 of the Act, prior to formal presentation to the Auditor General.

Recommendation

That Council:

1. Approves 'in principle' the 2017-2018 Annual Financial Statements (**Attachment 1**) and Performance Statement (**Attachment 2**).
2. Authorises the Mayor, Deputy Mayor and the Chief Executive Officer to sign the 2017-2018 Annual Financial Statements and Performance Statement in their final form after any changes recommended, or agreed to, by the auditor have been made.

Attachments

1. Annual Financial Statements
2. Performance Statements

Background

1. Council is required to produce audited Annual Financial Statements and a Performance Statement pursuant to the requirements and process outlined in the *Local Government Act 1989* and the Local Government (Planning and Reporting) Regulations 2014.

12. Officers' reports

OCM.123/18 Financial statements and performance statement for 2017 -2018

2. Section 132 of the *Local Government Act 1989* and the Local Government (Planning and Reporting) Regulations 2014 require Council to:
- a) Adopt a resolution giving its approval, 'in principle', to the Financial Statements and Performance Statement before they are submitted to the Auditor General.
 - b) Authorise two Councillors and the Chief Executive Officer to certify the statements in their final form, after any changes recommended, or agreed to, by the auditor have been made.

Policy context

3. This report directly supports the achievement of the Council Plan 2017-2020 strategy:
- Ensure responsible and efficient management of Council's financial resources.

Budget implications

4. This is a statutory procedural matter, the associated costs for which are contained within the operating budget.

Consultation/communication

5. The development of the draft Financial Statements and Performance Statement has been undertaken in consultation with Council's external auditors on behalf of the Victorian Auditor General, and the Audit Committee.

Approval process

6. Audit work has been completed by Council's external auditors and officers have prepared a draft set of the 2017-2018 Financial Statements and Performance Statement for submission to the Auditor General. A copy of these statements, forming the 'in principle' statements, is provided in **Attachment 1 and 2**.
7. The Statements were presented to the Audit Committee on 13 August 2018. The recommendations of the Audit Committee were:
- a) Record its approval 'in principle' to the Annual Financial Statements and Performance Statement (the statements) for the year ended 30 June 2018
 - b) That subject to the review of the final version of the Financial Statements and the Performance Statement, that Council:
 - i) Authorise the Chief Executive Officer to send the statements to the Auditor General
 - ii) Authorise the Chief Executive Officer, the Mayor, and Deputy Mayor to certify the final version of the statements
 - iii) Authorise the Executive Manager Finance to implement any non-material changes to the statements as recommended by the Auditor General, and provide a summary of such changes to the Audit Committee at its next meeting. Any material changes will be discussed with the Chair of the Audit Committee prior to being presented to Council.

12. Officers' reports

OCM.123/18 Financial statements and performance statement for 2017 -2018

8. The following process is required to ensure that Council's Financial Statements and Performance Statement are submitted to the Auditor General in a timely manner, enabling the Auditor General to officially express his opinion prior to the statutory deadline of 30 September 2018:
 - a) Council must meet formally to review the draft Financial Statements and Performance Statement, and resolve that Council approves the statements 'in principle' and authorises two Councillors and the Chief Executive Officer to sign the final statements on behalf of, and with the full authority of, the Council. The 'in principle' statements and the Council resolution are given to the external auditor;
 - b) The external auditor checks the 'in principle' statements. These statements, the Council resolution, and the external auditors recommended Audit Report will then be forwarded to the Auditor General for review;
 - c) The Auditor General reviews the statements and requests any changes where appropriate;
 - d) The Principal Accounting Officer, (Executive Manager Finance) then considers the Auditor General's requested changes and incorporates them into the 'in principle statements', where appropriate;
 - e) The Principal Accounting Officer will identify any matters of significance, including proposed qualification issues, not previously considered by the Council and formally draw Council's attention to them prior to the formal sign off of the statements by the two designated Councillors and the Chief Executive Officer;
 - f) If Council and the Auditor General are satisfied with the statements, the statements are to be signed by the delegated Councillors and the Chief Executive Officer and forwarded to the Auditor General;
 - g) The Auditor General's Audit Reports will be issued to the Council once the formally signed statements have been received and checked by the Auditor General; and
 - h) The organisation's 2017-2018 Annual Report, including the audited Financial Statements and Performance Statement, must be forwarded to the Minister by 30 September 2018.

Performance Statement

9. Council has produced a Performance Statement in accordance with the Local Government Performance Reporting Framework.
10. The Performance Statement reports the audited results for 2017-2018 for the prescribed indicators of service performance, financial performance and sustainable capacity.
11. The financial performance and sustainable capacity indicators include several of the indicators used by the Victorian Auditor-General to assess the financial sustainability of local government.

12. Officers' reports

OCM.123/18 Financial statements and performance statement for 2017 -2018

12. The overall assessment of Council's financial sustainability will be confirmed by the Auditor-General in the annual report on Victorian local government in late 2018, which will also confirm the indicators to be applied for 2017-2018.
13. In addition to the audited Performance Statement, the results for a range of other indicators are reported in the Report of Operations as part of the Annual Report.

Conclusion

14. It is recommended that Council give 'in principle' approval to the 2017-2018 Annual Financial Statements and Performance Statement and authorise two Councillors and the Chief Executive Officer to sign the statements in their final form after any changes recommended, or agreed to, by the auditor have been made.

12. Officers' reports

OCM.124/18 State Government Election Advocacy

Distribution: Public

Manager: Mark Stoermer, Chief Executive Officer

Author: Mitch Grayson, Chief of Staff to Mayor and Councillors

Summary

The Victorian State election will be held on 24 November 2018 which includes all seats for the Legislative Assembly and the Legislative Council. Nillumbik Shire Council will continue its advocacy for a broad range of infrastructure, service improvements and funding requirements to deliver better outcomes for the Shire's residents. These priorities include improvements to public transport and congestion reducing initiatives meaning parents will spend less times on the roads and more time with their families, upgrades to sporting pavilions to ensure disability access and female change facilities, many which are not currently available and access to and new and improved shared trail networks enabling residents safe and accessible access to keep fit, explore our region and enjoy our unique environment.

Recommendation

That Council endorses the content of the Nillumbik Shire Council 2018 State Election Advocacy Statement as shown in Attachment 1 prior to the design, layout and distribution of the final document to all political parties, before the State election.

Attachments

1. 2018 State Government Election Advocacy

Background

1. Council has received funding through a range of programs in the past. Council communicates regularly with local Members of Parliament and at a Federal level, two trips to Canberra have resulted in favourable outcomes with the Shire now able to access funding streams not previously available. Based on the election cycle, it is prudent to put together a coordinated advocacy plan ahead of the State Election.

Policy context

2. This report directly supports the achievement of Council Plan 2017-2021 strategy:
 - Advocate effectively for Nillumbik's interests at a state and national level.

Budget implications

3. Efforts around advocacy, including the development of this advocacy plan is resourced through Council's operating budget.

Consultation/communication

4. Some of the identified programs are a direct result of from the Council Plan. This plan was carried out in conjunction with Councillors at Council Briefings. All parties will be consulted following the adoption of this plan ahead of November's State Election.

12. Officers' reports

OCM.124/18 State Government Election Advocacy

Summary of Plan

5. The plan encapsulates a range of priorities including:
- Public transport upgrades
 - Initiates to reduce congestion on the Shire's roads
 - Public Open Space
 - Sporting pavilion upgrades
 - Social infrastructure

Conclusion

6. This Nillumbik Shire Council 2018 State Election Advocacy Statement gives the Council the opportunity to proactively and publically advocate for the priorities that matter within our Shire. This plan will be distributed to all political parties ahead of the November State Election. Council will use its communication resources and to publically advocate for the outlines priorities.

12. Officers' reports**OCM.125/18 Rodger Road Special Charge Scheme, Panton Hill**

Distribution: Public**Manager: Hjalmar Philipp, Director Sustainability and Place****Author: Patrick Wood, Coordinator Design****Summary**

At the Ordinary Council Meeting on 19 December 2017, Council resolved to declare a Special Charge Scheme to construct Rodger Road, Panton Hill.

The lowest price tendered to Council to construct Rodger Road was in excess the maximum amount that can be levied under the current declaration. Therefore, Council has repeated the statutory process of declaring the scheme, by giving notice of its intention to declare a special charge. Council's notice of its intention to declare a scheme was publicly advertised in the *Diamond Valley Leader* newspaper on 4 July 2018.

A letter and notice of the proposal was sent to all property owners with a liability under the scheme. Council has received five submissions and one objection to the scheme. These submissions were considered by the Future Nillumbik Committee on 14 August 2018 (FN.025/18).

This report recommends that Council formally declares the Rodger Road Special Charge Scheme.

Recommendation**That Council:**

1. Notes that five (5) submissions and one (1) objection were received for this scheme.
2. Having considered these submissions and objection, gives notice under section 163 (4) of the *Local Government Act 1989* (the Act) of the declaration of a special charge for the purpose of constructing Rodger Road, Panton Hill (between Bishops Road and Lawrence Road).
3. Incorporates the following outline of declaration:
 - a) The Special Charge Scheme shall apply to the properties in Rodger Road, Panton Hill as shown in **Attachment 1** (Properties included in the proposed scheme).
 - b) The apportionment cost to each property is based on the method shown in the report and **Attachment 2** (Guidelines for Apportionment of Costs for Road Construction).
 - c) The total estimated cost to each property is shown in **Attachment 3** (Apportionment to affected properties) and may be paid as a lump sum or by quarterly instalments over a 10 year period with interest as provided by section 163(1)(b) of the Act.
 - d) The interest rate applicable to instalments paid by each due date is to be one per cent higher than the rate applying to Council in relation to funds borrowed for this project.

12. Officers' reports

OCM.125/18 Rodger Road Special Charge Scheme, Panton Hill

- e) The Special Charge Scheme for Rodger Road shall remain in force for 10 years.
 - f) The estimated total project cost is \$506,344 with a benefit ratio of 0.8884' (88.84 percent). The total amount to be levied under this special charge is \$449,855.83. Council will be contributing \$56,488.17 for a Council property 105 Rodger Road known as Bunjil Reserve. This amount has been allocated within the 2018/19 Capital Works Program.
 - g) Within twelve months of the completion of works a final cost statement will be issued to all of the property owners in the Rodger Road Special Charge Scheme and any adjustments to liabilities will be made at that time.
4. That the submitters and objector be advised of Council's decision and the reason for the decision.

Attachments

- 1. Properties included in proposed scheme
- 2. Guidelines for Apportionment of Costs for Road Construction
- 3. Apportionment to affected properties

Background

- 1. On 24 March 2016, Council received a petition signed by property owners in Rodger Road, Panton Hill requesting that Council investigate road sealing between Bishops Road and Lawrence Road.
- 2. After conducting a survey and determining that 61.1 percent of property owners support road sealing, Council resolved on 13 September 2016 to proceed with the consultation process for the Rodger Road Special Charge Scheme, Panton Hill (Item OCM.152/16).
- 3. Following a consultation process carried out in line with Council's Special Rates and Charges Policy and Procedure, Council resolved on 19 December 2017 to declare the Special Charge Scheme (Item OCM.149/17).
- 4. The final estimated cost of the project, based on the rates tendered to Council has increased approximately 16 percent from the declared amount. This increase has been due to significant increases in material and labour costs, in conjunction with a high demand for civil construction contractors. In accordance with section 166 (3) of the Act, Council cannot vary the declared amount by more than 10 percent, without declaring the scheme again.
- 5. Council again resolved its intention to declare the Rodger Road Special Charge Scheme (to reflect the final estimated cost) on 26 June 2018 (Item OCM.095/18). Property owners were notified of the resolution via public notice in the *Diamond Valley Leader* newspaper on 4 July 2018. A letter and notice of the proposal was sent to all property owners with a liability to the scheme.

12. Officers' reports

OCM.125/18 Rodger Road Special Charge Scheme, Panton Hill

Policy context

6. This report directly supports the achievement of Council Plan 2017-2021 strategy:
- Ensure that the provision of community infrastructure responds to community needs..

Budget implications

7. Council has incorporated costs for administering and designing the scheme in the current services budget. The other scheme development costs incurred (including survey, title searches and planning costs) will be recovered if the scheme proceeds and the charge is levied.
8. Council will have a liability of \$56,488.17 for the Council property at 105 Rodger Road, known as Bunjil Reserve, that is included as part of the scheme. This cost has been allocated within the 2018-2019 Capital Works Program, if a scheme is to proceed.
9. Council has agreed to include an alternative alignment for a section of Nillumbik's regional trail network. Any works associated with this alternative alignment will need to be funded by Council.

Consultation/communication

10. Consultation was carried out in accordance with the Council's Special Rates and Charges Policy and Procedure. Information sessions for all residents and meetings with task group members, to finalise design details for the street, were held. All affected property owners have been advised of Council's intention to declare the scheme and their rights to make submissions or objections to this

Issues/options

11. Both the public notice and the letter sent to property owners of intention to declare a scheme outlined the rights of any person to make a submission under Section 223 or an objection under Section 163B of the the Act, in relation to this Special Charge Scheme. Submissions and objections were to be made in writing by 1 August 2018.
12. Correspondence representing five (5) submissions and one (1) objection was received by Council. A copy of the submissions and objections has been separately circulated to all Councillors. Issues raised in the submissions and objections are summarised below, including an officer's response:
- Strongly in favour of the proposed sealing of Rodger Road, Panton Hill (from three separate property owners):
Officer comment: Noted
 - The scheme should have been put to a second vote from the residents.
Officer comment: Throughout the consultation phase of the scheme, the overall preference of the Task Group has been to proceed with construction as soon as possible. Support for the scheme has also been reflected in submissions received.

12. Officers' reports

OCM.125/18 Rodger Road Special Charge Scheme, Pantan Hill

If property owners are not supportive of the scheme, they have an opportunity to object to the scheme. In accordance with the Act Council is unable to declare a special charge, if it receives objections from the majority of property included in the scheme.

- If Gathercole Lane can be removed from the scheme, the other property owners should also have this option.

Officer comment: Gathercole Lane was removed from the scheme because:

- It was not requested as part of the original petition; and
- It was not required to be included, under the policy.

The policy does not allow individual properties (that gain direct access to the road to be constructed) to be excluded from a scheme.

- Why does the scheme include the section of road between Bishop Road and Lawrence Road (as opposed to ending at Gathercole Lane or Alma Road)? Why wasn't Lawrence Road included?

Officer comment: The scheme extents of Bishop Road and Lawrence Road were selected, as all the property owners who signed the initial petition were between these two intersections.

- How does Council justify the interest rate applied to repayments? The 1 percent surcharge should not be required as billing is computerised.

Officer comment: The interest rate charged on repayments is equivalent to the rate charged to Council to borrow funds for the project. The 1 percent surcharge reflects the resources required to administer the payments over a 10 year period and is the maximum amount that can be charged, under the Act.

- How did Council arrive at the new figures liability figures?

Officer comment: The new estimated project cost is based on the rates submitted to Council during the recent tender, plus additional contingency.

- The proposed off road trail should be aligned on the north-east side of Rodger Road. If Council is intending for the off-road trail to cross the road at the halfway point, several factors will need to be considered.

Officer comment: In the report to Council on 19 December 2017, it was noted that *'officers are currently assessing the options for the realignment of the trail. A decision on the preferred alignment will then be made and then any necessary preparations carried out'*.

There planning application (for clearing and pruning of vegetation) for the shared trail is currently in progress. Council officers are evaluating its preferred alignment with respect to:

- achieving the required design outcomes;
- minimising environmental impact; and
- minimising cost.

12. Officers' reports

OCM.125/18 Rodger Road Special Charge Scheme, Panton Hill

Conclusion

13. Council has commenced its statutory obligations in relation to the Rodger Road Special Charge Scheme, particularly to afford any affected person the opportunity to have their objections or submissions heard by Council. Five submissions and one objection were received by Council.

12. Officers' reports**OCM.126/18 Worns Lane Special Charge Scheme, Yarrambat**

Distribution: Public**Manager: Hjalmar Philipp, Director Sustainability and Place****Author: Patrick Wood, Coordinator Design****Summary**

Following a tender process to construct Worns Lane under a Special Charge Scheme, the lowest tendered price has increased by more than 10 percent from the declared amount. In accordance with Section 166 (3) of *Local Government Act 1989* (the Act), Council cannot vary the declared amount by more than 10 percent, without declaring the scheme again. Council resolved on 26 June 2018 (Item OCM.095/18), to commence the statutory process for a Special Charge Scheme for Worns Lane, between Latrobe Road and Licola Street, Yarrambat.

Council's notice of its intention to declare a scheme was publicly advertised in the *Diamond Valley Leader* newspaper on 4 July 2018.

A letter and notice of the proposal was sent to all property owners with a liability under the scheme. Council has received no submissions or objections to the scheme.

This report recommends that Council formally declares the Worns Lane Special Charge Scheme.

Recommendation**That Council:**

1. Notes that no submissions or objections were received for this scheme.
2. Having considered no submissions or objections, gives notice under section 163 (4) of the Act of the declaration of a special charge for the purpose of constructing Worns Lane, Yarrambat (between Latrobe Road and Licola Street).
3. Incorporates the following outline of declaration:
 - a) The Special Charge Scheme shall apply to the properties in Worns Lane, as shown in Attachment 1 (Properties included in the proposed scheme).
 - b) The apportionment cost to each property is based on the method shown in the report and Attachment 2 (Guidelines for Apportionment of Costs for Road Construction).
 - c) The total estimated cost to each property is shown in Attachment 3 (Apportionment to affected properties) and may be paid as a lump sum or by quarterly instalments over a 10 year period with interest as provided by section 163(1)(b) of the Act.
 - d) The interest rate applicable to instalments paid by each due date is to be one per cent higher than the rate applying to Council in relation to funds borrowed for this project.
 - e) The Special Charge Scheme for Worns Lane shall remain in force for 10 years.

12. Officers' reports

OCM.126/18 Worns Lane Special Charge Scheme, Yarrambat

- f) The estimated total project cost is \$283,914 with a benefit ratio of 'one' (100 percent). The total amount to be levied under this special charge is \$283,914.

Attachments

1. Properties included in proposed scheme
2. Guidelines for Apportionment of Costs for Road Construction
3. Apportionment to affected properties

Background

1. On 19 Feb 2016, Council received a petition signed by property owners in Worns Lane, Yarrambat requesting that Council investigate road sealing between Latrobe Road and Licola Street.
2. After conducting a survey and determining that 63.6 per cent of property owners support road sealing, Council resolved on 26 July 2016 to proceed with the consultation process for the Worns Lane Special Charge Scheme, Yarrambat (Item OCM.122/16).
3. Following a consultation process carried out in line with Council's Special Rates and Charges Policy and Procedure, Council resolved on 19 December 2017 to declare the Special Charge Scheme (Item OCM.150/17).
4. The final estimated cost of the project, based on the rates tendered to Council has increased approximately 25 percent from the declared amount. This increase has been due to significant increases in material and labour costs, in conjunction with a high demand for civil construction contractors. In accordance with section 166 (3) of the Act, Council cannot vary the declared amount by more than 10 percent, without declaring the scheme again.
5. Council again resolved its intention to declare the Worns Lane Special Charge Scheme (to reflect the final estimated cost) on 26 June 2018 (Item OCM.096/18). Property owners were notified of the resolution via public notice in the *Diamond Valley Leader* newspaper on 4 July 2018. A letter and notice of the proposal was sent to all property owners with a liability to the scheme.

Policy context

6. This report directly supports the achievement of Council Plan 2017-2021 strategy:
 - Ensure that the provision of community infrastructure responds to community needs.

Budget implications

7. Council has incorporated costs for administering and designing the scheme in the current services budget. The other scheme development costs incurred (including survey, title searches and planning costs) will be recovered if the scheme proceeds and the charge is levied.

12. Officers' reports

OCM.126/18 Worns Lane Special Charge Scheme, Yarrambat

Consultation/communication

8. Consultation was carried out in accordance with the Council's Special Rates and Charges Policy and Procedure. Information sessions for all residents and meetings with task group members, to finalise design details for the street, were held. All affected property owners have been advised of Council's intention to declare the scheme and their rights to make submissions or objections to this.

Issues/options

9. Council resolved its intention to declare the Worns Lane Special Charge Scheme on 26 June 2018 (Item OCM.095/18). Property owners were notified of the resolution via public notice in the *Diamond Valley Leader* newspaper on 4 July 2018. A letter and notice of the proposal was sent to all property owners with a liability to the scheme.
10. Both the public notice and the letter sent to property owners of intention to declare a scheme outlined the rights of any person to make a submission under Section 223 or an objection under section 163B of the Act, in relation to this Special Charge Scheme. Submissions and objections were to be made in writing by 1 August 2018.
11. No submissions or objections were received by Council.

Conclusion

12. Council has commenced its statutory obligations in relation to the Worns Lane Special Charge Scheme, particularly to afford any affected person the opportunity to have their objections or submissions heard by Council. No submissions or objections were received by Council.

12. Officers' reports

OCM.127/18 Feasibility of Renewable Energy Generation within the Shire of Nillumbik

Distribution: Public

Manager: Hjalmar Philipp, Director Sustainability and Place

Author: Poul Tvermoes, Senior Project Manager
Ian Culbard, Sustainability Officer

Summary

Council officers have completed a preliminary review of the potential for renewable energy generation on Council land within the Shire, with particular interest in the Council owned former landfill sites at Plenty and Kangaroo Ground. The review supports progressing to a detailed feasibility study, which is proposed to be undertaken in the second half of 2018.

Recommendation

That Council:

1. Request officers to undertake a detailed feasibility study into the development of a solar energy generation facility, focussing on Council land within the Shire; and
2. Report on progress of the feasibility study to Council in December 2018.

Attachments

Nil

Background

1. Council adopted the *Climate Change Action Plan (2016 – 2021)* at its Policy and Service Committee meeting on 15 November 2015. That plan contains a vision for Council operations to be carbon neutral and a community that has a low reliance on fossil fuel and is actively engaged in reducing greenhouse gas emissions.
2. In recent months, Council has completed a preliminary review of the potential for large scale renewable energy generation within the Shire, with particular interest in the former landfill sites at Plenty and Kangaroo Ground. Both these landfills are now closed and being rehabilitated.
3. Officers engaged external specialists to:
 - a. Scope the potential for local renewable energy resources, grid constraints and land availability.
 - b. Advise on market and policy context, commercial model options, indicative economics and community engagement models.
4. Of the potential renewable energy sources, solar was identified as the most feasible option to progress in the immediate term.
5. The report indicated that there is enough capacity in the local distribution network to support the additional renewable supply associated with offsetting Council's current energy consumption.

12. Officers' reports

OCM.127/18 Feasibility of Renewable Energy Generation within the Shire of Nillumbik

6. There are a number of commercial models Council could implement to support deployment of large scale renewable energy, each with its own set of risks and rewards. The two models that appear to be the most viable at this stage are:
- **Build Own Operate** where Council finances and develops renewable energy assets in-house; and
 - **Power Purchase Agreement or Lease** where Council either leases an energy asset or agrees to buy its output, to underpin third party investment in local renewables.
7. While State and Federal policy, as well as future energy pricing and demand for grid supplied electricity will influence future investment decisions, current forecasts do not suggest detailed investigation should not be undertaken.

Policy context

8. This report directly supports the achievement of Council Plan 2017-2021 strategy:
- Review and communicate Council's climate change strategies Work with the local community to review and implement environmental policies to protect biodiversity and conserve natural resources.

Budget implications

9. The proposed feasibility work can be supported within FY2018-19 operational expenditure.

Issues/options

10. The next stage would require development of a detailed feasibility study to support a Council decision on whether to proceed with further phases.
11. The broad scope of the study would include, but not necessarily be limited to:
- a. Investigating the optimum scale of asset.
 - b. Commencing formal engagement with SP Ausnet to identify optimal points of grid connection.
 - c. Progressing detailed commercial feasibility, technical and planning assessments.
 - d. Determining a project development model via a market engagement process.
 - e. Establishing an appropriate a community engagement model.
 - f. Consideration of additional and complementary options such as energy storage.
12. The study would not preclude other renewable generation opportunities from being investigated or explored, nor does it replace other climate change mitigation and adaptation actions Council may implement.
13. Council officers would continue to engage with regional and other parties with a mutual interest in emissions reduction opportunities.
14. Council officers will consider a broader renewable energy supply plan for the Shire in parallel with any solar energy feasibility work.

12. Officers' reports

OCM.127/18 Feasibility of Renewable Energy Generation within the Shire of Nillumbik

Conclusion

15. Early scoping supports progressing to a detailed feasibility study into solar energy generation facility on the Council land within the Shire.

12. Officers' reports**OCM.128/18 Addendum to the supply, delivery and finance of one road sweeper unit****Distribution: Public****Manager: Hjalmar Philipp, Director Sustainability and Place****Author: Vladimir Mistic, Engineer****Previous Items: OCM.116/18 - Supply, delivery and finance of one road sweeper unit - Ordinary Meeting of Council - 31 Jul 2018****Addendum Summary**

This report follows a previous report presented and accepted at the 31 July 2018 Ordinary Council Meeting related to the supply, delivery and finance of a road street sweeper unit (OCM.116/18).

As the contract with the supplier (Bucher Municipal Pty Ltd) was being prepared, Council officers were made aware of a new safety component being offered as an optional extra.

The component is a *Reverse Smart* braking system and *Eco Smart* alarm. It is designed to stop the vehicle from reversing when a person walks behind it at close range. It is a new technology developed after an employee working on a VicRoads project was tragically killed when reversed over by a street sweeper.

Council officers were not aware of this safety system being available at the time of the tender preparation. It was not available on any of the other sweeper tenders received, nor was it an option that had been previously fitted to any Council owned vehicle. In a review of the changes offered it was considered prudent to include this item as an additional safety feature.

In consultation with the manufacturer it was found that the Reverse Smart Braking system is not a bolt on like a set of reverse sensors but had to be incorporated into the truck build. This adds \$6,506 to the already approved capital cost.

Given this safety feature will benefit the community through reduced risk, officers recommend its inclusion.

Pursuant to the Instrument of Delegation to the Chief Executive Officer the total contract value exceeds the specific financial limits and a council resolution is therefore required to award the contract.

Recommendation**That Council:**

1. Approves the purchase of a Reverse Smart Braking system and Eco Smart Alarm at a cost of \$6,506 in addition to the tender accepted from BUCHER Municipal Pty Ltd at the OCM.116/18 on 31 July 2018.
2. Authorises acceptance of the finance option including a variance of up to 10 percent of original stated financing costs, due to shift in finance rates at time of contract acceptance.
3. Authorises the Director, Sustainability and Place to finalise and execute the contract documentation and finance option.

12. Officers' reports

OCM.128/18 Addendum to the supply, delivery and finance of one road sweeper unit

Attachments

Nil

12. Officers' reports

OCM.129/18 Assemblies of Councillors

Distribution: Public

Manager: Katia Croce, Governance Lead

Author: Emma Christensen, Governance Officer

Summary

In accordance with section 80A(2) of the *Local Government Act 1989* Council is required to report as soon as practicable to an Ordinary meeting of Council a record of any assemblies of Councillors held.

This report lists assemblies of Councillors forms that have been submitted since the matter was last reported to Council on 26 June 2018.

An Assembly of Councillors record was kept for:

- Councillor Briefing Session – Tuesday 31 July 2018
- CEO Employment Matters Committee – Thursday 2 August 2018
- Panton Hill Bushland Reserves Advisory Committee – Thursday 2 August 2018
- Councillor Briefing Session – Tuesday 7 August 2018
- CEO Employment Matters Committee – Thursday 9 August 2018
- Arts Advisory Committee – Monday 13 August 2018
- Councillor Briefing Session – Tuesday 14 August 2018

Recommendation

That Council, in accordance with section 80A(2) of the *Local Government Act 1989*, receives the records of the Assemblies of Councillors held on 31 July 2018, 2 August 2018, 7 August 2018, 9 August 2018, 13 August 2018 and 14 August 2018 (**Attachment 1**).

Attachments

1. Assemblies of Councillors - August 2018

Background

1. The *Local Government Act 1989* (the Act) requires records of assemblies of Councillors be reported to an Ordinary Meeting of Council and recorded in the minutes of that meeting.

Policy context

2. This report directly supports the achievement of Council Plan 2017-2021 strategy:
 - Ensure that Council meets its legal responsibilities and manages its risks.

Budget implications

3. This is a routine reporting item, the resources for which are contained in Council's current operating budget.

12. Officers' reports

OCM.129/18 Assemblies of Councillors

Consultation/communication

4. None required.

Issues/options

5. An assembly of Councillors is defined in section 76AA of the Act. It is a meeting at which matters are considered that are intended or likely to be the subject of a Council decision or the exercise of delegated authority and which is either of the following:
- A planned or scheduled meeting that includes at least half the Councillors and at least one Council Officer. These assemblies do not include meetings of Councillors and Council staff that are not planned or scheduled.
 - A meeting of an advisory committee where at least one Councillor is present. An advisory committee is any committee established by the Council, other than a special committee, that provides advice to the Council or to a special committee or to a member of Council staff who has been delegated a power or duty or function of the Council.
6. A record must be kept of an assembly of Councillors and include the names of all Councillors and Council staff attending, the matters considered, disclosures of conflict of interest and whether a Councillor left the meeting after making a disclosure.
7. In accordance with section 80A(2) of the Act, Council is required to report as soon as practicable to an Ordinary Meeting of Council a record of any assemblies of Councillors held.
8. The recommendation contains the list of assemblies of Councillor forms that have been submitted since the matter was last reported to Council on 31 July 2018.

Conclusion

9. It is recommended that Council receives the records of recent assemblies of Councillors as contained in this report, fulfilling section 80A(2) of the *Local Government Act 1989*.

12. Officers' reports

OCM.130/18 Risk and Insurance Report June Quarter 2018

Distribution: Public

Manager: Jeremy Livingston, Executive Manager Organisational Performance

Author: Craig Commane, Risk Advisor

Summary

This report provides a summary of Council's Risk and Insurance Report for the quarter ending June 2018.

The report is presented in accordance with the Local Government Performance Reporting Framework (LGPRF) that commenced on 1 July 2014. This reporting framework requires the presentation of a report to Council at least every six months, detailing the strategic risks, operational risks, the consequences and likelihood of occurrence, and risk mitigation strategies.

Risk and insurance reporting to Council will be tabled each quarter following consideration by the Audit Committee.

The confidential report as designated by the CEOA separate report in this agenda provides detailed information for Council consideration. It is recommended that this detailed report remain confidential as it includes information which may prejudice the Council or another person.

Recommendation

That Council notes the report.

Attachments

Nil

Background

1. Council's commitment to risk management is outlined in the Risk Management Policy adopted by Council in December 2014, with the following objectives:
 - Promote and support a consistent corporate approach to risk management.
 - Ensure that all risks that could affect the achievement of our Council's goals, strategies and actions are identified, assessed and treated to a commercially and politically acceptable level of risk.
 - To manage risks to an acceptance level in the low/medium risk range as far as practicable.
 - Integrate risk management into decision making processes and embed risk into the organisation culture to help make informed choices to ensure resources and operational capabilities are identified and deployed responsibly and effectively for the benefit of Council and our stakeholders.
 - To ensure that risk management is seen as the responsibility of all staff, i.e. 'Risk Management is everyone's business.'
 - Provide a basis for higher standards of accountability.

12. Officers' reports

OCM.130/18 Risk and Insurance Report June Quarter 2018

2. In addition to the Risk Management Policy, Council's Risk Management Framework 2018 communicates and describes the risk management structure and procedures that are used to identify, analyse, evaluate, treat, monitor and communicate key risks, including management reporting.
3. The context of the Risk Management Policy and Framework takes into account that local government presents a distinct risk character and profile that needs to be taken into account when considering risk management. Many assets and services are available 24 hours a day seven days a week in an unsupervised way, some are managed or provided by volunteers or committees of management or are managed by contractors, others are regulated by compliance legislation.
4. Prior to the introduction of the Local Government Performance Reporting Framework (LGPRF), risk reporting was referred to Councils' Audit Committee and the information included for consideration by Council through the adoption of the Audit Committee's minutes.
5. Commencing 1 July 2014, the State Government introduced the LGPRF. This framework requires the presentation of risk reporting processes to Council at least every six months on strategic risks to Council operations.
6. The Risk and Insurance report is a result of consolidation of these management reports, which broadly reports on:
 - Risk management;
 - Insurance premiums;
 - Claims and Incident management;
 - Safety, health and wellbeing; and
 - Statistical reports relating to strategic risks and accident and injury data.

Policy context

7. This report directly supports the achievement of Council Plan 2017-2021 strategy:
 - Ensure that Council meets its legal responsibilities and manages its risks..

Budget implications

8. The costs for managing and reporting are covered by Council's operating budget.

Consultation/communication

9. The Risk and Insurance Report was considered by the Audit Committee on 13 August 2018.

Issues/options

10. The Risk and Insurance report has been prepared in accordance with Council's Risk Management Policy and Framework and is consistent with the Australian Standard AS/NZS 31000:2009 Risk Management.
11. A review of Council's strategic and operational risks commenced during the December 2017 quarter, and the following strategic risks were identified:

12. Officers' reports

OCM.130/18 Risk and Insurance Report June Quarter 2018

- Community / customer expectations are not identified or managed and are not integrated into Council strategies;
 - Changes to regulations, legislation, Government policy and or priorities that impacts Council's strategic objectives;
 - New Government projects impact on Council operations and/or strategic direction;
 - Changes in demographics across the municipal area impacting service delivery and customer expectations;
 - Increased number and/or severity of disaster events;
 - Long term progressive and sustained changes to environmental conditions;
 - Impact of crime on Council / community;
 - Technology advances more rapidly than Council is able to adapt;
 - Unanticipated internal or external influences on Council's strategic priorities;
 - Lack of diversity in the rate base;
 - Council does not deliver on major projects, eroding reputation and influences potential future funding opportunities; and
 - Emerging issues are not identified and are not managed.
12. Operational risks are currently being risk assessed and internally consulted before integration into Council systems which is scheduled for later in the 2018-2019 year.
13. A strategic risk is a risk external to Council that is serious enough that a change in strategic direction is required. An operational risk is a risk that is external or internal that may impact the current business strategy to provide services to the community.
14. Council's insurances were placed for 2018 2019 financial year:
- A public tender was conducted for property and motor vehicle insurance;
 - MAV insurance was re-appointed as Council's public liability and professional indemnity insurer; these two policies were last market tested in 2016 2017; and
 - Council's Broker placed insurance policies including for contracts liability, community liability reinsurance pack (hall hire and stall holders), personal accident, councillor and officers liability, corporate travel, cyber liability and commercial crime. These policies were last market tested in 2017 2018.
15. Highlights from the June 2018 Risk and Insurance report are:
- Review of the Risk Management Policy and Risk Framework has been completed.
 - Council risk status reporting – 97 per cent of all risk control actions have been completed and three per cent are on target to be completed in accordance with their timelines.

12. Officers' reports

OCM.130/18 Risk and Insurance Report June Quarter 2018

- The following table summarises recorded incidents by type for matters involving Council. It should be noted that this table shows all reported incidents, rather than all claims, as not every incident results in a claim being made.

Incidents by type (excluding OHS incidents)	Jul - Sept 2017	Oct - Dec 2017	Jan - Mar 2018	Apr - June 2018	Total year to June 2018	Total prior year to June 2017	Year to year trend
Property	6	14	4	9	33	34	▼
Motor vehicle	32	33	24	34	123	118	▲
Professional Indemnity	0	1	0	2	3	1	▲
Public Liability	24	39	35	24	122	141	▼
Total all incidents	62	87	63	69	281	294	▼

- A high proportion of reported incidents during the June 2018 quarter are generated within the normal course of operations of the Directorate, Sustainability and Place, 77 per cent. These incidents relate to major classes of asset or maintenance type incidents for trees, footpaths, roads, drainage, major plant and Council buildings.
- Tree related risks are mitigated through the:
 - Tree Management Policy;
 - Reactive tree maintenance program;
 - Proactive electric powerline clearance program;
 - Proactive inspections of high risk trees;
 - Meeting the objectives of the Municipal Emergency Management Plan and Municipal Fire Management Plan;
- Road, footpath, drainage and roadside related risks are mitigated through the:
 - Road Management Plan;
 - Road Asset Management Plans; and
 - Proactive and reactive maintenance programs.

12. Officers' reports

OCM.130/18 Risk and Insurance Report June Quarter 2018

- Property incidents typically are reported break-ins, vandalism and accidental damage to Council buildings or fixed equipment such as in playgrounds. Risks are mitigated through maintenance programs and insurance.
 - The Peter Avola Memorial Pavilion was broken into during the June 2018 quarter, an insurance claim was lodged with Council's property insurer for a power inverter and batteries stolen, valued at \$56k.
 - The Eltham North Adventure Playground loss was settled with the insurer during the June quarter.
- Motor vehicle incidents include accidental damage involving Council's light and heavy fleet, including incidents caused by third parties. Risks are mitigated through maintenance, education and insurance.
- Professional indemnity relates to claims for alleged negligence or breach of duty arising from an act, error or omission in the performance of Council services.
- Public liability incidents are reported to Council where the third party is seeking compensation for personal injury, property damage and economic loss. These claims are managed by an external claims manager or Council's insurer. Typical incidents primarily relate to vehicle road damage, property damage, tree related or trip and fall incidents.
 - Six trip and fall incidents were reported at various locations through the Shire. Three incidents related to other utility providers infrastructure and under the Road Management Act 2004, Council does not have a duty to inspect non Council infrastructure, however, reports that Council receive are referred to the utility provider i.e. Telstra.
 - Six incidents related to vehicle damage, primarily these are tyre or body work damage caused by the road surface or road related infrastructure. Note that the Road Management Act threshold is currently \$1400.
 - Two flood / water damage incidents were noted related to prior periods. All incidents relate to issues where the volume of water exceeded the capacity or capability of Council's drainage system to cope and overflowed onto private property.
 - 10 miscellaneous incidents were noted, including accidental damage to a private water pipe whilst road grading and accidental damage to a residential fence whilst mowing; repairs were undertaken and are now complete.
- The annual trend data for year ending June 2018 was consistent with the same period ending June 2017. It is not unusual for the number of incidents to vary from period to period.
- Annual under excess claims reporting:
 - There were 66 under excess public liability claims received in 2018 2019 financial year totalling \$160,460. This compares unfavourably with the past four year average of 59 under excess claims totalling an average of \$115,515.

12. Officers' reports

OCM.130/18 Risk and Insurance Report June Quarter 2018

- Of the 66 under excess public liability claims received in 2018 2019, 23 (35%) were settled. It is important to note that as these claims are funded directly from ratepayer's monies and Council will only make payment where there is a clear legal liability or Council has been negligent. These claims are managed by an external contractor.
 - The service standard for claims turnaround is 60 days and for 2018 2019 the contractor met or bettered the service standard in 73% of claims which was down from the four year average of 84%. The timing of claim resolution outside the service standard can vary depending on the complexity of the issue, appeals or seeking further or technical or legal advice.
16. Incident costs including under excess claim costs and insurance excesses are managed within existing budgets.

Conclusion

17. This summary, along with the confidential Risk and Insurance Report June 2018, have been provided to meet the requirements of the Local Government Performance Reporting Framework (LGPRF) and consolidation of management reporting.
18. Ongoing reporting to Council will be presented quarterly following each meeting of the Audit Committee.

12. Officers' reports

OCM.131/18 Sportground Maintenance Contract

Distribution: Public

Manager: Hjalmar Philipp, Director Sustainability and Place

Author: Lisa Pittle, Manager Environment

Joseph Emmanuel, Coordinator Road and Drain Maintenance

Summary

This report is an overview of a separate confidential report recommending the awarding of the contract for a single provider for a range of sports ground maintenance services and works and to provide efficiencies in administration process associated with maintaining sports grounds.

Sports grounds are currently managed through a number of service providers with annual contract arrangements. A range of sports ground maintenance services have been packaged and publicly tendered.

The awarding of this tender will support Council in maintaining sports grounds year round to provide a safe and reasonable playing surface for community use.

The contract period is for an initial period of three (3) years with further options of two additional twelve (12) month terms.

Pursuant to the Instrument of Delegation to the Chief Executive Officer the anticipated value of this contract exceeds the financial limits and a Council resolution is required to accept the recommendation to use this contract.

The confidential report associated with this contract contains a recommendation to make public the decision regarding this contract but the tender remain confidential.

Recommendation

That Council notes the report.

Attachments

Nil

12. Officers' reports

OCM.132/18 Tender Report - Falkiner Street Area - Construction of Traffic Management Treatments

File: 1718-109

Distribution: Public

Manager: Hjalmar Philipp, Director Sustainability and Place

Author: Steven Blight, Coordinator Construction

Summary

This report is an overview of a separate confidential report recommending the awarding of the contract for the construction of local area traffic management treatments in Falkiner and Ely Streets in Eltham.

The works will involve the construction of central splitter islands, road humps, kerb and channel and other associated works.

The Tender Evaluation panel has assessed all submissions and this report outlines their evaluation in recommending the awarding of the contract for the construction of local area traffic management treatments in Falkiner and Ely Streets in Eltham.

Pursuant to the Instrument of Delegation to the Chief Executive Officer the value of this contract exceeds the specified financial limits and a Council resolution is therefore required to award the contract.

The confidential report associated with this contract contains a recommendation to make public the decision regarding this contract but the tender evaluation remain confidential

Recommendation

That Council notes the report.

Attachments

Nil

12. Officers' reports

OCM.133/18 Amenity and Fire Prevention Mowing Contracts

Distribution: Public

Manager: Hjalmar Philipp, Director Sustainability and Place

Author: Joseph Emmanuel, Coordinator Road and Drain Maintenance

Lance Clark, Senior Procurement Specialist

Lisa Pittle, Manager Environment

Norm Golgerth, Emergency Management Coordinator

Summary

This report is an overview of a separate confidential report recommending the awarding of a panel of providers for seasonal mowing services replacing a previous panel contract which has expired.

The awarding of this tender will support Council (i) to maintain and improve community satisfaction with open spaces (ii) reduce rural roadside hazard due to vegetation and (iii) manage fuel loads to reduce risk of bushfire and bushfire hazards. The contract term is for an initial period of three (3) years with further options of two additional twelve (12) month terms.

Pursuant to the Instrument of Delegation to the Chief Executive Officer the anticipated value of this contract exceeds the financial limits and a Council resolution is required to accept the recommendation to use this contract.

The confidential report associated with this contract contains a recommendation to make public the decision regarding this contract but the tender evaluation remains confidential.

Recommendation

That Council notes the report.

Attachments

Nil

12. Officers' reports

OCM.134/18 Tender Report - Civic Drive Playground and Landscaping Works

File: 1819-002

Distribution: Public

Manager: Hjalmar Philipp, Director Sustainability and Place

Author: Steven Blight, Coordinator Construction

Summary

This report is an overview of a separate confidential report recommending the awarding of the contract for the Civic Drive Playground and Landscaping Works.

The works will involve the construction of new playground and active space in the existing open grassed area in front of the outdoor performance facility, located between the Council offices and Diamond Valley Sports Centre in Civic Drive, Greensborough.

Works will include bulk earthworks, underground drainage, and extensive landscaping including paths, stairs, retaining walls, trees, garden beds, grassed areas. Various play elements and park furniture will also be installed.

The Tender Evaluation panel has assessed all submissions and this report outlines their evaluation in recommending the awarding of the contract for the Civic Drive Playground and Landscaping Works.

Pursuant to the Instrument of Delegation to the Chief Executive Officer the value of this contract exceeds the specified financial limits and a Council resolution is therefore required to award the contract/s.

The confidential report associated with this contract contains a recommendation to make public the decision regarding this contract but the tender evaluation remain confidential.

Recommendation

That Council notes the report.

Attachments

Nil

12. Officers' reports

OCM.135/18 Tender Report - 1819-1 Marngrook Oval Pavilion Development

File: 1819-1

Distribution: Public

Manager: Hjalmar Philipp, Director Sustainability and Place

Author: Steven Blight, Coordinator Construction

Summary

This report is an overview of a separate confidential report recommending the awarding of the contract for the Marngrook Oval Pavilion Development.

The works will involve the construction of a new fit for purpose modern sporting pavilion to accommodate all oval tenants and other community groups based in the Diamond Creek Reserve.

The new pavilion will provide accessible player change rooms and umpire facilities, a kiosk, first aid room and other associated amenities to encourage growing participation.

The new pavilion will be located above the rock retaining wall at the eastern end of the oval, between the childcare centre and the Diamond Creek Leisure Centre.

The Tender Evaluation panel has assessed all submissions and this report outlines their evaluation in recommending the awarding of the contract for the Marngrook Oval Pavilion Development.

Pursuant to the Instrument of Delegation to the Chief Executive Officer the value of this contract exceeds the specified financial limits and a Council resolution is therefore required to award the contract.

The confidential report associated with this contract contains a recommendation to make public the decision regarding this contract but the tender evaluation remains confidential.

Recommendation

That Council notes the report.

Attachments

Nil

13. Notices of Motion

14. Delegates' Reports

15. Supplementary and urgent business

16. Confidential reports

The Chief Executive Officer, pursuant to section 77(2)(c) of the *Local Government Act 1989* (the Act), has designated the following items to be confidential:

OCM.136/18 Risk and Insurance Report June Quarter 2018

This item is designated confidential because it is any other matter which the Council or special committee considers would prejudice the Council or any person pursuant to section 89(2)(h) of the Act.

OCM.137/18 Sportground Maintenance Contract

This item is designated confidential because it is a contractual matter pursuant to section 89(2)(d) of the Act.

OCM.138/18 Tender Report - Falkiner Street Area - Construction of Traffic Management Treatments

This item is designated confidential because it is a contractual matter pursuant to section 89(2)(d) of the Act.

OCM.139/18 Amenity and Fire Prevention Mowing Contracts

This item is designated confidential because it is a contractual matter pursuant to section 89(2)(d) of the Act.

OCM.140/18 Tender Report – Civic Drive Playground and Landscaping Works

This item is designated confidential because it is a contractual matter pursuant to section 89(2)(d) of the Act.

OCM.141/18 Tender Report - 1819-1 Marngrook Oval Pavilion Development

This item is designated confidential because it is a contractual matter pursuant to section 89(2)(d) of the Act.

OCM.142/18 Personnel Matters

This item is designated confidential because it is a personnel matter pursuant to section 89(2)(a) of the Act.

The Meeting may be closed to members of the public to consider confidential matters.

Recommendation

That in accordance with section 89(2) of the *Local Government Act 1989*, Council resolves to close the meeting to members of the public to consider the items designated confidential by the Chief Executive Officer.