

Council Meeting Agenda

Tuesday 9 April 2024
Commencing at 7.00 PM

Council Chamber
Hobsons Bay Civic Centre
115 Civic Parade, Altona

**HOBSONS
BAY CITY
COUNCIL**



OUR MISSION

We will listen, engage and work with our community to plan, deliver and advocate for Hobsons Bay to secure a happy, healthy, fair and sustainable future for all.

OUR VALUES

Respectful

Community driven and focused

Trusted and reliable

Efficient and responsible

Bold and innovative

Accountable and transparent

Recognised

Council acknowledges the Bunurong People of the Kulin Nation as the Traditional Owners of these municipal lands and waterways, and pay our respects to Elders past and present.

Chairperson:

Cr Matt Tyler (Mayor)

Wetlands Ward

Councillors:

Cr Pamela Sutton-Legaud (Deputy Mayor)

Strand Ward

Cr Antoinette Briffa JP

Cherry Lake Ward

Cr Diana Grima

Wetlands Ward

Cr Peter Hemphill

Strand Ward

Cr Daria Kellander

Cherry Lake Ward

Cr Jonathon Marsden

Strand Ward

Aaron van Egmond
Chief Executive Officer
Hobsons Bay City Council

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1 Council Welcome and Acknowledgement

The Chairperson will welcome members of the gallery and acknowledge that Council is gathered on the traditional land of the Bunurong People of the Kulin Nation and offers its respect to elders past, present and emerging.

2 Apologies

The Chairperson will call for apologies received from Councillors who are unable to attend this meeting.

3 Disclosure of Interest

In accordance with sections 127 and 128 of the *Local Government Act 2020* Councillors and staff are required to disclose a general or material conflict of interest. A conflict of interest must be disclosed in accordance with rule 15.3 of the Hobsons Bay Governance Rules.

Disclosure must occur immediately before the matter is considered or discussed.

4 Confirmation of Minutes

4.1 Confirmation of Minutes

Confirmation of the minutes of the Council Meeting of Hobsons Bay City Council held on 12 March 2024 (copy previously circulated).

5 Councillor Questions

6 Public Question Time

Public Question Time provides an opportunity for the public to ask questions related to items on the agenda of the Council Meeting or any other matter within Council's responsibility.

Questions must be put in writing and received by 12pm on the day before the Council Meeting. The submitted questions and Council's responses will be read out by the Chairperson during the meeting.

In accordance with rule 13.1.11 of the Hobsons Bay Governance Rules, the person who submitted the question must be present in the public gallery during Public Question Time for their question to be read out.

7 Petitions and Joint Letters

7.1 Petitions and Joint Letters Received

No petitions or joint letters had been received at the time of printing the agenda.

8 Business

8.1 Office of the Chief Executive

8.1.1 Chief Executive Officer's Report on Operations - March 2024

Directorate:	Office of the Chief Executive
Responsible Officer:	Executive Assistant to the Chief Executive Officer
Reviewer:	Chief Executive Officer
Attachments:	1. CEO Report on Operations - March 2024 [8.1.1.1 - 52 pages]

Purpose

To present the Chief Executive Officer's (CEO's) Report on Operations for March 2024.

Recommendation

That Council receives and notes the Chief Executive Officer's Report on Operations, including details of recent issues and initiatives undertaken by the organisation.

Summary

The attached CEO's Report on Operations provides Councillors and community with a regular update from the CEO on key initiatives, projects and performance.

Discussion

The purpose of this report is to inform Council and the community of recent issues, initiatives and projects undertaken across Council. The report is provided on a monthly basis.

In accordance with rule 10.7.1 of the Hobsons Bay Governance Rules, Council maintains records of meetings attended by Councillors in the CEO's Report on Operations to ensure transparency and equity of information. A summary of meetings for the period between 1 March 2024 and 31 March 2024 is provided in this month's report.

Strategic Alignment

Council provides a wide range of services to the community of Hobsons Bay as well as developing and delivering actions to ensure community assets are maintained and service the needs of the community. Each month this report highlights these activities, initiatives and projects and provides a high-level performance summary.

This report specifically addresses priorities from the following strategic documents:

Hobsons Bay 2030 Community Vision

Priority 2: Community wellbeing and inter-connection

Council Plan 2021-25

Objective 5: A High Performing Organisation

Strategy 5.4: Enhance transparency, accountability and good governance practice

Declaration of Conflict of Interest

Section 130 of the *Local Government Act 2020* requires members of Council staff and persons engaged under contract to provide advice to Council, to disclose any direct or indirect interest in a matter to which the advice relates.

Council officers involved in the preparation of this report have no conflict of interest in this matter.

8.2 Corporate Services

8.2.1 Endorsement of the Proposed Annual Budget 2024-25

Directorate:	Corporate Services
Responsible Officer:	Chief Financial Officer
Reviewer:	Director Corporate Services
Attachments:	1. Proposed Annual Budget 2024-25 [8.2.1.1 - 141 pages]

Purpose

To present to Council the attached Proposed Annual Budget 2024-25 in accordance with section 94 of the *Local Government Act 2020*.

Recommendation

That Council:

1. Approves the Proposed Annual Budget 2024-25 to be placed on public exhibition for a period of four weeks until 12 May 2024 for the purpose of public consultation and comment.
2. Authorises the Chief Executive Officer to:
 - a. Give public notice of the preparation of the Proposed Annual Budget 2024-25.
 - b. Make available for public inspection the information required by regulations 7 and 8 of the Local Government (Planning and Reporting) Regulations 2020.

Summary

The Proposed Annual Budget 2024-25 is based on an operational surplus of \$12.959 million for the year, although this does not include Council's significant investment in capital expenditure of \$54.191 million for 2024-25.

Operating surpluses are required to ensure that Council remains financially viable to fund current and future commitments, including the Ten Year Capital Works Program.

Council proposes to increase its general rates by 2.75 per cent in accordance with the Victorian Government rate cap legislation. This year's rates will be based on new 2024 valuations, meaning rate increases will vary across the differential rating categories and individual properties.

Council will continue its advocacy work towards other levels of government to identify future funding opportunities that will help to deliver an ongoing high standard of services and infrastructure. Council is actively advocating for projects that will bring economic, environmental, and social benefits to the city of Hobsons Bay.

This includes the ongoing advocacy to the state and federal governments to financially support the construction of the Western Aquatic and Early Years Centre and the Hobsons Bay Wetlands Centre projects. Working with other levels of government, Council is committed to delivering these projects and it is anticipated that applications for grant funding will become available in the near future.

Accompanying any funding application for these projects will be a requirement that Council provides a letter of commitment relating to its funding contributions to the projects. It is intended that Council's financial contributions to these projects will be derived through additional borrowings which will be significantly over the amounts currently included in the Proposed Annual Budget 2024-25. Funding for the repayment of loan borrowings required for these advocacy projects will be achieved through operational efficiency savings being put aside in the Consolidate Infrastructure Reserve, as well as significantly restructuring of the Ten Year Capital Works Program over the short to medium term.

Despite not being included in the current Ten-Year Capital Works Program, the budget includes a \$946,000 transfer in 2024-25 to the Infrastructure reserve to fund these important advocacy projects. The long-term Financial Plan includes transfers each year to this reserve to fund these projects in the future.

Background

The annual budget process commenced in late 2023 when Council undertook its 2024-25 pre-budget consultation, providing an opportunity for community members to submit their ideas.

There have been nine budget briefings in relation to developing the Proposed Annual Budget 2024-25. These briefings were used to develop and bring together all the elements that have influenced the budget's development, including:

- Capital Works Program
- Financial Plan outlook
- fees and charges
- Valuation and Rating Discussion Paper, including rate modelling
- community consultation process
- operational budget

The Victorian Government has implemented an inflation-based rate cap, the Fair Go Rates System, which has been overseen by the Essential Services Commission since 2016-17. The rate cap for 2024-25 is 2.75 per cent, compared to the 3.5 per cent cap in 2023-24.

The rate cap is less than the All-Groups CPI of 4.1 per cent over the 12 months up to and including the December 2023 quarter. Inflation has reduced Council's real level of income from rates when compared to the increases in costs that have occurred. This has created significant pressure on Council's ability to deliver services and infrastructure projects. This is a challenge that has been carefully considered in forming the budget in 2024-25 and the rate increase in line with the cap.

Discussion

In preparing the proposed budget, effort has been taken to maintain service levels as much as possible. Council's operational budget reflects delivery of a significant number of services and has been constructed to ensure continuity of services, noting that some adjustments to internal resourcing have been made to meet organisational needs and ensure that the organisation can continue to respond to community expectations.

The 2024-25 operational budget surplus of \$12.959 million may seem like a strong result but it should be noted that surpluses are used towards funding the Capital Works Program. New loan borrowings of \$7 million are also required. Despite these borrowings there is still a shortfall in the funding available for the Ten Year Capital Works Program. The program has therefore been reduced in line with current financial limitations. Council is working to reduce this funding gap, but some projects in future years remain unfunded.

Council has a strong history of being financially sustainable and managing service delivery within its means. As revenue constraints outside of Council's control are applied and the level of organisational maturity increases in asset management, a higher degree of work is required on service planning. This work should ensure that Council remains in a reasonable financial position throughout the duration of the Financial Plan and delivers the most relevant mix of services to support the Hobsons Bay community.

The average rateable property's capital improved value (CIV) in Hobsons Bay has increased by 0.63 per cent in the past 12 months. Property valuation changes have varied considerably between individual properties and across the differential rating categories as follows:

- residential ▲ 1.14 per cent increase
- residential vacant land ▲ 0.96 per cent increase
- commercial ▼ 0.87 per cent decrease
- industrial ▼ 3.38 per cent decrease
- petrochemical ▲ 13.51 per cent increase
- cultural and recreational ▼ 1.26 per cent decrease

There is a common misconception that as properties are revalued, Council receives a "windfall gain" of additional revenue. This is not the case, as the revaluation process results in a redistribution of the rate burden across all properties in the municipality. Total income from rates (excluding waste service charges) is determined by the rate cap. Due to the increase in property values, Council's rate in the dollars have all been reduced by 3.76 per cent.

The average general rate increase is 2.75 per cent, consistent with rate cap, but the valuations changes above and minor changes to Council's differential rating structure, means that average rate increases vary for each rating category as follows:

- residential ▲ 2.97 per cent increase
- residential vacant land ▲ 9.22 per cent increase
- commercial ▲ 3.12 per cent increase
- industrial ▲ 1.27 per cent increase
- petrochemical ▲ 15.57 per cent increase
- cultural and recreational ▲ 0.53 per cent increase

The rate notice will include service charges for the collection, disposal and processing of garbage, recycling, glass, garden and food waste and hard waste. Waste charges are not subject to the rate cap and will increase by 7.5 per cent in 2024-25. The increased income is less than the cost of providing the service in 2024-25 as a result of Council's considerable investment to introduce a four-bin system in 2019-20. It is anticipated that the waste management reserve will be in deficit of approximately \$5.665 million by 30 June 2025. Council has decided to progressively recover this investment over future years.

Rate notices will also include the fire services property levy that Council collects on behalf of the Victorian Government. This levy is not regarded as Council income and is not included within the figures outlined in the Proposed Annual Budget 2024-25.

Should further financial assistance be required, it can be provided through Council's Financial Hardship Policy. Council has included \$100,000 in the budget to provide this assistance.

Strategic Alignment

This report specifically addresses priorities from the following strategic documents:

Hobsons Bay 2030 Community Vision

This report relates to all priorities within the Hobsons Bay 2030 Community Vision.

Council Plan 2021-25

Objective 5: A High Performing Organisation

Strategy 5.3: Deliver value for money – continuous improvement while safeguarding the long-term financial sustainability of Council

Policies and Related Council Documents

The Proposed Annual Budget 2024-25 is directly aligned to Council's Financial Plan 2021-22 to 2030-31, Revenue and Rating Plan 2021-22 to 2024-25, Hobsons Bay Asset Plan 2022-32 and the Ten Year Capital Works Program.

Legal/Statutory Obligations and Risk

Council must prepare and adopt a budget for each financial year and the subsequent three financial years by 30 June each year in accordance with section 94 of the *Local Government Act 2020*. The annual budget must be in the format outlined in the model prescribed by the Local Government (Planning and Reporting) Regulations 2020.

The Proposed Annual Budget 2024-25 has been developed in accordance with Council's community engagement policy, as required by section 96 of the *Local Government Act 2020*. Council's Community Engagement Policy 2023 stipulates that Council will engage with the community and for feedback and participation during the planning and development stages of the Annual Budget.

Financial and Resource Implications

The proposed budget predicts an operational surplus of \$12.959 million in 2024-25. The result is based on revenue of \$170.022 million and expenses of \$157.063 million.

Council is proposing to collect \$136.176 million in rates and charges during 2024-25. This is the most important source of income for Council and is expected to account for an estimated 80 per cent of Council's revenue. Operating and (in particular) capital grant income has decreased slightly compared to the previous year. Council's other revenue streams are also expected to decrease slightly with the recovery stagnate after the COVID-19 pandemic. These revenue levels remain well below pre-COVID levels.

Council's cash and investments are expected to increase by \$1.848 million expected during the year to \$34.747 million on 30 June 2025. The slight increase in cash will be used to fund ongoing significant capital works investment and the future repayment of loan borrowings, including new borrowings of \$7 million in 2024-25, which is required to fund the Capital Works Program.

Council proposes to spend \$54.191 million on capital works, including \$2.6 million on projects carried over and funded from 2023-24. The program is funded by capital income (\$4.137 million), reserves (\$5.77 million) and loan borrowings (\$7 million) to support the program of works. The balance of the program is funded from the operational surplus and cash reserves. Highlights include:

- **buildings** (\$13.42 million), including:
 - sporting and recreational facilities (\$4.8 million)
 - environmental sustainability initiatives (\$1.81 million)
 - community centres (\$3.23 million)
 - building renewal program (\$3.58 million)
- **recreation and open space** (\$17.963 million), including:
 - parks, open space and streetscapes (\$13.903 million)
 - bridges (\$2.055 million)
 - off-street carparks (\$850,000)
 - recreational, leisure and community facilities (\$680,000)
 - other infrastructure (\$475,000)
- **roads** (\$10.845 million), **drains** (\$3.155 million), **footpaths and cycleways** (\$1.618 million)
- **waste management** (\$1.4 million)
- **plant and equipment** (\$5.79 million), including:
 - scheduled replacement of Council's vehicle and plant fleets (\$3.57 million)
 - information technology (\$1.22 million)
 - library resources (\$1 million)

After funding capital works and other non-operational or non-cash items, a balanced Available Funding Result has been calculated.

Environmental, Social and Economic Impacts

Environmental, social and economic impacts have been considered throughout the development of the Proposed Annual Budget 2024-25.

Consultation and Communication

Section 96 of the *Local Government Act 2020* requires that Council's budget be developed in accordance with its community engagement policy. In keeping with the Hobsons Bay Community Engagement Policy 2023, Council has engaged with the community during the planning and development stages of the Proposed Budget.

Community consultation is a fundamental part of budget development. The consultation process began in December 2023 with the launch of Pitch Your Project. Hobsons Bay residents, community groups, sporting clubs, businesses and organisations were invited to pitch an idea for a one-off community program, project, or initiative that Council will deliver in the 2024-25 financial year. Council has received 74 ideas which are currently being assessed against the terms, conditions, and criteria of the program. A total of \$600,000 has been allocated in the Proposed Budget to deliver the community's Pitch Your Project ideas.

The Proposed Annual Budget 2023-24 will be placed on public exhibition for four weeks until 12 May 2024. Any person may make a written comment on any proposal contained in the budget.

Despite not being included in the current budget figures, Council will continue its advocacy work towards other levels of government to identify future funding opportunities. Council is actively advocating for projects that will bring economic, environmental, and social benefits to Hobsons Bay including the Hobsons Bay Wetlands Centre and the Western Aquatic and Leisure Centre.

Declaration of Conflict of Interest

Section 130 of the *Local Government Act 2020* requires members of Council staff to disclose any general or material conflict of interest in matters to be considered at a Council meeting.

Council staff involved in the preparation of this report have no conflict of interest in this matter.

8.3 Infrastructure and City Services

8.3.1 Contract 2023.18 Civil Panel - Minor and Major Works

Directorate:	Infrastructure and City Services
Responsible Officer:	Manager Capital Works
Reviewer:	Acting Director Infrastructure and City Services
Attachments:	Nil

Purpose

To award Contract 2023.18 for Civil Panel – Major and Minor Works to a panel of suppliers.

Recommendation

That Council awards Contract 2023.18 for Civil Panel – Major and Minor Works to the following panel of suppliers subject to providing a schedule of rates for an initial contract period of five years with two 12-month extension options for an estimated value of \$154 million (one hundred and fifty-four million dollars) including GST:

Minor Works:

- Novacon Group Pty Ltd
- Citywide Service Solutions Pty Ltd
- Giust Bros Pty Ltd

Major Works:

- Merlo Concreting Pty Ltd
- TDL Contractors Pty Ltd
- Paper Street Pty Ltd
- GP Bluestone Pty Ltd
- Conbi Nominees Pty Ltd

Summary

This Request for Tender (RFT) was published as a public tender on eProcure as per Section 3.3 (Procurement Thresholds) of Hobsons Bay Procurement Policy 2021.

The outcome of the RFT is to replace the existing civil works panels and optimise suppliers experienced in civil and landscape construction works under:

- Category 1 – Minor Works (low risk with a value to \$200,000 excluding GST)
- Category 2 – Major Works (high risk or value greater than \$200,000 excluding GST)

At close of Tender, 15 submissions were received for Category 1 (Minor Works) and 14 submissions for Category 2 (Major Works). Of the 29 submissions across both categories there were 19 suppliers with nine suppliers submitting responses to both categories.

Three suppliers have been recommended for Minor Works:

- Novacon Group Pty Ltd
- Citywide Service Solutions Pty Ltd
- Giust Bros Pty Ltd

Five suppliers recommended for Major Works:

- Merlo Concreting Pty Ltd
- TDL Contractors Pty Ltd
- Paper Street Pty Ltd
- GP Bluestone Pty Ltd
- Conbi Nominees Pty Ltd

Major Works has more suppliers as most of the work is under this category, and the contract allows for suppliers awarded to Major Works to be utilised under Minor Works if required.

Background

The majority of civil and landscape construction works undertaken by Council has been allocated under contract 2020.11 Civil Panel – Minor Works (expiring 14 April 2024) and 2017.94 Civil Works Panel covering major works (expiring 10 April 2024).

These contracts have been effective in providing access to multiple suppliers to manage civil works programs. Despite the success in accessing suppliers, one issue is that some of these suppliers have rates that are too high for the allocated works. Another challenge is that some suppliers undergo changes in ownership, which can lead to complications regarding contract novation. If this process isn't properly executed when there is a change in ownership, it can result in a reduced pool of supplies available to fulfill the contract ownership. This reduction in the supplier pool can potentially hinder the progress of the civil works program and lead to delays or increased costs.

To address these challenges, it is recommended that to combine both major and minor works under the one contract and award to suppliers submitting reasonable market rates. Suppliers (small businesses) awarded to Minor Works would receive support in developing their contract management skills to help support growth and provide the opportunity to transition to Major Works during the term of the Agreement based on performance and growth.

Suppliers awarded to Major Works could be used for minor works if required and a supplementary tender can be run anytime to add additional suppliers as required.

Discussion

The procurement for this contract was an open tender process, the tender process opened on 31 October 2023 and closed on 11 December 2023. A Tender Briefing was held on 8 November 2023 to provide Tenderers with an opportunity to question and clarify the Request for Tender (RFT) documentation.

The RFT documentation was downloaded by 210 registered suppliers, with 15 suppliers submitting a response for Minor Works and 14 suppliers submitting a response for Major Works. These numbers include a late tender submission from Axis Infrastructure Pty Ltd that was accepted for inclusion by the Tender Evaluation Panel.

The disparity in the numbers relates to tenderers being able to perform and manage all the specified requirements which most registered suppliers did not have the scope of operations.

The following tenderers were not eligible to progress to the assessable criteria stage.

Category 1 – Minor Works	Reason
Axis Infrastructure Pty Ltd	Nonconforming - submitted the Major Works pricing schedule
Blue Civil and Construction Pty Ltd	Missing a significant number of prices – unable to evaluate
Futuretek Civil Pty Ltd	Missing a significant number of prices – unable to evaluate
General Maintenance Hire & Services Pty Ltd	Missing a significant number of prices – unable to evaluate
Ilinden Paving Construction Pty Ltd	Missing a significant number of prices – unable to evaluate
Metro Asphalt Pty Ltd	Pricing too high for further consideration
PatAsh & Civil Group	Pricing too high for further consideration
Tompsett Asphalt Pty Ltd	Missing a significant number of prices – unable to evaluate
Category 2 - Major Works	Reason
AWS Services VIC Pty Ltd	Pricing too high for further consideration
Axis Infrastructure Pty Ltd	Pricing too high for further consideration
CDN Constructors Pty Ltd	Pricing too high for further consideration
Downer Edi Works Pty Ltd	Pricing too high for further consideration
Futuretek Civil Pty Ltd	Missing a significant number of prices – unable to evaluate
Metro Asphalt Pty Ltd	Pricing too high for further consideration
Presta Construction Group Pty Ltd	Pricing too high for further consideration
Tompsett Asphalt Pty Ltd	Missing a significant number of prices – unable to evaluate

The following tenderers were eligible to progress to the assessable criteria stage. The evaluation panel followed the evaluation methodology set out in the 2023.18 Procurement Plan with results detailed in Section 7 (Score Summary).

Category 1 – Minor Works	Category 2 – Major Works
Citywide Service Solutions Pty Ltd	Conbi Nominees Pty Ltd
Giust Bros Pty Ltd	GP Bluestone Pty Ltd
GP Bluestone Pty Ltd	Merlo Concreting Pty Ltd
Merlo Concreting Pty Ltd	Paper Street Pty Ltd
Novacon Group Pty Ltd	TDL Contractors Pty Ltd
Paper Street Pty Ltd	
TDL Contractors Pty Ltd	

Suppliers are to be awarded to only one category. It should be noted Novacon Group Pty Ltd is an incumbent who has worked well under the current contract and as such their capacity and capability is well known to the evaluation panel. An early decision was made to only evaluate them under Category 1 – Minor Works and work with the company in the hope they grow and can move up to Major Works.

Strategic Alignment

This report specifically addresses priorities from the following strategic documents:

Hobsons Bay 2030 Community Vision

Priority 6: An accessible and connected community

Council Plan 2021-25

Objective 4: Visionary community infrastructure

Priority e) Optimise the balance between encouraging active transport and facilities to support car users

Policies and Related Council Documents

The awarding of Contract 2023.18 through a public tender process complies with Council's Procurement Policy.

Legal/Statutory Obligations and Risk

The awarding of Contract 2023.18 through a public tender process complies with section 186 of the *Local Government Act 1989*, which stipulates that a Council must publicly advertise and invite tenders for services over the value of \$150,000 as fixed by an Order in Council.

Financial and Resource Implications

The works are funded through the Capital Works Budget commencing 2023-24 through to 2029-30.

Environmental, Social and Economic Impacts

This supply panel contract establishes a financial and resource efficient approach as it enables Council together with contractors to program forward works reducing down time. The works resulting from these contracts will improve Hobsons Bay by assisting in renewing Council's assets and address community interests.

Consultation and Communication

The tender was publicly advertised from 31 October 2023 and closed on 11 December 2023. The Tender Evaluation Report for Contract 2023.18 was presented to Council's Tender Board on 12 March 2024. The Tender Board endorsed the Tender Evaluation Panel's recommendation.

Declaration of Conflict of Interest

Section 130 of the *Local Government Act 2020* requires members of Council staff to disclose any general or material conflict of interest in matters to be considered at a Council meeting.

Council staff involved in the preparation of this report have no conflict of interest in this matter.

9 Committee and Delegate Reports

9.1 Committee Reports

9.1.1 Audit and Risk Committee Update - February 2024

Directorate:	Corporate Services
Responsible Officer:	Manager Corporate Integrity and Legal Counsel
Reviewer:	Director Corporate Services
Attachments:	<ol style="list-style-type: none">1. Audit and Risk Committee Bi-annual Report (August 2023 to January 2024) [9.1.1.1 - 9 pages]2. 20240228 Audit and Risk Committee Meeting Minutes [9.1.1.2 - 5 pages]

Purpose

To update Council regarding issues considered at the Audit and Risk Committee meeting held on 28 February 2024 and provide Council with a copy of the Audit and Risk Committee Biannual Report (August 2023 – January 2024).

Recommendation

That Council:

1. **Notes the matters considered by the Audit and Risk Committee at the meeting held on 28 February 2024.**
2. **Receives and notes the Audit and Risk Committee Biannual Report (August 2023 – January 2024).**

Summary

This report provides a summary of the Audit and Risk Committee meeting held on 28 February 2023. The Audit and Risk Committee Biannual Report for August 2023 to January 2024 is also provided in accordance with the requirements of the *Local Government Act 2020*.

Background

The Hobsons Bay City Council Audit and Risk Committee is an independent Committee of Council. The Committee comprises three independent members and two Councillors. The Chairperson is an independent member who has the casting vote. The Mayor and Chief Executive Officer are non-voting members. The Committee meets at least quarterly throughout the year and has a Charter that addresses responsibilities that include risk management, control frameworks, external accountability, legislative compliance and internal and external audits.

The Audit and Risk Committee Biannual Report meets the reporting requirements to Council as mandated by the *Local Government Act 2020* pursuant to section 54(5) and importantly provides Council with a summary of the matters that the Committee has addressed in the reporting period in discharging its responsibilities under its Charter. Councillor members of the Audit and Risk Committee are appointed annually by Council as part of the process of appointing Councillor delegates and proxies to Council and community committees and groups at the final Council Meeting of each year.

Discussion

The 28 February 2024 meeting addressed the following items:

- external audit update
- Chief Executive Officer's update
 - outstanding audit recommendations
 - updates on policy register
 - project Unify update
 - Audit and Risk Committee Biannual Report (August 2023 – January 2024)
 - internal audit program, including completed audit report and endorsement of proposed scopes for upcoming audits
 - insurance update
 - risk management update
 - occupational health and safety update
 - quarterly financial report, financial year 2023-24, quarter 2
 - cash and investment balances as at 31 December 2023
 - Capital Works quarterly report, financial year 2023-24, quarter 2

Strategic Alignment

This report specifically addresses priorities from the following strategic documents:

Hobsons Bay 2030 Community Vision

This report does not relate to a specific priority of the Hobsons Bay 2030 Community Vision.

Council Plan 2021-25

Objective 5: A High Performing Organisation

Strategy 5.4: Enhance transparency, accountability and good governance practice

Policies and Related Council Documents

The Audit and Risk Committee operates in accordance with the Hobsons Bay Audit and Risk Committee Charter 2022.

Legal/Statutory Obligations and Risk

As an independent committee of Council, appointed by Council pursuant to section 53 of the *Local Government Act 2020*, the Audit and Risk Committee is not a delegated committee as defined by the Act.

The Audit and Risk Committee Charter has been developed having regard to *Audit Committees – A Guide to Good Practice for Local Government*, which was issued in January 2011 by the Minister for Local Government and the Victorian Auditor-General's report *Audit Committee Governance* of August 2016 (including the Standing Directions of the Minister for Finance 2016).

It is a requirement under section 54(5) of the *Local Government Act 2020* that the Audit and Risk Committee prepare a biannual audit and risk report which is to be provided to the Chief Executive Officer for tabling at the next Council meeting.

Financial and Resource Implications

The work of the Audit and Risk Committee ensures strategic and independent oversight of Council's operations and risk management practices, and assurance against financial management and financial position.

Independent members are compensated for their participation on this committee as provided for in section 53(6) of the *Local Government Act 2020*. Provisions are contained within the Audit and Risk Committee Charter with respect to payment of fees to independent members of the Committee.

There are no unbudgeted financial or resource implications arising from this report.

Environmental, Social and Economic Impacts

Not applicable.

Consultation and Communication

The Audit and Risk Committee Biannual Report (August 2023 - January 2024) was reviewed and endorsed by Council's Audit and Risk Committee at the meeting held on 28 February 2024.

The minutes from the Audit and Risk Committee meeting held on 28 February 2024 have been reviewed and endorsed, out of session, by the Independent Members who attended the meeting. The meeting minutes will be formally confirmed at the next Audit and Risk Committee meeting on 22 May 2024.

Declaration of Conflict of Interest

Section 130 of the *Local Government Act 2020* requires members of Council staff to disclose any general or material conflict of interest in matters to be considered at a Council meeting.

Council staff involved in the preparation of this report have no conflict of interest in this matter.

9.2 Delegate Reports

Purpose

To consider reports by Councillors who have been appointed as delegates to Council and community committees.

Recommendation

That Council receives and notes the recent Delegate Reports.

Metropolitan Transport Forum

Directorate: Infrastructure and City Services

Councillor Delegate: Cr Pamela Sutton-Legaud

Date of Meeting: 7 February 2024

Attachments: Nil

The Metropolitan Transport Forum (MTF) is a monthly gathering that allows councils to collaborate and discuss ways to improve the transport system by sharing knowledge and focusing on integrated transport. The forum is attended by 26 councils in Melbourne, as well as individuals from other transport-related organisations and advocacy groups such as the Department of Transport and Planning (DTP), the Public Transport Users Association and Victoria Walks.

Executive Election

Cr Bernadette Thomas (Maribyrnong) was elected Chair, Cr Victor Franco (Boroondara) was elected Deputy Chair, Ms Melissa Falkenberg (Wyndham) was elected Secretary, and Mr Ross Evans (Monash) was elected Treasurer. Two general positions were filled by Cr Anna Chen (Manningham) and Cr Richard Stockman (Nillumbik).

Presentation

David Mephram presented on his new book “Rethinking Parking” the need for sustainable transport advocates to help overturn entrenched and outdated car parking requirements and beliefs. He spoke about how the parking priorities of councils varied considerably across Australia and there is little on-the-ground work for reform.

Council Updates

Each month a select number of councils provide updates to the forum.

Philip Mallis presented on Yarra City Council’s “New Deal” plan for cycling that aims to improve the safety, connectivity, and accessibility of Yarra’s street and path network for people on bikes over the next ten years. Yarra is also updating its active transport projects and working on the tram stop upgrades along Gertrude Street (Route 86).

Chris Phiniefs presented on Bayside City Council’s Integrated Transport Strategy, impacts of the Suburban Rail Loop infrastructure projects, cycling and pedestrian infrastructure projects, the implementation of lower speed limits around some schools, and EV charging.

10 Notices of Motion

10.1 Notice of Motion No. 1251: Condolence - The Late Les Twentyman OAM

Cr Peter Hemphill has given notice of the following motion:

That Council acknowledges the recent passing of youth worker and social justice campaigner Les Twentyman OAM and sends a letter of condolence written under the signature of the Mayor to his family.

Les Twentyman was born in Williamstown but grew up in Braybrook. He played football for the Williamstown, Albion and Footscray football clubs before taking on coaching jobs. He taught physical education at St Paul's College in Altona North and Mount St Joseph's College in Altona before becoming an outreach worker in the western suburbs.

He was a high-profile youth worker and advocate for vulnerable and homeless people in Melbourne's west. He also established the philanthropic fund Les Twentyman Foundation to help vulnerable young people.

11 Urgent Business

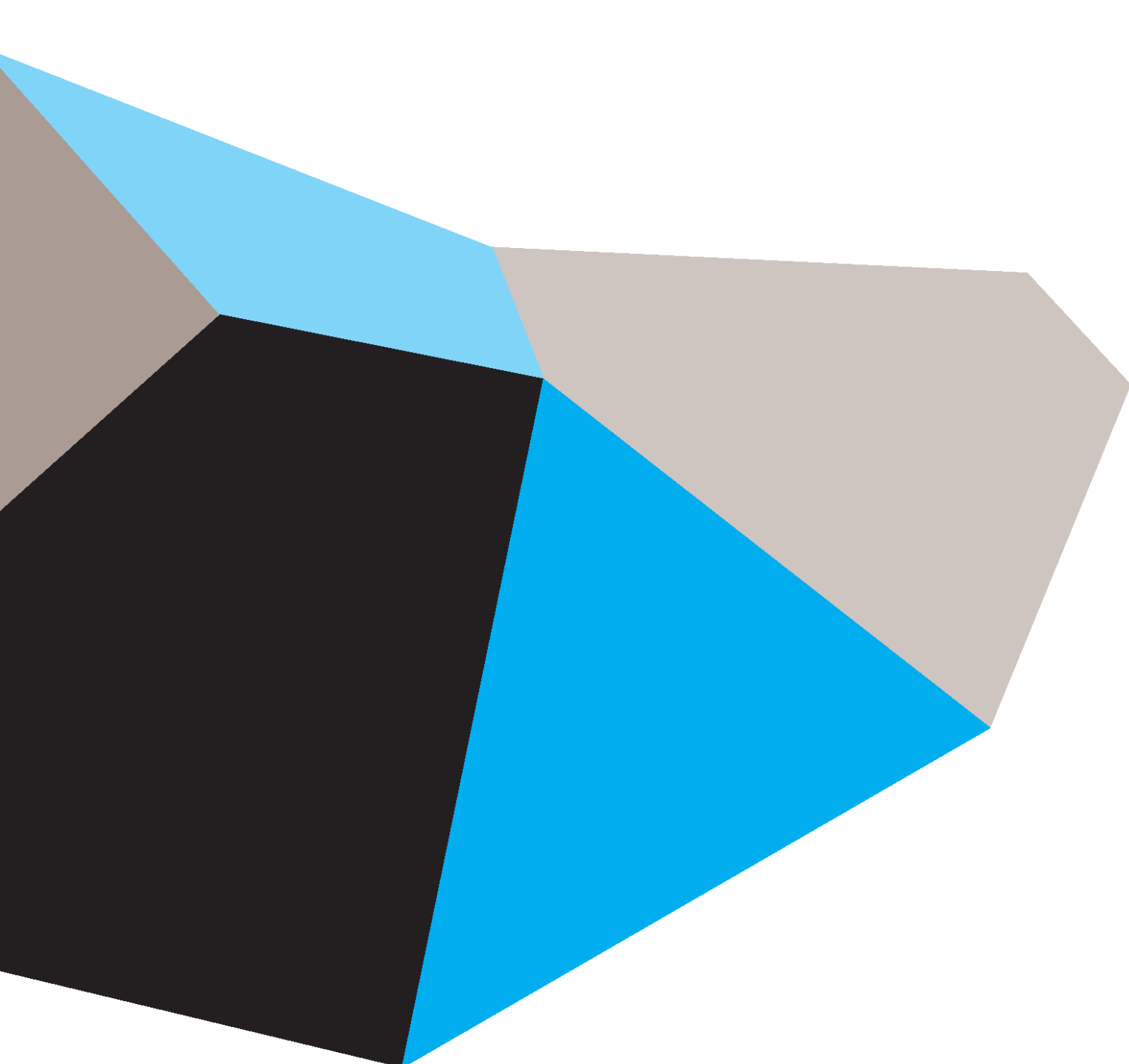
12 Supplementary Public Question Time

Supplementary Public Question Time provides an opportunity for the public to ask questions directly related to items on the agenda that have arisen during the evening's proceedings.

Where it is not possible to provide a response during the meeting, a written response to the question will be provided promptly.

Written public questions received during the Council Meeting that are not related to items on the agenda will be taken on notice and responded to in writing by the appropriate Council officer, or referred to the next Council Meeting for a public response if so requested by the questioner.

13 Close of Meeting



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