



Ordinary Council Meeting Agenda

Tuesday 11 September 2018
Commencing at 7.00pm

Council Chamber
Hobsons Bay Civic Centre
115 Civic Parade, Altona

**HOBSONS
BAY CITY
COUNCIL**



THE COUNCIL'S MISSION

Working with our community to plan, deliver and advocate for the services and infrastructure that will achieve a healthy, connected and sustainable future in Hobsons Bay.

OUR VALUES

Honesty

Trust

Integrity

Collaboration

Respect

Accountability

Council acknowledges the peoples 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 Angela Altair (Mayor)

Strand Ward

Councillors:

Cr Tony Briffa (Deputy Mayor)

Cherry Lake Ward

Cr Sandra Wilson

Cherry Lake Ward

Cr Peter Hemphill

Strand Ward

Cr Jonathon Marsden

Strand Ward

Cr Colleen Gates

Wetlands Ward

Cr Michael Grech

Wetlands Ward

Aaron van Egmond
Chief Executive Officer
Hobsons Bay City Council

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AGENDA

1 Council Welcome and Acknowledgement

The Chairperson will welcome members of the gallery and acknowledge the people of the Kulin Nation as the traditional owners of this land.

2 Apologies

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

3 Disclosure of Interests

In accordance with sections 77A, 77B, 78 and 79 of the *Local Government Act 1989* Councillors are required to disclose a "conflict of interest" in a decision if they would receive, or could be reasonably perceived as receiving a direct or indirect financial or non-financial benefit or detriment (other than as a voter, resident or ratepayer) from the decision.

In accordance with section 79B of the *Local Government Act 1989* Councillors who consider that they have a personal interest that is in conflict with their public duty in relation to a matter may, if they do not have a conflict of interest as described above, apply to Council to be exempted from voting on the matter.

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

4 Minutes Confirmation

4.1 Ordinary Council Meeting

Confirmation of the minutes of the Ordinary Council Meeting of the Hobsons Bay City Council held on 14 August 2018 (copy previously circulated).

5 Councillors' 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 4pm on the day of the Council meeting

7 Petitions/Joint Letters .

8 Business

8.1 Office of the Chief Executive

8.1.1 Chief Executive Officer - Report on Operations

Directorate: Corporate Services

Councillor Portfolio: Nil

- Appendices:**
- 1 Chief Executive Officer - Report on Operations - August 2018
 - 2 AOC - OCM 14 August 2018
 - 3 AOC - CBS 21 August 2018
 - 4 AOC - CBS 4 September 2018

Purpose

To provide Council with a regular update from the Chief Executive Officer (CEO) on the recent initiatives, projects and performance undertaken.

Recommendation

That Council:

1. **Receive and note the Chief Executive Officer's Report on Operations, including details of recent issues and initiatives undertaken by the organisation.**
 2. **In accordance with section 80A(2) of the *Local Government Act 1989* incorporate into the minutes of this meeting the written Record of Assembly of Councillors held on 14, 21 August 2018 ad 4 September 2018.**
-

Summary

The attached CEO's Report on Operations provides councillors and community a regular update from the Chief Executive Officer 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.

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 will highlight these activities, initiatives and projects and provide a high-level performance summary.

This report specifically addresses the following priorities of the Hobsons Bay 2030 Community Vision:

Priority 6: An accessible and connected community.

This report specifically addresses the following goals and objectives of the Council Plan 2017-21:

Goal 4: A Council of excellence

- 4.3 Provide excellent customer service whilst ensuring all our communications are clear and easy to understand

Officer Declaration of Conflict of Interest

Section 80C of the *Local Government Act 1989* 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 Policy Reviews - Risk Management, Occupational Health and Safety and Business Continuity

Directorate: Corporate Services

Councillor Portfolio: Nil

Appendices: 1 Risk Management Policy 2018-2021
2 Occupational Health and Safety Policy 2018-2021
3 Business Continuity Policy 2018-2021

Purpose

To consider and adopt the Risk Management, Occupational Health and Safety and Business Continuity policies.

Recommendation

That Council:

- 1. Adopt the Risk Management, Occupational Health and Safety and Business Continuity policies as attached.**
 - 2. Revoke the former Risk Management Occupational Health and Safety and Business Continuity Policies dated 10 February 2015.**
-

Summary

Council's Cross Directorate Risk Committee has reviewed and endorsed the Risk Management and Business Continuity policies which support Council's risk and occupational health and safety framework.

The Corporate Occupational Health and Safety Committee has been reviewed and endorsed by the Corporate OHS Committee.

All three policies have been endorsed by the Corporate Management Team.

Background

The Risk Management Policy was previously adopted by Council on 26 June 2012 and 10 February 2015.

The Occupational Health and Safety Policy was previously adopted by Council on 10 February 2015.

The Business Continuity Policy was developed during the Business Continuity Planning process in 2014 and previously adopted by Council on 10 February 2015.

Discussion

A rigorous approach to identification and management of risks, occupational health and safety and business continuity exposures are essential to ensure sustainable service delivery and effective functioning of Council as a corporate entity. This will be achieved by ensuring that its risk management and health and safety policies support organisational processes for corporate governance and service management.

Integrated risk management is a continuous, proactive and systematic process to understand, manage and communicate risk from an organisation-wide perspective. The Risk Management Policy sets out the framework within which Council will operate to ensure that risk is effectively managed.

Business continuity is closely linked to risk management and the Business Continuity Policy details Council's commitment to achieving the continuity of its operations in the event of an incident or event which causes or has the potential to cause major disruption.

The Occupational Health and Safety Policy sets out Council's commitment to ensuring a safe and healthy work environment for staff, contractors, Councillors, volunteers and visitors.

Strategic Alignment

This report specifically addresses the following priorities of the Hobsons Bay 2030 Community Vision:

Choose Priority

This report specifically addresses the following goals and objectives of the Council Plan 2017-21:

Goal 4: A Council of excellence

- 4.2 Be a more efficient and effective organisation by having a strong focus on continuous improvement, innovation, strategic planning and responsible financial management

Policy and Previous Council Reports

Endorsement of these policies by Council ensures legislative compliance and is good practice to recognise the importance of risk, occupational health and safety and business continuity to Council's ongoing sustainability and the health and wellbeing of staff, Councillors, contractors, volunteers and visitors.

The Risk Management Policy was previously adopted by Council on 26 June 2012 and 10 February 2015.

The Occupational Health and Safety Policy and Business Continuity Policies were previously adopted by Council on 10 February 2015.

Legal/Statutory Obligations/Risk

It is good governance practice for Council and for external auditing purposes to establish and maintain an Occupational Health and Safety Policy.

Effective risk management policies and business continuity policies support good governance and sustainable service delivery to Council and the community.

Financial and Resource Implications

An effective risk management regime will support identification and management of financial risks.

Environmental/Social/Economic Impacts

An effective risk management regime will support identification and management of environmental risks.

Consultation and Communication

The internal Risk Management Committee has been consulted regarding the proposed Risk Management Policy and Business Continuity Policy and the Corporate Management Team has also reviewed and endorsed all the policies as attached.

Officer Declaration of Conflict of Interest

Section 80C of the *Local Government Act* 1989 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.

8.2.2 Audited Financial Report - Year Ended 30 June 2018

Directorate: Corporate Services

Councillor Portfolio: Nil

Appendices: 1 Financial Report 2017-18

2 Performance Statement 2017-18

Purpose

To present the draft annual financial report for the year ending 30 June 2018, including the performance statement, for in-principle approval and to nominate two Councillors to certify the financial report in their final form.

Recommendation

That Council:

- 1. In accordance with section 132(2) of the *Local Government Act 1989*, gives approval in-principle to the annual financial report for the year ending 30 June 2018, including the financial and performance statements.**
 - 2. Authorise the Chief Financial Officer to make any immaterial changes to the annual financial report for the year ending 30 June 2018, recommended or agreed to by the Auditor-General, provided that such changes do not materially change the outcome for the year or the financial position of Council.**
 - 3. Pursuant to section 132(5) of the *Local Government Act 1989*, nominate the Mayor, Cr Angela Altair and Cr Sandra Wilson to certify the annual financial report for the year ending 30 June 2018, in its final form.**
-

Summary

The Draft Annual Financial Report for the year ending 30 June 2018, including the performance statement, is attached to this report. It is important to note that the report is subject to final approval by the Auditor-General.

The report is now presented to Council for examination and adoption in-principle, subject to any changes recommended, or agreed to, by the Auditor-General, provided that such changes do not materially change the outcome for the year or the financial position of Council. Materiality is defined as a net movement greater than 10 per cent in any element in the statements.

The draft report indicates a surplus for the 2017-18 year of \$20.673 million compared to the original operational budget of \$14.615 million. Whilst the increased operational surplus of \$6.058 million is an excellent achievement it is largely a result of additional income (\$11.319 million) received throughout the year, although it should be noted that this includes an increase in the value of Council's investment property (\$3.804 million). Much of the additional income has been transferred to reserves to ensure that they are used for their intended future purpose.

Whilst operational expenditure was over budget by \$5.261 million, this includes additional depreciation (non-cash) of \$6.153 million. Council has in-fact achieved savings compared to the initial budget of \$1.543 million in relation to employee, materials and service costs.

The financial report demonstrates that Council is in a reasonable financial position and is financially sustainable in the short and medium term.

Discussion

The operational surplus for 2016-17 is \$20.673 million compared to the original operational budget surplus of \$14.615 million. Explanations for the additional \$6.085 million surplus are included within Note 1.1 of the financial report.

The increased surplus is largely a result of additional income (\$11.319 million) received by Council. This includes an increase to the values of Council's investment property (\$3.804 million).

Development growth within the municipality continues to have a positive impact on Council's income, particularly in relation to rates and charges (\$1.951 million) and monetary contributions - mainly from developers - that are transferred to reserves to ensure they are used for their intended purpose (\$1.46 million). The other most significant income increases are in relation to operating grants – generally offset against additional expenditure (\$1.391 million) and capital grants - used to fund additional capital expenditure (\$1.084 million).

Whilst operational expenditure was over budget by \$5.261 million, this includes additional depreciation (non-cash) of \$6.154 million. Council has achieved savings compared to the initial budget of \$1.543 million in relation to employee, materials and service costs. Many of the savings relate to reductions in community care services. Additionally, management has continued to review operational expenditure to determine appropriate savings with minimal effect on service levels.

The statement of cash flows indicates that Council's cash and cash equivalents were \$2.714 million at 30 June 2018. There are also other financial assets (investments) of \$67 million at year end, which are included within the balance sheet. The increased level of total cash and investments at 30 June 2018 is generally a result of:

- improved financial result in 2016-17 determined after the budget for 2017-18 was adopted (\$4.67 million)
- improved financial result achieved in 2017-18 (\$6.058 million). In reviewing the increase in cash, it should be noted that a significant amount of the improved result relates to income that has been quarantined in reserves for future use
- net capital works to be carried over to next year's program (\$6.927 million)

It is important to note that Council's cash reserves are increasing to cover future loan principal repayments, waste requirements (both of which are held in reserve) and growing future creditor and employee leave commitments. In addition, operational and capital works savings are being transferred to an infrastructure reserve to fund future capital works. Therefore increasing cash reserves should not be seen as an opportunity to increase spending.

Capital expenditure in 2017-18 of \$29.399 million is highlighted in the statement of capital works, whilst explanations for variations against budget are explained in Note 1.2. Capital expenditure in the audited statements differs from the \$30.554 million stated within financial report to Council (quarterly financial report format) at the prior Council meeting. The

difference is due to the statement of capital works excluding operational projects (\$1.265 million), whilst it includes items capitalised from the operational budget (\$112,000).

The performance statement includes the working capital ratio (current assets/current liabilities), which indicates the amount that Council's short term assets exceed its short term obligations and thus Council's ability to fund its short term operations. This ratio was 271.82 per cent at 30 June 2018 and has increased mainly due to the increase in cash reserves. A current ratio over 100 per cent generally indicates a manageable short term financial position.

Strategic Alignment

This report specifically addresses the following goals and objectives of the Council Plan 2017-21:

Goal 4: A Council of excellence

4.2 Be a more efficient and effective organisation by having a strong focus on continuous improvement, innovation, strategic planning and responsible financial management

The annual financial report is directly aligned to Council's annual budget, long term financial plan, strategic resource plan and capital works program.

Policy and Previous Council Reports

Financial reports at the end of the September, December (mid-year budget review), March and June financial quarters have previously been considered by Council.

Legal/Statutory Obligations/Risk

Council is required to have the annual financial report audited, in accordance with the *Local Government Act* 1989. The Auditor-General appointed HLB Mann Judd as its audit contractor to undertake this process.

The financial report and performance statement have been prepared as per the model reports, required under the *Local Government (Planning and Reporting) Regulations* 2014.

Financial and Resource Implications

The increased operational surplus (\$6.058 million) resulting from additional income and operational savings plus a net saving in the capital works program (\$441,000) have all had a positive effect on Council's long term financial plan (LTFP). The improved financial result helps to ensure that Council remains in a reasonable financial position and is financially sustainable in the short to medium term, within the rate capped environment. Despite the pleasing financial result, it should be noted that surpluses are expected to decline in future years of the LTFP.

The comprehensive result (\$135.82 million) includes revaluation adjustments of \$115.147 million to Council's assets. This includes revaluation increases to Council's land (\$94.965 million), drainage (\$18.047 million), bridges (\$2.951 million) and heritage buildings (\$952,000), whilst building values decreased (\$1.768 million decrease).

Consultation and Communication

The draft financial report was presented to the Audit Committee on 29 August 2018. The committee recommended Council:

1. To approve in principle the Financial Report, including the performance statement for the 2017-18 financial year; and
2. Nominate the Mayor, Cr Angela Altair and Cr Sandra Wilson to certify the Financial Report, including the performance statement in their final form, after any changes recommended, or agreed to, by the Auditor-General have been made, provided that such changes do not materially change the outcome for the year, or the financial position of the Council.

The annual financial report for the year ended 30 June 2018 will be included as part of Council's annual report 2017-18. The annual report will be made available for public inspection after it is submitted to the Minister for Local Government.

Officer Declaration of Conflict of Interest

Section 80C of the *Local Government Act* 1989 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.

8.2.3 Audit Committee Update

Directorate: Corporate Services

Councillor Portfolio: Nil

Appendices: 1 Audit Committee Meeting Minutes - August 2018

Purpose

To update Council regarding issues considered at the Audit Committee meeting held on 29 August 2018.

Recommendation

That Council note the matters considered by the Audit Committee at the meeting conducted on 29 August 2018.

Summary

This report provides an update of the Audit Committee meeting held on 29 August 2018 to ensure that Council is informed on the activities of the Audit Committee. It provides Council with an opportunity to explore any issues that have been considered.

Background

The Audit Committee is an advisory committee of Council appointed under section 139 of the *Local Government Act 1989*. The committee comprises three independent members and two Councillors. The Chair is an independent member, who has the casting vote. The Mayor and Chief Executive Officer are non-voting members.

The committee meets a minimum, quarterly throughout the year and has a Terms of Reference that addresses responsibilities that include risk management, control frameworks, external accountability, legislative compliance and internal and external audits.

Discussion

The August 2018 meeting addressed a number of items as follows:

- the Chief Executive Officer's update
- outstanding audit recommendations
- Internal Audit Program including proposed audits and completed audit reports
- risk management update, highlighting the risk executive summary, a general update on recent issues and an insurance report
- financial reports for the year ended 30 June 2018
- cash and investment balances as at 31 July 2018

A copy of the minutes from the meeting is included as an attachment.

The next Audit Committee meeting is scheduled for 31 October 2018.

Strategic Alignment

This report specifically addresses the following priorities of the Hobsons Bay 2030 Community Vision:

Priority 6: An accessible and connected community

This report specifically addresses the following goals and objectives of the Council Plan 2017-21:

Goal 4: A Council of excellence

- 4.2 Be a more efficient and effective organisation by having a strong focus on continuous improvement, innovation, strategic planning and responsible financial management

Legal/Statutory Obligations/Risk

Council's Audit Committee is an advisory committee of Council, appointed under section 139 of the *Local Government Act* 1989.

The committee operates within the guidelines of 'Audit Committees: A Guide to Good Practice for Local Government' which was released by the Department of Planning and Community Development in January 2011.

Officer Declaration of Conflict of Interest

Section 80C of the *Local Government Act* 1989 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.

8.3 Strategic Development

8.3.1 Hobsons Bay Creative City Arts and Culture Plan 2018-22

Directorate: Strategic Development

Councillor Portfolio: Arts, Culture and Tourism

Cr Angela Altair and Cr Colleen Gates

Appendices: 1 Hobsons Bay Creative City Arts and Culture Plan 2018-22

Purpose

To provide Council with a summary of feedback from the exhibition of the draft Hobsons Bay Creative City Arts and Culture Plan 2018–22.

Recommendation

That Council:

1. **Note the summary of feedback received during the exhibition period.**
 2. **Adopt the Hobsons Bay Creative City Arts and Culture Plan 2018–22 and associated actions.**
-

Summary

Council has a leadership role in assisting and advocating the growth and development of arts and culture in Hobsons Bay. It is recognised across all levels of government and in society the importance access to the arts has on the health and wellbeing of a community. A strong creative sector and cultural reputation also contribute to the local economy, enriching the community and visitor experience, providing a positive effect on the liveability of a city.

Background

At the Ordinary Council Meeting on 12 June 2018, Council endorsed the draft Hobsons Bay Creative City Arts and Culture Plan 2018–22 (the Plan) for public exhibition.

The Plan was developed as a refresh of Council's Hobsons Bay Arts and Culture Plan, guided by four principles supporting excellence in the creative sector and for the city, and six program areas that support its delivery.

The four principles are:

- **Cultural Vitality:** Contribute to the cultural vitality of Hobsons Bay through the development and promotion of a dynamic creative community.
- **Sustainability:** Identify, support and create opportunities for artists and cultural organisations, recognising the importance of long term growth and economic benefits.
- **Innovation and Excellence:** Foster innovation and excellence in arts and culture practice through the active support and development of diverse programming and initiatives that enhance the cultural reputation of the city.

- **Participation and Social Inclusion:** Promote a sense of well-being through participation in and access to the arts and creative industries.

The principles of the plan are delivered through the following programs and related actions

- Our Creative City
- Creative Spaces and Places
- Cultural Festivals and Events
- Communities and Cultural Development
- Telling Our Stories
- Advocacy, Partnerships and Capacity Building

See appendix 2 Hobsons Bay Creative City Arts and Culture Plan 2018-22 and Action Plan.

Discussion

The Plan was placed on public exhibition for six weeks from 13 June 2018 to Friday 27 July 2018. The opportunity to provide feedback and input into the draft Plan was promoted widely to the community and creative sector.

Six submissions were received including from The Substation, residents and arts community representatives. They included commentary on The Substation, learning programs, opportunities to promote First Australians culture, arts grants, performance and commissioning. All submissions demonstrate engagement and interest in the arts in the city. The comments can be captured and responded to through the existing program areas and actions, and responses to each will further explore these. The direction and content of the Plan doesn't need to be amended in response to the submissions received.

Strategic Alignment

This report specifically addresses the following priorities of the Hobsons Bay 2030 Community Vision:

Priority 2: Community wellbeing and inter-connection

This report specifically addresses the following goals and objectives of the Council Plan 2017-21:

Goal 2: A great place

- 2.4 Deliver, support and promote arts, cultural, heritage, recreational and sporting events and programs that foster a sense of belonging and contribute to the liveability of the city

Policy and Previous Council Reports

The draft Creative City Arts and Culture Plan 2018–22 was endorsed for community consultation through a public exhibition period at the Ordinary Council Meeting of 12 June 2018.

Council considered arts and culture planning at its Ordinary Council Meeting 12 July 2016 and endorsed its methodology in August 2017.

Development of a new Arts and Culture Plan was an initiative in the Council Plan 2017-21.

Legal/Statutory Obligations/Risk

There are no legal matters or identified risks in the development of the Plan.

Financial and Resource Implications

Financial and Resource requirements will generally be absorbed within existing resources. Where professional services are sought to deliver projects or service reviews, items are noted in the Action Plan and are captured in Council's 2018-19 operational budget. Council will have the opportunity to review capital requests through its Capital Works budget planning.

Environmental/Social/Economic Impacts

Participation in arts and culture helps create social cohesion, enables the celebration of diversity, creativity and innovation. It is integral to community wellbeing and highly valuable to place making and how we experience our city and society.

Through the local government Community Indicators, the Hobsons Bay community rates access to arts and culture as very important, with a ranking of 80. In the public survey, respondents considered arts and culture very highly and were able to put forward needs and opportunities that the Plan responds to.

The Plan is based around the principles of Cultural Vitality, Sustainability, Innovation and Excellence, Participation and Social Inclusion, consistent with the role of local government in providing vibrant and innovative arts and creative industries.

Bringing creative industries into the Plan enables Council to further harness economic opportunities, whether in the various ways people work, investment attraction or adding to the visitor economy. This is consistent with trends around the world and in Australia, an example being Arts Victoria changing its focus to be Creative Victoria, and situated within the remit of economic development, events, investment and tourism.

Consultation and Communication

Opportunities to contribute to the Plan during its development were promoted during September 2017. A community forum was held in October 2017 at Joel Gallery, Altona with 30 attendees, and a facilitated staff consultation was attended by 20 people representing areas across Council. Officers presented to two groups Born In A Taxi and the Loom Room. A community survey received 115 responses.

The principles and programs in the Plan are based on those in the Hobsons Bay Arts and Culture Plan 2011, as originally endorsed by an arts community reference group. It included Councillors, artists, arts group representatives and arts professionals.

The draft Plan was placed on exhibition from 13 June to 27 July 2018. Council changed its Art In Public Places Facebook profile to Creative City, to better support year round engagement. The draft Plan was circulated via social media, featured in the Hobsons Bay Arts and Events e-news in July and through Council's general communications channels including in media and on Participate. Copies or links were provided to community forum attendees. Six submissions were received.

Officer Declaration of Conflict of Interest

Section 80C of the *Local Government Act 1989* 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.

8.3.2 Exhibition of Draft Housing Strategy, Activity Centres Strategy and Neighbourhood Character Study

Directorate: Strategic Development

Councillor Portfolio: Planning

Cr Tony Briffa and Michael Grech

- Appendices:**
- 1 Summary Booklet - Know Your Housing Strategy 2018-36
 - 2 Summary Booklet - Know Your New Residential Zones 2018
 - 3 Summary Booklet - Know Your Neighbourhood Character Study 2018
 - 4 Summary Booklet - Know Your Activity Centres Strategy 2018-36
 - 5 Strategy - Volume Two: Draft Housing Framework Plan and Capacity Assessment May 2018
 - 6 Strategy - Volume Three: Draft Housing Strategy 2018-36
 - 7 Strategy - Draft Neighbourhood Character Study 2018
 - 8 Strategy - Draft Activity Centres Strategy 2018-36
 - 9 Brochures - Draft Neighbourhood Character Study 2018
 - 10 Brochures - Draft Activity Centres Strategy 2018-36

Purpose

To present the draft Housing Strategy 2018-36, draft Housing Framework Plan 2018-36, draft Neighbourhood Character Study 2018 and draft Activity Centres Strategy 2018-36 for endorsement for community consultation.

Recommendation

That Council

- 1. Place the following documents on public exhibition for eight weeks to seek community feedback:**
 - **Draft Housing Strategy 2018-36**
 - **Draft Housing Framework Plan 2018-36**
 - **Draft Neighbourhood Character Study 2018**
 - **Draft Activity Centres Strategy 2018-36**
 - 2. Receive a further report considering submissions.**
-

Summary

A suite of key planning policy documents has been prepared to respond to significant state government planning policy reforms and the introduction of new zones. The three draft planning policy documents are a Housing Strategy (including a Housing Framework Plan), an updated Neighbourhood Character Study and an updated Activity Centres Strategy. The

documents were prepared concurrently and informed each other's development. Together they will provide a sound strategic justification for the implementation of the New Residential Zones and translate the activity centre policies of Plan Melbourne 2017-50 to the local context.

Collectively they will provide a strategically sound policy, planning, advocacy and investment platform that protects and improves the liveability of Hobsons Bay by managing growth and change to the year 2036.

These draft policies have been developed to respond to and incorporate several State led planning reforms and major policy changes including:

- reform of State's Victoria Planning Provisions (particularly planning zones reforms)
- introduction of Plan Melbourne 2014 and update to Plan Melbourne 2017-50 (released in November 2017)
- recommendations of the Major Hazard Facilities Advisory Committee (which have direct impact on residential change areas)
- the recommendations of the Managing Residential Development Advisory Committee (MRDAC)
- release of 2016 Census data in late 2017

It is expected their implementation, both statutory (in the planning scheme) and non-statutory (through advocacy and capital works), will improve the economic viability and liveability of activity centres; protect valued heritage and neighbourhood character; and facilitate the delivery of diverse and well-located housing to meet community needs. Additionally, this suite of policies will provide clear direction and may help to attract external funding for some actions, as well as guide private sector investment.

The coordinated release of the documents for community and stakeholder engagement is an important part of confirming their content, ensuring that they are strategically sound and responsive to local issues and community expectations.

Once responses from this consultation process have been considered, the documents will be revised for Council consideration with a view to adopting and implementing them, both in the planning scheme and through other Council actions and projects.

Background

The State Government announced its intention to reform the residential, business, industrial and rural zones in 2012. It introduced the New Residential Zones into the Victorian Planning Provisions in 2013.

Council considered information on the zone reforms in August 2013 and resolved to undertake strategic work to justify and inform the application of the New Residential Zones across the municipality. This included the preparation of a Housing Strategy, an updated Neighbourhood Character Study and updated Activity Centres Strategy.

In 2014 the State Government applied the General Residential Zone (GRZ) to all residential land in Hobsons Bay. The application of the GRZ was a transitional arrangement for councils not ready to apply the full suite of residential zones.

While the introduction of New Residential Zones was the catalyst for the preparation and update for this suite of local policies, the release of the Victorian Government's metropolitan

planning strategy, Plan Melbourne 2017-50, combined with land use and development changes and pressures at the local level meant the update of the Neighbourhood Character Study and the Activity Centres Strategy was timely.

The draft policies were presented to Council in January 2017. In March 2017 the State Government introduced major policy changes and a package of reforms that significantly impacted on the work that had been undertaken to implement the New Residential Zones in Hobsons Bay. This required the entire package of draft strategies and documents to be revisited.

In addition, the 2016 Australian Bureau of Statistics (ABS) Census data was released late 2017. The Housing Strategy was based on the 2011 ABS Census data and an addendum (update) needed to be prepared to the Housing Strategy Background Report to update the analysis on the demographic profiles and forecasts for Hobsons Bay, which is the foundation on which the Housing Strategy is based.

Discussion

This suite of key planning policy documents is crucial to shape growth and change at the local level for the benefit of the Hobsons Bay community now and into the future. Council cannot stop growth and change, but it can help plan and manage it. The documents have been prepared concurrently and informed each other's development. They provide a solid evidence base and strategic justification for the introduction of the New Residential Zones in Hobsons Bay. Importantly, they set out a local agenda to manage growth and change within the municipality for net community benefit.

Draft Housing Framework Plan and Housing Strategy 2018

Hobsons Bay needs to plan for an additional 19,252 new residents over the next 20 years (based on 2016 ABS Census for 2016-36). This equates to a demand for around 8,849 new homes (443 new homes per annum). This compares to a recent growth rate of around 359 new dwellings per annum over the last five years (2011-16).

Like other metropolitan areas in Melbourne, Hobsons Bay is under pressure to accommodate new medium and higher density development. However, it is not just additional housing which needs to be planned for, but also demographic changes within the community and their changing housing needs.

With a Housing Strategy included in the local planning scheme as the basis for implementation of the new residential zones, Council will be better placed to manage housing growth and change across the suburbs, providing more certainty for the community and direction for developers.

The draft Housing Strategy (2018) comprises three parts as follows:

Volume	Summary	Status
Volume One: Background Report (updated December 2017) and Addendum with 2016 ABS Census Updates (December 2017)	Provides analysis on the research and data used to identify the key housing needs and issues in Hobsons Bay.	Publicly available online
Volume Two: Draft Housing Framework Plan and Housing Capacity Assessment (May 2018)	Contains the criteria used to determine the application of the Housing Change Areas to inform the Housing Framework Plan and the findings of the Housing Capacity Assessment.	For consideration by Council.
Volume Three: Draft Housing Strategy (July 2018)	Sets out the key policies and recommended actions for managing housing growth and change in Hobsons Bay to address housing needs and issues.	For consideration by Council.

Volumes Two and Three are attached (refer to appendix 5 and 6). A summary of the key findings are outlined below:

Volume Two: Draft Housing Framework Plan and Housing Capacity Assessment (draft Housing Framework Plan 2018)

The biggest change the Housing Strategy will introduce to current housing policy in Hobsons Bay is through the Housing Framework Plan which maps three housing change levels: Limited; Moderate; and Substantial Change.

The locations of the Housing Change Areas is guided by criteria endorsed by Council in December 2013. In general, areas not suitable for future housing growth have been identified for limited change and areas where further growth is encouraged have been identified for moderate and substantial change.

The Housing Change Areas align with the new residential zones and the Housing Framework Plan will be used to apply the new residential zones:

Change Level	Residential Zone
Limited change Area	Neighbourhood Residential Zone (NRZ)
Moderate change area	General Residential Zone (GRZ)
Substantial Change Area	Residential Growth Zone (RGZ)

A housing capacity assessment was also done to inform potential development opportunities in Hobsons Bay. It conservatively identifies four main opportunities to meet supply:

1. Strategic Redevelopment Areas and sites (28 per cent)
2. Activity Centre Catchments (32 per cent)
3. Other Infill Development (40 per cent)

4. Commercial Areas – such as shop top housing in the Commercial 1 Zone (to be confirmed)

It identified opportunities for around 16,958 new dwellings. Based on the estimated housing demand of 443 new dwellings per annum (over the next 20 years), this provides around 38 years of supply.

The majority (over half) of the expected future housing demand of 8,849 new homes by 2036 is being driven by the current and expected development of the large Strategic Redevelopment Areas (e.g. Altona North, South Kingsville and Williamstown).

The draft Housing Capacity Assessment 2018 found that in general, there has been no pattern in the location of new infill development in the municipality over recent years. The Housing Strategy presents the opportunity to provide more direction going forward.

Volume Three: Draft Housing Strategy (July 2018)

The Housing Strategy (in conjunction with the Activity Centres Strategy 2018-36) presents the opportunity to direct new housing to appropriate locations and better fulfil State urban consolidation policy objectives and Council's aspirations.

The key challenge for managing housing growth in Hobsons Bay is not only about ensuring there is enough supply, but that new housing is in the right location and matches the changing needs of residents.

A number of housing needs have been identified in the draft Housing Strategy. These include the need for:

- more housing diversity in better locations
- more affordable housing and affordable living
- housing which supports ageing in place
- housing which respects neighbourhood character
- good residential amenity
- housing which is more energy efficient and promotes sustainable living

The draft Housing Strategy recommends four policies with objectives and recommendations to address these housing needs and issues:

- Policy One: Population growth and change
- Policy Two: Housing location and housing type
- Policy Three: Housing affordability and affordable housing
- Policy Four: Housing design, functionality and sustainability

An implementation plan also accompanies the draft Housing Strategy.

New Residential Zones

The application of the new residential zones represents a major land use planning policy change for Hobsons Bay. This change enables Council to strategically consider and direct where new development should be located based on a range of important factors (discussed in Volume Two of the Housing Strategy). For example, balancing the need for development near a train station with preserving intact heritage or limiting density due to proximity to a Major Hazard Facility.

The Housing Framework Plan applies the three New Residential Zones with consideration of a range of land use opportunities and constraints. The Housing Framework Plan shows the boundaries of the New Residential Zones, the purposes of which are summarised below:

Residential Growth Zone

- to provide housing at increased densities in buildings up to and including four storey buildings
- to encourage a diversity of housing types in locations offering good access to services and transport including activity centres and town centres
- to encourage a scale of development that provides a transition between areas of more intensive use and development and other residential areas
- to ensure residential development achieves design objectives specified in a schedule to this zone

General Residential Zone

- to encourage development that respects the neighbourhood character of the area
- to encourage a diversity of housing types and housing growth particularly in locations offering good access to services and transport

Neighbourhood Residential Zone

- to recognise areas of predominantly single and double storey residential development
- to manage and ensure that development respects the identified neighbourhood character, heritage, environmental or landscape characteristics

Draft Activity Centres Strategy 2018-36

Activity centres vary significantly in terms of size, character and function. Plan Melbourne uses a three tiered network of activity centres ranging from the larger Metropolitan Activity Centres to Major Activity Centres and then smaller Neighbourhood Activity Centres. Collectively these different types of centres interact with, influence and complement each. There are no Metropolitan Activity Centres in Hobsons Bay, only Major Activity Centres and Neighbourhood Activity Centres.

A tailored approach to local activity centre planning and decision-making is required at the municipal level. A networked approach which groups comparable activity centre types based on a range of criteria, greatly improves the effectiveness of planning and decision-making, advocacy, attraction of investment as well as on the ground action.

The draft Activity Centres Strategy translates Plan Melbourne's typologies to the Hobsons Bay context and further refines the activity centres network by:

- refining the Neighbourhood Activity Centre typology to reflect local variations in size (Large, Medium and Small)
- identifying a new typology of 'Micro Centres' which fall outside the scope of Plan Melbourne
- defining a new typology of 'Enterprise Area' which primarily comprises large format homemaker and bulky goods retailing
- identifying one Future Major Activity Centre (Central Square) and three Future Large Neighbourhood Activity Centres (Precinct 15: Altona North Strategic Site; Spotswood including the proposed McLister Street mixed use development and Aviation Road). Structure plans will confirm the role of these centres in the Local Activity Centres Network.

The strategy outlines a vision for Hobsons Bay's activity centres network, and sets out 11 directions, each of which is supported by a series of policies which apply generally to whole-of-Council planning, decision making and advocacy for activity centres across the municipality.

A set of 13 separate draft brochures containing centre-specific guidelines have been designed for individual activity centres within the Hobsons Bay activity centres network (refer to appendix 10).


Draft Neighbourhood Character Study 2018

Given the level of change that has occurred in some parts of Hobsons Bay, a detailed review of Hobsons Bay Neighbourhood Character 2002 has been undertaken. The draft Neighbourhood Character Study 2018 (the new Study) addresses what neighbourhood character entails; the existing policy and statutory context; and through consultation, identifies established valued neighbourhood character elements.

Neighbourhood character is the relationship between the built-form, landscaping and topographic conditions present in the private and public realm. Hobsons Bay has a diverse range of neighbourhoods and comprises six main character types, one of which is a mixture of two types. Each character type is created by the different elements including building form, vegetation, colours and materials that contribute to the character of the area.

Ordinary Council Meeting Agenda

Neighbourhood Character Type	Neighbourhood Character Description	Example
Garden Court	Garden Court areas are generally spacious residential areas located in a garden setting and developed through a curvilinear subdivision. Garden Court areas have developed more recently, generally between the 1960s–90s. Dwellings are typically double fronted and constructed of brick.	
Garden Suburban	Garden Suburban areas are similar to Garden Court as they are spacious residential areas located in a garden setting however, they are based on a grid layout. They were usually developed in the immediate post-war decades, between 1950s-70s. Dwellings are typically double or triple fronted and constructed of brick.	
Inner Urban	Inner Urban areas are built form-dominated or compact older residential areas and dwellings are generally constructed boundary to boundary with minimal front setbacks.	
Urban Contemporary	Urban Contemporary areas are residential areas with minimal garden space often related to large infill sites with development providing a positive interface to public open space. Development generally consists of attached townhouses and apartments.	
Waterfront Suburban	Waterfront Suburban areas consists of large, contemporary-styled dwellings which take advantage of waterfront views through upper level balconies and large areas of windows at upper levels. Buildings in these areas use a mix of materials and colours and often have unusual dwelling forms. The key feature of Waterfront Suburban areas is that building design is influenced by proximity to the sea.	

Neighbourhood Character Type	Neighbourhood Character Description	Example
Inner Urban/ Garden Suburban	Inner Urban/ Garden Suburban areas display characteristics of both types and character elements can switch between streets.	

The new Study also identifies special character areas that display strong and consistent character elements. For these areas, investigation of a Neighbourhood Character Overlay could be beneficial, especially as this would allow control over demolition that other neighbourhood character tools cannot prevent. A Neighbourhood Character Overlay would form part of a Planning Scheme Amendment to introduce the new Study into the Planning Scheme.

The new Study identifies 28 character precincts across Hobsons Bay. This is a reduction from the current 42 precincts and is based on a combination of desktop analysis, inspection and accumulation of local knowledge.

Detailed brochures have been prepared for each precinct and will feature development guidelines including siting, building form, landscaping, front fencing, colours and material and subdivision for each precinct.

The design guidelines within these brochures will inform the content of the New Residential Zones schedules.

Strategic Alignment

This report specifically addresses the following priorities of the Hobsons Bay 2030 Community Vision:

Priority 1: Visionary, vibrant, accountable urban planning

This report specifically addresses the following goals and objectives of the Council Plan 2017-21:

Goal 3: A well designed, maintained and environmentally sustainable place

- 3.1 Work with all levels of government, key stakeholders and the community to ensure urban development is appropriate and considers neighbourhood character and heritage

Policy and Previous Council Reports

Further work listed at Clause 21.03-1 (Activity Centres) and Clause 21.06 -1 (Built Environment) of the Hobsons Bay Planning Scheme includes ‘review the Activity Centres Strategy for the municipality’ and ‘review the Hobsons Bay Neighbourhood Character Study to ensure it is delivering Council and community objectives’ respectively.

At the Ordinary Council Meeting on 11 September 2012 Council was informed of the Victorian Government’s intention to reform the residential, business, industrial and rural zones: Council resolved to note the release of the reformed zones for Victoria and make a submission to the State Government.

At the Ordinary Council Meeting on 13 August 2013 Council was presented with further detail on the nature of the reforms to the residential, business and industrial zones following their finalisation by the State Government. Council resolved to receive and note the information on the new zones and prepare an implementation plan to strategically justify and inform application of the new zones.

At the Ordinary Council Meeting on 8 March 2016 Council was presented with a discussion paper on the way land use buffers around Major Hazard Facilities are determined and implemented that had been released by The Major Hazard Facilities Advisory Committee in late 2015 and a written response to that discussion paper prepared by officers. Council resolved to receive and note the written submission and determined to continue to participate in the Advisory Committee process.

On 10 May 2016 Council presented its submission to the Managing Residential Development Advisory Committee (MRDAC), which had been established by the State Government to review the application of the New Residential Zones, including the way they had been implemented by councils, and to recommend improvements.

Council was provided an update of all state planning policy changes including the New Residential Zone reforms at the OCM 27 June 2017.

The Housing Strategy Background Report was subsequently updated in December 2017 to include an Addendum (Demographic and Housing Needs) to align the strategy with the new 2016 ABS Census Data which was released late 2017.

Council received a report on the Victorian Government's response to the recommendations of the Major Hazard Facilities Advisory Committee on 13 March 2018 and resolved to support their implementation.

The draft suite of planning policy documents have also been presented at recent Council Briefing Sessions.

Legal/Statutory Obligations/Risk

The suite of planning policy documents that have been prepared are consistent with current State planning policy. Any planning scheme amendment undertaken to implement policy within the planning scheme will be processed in accordance with the requirements of the *Planning and Environment Act 1987*.

Financial and Resource Implications

The preparation of these strategies and plans is funded through the existing operational budget. Implementation of actions arising from them will need to be integrated into future department business plans, budgets and capital works programs.

Environmental/Social/Economic Impacts

This suite of key strategies and plans will facilitate positive, economic, social and environmental outcomes while managing urban growth to 2036.

It is expected that the successful implementation of these plans and strategies will improve built environment responses across Hobsons Bay, increase economic viability and liveability of activity centres, conserve valued heritage and neighbourhood character, and facilitate the delivery of diverse and well-located housing that meets changing community needs.

Additionally, these strategies and plans provide a clear indication of Council's direction and may help to attract external funding for some actions, as well as guide private sector investment.

Consultation and Communication

By the time they are included in the Hobsons Bay Planning Scheme, each of the documents will have been through three rounds of consultation and engagement.

There has been community and stakeholder consultation during the development and preparation of each policy including a combination of workshops with Council staff; meetings with key stakeholders; and public drop-in sessions as well as on-line surveys.

The second round of coordinated consultation on this suite of strategies and plans is proposed over an eight week period. This will be done in accordance with Council's Community Engagement Framework, including engagement with the new Portfolio Advisory Committees, where possible. It will include online and digital engagement, printed material and opportunities for face to face discussion. A series of summary booklets (refer to appendices), present a simplified overview of each policy document and will comprise part of the suite of material that will be available during the consultation period.

Once responses from this consultation process have been considered, the documents will be revised for Council consideration with a view to adopting and implementing them, both in the planning scheme and through other Council actions and projects. There will be a further opportunity for the community to contribute their views during the exhibition period of the planning scheme amendment.

Officer Declaration of Conflict of Interest

Section 80C of the *Local Government Act 1989* 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.

8.3.3 Municipal Association of Victoria State Council Motions

Directorate: Strategic Development

Councillor Portfolio: Nil

- Appendices:**
- 1 State Council Motion - Electronic Gaming Machines
 - 2 State Council Motion - Environmentally Sustainable Development Policy
 - 3 State Council Motion - Environment Protection Authority (EPA)

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Purpose

To consider the motions to be put forward to the Municipal Association of Victoria (MAV) for the State Council Meeting on 19 October 2018.

Recommendation

That Council resolves to put the following motions to the MAV State Council:

1. That the MAV call upon the Victorian Government to reduce the number of electronic gaming machines from all licensed premises by 2032, and urgently address gambling harm in Hobsons Bay and all Victorian communities by:
 - adopting a public health approach
 - lowering electronic gaming machine caps to safer levels
 - introducing more extensive harm minimisation measures
2. That the MAV call upon the Victorian Government to take a strategic approach to the built environment and develop State Environmentally Sustainable Development policy supported by appropriate reforms to the National Construction Code Building Regulations that position Victoria as a leader in sustainable development in the built environment and address climate change.
3. That the MAV call upon the Victorian Government to require the Environment Protection Authority (EPA) and Department Environment Land Water and Planning (DELWP) to include local government representation on the Working Groups and to develop a formal consultation program that enables every Council to be consulted in the development of the subordinate legislation, particularly the development of a tiered licensing/permitting system framework under the *Environment Protection Amendment Act 2018*.

Summary

The MAV State Council meetings provide an opportunity for local government to submit motions for key priorities that require state and or federal government support. On 19 October 2018 the Municipal Association of Victoria (MAV) will be holding a State Council Meeting. Three motions have been developed for submission by Council which include the State Government committing to a reduction in the number of electronic gaming machines and urgently address gambling harms; taking a strategic approach to Environmentally Sustainable Development through changes to the planning and building legislation, and

requesting the State Government develop a formal consultation program that enables all councils to be engaged in the development of subordinate legislation under the *Environment Protection Amendment Act 2018* including the development of a tiered licensing/permitting system framework.

Background

The MAV is the statutory peak body for local government in Victoria and takes a lead role in advocating for local government to state and federal government on a variety of issues of concern.

The State Council is the governing body for the MAV and has representation from all member councils. Members are invited to submit motions to be considered by the State Council twice a year. Resolutions are assessed by the Board to determine how they will be progressed.

Discussion

The State Council meeting presents an opportunity to advocate for key priorities within Hobsons Bay that require state and or federal government support in order to create effective and meaningful change.

Reducing the number of electronic gaming machines and urgently addressing gambling harm

During 2017-18, \$47.4 million was lost at 'pokies' venues in Hobsons Bay. This represents an annual increase of more than \$500,000, the biggest increase since 2011-12. Council is increasingly concerned about the impact of electronic gaming machines (EGMs) on community health and wellbeing, with up to 70 per cent of electronic gaming machine losses incurred by people experiencing harm.

Council has a Problem Gambling (Electronic Gaming Machines) Policy Statement 2015 which articulates Council's commitment to managing and minimising the negative impacts of EGM gambling for the community of Hobsons Bay. Council is also a member of the Alliance for Gambling Reform. In order to achieve change, Council requires support from the state government.

The State Council Motion seeks the MAV to call upon the Victorian Government to reduce the number of electronic gaming machines from all pubs and clubs by 2032, and urgently address gambling harm in Hobsons Bay and all Victorian communities by:

1. adopting a public health approach
2. lowering EGM caps to safer levels
3. introducing more extensive harm minimisation measures

As indicated in the Motion see appendix 1, by undertaking these measures they will not only reduce the harms within Hobsons Bay, but all of Victoria.

Taking a strategic approach to Environmentally Sustainable Development

A number of councils, including Banyule, Darebin, Knox, Manningham, Monash, Moreland, Stonnington, Whitehorse and Yarra have developed an Environmentally Sustainable Development (ESD) policy in their Local Planning Policies (LPP) in the absence of a state-wide approach. Another group of councils are currently seeking an amendment to introduce a new LPP for ESD into their Planning Schemes, including Hobsons Bay. Whilst all the ESD LPPs are identical to ensure consistency there is currently a sunset clause enforced by the Victorian Government.

It is noted with the recent introductions of Amendment VC148 to all planning schemes in Victoria there were some improvements to the reference to climate change and sustainability in the State Planning Policy section. However the reforms need to go further. The Sustainable Design Assessment in the Planning Process (SDAPP) framework has been developed and used by Victorian local governments for the past decade to provide a consistent method to identify opportunities for improved environmental performance for buildings and sites. The Built Environment Sustainability Scorecard (BESS) is the recommended tool under the SDAPP.

The Victorian Government has a strong mandate to have regard to climate change in all their subordinate policies, regulations, plans and other measures. Enhancing the sustainability of the built form is an essential component of addressing climate change. Ensuring a consistent and authoritative approach to environmentally sustainable development will deliver certainty to developers and the community and enhance environmental outcomes for all Victorians. Not all buildings require planning approval therefore this reform needs to be complemented by changes to the *Victoria Building Regulations 2018* to ensure that all buildings consider ESD.

Formal engagement with Council on the subordinate legislation associated with the EPA Amendment Act 2018.

Currently a loophole exists between EPA licensing and council planning permits. This can create a blind spot in regards to who is responsible for regulatory enforcement, increases risks to the environment and has significant adverse health and amenity impacts on the community.

A new tiered licensing/permitting system to be introduced under the *Environment Protection Amendment Act 2018* (The Act) will introduce a risk based regulatory framework based to manage activities and operators across Victoria, based on the level of complexity of their operations and ability to control impacts to the environment.

The current pilot program whereby EPA has introduced the Officers for the Protection of the Local Environment (OPLE) into local government will have enabled some insight into the challenges being faced across Victoria in managing environmental impacts and protecting the health of the community. Furthermore, the recent fire in West Footscray, stockpiling issues associated with the recycling industry, unlicensed landfills and Material Recovery Facilities (ie. Lara tip) are all examples of industry operations that currently fall into the above mentioned loophole and must be better regulated through the new Act.

Whilst The Act does not commence until 1 July 2020, there will be a requirement over the next two years for EPA to develop the subordinate instruments, guidance and systems that will underpin The Act. In this regard, DELWP and EPA will soon commence consultation on the development of the proposed subordinate legislation, including the establishment of working groups that will specifically be convened to discuss key matters.

To ensure that community health and amenity is a priority, and to ensure robust subordinate legislation picks up the issues outlined herein, local government at a council, regional and statewide level, needs to ensure they engage with DELWP and EPA as the new environmental framework is developed.

This will enable local government to outline current short circuits between the planning scheme/system and environmental regulation and flag high risk activities and operators given it is important that the EPA sets up the right framework. This will result in a better environmental and amenity outcome for the community and ensure that there is a robust and transparent licensing system.

Strategic Alignment

This report specifically addresses the following priorities of the Hobsons Bay 2030 Community Vision:

Priority 1: Visionary, vibrant, accountable urban planning

Priority 2: Community wellbeing and inter-connection

This report specifically addresses the following goals and objectives of the Council Plan 2017-21:

Goal 4: A Council of excellence

- 4.1 Collaborate with all levels of government, service providers, not for profit organisations and the private sector to address the concerns of our community

These motions align with Councils Advocacy Strategy 2014-18, Problem Gambling (Electronic Gaming Machines) Policy Statement 2015, and Council's suite of sustainability policies.

Council is a member of the Alliance for Gambling Reform.

Policy and Previous Council Reports

Council has submitted MAV Motions for a number of years which have included:

2018:

- funding for sustainable street lighting upgrades on main roads
- cost-sharing arrangements between State and Local Governments to install Smart Poles in key locations

2017:

- Western Metropolitan Regional response to integrated transport and growth
- equitable distribution of funding and clear roles for foreshore management
- level crossing removal support and a coordinated response
- banning electric waste to landfill

2016:

- Western Distributor strengthening community connections and wellbeing
- youth mental health services
- electronic gaming machines

2015:

- legislative change to asbestos removal in building demolitions

Legal/Statutory Obligations/Risk

Under the *Local Government Act* 1989, the primary objective of Council is to work towards improving the overall quality of life of people in the local community. In addition, under the *Public Health and Wellbeing Act* 2008 Council's role is to seek to protect, improve and promote health and wellbeing.

Financial and Resource Implications

There are no direct financial implications to Council in presenting this motion to the MAV State Council.

Environmental/Social/Economic Impacts

These motions support the enhancement of the built, natural, economic and social environment within Hobsons Bay as well as across Victoria.

Consultation and Communication

These motions are supported by the Hobsons Bay 2030 Community Vision, Problem Gambling (Electronic Gaming Machines) Policy Statement 2015, and Council's suite of sustainability policies. All of these policies and plans have been developed through community consultation and engagement.

Officer Declaration of Conflict of Interest

Section 80C of the *Local Government Act 1989* 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.

8.3.4 Contract 2011.30 Variation SKM Recycling

Directorate: Strategic Development

Councillor Portfolio: Environmental Sustainability

Cr Jonathon Marsden and Cr Sandra Wilson

Appendices: Nil

Purpose

To present a contract variation and extension with SKM Industries Pty Ltd to contract 2011.30 for recycling acceptance and processing until 5 February 2020.

Recommendation

That Council:

- 1. Extend contract 2011.30 with SKM Industries Pty Ltd's (SKM) from 6 February 2019 to 5 February 2020.**
 - 2. Accept SKM Industries Pty Ltd's (SKM) contract variation from 1 July 2018 to 5 February 2020.**
 - 3. Delegate authority to the Chief Executive Officer and Director Strategic Development to sign the variation with SKM.**
-

Summary

China's National Sword Policy (the China Policy) which began on 1 March 2018, bans the import of low quality mixed paper and unprocessed plastics. The China policy has affected the market and the price of commodities and has therefore affected the viability of existing local government contracts with the three kerbside recycling processors in Victoria namely VISY Recycling, Polytrade and SKM Industries Pty Ltd (SKM).

The first of two variations with SKM from 1 March 2018 to 30 June 2018 was approved by Council on 8 May 2018. SKM have sought a variation to apply from 1 July 2018 and an extension to the contract to 5 February 2020. Ministerial exemptions to tenders have been granted until 30 June 2020 specifically allowing a variation between Council and SKM. Renegotiated contracts must be completed by 30 September 2018 for this Ministerial exemption and for Victorian Government funding support for 2017-18 costs.

Not agreeing to this variation and extension places recycling at risk. It is likely that VISY Recycling and Polytrade are not in a position to manage additional recyclables and the timeframe to negotiate a new contract and maintain service continuity is prohibitive. It is also likely that a tender would result in higher costs for Council. Landfilling is a more expensive option that would jeopardise Council's reputation and result in poor recycling.

This report provides an analysis and recommends an agreement to the variation and extension to 5 February 2020.

Background

Council's recycling processing contract is with SKM until 5 February 2019 with one final year extension available until 5 February 2020. The contract was for SKM to pay Council a fixed fee rebate per tonne for recyclables delivered to SKM, equating to approximately \$500,000 per year (dependent on the amount of recyclables collected). There were no limits or penalty charges for contamination which is a unique situation compared to other councils' contracts.

The three main recycling companies, VISY, Polytrade and SKM, are affected in different ways by the China Policy predominantly due to different processing equipment and the markets they have established. SKM are establishing themselves to respond to the changes and continue providing services to councils including Hobsons Bay. SKM are currently investing approximately \$30 million into improving their processing infrastructure at their facilities in Coolaroo, Adelaide, Hallam, Laverton and Geelong that will be able to produce products that they can sell in the China market.

The first of two variations with SKM from 1 March to 30 June 2018 was approved by Council at its Ordinary Council Meeting on 8 May 2018. The first variation was a fixed rate per tonne of recyclables delivered to SKM payable by Council with no penalties for contamination.

Discussion

The variation

SKM have proposed to all their council contracts four variation options. During the first year of each option (2018-19) it includes a fixed rate per tonne of recyclables delivered to SKM payable to SKM and 100 per cent pass through of the contamination costs. Second and future years of the four variation options differs for contracts with greater than two years.

The first two options are fixed price options, the first of which is for contracts with two years remaining, the second for five year minimum contracts. The third and fourth options are variable price models based on the price of mixed paper in the Asia market, one with an upper and lower cap and the other with no caps. The 100 per cent pass through of the contamination costs remains the same for all contract lengths and variation options.

Due to the term of Council's contract with a final extension with SKM only able to go to 5 February 2020, only one of these four options applied to Council. Therefore SKM's contract variation from 1 July 2018 and extension to 5 February 2020 for recyclables processing for Council is the fixed rate per tonne payable to SKM for 2018-19 and 2019-20 and 100 per cent pass through of contamination costs.

SKM's contract variation, specifically the fixed price per tonne, is within or lower than the current Victorian recycling industry benchmark.

SKM has provided Council with evidence of their contamination costs which includes landfill and transport costs. These have been assessed as reasonable when compared with Council's own landfill and waste transport costs.

On average for the last six years, Council has collected 10,000 tonnes of recyclables per year. The last two years have been around 9,500 tonnes per year. Contamination over six years has ranged between 8.6 and 13.4 per cent with an average of 12.4 per cent. SKM have quoted current contamination excluding soft plastics as 11.8 per cent. Soft plastic from Council's soft plastic recycling service is not included in contamination.

The extension

The initial term of the contract expired on 5 February 2017. Two reviews have been completed which resulted in two extensions awarded to 5 February 2019. There is one final year extension available to 5 February 2020. Only having a one to two year window until Council's contract expires, there are limited options available if Council were not to agree to a contract variation and extension with SKM. A tender within the next year is likely to mean higher costs to Council. At this time there are only two other recyclers in Victoria, they are Polytrade and VISY. They both tendered for Council's recycling processing contract in 2011.

Due to *Local Government Act* 1989 requirements, Council will have to tender independently or collaboratively for a new contract to commence in March 2020. This is not ideal given that the market is not likely to have settled in this time and it will not be enough time for new service providers to enter the market to provide competition to SKM, VISY and Polytrade. The Metropolitan Waste and Resource Recovery Group (MWRRG) will be facilitating a collective tender for a new contract to commence in early 2020 and officers have expressed interest in Council being involved in this process.

Strategic Alignment

This report specifically addresses the following priorities of the Hobsons Bay 2030 Community Vision:

Priority 5: Activate sustainable practices

This report specifically addresses the following goals and objectives of the Council Plan 2017-21:

Goal 3: A well designed, maintained and environmentally sustainable place

- 3.4 Maintain a clean city and encourage the community, business and industry to reduce, reuse and recycle

This report also aligns with Council's Waste and Litter Management Plan (under review) specifically the continuation of the kerbside recycling service.

Policy and Previous Council Reports

Leading up to the consideration of the contract variations Council have received several briefings on the impact of the China Policy on Council's operations.

The first of two variations with SKM from 1 March 2018 to 30 June 2018 was approved by Council at the Ordinary Council Meeting 8 May 2018.

On 12 June 2018 and 26 June 2018 Council adopted an increase to the 2018-19 budget and waste service charge to accommodate an increase in recycling processing costs of

\$760,000. Legal/Statutory Obligations/Risk

As previously mentioned to maintain the service until new future options are realised it is important that this variation is agreed to.

Under section 186 of the *Local Government Act* 1989 there are restrictions on councils entering into contracts above \$150,000 without first carrying out a public tender process. Council has been granted Ministerial exemption from tendering under section 186(5)(c) of the Act and is able to enter into a varied contract for recycling collection services. The exemption

is until 30 June 2020 and Council must enter into the renegotiated contract by 30 September 2018.

If Council does not meet the 30 September 2018, it must report on not meeting the Ministerial exemption conditions in the 2018-19 annual report and may not receive the balance of the Victorian Government 2017-18 funding equating to \$74,000 and although unlikely, may be required to pay back the first instalment of \$104,000.

The *Local Government Act* 1989, Council's Procurement Policy and the direction of the Ministerial exemption limits Council's ability to extend a contract with SKM beyond March 2020.

As this contract variation is greater than 20 per cent, Council needs to formally consider the contract variation to comply with its procurement policy. Council's Tender Board considered this matter on 15 August 2018 and resolved to support the variation to the contract.

The contract is silent on how to specifically address global impacts on the service. It specifies a process for variations directed by Council but not by the contractor. It does include a process in instances of defaults or terminations by the contractor and requires the contractor to show cause. In this case SKM has sought a variation so as not to default or terminate the contract. Council could consider legal options to contract default however this approach carries risks. Setting aside costs of legal action, there are few alternative providers in the market which could result in suspension of recycling services with landfill being the only option for collected recycling. Officers support that SKM has met the 'show cause' clause in the current contract.

Financial and Resource Implications

The value of this variation is approximately \$1.27 million in total from Council receiving \$500,000 income to now paying \$770,000 expense in 2018-19 and 2019-20 and based on recycling 10,000 tonnes per year and 11.8 per cent contamination quoted by SKM. Based on the last two years data it is possible that approximately 9,500 tonnes of recyclables will be collected which may mean the annual expense will be approximately \$730,000. Expenses will be monitored on a monthly basis and any budgetary reviews will be completed during midyear budget reviews.

Council will receive \$176,000 of the Victorian Government support package to contribute to 2017-18 cost impacts. Council is required to meet any increase in recycling costs from 1 July 2018 onwards and demonstrate renegotiated recycling processing contracts or interim pricing agreements by 30 September 2018. No other government financial support is expected.

By comparison if Council landfilled the recyclables collected for one year it would cost Council approximately \$1,055,000. In addition the Victorian Government's 2017-18 funding to Council would be in jeopardy.

Environmental/Social/Economic Impacts

The recycling service is very important to the community scoring a 98 out of 100 in the 2017 annual community survey, an increase from 91 the year prior. Satisfaction with the recycling service is 92 out of 100, an increase from 87 the year prior.

Consultation and Communication

Council has and will continue to deliver a communications campaign to raise community awareness about the proposed waste service levy increases that commenced on 1 July

2018. Key messages include information about the global recycling issue, how Council and the industry is responding, the reasons for the proposed waste service levy increase, how Hobsons Bay recycling is processed and the do's and don'ts of recycling. Collateral has included website information, facts sheets / FAQs at Hobsons Bay Libraries and community centre locations. In addition social media posts, advertising in the local newspaper, article in the Hobsons Bay Community News quarterly newsletter and relevant Council E-newsletters, TV screen scripts, on-hold phone messaging and in the annual Rates brochure have been used to communicate the issues.

The Municipal Association of Victoria (MAV) has taken a lead role in liaising with SKM on particulars of SKMs contract variation. The MAV have engaged Ernst and Young to undertake a financial assessment of SKMs proposals with particular attention to the variable pricing variation models that are not on offer to Council due to Council's contract term being less than two years. Feedback suggests that the fixed rate per tonne that is on offer to Council for up to two years is a reasonable cost and the best course of action for Council.

Commonwealth, State and Territory Ministers and the President of the Australian Local Government Association met on 27 April 2018. They agreed to reduce the amount of waste generated and make it easier for products to be recycled by including a target of 100 per cent recycled content in packaging by 2025. They agreed to develop the recycling industry and grow domestic capabilities to process recyclables. They will increase the demand for recycled products and create markets for recycled materials. Waste to energy and biofuels projects will also be explored and the 2009 National Waste Strategy will be updated.

In June 2018 the Australian Parliament released a report on an inquiry into the waste and recycling industry in Australia which considered issues related to landfill, markets for recyclables and the role of the Australian Government in providing a coherent approach to the management of solid waste. The report made 18 recommendations including Council's suggestion to prioritise waste reduction and recycling, and expanding product stewardship schemes.

In July 2018 the Victorian Government released its Recycling Industry Strategic Plan. It sets out a pathway to a safe, resilient and efficient recycling system in Victoria, where kerbside recycling services continue to be provided to households. Key goals of the strategy are to stabilise the recycling sector, increase the quality of recycled materials, improve the diversity and productivity of the recycling sector and develop markets for recycled materials.

Officer Declaration of Conflict of Interest

Section 80C of the *Local Government Act 1989* 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.

8.3.5 Review of Environmental Upgrade Agreements Trial

Directorate: Strategic Development

Councillor Portfolio: Environmental Sustainability

Cr Jonathon Marsden and Cr Sandra Wilson

Appendices: 1 Environmental Upgrade Agreement FAQs

2 Environmental Upgrade Agreement service review 2018

Purpose

To present a review of the Environmental Upgrade Agreements trial and recommend that the trial becomes an ongoing service.

Recommendation

That Council:

- 1. Continue to offer EUAs to non-residential properties as an ongoing service.**
 - 2. Delegate the Chief Executive Officer the power to enter into Environmental Upgrade Agreements and declare and levy an environmental upgrade charge.**
-

Summary

Council endorsed a two year trial of Environmental Upgrade Agreements (EUAs) at its Ordinary Council Meeting on 8 March 2016. The trial is completed and a review has been conducted. The review did not identify any significant issues with the program and highlights the potential of this service to provide environmental upgrades to businesses within Hobsons Bay and contributes to achieving the objective of becoming a zero net emissions community by 2030. As a result of the review, it is recommended that EUAs be continued as an ongoing service to business in Hobsons Bay.

The benefits that EUAs provide assist Council to achieve objectives within the Community Greenhouse Strategy 2013-2030 and the Economic Development Strategy 2015-2020. The EUAs are a high priority action in the regional greenhouse strategy, Low Carbon West, endorsed by Council in 2014 and is delivered by the Western Alliance for Greenhouse Action (WAGA).

There are no direct costs to Council associated with the ongoing delivery of this service. Limited staff time is required to administer and promote the program as this is undertaken by a third party, the Sustainable Melbourne Fund.

EUAs provide environmental and economic benefits to businesses and the broader community. Projects facilitated by EUAs will reduce ongoing operating costs for businesses, increasing profitability and potentially allow them to invest in further improvements to their business. EUAs will facilitate projects that promote Hobsons Bay as a leading destination for sustainable businesses.

Background

Council endorsed a two year trial of EUAs at its Ordinary Council Meeting on 8 March 2016. Hobsons Bay was one of the first councils in Victoria to offer this service to its business community. This demonstrated leadership in addressing climate change and has continued through Council becoming a founding member of the Victorian Government's Take2 pledge in 2016 and committing to the Global Covenant of Mayors for Climate and Energy in 2017.

An EUA is an agreement between a building owner, a bank and the building owner's local council that facilitates a building upgrade to improve environmental performance. Council's role is to levy the loan repayment using the council charge system and remit that payment, if and when received, to the lender. Appendix 1 includes frequently asked questions that explain EUAs in more detail.

The ability and requirements for establishing EUAs are outlined in the *Local Government Act 1989* (the Act). The legislation requires that a Council's CEO sign EUA contracts on Council's behalf. It is within Council CEO's current delegated responsibilities to sign these contracts.

Discussion

Review of the two year trial of EUAs

A review of the trial has been undertaken. The review did not identify any significant issues with the program and highlights the importance and potential that this service provides to local businesses. Council currently has two EUAs in place with a single business. These EUAs have allowed the business to install 49kW of solar power across its two sites. This solar system provides greenhouse gas savings of 106 tonnes per annum, contributing to Council's zero net emissions target for 2030. The business took up this opportunity after participating in Council's EnergySmart program where it upgraded its lights to LEDs.

The limited uptake to date is not unexpected as this finance mechanism is relatively new and unfamiliar to businesses. It is an attractive option for some businesses and has provided the opportunity for a number of projects to proceed across Victoria. As more businesses become familiar with this arrangement and its availability, interest and uptake is likely to increase. This provides one more way in which Council can remove a barrier for businesses to reduce their operating costs and environmental impact. It is for this reason that the continuation of this service is recommended.

As a consequence of the benefits of the EUA program outlined in this report and the review report (Appendix 2), it is recommended that the EUA service be continued as an ongoing service.

Leadership

Hobsons Bay was one of the first councils in Victoria to offer this service to its community. To date, 23 councils across Victoria offer EUAs and numerous others are in the process of establishing this service. A total of 45 EUAs have been entered into so far, providing significant environmental and economic benefits. It is in Council's interest and strategic vision to continue to offer this service to maintain leadership and consistency with other councils.

Strategic Alignment

This report specifically addresses the following priorities of the Hobsons Bay 2030 Community Vision:

Priority 5: Activate sustainable practices

This report specifically addresses the following goals and objectives of the Council Plan 2017-21:

Goal 3: A well designed, maintained and environmentally sustainable place

3.5 Work with the community, businesses and all levels of government to actively and innovatively address climate change and promote sustainable living

Council's Climate Change Policy 2013 and Community Greenhouse Strategy 2013-30 outlines its commitment to reducing greenhouse gas emissions and adapting to climate change. EUAs are a tool that directly facilitates carbon reduction projects that deliver on these objectives.

Council's Economic Development Strategy 2015-20 includes objectives focused on business support and engagement; investment attraction and sustainability. The outcomes provided by EUA projects support Council's efforts to achieve these objectives.

Policy and Previous Council Reports

Council endorsed a two year trial of Environmental Upgrade Agreements (EUA) at its Ordinary Council Meeting on 8 March 2016.

The benefits that EUAs provide assist Council to achieve objectives within the Community Greenhouse Strategy 2013-30 and the Economic Development Strategy 2015-20. The EUAs are a high priority action in the regional greenhouse strategy, Low Carbon West strategy that Council endorsed in 2014 and is delivered by the Western Alliance for Greenhouse Action (WAGA).

Council is committed to reducing its impact on the environment and helping the community to do the same. The Community Greenhouse Strategy, adopted in October 2013, was developed by Council to support the community to reduce its greenhouse gas emissions with the objective of being a zero net emissions community by 2030.

Based on Hobsons Bay's greenhouse gas emissions baseline from 2012, non-residential buildings and industrial processes account for about 71 per cent of total emissions. Council is currently delivering a suite of programs that assist the community to reduce their emissions. The EUAs will assist in further emission reductions by facilitating access to finance to implement projects such as equipment upgrades and the installation of solar panels, LED lighting and water tanks.

Council's Economic Development Strategy 2015-20 outlines the objectives that will guide Council's work in supporting the short and long term growth of the local economy. Key themes within the strategy include business support and engagement, investment attraction and facilitation, and sustainability. The EUAs will assist in meeting some of the strategy's objectives by providing access to capital, building improvements, reduced operating costs and reduced greenhouse gas emissions.

Legal/Statutory Obligations/Risk

were engaged in April 2016 as the program's Third Party Administrator (TPA) to process applications, provide help-line support and participate in stakeholder engagement activities to promote the program. The TPA's role is to ensure adherence to the *Local Government Act 1989* in all processes and documentation relating to EUAs. All documentation including both EUA contracts offered to businesses and the service agreement between Council and the TPA have been reviewed and approved by Council's Legal Services team.

Financial and Resource Implications

Initially the cost to Council was proposed at \$10,000 per year but due to efficiency SMF determined to reduce this cost during the two year trial for a total cost of \$5,000 per year. However, SMF has further reviewed its business model and continuation of this service will come at no additional cost to Council.

There are no direct costs to Council. Staff time is required to respond to eligibility checks (when an application is made), to issue quarterly charge notices (similar to a rates notice) and process payments once received from the building owner. It takes the rates unit one hour per quarter (four hours per annum) to process the two existing EUAs that Council has in place.

Council's Sustainability team promotes sustainability opportunities and initiatives to the business sector and the broader community as part of the implementation of the Community Greenhouse Strategy 2013-30. This includes the successful EnergySmart program, of which EUAs are a component. As EUAs are promoted as one part of the EnergySmart program, no additional resources are required for this purpose.

Environmental/Social/Economic Impacts

EUAs provide numerous benefits to businesses which subsequently help Council to achieve its policy objectives and the broader community's vision.

Environmental impacts of EUAs will result in a reduction of greenhouse gas emissions from energy efficient and renewable energy projects, reduce water consumption and waste generation. Local businesses will see a reduction in their utility costs which may increase their profitability.

For building owners EUAs mean that there is zero upfront capital and no additional security requirements; competitive interest rates fixed for up to 10 years or more, with reduced re-financing risk; improved cash flow, with lower annual repayments offset by energy cost savings; and an option to share costs, delivering a better asset for the owner, and a lower-cost and improved working environment for tenants.

EUAs will facilitate projects that promote Hobsons Bay as a leading destination for sustainable business. This is an objective within the Economic Development Strategy.

Consultation and Communication

Council is now proactively engaging with local businesses to better understand their operations, the pressures that they face and to identify ways in which Council may be able to assist. The EUAs are one tool that can assist businesses to improve and make savings.

One of the main objectives within the Environmental Engagement Strategy 2013-18 is to reach new audiences, EUAs provide an avenue to do this.

Officer Declaration of Conflict of Interest

Section 80C of the *Local Government Act 1989* 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.

8.4 Infrastructure and City Services

8.4.1 Contract 2018.53 Roads and Drainage Maintenance

Directorate: Infrastructure and City Services

Councillor Portfolio: Integrated Transport

Cr Jonathon Marsden and Cr Sandra Wilson

Appendices: Nil

Purpose

To award contract 2018.53 for provision of Roads and Drainage Maintenance Services for the initial term of five years.

Recommendation

That Council:

Award Contract No. 2018.53 for the provision of Roads and Drainage Maintenance Services to Citywide Service Solutions Pty Ltd for a period of five years with a 2 x 1 year option to extend as follows:

- **Fixed price lump sum of \$3,536,720 (Incl GST)**
- **Provisional schedule of rates component estimated at \$22,021,199 over the five years (Incl GST)**

Summary

Council has a significant network of roads, footpaths and drainage assets across the municipality. As a road manager, Council has significant legislated responsibilities in maintaining these assets on behalf of the community and other road users.

Council has undertaken a review of how these responsibilities are fulfilled and created a contract to provide the physical services required to maintain these assets in the field. Tenders for this contract have been assessed and a recommendation made to award these services to Citywide Service Solution Pty Ltd for a period of five years.

Background

Councils Road Management Plan sets out responsibilities to inspect Councils Road, Footpath and Drainage assets, identify any defects in them and take appropriate action to remedy them to ensure they do not become a hazard to road users. The way this legislated responsibility is fulfilled can be generally split into two areas, "Inspection of assets and works programming" and "Works to rectify defects". Historically both of these services have been provided under contract with Council managing the contractor, directing and approving works packages and auditing the performance of the contractor.

Ordinary Council Meeting Agenda

A recent internal audit raised some concerns around conflicts of interest with contractors undertaking inspection of Councils assets, identifying defects and then undertaking works to rectify them. Similarly there were issues with Councils asset information being handled on an external database rather than Councils.

In order to appropriately consider these options a review has been undertaken on the inspections and maintenance requirements of our Road Management Plan. This review identified several potential delivery methods which had been undertaken by varying degrees of success by other Victorian Councils.

In order to resolve the issues identified by the internal audit the decision was taken to internalise the inspection of assets and undertake works programming by Council staff. This will mean the contractor will be issued works by Council with data around the rectification works managed within Councils systems (CONFIRM). The table below provides an indication of the changes in responsibility from the previous contract to current:

Issue	Previous Accountability	Current Accountability	Comments
Defect Inspections	Contractor	Hobsons Bay	Council Officer required to inspect Council assets as per RMP and ensure data is managed in CONFIRM
Hazard Identification	Hobsons Bay & Contractor	Hobsons Bay	Contractor would previously report hazards to Council where identified but will no longer be undertaking this work
Customer Requests	Hobsons Bay & Contractor	Hobsons Bay	The bulk of CHARMs associated with Roads, Drains and Footpaths were sent to the contractor to inspect, resolve and correspond with the resident. This will be undertaken by Council in future.
Works Packaging	Contractor	Hobsons Bay	Previously a works package was prepared by the contractor and provided to Council for approval or amendment. Council will prepare this program and issue it to the contractor in future.
Works Programming	Contractor	Hobsons Bay & Contractor	Council will need to work with the contractor on a regular basis to ensure the necessary resources are available and align with proposed maintenance works
Asset Repair / Replacement	Contractor	Contractor	Physical on ground and associated issues continue to be the responsibility of the contractor.
Auditing and payment	Hobsons Bay & Contractor	Hobsons Bay	Council will hold data on completion of works in CONFIRM and will be responsible for auditing and approvals of completed works.

This contract provides Council with a contractor who is capable and obligated to undertake these works on behalf of Council when directed to do so.

Discussion

Under the contract delivery method proposed there has been a significant shift in workload from the contractor back to Council. This is a shift which is being felt across many Local Government areas which have traditionally packaged inspection, works programming and works completion into their Roads and Drainage Maintenance Contractors.

Primarily this will consist of an Officer to undertake asset inspection in line with Councils RMP and training of a number of other staff to assist in assets inspections, undertake works programming within CONFIRM and update auditing and payment protocols.

Four tenders complied with all of the requirements of the tender documents. Of the four tenders assessed an analysis was undertaken against an indicative monthly cost for reactive works based on the schedule of rates submitted. In the past each company has carried out works for Council for significant works packages and were able to complete the works effectively.

At the conclusion of the analysis and based on the lump sum price, experience, capacity the submissions of Citywide and Fulton Hogan were shortlisted and invited to interview.

The contractor is required to interact directly with Councils Asset Management System CONFIRM to receive jobs and works orders which are issued to them and in turn to ensure appropriate supporting information is provided once the work has been completed. The Key Performance Indicators associated with the contract all align with assessment of the contractors performance out of CONFIRM only and aligning this with on ground work completed.

Strategic Alignment

This report specifically addresses the following priorities of the Hobsons Bay 2030 Community Vision:

Choose Priority

This report specifically addresses the following goals and objectives of the Council Plan 2017-21:

Goal 3: A well designed, maintained and environmentally sustainable place

- 3.2 Deliver and maintain well-designed, accessible and environmentally sustainable community assets

Policy and Previous Council Reports

The operation of this contract responds specifically to Councils legislated obligations under the Road Management Plan. It also has a significant impact on Councils Long Term Asset Management Plans by ensuring appropriate maintenance is undertaken to maximise the life of Councils assets.

Legal/Statutory Obligations/Risk

Council has a legislative obligation to provide and maintain our Roads and Footpath networks to ensure they can be safely used by the community. Similarly Council has

obligations to provide and maintain a drainage networks which allows safe access but also protects property from adverse effects such as flooding. Failure to effectively undertake these duties not only increases risks to our community but also exposes Council to legal recourse by those adversely affected.

Financial and Resource Implications

Council invests a significant amount of money to maintain our Roads, Footpath and Drainage Assets which is set to continue under this contract. Ensuring our existing assets are maintained effectively has the double benefit of minimising risk to the community but also maximising the life of our existing assets. Good maintenance is critical in ensuring Council can meet our long term asset planning objectives.

Environmental/Social/Economic Impacts

The tender has required that the contractor gives due consideration to sustainable treatments to reduce the environmental impact of our concrete and asphalt work. The Key Selection Criteria reflected this requirement and tenderers were assessed consistent with this.

The tender also requires the contractor to engage with Council Social Engagement Policy ensuring people from disadvantaged backgrounds are able to obtain training and employment with these organisations. The contractor has been able to show engagement in these social issues beyond what is required in the contract.

Consultation and Communication

Community consultation is undertaken as part of the creation of Councils Road Management Plan which directs the way the Roads and Drainage Maintenance Contract operates. In addition the management of the contract involves dealing with residents' concerns on a regular basis, utilising Councils Customer Service Charter.

Officer Declaration of Conflict of Interest

Section 80C of the *Local Government Act* 1989 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.

8.4.2 Response to petition - Children's Crossings near Victoria and Queen Streets, Altona Meadows

Directorate: Infrastructure and City Services

Councillor Portfolio: Integrated Transport

Cr Jonathon Marsden and Cr Sandra Wilson

Appendices: Nil

Purpose

To respond to the petition received regarding the safety issues at the existing children's crossings on Queen Street near Victoria Street, Altona Meadows.

Recommendation

That Council:

1. **Acknowledge immediate signage and line marking upgrades have been programmed in response to this petition.**
2. **Advocate to VicRoads for:**
 - a) **Reduction of the speed limit to 40 Km/h on Queen Street and Victoria Street during school peak times.**
 - b) **Support to move the pedestrian crossing away from the roundabout on Victoria Street.**
 - c) **Investigate additional pedestrian crossing along the Queens Street.**
3. **Write to the lead petitioner advising of Council's decision including details on the development of the Local Transport and Movement Plan and the associated community engagement.**

Summary

Council received a signed petition on 20 June 2018 from a student at Queen of Peace Primary School. The petition contains 172 signatures of parents, student and local residents. The petition was also sent to VicRoads, noting that Queen Street is an arterial road under the care and control of VicRoads.

The petition raises the following road safety concerns about the two existing children's crossings at the intersection of Queen Street and Victoria Street, Altona Meadows:

- the close proximity of the children's crossings to a roundabout, and the associated reduction in driver awareness, related to motorists tending to focus on gaps and the flow of traffic rather than nearby pedestrians
- the lack of safe pedestrian crossing opportunities across Queen Street outside school peak times
- perceived high vehicle speeds on Queen Street and Victoria Street

The petition requests that the children's crossing be relocated further from the roundabout and be replaced with permanent crossing points (e.g. Zebra crossing or Pedestrian Operated Signals) with associated devices to slow vehicles (e.g. speed humps).

A review of relevant background material, technical standards and VicRoads requirements shows that speed humps and zebra crossings are unlikely to be warranted or suitable in this context, and that the crossings have operated in a relatively safe manner for the last 10 years.

Nonetheless, there are immediate improvements that can be made to the crossings, involving improved signs and line marking. These works have been programmed with Council's Operations Team. The development of a Local Transport and Movement Plan (LTMP) is currently underway for Laverton, Altona Meadows and Seabrook. This LTMP will consider the issues as raised in this petition in context of the broader traffic and transport issues and opportunities within this area.

Council will continue to advocate to VicRoads for lower speed limits on these roads during school peak times to minimise risks to vulnerable local road users.

Background

Following the receipt of this petition, several site observations, a review of the reported crashes in the area, spot pedestrian monitoring surveys and traffic count surveys have been undertaken to gain a better understanding of the safety concerns raised.

In summary, the results show the following:

- traffic volumes on Queen Street and Victoria Street are relatively high, with a daily two-way traffic volume of 18,000 and 9,000 vehicles respectively
- recent surveys (July 2018) showed that 85th percentile speeds on both roads were marginally below the posted speed limits of 60 Km/h
- delays and congestion occur at the Queen Street / Victoria Street roundabout during peak school and traffic periods
- approximately 30 pedestrians cross each of the children's crossings during their the morning and afternoon operation (8-9:30am and 2:30-4pm) with the majority students
- the current arrangement of the roundabout and children's crossings appears to have been in place for the last 10 years
- a review of recorded police crashes along Queen Street between Everingham Road and Victoria Street (including their intersections) shows that there has been a total of seven crashes in the last five years, none of which involved a pedestrian, but three of which involved cyclists
- the last recorded crash involving a pedestrian in this area was recorded in 1999 and involved an elderly pedestrian being struck at a residential driveway; unrelated to crossing either Queen Street or Victoria Street

The results show that Victoria Street and Queen Street carry relatively high traffic volumes at high speed, which is to be expected given their important function in the road network, and that the crossings have been in place for a number of years without any reported casualty crashes. The results also indicate that the pedestrians demand for the crossing is relatively modest, however it is noted that this may be related to the risks which discourage use.

Discussion

Following receipt of this petition an assessment of the area has been undertaken to determine immediate risks. As a result of this assessment immediate works have been programmed and the remaining aspects of the petition will be considered as a part of Council's current strategic traffic planning program.

Immediate works

The site inspection indicated that the both crossings were in good condition, with advance warning signs clear, pavement in good condition and line marking visible. There are nonetheless a number of short-term actions that could improve the visibility and operation of the crossings, comprising:

- renewal of the existing children's crossing warning signs on all approaches to the roundabout to the latest standard (yellow fluoro signs with a highly reflective background)
- renewal of all hold lines to the crossings

These actions are summarised in the attached plan, and VicRoads have indicated that they support the changes to the signs on Queen Street. These works have been programmed with Council's Operations Team and will be completed within weeks.

Local Transport and Movement Plan

Council has commenced the development of the Local Transport and Movement Plan for the Laverton, Altona Meadows and Seabrook areas which will assess all modes of transport, current issues and opportunities to contribute to an effective, safe and efficient traffic network. The LTMP also takes into account project population, land use developments and major projects influencing the local road network such as level crossing removals. The concerns raised through this petition will be further considered as a part of the LTMP including speed limits. Community consultation will be undertaken to provide input to the development of the LTMP. The final LTMP will include a program of infrastructure works and behaviour change strategies to encourage mode shift.

Strategic Alignment

This report specifically addresses the following priorities of the Hobsons Bay 2030 Community Vision:

Priority 6: An accessible and connected community

This report specifically addresses the following goals and objectives of the Council Plan 2017-21:

Goal 1: An Inclusive, Resilient and Healthy Community

- 1.5 Understand the current and future needs of our community, and work to ensure those most vulnerable in our community are safe and have equitable and timely access to the support they need

Policy and Previous Council Reports

The Hobsons Bay Road Safety Strategy 2011-2013 aims to reduce injury and death for each road user group, and to assist Hobsons Bay City Council in coordinating road safety improvements with relevant state government agencies and community groups, to encourage people to use roads more safely.

Legal/Statutory Obligations/Risk

Legal, statutory obligations and traffic safety risks have been assessed and considered as a part of the review and establishing the recommendations as represented in this report.

Financial and Resource Implications

The cost of initial safety improvement works will be funded through the 2018-19 Capital Works Program. The development of the LTMP is funded through Council's operational budget with the implementation plan for endorsed works referred to the capital works program.

Environmental/Social/Economic Impacts

Environmental, social and economic impacts and opportunities have been considered in the assessment of the issues raised through the petition.

Consultation and Communication

The lead petitioner and Queen of Peace Primary School have been advised of the initial investigations and the programmed improvement works. Queen of Peace Primary School is a key stakeholder in the development of the LTMP and will be advised of the associated community consultation program.

Officer Declaration of Conflict of Interest

Section 80C of the *Local Government Act* 1989 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.

8.4.3 Lease Assignment - Altona Leisure Centre and Altona Lakes Golf Course

Directorate: Infrastructure and City Services

Councillor Portfolio: Nil

Appendices: Nil

Purpose

To provide Council with an update on a request received from Leisure Management Services to assign the lease for the Altona Leisure Centre and the lease for the Altona Lakes Golf Course to BlueFit Pty Ltd.

Recommendation

That Council:

- 1. Authorise the Chief Executive Officer or his delegate to prepare and execute the assignment of the Altona Leisure Centre lease to BlueFit Pty Ltd.**
 - 2. Authorise the Chief Executive Officer or his delegate to prepare and execute the assignment of Altona Lakes Golf Course lease to BlueFit Pty Ltd.**
-

Summary

Leisure Management Services (LMS) has requested that Council assign the lease between Council and LMS for the Altona Leisure Centre (ALC) and for the Altona Lakes Golf Course (ALGC) to BlueFit Pty Ltd (BlueFit). This report provides an overview and information associated with this request.

Background

On 23 April 2018, LMS wrote to Council to advise that the shareholders of LMS had agreed to sell all the shares they hold in LMS to BlueFit. Accordingly, LMS requested that Council assign the lease between Council and LMS for the ALC and ALGC to BlueFit. Council responded to LMS informing LMS of the process for assigning both leases and requesting additional information to enable officers to assess BlueFit's suitability as the new tenant. All information requested from LMS and BlueFit has since been provided.

Altona Leisure Centre

The ALC, trading as Bayfit Leisure Centre, is located at 217 Mason Street, Altona North on freehold land owned by Council. The ALC comprises a 25 metre eight lane pool, learn to swim and leisure pool with water play features, warm water pool, steam room and spa. The ALC also houses a gymnasium, program / aerobics room, crèche and café.

The ALC underwent an \$11.4 million redevelopment in 2008 with LMS contributing \$2.3 million towards the works. On 10 September 2008, Council entered into a lease with LMS. The terms and conditions were as follows:

Commencement date:	10 September, 2008
Term:	Fifteen (15) years
Further Term:	Six (6) years
Commencing Rental:	\$1.00
Rent Review:	Upon the 12 th anniversary of the commencement date.

The current annual rental is \$1.00 (GST exclusive) plus outgoings.

The market rent review is due 10 September 2020. Under the terms of the lease if no process is undertaken to determine the market rent, the rent will be \$280,000 per annum (GST exclusive).

Altona Lakes Golf Course

The ALGC is located at 217 Mason Street, Altona North on Crown land managed by Council. The ALGC comprises a 9 hole golf course, driving range, pro shop and licensed bar / cafe. On 27 September 2013 Council entered into a Crown land lease with LMS. The terms and conditions were as follows:

Commencement date:	27 September, 2013
Term:	Fifteen (15) years
Further Term:	Six (6) years
Commencing Rental:	\$100,000
Rent Review:	Upon the 3 rd , 6 th and 11 th anniversary of the commencement date and upon the commencement of any further term

The current annual rental is \$104,000 (GST exclusive) plus outgoings.

As part of the lease of the ALGC, LMS committed to delivering \$360,000 worth of capital improvements. The works are yet to be fully delivered. The construction of a new pro-shop has commenced and is expected to be completed by 31 December 2018.

Discussion

BlueFit is a leisure facility management company established in Sydney in 2007. BlueFit currently operate 18 facilities in Queensland and New South Wales.

LMS is a leisure facility management company established in 1995. LMS operate nine facilities across seven local government areas in Victoria and NSW. The acquisition of LMS represents BlueFit's entry into the Victorian market. BlueFit will relocate their head office from Sydney to Melbourne as a result of the transaction.

BlueFit has provided Council with all information requested to assess their suitability as the new tenant. Information provided by BlueFit includes financial reports and statements, details of other municipal contracts including references and details of business and service plans for the ALC and ALGC.

This information has been reviewed by Council's Active Communities department and no major concerns were identified. Reference checks of its NSW operations have confirmed that BlueFit has a good track record of meeting its obligations under existing contracts.

Strategic Alignment

This report specifically addresses the following priorities of the Hobsons Bay 2030 Community Vision:

Choose Priority

This report specifically addresses the following goals and objectives of the Council Plan 2017-21:

Goal 1: An Inclusive, Resilient and Healthy Community

- 1.3 Ensure all community members will have access to quality community, sport and recreation facilities, cultural experiences and open spaces to encourage a healthy and active lifestyle

Council is currently developing an Aquatic Strategy to guide the future development of aquatic facilities in Hobsons Bay. BlueFit is aware of the Aquatic Strategy and willing to provide support to Council's planning process as required.

Policy and Previous Council Reports

The lease between Council and LMS for the ALC was granted 10 September 2008. The assignment of the lease to BlueFit is for the balance of the term of the lease being a period of eleven (11) years. This lease is due to expire on 9 September 2029.

The lease between Council and LMS for the ALGC was granted 27 September 2013. The assignment of the lease to BlueFit is for the balance of the term of the lease being a period of sixteen (16) years. This lease is due to expire on 26 September 2034.

Legal/Statutory Obligations/Risk

Clause 19 of the lease for the ALC describes the process for assigning the lease including Council's right of first refusal. In consenting to the assignment of lease, Council would be waiving its right of first refusal.

Clause 12 of the lease for the ALGC describes the process for assigning the lease. As a Crown land lease consent must be provided by both Council and the Minister. Council will need to contact the Minister regarding the assignment.

LMS and BlueFit have acknowledged that compliance with the terms of both leases is required.

Financial and Resource Implications

LMS are required to pay all of Council's costs associated with the assignment of both leases.

BlueFit's financial information and credit report were reviewed by Council's Financial Accountant and no major concerns were presented. BlueFit has a healthy cash balance, no major liabilities and is operating at a surplus.

LMS and BlueFit have acknowledged the requirement to deliver the \$360,000 of capital improvements identified under the ALGC lease.

The current annual rental for the ALC is \$1.00 (GST exclusive). A market rent review is due 10 September 2020. Under the terms of the lease if no process is undertaken to determine the market rent, the rent will be a minimum of \$280,000 per annum (GST exclusive).

Environmental/Social/Economic Impacts

BlueFit has significant experience in managing aquatic facilities and golf courses. This includes a similar arrangement with Georges River Council (NSW) to operate the Hurstville Aquatic Leisure Centre and Golf Course. The Hurstville aquatic centre attracts around 1.3 million visits per annum, which is approximately double the annual attendance of the ALC.

BlueFit has advised that there will also be no changes to the existing management team at the ALC or ALGC as a result of the transaction. Changes to the management of the facility would be disruptive to existing facility users.

BlueFit subsidiary 'Learn to Swim Australia' has acquired 'Carlisle Swimming Altona' the ALC learn to swim program operator. Following the assignment BlueFit intend on rebranding the learn to swim program at the ALC to BlueFit Swimming. This acquisition provides BlueFit with control over the learn to swim program and presents an opportunity to improve the overall service and programs on offer at the ALC.

BlueFit has indicated a willingness to partner with Council on future facility upgrades. BlueFit intend on providing Council with live access to data on the facility operations including attendances, membership numbers and pool testing results to improve communication.

There will be some disruption to users at both facilities as a result of the assignment including rebranding, class names and debit service providers for lessons / memberships. BlueFit have experience in managing similar business transition arrangements at other facilities.

Council could exercise its right of first refusal on the ALC lease and / or not consent to the assignment of the ALGC lease. This option may be appropriate if Council had reasonable grounds. BlueFit's suitability as a new tenant has been assessed and no major concerns exist.

Consultation and Communication

Council officers have met with representative of LMS and BlueFit to discuss the assignment of both leases, assess BlueFit's suitability as a new tenant and understand the implications the assignment would have on the operations of both facilities.

Officer Declaration of Conflict of Interest

Section 80C of the *Local Government Act 1989* 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.

8.5 Community Wellbeing

8.5.1 Naming of Altona Early Years Hub

Directorate: Community Wellbeing

Councillor Portfolio: Nil

Appendices: Nil

Purpose

To provide Council with a proposed name for the new early years facility being constructed on the Altona P-9 Secondary College site and advertise the name.

Recommendation

That Council:

- 1. Endorse the name Altona Early Years Hub for the new early years facility being constructed on the Altona P-9 Secondary College site.**
 - 2. Place a public advertisement in the local newspaper inviting comments from the community regarding the proposed name.**
 - 3. Receive a further report to confirm the preferred name.**
-

Summary

The proposed name, Altona Early Years Hub, has been considered alongside Council's Naming Policy and is consistent with the funding commitment and intended building use as supported through the state government partnership. As a community facility the proposed name is easy to pronounce, spell and write, and removes ambiguity for emergency services which is a critical consideration in emergency response for early years' service provision.

From the inception, some four years ago, the facility has been known and promoted in the community as the Altona Early Years Hub. The name brings in a sense of uniformity and collaboration with the Altona P9 College and promotes local identity.

It is proposed that consultation occur through public advertising in local newspapers, with a further report to Council to confirm the name.

Background

The construction of the early years hub on the Altona P9 College site is scheduled to be completed by the end of October 2018 and the facility is planned to open in January 2019. The Council, as the naming Authority, is required to resolve on geographic place names in the municipality guided by Council's Naming Policy. Council's Naming Policy sets out the criteria for selecting geographic place names and is consistent with the Victorian Guidelines for Geographic Names. The proposed place name, Altona Early Years Hub, has been considered alongside these guiding documents.

Discussion

Council's Naming Policy sets out the need for the place name to be easy to pronounce, spell and write, and that the name does not compromise public safety and operational safety for emergency services, or cause confusion for transport, communication and mail services. In addition, the criteria stipulates that infrastructure names should be the same as their locality to promote local identity and avoid confusion and, subject to agreement from relevant indigenous communities, recognition and use of traditional indigenous names may be considered.

The proposed place name, Altona Early Years Hub, identifies the geographical location and functional purpose of the building and is easy to pronounce, spell and write. The community has associated the building with this name for a number of years.

The new building is located next to the Altona P9 College; the similarity in the names brings in a sense of uniformity and collaboration, and promotes local identity. The inclusion of the words "Hub" and "Early Years", highlights the multi-functional characteristics of the building as well as the focus on early years education and care, which is important in what has become a competitive market for care and education.

Through the draft Innovate Reconciliation Action Plan July 2018-June 2020, Council will have the opportunity to explore signage to acknowledge the traditional owners of the land that the facility is built on. It is planned that the facility will incorporate post-construction design elements that foster and increase community recognition of the traditional owners of the land; this will be a partnership project with the children and families enrolled at the school and facility once operational.

It is considered that the proposed name, Altona Early Years Hub, is in keeping with the criteria of Council's Naming Policy.

Strategic Alignment

This report specifically addresses the following priorities of the Hobsons Bay 2030 Community Vision:

Priority 3: Growth through innovation, access to local jobs, technology and education

This report specifically addresses the following goals and objectives of the Council Plan 2017-21:

Goal 1: An Inclusive, Resilient and Healthy Community

1.1 Provide a range of accessible, high quality services and social supports.

Policy and Previous Council Reports

The proposed place name has been considered alongside Council's Naming Policy which is consistent with the Victorian Guidelines for Geographic Names.

Legal/Statutory Obligations/Risk

Council as a Naming Authority under the *Geographic Place Names Act 1998*, is required to resolve on all geographic place names in the municipal district, with the exception of geographic places with the exception of geographic places of state significance.

In the consideration of naming requests, Council is required to be guided by the Victorian Guidelines for Geographic Names and register all endorsed names with the Registrar of Geographic Names.

Financial and Resource Implications

The cost of construction of the early years hub is included the 2018-19 budget, including the signage that will carry the approved name.

Environmental/Social/Economic Impacts

The proposed name provides a geographic reference for families who seek local education and care options for children. This may act as a social and economic stimulus and promote local identity.

Consultation and Communication

It is proposed that consultation occur through public advertising in local newspapers inviting comments from residents and the community, with a further report to Council to confirm the preferred name.

Officer Declaration of Conflict of Interest

Section 80C of the *Local Government Act* 1989 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.

8.5.2 Joint Statement against changes to the Status Resolution Support Services (SRSS)

Directorate: Community Wellbeing

Councillor Portfolio: Social Wellbeing and Community Services

Cr Tony Briffa and Cr Colleen Gates

Appendices: 1 Joint Statement against changes to the Resolution Support Service

Purpose

To inform Council of the recent Australian Government reductions in support for people seeking asylum in our community and seek endorsement to commit and sign a Joint Advocacy Statement across Victorian councils in response.

Recommendation

That Council:

- 1. As a Refugee Welcome Zone, urgently writes to the Federal Minister of Home Affairs and the Prime Minister asking the Federal Government to reverse the cuts to the Status Resolution Support Services (SRSS) program, highlighting social impacts on these cuts on Victoria's local communities.**
 - 2. Informs local State and Federal lower house members of Parliament and Victorian Senators and State Upper House MPs of Council's position.**
 - 3. Informs agencies and community groups assisting people seeking asylum in Hobsons Bay City Council, the Refugee Council of Australia and Australian Council of Social Services of Council's position and its support of the alliance of community organisations.**
 - 4. Issue a media release outlining the Hobsons Bay City Council's position and that our webpage be updated with Council's position and any associated actions.**
 - 5. Works with other Victorian Council advocating on this issue.**
-

Summary

The SRSS program is provided to people seeking asylum living in the Australian community while the government decides on their claim for protection. In June 2018 the Australian Government reduced the number of people eligible for the SRSS. On Tuesday 31 July, the City of Greater Dandenong hosted an SRSS Mayoral Roundtable where representatives of 17 Victorian Councils met to discuss the changes to the Federal Governments SRSS program. A key focus was to progress a Joint Statement of Advocacy (Appendix 1) to reverse the cuts.

Five Councils (Brimbank, Darebin, Greater Dandenong, Moreland and Yarra) have formed the Executive for an SRSS Mayoral Taskforce, with Moonee Valley, Port Phillip, Whittlesea and Wyndham indicating they would like to be members of the Taskforce.

Hobsons Bay City Council has been invited to sign and commit to the Joint Statement against changes to the SRSS.

Background

The Australian Government's national SSRS program provides people formally seeking asylum within our community with a basic living allowance worth about \$247 a week, (approximately 89 per cent of the Newstart Allowance), casework support, and access to torture and trauma counselling. It is delivered by not-for-profit agencies and according to the Asylum Seeker Resource Centre (ASRC) approximately 13,000 people across Australia were receiving SRSS prior to June 2018.

In June 2018 the Australian Government reduced the number of people eligible for the SRSS. Income support stopped for 1,500 people on 27 July 2018 and from 1 August to November, a further 5,500 people will be notified of cuts to their support.

The changes will significantly affect a number of people seeking asylum that live in Hobsons Bay. People seeking asylum are already seeking emergency assistance from local community organisations in increasing numbers and these cuts will only add to this.

The changes will put increasing burden on the mental health and wellbeing of the people seeking asylum. Without the stability of a regular income, these changes may be detrimental to the security of the roof over their head, food in the kitchen, and children in school. Thousands of people will be forced to spend their time seeking out the basic support they need, rather than building their life in Australia. In addition, this increases pressure on our local community centres, faith groups, charities, volunteer community groups and service providers already providing support in emergency relief, housing, crisis support, and health and employment services.

Discussion

Our Council has a strong history of welcoming refugees and people seeking asylum into the community. We are a multicultural municipality; over 30 per cent of our residents are born overseas and the municipality has a growing population of migrants, refugees and people seeking asylum.

Council actively supports the Hobsons Bay Settlement Network and Hobsons Bay Interfaith Network, both which provide coordinated settlement support to refugees and people seeking asylum.

In addition Council supports community groups such as the Hobsons Bay Refugee Network and West Welcome Wagon initiatives that support people affected by the SRSS reductions.

Strategic Alignment

This report specifically addresses the following priorities of the Hobsons Bay 2030 Community Vision:

Priority 2: Community wellbeing and inter-connection

This report specifically addresses the following goals and objectives of the Council Plan 2017-21:

Goal 1: An Inclusive, Resilient and Healthy Community

- 1.5 Understand the current and future needs of our community, and work to ensure those most vulnerable in our community are safe and have equitable and timely access to the support they need

Policy and Previous Council Reports

On 17 June 2014 Hobsons Bay City Council signed the Refugee Welcome Zone Declaration, an initiative of the Refugee Council of Australia. This highlighted Council's continued commitment to welcoming and supporting refugees, upholding human rights and demonstrating compassion for refugees.

These commitments are echoed in Council's Multicultural Policy 2016-20.

Legal/Statutory Obligations/Risk

No legal or statutory ramifications and implications have been addressed, there are no known risks associated with signing and committing to the Joint Advocacy Statement.

Financial and Resource Implications

There are no additional resourcing and impacts on capital and operating budgets at this stage.

If the Joint Advocacy Statement is successful, greater resourcing from the Australian Government has been requested to support local government with adequate resources to meet the need of people seeking asylum who live in the community.

Environmental/Social/Economic Impacts

The current SRSS reductions will impact the social wellbeing and economic opportunities of people seeking asylum in Hobsons Bay. This in turn will place further pressure on volunteer organisations in the emergency and relief and material aid.

Consultation and Communication

No direct community consultation has been undertaken on this matter.

Officer Declaration of Conflict of Interest

Section 80C of the *Local Government Act* 1989 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 conflicts of interest in this matter.

9 Delegates Report

Directorate: Corporate Services

Councillor Portfolio: Nil

Purpose

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

Recommendation

That Council receive and note the recent Delegates Report.

Delegates Report - LeadWest

Councillor Delegate: Cr Jonathon Marsden

Report

Date of Meeting: 15 August 2018

The August meeting of the LeadWest Board was hosted by Brimbank City Council and the following business was progressed:

- An introduction and welcome to Jim Williamson as the new LeadWest Chair, followed by an acknowledgement and recognition of the exemplary work carried out by the former Chair, Anne Barker.
- Approved the establishment of a HR Sub-Committee to have oversight of the CEO Contract process and to be chaired by Cr Jonathon Marsden.
- Ratification of the final version of the Western Transport Strategy.
- Presentation on Large-scale Renewable Energy Project by Fran Macdonald, WAGA Coordinator. Fran briefed LeadWest Board members on the work carried out by the Local Government Electricity Working Group (convened by WAGA and other regional greenhouse alliances) to develop a joint Power Purchase Agreement for councils, exploring investment options for renewables and collaborate to maximise behind-the-meter solar opportunities.

**Delegates Report - RoadSafe Westgate Community Road Safety Council Inc.
Councillor Delegate: Cr Sandra Wilson****Report****Date of Meeting: 15 August 2018**

Transport for Victoria has received the proposed project brief from Hobsons Bay for the development of the Local Area Movement and Transport Plans for Brooklyn, Altona North and Spotswood. Transport for Victoria is confirming internal state government funding support to complete the project.

The RoadSafe Westgate Committee propose to consider their draft strategic plan before the scheduled September Annual General Meeting. Each of the member authorities and agencies have contributed to this plan and the Committee plan to discuss the draft plan to determine priority actions and a governance model for the future.

The development of the Local Area Movement and Transport Plans for Laverton, Altona Meadows and Seabrook has commenced and community engagement is expected to commence in September.

Delegates Report - The Substation

Councillor Delegate: Cr Angela Altair

Report

Date of Meeting: 16 August 2018

Council has a three year funding agreement with The Substation, providing \$350,000 per year, payable in two, six monthly instalments of 50 per cent or \$175,000. The agreement as endorsed by Council at its Ordinary Council Meeting on 26 April 2016.

Cr Angela Altair is Council's nominated representative at The Substation Board. The Board meets monthly, reviews its finances and tables any major funding applications or strategic initiatives.

The Substation is tracking where it needs to be financially at this point in the year. An issue for the organisation continues to be being able to plan for capital reserves to support infrastructure / maintenance. Operationally it has support from Creative Victoria \$75k and Australia Council \$80k, linked to its program.

The Substation reports its six monthly progress as part of its KPI reporting through the cycle. Some features include:

- 114 different artists worked at the space over the period
- 2,845 tickets were sold
- A further 12,000 are noted as attending over various event periods, including 16 events and 124 days of activity.
- 27 per cent of the ticketed audience is from the western suburbs, 13 per cent from Hobsons Bay
- 8 subsidised community hires were held at The Substation and a further 20 private or commercial hire uses are noted
- It is tracking where it needs to be financially at this point

Although not tracked six monthly but reported annually, Council's hire use over the period as part of its support (up to six uses per year) includes the Hobsons Bay Business Breakfast in March, the #Startwest launch in July, the MAV Digital Innovation Conference in August, the Orygen forum in September.

10 Notices of Motion

10.1 Notice of Motion No. 1204 – Condolence Mr Bernie Graham OAM

Cr Sandra Wilson has given notice of the following:

“That Council express its condolences to the family of the late Bernie Graham OAM and recognises his significant contribution to the community of Hobsons Bay over many years.”

10.2 Notice of Motion No. 1205 – Condolence Ms Helen Tregear

Cr Angela Altair has given notice of the following:

“That Council express its condolences to the family of the late Helen Tregear and recognises her contribution to local conservation as founding member Friends of Williamstown Wetlands and to local education as a teacher at Altona High School for over 25 years.”

11 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 Ordinary Council meeting for a public response if so requested by the questioner.

12 Urgent and Other Business

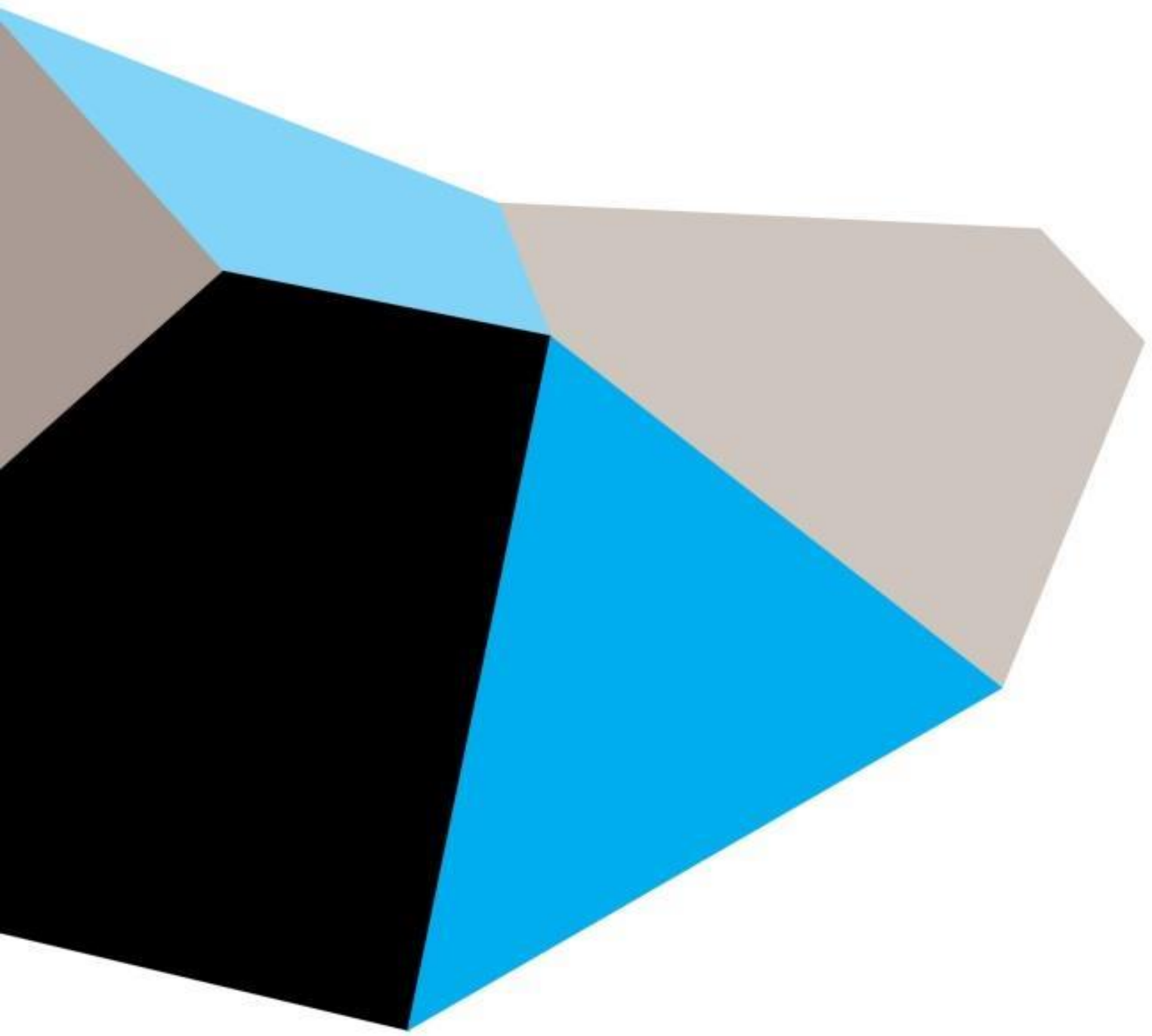
13 In Camera Business

Recommendation

That Council considers the confidential report(s) listed below in a meeting closed to the public in accordance with Section 89(2) of the *Local Government Act 1989*:

13.1 Settlement of Rates Debt

This matter is considered to be confidential under s89(2)(b) of the *Local Government Act 1989* as it relates to the personal hardship of any ratepayer or resident.



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