

LODDON SHIRE COUNCIL

Notice of an Ordinary Meeting of the Loddon Shire Council to be held in the Wedderburn Council office, Wedderburn on Tuesday 23 August 2016 at 3pm.

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1. APOLOGIES

Nil

2. PREVIOUS MINUTES

2.1 CONFIRMATION OF MINUTES

SUMMARY

Seeking approval of the unconfirmed minutes of the previous Council Forum and meetings.

Author: Phil Pinyon, Chief Executive Officer

Council Plan ref: Core business 8: Compliance

File No: 02/01/001

Attachment: Nil

RECOMMENDATION

That Council confirm:

1. *the minutes of the Council Briefing of 26 July 2016*
2. *the minutes of the Ordinary Council Meeting of 26 July 2016*
3. *The minutes of the Council Forum of 9 August 2016*

2.2 REVIEW OF ACTION SHEET

SUMMARY

Notation of Action Sheet.

Author: Phil Pinyon, Chief Executive Officer

Council Plan ref: Core business 8: Compliance

File No: 02/01/001

Attachment: 2.2 Action Sheet

RECOMMENDATION

That Council receive and note the Action Sheet.

3. COUNCILLORS' REPORTS

3.1 MAYORAL REPORT

SUMMARY

Approval of the Mayoral Report.

Author: Phil Pinyon, Chief Executive Officer

Council Plan ref: Core business 1: Leadership

File No: 02/01/001

Attachment: Nil

RECOMMENDATION

That Council receive and note the Mayoral Report.

3.2 COUNCILLORS' REPORT

SUMMARY

Approval of Councillors' Reports.

Author: Phil Pinyon, Chief Executive Officer

Council Plan ref: Core business 1: Leadership

File No: 02/01/001

Attachment: Nil

RECOMMENDATION

That Council receive and note the Councillors' Report.

4. DECISION REPORTS

4.1 AUGUST 2016 AUDIT COMMITTEE MEETING

SUMMARY

This report provides Council with an overview of the Audit Committee meeting held on 18 August 2016.

Author	Sharon Morrison, Acting Director Corporate Services
Council Plan ref:	Strategic enabler: Effective and efficient operating systems and procedures
File no:	06/02/003
Attachment:	Closing Report to the Audit Committee for the year ended 30 June 2016 Updated Strategic Internal Audit Plan 2015-2019

RECOMMENDATION

That Council:

1. *receives and notes the August 2015 Audit Committee Meeting Report*
2. *endorses the Closing Report to the Audit Committee for the year ended 30 June 2016*
3. *endorses the performance improvement recommendations documented in the Purchasing and Issue of Stores and Small Equipment from Council Depots undertaken in July/August 2016*
4. *endorses the updated Strategic Internal Audit Plan 2015-2019*
5. *receives and notes the Loddon Performance Reporting Framework Report*
6. *receives and notes the Risk Management Report*
7. *receives and notes the input from the Audit Committee on the Discussion Paper on the review of the Local Government Act*
8. *receives and notes the verbal updates provided to Council at the time this report was presented.*

CONFLICT OF INTEREST

Are there any conflicts of interest for any council staff involved in writing this report, or involved in the subject matter of the report?

No

If yes, the following details identify the conflict of interest.

Officer name	Nature of interest	Reason for conflict
Click here to enter text.	Choose an item. If indirect, the type of indirect interest is: Choose an item.	[Explain the specific circumstances of this person's conflict of interest.]

PREVIOUS COUNCIL DISCUSSION

Council was provided with a summary of the May 2016 Audit Committee Meeting at the Ordinary Meeting held on 28 June 2016.

BACKGROUND

The Audit Committee was created under Section 139 of the Local Government Act 1989, which states that "Council must establish an audit committee".

The committee is made up of four independent community members, and Cr Gavan Holt, as Council's representative. Council's Chief Executive Officer and Director Corporate Services attend the meetings in an advisory capacity.

The primary objective of the Audit Committee is to assist Council in the effective conduct of its responsibilities for:

- the enhancement of the credibility and objectivity of internal and external financial reporting
- effective management of financial and other risks and the protection of Council assets
- compliance with laws and regulations as well as use of best practice guidelines
- the effectiveness of the internal audit function
- the provision of an effective means of communication between the external auditor, internal audit, management and the Council
- facilitating the organisation's ethical development
- maintaining a reliable system of internal controls.

In order to provide a structured approach and ensure that the committee addresses each of its responsibilities, an annual calendar of actions and an internal audit review program are established each year, and these guide the activities of the committee.

ISSUES/DISCUSSION

The agenda for the August 2016 meeting included the following:

Meeting held under clause 5.3(e) of the Audit Committee Charter

In accordance with the Audit Committee Charter, a meeting was held with the internal and external auditors and the committee, without officers present.

This meeting provides time for non-officer members of the committee to have open discussion with the internal and external auditors.

Results of the Financial Statements and Performance Statement for the year ended 30 June 2016

Council's external auditor, Mr Martin Thompson of Crowe Horwarth, presented the financial statements and performance statement to the committee and provided an overview of the Closing Report.

Review of Purchasing and Issue of Stores and Small Equipment from Council Depots undertaken in July/August 2016

Mr Mark Holloway of HLB Mann Judd provided a report on the findings of the review of *Purchasing and Issue of Stores and Small Equipment from Council Depots*.

One high risk issue was identified: inadequate segregation of duties in the current procurement practices. There were 8 medium risks issues and 4 low risk issues.

There are 26 improvement actions resulting from the report.

Strategic Internal Audit Plan

The updated Strategic Internal Audit Plan 2015-2019 was presented by the chair for information only.

Loddon Performance Reporting Framework

The committee considered the first full annual report of the Loddon Performance Reporting Framework, noting the results and areas for improvement.

Local Government Act Review

The committee considered the Discussion Paper on the review of the Local Government Act, in particular the proposed directions in relation to the Audit Committee. A verbal report will be provided to council at the meeting summarising the input from the Audit Committee.

Other agenda items

Other agenda items, some of which are standard items included:

- compliance report
- outstanding action report
- finance report
- update on council activities
- risk management report, incorporating the strategic risk report
- fraud report
- major lawsuits report

Next review

The next internal audit is scheduled to commence 5 September 2016 on Purchasing and Accounts Payable. It will be presented at the next meeting of the committee which has been scheduled for 17 November 2016.

COSTS/BENEFITS

There are costs associated with the audit committee and internal audit function.

However, in most cases, actions resulting from audit reviews do not bear any new costs as they are undertaken by current staff.

The benefits that the internal audit function provides Council are:

- business improvement relating to the audit review areas
- standard policy and procedure documents which are developed through the action list
- improvement in knowledge management that will assist with succession planning over time
- a reduction in risk in areas relating to audit reviews.

RISK ANALYSIS

The internal audit program has been created and is annually updated on a risk basis, ensuring that Council's program addresses the areas of highest risk or greatest concern to audit committee members and Council officers.

CONSULTATION AND ENGAGEMENT

Nil

4.2 REVIEW OF RATES POLICY AND FINANCIAL HARDSHIP POLICY

SUMMARY

This report seeks Council's approval of the Rates Policy v2 and Financial Hardship Policy v1.

Author	Deanne Caserta, Manager Financial Services
Council Plan ref:	Core business 8: Compliance
File no:	18/01/001
Attachment:	Rates Policy v2 Financial Hardship Policy v1

RECOMMENDATION

That Council adopts the Rates Policy v2 and Financial Hardship Policy v1.

CONFLICT OF INTEREST

Are there any conflicts of interest for any council staff involved in writing this report, or involved in the subject matter of the report?

No

If yes, the following details identify the conflict of interest.

Officer name	Nature of interest	Reason for conflict
Click here to enter text.	Choose an item. If indirect, the type of indirect interest is: Choose an item.	[Explain the specific circumstances of this person's conflict of interest.]

[Refer to the Staff and Contractors Code of Conduct for definitions of conflict of interest.]

PREVIOUS COUNCIL DISCUSSION

Council approved the Rates Policy v1 on 23 July 2012.

Council was provided with an overview of the Rates Policy v2 at the Council Forum held on 9 February 2016.

This new version was also taken to a Council Meeting on 23 February 2016 for adoption where further work to the documents was requested and a new policy developed around financial hardship.

Council was provided with an overview of the Rates Policy v2 and the Financial Hardship Policy v1 at the Council Forum held on 9 August 2016.

BACKGROUND

The Rates Policy sets the principles for Council to levy and collect rates due on properties in the Shire.

The Financial Hardship Policy sets the principles for Council to assist ratepayers who are experiencing general and financial hardship to make payments of rates and charges raised by Council.

ISSUES/DISCUSSION

The Rates Policy addresses the importance aspects of rate collection including:

- rating strategy
- rebates
- interest

- payment of rates
- recovery of rates due
- payment arrangements
- debt collection services
- rent orders
- recovery of rates through sale of property
- exemption or waiver of rates
- rate deferral
- incorrect rate/charge
- classification.

Interest, as outlined in section 172 of the Local Government Act 1989, will be charged on overdue amounts from the first missed instalment at the rate set by the Attorney General under section 2 of the Penalty Interest Rate Act 1983 that applied on the first day of July immediately before the due date for the payment.

The Financial Hardship Policy outlines the options available to Council to assist ratepayers in the payment of rates and charges raised by Council. This can be either by:

- rate deferral where interest will still accrue on charges but no debt collection processing will commence and therefore these additional charges will not be incurred by the ratepayer; or
- waiver of all or part of a rate or charge upon application and approval by Council.

It is important to note that a deferral or waiver does not apply to garbage and recycling charges or any Fire Service Property Levy charges.

COSTS/BENEFITS

There are no direct costs associated with the adoption of this policy.

RISK ANALYSIS

It is a Council function to levy and collect rates from property owners within the Shire. This policy outlines the principles within this process and application of the policy along with supporting procedures and other supporting documents, should help minimise risks.

CONSULTATION AND ENGAGEMENT

The document has been subject to the normal approval process of Management Executive Group, Loddon Leaders Group and Council Forum prior to presentation in the Council Meeting Agenda.

4.3 REVIEW OF SURRENDER OF LAND POLICY

SUMMARY

This report seeks Council's approval of the Surrender of Land Policy v1.

Author	Deanne Caserta, Manager Financial Services
Council Plan ref:	Core business 8: Compliance
File no:	18/01/001
Attachment:	Surrender of Land Policy v1

RECOMMENDATION

That Council adopts the Surrender of Land Policy v1.

CONFLICT OF INTEREST

Are there any conflicts of interest for any council staff involved in writing this report, or involved in the subject matter of the report?

No

If yes, the following details identify the conflict of interest.

Officer name	Nature of interest	Reason for conflict
Click here to enter text.	Choose an item. If indirect, the type of indirect interest is: Choose an item.	[Explain the specific circumstances of this person's conflict of interest.]

[Refer to the Staff and Contractors Code of Conduct for definitions of conflict of interest.]

PREVIOUS COUNCIL DISCUSSION

At the April Council Meeting a report was placed before Council regarding a request that was made by the Bendigo Diocesan Trust Corporation to transfer four unused parcels of land into Council's ownership.

The motions from this report included a request to develop a policy regarding attempts to surrender ownership by ratepayers.

Council was provided with an overview of the Surrender of Land Policy v1 at the Council Forum held on 9 August 2016.

BACKGROUND

The purpose of the Surrender of Land Policy is to support Council in its decision making in circumstances where ratepayers apply to surrender parcels of land within the Shire.

ISSUES/DISCUSSION

The policy outlines how an application needs to be submitted and what needs to accompany the submission.

The most important section of the policy is around the issues that Council needs to consider when making its decision and include:

- legal costs involved in transferring ownership of the land
- payment of future rates and related charges
- possible escalation into a Section 181 property sale
- payment of future Fire Service Property Levy fixed and variable charges
- suitability for resale
- previous land use (possible contamination, risk of mine shafts)

- liability for maintenance of the vacant land which includes grass slashing and control of weeds if the property is not suitable for resale.

COSTS/BENEFITS

Only land with an identified future benefit to Council will be considered for surrender.

RISK ANALYSIS

Occasionally applications are made by ratepayers who no longer want to own particular parcels land within the Shire. In order to avoid further rates and charges an application is made to transfer the ownership and liability for these charges to Council.

CONSULTATION AND ENGAGEMENT

The document has been subject to the normal approval process of Management Executive Group, Loddon Leaders Group and Council Forum prior to presentation in the Council Meeting Agenda.

4.4 FUTURE OF CALIVIL NORTH TENNIS AND RECREATION RESERVE

SUMMARY

This report seeks Council approval to advise the Department of Environment, Land, Water and Planning that there is no community demand for the Calivil North Tennis and Recreation Reserve, and Council has no interest in managing the site directly.

Author	Sharon Morrison, Acting Director Corporate Services
Council Plan ref:	Strategic enabler: Sustainability focus to asset management
File no:	16/04/010
Attachment:	Calivil North Tennis and Recreation Reserve

RECOMMENDATION

That Council reply to the Department of Environment, Land, Water and Planning correspondence advising that there is no community demand for the Calivil North Tennis and Recreation Reserve and that Council does not have any interest in managing the site directly.

CONFLICT OF INTEREST

Are there any conflicts of interest for any council staff involved in writing this report, or involved in the subject matter of the report?

Choose an item.

If yes, the following details identify the conflict of interest.

Officer name	Nature of interest	Reason for conflict
Click here to enter text.	Choose an item. If indirect, the type of indirect interest is: Choose an item.	[Explain the specific circumstances of this person's conflict of interest.]

[Refer to the Staff and Contractors Code of Conduct for definitions of conflict of interest.]

PREVIOUS COUNCIL DISCUSSION

Nil

BACKGROUND

Council has received correspondence from the Department of Environment, Land, Water and Planning (DELWP) in relation to the Calivil North Tennis and Recreation Reserve (**attached**). The reserve is owned by the state, and has not been utilised for many years. The tennis club is now using facilities at Yarrowalla Recreation Reserve.

The letter asks whether Council could advise:

1. if there are any community groups that would be interested in managing the site, or
2. if Council is interested in managing the site directly.

ISSUES/DISCUSSION

Council is not aware of any community groups that would be interested in managing the site. The most likely group is the tennis club and they are now using facilities at Yarrowalla Recreation Reserve.

Council is also not interested in managing the site directly as there are no strategies that identify the site for potential future use.

The next logical step is for Council to advise DELWP that the site does not have any demand from the community or Council.

COSTS/BENEFITS

There would be cost to Council to maintain the site.

There appears to be no demand from the local community to use the site therefore there would be no community benefit.

RISK ANALYSIS

There is a risk that after advice is provided to DEWLP some members of the community come forward indicating their desire to open the facility. However, as there has been no contact from the community about the site since it the tennis club stopped using it, this risk seems low.

CONSULTATION AND ENGAGEMENT

Nil

4.5 LODDON SHIRE TOURISM STRATEGY 2016 – 2019

SUMMARY

The Loddon Shire Tourism Strategy 2016-2019 is presented to Council for adoption with additional changes from the feedback received from the public.

Author	Robyn Vella, Tourism and Marketing Officer
Council Plan ref:	Strategic Platform 5: Grow and diversify our economy
File no:	16/07/003
Attachment:	Loddon Shire Tourism Strategy 2016-2019 and Public comments

RECOMMENDATION

That Council:

1. *Note the additional changes to the strategy received from the public's feedback*
2. *Adopt the Loddon Shire Tourism Strategy 2016 - 2019*

CONFLICT OF INTEREST

Are there any conflicts of interest for any council staff involved in writing this report, or involved in the subject matter of the report?

No

If yes, the following details identify the conflict of interest.

Officer name	Nature of interest	Reason for conflict
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[Refer to the Staff and Contractors Code of Conduct for definitions of conflict of interest.]

PREVIOUS COUNCIL DISCUSSION

Approval was granted at the June Council meeting to place the draft Loddon Shire Tourism Strategy 2016 - 2019 on display seeking public feedback.

BACKGROUND

In October 2015, Council agreed to commence the development of the Loddon Shire Tourism Strategy 2016 – 2019.

Communityvibe was engaged to develop the Strategy.

The Strategy has been developed based on business, community and Council staff feedback and the review of internal and external tourism related strategies.

At the June Council meeting, approval was granted to place the draft Strategy on display, seeking public's feedback.

The draft Strategy was placed on display from 30 June to 18 July 2016.

ISSUES/DISCUSSION

Feedback was received from Mr Ric Raftis, Mrs Catherine Norman, Mrs Alex Holt and the Inglewood Development and Tourism Committee. (This feedback is included with attachments).

As a result of the feedback received there were three additional points that have been included in the strategy:

1. The inferiority of mobile phone and NBN coverage to rural farming areas such as Kurraca, Whela, Fentons Creek, Berrimal, Woosang and Rheola. This is a deterrent for farm stay accommodation to be established as the potential tourism operator cannot offer internet or mobile phone services that are expected by visitors today. This is addressed in the strategy under section 8 Issues and Opportunities Information Technology.
2. To investigate opportunities for tourism with the South West Loddon Pipeline. One example may be the development of Skinners Flat Reservoir for passive recreation. This is addressed in the strategy under section 8 Issues and Opportunities Township Appearance.
3. To grow the partnership with Murray Regional Tourism, particularly with Mildura, Swan Hill Echuca and Kerang. This is addressed in the Executive Summary section.

Other minor comments were submitted, which are listed in the public comments attachments.

COSTS/BENEFITS

An additional \$20,000 is required over 3 years to deliver the actions in the Loddon Shire Tourism Strategy 2016-2019. Once the strategy is adopted, this amount will be incorporated into the Long Term Financial Plan commencing from the 2017/18 financial year.

RISK ANALYSIS

No risks have been identified in relation to this recommendation.

CONSULTATION AND ENGAGEMENT

The Loddon Shire Tourism Strategy 2016 -2019 was placed on display for public comment from 30 June to 18 July 2016.

Consultation and engagement was sought by advertisement in the Loddon Times and the Bendigo Advertiser, an article in the Mayoral Column, Tourism Newsletter, Loddon Shire website and Facebook page.

The Tourism and Marketing Officer has personally responded to each recipient verbally and via email, as well as attending the Inglewood Development and Tourism Committee meeting on 21 July to discuss its feedback.

4.6 FINANCE REPORT FOR THE PERIOD ENDING 31 JULY 2016

SUMMARY

This report provides Council with financial information for the period ending 31 July 2016.

Author	Deanne Caserta, Manager Financial Services
Council Plan ref:	Strategic enabler: Sound financial management protocols
File no:	08/06/001
Attachment:	Finance Report for Period Ending 31 July 2016

RECOMMENDATION

That Council:

1. *receives and notes the 'Finance report for the period ending 31 July 2016'*
2. *approves budget revisions included in the report for internal reporting purposes only*
3. *approves the supplementary valuations of rateable and non-rateable properties in respect of the 2016/17 financial year, as returned by the Shire Valuer, LG Valuations Pty Ltd, and endorses them being incorporated into the Register of Rateable and Non Rateable Properties and Rate Book for 2016/17.*

CONFLICT OF INTEREST

Are there any conflicts of interest for any council staff involved in writing this report, or involved in the subject matter of the report?

No

If yes, the following details identify the conflict of interest.

Officer name	Nature of interest	Reason for conflict
Click here to enter text.	Choose an item. If indirect, the type of indirect interest is: Choose an item.	[Explain the specific circumstances of this person's conflict of interest.]

PREVIOUS COUNCIL DISCUSSION

Council is provided with Finance Reports on a monthly basis.

BACKGROUND

The Finance Report for the period ended 31 July 2016 includes standard monthly information about budget variations, cash, investments, interest, debtors and creditors, and provides a comparison of year-to-date actual results to year-to-date budget (by dollars and percentage) and total revised budget (by percentage).

The information is in the format provided in the 2016/17 Budget, and includes operating results, capital expenditure and funding sources.

This Finance Report also includes supplementary valuations. Each year Council makes a number of additions, subtractions and alterations to the valuations contained in the annual rate book.

These changes arise from various sources including:

- splitting of parcels into new rateable assessments
- development of vacant or unproductive land (urban and rural)
- consolidation of separate rateable assessments into one assessment
- re-assessment of property valuations arising from objections to the initial valuation

- additions and cancellations of licences (grazing and water frontages)
- change of use
- covenant on Title
- area amendment
- change of Australian Valuation Property Classification Code (AVPCC)
- supplementary valuation corrections.

ISSUES/DISCUSSION

Nil.

COSTS/BENEFITS

The benefit to Council and the community is that accurate and regular financial reporting is being disclosed, along with an accurate representation of property valuations being reflected in Council's rating system and the distribution of rate notices for the year 2016/17.

Provision of financial reports on at least a quarterly basis is a requirement of the Local Government Act.

RISK ANALYSIS

The provision of regular and accurate finance reports to Council minimises the risk of Council not delivering projects within the approved budget. Council's risk exposure is also increased if the rating system does not reflect the valuation changes associated with supplementary valuations as Council will not be aware of the changes, which can alter the rate revenue in the current year and in future rating years.

CONSULTATION AND ENGAGEMENT

There has been considerable consultation internally with respective managers in understanding their budget responsibilities and keeping within budgetary constraints.

Consultation with ratepayers and authorities that act on behalf of ratepayers occurs when a change to a property is required or occurs by virtue of a sale.

External engagement with the community was undertaken during the submission period of the budget, and regular reporting provides a mechanism of monitoring the financial outcomes of Council against that expectation.

4.7 REVIEW OF COUNCIL ADVOCACY POLICY AND ELECTION OF MAYOR POLICY

SUMMARY

Seeking Council adoption of reviewed Council policies.

Author	Lynne Habner, Manager Executive and Commercial Services
Council Plan ref:	Core business 10: Advocacy and partnerships
File no:	18/01/001
Attachment:	Draft Council Advocacy Policy v3 Draft Election of Mayor Policy v3

RECOMMENDATION

That Council:

1. *adopts the Council Advocacy Policy v3*
2. *adopts the Election of Mayor Policy v3.*

CONFLICT OF INTEREST

Are there any conflicts of interest for any council staff involved in writing this report, or involved in the subject matter of the report?

No

If yes, the following details identify the conflict of interest.

Officer name	Nature of interest	Reason for conflict
Click here to enter text.	Choose an item. If indirect, the type of indirect interest is: Choose an item.	[Explain the specific circumstances of this person's conflict of interest.]

[Refer to the Staff and Contractors Code of Conduct for definitions of conflict of interest.]

PREVIOUS COUNCIL DISCUSSION

The draft policies were presented to the August 2016 Council Forum for discussion.

BACKGROUND

Council policies are those policies that relate to, or may impact, our customers and community.

The Election of Mayor Policy and the Council Advocacy Policy were adopted in July 2012 and are now due for renewal.

ISSUES/DISCUSSION

The Election of Mayor Policy is additional to Council's Process of Municipal Government (Meetings and Common Seal) Local Law -Amendment No. 1 – 2007. Whereas the Local Law sets out the process of election, this policy lists some guidelines for choosing the Mayor.

No changes are proposed for this policy.

The Council Advocacy Policy supports Council's advocacy role.

In reviewing the policy, the only matter that has not been adopted consistently by Council is the requirement to "adopt and review annually an Advocacy Strategy and Action Plan". This may be a result of the nature of Council's advocacy efforts that are largely responsive to issues or windows of opportunity that arise in the short term, which cannot be foreseen in a longer term strategy and plan.

However, the recent 2016 Loddon Priorities document that has been developed for discussion with state and federal politicians and organisations may be a more relevant approach to documenting current and future advocacy priorities.

Given the nature of Council's advocacy experience, councillors may wish to consider revising the requirement to "adopt and review annually an Advocacy Strategy and Action Plan" to "develop and update relevant documents for advocacy purposes that address Council's priorities for Loddon Shire".

COSTS/BENEFITS

No costs to Council are associated with this proposal.

RISK ANALYSIS

No risks have been identified as a result of this proposal.

CONSULTATION AND ENGAGEMENT

Councillors were consulted about the review of these policies.

4.8 DONALDSON PARK COMMUNITY FACILITIES FEASIBILITY STUDY

SUMMARY

This report provides a summary of and recommends that Council adopts the Donaldson Park Community Facilities Feasibility Study as a working document.

Author	Allan Stobaus, Manager Community Support
Council Plan ref:	Core business 3: Planning for future needs
File no:	16/04/021
Attachment:	Donaldson Park Community Facilities Feasibility Study

RECOMMENDATION

That Council adopts the Donaldson Park Community Facilities Feasibility Study as a working document.

CONFLICT OF INTEREST

Are there any conflicts of interest for any council staff involved in writing this report, or involved in the subject matter of the report?

No

If yes, the following details identify the conflict of interest.

Officer name	Nature of interest	Reason for conflict
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PREVIOUS COUNCIL DISCUSSION

At its 12 July 2016 Forum Meeting, Council was presented with a summary of the Donaldson Park Community Facilities Feasibility Study. This study recommends and supports the viability of the proposed facility improvements at the Donaldson Park Recreation Reserve in Wedderburn.

BACKGROUND

In 2012 the Donaldson Park Committee of Management (DPCOM) in conjunction with Council developed a master plan for the Donaldson Park Recreation Reserve. This plan identified a number of improvements in regard to water management and infrastructure, netball court developments and in particular, it identified the need to improve the existing change-room and social facilities in line with current day standards.

With funding support from Councils 2013/2014 Community Grants Program, the DPCOM engaged an external consultant to prepare a feasibility study to assess the viability of any proposed redevelopments at Donaldson Park. The scope of this study included the following components:

- An audit of existing buildings located at the reserve to assess their current condition, functionality and compliance with current day standards.
- An audit of other existing buildings within the township of Wedderburn to understand what impact any new developments at Donaldson Park would have on these facilities.
- An assessment of the current and projected population numbers, demographics and user groups sustainability to assess the need for any future redevelopment.

- The provision of prioritised recommendations that identifies what and if any facility upgrades are feasible.
- An assessment of the community's financial capacity to construct and maintain any new proposed facility development.

ISSUES/DISCUSSION

The feasibility study has been completed and formally adopted by the DPCOM as a working document.

In regard to the audit undertaken of the existing facilities at the reserve and elsewhere in Wedderburn, the study has found the following:

- That the Wedderburn Bowls and Tennis Club facilities required some upgrade works. These works included improvements to disability access and an upgrade to the kitchen facilities. These works are underway or have been completed. The study recommends that this facility is fit for purpose, meets the needs of the bowls and tennis clubs and should be retained.
- The existing harness racing club building has a number of ongoing maintenance issues and has very limited use. The feasibility study identifies the opportunity to rationalise this facility and to make provision for harness racing activities in any new facility development at the reserve.
- The existing social, administration and change room facilities that service football, netball and hockey have a number of ongoing maintenance issues, are not functional in terms of its capacity and do not meet with current day standards in a number of areas. This feasibility study is recommending that the provision of new facilities would be required to alleviate these issues.
- An audit of existing facilities within the Wedderburn Township has identified the existing town hall as the premier venue in Wedderburn for bigger events that cater for up to 250 people. This facility has undergone a major upgrade in recent years and is in excellent condition. Any proposed development at Donaldson Park that would cater for up to a maximum 150 people would not impact on the relevance or status of the Wedderburn Town Hall.

The study has found that new facilities are justified at Donaldson Park and has demonstrated this as follows:

- It is expected that the population of Wedderburn will be maintained at an appropriate level that will ensure that user groups of the reserve will remain viable and strong in the medium to long term.
- The user clubs of the reserve have a strong history and significant local commitment over a long period of time. This commitment is a significant factor that will help ensure the longevity of all user groups at Donaldson Park.
- Up until recently the lack of a reliable and affordable non potable water supply has been identified as a major risk to existing user groups at the reserve. The announcement of the Loddon South West Water Pipeline Project has removed this risk indefinitely.

The report identifies that the Wedderburn community has the potential to raise significant funds towards the cost of constructing new facilities at Donaldson Park. The report also identifies that financial assistance from Council and from state and federal government will be essential if the proposed developments are to be completed.

The report identifies that the DPCOM has the capacity to manage and maintain the proposed facilities. This is based on the DPCOM's current and projected operating budget and the expectation that the new facilities will provide a greater capacity to generate more income.

COSTS/BENEFITS

The cost of this development is expected to be approximately \$1.5 million. This figure is based on the costings of similar buildings that have been planned recently in Victoria. However, the exact cost will not be known until detailed plans have been prepared and plans have been assessed by a quantity surveyor. Even then, the actual cost of construction is determined by market forces, i.e. the quotations received from builders when the project goes out to tender. Additional factors that may cause the price to increase include the cost of service upgrades and earthworks, or a delay from the original quote to the actual build if prices of materials increase significantly. To try to keep costs to a minimum, it may be necessary to:

- Build to a basic standard and fairly simple design
- Determine where in-kind support (labour, materials, etc) can be provided
- Ideally keep the building under 500 sq metres to avoid fire compliance regulations (which can typically add an additional \$100,000 to the budget).

Council has made no financial commitment towards the costs of any future redevelopment at Donaldson Park. It is anticipated that a request for financial assistance will be made by the community in the future.

Existing Operating Costs

In order to determine the feasibility of developing a new community hub, it is important to understand the potential operating costs of such a facility. To do this, we have identified the existing running costs of Donaldson Park as it is expected that income and operational costs will be much the same as they currently are. In the 2014 financial year, Donaldson Park Committee of Management had an income of \$14,322 and an expenditure of \$9,417 (a net profit of \$4,905). This excludes any income from hiring of the facility. There is also over \$35,000 in the bank. Providing that income and expenditure amounts do not vary greatly from the current scenario, Donaldson Park Committee of Management appears to have the capacity to run the facilities at a small profit each year.

RISK ANALYSIS

Projects of this nature that have a number of stakeholders have the capacity to create a number of risks for Council. In particular issues related to financial management, design, consultation and communication have impacted on Council both in terms of its reputation and financially in the past.

In order to mitigate these risks, a joint Council and community Steering Committee has been established to guide the design, fundraising, communication and construction phases of this project. This project will also be incorporated into the Council Internal Major Project Working Group.

The coordination of this project within these structured groups will ensure that risks, associated with major project coordination are mitigated. The role that these groups will play in regard to managing these risks are as follows:

- The design process will be managed and reviewed thoroughly to ensure that efficiencies are achieved, that compliance requirements are met and that the design is affordable.
- A communication plan will be developed to ensure that all relevant information is communicated in a timely and effective manner.

CONSULTATION AND ENGAGEMENT

The consultation process throughout the development of the feasibility study was thorough and inclusive of user groups, the Wedderburn community, council officers and external peak body organisations.

The establishment of both the community and internal council steering groups will ensure that consultation throughout the coordination of this project is effective, timely and relevant to all stakeholders.

4.9 CONTRACT 305 – INGLEWOOD COMMUNITY HUB BUDGET VARIATION REQUEST

SUMMARY

Seeks Council approval of a budget variation to facilitate completion of the Inglewood Town Hall / Community Hub project. Additional funding is required as a result of a number of construction variations, in excess of the available project contingency, as well as a requirement for a nominal budget allocation to undertake external landscaping works on the site post construction. A variation of \$120,000 is being sought from the remaining 2016/2017 Building Asset Management Plan allocation.

Author	Adrian Lowrey, Project Manager
Council Plan ref:	Strategic Platform 4: Make our towns liveable and memorable
File no:	10/01/002
Attachment:	Nil

RECOMMENDATION

That Council allocate a further \$120,000 from the 2016/2017 Building Asset Management Plan budget, towards completion of the Inglewood Community Hub construction project including delivery of remaining building works and site landscaping post construction.

CONFLICT OF INTEREST

Are there any conflicts of interest for any council staff involved in writing this report, or involved in the subject matter of the report?

No

If yes, the following details identify the conflict of interest.

Officer name	Nature of interest	Reason for conflict
Click here to enter text.	Choose an item. If indirect, the type of indirect interest is: Choose an item.	[Explain the specific circumstances of this person's conflict of interest.]

[Refer to the Staff and Contractors Code of Conduct for definitions of conflict of interest.]

PREVIOUS COUNCIL DISCUSSION

Council deliberations on the refurbishment of the Inglewood Town Hall and construction of a building extension to house the new community hub and public toilet facilities have occurred over a number of years and were conducted at various stages of the project from initial inception to award of the associated construction contract.

In August 2015, Council awarded contract 305 for the construction of the new community centre and refurbishment of the existing Town Hall to FNG Group Pty Ltd. This contract is due for completion in August 2016.

BACKGROUND

Works commenced on site in October 2015 and as refurbishment progressed on the existing hall, it became evident that elements of the pre-existing structure were severely compromised due to water ingress over the years. Primary factors contributing to identified damage and building deterioration were linked to inadequate management of stormwater runoff from the roof as well as surface water accumulating underneath the western side of the building.

The majority of structural damage was discovered in the kitchen and supper room areas and included peeling of plaster, cracking of walls and settlement of the floor. The underfloor area has been very damp for a very long time – even after extended periods of drought.

The initial scope of the project only specified covering the old floor over with carpet and vinyl, however upon the discovery of the extent of water damage to the structural elements of the floor and building footings, this was considered short sighted and would not address ongoing issues of dampness and structural failings in this part of the hall.

The project manager in consultation with the contract superintendent identified that the total reconstruction of the kitchen and supper room floors was required for the long term benefit of the hall, rather than a “band aid” approach, which could well see further structural problems redevelop in the short to medium term.

It was determined that while the current contract was in progress, total reconstruction of the floor, including the stump foundations and sub floor ventilation to mitigate moisture, should proceed immediately in order to address the integrity issues and protect works being completed under the contract. By completing the floor refurbishment as a component of the contract, future requirements to perform more costly repairs and remediation has been avoided.

Discovered damage is not considered to have been foreseeable during the initial project design phase as the building elements in question were not readily visible.

The reconstruction of the hall floor represented a major variation to the contract scope and had two effects on the project, being:

1. an approximate one month delay to the project whilst designs of the floor and sub floor ventilation were undertaken and approved as well as consultation with the Town Hall Committee
2. a cost increase to the budget of \$98,762 due to the variation of contract scope. This variation has all but consumed the available contingency allowance of \$100,000.

Largely as a result of the above major scope change, it has been necessary to revise the project budget to account for this major variation as well as a combination of various other smaller value variations.

ISSUES/DISCUSSION

The total budget for this project is \$2,290,000 in accordance with the Council Report of August 2015.

Building Contract

The contract value is \$1,817,058. This sum includes the following amounts:

- | | |
|---------------------|-----------|
| 1. Contingency sum | \$100,000 |
| 2. Provisional sums | \$ 61,000 |

At the time of preparing this report, there are 26 approved contract variations totalling \$172,401.40, including the major floor reconstruction variation of \$98,762. The total of approved variations to date has exceeded the available contingency sum as above.

There are 7 Provisional Sums in the contract and as at 31 July two of these have been exceeded as follows:

Provisional sum item	Allowance (\$)	Actual expenditure (\$)	Overrun (\$)
Water Proofing & Certifying the Exterior Balcony	20,000.00	31,525.00	11,525.00
Height Safety Access Ladders	7,000.00	13,709.90	6,709.90
TOTAL	27,000.00	45,234.90	18,234.90

The total cost of combined variation and provisional sum excesses (taking into account available project contingency) is:

Variations	\$ 72,401.40
Provisional Sums	\$ <u>18,234.90</u>
Total Excess	\$ <u>90,636.30</u>

The total project cost to 31 July 2016 is \$2,273,706.

The project does not anticipate further major costs on the contract with one nominal progress claim remaining and handover expected towards the end of August.

Taking into account all remaining construction works required to achieve project completion, a forecast total project expenditure of \$2,360,000 has been determined. This means the building works (project cost) is forecast to exceed the current available budget by approximately \$70,000.

Landscaping

Although identified on the architectural documentation, landscaping was not included in the scope of building works. Prices received on the identified scope of landscaping works indicate that an allowance of \$50,000 should be made for this component of works which would include the provision of gravel paths with timber edging surrounded by seeded topsoil and associated drainage in accordance with the Architect's tender drawings.

Building Contract and Landscaping

Combining the identified construction shortfall with the requested landscaping allowance, the total budget required to facilitate completion of this project is \$120,000.

COSTS/BENEFITS

The major cost/benefit of the expenditure on the major variation of \$98,762.50 is to avoid likely expensive maintenance if the old floor was just covered over without any structural remediation whilst the Builder is on site. This single item has caused the budget overrun of \$90,000 on the building contract.

Minor savings in project management costs have been used to offset some of the Building Contract overrun.

RISK ANALYSIS

The costly long term structural remediation and future proofing the old hall may contribute to an overrun in project budget and this could be perhaps viewed as a long term benefit, rather than just a risk.

CONSULTATION AND ENGAGEMENT

Continuous consultation is occurring with the Project working Group and the Town Hall Committee and this has included the above major scope change of replacing the kitchen and supper room floor. More recently, this consultation has been around external cladding colour as well as the replacement of access ladders to the clock tower and flag pole and the future governance of the facility which is outside the scope of this project.

Monitoring of the project budget is routinely carried out by the Project Manager in consultation with Council's Finance Department.

5. INFORMATION REPORTS

5.1 VICTORIAN FLOODPLAIN MANAGEMENT STRATEGY

SUMMARY

Provides Council with information relating to specific operational and resource implications associated with the recent adoption of the Victorian Floodplain Management Strategy,

Author	Ian McLauchlan, Director Operations
Council Plan ref:	Strategic enabler: Sustainability focus to asset management
File no:	15/08/001
Attachment:	Council submission to the revised Victorian Floodplain Management Strategy Victorian Flood Management Strategy (final)

RECOMMENDATION

That Council receive and note the outcomes of its previous submissions during development of the Victorian Floodplain Management Strategy, adoption of the final strategy document and the associated operational implications for councils and state government agencies.

CONFLICT OF INTEREST

Are there any conflicts of interest for any council staff involved in writing this report, or involved in the subject matter of the report?

No

If yes, the following details identify the conflict of interest.

Officer name	Nature of interest	Reason for conflict
Click here to enter text.	Choose an item. If indirect, the type of indirect interest is: Choose an item.	[Explain the specific circumstances of this person's conflict of interest.]

[Refer to the Staff and Contractors Code of Conduct for definitions of conflict of interest.]

PREVIOUS COUNCIL DISCUSSION

Council were first presented with the new draft Victorian Floodplain Management Strategy (the Strategy) in August 2014. The primary focus of discussion on the draft strategy was the operational and financial implications for local government with respect to the planning, management, maintenance, construction or renewal of flood levee protection systems.

A further presentation to Council on the Strategy was provided in July 2015, following the release of a revised document which was amended in consideration of the public feedback received during the consultation phase of the initial document release. This initial feedback included a submission from Loddon Shire.

In response to the revised Strategy Council determined that a second submission for state government consideration should be provided, as many of the concerns identified within the initial draft document had not been resolved.

BACKGROUND

The Victorian Government (the Government) embarked upon the review and development of a new Strategy to help communities better prepare for future floods. The objective of the strategy is to clarify roles and responsibilities of government agencies and authorities involved in various

aspects of flood management ranging from planning and land use control through to the ongoing management and care of physical flood protection systems.

The Strategy also aims to improve the evaluation and communication of flood risks so communities and relevant agencies can take better-informed action to manage floods.

Development of the new strategy commenced in 2014 with an initial draft document being released for comment in July 2014. The draft Strategy replaced the Victorian Flood Management Strategy 1998 and aligned with the outcomes of the Government's response to the Victorian Floods Review, parliamentary inquiry into flood mitigation infrastructure, Emergency Management Act 2013, Victorian Waterway Management Strategy 2013 and Victorian Coastal Strategy 2014.

The Strategy implements a number of the recommendations from the Victorian Floods Review and gives effect to the Government's response to the Environment and Natural Resource Committee (ENRC) report on flood mitigation infrastructure.

An initial review of the draft Strategy identified numerous elements of concern, particularly regarding proposed policies governing operational responsibilities for levees outside of the Melbourne Water boundary.

Specific concerns with respect to the draft Strategy were related to:

- Council's obligations to fund infrastructure components of the Total Flood Warning System (TFWS)
- application of the beneficiary pays principle for the maintenance and renewal of flood prevention infrastructure (e.g. levees)
- required clarification of Council, Catchment Management Authority (CMA) and Department of Environment, Land, Water and Planning (DELWP) roles in preparation of flood modelling, mapping and regional flood management studies
- push for resourcing and accountability of CMA's to maintain waterway systems, including flood mitigation works (e.g. vegetation removal)
- clarification of the State Emergency Services (SES's) responsibility to develop Municipal Flood Emergency Management Plans
- expansion of liability protection for all personnel responding during an emergency under relevant legislation, not just SES personnel
- greater flexibility in decision making with respect to flood mitigation and response works (i.e. not a sole reliance on incident controllers to make decisions)
- requirement for extensive consultation in development of residual water management guidelines.

Many aspects of the draft strategy were considered to be positive, in that they provided clarity around roles and responsibilities and identified actions within various areas of flood management which were either deficient or required improvement to better inform or protect local communities e.g. improved data, mapping & communication protocols.

It was also recognised that the Strategy supported priorities being developed at a regional level in consultation with local communities. It encourages communities and individuals to work with their council and CMA to decide on the level of flood mitigation that best suits their locality.

Following the release of the initial draft strategy in 2014, Council were provided with a briefing on the proposed floodplain management policies, implications and responsibilities for Council and a summary of the Municipal Association of Victoria's (MAV's) intended response.

A submission to the Strategy project team was subsequently provided, within which a number of concerns were expressed with respect to various policies and positions outlined within the draft document, imposing both an operational and financial liability upon Council. Further work on the draft strategy was then delayed pending the finalisation of the State election.

Amendments were subsequently made to the Strategy incorporating feedback received during the 2014 consultation process. A revised document was released in July 2015 for public comment. A review of the revised draft strategy identified numerous changes to both the structure and content of the document, however many of the issues previously raised by Council remained.

Consequently a further submission in response to the revised Strategy document was provided, again outlining Council's concerns (see attached).

On 20 April 2016 the Strategy was adopted by the Government thereby committing stakeholders to the various actions, obligations and responsibilities set out within the document. A subsequent briefing was held with relevant stakeholders to provide the opportunity to seek clarification or further information in relation to these obligations and indications as to how the relevant stakeholder agencies intend to commence engagement.

ISSUES/DISCUSSION

Throughout the consultation process Council has conveyed its position with respect to a variety of policy and management issues identified within the Strategy. Ultimately adoption of the new Strategy sets out the Government's position in relation to these issues; and in some instances this does not align with either feedback provided by, or the previous position of, Council.

As part of its most recent submission in response to the revised Strategy document, Council Officers identified 22 recommendations. Comparison of the final Strategy against these recommendations has identified that less than half are considered to have been adequately addressed.

Some of the outstanding matters may however be addressed through subsequent implementation of inter-related Strategy actions e.g. development of guidelines and flood management plans.

No further consultation or feedback on the Strategy is being sought. The expectation of the Government is that relevant stakeholders and agencies now commence work towards fulfilling their obligations or actions identified within the Strategy.

A review of the final Strategy document has been undertaken to identify specific obligations, responsibilities or implications for Council. Whilst a number of direct areas of responsibility have been identified, it is also noted that Council shall be required to commit resources to work collaboratively with other agencies (i.e. indirect responsibilities).

Direct Council obligations and responsibilities under the Strategy include:

- requirement to conduct and fund local flood studies
- maintenance of local planning policy frameworks and land use planning controls (i.e. administration of the Loddon planning scheme and strategic planning projects)
- ensure the local planning scheme contains appropriate zones, overlays and strategies in the Municipal Strategic Statement, in the context of 1% Annual Exceedance Probability
- maintain ongoing responsibility for the management of urban drainage and flood management systems
- give consideration to integrated water management options in exercising urban stormwater flood risk accountability
- ensure new developments do not have significant third party impacts in the context of increased runoff from impervious surfaces
- share the capital cost of new TFWS gauges
- fund the ongoing maintenance costs for new TFWS gauges
- continue to share the cost for maintaining existing TFWS gauges
- requirement to assess the suitability of local TFWS in consultation with government agencies
- documentation of TFWS systems within municipal emergency management plans
- implement and administer waterway management schemes for flood mitigation infrastructure
- share the cost of constructing large scale flood mitigation infrastructure

- fully fund the ongoing maintenance and management of flood mitigation infrastructure either through beneficiary pays arrangement or directly by the Local Government Authority (LGA)
- lead the process for determining the requirement for, and implementing, flood mitigation infrastructure
- undertaking or co-ordinating ongoing maintenance and management of new flood mitigation infrastructure
- flood mitigation infrastructure not the subject of formal management arrangements shall be the responsibility of the LGA (or allowed to weather away if no arrangements in place)
- cost of restoring or upgrading existing flood mitigation infrastructure to be shared with LGA's subject to Government investment criteria being met
- Council will establish and administer any required water management schemes for beneficiary management of flood mitigation infrastructure
- Council will be accountable for leading the processes to determine and implement, through flood studies and Water Management Schemes (where appropriate), the assessment of existing flood mitigation infrastructure necessary to meet the needs of their communities, taking into account economic, social, cultural and environmental issues
- undertake and fund vegetation clearance in waterways where it can be demonstrated that flood risks can be materially reduced (subject to authorisation granted by the CMA's)
- responsible for all ongoing maintenance of waterways where mitigation works have been undertaken
- must obtain consent prior to undertaking any flood mitigation works on waterways, including preparation of detailed works proposal reports
- integrated outputs from floodplain management plans into emergency management plans
- provide the SES with outputs from flood studies

In addition to the Council specific obligations and actions above, there are a number of actions which shall require Council to work collaboratively with, or provide information to, the CMA and DELWP. Such examples include working with the DELWP on the development of water management scheme guidelines or with the CMA's on development of regional flood management plans.

The Strategy also contains a number of policy provisions which have implications in the context of emergency management response or interference with flood protection systems. The SES remains the lead emergency management agency in response to flood events and shall be required to work closely with LGA's to identify appropriate planning, protection and response mechanisms within Municipal Emergency Management Plans.

During a flood event, decisions regarding the placement, upgrade, removal or interference with flood protection systems or any other assets influencing flood behaviour, can only be made by the relevant incident controller. Liability protections for staff responding to emergencies shall only apply where actions taken are in accordance with instructions within documented action plans or decisions made by the incident control centre.

COSTS/BENEFITS

In order for Council to fulfil its obligations and responsibilities under the new Strategy, it is envisaged that over time, allocation of both financial and labour related resources shall be required.

At present it is difficult to quantify the extent of the required commitment due to the limited intelligence available with respect to the extent of flood levee systems within the Shire, lack of clarity around the process for establishing water management scheme agreements and the need to determine the approach Council wishes to apply in implementing a beneficiary pays principle.

Specific operational areas through which future costs may be incurred by Council include:

- contribution towards installation and maintenance of TFWS devices in the Shire
- demand for stream clearing works
- inspection and maintenance of levee protection systems

- funding of new flood mitigation infrastructure
- undertaking local flood studies
- establishment and administration of water management schemes

Where financial requirements are identified for the ongoing inspection, maintenance or renewal of flood protection systems, these will be reported to Council or identified within the relevant annual Budget. Similarly, contributions to any new flood levee systems will be presented for Council consideration.

Benefits of the new Strategy primarily relate to improved clarity around roles and responsibilities for various state and local government entities. The strategy also identifies areas of support which are to be provided to Council in the context of flood mitigation, land use and emergency management planning.

RISK ANALYSIS

There are a number of areas of potential risk associated with adoption of the new Strategy. Some of these risk areas are pre-existing (associated with Councils current roles and responsibilities) whilst others are directly attributable to new obligations and responsibilities imposed upon Council as a result of adoption of the Strategy.

General areas of risk identified include:

- financial liability upon Council for flood levee systems, TFWS elements and stream clearing
- administrative demands for water management agreements, asset identification and data capture, routine inspection programs and strategic flood management planning
- liability exposure when responding to emergency events or community requests in relation to works or activities which could modify flood behaviour
- pressure on Council to identify flood levees to be retained and those to be abandoned
- reputational risks associated with decisions relating to flood impact on properties or adequate control of development in flood prone areas.

As Council embarks upon delivery of its obligations under the new Strategy, additional or more specific risks will undoubtedly be identified. Appropriate mitigating actions will be identified in response to these risks as and when they arise.

CONSULTATION AND ENGAGEMENT

Extensive public consultation has occurred during the course of developing the new Strategy. Both the initial draft Strategy and the revised Strategy were released for public comment. Further to the opportunity to provide submissions at various stages of the documents development, DELWP (or its predecessors) conducted a number of agency and public workshops to present and discuss relevant elements of the Strategy.

Following adoption of the Strategy by the Government, agencies were invited to participate in further briefings held throughout the state for the purposes of providing clarification or further explanation of the various policies, obligations or expectations in the context of flood management.

5.2 CENTRAL VICTORIAN GREENHOUSE ALLIANCE - RECENT ACHIEVEMENTS AND FUTURE DIRECTIONS

SUMMARY

Presents Council with an update on the recent achievements of the Central Victorian Greenhouse Alliance as well as identification of potential future initiatives or projects for inclusion within the Alliances new strategic plan.

Author	Ian McLauchlan, Director Operations
Council Plan ref:	Core business 10: Advocacy and partnerships
File no:	19/01/007
Attachment:	Nil

RECOMMENDATION

That Council:

1. *Note the recent achievements of the Central Victorian Greenhouse Alliance.*
2. *Refer the identified potential future projects or initiatives to the CVGA Executive Officer for consideration and discussion with member Councils, during development of the Alliances new strategic plan.*

CONFLICT OF INTEREST

Are there any conflicts of interest for any council staff involved in writing this report, or involved in the subject matter of the report?

No

If yes, the following details identify the conflict of interest.

Officer name	Nature of interest	Reason for conflict
Click here to enter text.	Choose an item. If indirect, the type of indirect interest is: Choose an item.	[Explain the specific circumstances of this person's conflict of interest.]

[Refer to the Staff and Contractors Code of Conduct for definitions of conflict of interest.]

PREVIOUS COUNCIL DISCUSSION

Council has periodically been presented with information relating to initiatives or projects being undertaken by the Central Victorian Greenhouse Alliance (CVGA or Alliance). Council also maintains a representative on the CVGA board.

Most recent discussions regarding matters associated with the CVGA include:

23 September 2013: Council agreed to participate in the Lighting the Regions project, resulting in replacement of over 22,000 street lighting installations across the state.

27 May 2014: Council resolved to participate in the CVGA's aggregated solar assessment and purchase program for local government building stock.

25 November 2014: Council resolved to nominate Cr Cheryl McKinnon as the Loddon Shire Council's representative on the CVGA Board of Directors.

28 June 2016: Cr Cheryl McKinnon requested that a report be prepared and presented to Council concerning the achievements of the Central Victorian Greenhouse Alliance.

BACKGROUND

The CVGA was established by a number of Local Government Authorities (LGA's) in 2001 in order to help councils deliver outcomes that would help mitigate climate change, facilitate improved environmental sustainability, exploit collaborative operational or procurement opportunities and adapt to climate change impacts across our region.

Reflecting this, the CVGA is governed by a Board constituted solely by representatives of member organisations in the central and northern Victorian region. Currently 13 LGA's comprise the CVGA partnership.

The CVGA has been established as an independent commercial entity, with appointed staff and resources available to assist member Councils to work collaboratively to address climate change in their operations and within their communities.

Alliance staff work closely with all LGA members and state and federal governments to strategically reassess, refocus or enhance traditional service delivery in the areas of:

- economic development
- community health & wellbeing
- land use planning
- council resource management
- environmental sustainability.

Over recent years the CVGA has been involved in a number of projects or initiatives, whilst also advocating on behalf of partner Councils in the realm of government funding or policy.

The CVGA also acts as a conduit between LGA's, state government and its associated agencies and periodically provides updates to Councils on relevant government initiatives, grants, policies or strategies.

The CVGA periodically develops a strategic plan outlining the vision and objectives of the Alliance along with nomination of specific KPI's, initiatives and projects for action. The current iteration of this plan is due to expire in 2018 however work has already commenced upon the identification of future demand from partner LGAs and formation of a new strategic plan to govern the actions of the Alliance going forward.

ISSUES/DISCUSSION

Recent projects facilitated by the Alliance have provided both tangible and in tangible benefit to the Loddon Shire and its residents e.g. ability to leverage external funding, staff awareness and training, local representation to state government on sustainability and climate changes issues.

Some of the specific projects which Loddon Shire has been involved in through the CVGA include:

Solar cities project

One of the CVGA's greatest successes was the foundation of a for-profit company, Sustainable Regional Australia (SRA), to deliver the \$43 million, federal government's Central Victoria Solar City project in collaboration with Origin Energy, Bendigo Bank, Ballarat University and Powercor.

This project consumed much of the CVGA's resources over the period 2010 to 2013. The Central Victoria Solar City project was recognised as the largest and most successful of the seven Solar City projects across the country.

This project concluded at the end of June 2013 and was designed to offer incentives to local residents, businesses and various market sectors to participate in a trial range of energy efficiency and local energy generation products and services.

Lighting the regions

In 2014 Council allocated a total budget of \$135,000 to fund its commitment to the Lighting the Regions project. Council officers had previously looked at the bulk changeover of street lighting within the Municipality (with energy efficient fluorescents or LEDs) but had not pursued the project because of the estimated cost of more than \$300,000 and the lack of available government funds at that time.

The project involved a consortium of 16 Councils along with the CVGA and the Wimmera Mallee Sustainability Alliance (WMSA) who applied for a grant through the Federal Government's Community Energy Efficiency Program (CEEP).

The ensuing Lighting the Regions Project was Australia's largest regional street lighting upgrade project, covering nearly half (48%) of regional Victoria and included 16 council areas, 140,000 households and over 300,000 people.

The project achieved the upgrade of over 22,000 lights to more energy efficient technologies, reducing energy consumption by 6 Gigawatt hours per year, saving regional communities in the order of \$40 million over 20 years in energy costs. It is estimated that this project will also see a reduction of greenhouse emissions in the order of 150,000 tonnes over 20 years.

In the context of Loddon Shire, it is expected that minimum savings of \$15,000 p.a. in respect of the ongoing operation and maintenance costs of light installations shall be achieved. This figure is also expected to increase over time as the cost of power and maintenance increases.

Council Building Benchmarking project

In 2015 Loddon Shire participated in a CVGA co-ordinated project to benchmark municipal buildings in terms of energy and resource consumption against similar facilities across the region. It was expected that this project would help council understand where efforts should be directed when seeking to improve performance across the areas of water, gas or electricity usage.

Ironbark Sustainable Council was engaged by the CVGA to undertake the assessment program. Loddon Shire is still waiting to receive a detailed report on the facilities within the Shire which were assessed. Based upon the findings of the assessment it is expected that Council will explore potential energy efficiency upgrades or solar power installations.

Low income solar project

This project is still in its infancy within the northern Victorian region, whilst some metropolitan councils have already implemented similar schemes. The CVGA is exploring the appetite of member councils to participate in the roll out of a low income solar scheme whereby low or no interest loans are provided to low income households within the municipality to install solar power arrays.

Subject to the funding model adopted, residents are then able to pay the loan back using savings derived from their reduced energy consumption over time, either to a financial institution or to councils through their rates.

Loddon Shire has not yet agreed to participate in this program. Further details are required concerning potential administrative and funding models before the matter will be brought to Council for consideration. The CVGA is continuing to work on a project proposal and gauge council interest.

The CVGA is now seeking input from member councils with respect to future potential projects or initiatives. On 4 August 2016 representatives from the northern Loddon Mallee region met in Charlton to discuss opportunities for the Alliance and inform the development of a new strategic plan. Councils represented at this meeting included Gannawarra, Loddon, Buloke and Swan Hill. Further meetings with other member councils are also being scheduled by CVGA staff.

Potential projects or areas of future investigation identified during this meeting included:

- Aggregated solar purchase program: collaborative procurement of solar power installations on municipal building and public facilities.
- Energy efficiency program for sporting clubs: Audit of sporting clubs to determine potential benefit of solar power installations or identification of other energy and resource saving measures to reduce operational costs for community groups.
- Uniform greenhouse emission assessment framework: development of greenhouse gas assessment tools and/or software for all member councils to facilitate a uniform and consistent measurement and benchmark of greenhouse gas generation.

- Detailed building energy efficiency audits: Detailed assessment and audit of municipal facilities energy efficiency and identification of potential upgrade works.
- Review of regional wastewater disposal arrangements: Review existing regional facilities which receive septic tank effluent and develop plan to ensure long term sustainability and viability of local services.
- Coordinated large scale solar investment program: Potential joint investment in large scale regional solar farm with Councils owning shares and selling these back to the local community.
- Coordinated vegetation offset and carbon credit investment program: Procurement or registration of high value vegetation assets and land to be utilised by member councils for capital project offsets and simultaneously, carbon credits.
- Public lighting program: Review of potential continuation of the lighting the regions project to encompass public lighting (off street).
- Standardised energy tracking and analysis software: Purchase of standard energy and resource usage monitoring software.
- Establishment of composting waste management systems: Investigation into alternative waste disposal methodologies and technologies incorporating organics digestion and power co-generation.

CVGA staff will be preparing preliminary briefing notes on each of the above projects for consideration of inclusion within the new strategic plan.

COSTS/BENEFITS

Membership in the CVGA costs Council approximately \$5,000 per annum. This membership fee covers CVGA staff and administrative costs. Additional contributions to specific projects may be required from time to time e.g. lighting the regions initiative.

The state government has set down an ambitious target of zero net greenhouse emissions by 2050. Whilst not a binding legislative target, it is expected that LGA's will make concerted efforts to achieve this goal. Participation in the CVGA provides the opportunity to benchmark council operations, share collective knowledge and participate in joint initiatives.

Other benefits of Council involvement in the Alliance relate to leveraging collective procurement or grant making opportunities, collective representation to state and federal government, provision of specialised advice and project support and collaborative resource and information sharing.

RISK ANALYSIS

Failure to make a genuine attempt to respond to climate change or implement environmentally sustainable initiatives could potential pose a reputational risk for Council, both with the local community as well as state and federal government.

When considering investment in projects or initiatives offered by the CVGA, focus should be placed on ensuring that Council will derive benefit either socially, economically or environmentally. A risk exists that if investment is not strategically targeted the effectiveness of Council's investment and membership may be diminished.

CONSULTATION AND ENGAGEMENT

Council maintains representation on the Board of the CVGA and officers routinely attend working group meetings with CVGA staff. The CVGA regularly consult with its member councils and seeks input into the development of its strategic plans.

Many councils, including Loddon Shire, have independent strategic documents which reflect local priorities for their communities in the context of environmental sustainability and climate change. These plans are often, if not always, developed in consultation with the local community.

6. COMPLIANCE REPORTS

6.1 DOCUMENTS FOR SIGNING AND SEALING

SUMMARY	
This report provides Council with a list of documents signed and sealed during the month.	
Author:	Phil Pinyon, Chief Executive Officer
Council Plan ref:	Core business 8: Compliance
File No:	02/01/001
Attachment:	Nil

RECOMMENDATION

That Council:

1. receive and note the 'Document for Signing and Sealing' report
2. endorse the use of the seal on the documents listed

CONFLICT OF INTEREST

Are there any conflicts of interest for any council staff involved in writing this report, or involved in the subject matter of the report?

No

If yes, the following details identify the conflict of interest.

Officer name	Nature of interest	Reason for conflict
Click here to enter text.	Choose an item. If indirect, the type of indirect interest is: Choose an item.	[Explain the specific circumstances of this person's conflict of interest.]

PREVIOUS COUNCIL DISCUSSION

Nil

BACKGROUND

N/A

ISSUES/DISCUSSION

Section 173 Agreement between Loddon Shire Council and Boundary Bend Assets Pty Ltd in relation to Crown Allotment 2 Parish of Terrapee

Contract No. 374 Bridgewater Public Caravan Park Management Services – Fixed Term Agreement between Loddon Shire Council and Veronica Coghlan

**6.2 SECTION 86 COMMITTEE OF MANAGEMENT MEMBERSHIP DETAILS-
BRIDGEWATER ON LODDON DEVELOPMENT**

SUMMARY

This report seeks Council's approval of the membership of Bridgewater on Loddon Development Section 86 Committee of Management.

Author	Sharon Morrison, Acting Director Corporate Services
Council Plan ref:	Strategic Platform 1: Build a network of strong communities
File no:	02/01/047
Attachment:	Nil

RECOMMENDATION

That Council appoints the persons named in this report as members of the Bridgewater on Loddon Development Section 86 committee of management, effective immediately.

CONFLICT OF INTEREST

Are there any conflicts of interest for any council staff involved in writing this report, or involved in the subject matter of the report?

Choose an item.

If yes, the following details identify the conflict of interest.

Officer name	Nature of interest	Reason for conflict
Click here to enter text.	Choose an item. If indirect, the type of indirect interest is: Choose an item.	[Explain the specific circumstances of this person's conflict of interest.]

[Refer to the Staff and Contractors Code of Conduct for definitions of conflict of interest.]

PREVIOUS COUNCIL DISCUSSION

Council approved the current list of committee members for Bridgewater on Loddon Development Committee of Management on 25 August 2015.

BACKGROUND

Current Section 86 committee instruments of delegations include Clause 3.6 which outlines the requirement for nomination and appointment of committee members, which is as follows:

Members and Office Bearers of the Committee

At the Annual General Meeting each year nominations shall be called for proposed members of the committee. The committee must then elect from its proposed members the following office bearers:

- President, who shall be Chairperson of the Committee
- Secretary
- Treasurer.

The full list of proposed members must be forwarded to Council for formal appointment at an Ordinary Meeting of Council, in accordance with section 86(2). Until this formal appointment by Council occurs, the previous committee members will continue to hold office.

Clause 3.3 Membership of the committee outlines Council's preferred composition of the committee specific to each delegation, and states that Council seeks to provide broad representation to the committees.

For community based committees, it is at least 6 community representatives.

For organisation based committees, each delegation has a list of organisations that are required to provide representatives for the committee.

ISSUES/DISCUSSION

Bridgewater on Loddon Development is a community based committee with representation requiring at least 6 community representatives. The following is a list of nominated representatives for the committee which meets the minimum requirement:

Name	Position
Shannon Brown	President
Dave Edwards	Vice President
Christine Wattie	Secretary
Kathy Bowen	Treasurer
Steven Brown	Committee Member
Fred Shea	Committee Member
Leanne Edwards	Committee Member
Graham Morse	Committee Member
Mick Balaz	Committee Member
Leigh Hanna	Committee Member
David Hanna	Committee Member
Jenny Hosking	Committee Member
Graham Hosking	Committee Member
Tim Ferguson	Committee Member
Roberta Forster	Committee Member
Lee Turnbull	Committee Member
Tina Turnbull	Committee member

The Council representative for this committee is Cr Colleen Condliffe.

COSTS/BENEFITS

The benefit of this report is that Council has an up to date and accurate record of current committee members to ensure that contact can be made, particularly where Council is requesting committees to comply with reporting requirements under the legislation.

RISK ANALYSIS

Section 86 Committees act for and on behalf of Council which creates a risk for Council should they ever act outside their delegated authority.

Under Section 86(2) of the Act, "Council may appoint members to a special committee and may at any time remove a member from a special committee".

Council's appointment of committee members, not only satisfies the legislation, but also provides Council with the opportunity to sight the list of committee members before formally appointing them as they are the people that will be operating the committees, and in effect, acting for and on behalf of Council over the course of the year.

CONSULTATION AND ENGAGEMENT

Nil

**6.3 SECTION 86 COMMITTEE OF MANAGEMENT MEMBERSHIP DETAILS-
WEDDERBURN MECHANICS AND LITERARY INSTITUTE HALL**

SUMMARY	
This report seeks Council's approval of the membership of Wedderburn Mechanics and Literary Institute Hall Section 86 Committee of Management.	
Author	Sharon Morrison, Acting Director Corporate Services
Council Plan ref:	Strategic Platform 1: Build a network of strong communities
File no:	02/01/038
Attachment:	Nil

RECOMMENDATION

That Council appoints the persons named in this report as members of the Wedderburn Mechanics and Literary Institute Hall Section 86 committee of management, effective immediately.

CONFLICT OF INTEREST

Are there any conflicts of interest for any council staff involved in writing this report, or involved in the subject matter of the report?

Choose an item.

If yes, the following details identify the conflict of interest.

Officer name	Nature of interest	Reason for conflict
Click here to enter text.	Choose an item. If indirect, the type of indirect interest is: Choose an item.	[Explain the specific circumstances of this person's conflict of interest.]

[Refer to the Staff and Contractors Code of Conduct for definitions of conflict of interest.]

PREVIOUS COUNCIL DISCUSSION

Council approved the current list of committee members for Wedderburn Mechanics and Literary Institute Hall Committee of Management on 23 June 2015.

BACKGROUND

Current Section 86 committee instruments of delegations include Clause 3.6 which outlines the requirement for nomination and appointment of committee members, which is as follows:

Members and Office Bearers of the Committee

At the Annual General Meeting each year nominations shall be called for proposed members of the committee. The committee must then elect from its proposed members the following office bearers:

- President, who shall be Chairperson of the Committee
- Secretary
- Treasurer.

The full list of proposed members must be forwarded to Council for formal appointment at an Ordinary Meeting of Council, in accordance with section 86(2). Until this formal appointment by Council occurs, the previous committee members will continue to hold office.

Clause 3.3 Membership of the committee outlines Council's preferred composition of the committee specific to each delegation, and states that Council seeks to provide broad representation to the committees.

For community based committees, it is at least 6 community representatives.

For organisation based committees, each delegation has a list of organisations that are required to provide representatives for the committee.

ISSUES/DISCUSSION

Wedderburn Mechanics and Literary Institute Hall is a community based committee with representation requiring at least 6 community representatives. The following is a list of nominated representatives for the committee which meets the minimum requirement:

Name	Position
David Thomas	President
Alex Holt	Vice President
Barry Bolwell	Secretary
Thomas Jackson	Treasurer
Leo Matthews	Committee Member
Dede Williams	Committee Member
Jon Chandler	Committee Member
Barry Finch	Committee Member
Geoff Maxwell	Committee Member

The Council representative for this committee is Cr Gavan Holt.

COSTS/BENEFITS

The benefit of this report is that Council has an up to date and accurate record of current committee members to ensure that contact can be made, particularly where Council is requesting committees to comply with reporting requirements under the legislation.

RISK ANALYSIS

Section 86 Committees act for and on behalf of Council which creates a risk for Council should they ever act outside their delegated authority.

Under Section 86(2) of the Act, "Council may appoint members to a special committee and may at any time remove a member from a special committee".

Council's appointment of committee members, not only satisfies the legislation, but also provides Council with the opportunity to sight the list of committee members before formally appointing them as they are the people that will be operating the committees, and in effect, acting for and on behalf of Council over the course of the year.

CONSULTATION AND ENGAGEMENT

Nil

7. GENERAL BUSINESS

8. CONFIDENTIAL ITEMS

Closing of Meeting to the Public

RECOMMENDATION

That the meeting be closed to the public.

NEXT MEETING

The next Ordinary Meeting of Council will be held on 13 September at Wedderburn commencing at 3pm.