



# LATROBE CITY COUNCIL

## MINUTES FOR THE ORDINARY COUNCIL MEETING

HELD IN NAMBUR WARIGA MEETING ROOM  
CORPORATE HEADQUARTERS, MORWELL  
AT 6.00PM ON  
02 SEPTEMBER 2019

CM537

**PRESENT:**

<b>Councillors:</b>	Cr Graeme Middlemiss, Mayor	Central Ward
	Cr Darren Howe, Deputy Mayor	East Ward
	Cr Dale Harriman	East Ward
	Cr Kellie O'Callaghan	East Ward
	Cr Dan Clancey	East Ward
	Cr Alan McFarlane	Central Ward
	Cr Darrell White OAM	South Ward
	Cr Brad Law	West Ward
	Cr Sharon Gibson	West Ward
<b>Officers:</b>	Steven Piasente	Chief Executive Officer
	Kate Kerslake	Acting General Manager Community Services
	Gail Gatt	General Manager City Development
	Greg Drumm	General Manager Corporate Services
	Larry Sengstock	Acting General Manager Infrastructure & Recreation
	Hanna Steevens	Coordinator Governance
	Kieran Stewart	Governance Officer

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**1. OPENING PRAYER**

The Mayor read the opening prayer.

**2. ACKNOWLEDGEMENT OF THE TRADITIONAL OWNERS OF THE LAND**

The Mayor read the acknowledgement of the traditional owners of the land.

**3. APOLOGIES AND LEAVE OF ABSENCE**

Nil.

**4. DECLARATION OF INTERESTS**

Councillor White declared a direct and/or indirect interest under Section 78B of the *Local Government Act 1989* in respect to Item 17.2

**5. ADOPTION OF MINUTES**

**MOTION**

**Moved:** Cr Gibson

**Seconded:** Cr Law

**That Council confirm the minutes of the Ordinary Council Meeting held on 5 August 2019.**

**CARRIED UNANIMOUSLY**

**6. ACKNOWLEDGEMENTS**

Cr Harriman congratulated local basketballer Jade Melbourne on her recent success in the sport.

**7. PUBLIC PARTICIPATION TIME**

**Public Questions on Notice**

In accordance with the *Council Meeting Policy*, members of the public were able to lodge a question on notice before 12.00 noon in order for the question to be answered at the meeting. There were no valid questions asked for this meeting.

**Public Speakers**

Members of the public who registered before 12.00 noon were invited to speak to an item on the agenda.

Cr Darrell White left the meeting, the time being 06:08 PM.

Cr Darrell White returned to the meeting, the time being 06:12 PM.

The following persons spoke on an item on the agenda:

<b>ITEM NO.</b>	<b>AGENDA ITEM</b>	<b>NAME &amp; COMPANY</b>
17.2	2019/20 Annual Sponsorship Program	Jim Vivian - Gippsland Sports Academy

**8. ITEMS HELD OVER FOR REPORT AND/OR CONSIDERATION/QUESTIONS ON NOTICE**

Date of Council Meeting	Item	Date of Future Council Meeting Report
<b>Chief Executive Office</b>		
13 November 2017	Memorandum of Understanding with the State of Victoria to develop a City Deal	<p><b>19 January 2018</b> A report will be scheduled in 2018</p> <p><b>06 April 2018</b> A further report is scheduled later in 2018</p> <p><b>20 August 2018</b> No change</p> <p><b>24 October 2018</b> An update report to Council is expected in early 2019</p> <p><b>17 January 2019</b> Report expected April 2019</p> <p><b>06 February 2019</b> Report scheduled to go to Council on the 1 April 2019</p> <p><b>18 April 2019</b> Report postponed until after the Federal Election</p> <p><b>04 July 2019</b> Further advice is being sort</p>
11 September 2017	2017/14 Morwell / Hazelwood Mine <i>Confidential under Section 89(2) (e) of the Local Government Act 1989, as it deals</i>	<p><b>19 October 2017</b> A further report will be scheduled in 2018</p> <p><b>6 April 2018</b> Councillor workshop held 12/02/2018. External consultants to be engaged to provide advice on</p>

Date of Council Meeting	Item	Date of Future Council Meeting Report
	<i>with contractual matters.</i>	<p>market opportunities for brown coal. This process has been initiated. A further report will be presented to Council once that advice is received</p> <p><b>4 June 2018</b></p> <p>A report was presented to Council Meeting</p> <p><b>21 June 2018</b></p> <p>A report, market opportunities for brown coal due at Councillor Briefing 17 September 2018 and a further report to Council Meeting 1 October 2018</p> <p><b>20 August 2018</b></p> <p>No change</p> <p><b>24 October 2018</b></p> <p>Report is due to be finalised by the end of 2018. The report to Council is expected in early 2019</p> <p><b>17 January 2019</b></p> <p>Report expected April 2019</p> <p><b>12 March 2019</b></p> <p>Report now expected May/June 2019</p> <p><b>09 May 2019</b></p> <p>Further advice is being sort</p> <p><b>04 July 2019</b></p> <p>Councillor Briefing Presentation being considered before scheduling of report to Council</p> <p><b>16 August 2019</b></p> <p>Councillor Briefing Presentation occurred 26 August 2019</p>
<b>City Development</b>		

Date of Council Meeting	Item	Date of Future Council Meeting Report
03 April 2018	Future Use of the Visitor Information Centre Building	<p><b>04 April 2018</b></p> <p>The resolution is noted. A report outlining options for the future use of the existing Visitor Information Centre building in Traralgon will be presented to Council closer to the transition of the service to the foyer of the new performing arts centre (Latrobe Creative Precinct)</p> <p><b>20 July 2018</b></p> <p>No further updates - Update to be provided as the opening of the LCP approaches</p>
23 October 2017	<p>Development Proposal - Expression of Interest</p> <p><i>Confidential under Section 89(2) (d) (e) of the Local Government Act 1989, as it deals with contractual matters; AND proposed developments.</i></p>	<p><b>19 January 2018</b></p> <p>A report will be scheduled as required</p> <p><b>08 February 2018</b></p> <p>A report is anticipated at 05 March 2018 Council Meeting</p> <p><b>09 March 2018</b></p> <p>Presentation to occur at a Councillor Briefing on 26 March 2018</p> <p><b>24 July 2018</b></p> <p>Briefing report has been prepared for 30 July 2018</p> <p><b>17 January 2019</b></p> <p>As per Council Decision 23/10/2017, a further report is required – Pending Scheduling</p> <p><b>28 March 2019</b></p> <p>Report will be scheduled once an update is available</p>
23 October 2017	Gippsland Logistics Precinct Potential Business	<p><b>05 December 2017</b></p> <p>A report will be presented to Council in 2018</p>

Date of Council Meeting	Item	Date of Future Council Meeting Report
	<p>Opportunity</p> <p><i>Confidential under Section 89(2) (e) of the Local Government Act 1989, as it deals with proposed developments.</i></p>	<p><b>20 July 2018</b></p> <p>A report will be presented to Council later in 2018</p> <p><b>24 October 2018</b></p> <p>Council Report to be presented on 5 November 2018</p> <p><b>05 November 2018</b></p> <p>A further report to be presented to Council</p> <p><b>28 March 2019</b></p> <p>Further discussion's occurring before a further report can be presented to Council</p>
06 May 2019	<p>Planning Scheme Amendment C92 - Consideration of Submissions (Latrobe Regional Airport)</p>	<p><b>06 May 2019</b></p> <p>A future report is required</p> <p><b>16 May 2019</b></p> <p>The process to undertake economic impact analysis has commenced and extension of time to progress the Amendment was sent to the Minister for Planning (initial approval has been given)</p> <p><b>20 June 2019</b></p> <p>Inception Meeting and site visit has been scheduled. A verbal approval for an extension of time to progress the Amendment (and not lapse) has been granted</p>
03 June 2019	<p>Latrobe Creative Precinct - Gippsland FM Proposal to Co-locate at the Precinct</p>	<p><b>09 July 2019</b></p> <p>A report will be scheduled in 2020</p>

Date of Council Meeting	Item	Date of Future Council Meeting Report
<b>Community Services</b>		
01 July 2019	Future of Latrobe City Council Aged & Disability Service Provision  <i>Confidential under Section 89(2) (a) (c) (d) of the Local Government Act 1989, as it deals with personnel matters; AND industrial matters; AND contractual matters.</i>	<b>04 July 2019</b>  A Transition report will be provided to Councillors by March 2020
<b>Corporate Services</b>		
25 May 2015	MAV Workcare Self Insurance  <i>Confidential under Section 89(2) (e) of the Local Government Act 1989, as it deals with contractual matters.</i>	<b>14 March 2017</b>  A report to Council is scheduled for the end of the current financial year  <b>18 July 2017</b>  A report will be presented to Council in 2020/2021 Financial Year
11 September 2017	Proposed Road Renaming - Ashley Avenue, Morwell	<b>20 September 2017</b>  Pending further discussions before a report is rescheduled for decision  <b>9 August 2018</b>  A report for Council to consider the submissions received is being prepared for the September Meeting  <b>17 September 2018</b>  A further report will be determined after



Date of Council Meeting	Item	Date of Future Council Meeting Report
		<p>Councillor speaks with property owner</p> <p><b>17 January 2019</b></p> <p>Report expected to council in April 2019</p> <p><b>13 February 2019</b></p> <p>Report pending scheduling</p> <p><b>08 August 2019</b></p> <p>Proposed road renaming to be referred to Road Naming Committee for consideration when convened</p>
05 November 2018	Representation and Participation of Traditional Owners on Council Committees	<p><b>05 November 2018</b></p> <p>A progress report on implementation will be submitted to Council in the first quarter of 2019</p> <p><b>04 July 2019</b></p> <p>Report to be scheduled</p>
03 December 2018	Accumulated Cash Surplus – Surplus Allocation 2018/19	<p><b>03 December 2018</b></p> <p>A future report to be provided to Council on options for any future Latrobe City Council intern program beyond July 2019</p> <p><b>22 January 2019</b></p> <p>Report to come to council 2019 – Pending scheduling</p>
<b>Infrastructure &amp; Recreation</b>		
03 September 2018	2018/11 Explore alternate options available to replace the supply and use of single use water bottles	<p><b>3 September 2018</b></p> <p>A report will be presented to a Council Meeting later in 2018.</p> <p><b>8 October 2018</b></p> <p>Revised Target Date: 04 Mar 2019</p>

Date of Council Meeting	Item	Date of Future Council Meeting Report
		<p><b>23 January 2019</b> Report scheduled to go to Council on the 1 April 2019</p> <p><b>20 March 2019</b> Report deferred pending scheduling</p> <p><b>02 April 2019</b> It is proposed that a report will be presented at a meeting in May 2019</p> <p><b>10 July 2019</b> A draft briefing report is currently being finalised with a view of presenting this report to Council shortly</p> <p><b>14 August 2019</b> A briefing report will be presented to Council in September 2019</p>
01 April 2019	Moe Keenagers - Project Update	<p><b>18 April 2019</b> A further report to be scheduled</p>
01 July 2019	Annual Maintenance Grant Program	<p><b>14 July 2019</b> Report to be presented in early 2020</p>
05 August 2019	Presentation of Draft Mathison Park Management Plan for Public Exhibition	<p><b>09 August 2019</b> A further report to be scheduled after the public exhibition period</p>
05 August 2019	2018/19 Outdoor Pool Season Review	<p><b>06 August 2019</b> Report to be scheduled after the 2019/20 outdoor pool season</p>

Any proposed timings of reports listed above advised up to 16 August 2019, have been included in the above table. Items are removed only once a report has been tabled at Council and advised accordingly.

Any further updates after this time will be provided in the next Council Meeting Agenda.

# **NOTICES OF MOTION**

## 9. NOTICES OF MOTION

### 9.1 2019/11 STATE GOVERNMENTS LANDFILL LEVY

Cr Dale Harriman

I, Cr Dale Harriman, hereby give notice of my intention to move the following motion at the Council Meeting to be held on 02 September 2019:

#### MOTION

Moved: Cr Harriman

Seconded: Cr Gibson

That Council writes to the Premier of Victoria, the Honourable Daniel Andrews, and calls on him to:

- Return the \$11,971,364.10 that Latrobe City ratepayers have paid in the State Governments Landfill Levy; or
- Invest the entire amount into legitimate waste recycling programs, starting with fully funding the Gippsland Waste and Resource Recovery Group and other Waste and Resource Recovery Groups across Victoria.

**CARRIED UNANIMOUSLY**

#### MOTION

Moved: Cr Gibson

Seconded: Cr Harriman

That Council submits to Municipal Association of Victoria (MAV) for consideration at the State Council meeting on 18 October 2019, the following motion:

The Municipal Association of Victoria calls on the Premier of Victoria, the Honourable Daniel Andrews to:

- Return to all Councils the remaining funds in the 'Victorian Government's Sustainability Fund' that were contributed from local governments under the 'State Governments Landfill Levy'; or
- Invest the entire amount into legitimate waste recycling programs, starting with fully funding Waste and Resource Recovery Groups across all local government areas in Victoria.

**CARRIED UNANIMOUSLY**

**9.2 2019/12 WATERWAY MAINTENANCE**

**Cr Sharon Gibson**

I, Cr Sharon Gibson, hereby give notice of my intention to move the following motion at the Council Meeting to be held on 02 September 2019:

**MOTION**

**Moved:** Cr Gibson

**Seconded:** Cr Law

**That Council:**

- 1. Write to the Minister for Water, the Hon. Lisa Neville MP and the Minister for Energy, Environment and Climate Change the Hon. Lily D'Ambrosio, inviting them to visit Latrobe City to discuss with Council the state of the maintenance of the following waterways where they pass through urban areas, and to personally inspect them. The identified waterways are:**
  - a. Waterhole Creek, Morwell**
  - b. Narracan Creek, Moe**
  - c. Traralgon Creek, Traralgon**
  - d. Eel Hole Creek Churchill; and**
- 2. Discuss with the Ministers who would be responsible for ongoing costs and levels of maintenance of these creeks.**

**CARRIED UNANIMOUSLY**

# **ITEMS REFERRED BY THE COUNCIL TO THIS MEETING FOR CONSIDERATION**

**10. ITEMS REFERRED BY THE COUNCIL TO THIS MEETING FOR  
CONSIDERATION**

Nil reports



# CORRESPONDENCE

**11. CORRESPONDENCE**

Nil reports

# **PRESENTATION OF PETITIONS**

**12. PRESENTATION OF PETITIONS**

Nil reports

# **CHIEF EXECUTIVE OFFICE**

**13. CHIEF EXECUTIVE OFFICE**

**Agenda Item: 13.1**

**Agenda Item: Latrobe City Council Submission - Coal-Fired Power Funding Prohibition Bill 2017**

**Sponsor: Chief Executive Office**

**Council Plan Objective: Support job creation and industry diversification to enable economic growth in Latrobe City.**

**Status: For Decision**

**MOTION**

**Moved: Cr White**

**Seconded: Cr Howe**

**That Council endorse the Latrobe City Council Submission on the Coal-Fired Power Funding Prohibition Bill 2017 to the Senate Environment and Communications Legislation Committee as detailed in attachment 1.**

**CARRIED UNANIMOUSLY**

**MOTION**

**Moved: Cr Harriman**

**Seconded: Cr Howe**

**EXTENSION OF TIME**

**That Council grants an extension of time to Cr White.**

**CARRIED UNANIMOUSLY**

**Executive Summary:**

Introduction

On 4 July 2019, the Senate referred the Coal-Fired Power Funding Prohibition Bill 2017 to the Environment and Communications Legislation Committee for inquiry and report by 2 December 2019.

The bill would prohibit the Commonwealth government or its agencies from funding

the refurbishment, building or purchase, or assisting in the transfer of ownership, of a coal-fired power station.

The closing date for submissions to the inquiry was 14 August 2019; however the Committee has extended the submission deadline to allow for Council endorsement.

The Committee will meet on 9 September 2019 to consider the submissions.

### Key Issues

This submission expresses the Latrobe City Council's strong opposition to the Commonwealth Coal-Fired Power Funding Prohibition Bill 2017.

This position is based on a concern about the anticipated impact of this Bill on Latrobe Valley's brown-coal fired power stations and the potential for any early or unplanned power station closures. It recognises that given the concentration of the power generation activity in the Latrobe Valley, any early or unplanned closures would have significant implications on the power station workers, their families, this community and our economy at large.

Additionally, there is a concern that in the longer-term this Bill, if passed, would significantly restrict the use for any purpose of this essential energy generating infrastructure.

The early retirement of power stations could also significantly affect the security and stability of the nation's energy supply which are fundamentally important to the efficient operation of the Australian economy.

This submission calls on the Government to ensure that:

- The impacts on the Latrobe Valley from the changes to the energy sector are considered through effective planning, engagement and support for Just Transition to reduce disproportionate adverse impacts on the region;
- Latrobe City and its community are closely consulted and collaborated with throughout all phases of the transition; and
- As part of the region's economic diversification, low emission technologies and alternative uses of carbon from brown coal such as hydrogen production are actively supported by the Government.

### Next Steps

Following the Council endorsement, this submission will be made to the Senate Environment and Communications Legislation Committee.

### **Background:**

This bill was presented by Senator Di Natale (Australian Greens).

The progress of the bill in the Senate to date:

Introduced and read a first time	17 Oct 2017
Second reading moved	17 Oct 2017
Second reading debate	19 Mar 2018
Second reading debate	10 Sep 2018
Lapsed at end of Parliament	01 Jul 2019
Restored to Notice Paper	04 Jul 2019

**Issues:**

*Strategy Implications*

Under the Council Plan 2017-2021, this submission is in line with the Council Plan Objective 1: *Support job creation and industry diversification to enable economic growth in Latrobe City* and the related Strategy 3: *Provide support for the established major industries in Latrobe by:*

- *Developing Council's position on power stations and coal use*
- *Explore economic opportunities in waste and recycling*
- *Advocating for the innovative uses of our local natural resources (timber, paper, brown coal, chemicals, agriculture etc).*

*Communication*

This submission may have public relations/ media implications when made public.

*Financial Implications*

No known implications on Council budget.

*Risk Analysis*

<b>Identified risk</b>	<b>Risk likelihood*</b>	<b>Controls to manage risk</b>
Negative publicity in media driven by environmental groups	2	Council endorsement of the submission

\* For example, likelihood ratings: 1 (Rare); 2 (Unlikely); 3 (Possible); 4 (Likely); 5 (Almost Certain)

*Legal and Compliance*

No known legal or compliance implications.

*Community Implications*

No known community implications resulting directly from the submission.



*Environmental Implications*

No known environmental impacts resulting directly from the submission.

*Consultation*

No engagement.

*Other*

No other known implications.

**Declaration of Interests:**

Officers preparing this report have declared they do not have a conflict of interest in this matter under the provisions of the *Local Government Act 1989*.

**Supporting Documents:**

Nil

**Attachments**

1 [↓](#). LCC Submission - Coal Fired Power Funding Prohibition Bill.pdf

## **13.1**

### **Latrobe City Council Submission - Coal-Fired Power Funding Prohibition Bill 2017**

<b>1</b>	<b>LCC Submission - Coal Fired Power Funding Prohibition Bill.pdf .....</b>	<b>28</b>
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# Latrobe City Council Submission

Senate Standing Committees on Environment  
and Communications Inquiry

Coal-Fired Power Funding Prohibition Bill 2017



August 2019





Revision	Date	Written by	Reviewed by
1.0	13/08/2019	H Burgess	S Piasente
2.0	27/08/2019	H Burgess	S Piasente

## Introduction

Latrobe City welcomes the opportunity to provide its response to the Senate Standing Committees on Environment and Communications Inquiry on Coal-Fired Power Funding Prohibition Bill 2017.

Latrobe City is Gippsland's only Regional City, servicing the population of 74,000 people who largely reside in the four major population centres of Moe-Newborough, Morwell, Traralgon and Churchill. Its economy is built on the vast natural resource of brown coal and related power generation. The Latrobe Valley region contains an estimated brown coal resource of 65 billion tonnes, one of the largest deposits in the world, of which approximately 50% has been identified as potentially viable.

Latrobe City Council has had a long interest in open cut brown coal mining and power generation from brown coal as a major driver for economic growth and employment in the region. The region's brown coal has been utilised for the provision of affordable electricity for the majority of Victoria (contributing in excess of 70 per cent of Victoria's energy requirements) originally by the State Electricity Commission of Victoria and subsequently by private mine operators via three large coal mines at Traralgon (AGL Loy Yang), and Newborough (Yallourn) and now closed Morwell (Hazelwood).

With a Gross Regional Product (GRP) of approximately \$4.87 billion (2017), Latrobe City makes a significant contribution to the Victorian economy.

Latrobe City has been in economic transition for many years, following the Hazelwood Power Station and Mine closures in 2017 and the subsequent significant Government investment in the region. With the anticipated future power station closures, our region will continue its significant economic and structural transition.

As part of this process, Latrobe City Council has engaged with its community to develop a Strength-Led Transition Plan that delivers a new forward-looking vision for a strong and prosperous Regional City, building on the diversified economy that is based on the engineering skills, know-how and heavy industrial infrastructure developed in the course of the generations-long history of brown coal-fired electricity generation.

At the core of this transformation is a strong need to drive the region's employment and economic diversification, given that Latrobe City has borne, and is expected to continue to bear, a significant economic cost of the structural change currently occurring in the Australia's energy sector.

## **Submission: Prohibition on Commonwealth support for coal-fired power stations**

### **Impacts of early and unplanned closures of brown coal-fired power stations**

Latrobe City Council would like to take this opportunity to express its strong opposition to the *Commonwealth Coal-Fired Power Funding Prohibition Bill 2017*. As it stands, this Bill would prohibit the Commonwealth government or its agencies from funding the refurbishment, building or purchase, or assisting in the transfer of ownership, of a coal-fired power station.

Council is particularly concerned about the anticipated impact of this Bill on Latrobe Valley's brown-coal fired power stations and the potential for any early or unplanned power station closures. Given the concentration of the power generation activity in the Latrobe Valley, any early or unplanned closures would have significant implications on the power station workers, their families, this community and our economy at large. Additionally, Council is concerned that in the longer-term this Bill, if passed, would significantly restrict the use for any purpose of this essential energy generating infrastructure.

The contraction of the coal and electricity industry in Latrobe City has had, and is expected to have, a significant disruptive impact on the productivity, economic and social outcomes across this community.

The Hazelwood Power Station closure resulted in approximately 750 direct and 300 indirect job losses in the region, decrease of \$1,220 million in output, reduction by \$255 million in demand for intermediate goods and services, and consumption effects reduced by \$103 million. Overall, the Hazelwood closure resulted in a decrease in total regional output of more than \$1,580 million. It is estimated that the loss of Latrobe City's gross regional product from the closure of Hazelwood was close to \$340 million. These impacts are still deeply felt across our community and our economy.

The currently active AGL Loy Yang Mine in the Latrobe Valley is Australia's largest open cut mine with an annual nominal output of 30 million tonnes of brown coal. It supplies the two adjacent Power Stations, namely Loy Yang A Power Station operated by AGL Loy Yang and Loy Yang B Power Station operated by Alinta. These power stations provide approximately 50% of the electricity generated in Victoria.

AGL Loy Yang currently employs approximately 600 FTE and 300 contractors and contributes estimated \$10 million per week to the local community through procurement, labour and the contractors.<sup>1</sup>

The Yallourn Power Station, on the other hand, employs more than 500 people and generates 20% of Victoria's total electricity generation.

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<sup>1</sup> [https://www.agl.com.au/-/media/agl/about-agl/documents/how-we-source-energy/thermal-energy-environment/agl-loy-yang/sustainability-report-15-16\\_agl-report-format.pdf?la=en](https://www.agl.com.au/-/media/agl/about-agl/documents/how-we-source-energy/thermal-energy-environment/agl-loy-yang/sustainability-report-15-16_agl-report-format.pdf?la=en)

Any Government policies and regulations resulting in an early or unplanned closure of the coal-fired power stations would have a further impact that reaches beyond this region. The early retirement of power stations could significantly affect the affordable baseload capacity, and the security and stability of the nation's energy supply which are fundamentally important to the efficient operation of the Australian economy.

Affordable electricity is critical for businesses and industry to be competitive in national and global environments. Due to the unreliability of renewable technologies, there has to be baseload power in the system to provide grid stability and security; and coal and gas are currently the only viable options.

There are proven large-scale operating technologies that are capable of achieving significant improvements to emission profiles while providing an abundant supply of baseload energy in support of the intermittent load generated from renewable sources.

### **Collaborative just transition**

It is clear that the longer term process of transitioning from brown coal-fired electricity generation will result in significant impacts, particularly in the communities such as Latrobe City where any changes to the coal-fired power generation industry are immediately and directly felt.

Council recognises the importance of 'orderly and planned' economic transition for Latrobe City. Based on the international best practice, it is clear that the most successful transition programs involve strategic planning, combined with specific goals, and strong and early community engagement.

To this end, Council urges the Governments at Federal and State levels to collaborate with the affected communities on the development of strategic and staged transition plans, combined with a program of proactive and timely measures to ensure that the investment in the region delivers value for money through targeted and prioritised approaches, any interventions are appropriate and that all relevant parties, including the Latrobe City community are heard and engaged in this process.

This is to ensure that the economic costs of Victoria moving away from coal-generated power are not disproportionately felt in this region which still relies heavily upon the coal-fired power generation industry as its economic backbone.

As part of economic diversification, the Government could support research and development of low emission technologies and alternative uses of carbon from the region's plentiful resource, brown coal.

The CO<sub>2</sub>, as source of carbon, has the potential to be leveraged as a valuable 'raw material' and a component in the manufacture of a range of products such as chemicals, liquid fuels, carbons and agricultural products, potentially reducing the demand on the use of finite oil and gas resources.

Additionally, carbon captured can be applied to manufacture of consumer products, including synthetic surface sports arenas, mattresses and upholstered furniture.

In an attempt to identify, qualify and secure these opportunities, Latrobe City Council has been seeking support from both State and Federal Governments for the establishment of a Regional Carbon Innovation Centre (RCIC) in the Latrobe Valley as a hub for innovation, research and development from an early technological stage to a demonstration and pre-commercialisation stage. A feasibility study on the proposed Centre has been recently commissioned by Australian Carbon Innovation (ACI).

Initiatives such the Hydrogen Energy Supply Chain (HESC) could provide further economic development opportunities through safe production and transport of clean hydrogen from the Latrobe Valley to Japan. The CarbonNet project is an example of an investigation into the potential for establishing a commercial-scale carbon capture and storage (CCS) network in the Latrobe Valley.

New technologies such as CCS could have a significant impact on the future of coal-fired power generation and should be considered during policy development. However, as is the case with other clean energy technologies, the cost of CCS needs to be brought down through innovation, research and deployment. This will require a high level of national and international research collaboration, and sustained government and public support.

There could be a range of beneficial impacts on the Latrobe City's economy and beyond if carbon-based projects were developed and implemented through the utilisation of these new technologies. Such benefits would be expected to be at least equivalent to the economic benefits from coal-fired power generation.

### **Conclusion**

While Council recognises that a notable progress has been made to deliver on the transitioning and diversification initiatives in the Latrobe Valley, strong planning and implementation measures are required to provide for genuine employment, private sector investment and economic diversification as the region moves into a new phase of its economic and social change.

While opposing this Bill, Latrobe City urges the Government to ensure that:

- The impacts on the Latrobe Valley from the changes to the energy sector are considered through effective planning, engagement and support for Just Transition to reduce disproportionate adverse impacts on the region;
- Latrobe City and its community are closely consulted and collaborated with throughout all phases of the transition; a Council endorsed resource/ consultant with knowledge and experience of the region should be appointed to lead this process; and
- As part of the region's economic diversification, low emission technologies and alternative uses of carbon from brown coal such as hydrogen production are actively supported by the Government.

Latrobe City Council is endeavouring to model an inclusive and collaborative approach to expedite the planning, advocacy, development and support of the economic diversification. To this end, Council invites all levels of Government to partner with Latrobe City and its community in all discussions, policy and program planning and design with regards to the region's continued transition. Creating a long-term, considered plan for transition for the



Latrobe City towards a future of economic and social prosperity is achievable, and can be best driven with involvement from the Latrobe City community.

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# **CITY DEVELOPMENT**

## **14. CITY DEVELOPMENT**

**Agenda Item: 14.1**

**Agenda Item: Latrobe Creative Precinct Sponsorship and Fundraising Framework**

**Sponsor: General Manager, City Development**

**Council Plan Objective: Provide a connected, engaged and safe community environment, which is improving the well-being of all Latrobe City citizens.**

**Status: For Decision**

### **MOTION**

**Moved:** Cr McFarlane

**Seconded:** Cr Clancey

**That Council endorses the Latrobe Creative Precinct Sponsorship and Fundraising Framework.**

**CARRIED UNANIMOUSLY**

### **Executive Summary:**

- A draft *Sponsorship and Fundraising Framework* for the Latrobe Creative Precinct (LCP) has been developed to outline the process for raising additional funds for the project.
- These funds are not critical to the delivery of the project, with any funds raised via this process being used for non-essential but highly desirable items to enhance the precincts overall value proposition.
- Sponsorship support from the business community adds to the prestige of the precinct and community fundraising builds a sense of ownership and pride for the community.
- The Latrobe Creative Precinct Project Reference Group which comprises Cr Clancey, Cr Law and Cr McFarlane along with community representatives from a range of local theatre and education related groups will make recommendations to Council regarding funds expenditure.
- An internal procedure will be developed which will list the items relevant to fundraising and outline how funds will be allocated. Items will be listed in

order of priority so that funds raised can be directed to those having the highest impact and ability to enhance the precincts reputation being acquired first.

- Following research and benchmarking, the framework outlines fundraising methods which have been successfully implemented within similar projects across regional areas.
- The framework's key recommendation is to engage a specialist to determine strategy, advise on setting fundraising targets, assist in sourcing leads, and develop collateral.

**Background:**

Nine recommendations have been proposed in the framework, including to:

- Engage a suitable specialist to review and advise on fundraising methods and set targets for selected methods;
- Develop and promote Corporate Sponsorship packages; while naming rights opportunities to spaces at the LCP will be offered to potential sponsors, to ensure the brand identity and reference to Latrobe City is maintained, Council's Road and Place Name Advisory Committee will be consulted in the process;
- Consider a formal Corporate Partners Program to establish ongoing corporate sector support of Council's overall events and activities;
- Develop a process for securing corporate donations and gifts in kind;
- Conduct a 'Buy a Seat' campaign as part of the public fundraising campaign with plaque on seat and website listing acknowledgement;
- Consider a voluntary donation option on rates notices for rate payers who may wish to make a contribution to the project;
- Engage with community groups to consider the establishment of a Friends of the Theatre group;
- Consider a formal philanthropic donations' regime;
- Develop an annual membership program and build on the current Latrobe Performing Arts Centre membership program.

**Issues:**

***Strategy Implications***

The Latrobe Creative Precinct aligns with the following objectives of the Council plan (2017-2021):

- OBJECTIVE 1 Support job creation and industry diversification to enable economic growth in Latrobe City
- OBJECTIVE 2 Encourage improved education and training outcomes in Latrobe City

- OBJECTIVE 3 Improve the liveability and connectedness of Latrobe City
- OBJECTIVE 4 Improve the amenity and accessibility of Council services
- OBJECTIVE 5 Provide a connected, engaged and safe community environment, which is improving the well-being of all Latrobe City citizens
- OBJECTIVE 7 Grow the civic pride of our municipality and solidify Latrobe City's image as a key regional city

### **Communication**

Following endorsement of the framework, development of digital and written collateral will occur.

### **Financial Implications**

The LCP project is fully funded. Any funds raised from a sponsorship and community fundraising campaign are not critical to project delivery.

Engagement of a sponsorship and fundraising specialist is already included in the budget.

Funds raised will be used for non-essential but highly desirable items. If surplus funds remain following acquisition of these items, this will be used towards supporting community programs or considered for other programming at the LCP.

A still to be developed internal policy will outline how funds raised will be allocated.

### **Risk Analysis**

<b>Identified risk</b>	<b>Risk likelihood*</b>	<b>Controls to manage risk</b>
Not raising the identified sum of money	3 (Possible)	Prioritise spending based on the funds raised.  Funds are not critical to the delivery of the project.
Disagreement over spending of the raised funds	2 (unlikely)	Decisions will be made in consultation with Project Reference Group members as representatives of their relevant networks
Shortage of interested corporate patrons  Shortage of	3 (possible)	The LCP project is fully funded. Any funds raised from a sponsorship and community fundraising campaign are not critical to

public/community patrons		<p>project delivery.</p> <p>Funds raised will be used for non-essential but highly desirable items. If surplus funds remain following acquisition of these items, this will be used towards supporting community programs at the LCP.</p> <p>A still to be developed internal policy will outline how funds raised will be allocated.</p>
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***Legal and Compliance***

Nil.

***Community Implications***

Collateral in relation to sponsorship and fundraising will be developed to articulate the range of options available to the community in relation to donation of funds.

Community groups such as Friends of the Theatre will be engaged to work with Council on fundraising.

***Environmental Implications***

Nil

***Consultation***

The framework has been developed in collaboration with the Project Reference Group, the members of which have been selected to represent their relevant networks and interest groups. The draft framework was distributed to the Project Reference Group for feedback with all responses received being positive. The framework was also presented to the Project Control Group, which is made up of funding stakeholders.

***Declaration of Interests:***

Officers preparing this report have declared they do not have a conflict of interest in this matter under the provisions of the *Local Government Act 1989*.

***Supporting Documents:***

Nil

**Attachments**

1 [↓](#). Latrobe Creative Precinct Sponsorship & Fundraising Framework

## **14.1**

### **Latrobe Creative Precinct Sponsorship and Fundraising Framework**

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# Latrobe Creative Precinct

SPONSORSHIP AND FUNDRAISING FRAMEWORK







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# 1. Purpose

## 1.1 BACKGROUND

The Latrobe Creative Precinct (LCP) is a major cultural infrastructure project that will offer a significant value proposition for the community beyond the contribution it can make as a contemporary, versatile and high quality performing arts facility. It is designed to blend arts development and presentation capability, vocational training, learning and participation programs with a broader engagement of the creative industries and the community. The LCP will provide positive impact across the Gippsland region and beyond.

The Precinct will encompass:

- A state of the art regional performing arts centre housing a multipurpose auditorium of 750 seats and meeting room suite of almost 200-seat capacity; with associated front of house and back of house facilities and services;
- Two outdoor event spaces;
- A repurposed Latrobe Performing Arts Centre building housing the Creative Industries Training Centre delivering cultural industry training and educational courses.

Key objectives of the LCP are to:

- Create a deep engagement with the community;
- Attract the broadest possible audience through diversity of activities and marketing approaches;
- Develop a powerful brand within the community, and the performing arts and business events industries; and
- Be known as a regional powerhouse of economic activity and cultural vibrancy.

An important element in achieving these objectives is the opportunity for sponsorship and fundraising activity. Sponsorship support from the business community enhances the prestige of the precinct and fundraising gives a sense of ownership and pride to those in the community associated with the precinct. Whilst funds from sponsorship and fundraising are not critical to construction and delivery of the LCP project, funds raised will serve as additional funding to further enhance the value proposition of the precinct. Initial items identified that could raise the impact, reputation and prestige of the precinct include a range of pianos for use in performances, rehearsals and prominently displayed in key precinct locations such as the foyer. The complete list of items to be procured is being developed. Items will be listed in order of priority.

This framework outlines a range of sponsorship and fundraising opportunities citing benchmarking against similar regional performing arts centres. The purpose of the framework is to provide a way forward for developing a strategy to raise funds, set fundraising targets and engage external stakeholders in the process.

#### CASE STUDY



#### HORSHAM TOWN HALL

In **2016**, Horsham in western Victoria raised over **\$800,000** towards the redevelopment of their Town Hall

## 1.2 TARGET SUM METHOD

Data shows that fundraising campaigns have a higher rate of success when there is a clear target figure. The nomination of a target appears to concentrate efforts providing motivation and something to aim for. Whilst the delivery of the LCP project is not reliant on funds from sponsorship or fundraising initiatives, the target set should still have an aspirational theme giving a figure that if obtained provides a sense of achievement and pride.

This needs to be balanced with setting realistic targets. A target is achievable with good planning and portioning fundraising into realistic targets across the various fundraising methods. With this in mind, it is recommended to engage an experienced external sponsorship and fundraising consultant to work with the Project Reference Group to review and assess current market conditions, area specific economic conditions and existing benchmarking material to determine fundraising targets for each fundraising method to be undertaken.

#### RECOMMENDATION 1:

Engage a specialist in sponsorship and fundraising to review and advise on suitable fundraising methods and set targets.

## 2. Fundraising Methods

Raising funds can take many forms, with opportunities for both the corporate sector and the general public and community to contribute to the overall result. From data obtained following a benchmarking exercise, the following methods can be considered:

### Corporate initiatives

- Naming rights
- Corporate Partner Program
- Corporate Sponsorship packages
- Gifts in-kind
- Direct donations

### Community led fundraising

- Foundations and Philanthropic donations
- Friends of the Theatre programs

### Council/Venue based fundraising

- Buy a Seat/Brick campaign
- Optional Ratepayer Contributions



## 2.1 CORPORATE INITIATIVES

### 2.1.1 Naming Rights

Many arts centres have been established in recent years with successful naming rights sponsorship arrangements.

This is particularly so for centres in New Zealand, many of which appear to have extensive acknowledgement of sponsors through the naming of foyers, theatres and meeting rooms after these corporate entities.

A naming rights partnership can provide benefit to both parties as this represents a unique marketing opportunity for corporate bodies as major community facilities are relatively few in number, making imitation or duplication by competitors difficult to achieve. The right venue provides an ideal means for a corporate to establish a presence in regions where they are seeking to expand and can enhance their reputation with the public and local community in the area of social responsibility.

There is a range of spaces that can be considered as naming rights opportunities:

- The main 750 seat auditorium space
- Meeting rooms
- Foyer areas
- Dressing rooms
- Green room
- Bar/Café area
- Open plaza between the new arts centre and existing Service Centre
- Open plaza between the new arts centre and the Creative Industries Training Centre

To ensure the brand identity and reference to Latrobe City is maintained, securing the naming rights to the entire venue will not be offered as a sponsorship opportunity.

#### CASE STUDIES



#### TELSTRA CLEAR PACIFIC EVENTS CENTRE

Telstra Clear Pacific Events Centre in Manakau, New Zealand **secured 40 corporate sponsors** with naming rights to various public spaces valued at approximately **\$9 million** which contributed to the **\$39 million** project.



#### ESSO BHP BILLITON WELLINGTON ENTERTAINMENT CENTRE

Esso BHP Billiton Wellington Entertainment Centre in Sale, Victoria secured a **naming rights partnership worth \$350,000** contributing to initial funding.

### 2.1.2 Corporate sponsorship packages

A key fundraising opportunity is the promotion of corporate sponsorship packages which include a range of attractive benefits for sponsors. The packages can be tailored to suit the scale and needs of each organisation and would include benefits such as:

- Marketing, profile building or brand awareness opportunities through the provision of venue signage, event sponsorship, show tickets and invitations to special events.
- Use of venue for conference, training or corporate meetings.
- Use of performances, events and hospitality opportunities as employee recognition and rewards, team building or business networking.

#### CASE STUDIES

##### CORPORATE SPONSORSHIP PACKAGES

West Gippsland Performing Arts Centre, Home of the Arts (Gold Coast), Gladstone Entertainment Convention Centre and City of Casey's Bunjil Place have established corporate sponsorship packages with varying levels of benefits dependent on sponsorship amount.

The LCP is well placed to host corporate sponsors as the design incorporates seats on each side of the balcony 'wings' for this purpose and has suitable foyer spaces and meeting rooms for corporate hospitality functions.

#### RECOMMENDATION 2:

Develop and promote a suite of Corporate Sponsorship packages with various levels dependent on level of sponsorship support.

### 2.1.3 Corporate Partners Program

A corporate partner program is a mechanism to establish a formal relationship with key corporate partners and Council. Corporate partners provide sponsorship to areas of Council that they have an interest in or align with their brand. The LCP and the new Gippsland Regional Aquatic Centre are two such opportunities. As major elements of social and community infrastructure, they provide an ideal opportunity to establish a corporate partners program as an ongoing part of the Council's relationship with the corporate sector.

#### CASE STUDIES



##### ROTARUA DISTRICT COUNCIL

Rotorua District Council, New Zealand has secured long term investment support from the manufacturing, education, research and technology sectors within their region. The Rotorua Partners Program generates corporate support for projects for the good of the wider Rotorua community. The catalyst was the Energy Events Centre. The program with support from the Rotorua Energy Charitable Trust and commercial and philanthropic partners generated \$7 million towards the centre.

##### TOWNSVILLE CITY COUNCIL & GLADSTONE REGIONAL COUNCIL

Townsville City Council and Gladstone Regional Council have enjoyed success with 'whole of council' arrangements that harness ongoing corporate support.

#### RECOMMENDATION 3:

Consider a formal Corporate Partners Program to establish ongoing corporate sector support of Council's overall events and activities.



### 2.1.4 Gifts in kind and direct corporate donations

Direct cash donations or gifts in kind are those funds received towards the project where the contributor does not receive any formal benefit. This generally takes the form of in-kind contributions of products or goods. This method of fundraising if coordinated correctly can make a material difference towards the LCP.

#### CASE STUDIES



#### NAPIER MUNICIPAL THEATRE

Pan Pacific Forest Industries contributed **\$1.6 million** to the Napier Municipal Theatre as the donation coincided with the 20th anniversary of the company.

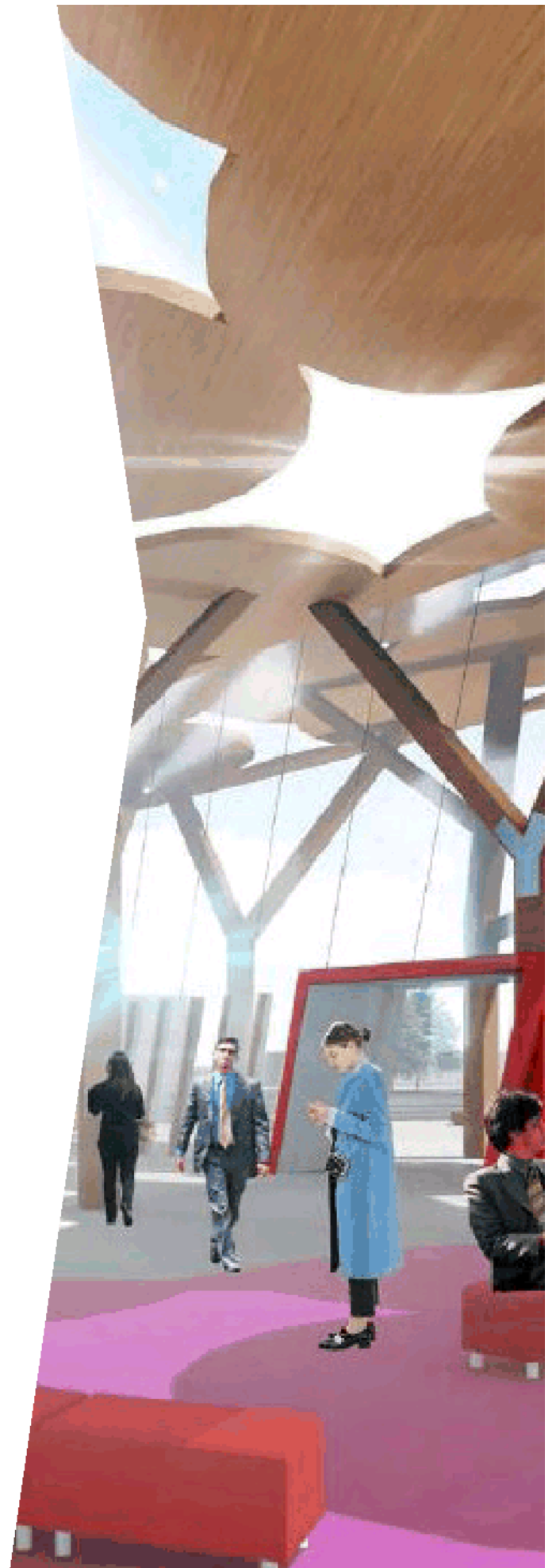
#### TAURANGA COUNCIL & ROTARUA DISTRICT COUNCIL

Tauranga Council and Rotorua District Council have had success in sourcing funding through direct donations and gifts in kind.

All of the above organisations achieved great outcomes with the assistance of an external consultant experienced in corporate capital funding procurement for major community projects.

#### RECOMMENDATION 4:

Engage a suitable individual or agency to secure corporate donations and gifts in kind as required.



## 2.2 PUBLIC AND COMMUNITY FUNDRAISING

A well planned and coordinated public fundraising campaign will complement a corporate sponsorship program and generate further funds towards value added items which enhance the overall impact, aesthetic and flexibility of the precinct.

As long as the public envisage the new arts centre and precinct as a place they can be proud of and visit regularly, they are likely to be receptive to a well-publicised and positive fundraising campaign.

### CASE STUDIES



#### MACKAY ENTERTAINMENT CENTRE & BROLGA THEATRE

In the 90's, the communities of Mackay and Maryborough in Queensland both raised \$1 million towards their cultural projects – the Mackay Entertainment Centre and the Brolga Theatre respectively.

### 2.2.1 Community led fundraising

#### 2.2.1.1 Foundations and general philanthropic donations

Some people wish to donate via a conduit such as a charitable trust or foundation, rather than donate directly to particular causes. Many community foundations are set up to distribute funds received via this method.

In Victoria, the Australian Communities Foundation offers individuals, groups, corporations and not-for-profit organisations an easy way of giving something back to the community. Another such foundation is the Foundation for Rural and Regional Renewal.

A Friends of the Theatre group could register as a Deductible Gift Recipient and make application to a range of philanthropic foundations and charitable bodies.

There are also a range of general philanthropic donation schemes where members simply donate to the centre and receive a certificate acknowledging their donation.

### CASE STUDIES



#### WEST GIPPSLAND ARTS CENTRE

The West Gippsland Arts Centre Full House group has this model in place and acknowledges donations with personal certificates on three levels of membership dependent on donation amount.

#### GEELONG PERFORMING ARTS CENTRE

The Geelong Performing Arts Centre Circle group has an extension group called the Giving Circle where members are expected to donate **\$500 per annum**.

#### THE ULUMBARRA THEATRE

The Ulumbarra Theatre 'Theatre Dreaming' program allows donations to be directed to specific programs such as the Centre Stage Program for disadvantaged children or the Gather Together Program supporting cultural diversity.

### RECOMMENDATION 5:

Consider a formal philanthropic donations regime as part of the overall fundraising campaign.

### 2.2.1.2 Formal Community led fundraising groups

The establishment of formal community led fundraising groups, generally known as 'Friends groups', are crucial to a coordinated fundraising campaign effort. During the build phase of the project before the launch of the centre, this group can collaborate with Council to actively promote and source public donations supporting both Council led initiatives and developing their own opportunities. The role of a Friends Group is to generate funds for the project and assist with staff support to benefit the centre and its operation.

Friends groups are set up as a separate entity as an incorporated, not for profit association. They have their own office bearers, constitution and rules. Members pay an annual membership fee and receive benefits similar to a corporate membership. Typical membership benefits include:

- Discounted tickets, food and drinks
- Regular newsletters
- Priority bookings
- Opportunities to meet performing artists
- Invitations to VIP events

In addition, they are offered volunteer opportunities in usher, door attendant, programme seller or registration desk roles.

Members of Friends' groups take pride in their connection with the venue, particularly if they have been involved in the early stages fundraising. This buy-in provides strong incentive to continue to assist after the new arts centre becomes a reality. It is a valuable ongoing social outlet and a contribution to community service.

#### CASE STUDIES



#### FRIENDS GROUPS

The Circle group (Geelong Performing Arts Centre), Friends of the Arts (Gold Coast) and Friends of the Theatre (Townsville Civic Theatre) have active and thriving Friends Groups.

The Friends of the theatre group at Gladstone Entertainment Convention Centre contributed over **3,000 volunteer hours** in front of house roles in the past year.

It is proposed that a Friends of the Theatre organisation be established to assist with fundraising and to support the future operations of the Latrobe Creative Precinct. Members of the Get it Built group could be engaged to spearhead the formation of a new Friends of the Theatre group.

#### RECOMMENDATION 6:

Engage with community groups to consider the establishment of a Friends of the Theatre group acting independently but working with Council on the fundraising campaign and providing ongoing volunteer support.

## 2.2.2 Council/Venue management led fundraising

### 2.2.2.1 Buy a Seat Campaign

Rather than make a direct donation, members of the community may respond more positively if they believe that their contribution will be publicly acknowledged. A 'Buy a Seat' campaign is a proven method of motivating donors as their contribution and generosity will be seen by others. The premise of the campaign is for patrons to 'buy' a seat which comes with a plaque with the donor's name attached and website listing acknowledgement for an agreed period of time.

#### CASE STUDIES



The Isaac Theatre Royal Christchurch, Energy Events Centre Rotorua, Ulumbarra Bendigo and Frankston Arts Centre have all delivered successful 'Buy a Seat' campaigns.

The 'Take your seat' campaign at the West Gippsland Arts Centre **raised \$50,000** mainly pledged at the venues launch event.

#### RECOMMENDATION 7:

Develop a 'Buy a Seat' campaign as part of the public fundraising program with plaque on seat and website listing acknowledgement.

### 2.2.2.2 Voluntary rate payer contribution

Council could consider requesting voluntarily contributions via their rates notice. Through promotion of the upcoming precinct, those that are interested in supporting the project have an easy mechanism to contribute a small amount with their rates payment. Additional information outlining the fundraising endeavour would be forwarded with the notice.

#### RECOMMENDATION 8:

Consider a voluntary donation option on the Rates Notice, for rate payers who may wish to make a contribution to the project.



## 2.3 OTHER REVENUE

### 2.3.1 Membership Schemes

The establishment of a membership or loyalty scheme is an effective method of raising initial and ongoing revenue. These programs ensure continued support from committed theatre patrons who value a new arts centre with engaging programming and wish to display their sense of belonging and connection to it. In return for an annual membership fee, patrons receive access to discounts or benefits beyond what is normally available.

#### CASE STUDIES

Benchmarking from the West Gippsland Arts Centre, Ulumbarra Bendigo, Geelong Performing Arts Centre, Her Majesty's Ballarat and Gladstone Entertainment Convention Centre show their membership programs provide **exclusive member-only offers** and discounts, early booking periods, exclusive events, newsletters, complimentary drinks, behind the scenes tours and the ability to reserve preferred seats.

With heightened community excitement in the lead up to the precincts opening, an opportunity exists to attract a significantly larger membership base than is currently represented at the Latrobe Performing Arts Centre by developing and promoting a new LCP membership program. After accounting for operational costs, additional funds from the membership program could be channelled towards supplementing sponsorship and fundraising amounts for procuring enhancement items.

#### RECOMMENDATION 9:

Development of an annual Membership Program promoted prior to opening to capture the enthusiasm of the public during the construction phase.





### 3. Summary of Recommendations

REF	RECOMMENDATION	TIMEFRAME ▼
1	Engage a specialist in sponsorship and fundraising to review and advise on suitable fundraising methods and set targets.	Oct 2019
4	Engage a suitable individual or agency to secure corporate donations and gifts in kind as required.	Oct 2019
6	Engage with community groups to consider the establishment of a Friends of the Theatre group acting independently but working with Council on the fundraising campaign and providing ongoing volunteer support.	Oct 2019
2	Develop and promote a suite of Corporate Sponsorship packages with various levels dependent on level of sponsorship support.	Jan 2020
3	Consider a formal Corporate Partners Program to establish ongoing corporate sector support of Council's overall events and activities.	Jan 2020
5	Consider a formal philanthropic donations regime as part of the overall fundraising campaign.	Mar 2020
7	Develop a 'Buy a Seat' campaign as part of the public fundraising program with plaque on seat and website listing acknowledgement.	July 2020
8	Consider a voluntary donation option on the Rates Notice, for rate payers who may wish to make a contribution to the project.	July 2020
9	Development of an annual Membership Program promoted prior to opening to capture the enthusiasm of the public during the construction phase.	July 2020

The Latrobe Creative Precinct sponsorship and fundraising framework has been produced by Latrobe City Council.

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**Agenda Item: 14.2**

**Agenda Item: Amendment C115 (Morwell to Traralgon Employment Corridor) - Consideration of Submissions**

**Sponsor: General Manager, City Development**

**Council Plan Objective: Improve the liveability and connectedness of Latrobe City.**

**Status: For Decision**

**MOTION**

**Moved: Cr O'Callaghan**

**Seconded: Cr Harriman**

**That Council:**

- 1. Having considered all written submissions received to Amendment C115 requests the Minister for Planning establish a planning panel to consider submissions for Amendment C115 and prepare a report; and**
- 2. Advises those persons who made written submissions to Amendment C115 of Council's decision.**

**CARRIED UNANIMOUSLY**

**Executive Summary:**

- The draft Morwell to Traralgon Employment Corridor Investment Master Plan was endorsed by Council on 3 September 2018.
- A Bushfire Assessment and Servicing Strategy were required to be completed prior to the exhibition of the Planning Scheme Amendment. These reports were completed on 21 December 2018 and April 2019.
- Amendment C115 was authorised by the Minister for Planning on 28 May 2019 and placed on exhibition from 13 June 2019 to 15 July 2019.
- 18 submissions were received including three late submissions. Seven outstanding objections remain to the Amendment.
- Key issues raised in relation to the outstanding objections are:
  - Request for additional land to be rezoned;
  - Removal of future residential areas;
  - Removal Amenity lifestyle precincts; and
  - Justification of drainage, open space, Commercial / industrial and Local Activity Centre (LAC) and Neighbourhood Activity Centre (NAC) locations.

**Background:**

At the 3 September 2018 Council Meeting, Council resolved to:

1. *Endorse the draft Morwell to Traralgon Employment Corridor Investment Masterplan as detailed in Attachment 2 for public exhibition as part of a Planning Scheme Amendment process;*
2. *Prepare a Servicing Strategy and Bushfire Assessment to inform the preparation of a Planning Scheme Amendment; and*
3. *Subject to the finalisation of the Servicing Strategy and Bushfire Assessment request authorisation from the Minister for Planning to prepare and exhibit the draft Morwell to Traralgon Employment Corridor Investment Masterplan and associated amendments to the Latrobe Planning Scheme.*

A Bushfire Assessment was completed by Euca Planning on behalf of Council in December 2018, see Attachment 1.

A Servicing Strategy was completed in April 2019, see Attachment 2.

A request for Authorisation to the Minister for Planning was lodged on 18 April 2019.

Following the receipt of Authorisation on 28 May 2019, Amendment C115 – Morwell to Traralgon Employment Corridor (MTEC) was placed on exhibition from 13 June 2019 to 15 July 2019.

Details regarding the exhibition process and outcomes are provided in the communication and consultation sections below.

18 written submissions (see Attachment 3) were received including three late submissions. The key issues raised in the submissions are outlined in community implications section below and in the Summary of Submissions table, see Attachment 4.

There are seven outstanding objections which remain to Amendment C115, Sections 22 and 23 of the Act require that Council must consider all submissions received to Amendment C115 and where a submission requests a change that can't be satisfied, request the Minister for Planning to establish a planning panel to consider submissions.

**Issues:**

*Strategy Implications*

The progression of Amendment C115 relates directly to Objective 3:

*Improve the liveability and connectedness of Latrobe City*

Indicator 3.3

*Delivery of the corridor precinct structure plan for Morwell – Traralgon Corridor*

Other objectives which relate to the progression of Amendment C115 are:

*Objective 1: Support job creation and industry diversification to enable economic growth in Latrobe City*

*Objective 5: Provide a connected, engaged and safe community environment, which is improving the well – being of all Latrobe City citizens*

*Communication*

The amendment is subject to the prescribed process in accordance with the public notice and consultation requirements of Section 19 of the Act.

As part of the exhibition of the Amendment C115 the following activities were undertaken:

- 363 landowner and occupier notification letters were sent;
- 90 key stakeholder, agency and authority notification emails were sent;
- Notice placed in the Government Gazette on 13 June 2019;
- Notices placed in the Latrobe Valley Express on 13 June 2019 and 27 June 2019;

- Website page and a Have Your Say page placed on Latrobe City Council's website;
- Multiple social media posts on Facebook;
- 1:1 meetings held on 20 and 27 June 2019, 3, 4 and 10 July 2019; and
- Information placed at service centre and libraries in Morwell, Moe, Traralgon and Churchill.

As a result of the exhibition process we:

- Held 14, 1:1 information sessions with landowners;
- Received 22 landowner telephone enquiries;
- Received 33 hits on 'Have Your Say' and Amendment C115 website pages; and
- Responded to nine written enquiries or request for further information.

#### Public Submissions

Following public exhibition 18 written submissions were received by Latrobe City Council in response to C115. Section 22 of the Act requires that a planning authority consider all submissions to an amendment.

A summary of key issues and comments raised in submissions that have been received by Council in response to Amendment C115 have been provided below.

Amendment C115 Submissions	
Support	6
Support with changes	5
Object	7
Total Submissions	18

Submission 12 indicates that an addendum to the submission will be received, if this or any further submissions are received outside of the Council Report process the submission, summary of the submission, planning comment response can be circulated to Councillors.

The Community Implications section of this Council Report provides a summary of the submissions received.

#### *Financial Implications*

If the Amendment proceeds to a Planning Panel the costs associated with the planning panel. This includes:

- Planning panel costs which could be between \$12,000 – \$18,000 depending on number of days and how many members sit on the panel.
- Expert witness report(s) which could cost between \$5,000 and \$10,000 for an economic analysis and justification for the project.

There are sufficient funds in 19/20 Strategic planning budget of \$30,000 to cover costs for a planning panel and expert witness statements.

*Risk Analysis*

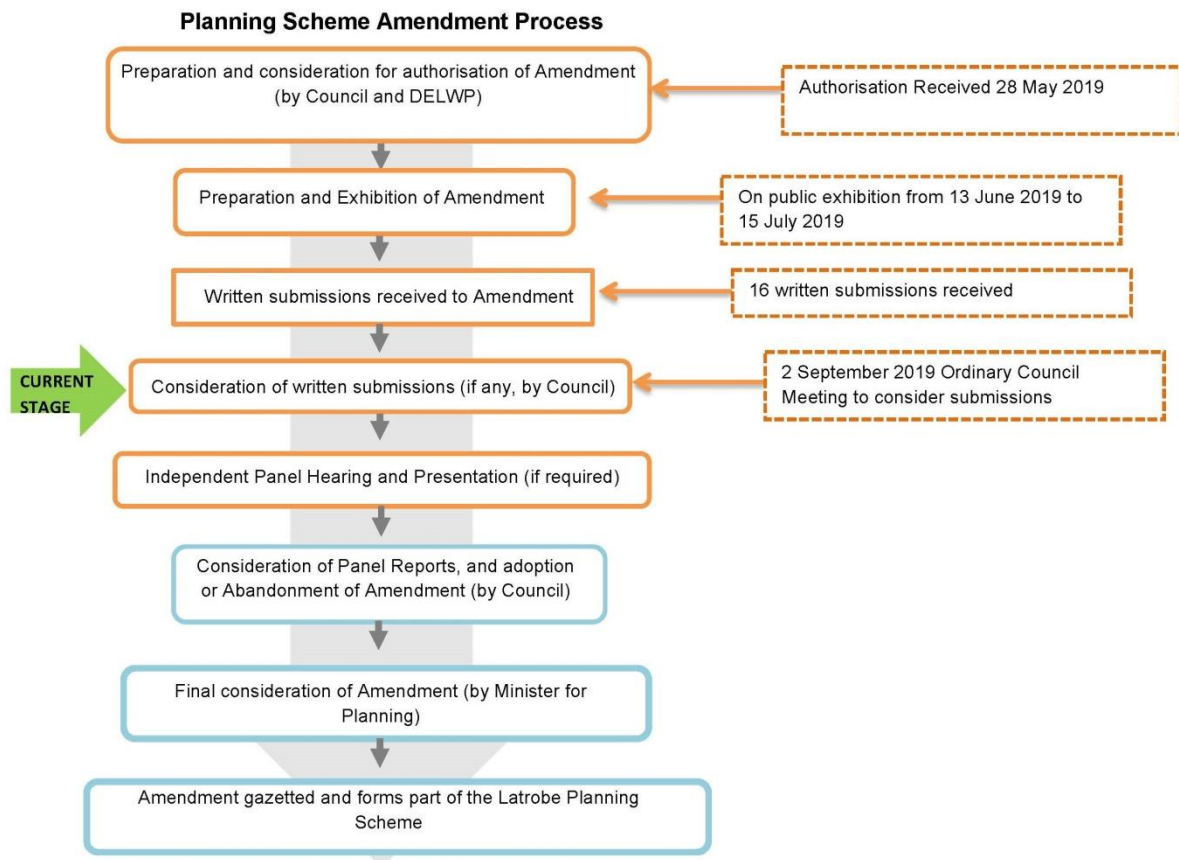
<b>Identified risk</b>	<b>Risk likelihood*</b>	<b>Controls to manage risk</b>
Negative perception of Council not acting to support development. The amendment introduces policy across the employment corridor that provides guidance to encourage and discourage land use development.	3 - Possible	Keeping landowners informed of the progress of the project; and  Utilising the statutory Planning Scheme Amendment process to progress the amendment, including the referral of outstanding submissions to an independent Planning Panel so that all outstanding submissions can be presented to an independent, third part for review.

\* For example, likelihood ratings: 1 (Rare); 2 (Unlikely); 3 (Possible); 4 (Likely); 5 (Almost Certain)

*Legal and Compliance*

The C115 planning scheme amendment process is shown in the figure below and provides an indication of the current stage of C115.

**Figure 1 – Amendment C115 – Planning Scheme Amendment Process**



In accordance with the Act, the municipal council, as a planning authority, has a number of duties and powers. These duties and powers are listed at Section 12 of the Act. Under Section 12 a planning authority must have regard to (*inter alia*):

- The objectives of planning in Victoria;
- The Minister's directions;
- The Victoria Planning Provisions;
- The Latrobe Planning Scheme; and
- Any significant effects which it considers a planning scheme amendment might have on the environment or which it considers the environment might have on any use or development envisaged by the amendment.

Amendment C115 has had regard to Section 12 of the Act and is consistent with the requirements of Section 12. In addition each amendment must address the *Strategic Assessment Guidelines for Planning Scheme Amendments*. A response to these guidelines is outlined in the attached Explanatory Report, (see Attachment 5).

The proposal is consistent with the State Planning Policy Framework and the Municipal Strategic Statement (MSS) this is also addressed in the attached Explanatory Report.

The Planning Scheme Amendment needs to comply with requirements of the Planning and Environment Act in particular Sections 22 and 23 of the Act require that Council to consider all submissions to an Amendment.

The recommendations of this Council Report are in accordance with Sections 23 of the Act.

#### *Community Implications*

A total of 18 submissions were received to Amendment C115. The themes that were raised in submissions are summarised below:

- Support for the Amendment and Health Precinct;
- Additional information required in the MTEC Investment Master Plan (environmental, potentially contaminated land etc);
- Objection to future residential designation in Precinct I;
- Objection to proposed Youth Drug and Alcohol Rehabilitation Centre;
- Request for Rezoning of Residential Land and Neighbourhood Activity Centre now;
- Amendment document changes i.e. changes to Clause 21 policy and Special Use Zone Schedule 9;
- Justification for industrial land, public open space areas and Neighbourhood and Local Activity Centres; and
- Removal of Amenity Lifestyle Precinct.

A detailed response to all submissions is provided at Attachment 4.

#### *Traralgon Growth Areas Review and Amendment C87*

Amendment C87 (Traralgon Growth Areas Review) was split into 3 parts and was gazetted on 12 January 2017 (Part 2) and 10 August 2017 (Part 1 and 3). Extensive consultation was undertaken throughout the life of this project.

The adopted Traralgon West Structure Plan in Clause 21.09 shows future residential areas, Amenity Lifestyle Precincts and Amenity Rural Buffer (odour buffer). These areas identified in the Traralgon West Structure Plan have been carried forward to the MTEC Investment Master Plan (Attachment 5) in Precincts E, I (Future Residential) and J (Amenity Lifestyle Precinct).



Three submissions received have requested changes to the already adopted policy and direction set out in the Traralgon Growth Areas review and the Latrobe Planning Scheme. Therefore, no proposed changes are proposed in response to these submissions.

In particular, the request to remove the Amenity Lifestyle Precinct from Precinct J to allow for future residential development would require significant justification to be undertaken by Latrobe City Council before this could happen. This justification includes:

- Odour and buffer modelling estimated cost between \$70,000 and \$100,000 subject to receiving quotes from suitably qualified consultants;
- Consultation with Australian Paper and Environment Protection Authority (EPA);
- Land supply assessment; and
- Update to the Structure Plans.

It is likely that odour modelling will require data from Australian Paper to be able to produce accurate results. Similar modelling has been undertaken by Australian Paper in the last 10 years of which Council peer reviewed this work, it is unlikely that significant changes to the outcomes of the modelling would have occurred. Therefore it is likely that this additional work would be undertaken for little to no benefit.

#### *Additional Rezoning Requests*

One submission requests that additional land including the future residential area (precinct E and I), the Neighbourhood Activity Centre (Precinct E) and changes to Special Use Zone Schedule 2 (precinct F) be made to allow development to occur in the short term.

The Neighbourhood Activity Centre (NAC) identified in precinct E is a medium term action in the MTEC Investment Master Plan. It is an area where some retail will be supported including 3500sqm floorspace for a supermarket and 1500sqm for speciality stores. The economic modelling undertaken as part of the corridor project indicates that rezoning of the NAC at this stage may be premature and is justified once residential development in the adjacent area reaches a certain level. Further analysis associated with specific development proposals would be required to justify departure from this position.

Such a change would also likely be considered a transformation of the amendment and is therefore best considered at a subsequent time.

The changes requested to the Special Use Zone Schedule 2 are to allow the development of retail premises. Precinct F is where the car dealerships are currently located. Retail premises in the Special Use Zone Schedule 2 are currently prohibited and Amendment C115 does not propose to change this. This is to ensure that retail development as proposed in the MTEC Investment Master Plan is developed in a coordinated manner and to ensure minimal impact on existing activity centres (i.e. Morwell Central Business District (CBD), Mid Valley and Traralgon CBD).



If changes were allowed in the Special Use Zone 2 the development of the identified NAC further along the highway would no longer be appropriate as rezoning both areas would not be justified.

The rezoning of land identified for future residential is identified as a short term action (1b) and would be the next stage of the MTEC Investment Master Plan. However, land supply in the municipality and in particular Traralgon is over the current 15 year requirement of the Latrobe Planning Scheme. The South East Traralgon Precinct Structure Plan area already rezoned to residential is the next priority. Planning for development of this area has commenced and received additional funding in the 2019/20 budget and from the Victorian Planning Authority, it will take approximately 2 years to complete.

It is therefore proposed that planning for Precinct E and I would commence after its completion, depending on land supply. This would be subject to significant budget approvals from Council for the commencement of background work and a subsequent Planning Scheme Amendment process and is likely to be a 2-3 year process.

Until such time that a residential land supply is required, planning for the area (i.e. Precinct Structure Plan / Development Plan, drainage reports, vegetation assessment, development contribution plan, consultation with residents etc) has been completed rezoning of precincts E and I are not required. Therefore no changes are proposed to the Amendment in relation to this request.

#### *Environmental Implications*

Environmental implications were considered as part of the background report for MTEC Investment Master Plan including a native vegetation assessment. A bushfire assessment was also undertaken to ensure no net increase in bushfire risk associated with the long term planning.

#### *Other*

There are no other considerations for the Amendment.

#### **Declaration of Interests:**

Officers preparing this report have declared they do not have a conflict of interest in this matter under the provisions of the *Local Government Act 1989*.

#### **Supporting Documents:**

Morwell to Traralgon Employment Corridor Investment Master Plan

Morwell to Traralgon Employment Corridor Background Reports

#### **Attachments**

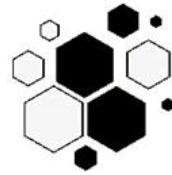
- 1 [↓](#). Bushfire Assessment
- 2 [↓](#). Servicing Strategy
- 3 [↓](#). Combined Submissions
- 4 [↓](#). Summary of Submissions

[5](#). Explanatory Report  
[6](#). MTEC Land Use Master Plan

## **14.2**

### **Amendment C115 (Morwell to Traralgon Employment Corridor) - Consideration of Submissions**

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<b>2</b>	<b>Servicing Strategy .....</b>	<b>89</b>
<b>3</b>	<b>Combined Submissions .....</b>	<b>132</b>
<b>4</b>	<b>Summary of Submissions.....</b>	<b>173</b>
<b>5</b>	<b>Explanatory Report.....</b>	<b>201</b>
<b>6</b>	<b>MTEC Land Use Master Plan .....</b>	<b>211</b>



**Euca Planning**  
Bushfire Specialists



Morwell Traralgon Employment Corridor  
Investment Masterplan  
Bushfire planning considerations report

December 12th, 2018.      Version 1.1

**Euca Planning Pty Ltd**

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## Qualifications/Accreditations:

- Masters of Planning (Professional) – Deakin University
- Postgraduate Certificate in Bushfire Planning and Management – The University of Melbourne (2013)
- Graduate Diploma of Applied Science (Agricultural Studies) – Charles Sturt University
  - Graduate Certificate in Public Sector Management – Flinders University
  - Bachelor of Science – University of Melbourne (1996)

## Memberships

- Member of Planning Institute of Australia (MPIA)
- Corporate Bronze Member of Fire Protection Association of Australia

## Disclaimer

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Requirements detailed in this document do not guarantee survival of the buildings or the occupants. The client is strongly encouraged to develop and practice a bushfire survival plan.

Information and assistance including a template for a Bushfire Survival Plan is provided as part of the 'Fire Ready Kit' available through the CFA website at [www.cfa.vic.gov.au](http://www.cfa.vic.gov.au) or through your local CFA Regional office.

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## Version Control

	<b>Name</b>	<b>Date Completed</b>	<b>Comments</b>
<b>Field Assessment</b>	Deanne Smith	21 November 2018	
<b>Initial CFA consultation</b>	Deanne Smith	28 November 2018	With LCC
<b>Report</b>	Deanne Smith	12 December 2018	Review by LCC
<b>Amendment</b>	Deanne Smith	21 December 2018	Minor corrections

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## 1.0 Introduction

This Report has been prepared for Latrobe City Council to inform the acknowledgement of bushfire risk in the Morwell Traralgon Employment Corridor Investment Masterplan (August 2018). The report comprises a review of the bushfire aspects of the document titled Morwell Traralgon Employment Corridor Investment Masterplan (August 2018) prepared by Urban Enterprise in conjunction with Latrobe City Council and Department of Environment, Land, Water and Planning (DELWP).

The report has been presented consistent with the content of the Latrobe Planning Scheme, in particular Clause 13.02, and in accordance with guidance provided in:

- Bushfire State Planning Policy Amendment VC140, Planning Advisory Note 68 (DELWP, 2018); and
- Local planning for bushfire protection, Planning Practice Note 64 (DELWP, 2015).

The report establishes the context by providing factual information which is important when considering the way bushfire considerations may impact on the future use of the land. A structured approach to risk identification and management follows which can be used to provide decision makers with information to explain the bushfire risk and inform future design response to that risk.

### 1.1 Background

The Morwell Traralgon Employment Corridor (MTEC) Investment Masterplan is Stage 2 of the MTEC project. The document is to be subject of a future Planning Scheme Amendment, and this report is to support that process.

In response to the Planning Policy Framework regarding bushfire risk (as introduced by Amendment VC140 in December 2017), Latrobe City Council sought the preparation of a bushfire considerations report for MTEC, including consultation with CFA. The Masterplan identifies the need for a bushfire risk assessment to be undertaken. The author of this report has been involved in consultation with CFA to address CFA concerns and appropriately address bushfire matters in the Masterplan.

## 2.0 Locality and Site Description

The report relates to the area and content of the Masterplan, as shown in Figure One. As described in the Masterplan:

*“The MTEC is a very large area of land located to the immediate north of the Princes Highway between the urban areas of Morwell and Traralgon. Key existing land uses include the Latrobe Regional Hospital, the Latrobe Regional Airport, Lion Foods, a car dealership sales cluster, rural living and low-density residential land and farming land. MTEC has the potential to accommodate a range of land uses and provides the opportunity to develop a regionally significant employment precinct in the Gippsland region to leverage from the resource and value-add strengths of Latrobe and the Princes Highway corridor.” (page 1, MTEC)*



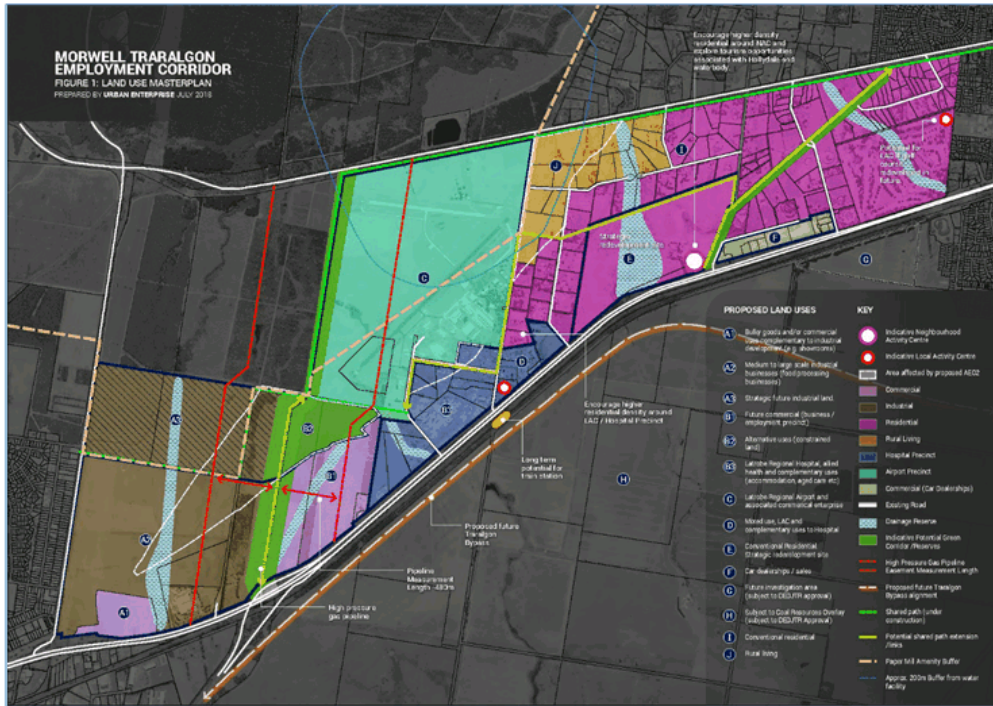


Figure One – Land use Masterplan showing the location of MTEC (Urban Enterprise, 2018)

Within the study area, there are six key precincts identified for investigation (Precinct A - F). A further three precincts are located outside of the study area for which broad recommendations are also made on the basis of their strong physical relationship to land in the MTEC (Precincts G, H, I and J). Consistent with the Masterplan, the fire risk assessment responds to the precincts.

### 3.0 Planning Policy

#### 3.1 State Planning Policy Overview

Clause 71.02-3 (integrated decision making) of the Planning Scheme has been recently amended and provides that:

*Planning authorities and responsible authorities should endeavour to integrate the range of policies relevant to the issues to be determined and balance conflicting objectives in favour of net community benefit and sustainable development for the benefit of present and future generations. However in bushfire affected areas, planning authorities and responsible authorities must prioritise the protection of human life over all other policy considerations.*

Clause 13.02 (Bushfire) of the Planning Scheme applies to all decision making and seeks to:

*To strengthen the resilience of settlements and communities to bushfire through **risk-based planning** that prioritises the protection of human life.*

**[Emphasis added]**

Clause 13.02-1S includes a number of strategies to achieve that objective. Broadly these strategies include:

- prioritising the protection of human life;
- requiring a robust assessment of the bushfire hazard and risk assessment before any strategic or statutory decision is made; and
- directing population growth and new settlements to low risk locations.

Importantly in relation to settlement planning, clause 13.02-1S includes the following requirements:

- *Directing population growth and development to low risk locations, being those locations assessed as having a radiant heat flux of less than 12.5 kilowatts/square metres under AS 3959-2009 Construction of Buildings in Bushfire-prone Areas (Standards Australia, 2009).*
- *Ensuring the availability of, and safe access to, areas assessed as a BAL-LOW rating under AS 3959-2009 Construction of Buildings in Bushfire-prone Areas (Standards Australia, 2009) where human life can be better protected from the effects of bushfire.*
- *Ensuring the bushfire risk to existing and future residents, property and community infrastructure will not increase as a result of future land use and development.*
- *Achieving no net increase in risk to existing and future residents, property and community infrastructure, through the implementation of bushfire protection measures and where possible reduce bushfire risk overall.*
- *Assessing and addressing the bushfire hazard posed to the settlement and the likely bushfire behaviour it will produce at a landscape, settlement, local, neighborhood and site scale, including the potential for neighborhood-scale destruction.*
- *Assessing alternative low risk locations for settlement growth on a regional, municipal, settlement, local and neighborhood basis.*
- *Not approving any strategic planning document, local planning policy, or planning scheme amendment that will result in the introduction or intensification of development in an area that has, or will on completion have, more than a BAL-12.5 rating under AS 3959-2009.*

When these strategies are read together it is clear that any future development plan and/or subdivision would be required to provide a considered assessment of the bushfire risk on existing and future communities. As such, the Morwell Traralgon Employment Corridor must respond to bushfire risk. The purpose of this report is to ensure the plan adequately responds to the consideration of bushfire risk.

In the context of strategic planning decisions, these strategies need to be read as on balance and consider the 'net increase in risk to existing and future residents'. As it relates to the objectives at Clause 13.02 of the Planning Scheme, it is necessary to ensure that the protection of human life is prioritised when decisions are made. However the strategies listed at Clause 13.02-1S in the Planning Scheme are not 'mandatory requirements' and it is not necessary to 'tick every box'. It is more important to ensure that decisions are consistent with the State policy objectives

and build resilient communities.

### 3.2 State Planning Policy Assessment

#### 3.2.1 Objective

Clause 13.02-1S seeks to ‘strengthen the resilience of settlements and communities to bushfire through risk-based planning that prioritises the protection of human life’.

#### 3.2.2 Application

The policy must be applied to all planning and decision making under the Planning and Environment Act 1987 relating to land which is within a designated bushfire prone area; or subject to a Bushfire Management Overlay.

#### Bushfire Prone Area

The planning proposal area is included in the Bushfire Prone Area (BPA). As described in Planning Advisory Note 46 (2013), the BPA is a building regulation tool that identifies where moderate bushfire hazard can be expected. It applies to areas subject to the BMO, and to areas that experience a lower head fire intensity modelled to be between 4,000kW/m and 30,000kW/m. This level of hazard informs areas declared as bushfire prone in the building system. Areas at the upper end of the bushfire intensity range (that is 28,000kW/m and above and referred to as BHL1b) are considered, where appropriate, for applying the BMO based on the advice of the relevant fire authority. Except for a small portion in the east, the entire area contained in the Master Plan is subject to the BPA. The greater area surrounding Morwell and Traralgon is also in the BPA reflecting the moderate bushfire hazard that can be expected from the grasslands that connect to the residential interface.



Figure Two: Extent of the Bushfire Prone Area across the subject area and in the vicinity (Planning Maps Online, DELWP, 2018).



In December 2017, Clause 13.02-15 of the Latrobe Planning Scheme was amended to specifically refer to Bushfire Prone Areas and to strengthen the consideration of bushfire risk in all planning decisions. As the site is fully contained within the Bushfire Prone Area, the minimum level of construction for all dwellings is BAL 12.5, and this bushfire risk must be considered.

### Bushfire Management Overlay

The Bushfire Management Overlay applies to land that interfaces with the northern and western boundaries of the Master Plan area.

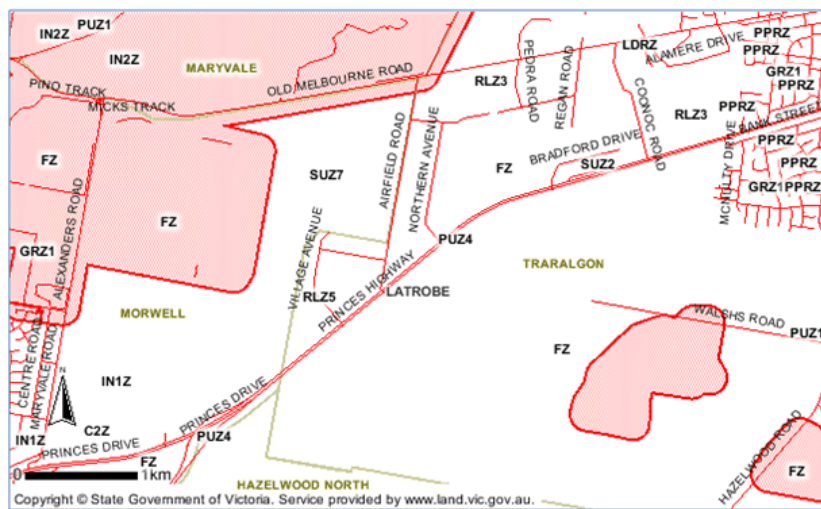


Figure Three: Current extent of Bushfire Management Overlay across the subject area and in the vicinity (Planning Maps Online, DELWP, 2018).

As described in Planning Advisory Note 46 (2013), the BMO is a planning scheme provision used to guide the development of land in areas of high bushfire hazard. The location, design and construction of development and the implementation of bushfire protection measures must be considered under a BMO. The BMO applies to areas where there is potential for extreme bushfire behaviour, such as a crown fire and extreme ember attack and radiant heat.

The most significant bushfire hazard where head fire intensity is modelled to be 30,000kW/m or more informed where the BMO should apply. Inputs to this calculation included physical characteristics including vegetation, topography and separate fire behaviour models appropriate to the vegetation classification. Whilst areas of contiguous vegetation of less than 4Ha were excluded, buffers within 150 metres of vegetation were included in recognition of research that 92% of house loss occurs within this distance (Blanchi, Lucas, Leonard, & Finkle, 2010).

Initiated by a recommendation of the 2009 Victorian Bushfires Royal Commission, the BMO was mapped using hazard data developed by the Department of Environment and Primary Industries (DEPI). Revised mapping was verified by Councils during 2016 and 107 and then gazetted on October 3<sup>rd</sup>, 2017. As a result, the consideration of bushfire risk is included in the Morwell and Traralgon Employment Corridor Masterplan.

### 3.2.3 Strategies

#### Protection of human life

<i>Give priority to the protection of human life by:</i>	<i>Response</i>
Prioritising the protection of human life over all other policy considerations	This proposal is an opportunity to provide planned development along the Morwell-Traralgon Corridor. It also is an opportunity to enhance the bushfire safety at a settlement level through the Master Plan, and at a site-based level through design guidance. The Plan needs to be undertaken in a manner that will improve the safety of the existing development, and provide sufficient protection to new residents and employees. Some sites, particularly the Latrobe Regional Airport are important for achieving this policy consideration. The importance of the Airport's role in the safety for this corridor should be highlighted in the Master Plan and the Latrobe Regional Airport Master Plan.
Directing population growth and development to low risk locations and ensuring the availability of, and safe access to, areas where human life can be better protected from the effects of bushfire.	The proposed growth is consistent with the bushfire risk. Opportunities for employment are provided in the broader realm and limited residential development opportunity in the areas at highest risk of bushfire. The overall design of precincts must respond to the retained farming land, vegetation and plantations. The street network should facilitate safe egress, and perimeter roads along the interface where specified. The Master Plan provides a segmented approach to identifying what needs to be achieved and this design guidance should be expanded with regard to bushfire risk, as identified in this report.
Reducing the vulnerability of communities to bushfire through the consideration of bushfire risk in decision-making at all stages of the planning process.	The Master Plan provides an opportunity to improve the safety of the existing corridor by clarifying the treatment interface between the settlement and the bushfire hazard. . Bushfire risk should be considered in the landscaping plans, street design, and ongoing land management. Any development plan, major development or application to subdivide land needs to articulate how the design responds to the identified bushfire risk. Further guidance is provided in this report.

#### Bushfire hazard identification and assessment

<i>Identify bushfire hazard and undertake appropriate risk assessment by:</i>	<i>Response</i>
Applying the best available science to identify vegetation, topographic and climatic conditions that create a bushfire hazard.	The Latrobe Planning Scheme relies on the Structure Plan responding to bushfire based on current assessment methods. Clauses 13.02,

	and 53.02 are to be considered for all of the land, and Clause 44.06 is of relevance to the land contained in the Bushfire Management Overlay. The importance of bushfire planning being strengthened by Clause 71.02-3 <i>Integrated Decision Making</i> emphasizes the need to reconcile potential conflicts in design and vision at this early stage.
Considering the best available information about bushfire hazard including the map of designated bushfire prone areas prepared under the Building Act 1993 or regulations made under that Act.	Consistent with the revised Clause 13.02, the Master Plan must respond to the Bushfire Prone Area, and the limited area covered by the Bushfire Management Overlay. Further work is required to determine the lot yields and required setbacks for properties adjacent to the bushfire risk. Sufficient direction in the Master Plan will facilitate this to occur at a later date, however for areas not currently zoned residential this need to occur prior to endorsement of the plan.
Applying the Bushfire Management Overlay in planning schemes to areas where the extent of vegetation can create an extreme bushfire hazard	The BMO is applied to areas of extreme hazard, primarily located outside the proposed Master Plan. The direct influence of this vegetation on the ability of the Master Plan to achieve its design outcomes is adequately considered.
Considering and assessing the bushfire hazard on the basis of: <ul style="list-style-type: none"> <li>• Landscape conditions - meaning the conditions in the landscape within 20 kilometres and potentially up to 75 kilometres from a site;</li> <li>• Local conditions - meaning conditions in the area within approximately 1 kilometre from a site;</li> <li>• Neighbourhood conditions - meaning conditions in the area within 400 metres of a site; and,</li> <li>• The site for the development</li> </ul>	In light of the recent changes to Clause 13.02 and the addition of this assessment requirement, an assessment is provided in Section 4.0 of this report. As it is a Master Plan area, three scales of consideration are applied - Landscape conditions at 20km, Local conditions at 10 km, and Neighbourhood conditions at 1km. The site conditions are considered through the Bushfire Hazard Site Assessment and would be provided at subdivision stage.
Consulting with emergency management agencies and the relevant fire authority early in the process to receive their recommendations and implement appropriate bushfire protection measures.	CFA will be a referral authority for consideration of the Planning Scheme Amendment. Additionally, CFA is expected to be will be consulted during the referral of the amendment. An initial consultation with CFA occurred on 28 November 2018.
Ensuring that strategic planning documents, planning scheme amendments, planning permit applications and development plan approvals properly assess bushfire risk and include appropriate bushfire protection measures	The content of this report provides a solid foundation for enhancing the treatment of bushfire risk by the Master Plan. Future applications to subdivide land will need to fully assess the site-based bushfire risk and include appropriate bushfire protection measures (e.g. managed land, BALs, landscaping of public spaces) consistent with the direction of the Planning Scheme and the Master Plan.

Not approving development where a landowner or proponent has not satisfactorily demonstrated that the relevant policies have been addressed, performance measures satisfied or bushfire protection measures can be adequately implemented.	This element of the revised Clause 13.02 is the most important element and empowers the Responsible Authority to not approve a permit application until it is satisfied with the bushfire protection measures being implemented. This also enables the Responsible Authority to instill requirements for developments to also provide a response to bushfire risk in their approval process.
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### Settlement Planning

<i>Plan to strengthen the resilience of settlements and communities and prioritise protection of human life by:</i>	<i>Response</i>
Directing population growth and development to low risk locations, being those locations assessed as having a radiant heat flux of less than 12.5 kilowatts/square metres under AS 3959-2009 Construction of Buildings in Bushfire-prone Areas (Standards Australia, 2009).	Development of land should contribute to the establishment of an improved interface and township edge. No lot should be approved where the development can be built to a higher BAL than BAL12.5. If necessary, building envelopes should be provided on lots to provide certainty with regard to development.
Ensuring the availability of, and safe access to, areas assessed as a BAL-LOW rating under AS 3959-2009 Construction of Buildings in Bushfire-prone Areas (Standards Australia, 2009) where human life can be better protected from the effects of bushfire	The nature of the Morwell-Traralgon Corridor and in particular the presence of a bushfire hazard adjacent the northern edge limits the existence of an area that is considered BAL-LOW. Opportunity does exist central to the Master Plan to develop future settlement in a way that meets this intent, and will provide for protection of human life. The Latrobe Regional Hospital already meets this requirement.
Ensuring the bushfire risk to existing and future residents, property and community infrastructure will not increase as a result of future land use and development.	The Municipal Fire Management Plan should also acknowledge the key areas for treatment. Any permit to subdivide or develop land that is issued should provide a permit condition that ensures the ongoing management of the balance land contained between development and the unmanaged vegetation. A similar condition has been used in The Acreage Development Plan area of Tyers (Latrobe City), and by the VPA in Precinct Structure Plan areas.
Achieving no net increase in risk to existing and future residents, property and community infrastructure, through the implementation of bushfire protection measures and where possible reduce bushfire risk overall.	The Master Plan provides a design response that considers the integration of bushfire mitigation measures into the settlement to provide an improved settlement. Emphasis on edge roads along open space and undeveloped land interface is required the safety of the new residents. With appropriate mitigation measures, development will decrease the risk of bushfire to the existing hospital and Traralgon West area and will not lead to a net increase in risk.

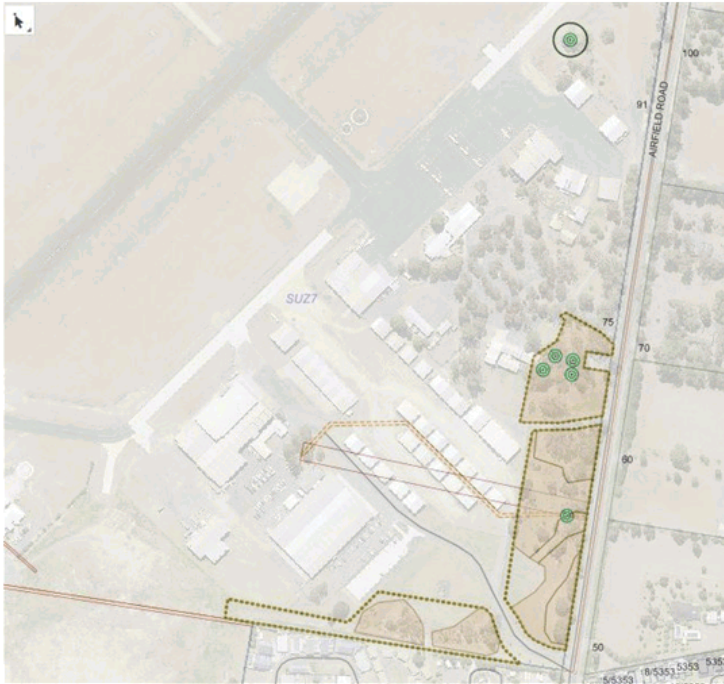


Assessing and addressing the bushfire hazard posed to the settlement and the likely bushfire behaviour it will produce at a landscape, settlement, local, neighbourhood and site scale, including the potential for neighbourhood-scale destruction	In light of the recent changes to Clause 13.02 and the addition of this assessment requirement, an assessment is provided in Section 4.0 of this report. As it is a Master Plan area, three scales of consideration are applied- Landscape conditions at 20km, Local conditions at 10 km, and Neighbourhood conditions at 1km. The site conditions are considered through the Bushfire Hazard Site Assessment.
Assessing alternative low risk locations for settlement growth on a regional, municipal, settlement, local and neighbourhood basis.	The Master Plan covers a corridor that can achieve an extensive area of low risk adjacent the main highway. There is proximity to highly urbanized towns of Morwell and Traralgon.
Not approving any strategic planning document, local planning policy, or planning scheme amendment that will result in the introduction or intensification of development in an area that has, or will on completion have, more than a BAL-12.5 rating under AS 3959-2009.	This element of the revised Clause 13.02 is the most important element and empowers the Responsible Authority to only approve the Structure Plan and the Planning Scheme Amendment when it is demonstrated that a maximum BAL12.5 rating is achieved. This is demonstrated at a strategic level by this report however, further refinement for some locations may be required to determine lot yield. That is able to be done at a Development Plan, or development planning stage.

#### Areas of high biodiversity conservation value

Ensure settlement growth and development approvals can implement bushfire protection measures without unacceptable biodiversity impacts by discouraging settlement growth and development in bushfire affected areas that are of high biodiversity conservation value.

Response: The Latrobe Regional Airport has an area of vegetation that is considered an 'offset'. This vegetation is limited to scattered trees located in the grounds of the terminal between the terminal building and Airfield Road. It is a small patch of vegetation and is excludable from assessment due to its size and nature.



Extract from Latrobe City Council Mapping showing the vegetation offset locations and extent

Use and development control in a Bushfire Prone Area

In a bushfire prone area designated in accordance with regulations made under the Building Act 1993, bushfire risk should be considered when assessing planning applications for the subdivisions of more than 10 lots.

Response: Any future subdivision is expected to be more than 10 lots, and this clause is relevant.

When assessing a planning permit application for the above uses and development:	Response
Consider the risk of bushfire to people, property and community infrastructure.	Future planning permit applications will need to provide an appropriate response, Clause 53.02 of the Scheme assists as a guide.
Require the implementation of appropriate bushfire protection measures to address the identified bushfire risk.	Future planning permit applications will need to provide an appropriate response, Clause 53.02 of the Scheme assists as a guide.
Ensure new development can implement bushfire protection measures without unacceptable biodiversity impacts.	Future planning permit applications will need to provide an appropriate response, that works with the landscaping design response.

3.2.4 Policy guidelines

Planning must consider as relevant:	Response
Any relevant approved State, regional and municipal fire prevention plan.	Future planning permit application assessments should be informed by the Municipal Fire Management Plan, the Latrobe Regional Airport

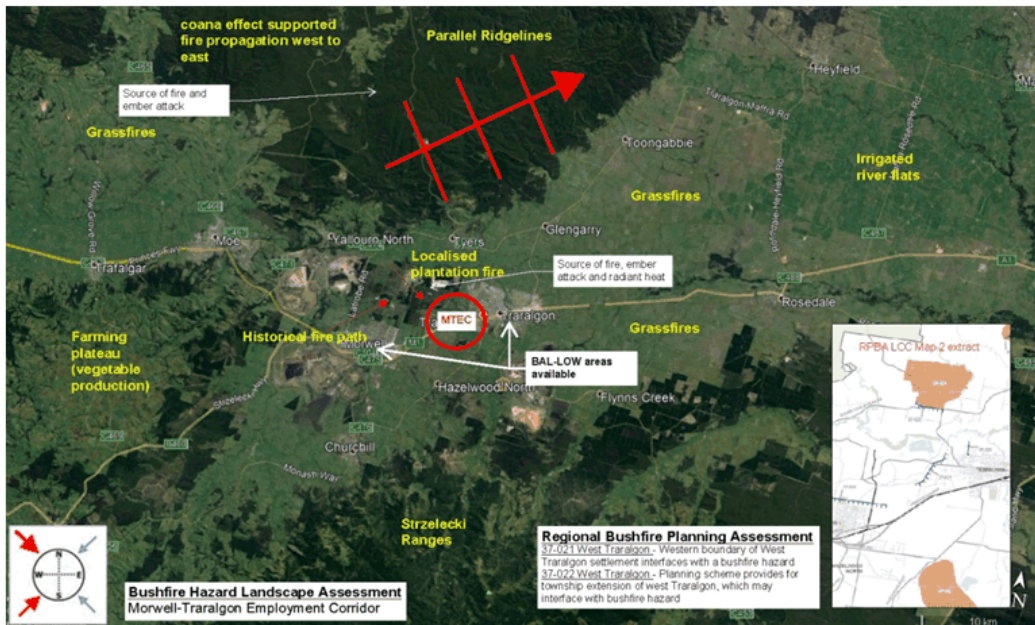
	Master Plan and related vegetation management plans.
AS 3959-2009 Construction of Buildings in Bushfire-prone Areas (Standards Australia, 2009).	This is relevant through the derivation of Bushfire Attack Levels, and is considered when referring to BAL12.5
Building in bushfire-prone areas - CSIRO & Standards Australia (SAA HB36-1993, May 1993).	This is the handbook to AS3959-2009 and does not need to be considered directly by the Development Plan
Any Bushfire Prone Area map prepared under the Building Act 1993 or regulations made under that Act.	The updated Bushfire Prone Area map has been considered in this report.

### 4.0 Bushfire Risk

In light of the recent changes to Clause 13.02 and the addition of this assessment requirement, an assessment on bushfire risk consistent with Clauses 13.02, 44.06 and 53.02 is provided. As it is a Master Plan and subsequently a Planning Scheme Amendment, three scales of consideration are applied - Landscape conditions at 20km, Local conditions at 10 km, and Neighbourhood conditions at 1km. The site conditions should be considered, where necessary, through the Bushfire Hazard Site Assessment at the time of subdivision and future development.

### 4.1 Landscape Conditions

The landscape risk of a site is an important consideration when mitigating bushfire hazards. The landscape risk is the combination of a number of elements in the surrounding landscape. These relate to the vegetation extent, the area available to a landscape bushfire, the orientation of the ridgelines and the steepness of the terrain, the accessibility to low threat areas and the quality of the road networks surrounding the site.



Bushfire Hazard Landscape Assessment -MTEC



Within 20 kilometres of the Master Plan, key features include:

- The extensive grassland and farming land to the east and west;
- The southern tip of the forested Great Dividing Range;
- The Princes Highway (west to east);
- Urban settlement in the key towns of Moe, Morwell, Traralgon and Churchill;
- Small towns of Yallourn North and Hazelwood North.
- The open cut coal mines south and west of Morwell, and south of Traralgon.

This area is positioned between Morwell and Traralgon adjacent the Princes Highway. The vegetation in the broader landscape is grassland, with forest including plantation to the south and north. The location has a medium risk of bushfire that needs to be mitigated through appropriate land management and design. Of influence is the fire run through plantation from the north and north-west. Structured settlement planning provides a greater level of protection to the existing township, and the Masterplan provides that mechanism.

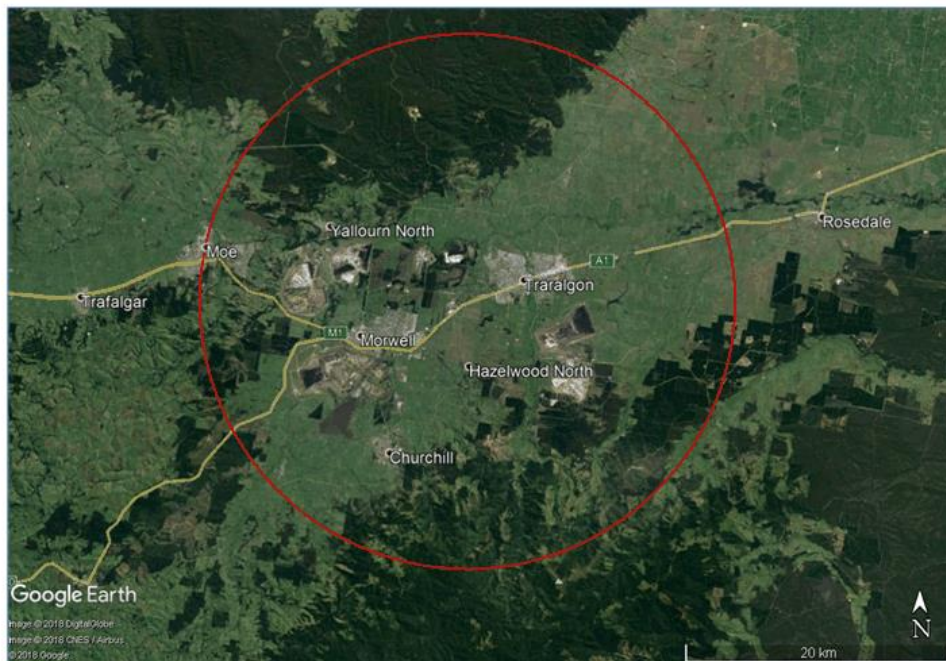


Figure Six: Location within the context of 20km radius from MTEC (Google Earth, 2018)

## 4.2 Local Conditions

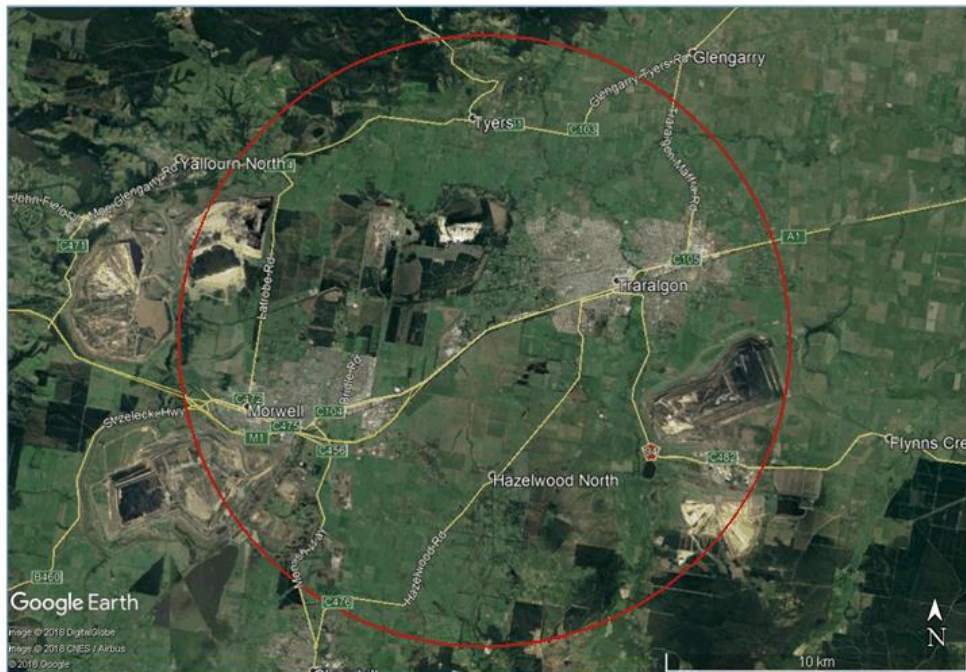


Figure Seven: Location within the context of 10km radius from MTEC (Google Earth, 2018)

Within 10 kilometres of the Master Plan, key features include:

- The extensive grassland and farming land;
- The extensive residential areas of the Morwell and Traralgon townships;
- The Princes Highway (west to east), and local connector roads (north to south);
- Urban settlement in the key towns of Morwell and Traralgon;
- Isolated area of plantation to the north-west of the land;
- The open-cut mines south of Morwell and Traralgon.



4.3 Neighbourhood Conditions

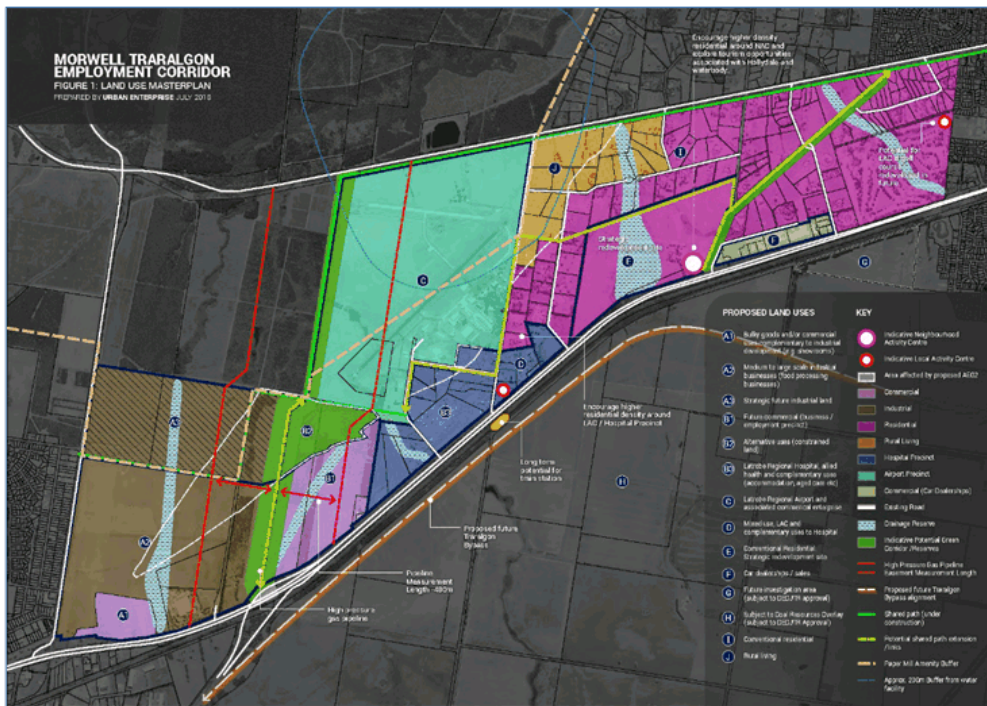


Figure Eight: Location within the context of 1km radius from Masterplan (Google Earth, 2018)

Key features located within 1 kilometre of the development plan area include:

- Established residential area east of the site in the Traralgon township;
- Existing rural living area in the western part and to the north of the land;
- Gippsland water treatment including buffer to the north;
- Latrobe Regional Airport, central to image;
- Latrobe Hospital and ancillary buildings including a motel in the south
- Established car sales area to the west;
- Farmland to the south;
- Main access road (Old Melbourne Road) bounding the structure plan to the north and leading directly east into BAL-LOW area;
- Proximity to a BAL-LOW area in the Morwell and Traralgon Townships.

4.4 Bushfire Scenarios

Scenario 1 – Bushfire from the north

The worst scenario for this site is a fire approaching from the north which has the potential for a 3km fire run through plantation impacting the land from the north. The plantation is associated with the Paper Mill and is a typical land use in the area. The terrain is not steep and has some undulation, with trees grown in planting blocks. This fire scenario is likely to provide radiant heat and ember attack to the Master Plan area. This fire is not a landscape fire, but a settlement fire threat that can be mitigated by appropriate setbacks and property management.

### Scenario 2 – Grassfire

Grassfire can impact from all direction where an urban, paved landscaped does not exist. This fire can be mitigated by land management and typical urban infrastructure – roads, carparks, and buildings. This fire scenario is likely to provide radiant heat to the Master Plan area. This fire is not a landscape fire, but a localised fire threat that can be mitigated by appropriate setbacks primarily achieved by adequate roadside management and the presence of urban infrastructure.

### 4.5 Other considerations in relation to bushfire

The Regional Bushfire Planning Assessment (RBPA) for the Gippsland Region (2012) provides a high level analysis of locations where the bushfire hazard may impact on planning objectives. The RBPA provides information where a range of land use planning matters intersect with a bushfire hazard to influence the level of risk to life and property from bushfire. This information is required to be used as part of strategic land use and settlement planning at the regional, municipal and local levels.

*“The RBPA is not a statutory planning provision and does not directly translate into planning schemes. However, it complements planning scheme provisions such as the Bushfire Management Overlay (BMO) by providing spatial and qualitative information from a variety of sources which together can inform considerations about where bushfire should be assessed early in the strategic planning process.”* RBPA – Gippsland Region (2012).

This area is not referenced directly in the Regional Bushfire Planning Assessment, but is acknowledged on the Bushfire Hazard Landscape Assessment.

## 5.0 Review of the Draft Master Plan

The Morwell Traralgon Employment Corridor Master Plan has been reviewed, and detail on improving the consideration of bushfire risk is provided in Appendix One. The improvements are noted for addition to the document, however the following overarching recommendations also apply:

1. Emphasise the importance of ‘prioritising the protection of human life over all other policy considerations in design considerations’.
2. Add representation of the fire risk to selected figures, which could include:
  - a. Depiction of a ‘fire threat edge’ at the interfaces
  - b. Spatial representation of the BMO
  - c. Directional arrows for fire threat

Any application to subdivide land in the Plan should:

1. Articulate how the design responds to the identified bushfire risk, including in the landscaping plans, road network, street plantings and lot size and orientation.
2. Provide a subdivision layout to ensure that all future dwellings can achieve a maximum Bushfire Attack Level of BAL12.5.
3. Respond to all classifiable vegetation in accordance with AS3959-2009 and the Planning Scheme



## 6.0 References

AN68 Bushfire State Planning Policy VC140

Blanchi, R., Lucas, C., Leonard, J., & Finkele, K. (2010). Meteorological conditions and wildfire-related house loss in Australia. *International Journal of Wildland Fire*, 19(7), 914-926.

Standards Australia (2009) Construction of Buildings in Bushfire Prone Areas. Standards Australia, North Sydney, NSW.

The State of Victoria Department of Environment, Land, Water and Planning (2017) Planning Permit Applications Bushfire Management Overlay – Technical Guide.

The State of Victoria Department of Planning and Community Development (2012) Regional Bushfire Planning Assessment – Gippsland Region.

The State of Victoria Department of Transport, Planning and Local Infrastructure (2014) Planning Practice Note 64 – Local Planning for Bushfire Protection. Victorian Government, Melbourne.

The State of Victoria Department of Transport, Planning and Local Infrastructure (2013) Planning Advisory Note 46: Bushfire Management Overlay Mapping Methodology and Criteria. Victorian Government, Melbourne.

Appendix One – Bushfire Mitigation Measures by Precinct

# Servicing Strategy

Morwell – Traralgon  
Employment Corridor  
and Surrounds

May 2019

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For more information

Including special requirements auslan interpreting, hearing, augmentation or information in alternative formats, phone Abby Hill, Community Development Officer on 5128 5658 or email [abby.hill@latrobe.vic.gov.au](mailto:abby.hill@latrobe.vic.gov.au)



## EXECUTIVE SUMMARY

The Morwell to Traralgon Employment Corridor (MTEC) and Firmins Lane Precinct is one response to Council's number 1 objective in the *Council Plan 2017 - 2021*.

**“Support job creation and industry diversification to enable economic growth in Latrobe City” (Council Plan – Objective 1).**

The precincts within MTEC and Firmins Lane have existing zoned land ready for development and shows future land which could be developed for further investment and growth.

Planning for growth and development is only one step in the process, without shovel ready land parcels, development can stall.

Latrobe City Council has been advocating with State Government, Agencies and Authorities around servicing provisions since 2016. This has included several pieces of work commissioned by the Victorian Planning Authority (VPA), conversations with Regional Development Victoria (RDV), Latrobe Valley Authority (LVA), Gippsland Water etc.

Therefore, the *Morwell Traralgon Employment Corridor Investment Master Plan* (August 2018) (MTEC Investment Master Plan) highlighted the need to undertake a Servicing Strategy to understand key constraints and barriers to growth.

This Servicing Strategy discusses servicing requirements and barriers to the development of infrastructure within the MTEC and Firmins Lane Precincts.

In the shorter term, development of the precincts will require some significant landowner investment and in the medium to longer term requires significant investment from servicing authorities (in some instances).

It has highlighted the need for Latrobe City Council to continue to advocate for infrastructure funding, long term planning, and keys actions to be undertaken to facilitate growth within the region.

If this is not undertaken, it has the potential to stall job growth and investment within the region.

## INTRODUCTION

Latrobe City Council is experiencing a period of economic restructure following the closure of the Hazelwood Power Station. A clear objective of Council through the *Council Plan 2017 – 2021* is to:

*Support job creation and industry diversification to enable economic growth in Latrobe City.*

To ensure that there is enough land available to support job diversification and growth, the Department of Environment, Land, Water and Planning (DELWP) and Latrobe City Council commenced the MTEC Investment Master Plan to support the development of a major regional employment hub.

The *Industry and Employment Strategy* as part of Live Work Latrobe identified a deficiency in available land for heavy and medium to large format industry. Therefore, Latrobe City Council advocated successfully with DELWP and the Department of Jobs, Precincts and Regions (DJPR) (formerly Department of Economic Development, Jobs, Transport and Regions) for the removal of the State Resource overlay from 440ha of land south of Firmins Lane, Morwell.

A key recommendation of the MTEC Investment Master Plan was to undertake a Servicing Strategy before commencing a Planning Scheme Amendment to implement changes. Through discussions with servicing agencies, concerns have been raised with capacity and cost to service areas within the municipality. Therefore this Servicing Strategy has looked at the MTEC, Firmins Lane Precinct and surrounding areas to provide a more holistic overview of the issues. Figure 1 shows the study area.

## Morwell – Traralgon Employment Corridor

The MTEC is a significant area of land located to the immediate north of the Princes Highway / Princes Drive between Morwell and Traralgon. Key existing land uses include the Latrobe Regional Hospital, the Latrobe Regional Airport, Lion Foods, a car dealership sales cluster, rural living and low density residential land and farming land.

The MTEC Investment Master Plan builds on recommendations in the Morwell, Traralgon and Traralgon West Structure Plans, and identifies precincts to support the development of a major regional employment hub.

The MTEC Investment Master Plan supports the development of an Industrial Precinct in relation to food and fibre, a Health Precinct, retention of the Latrobe Regional Airport, residential development, identification of Local and Neighbourhood Activity Centres and the continuation of the car dealership sales cluster. Figure 2 shows the MTEC Investment Master Plan.

Latrobe City Council have focused on precincts A1, A2, A3, B1, B2, B3, C, D, E, I and F in the MTEC Investment Master Plan. Other precincts are within the precinct, but are not the focus of the report due to the long term nature and approvals required by other departments. Table 1 shows the precincts, current zone, proposed zone and land use.

## Firmins Lane Precinct

The Firmins Lane Precinct is over 440ha in size and has large vacant or underdeveloped parcels of land which are zoned Industrial 1 and Industrial 2, see Figure 3. It had remained relatively undeveloped due to the presence of the State Resource Overlay. On 27 September 2018, Amendment C111 was gazetted into the Latrobe Planning Scheme which removed the State Resource Overlay. A broad master plan is currently being undertaken for this precinct.

The removal of the State Resource Overlay means that the opportunity identified for this precinct as a Large Format and Heavy Industry precinct in the Live Work Latrobe *Industrial and Employment Strategy* and subsequent plans, can now be developed in this way.

TABLE 1 – MTEC PRECINCTS

Precinct	Existing Zone(s)	Proposed Zone(s)	Timing	Proposed Land Use
A1	C2Z	C2Z	N/A	Commercial land designated for bulky goods or commercial uses complementary to the industrial precinct.
A2	IN1Z	IN1Z	Stage 1 (extension of IN1Z to the east)	Medium to large scale industrial businesses related to food and fibre.
A3	FZ	IN1Z	Stage 2	Future industrial land as a natural expansion of precinct A2.
B1	FZ	C2Z	Stage 2	Future commercial, business and employment precinct.
B2	FZ	C2Z	Stage 2	Constrained land considered for alternative uses such as recreation or open space.
B3	RLZ & PUZ	SUZ & PUZ	Stage 1	Latrobe Regional Hospital, allied health and complementary uses (accommodation, aged care etc).
C	SUZ	SUZ	N/A	Latrobe Regional Airport and associated commercial enterprise in line with the <i>Latrobe Regional Airport Masterplan</i> .
D	RLZ	SUZ	Stage 1	RLZ Mixed Use, LAC and complementary uses to Latrobe Regional Hospital.
E	FZ	UGZ or GRZ	Stage 1b	Conventional residential (strategic redevelopment site).
F	SUZ	SUZ	N/A	Car dealerships/sales cluster.
I	RLZ / LDRZ	UGZ or GRZ	Stage 1b	Conventional residential.



Figure 1 – Study Area

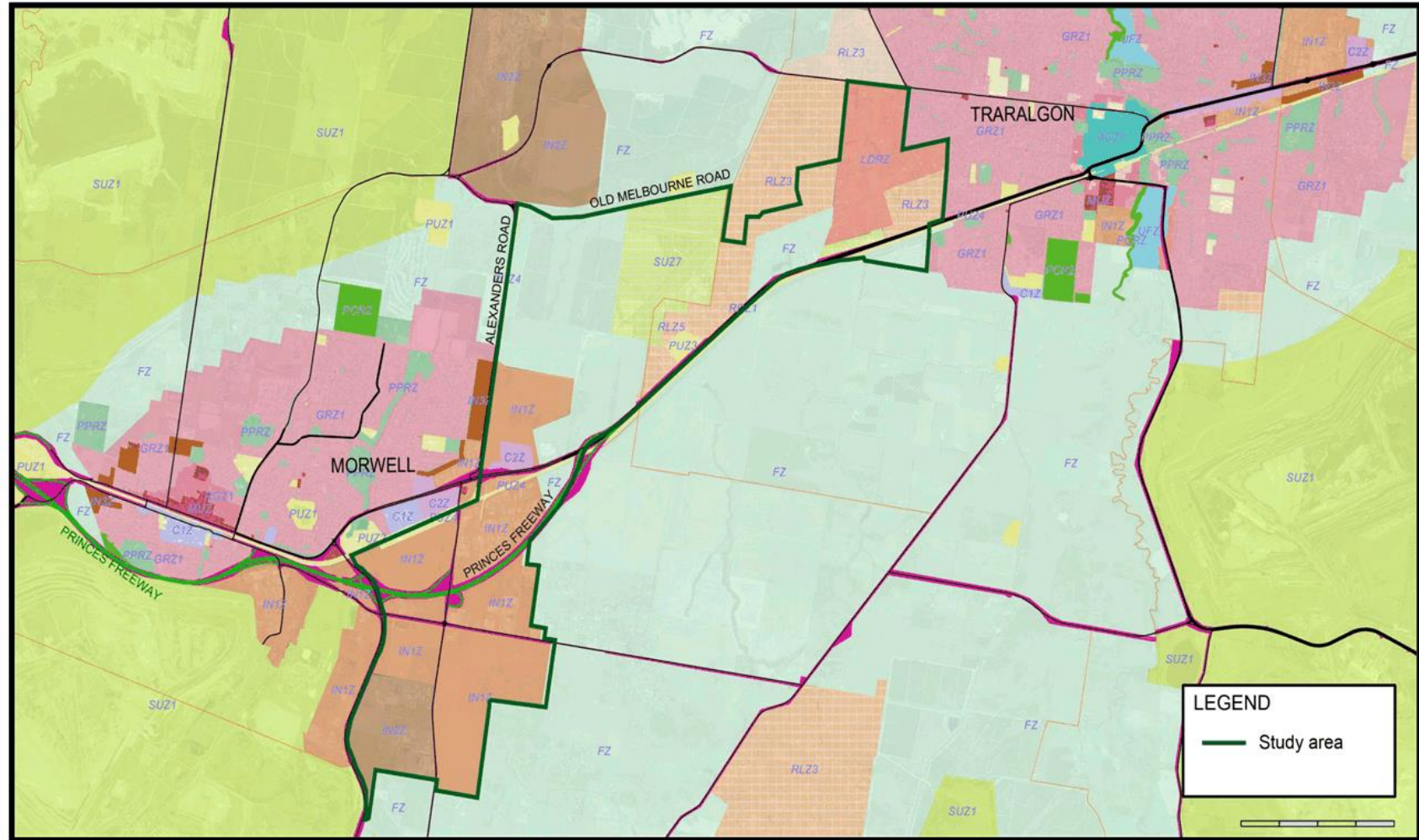


Figure 2 – Morwell to Traralgon Employment Corridor

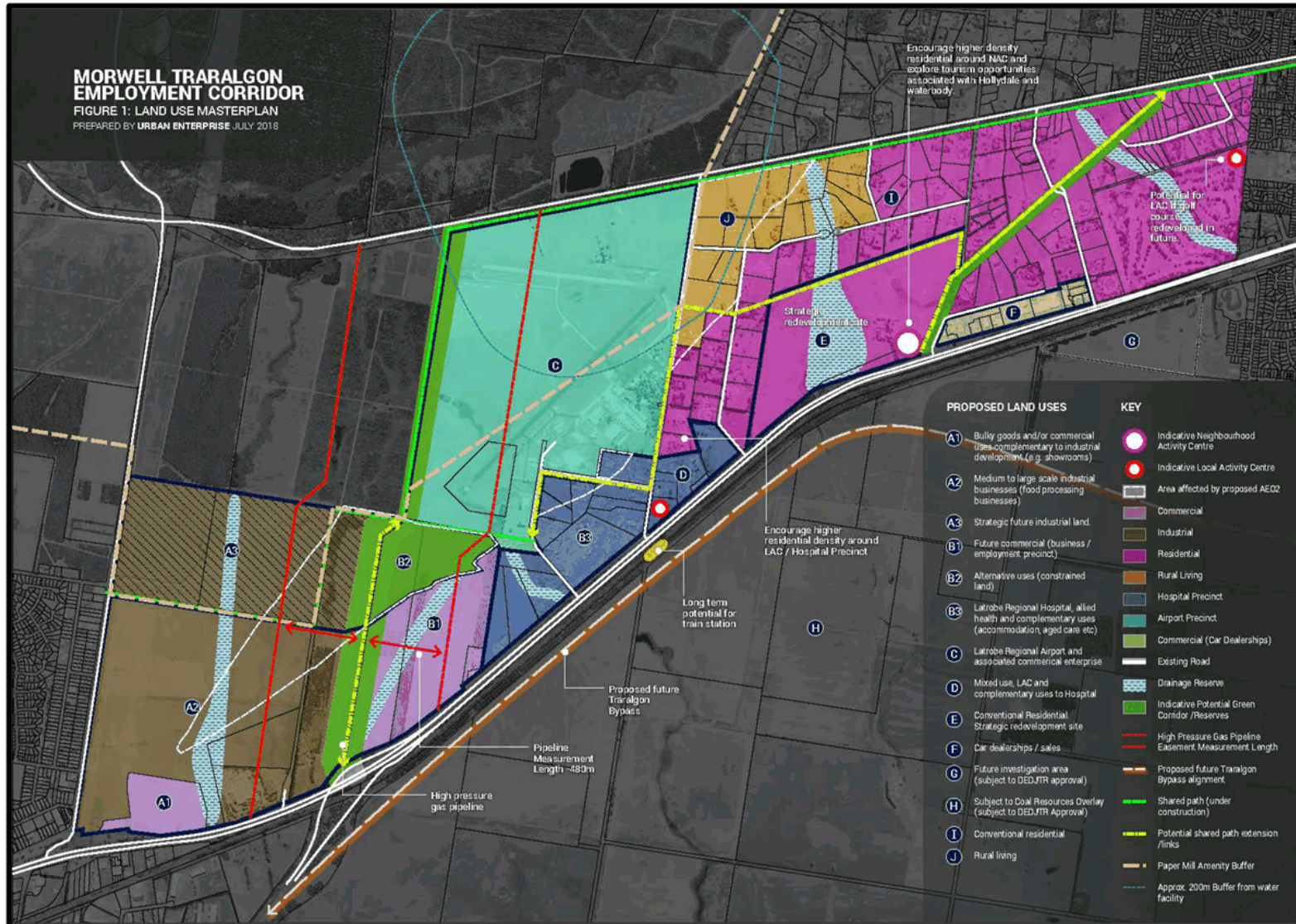
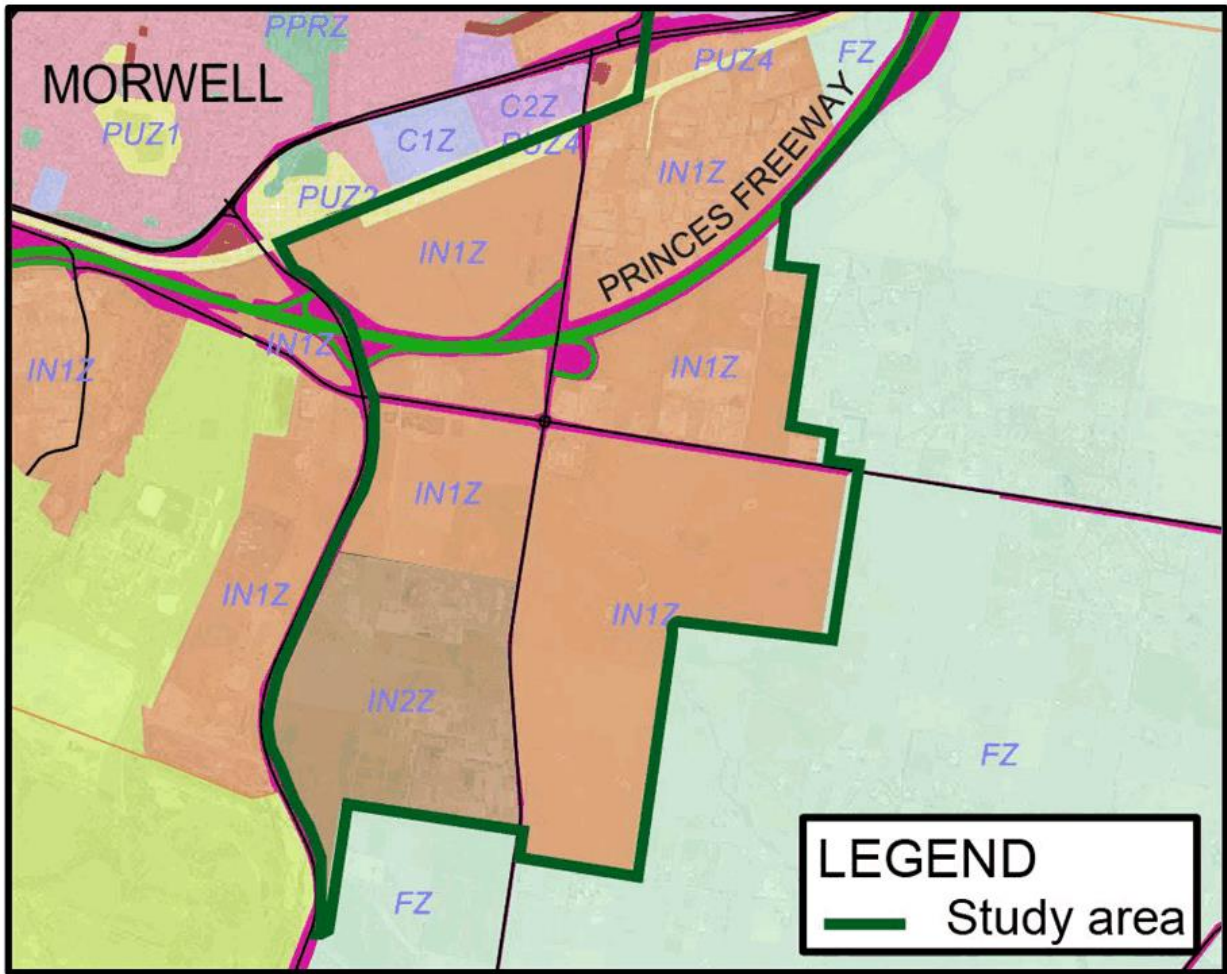




Figure 3 – Firmins Lane Precinct



## SEWER

Gippsland Water is the servicing authority for sewerage in Latrobe City Council.

Table 2 below shows the approximate usage of sewer by different types of uses, based on the Gippsland Water design flow rate of 500L per lot per day.

TABLE 2 – SEWER USAGE

<b>Uses</b>	<b>Approximate Sewer Usage</b>
Dwelling / Accommodation	500 litres/lot/per day
Commercial (retail, office)	300 litres/lot/per day
Standard Industrial	6300 litres/ha/per day
Industrial High Users	27,000 litres/ha/day

The Gippsland Water Factory is located along Old Melbourne Road to the north of the Morwell Township and treats domestic sewerage from Toongabbie, Glengarry, Traralgon, Boolarra, Yinnar, Churchill, Morwell and Yallourn. The Gippsland Water Factory also treats industrial waste from Australian Paper and Yallourn Energy.

There is a current remaining capacity of 2ML for domestic sewerage to be treated by the Gippsland Water Factory. There is domestic sewerage stream and a heavy industrial stream for Australian Paper. Taking into account all future residential growth in Morwell, Churchill and Traralgon growth plans, there is a remaining capacity of 1.20 ML for domestic sewerage for the MTEC and Firmins Lane Precincts.

Gippsland Water has undertaken investigations into conceptual plans to increase the capacity of the Gippsland Water Factory to cost greater than \$100 million.

Current and future sewer infrastructure required for the precincts is shown in Figure 4.

## Morwell – Traralgon Employment Corridor

### Precinct A1, A2, A3

Precincts A1 – A3 will gravitate to the Future Crinigan Road Pump Station. The development of this precinct will require significant upgrade to sewer infrastructure within the precinct including, Sewer Pump Station, Gravity Mains and Rising Mains. There may be some capacity in the existing pump, however this is limited and it is likely that when growth occurs in the precinct the new infrastructure is required.

The cost of the works has been estimated between \$3.7million and \$5.5million.

### Precinct B1 and B2

Precincts B1 – B2 will also gravitate to the Future Crinigan Road Pump Station. The development of this precinct also requires the construction of new Gravity Mains. There is no estimated cost provided on the construction costs for the new gravity mains.

### Precinct C, B3 and D

There are existing gravity mains that service the precincts and this precinct will gravitate towards the Airfield Road Sewer Pump Station.

### Precinct E and I

Existing sewer services exist in the east of Precinct I. Future Growth of Precinct E and I will require significant upgrade to the sewer services, including the establishment of new Sewer Pump Stations and Rising Mains. Gippsland Water is not able to estimate the cost of developing this infrastructure at this point in time.

#### Precinct F

Existing Gravity Mains and a Sewer Pump Station exist to service this precinct.

## Firmins Lane Precinct

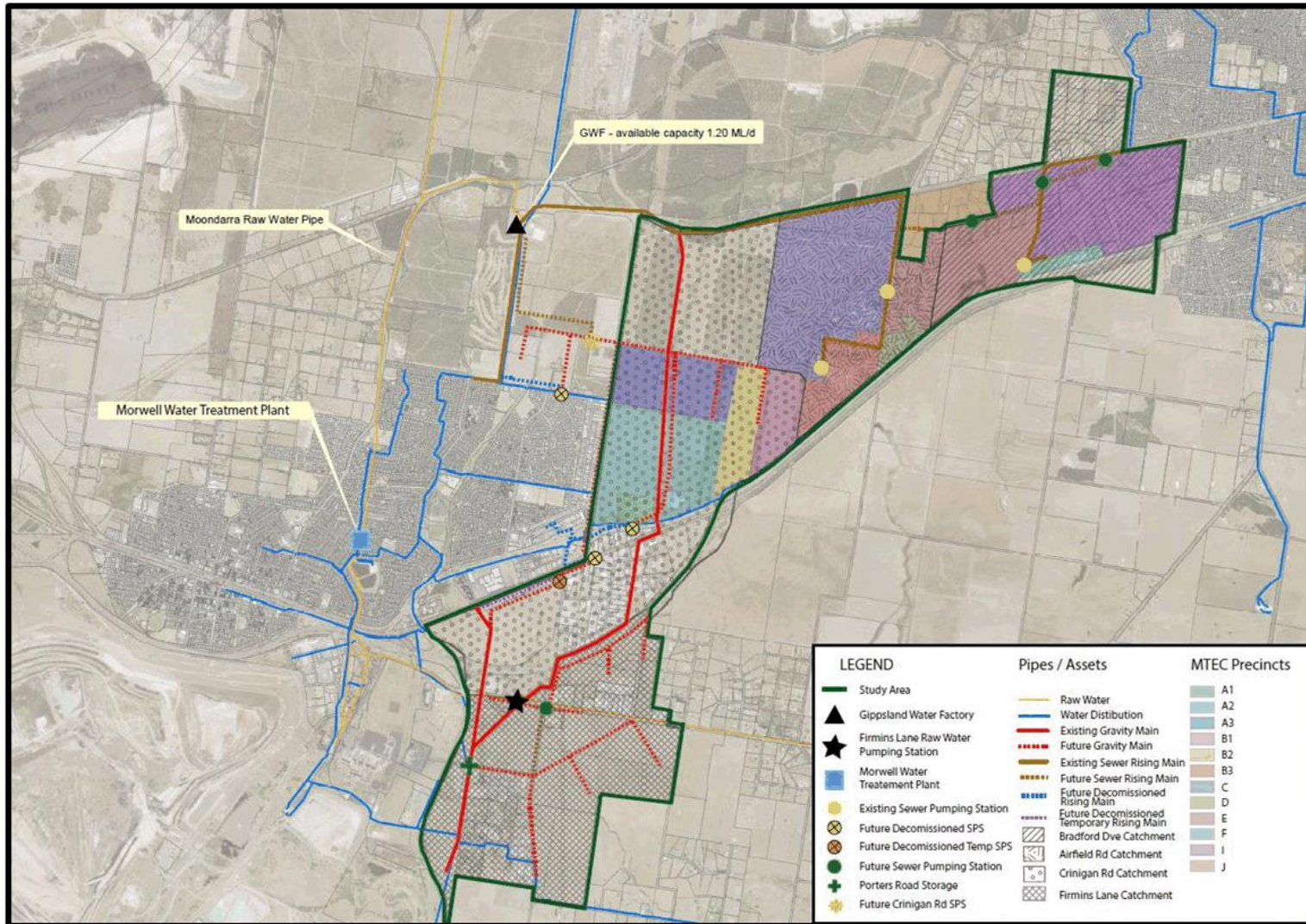
A temporary Sewer Pump Station is required to transfer waste from the Gippsland Logistics Precinct to the sub-catchment to gravitate to the Gippsland Water Factory. Once the area is fully developed, the temporary Pump Station and Rising Main is to be decommissioned and the catchment will then to gravitate to the Future Crinigan Road Sewer Pump Station. Future Gravity Mains will be required within this precinct.

The temporary Pump Station at the Gippsland Logistics Precinct is required until at least 75% of the Industrial Area is developed. Once development has reached over 75% the ultimate solution will be required.

An additional Sewer Pump Station is required near the intersection of Firmins Lane and Tramway Road to service low lying areas and with the Porters Road storage utilised to relieve the system of peak flows. This additional Pump Station is required as soon as further development is undertaken within the area.

Gippsland Water is not able to estimate the cost of development for the infrastructure at this point in time.

Figure 4 – Current and Future Sewer Infrastructure



## WATER

Gippsland Water is the servicing authority for raw and potable water for Latrobe City Council.

Table 3 below shows the approximate usage of water by different types of uses, based on the Gippsland Water design flow rate of 1300L per lot per day.

TABLE 3 – WATER USAGE

<b>Uses</b>	<b>Approximate Water Usage</b>
Dwelling / Accommodation	1300 litres/lot/per day
Commercial (retail, office)	800 litres/lot/per day
Standard Industrial	12,000 litres/ha/per day
Industrial High Users	26,000 litres/ha/per day

The MTEC and Firmin's Lane Precinct is serviced by the Morwell Water Treatment Plant (WTP); the WTP also services the townships of Churchill, Hazelwood North, Hazelwood, Boolarra, Jumbuk, Jeeralang and Traralgon South.

The WTP has a capacity of 20ML per day. The WTP can supply up to an additional 2000 lots (currently planned in Morwell and Churchill) and can supply the MTEC and Firmins Lane Precinct with 3ML per day.

Any development beyond the capacity of 3 ML per day will require a new WTP. Gippsland Water has undertaken investigations into conceptual plans to address future capacity issues in the Morwell and Traralgon water systems. A new WTP and treated water storage has been estimated to cost greater than \$50million.

Current water infrastructure required for the precincts is shown in Figure 5.

## Morwell – Traralgon Employment Corridor

### Potable Water

The Morwell treated water reticulation network can accommodate additional supply until Customer Charter pressures are breached, but this is only up to the estimated additional supply of 3ML per day for all of the precincts within the study area.

There is currently a 300mm distribution water main along Princes Drive for precincts A1, A2, A3, A1 and B2. Gippsland Water does not usually allow connections straight from a distribution main, so a reticulation main will need to be tapped off at the distribution main.

#### Precinct A1, A2, A3

There is also a 150mm water main along Alexanders Road and connects with a 300mm distribution main which heads west along Crinigan Road.

Gippsland Water has not completed any hydraulic modelling for this exercise and therefore hydraulic capacities of these pipes are dependent on the proposed growth in the area.

#### Precinct C, B3 and D

There are existing water mains along the Princes Highway, Airfield Road and Village Avenue which services these areas.



Specifically, there is an 80mm reticulation main along Village Avenue which increases to a 100mm and then to a 150mm water main to service the airport.

In addition to these, there is an 80mm main along Airfield Road between Princes Highway and Valley Drive, with a 150mm water main along Valley Drive.

#### Precinct E and I

There are reticulation mains surrounding both precinct E and precinct I. The residential development of Area E would require water main extensions off existing mains (depending on the layout of the development) and Area I would require something similar.

Again, Gippsland Water have not undertaken hydraulic modelling and cannot confirm if these reticulation mains require upsizing. It would be dependent on the number of proposed lots for both of the Areas.

#### Precinct F

There are existing water mains along the Princes Highway which service this area.

#### **Raw Water**

The MTEC precinct north of the railway line is not easily accessible to the raw water main. The closest raw water main is along the Morwell – Maryvale Road. Therefore, uses requiring raw water should be encouraged to locate within the Firmings Lane Precinct.

## Firmins Lane Precinct

#### **Potable Water**

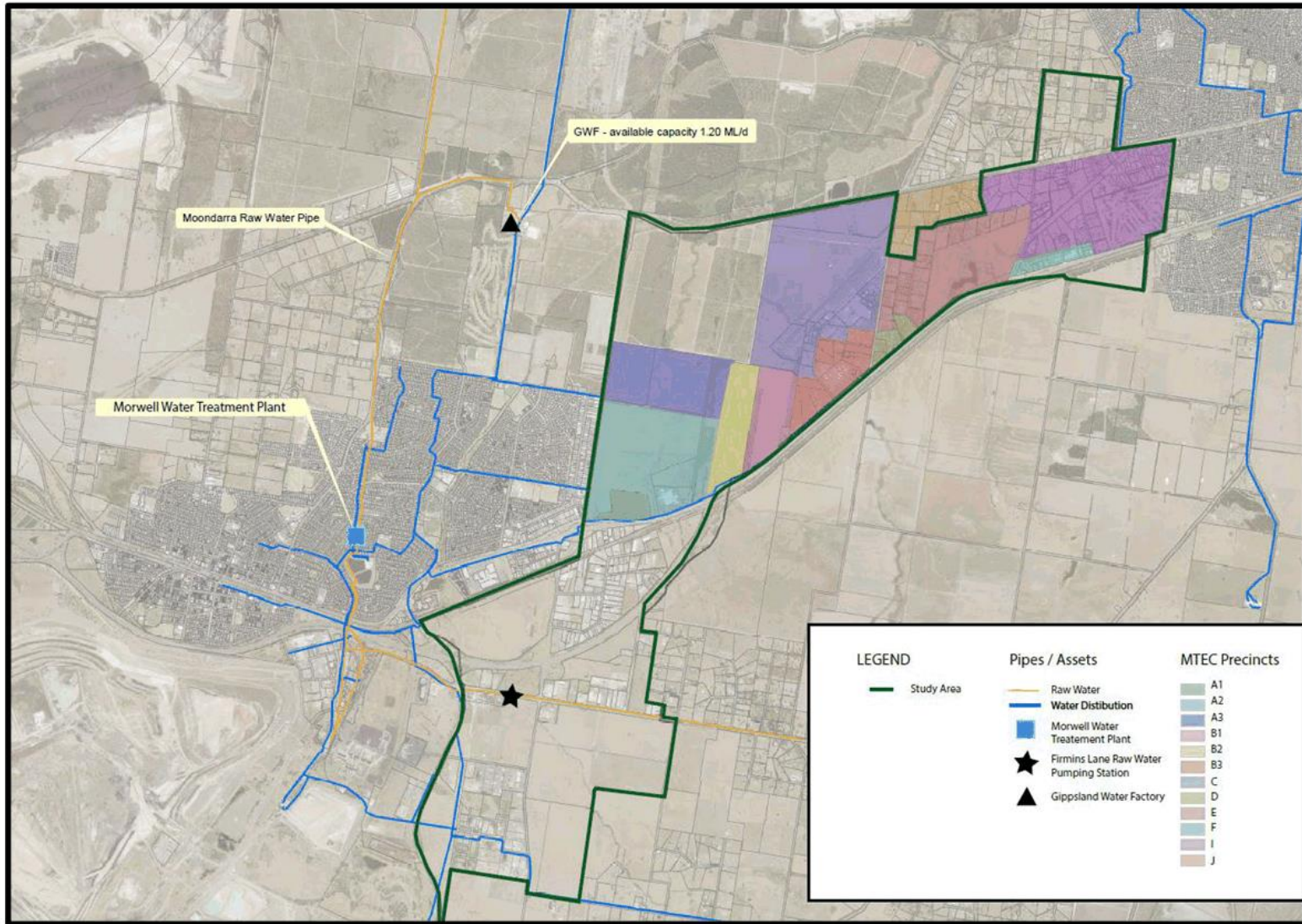
The Morwell treated water reticulation network can accommodate additional supply until Customer Charter pressures are breached, but this is only up to the estimated additional supply of 3ML per day for all of the precincts within the study area.

#### **Raw Water**

The Firmings Lane Precinct (south of Railway line) can be serviced from the raw water main along Firmings Lane. There is currently a capacity within the existing system and infrastructure for 10ML per day. Further capacity can be increased with an upgrade of the Firmings Lane Raw Water Pump Station (RWPS) and a new 600mm supply main to the RWPS. Gippsland Water are not able to estimate cost upgrades for this infrastructure at this point in time.

There is sufficient supply of raw water from the Moondarra Reservoir for current and increased supply of raw water.

Figure 5 – Current Water Infrastructure



## ELECTRICITY

SP Ausnet is the authority regarding electricity within Latrobe City Council.

Table 4 below shows the approximate usage of electricity by different types of uses.

TABLE 4 – ELECTRICITY CAPACITY

Uses	Electricity Usage per lot
Dwelling / Accommodation	4KVA in gas areas
Commercial (retail, office)	25KVA, however very dependent on size
Standard Industrial	20KVA
Industrial High Users	100KVA +

## Morwell – Traralgon Employment Corridor

Figure 6 shows the location of feeders within the vicinity of the Morwell to Traralgon Corridor Precinct. The feeders have the following Mega Volts by Amps (MVA):

- MWT22 – Approximately 10MVA spare capacity;
- MWT32 – Approximately 7 MVA spare capacity;
- TGN11 – No spare capacity;
- TGN43 – Minor upgrade required to achieve approximately 2MVA additional capacity; and
- TGN44 – Minor upgrade required to achieve approximately 2MVA additional capacity.

MWT32 is the main feeder that services the Morwell to Traralgon Employment Corridor Precinct with capacity of 7MVA. All feeders within the area go to the new Morwell Zone Substation (MWL Z/S) at 220 to 240 Monash Way, Morwell. The MWL Z/S will have around 10MVA spare capacities on the N-1 rating, not including transfers. It is expected that the development of the precinct is likely to use most of the spare capacity within the feeder and the new MWL Z/S.

The hospital located in precinct B3 is a large user and has an auto switch arrangement to restore supply if there is a feeder outage on the preferred supply. This will need to be maintained in development of surrounding land.

## Firmins Lane Precinct

The Firmins Lane Precinct has numerous feeders within the vicinity. No data from SP Ausnet was provided on the feeders size or location.

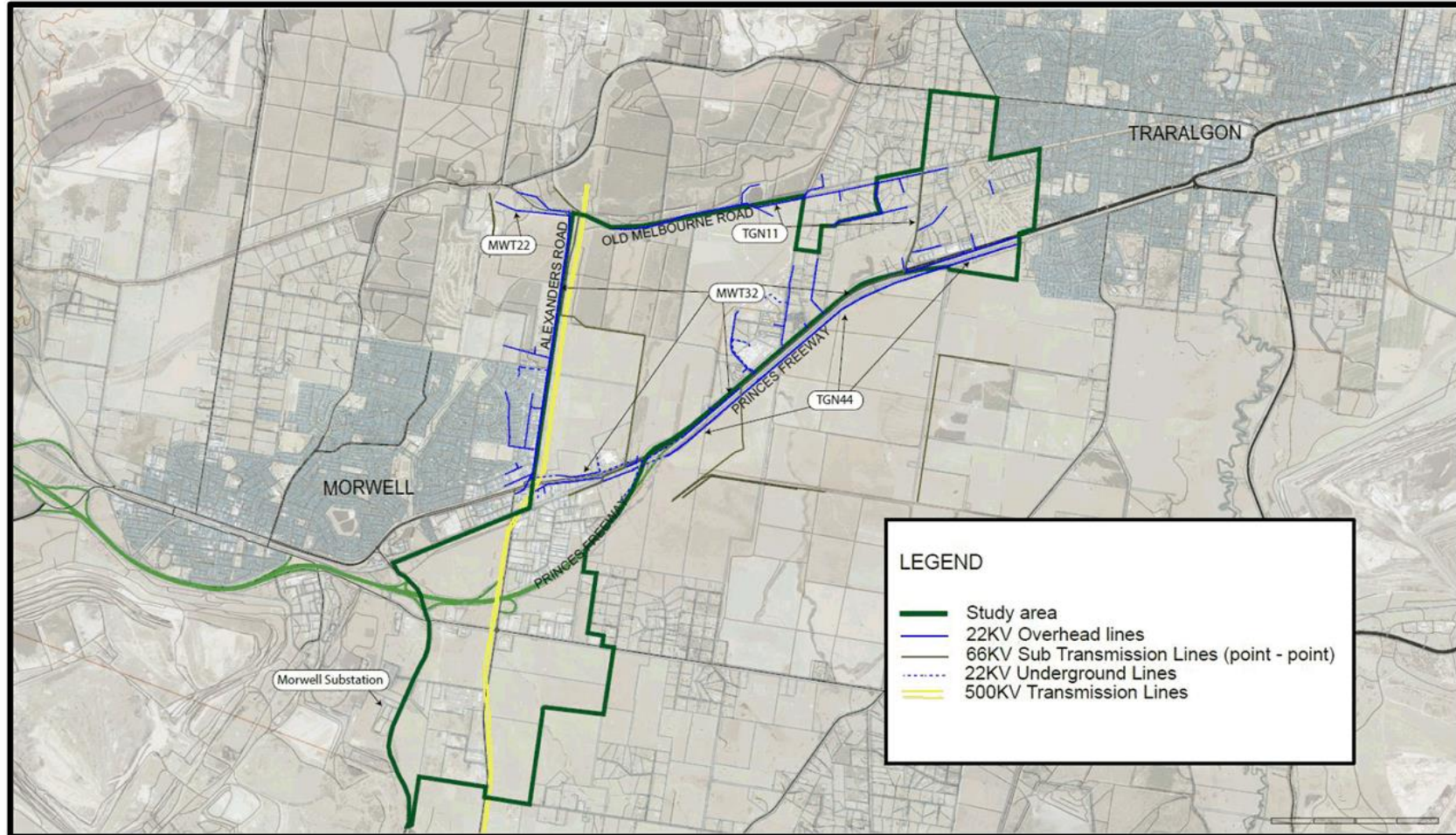
All feeders within this location will feed to the new MWL Z/S. It is likely that with the development of the MTEC and the Firmins Lane Precinct that in the long term the capacity at the MWL Z/S will be reached.

An estimate of work and costs for augmentation of this asset in 2018 dollars is:

- New Transformer at MWL Z/S - \$5 million
- New Switchboard at MWL Z/S - \$3 million
- New feeders:
  - Overhead approximately \$250,000 per km
  - Underground approximately \$500,000 per km (subject to ground conditions)



Figure 6 – SP Ausnet Current Infrastructure



## GAS - SERVICING

APA Networks is the authority who deals with gas servicing within Latrobe City Council.

APA are unable to provide average consumption types by different types of uses.

### Morwell – Traralgon Employment Corridor

All precincts in the MTEC are supply constrained. Augmentation to support this area may be quite significant in terms of infrastructure and cost. APA Networks could not provide specific details about infrastructure required and cost implications of this infrastructure at this point in time.

Works could include a new supply point within this precinct at a location adjacent to the existing Victoria Transmission Systems (VTS) pipeline. This will require appropriate buffers and a parcel of land to build this infrastructure.

In most instances, any extension, upgrade or augmentation may require a contribution to be made by the customer / developer.

Planning and construction of assets can be significant and an allowance of 12 months+ should be made.

There are existing reticulation mains that extend along the southern boundary of these precincts along the Princes Highway; Figure 7 shows the location of the existing infrastructure. APA Networks have indicated it would be unsuitable for direct connection of additional large demand. If a smaller demand was required from a certain precinct, for example B3 and D, connections will need to be assessed on an individual basis. As any proposed additional consumption is unknown, the availability of supply can only be assessed when an application for connection to natural gas is received.

Therefore, it is likely that significant upgrades to Gas Networks will be required early in the development of the precincts.

### Firmins Lane Precinct

The Firmins Lane precinct east of Tramway Road may have capacity in the trunk infrastructure main to accommodate new connections, but the supply delivery point may require upgrading.

The Firmins Lane precinct west of Tramway Road trunk infrastructure can be extended to support demand in this area. The supply delivery point is the same as above and may require upgrading; Figure 6 also shows the location of existing infrastructure for this precinct.

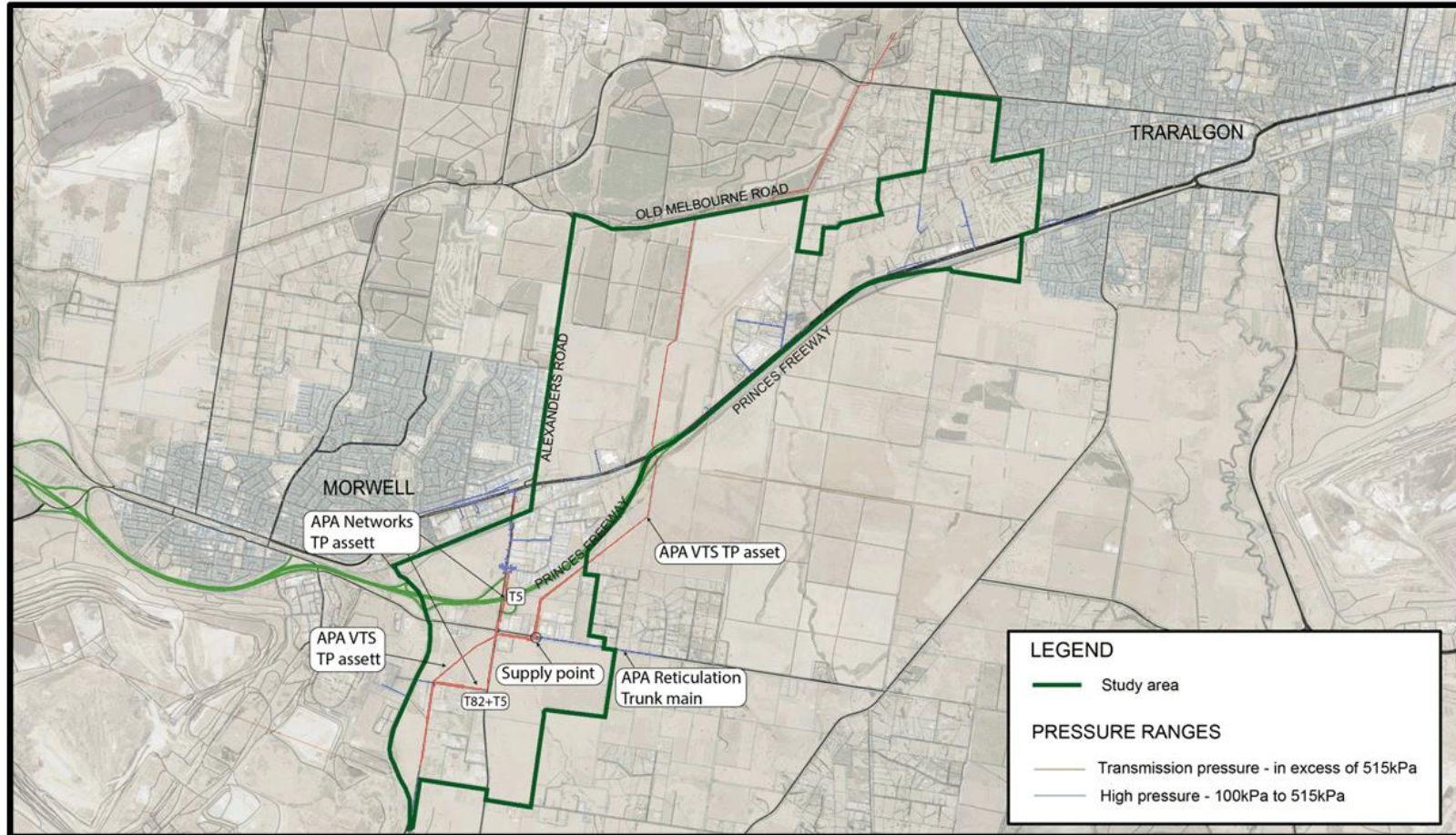
The Princes Highway and Rail Corridor delineates the reticulation network in this area and poses significant barriers to the augmentation of the network.

Transmission Pipeline assets owned by APA Networks are within the Firmins Lane Precinct. Similar restrictions will apply as per the assets owned by VTS, please see below for further details.

Costs associated with the extension and upgrade to assets and individual connection costs cannot be assessed until the location or supply and demand requirements are known.



Figure 7 – APA Networks Current Infrastructure



## GAS - PIPELINE

APA VTS is the licensee responsible for the gas pipeline that in within the MTEC and Firmins Lane Precinct. There is other pipelines which exists within the existing easement of the Tyers – Morwell Pipeline and along Porters Lane and Morwell to Tramway pipeline, this is licensed by AGN and managed by APA Networks.

Table 5 provides details of the Tyers - Morwell Pipeline and the Porters Lane Pipeline including easement width, pipeline diameter and Measurement Length (ML). The ML is important as this distance is defined under AS2885 – *Pipelines and liquid petroleum* heat radiation zone associated with a full – bore pipeline rupture. APA would not like sensitive uses to occur without a Safety Management Strategy (SMS) being undertaken.

TABLE 5 PIPELINES

Pipeline	Pipeline Licensee	Easement Width (m)	Pipeline Diameter (mm)	Measurement Length (m) either side of pipeline
Tyers – Morwell	PI 121 (T63)	20	500	480
Porters Lane	T82	Within road reserve	100	75
Morwell to Tramway Road	PL 215 (T5)	Within road reserve	80 and 100	65 and 75

APA's preferred position is that all land uses listed below be located outside the ML are provided in the MTEC Investment Master Plan.

## Morwell – Traralgon Employment Corridor

The Tyers – Morwell pipeline runs north – south and the pipeline easement is within precinct B2 and sits adjacent to Precinct C (Latrobe Regional Airport) in the MTEC, shown at Figure 8.

There is currently a Design and Development Overlay Schedule 1 which applies to the pipeline which is 200m in width, approximately 100m either side of the pipeline. As well as a 480m ML either side of the pipeline. The MTEC does not propose any sensitive uses as listed above within the 480m ML. However, the *Latrobe Regional Airport Master Plan (2015)* may need to be reviewed in consultation with APA VTS.

AS2885 requires a SMS to be undertaken whenever the land use classification changes. As part of the MTEC a SMS is required for precincts A3, B1, B2 which are proposed to be rezoned.

As stated in the section above, the Tyers – Morwell Pipeline has limited additional capacity. APA VTS recommend a feasibility study be undertaken to understand what the available capacity is in the system. The feasibility study could be undertaken by APA VTS, but costs borne by the developer. However, the study could not be undertaken until the gas forecast load is known including any gas pressure requirements. It is anticipated that the feasibility study could cost approximately \$50,000.

Further development conditions are required and are included in the MTEC. These do not affect servicing at this stage.

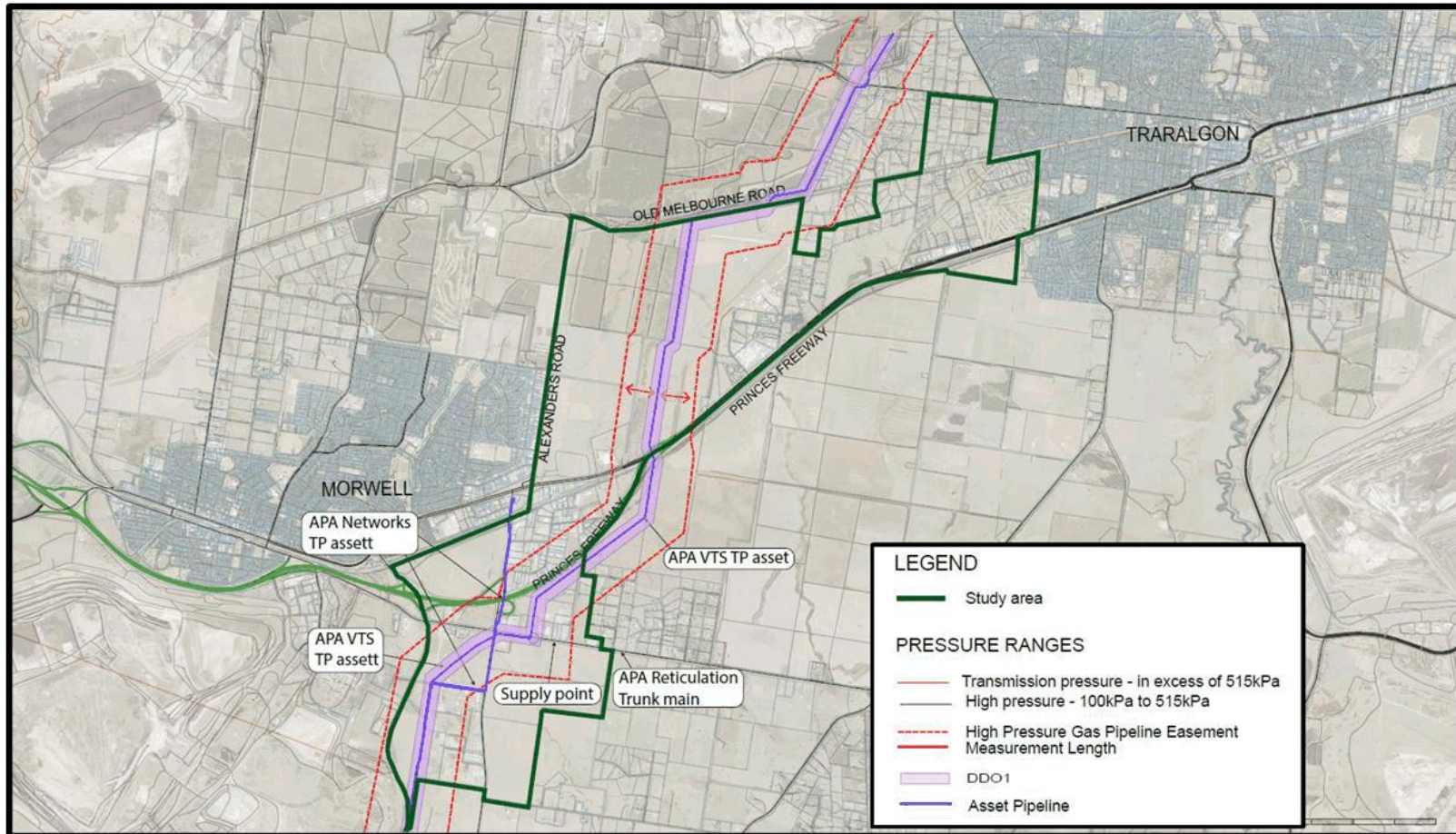


## Firmins Lane Precinct

The Tyers – Morwell Pipeline continues into the Firmins Lane Precinct shown at Figure 8. There is also another pipeline T82 that exists in the Firmins Lane Precinct and continues within Porters Road. There is currently a Design and Development Overlay Schedule 1 which applies to the pipeline which is 200m in width, approximately 100m either side of the pipeline. As well as a 480m ML either side of the pipeline. The Firmins Lane Precinct does not allow any sensitive uses as listed above within the 480m ML.

AS2885 requires a SMS to be undertaken whenever the land use classification changes. As there is no rezoning to any of the land within the Firmins Lane Precinct, this does not apply.

Figure 8 – APA VTS Current Infrastructure



## FLOODING AND WATERWAYS

West Gippsland Catchment Management Authority (WGCMA) are the responsible floodplain authority within Latrobe City Council.

Latrobe City Council with the assistance with the WGCMA have commenced planning for a flood study for Waterhole Creek and its tributaries (Boyds Creek, Plough Creek, locally known 'Tandarra' Creek and Bennetts Creek) all of which intersect the MTEC and / or Firmins Lane Precinct.

It is intended that the Flood Study will show the flooding extent of areas where development may be restricted, possible mitigation measures and flooding extent if the mitigation works were undertaken.

### Morwell – Traralgon Employment Corridor

The current extent of the Land Subject to Inundation Overlay (LSIO) is shown in Figure 9, which is consistent with the estimated 1% Annual Exceedance Probability (AEP). The Waterhole Creek Flood Study will be able to provide updated data in relation to a 1:100 year flood event and possible mitigation measures for the precinct. There has been no flooding data collected on 'Tandarra Creek' and Boyds Creek which sits within the MTEC, therefore there is a potential that flooding could be present within the MTEC which has not been previously known.

Figure 10 also shows the amount of designated waterways within the MTEC and will require protection (30m buffer either side) as development within the MTEC commences.

Piping of the waterways will not be permitted by the WGCMA. However, due to the nature of the land in Precincts A1, A2, A3, B1, B3 and D, landowner discussions can be had with the WGCMA about relocating the waterway to facilitate developable land. This will be assessed on a case by case basis and has occurred within Precinct B3 as part of the hospital car park development.

### Firmins Lane Precinct

The current extent of the LSIO is show in Figure 9. The Waterhole Creek Flood Study will be able to provide updated data in relation to a 1:100 year flood event and possible mitigation measures for the precinct.

Figure 10 also shows the amount of designated waterways within the Firmins Lane Precinct that will require protection (30m buffer either side) as development within the precinct commences.



Figure 9 – Flooding Extent MTEC and Firmins Lane Precinct

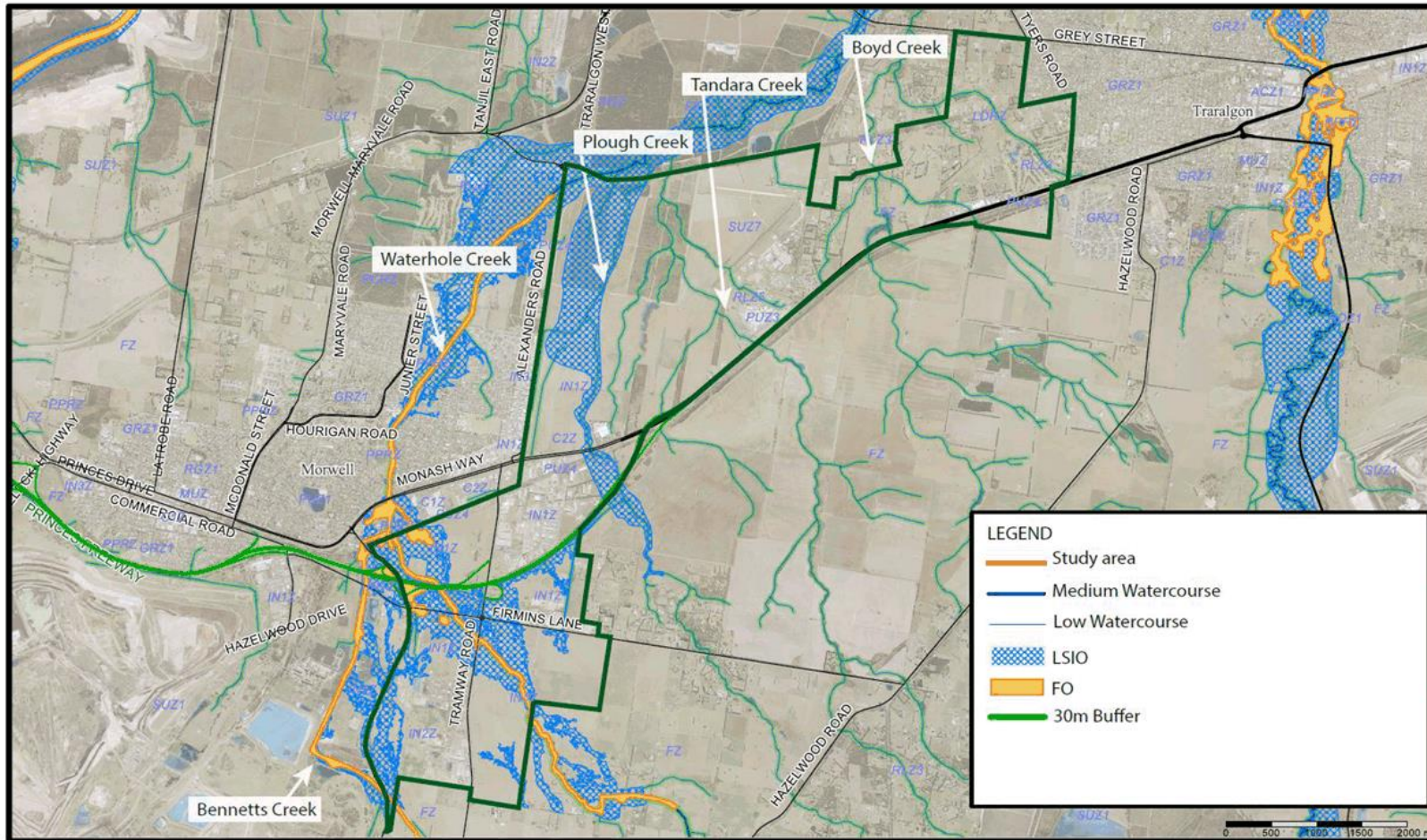
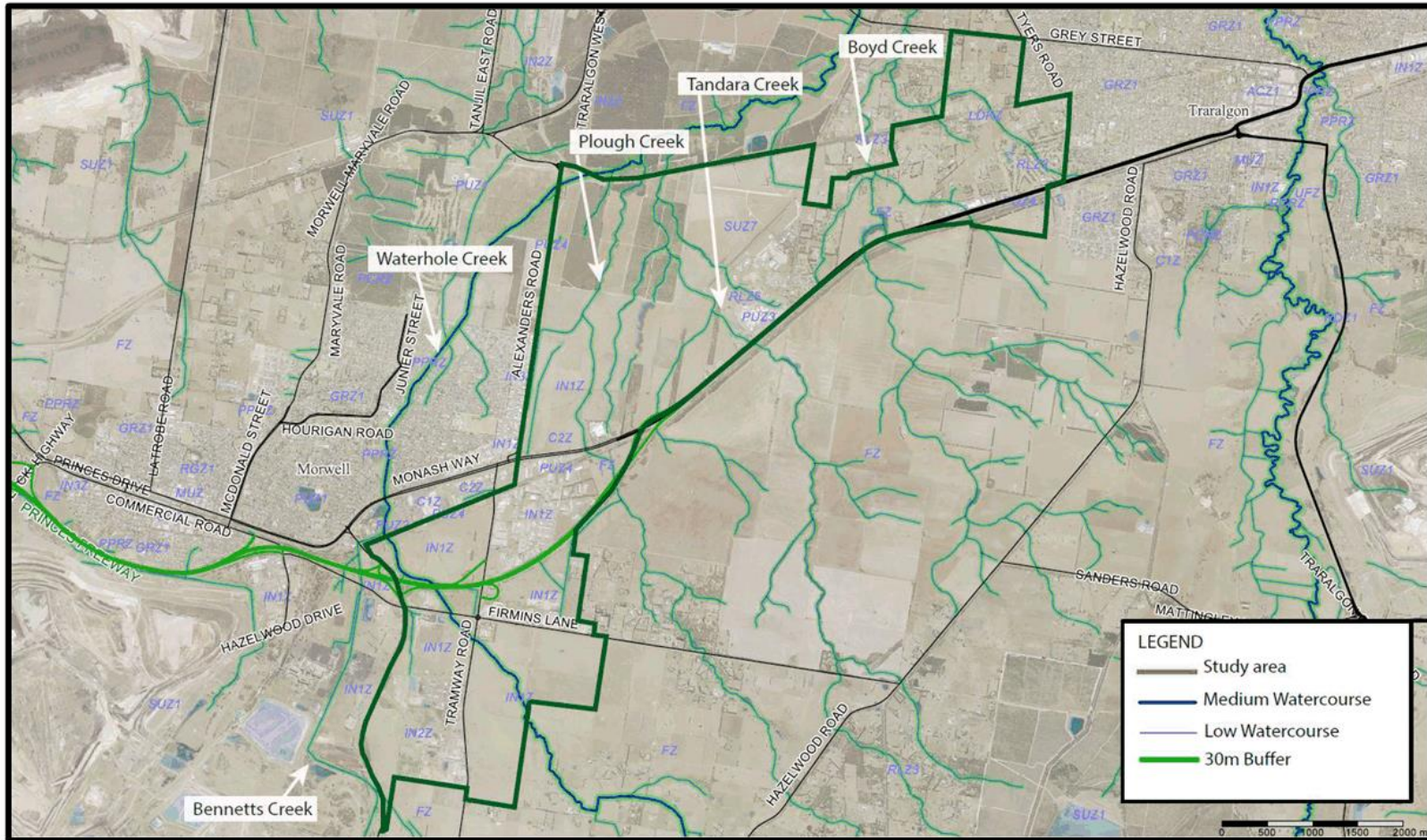




Figure 10 – Waterways within the MTEC and Firmins Lane Precinct



## STORMWATER

Latrobe City Council is the authority for stormwater within the municipality. However, the WGCMA are responsible for stormwater quality and applicants will need to demonstrate compliance with 'Urban Stormwater Best Practice Environmental Management Guidelines'.

Stormwater for Latrobe City Council is managed through the *Infrastructure Design Manual* (IDM) and the Latrobe Planning Scheme.

Clause 53.18 of the Latrobe Planning Scheme – Stormwater Management in Urban Development ensures that objectives and standards are met in relation to stormwater management, in particular integrated stormwater management and no net increase in pre – development flows. This will require consideration from Latrobe City Council, the WGCMA and Gippsland Water moving forward.

Latrobe City Council is currently developing guidelines to assist in the assessment of ANCOLD considerations. ANCOLD are guidelines enforced by the State Government regarding dam structural integrity. Any new dam structure must comply with the relevant provisions within this guideline. These guidelines will be implemented over time and will require any water retaining bodies, including existing dams to be retained to be assessed.

Stormwater Management principles apply to the precincts; land should be developed to the natural grades as much as possible. Flows can be directed towards existing waterways and will flow to the north. Discussions with the WGCMA is using 'online' treatments i.e. ponding along the waterways are continuing and is seen as a viable option where creeks are tributaries systems for Stormwater Management in the future requiring less wetlands and retarding basins ('offline' treatments).

Waterhole Creek has a significant catchment area starting from Church Road, Hazelwood North. 'Tandarra' Creek and Plough Creek have a small catchment area which starts at an area just south of Hazelwood Road, Hazelwood North. Boyds Creek has a similar catchment area to Plough Creek and 'Tandarra' Creek, the catchment areas starts north of Clarkes Road, Hazelwood North. All Creeks are tributaries of the Latrobe River.

## Morwell – Traralgon Employment Corridor

Figure 11 shows preliminary stormwater catchment areas which have been identified in the MTEC.

An Integrated Stormwater Management Strategy would be beneficial for the entire Firmins Lane Precinct. However site specific plans can be undertaken as land is developed and where it is not a requirement.

### Precinct A1, A2, And A3

Stormwater Management for Precincts A1 and A2 has been approved with the Morwell East Industrial Development Plan and associated planning permit for this site. Stormwater flows for these precincts will naturally flow into Plough Creek and move north to Old Melbourne Road where it intersects with 'Wade's' Creek.

### Precincts B1, B2 and Precinct C

Stormwater Management for these precincts is likely to be managed through locally known 'Tandarra' Creek.

### Precincts B3 and D

Stormwater in Precincts B3 and D varies; properties east of Airfield Road in precinct B3 will naturally drain towards locally known 'Tandarra' Creek. Anything east of Northern Avenue will naturally drain towards Boyds Creek.

The area between Airfield Road and Northern Avenue is flat and contains a small waterway where there have been historical drainage issues. Water is likely to be retained in this area, and stormwater in the area has the potential to drain to either 'Tandarra' Creek or Boyds Creek.

#### Precincts E, F and I

Particular areas in Precinct I have identified historical issues in relation to Stormwater. When land develops in the area, a Stormwater Management Strategy could be developed to show areas required for stormwater. Land in Precincts E, F and I is likely to naturally drain towards Boyds Creek. Some areas of Precinct I will naturally drain towards the unnamed waterway near the Traralgon Golf Course.

The dam in Precinct E is likely to be retained as a feature as part of any future development of the site and will therefore likely be subject to ANCOLD guidelines and requirements.

## Firmins Lane Precinct

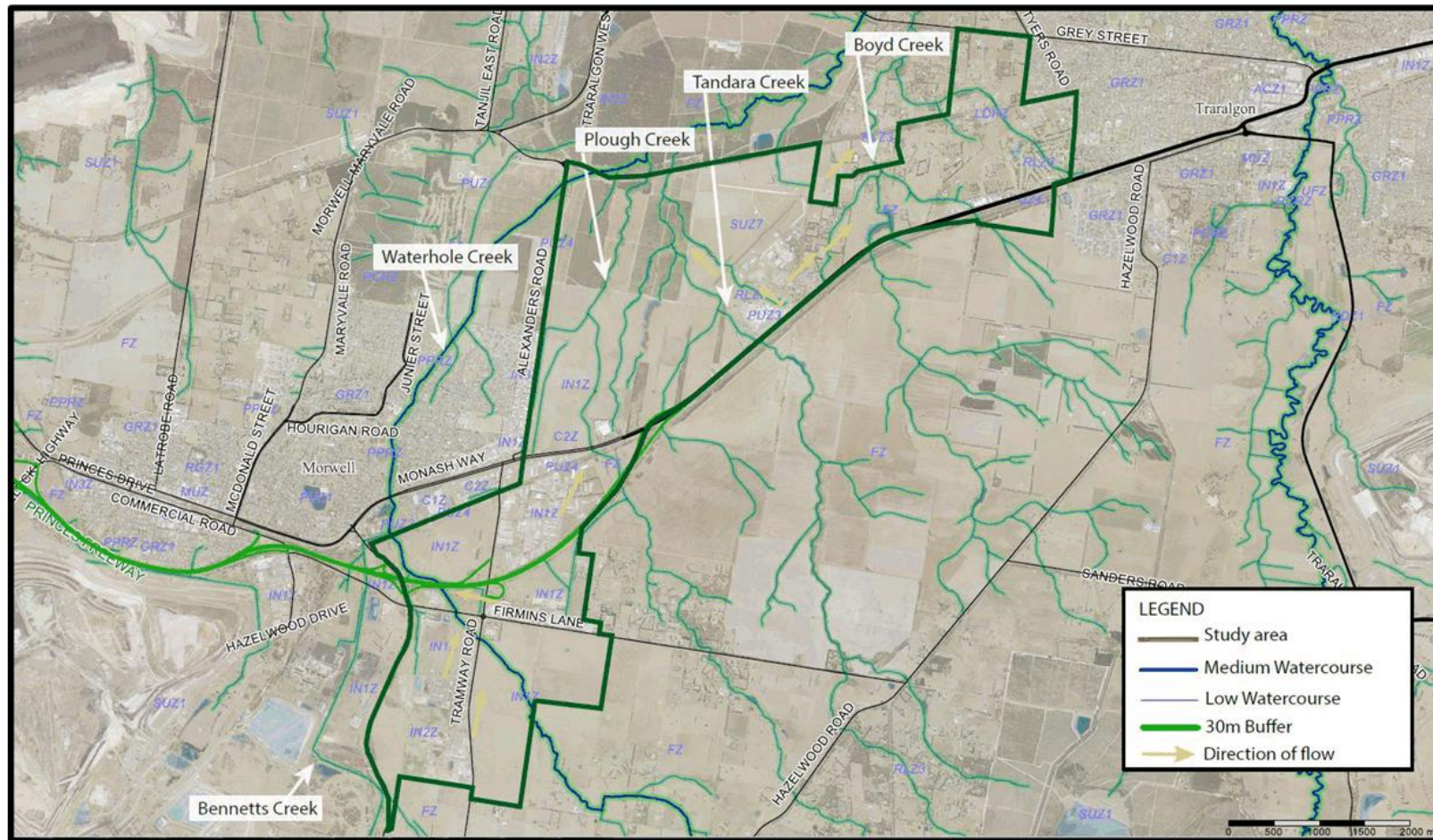
Figure 11 shows preliminary stormwater catchment areas which have been identified in the Firmins Lane Precinct.

In the Firmins Lane Precinct, anything south of the Princes Freeway is likely to drain naturally towards Waterhole Creek. Land to the north of the Freeway is likely to drain towards Plough Creek.

An Integrated Stormwater Management Strategy would be beneficial for the entire Firmins Lane Precinct. However site specific plans can be undertaken as land is developed and where it is not a requirement.



Figure 11 – Preliminary Stormwater Catchment Areas



## ROADS

Latrobe City Council is the authority responsible for local roads within the municipality. Regional Road Victoria (VicRoads) is the authority responsible for main roads, shown with a Road Zone Category 1.

### Morwell – Traralgon Employment Corridor

The MTEC has two arterial roads being Alexanders Road, Morwell and Princes Drive / Highway which are identified by the Road Zone Category 1. All other roads within the MTEC are link roads, connector or local access streets. Figure 12 shows transport and movement infrastructure that was developed based on discussions during the preparation of the MTEC Investment Master Plan.

The local road network can be managed in most instances as development occurs. In Precinct I, Bradford Drive will require further consideration around waterway crossings, vegetation and the construction of a road.

The Princes Highway / Freeway is a national freight route providing a direct link to Melbourne and will support inter-regional transport including freight and tourism. The MTEC will benefit from this existing infrastructure.

To attract industrial and commercial businesses and really leverage the site's strengths, roads within the precinct should be designed specifically to cater for High Mass & High Productivity Freight Vehicles such as B-Triples and A-Doubles (refer *National Heavy Vehicle Regulator Common Heavy Freight Vehicle Configurations*).

Further discussions with the Department of Transport (DOT) have requested that the VPA Precinct Structure Plans notes, Our Roads: Connecting People is applied to the plan, which would require a 1.6km arterial road grid. The arterial road grid within the MTEC consists of Alexanders Road (Morwell), Princes Highway and Breed Street (Traralgon) (which sits outside the study area). There is approximately 8km between Alexanders Road (Morwell) and Breed Street (Traralgon). As a preference, the DOT has indicated that they have a preferred spacing of 1.6km between any intersections.

There are multiple existing intersections and access points which exist along the Princes Highway / Princes Drive currently. As an example distances between existing intersections within the precinct i.e. Village Ave / Princes Highway and Airfield Road / Princes Highway at less than 500m already don't meet ideal separation distances suggested by DOT. Distances from proposed short to long term intersections will require further discussions with the DOT; specific details around which intersections require further detail are in specific precinct discussions.

The DOT have also indicated that service roads should be provided only to the Princes Highway / Princes Drive.

The MTEC Investment Master Plan has indicated ways in which infrastructure could be funded through different mechanisms. Further discussions with landowners, key agencies and Latrobe City Council are required around the mechanisms that will most likely suit a precinct as appropriate. Work Commenced in 2017 with the LVA around a potential funding mechanism to look at regional infrastructure issues. This report has been finalised, but not released by the State Government / LVA.

#### Precinct A1, A2, A3, B1 and B2

Precincts A1 and A2 as part of Planning Permit 2017/173 propose to create access from Princes Drive, Morwell. National Foods have an existing access and development as part of Precinct A2.

An indicative cost of the intersection proposed for Planning Permit 2017/173 is approximately \$3.5million (MTEC Investment Master Plan).

Precinct A3 current access is from Alexanders Road, Morwell. As development of this precinct occurs in the longer term, it is unlikely that access from Alexanders Road will be granted due to the requirement to cross the rail line which runs adjacent to Alexanders Road. An 'at grade' crossing of this rail line is unlikely to be supported.

Options for access need to be considered, one option is to provide access from development of Precincts A2 or B1/B2. An indicative connector road is shown which may be able to facilitate the development of the lot.

Following discussions with the DOT, access to Precinct B1 from the Princes Highway will require further consideration about design, location and feasibility of an intersection within proximity of the Freeway interchange. Access via the proposed connector road may provide access to the site; however, this is only achieved through other land holdings. Further consideration around the intersections within Precincts A1, A2, A3, B1 and B2 will be required.

The development of some of these precincts may be reliant in the longer term on the Traralgon Bypass being developed.

#### Precinct B3, C and D

There are existing signalised intersections which provide access for Precincts B3, C and D from the Princes Highway. Local road networks may require upgrades as development progresses, including possible connector road upgrades to Village Avenue, Valley Drive and Airfield Road.

#### Precinct E, F and I

The Development of Precinct E and the proposed Neighbourhood Activity Centre (NAC) (subject to meeting residential population catchment) will require a signalised intersection at the corner of Bradford Drive and Princes Highway. This intersection will also benefit the existing development in Precinct F and proposed residential development in Precinct I.

The intersection would be required in the short to medium term, but would be dependent on the Development of both the NAC at Precinct E and residential development at Precinct I.

The signalised intersection will be dependent on VicRoads approval.

A further long term intersection has been identified at the corner of Northern Avenue and Princes Highway where Precincts E, I and D intersect. Further discussions will be required with DOT about design, location and feasibility of an intersection. The distances and appropriate location of intersections will need to be discussed further with the DOT at the time of development. The recommendations from the traffic analysis completed as part of the MTEC Investment Master Plan states that:

*Additional signalised intersections on Princes Highway, with a recommended spacing of at least 800m in accordance with VicRoads current practices for access to a higher order arterial road, can be considered once the bypass opens.*

This intersection would only be required once traffic movements have reached a saturation point and Precincts E and I are reaching their full development potential. The full development of Precinct E and I in the longer term are reliant on the Traralgon Bypass.

Precinct F is an existing developed site. There is some potential for further development within this precinct which may require upgrades to access from the Princes Highway. This upgrade would be subject to planning permit conditions.

## Firmins Lane Precinct

The Firmins Lane precinct has three arterial roads being Firmins Lane, Tramway Road and Monash Way, Morwell which are identified by the Road Zone, Category 1 Zone. All other roads within the precinct are local access streets.

The local road network can be managed in most instances as development occurs.

The development of this industrial precinct provides a great opportunity for Morwell to capitalise on its strengths in engineering and manufacturing and attract new and expanding businesses looking for a skilled workforce and sites with great road and rail connections to distribution networks in Melbourne and the Ports.

The size of the precinct and its proximity to the Principal Freight Network, including the Princes Freeway, a national freight route and Gippsland Rail Line, supporting rail freight direct to Port of Melbourne, combine to make this a very attractive site for future uses.

To attract industrial and commercial businesses and really leverage the site's strengths, roads within the precinct should be designed specifically to cater for High Mass & High Productivity Freight Vehicles such as B-Triples and A-Doubles (refer *National Heavy Vehicle Regulator Common Heavy Freight Vehicle Configurations*).

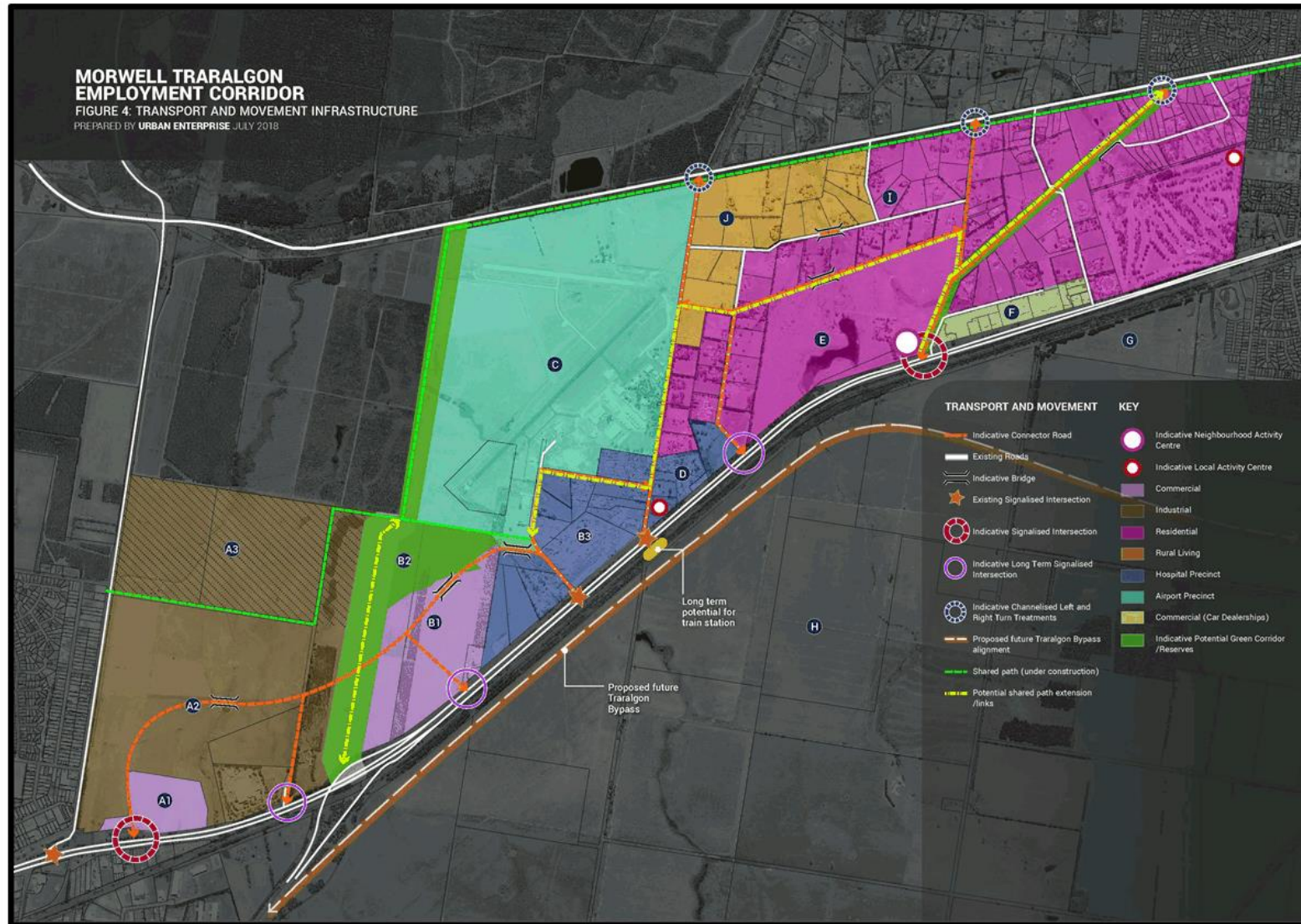
Further discussions with the DOT have requested that the VPA Precinct Structure Plans Notes, Our Roads: Connecting People is applied to the plan, which would require a 1.6km arterial road grid. The arterial road grid within the Firmins Lane Precinct consists of Monash Way, Firmins Lane, and Tramway Road (Morwell). There is approximately 850m between Monash Way / Firmins Lane and Tramway Road and Firmins Lane Precinct. As a preference, DOT have indicated that they have a preferred spacing of 1.6km between any intersections.

There are existing intersections and access points which exist along Monash Way and Tramway Road. Distances from proposed short, medium and long term intersections will require further discussions with DOT. Further discussion is required about the functionality and design around the roundabout at Fourth Road and Tramway Road prior to further development.

The DOT have also indicated that service roads should be provided only to Tramway Road.



Figure 12 – Transport and Movement Infrastructure



## TIMING / STAGING

### Sewer

Based on the data received by Latrobe City Council from Gippsland Water, sewer capacity, especially within the Gippsland Water Factory has been a significant concern. Therefore, an analysis and estimate on when the Gippsland Water Factory's capacity for sewer would be likely impacted has been undertaken by Latrobe City Council based on data provided by Gippsland Water.

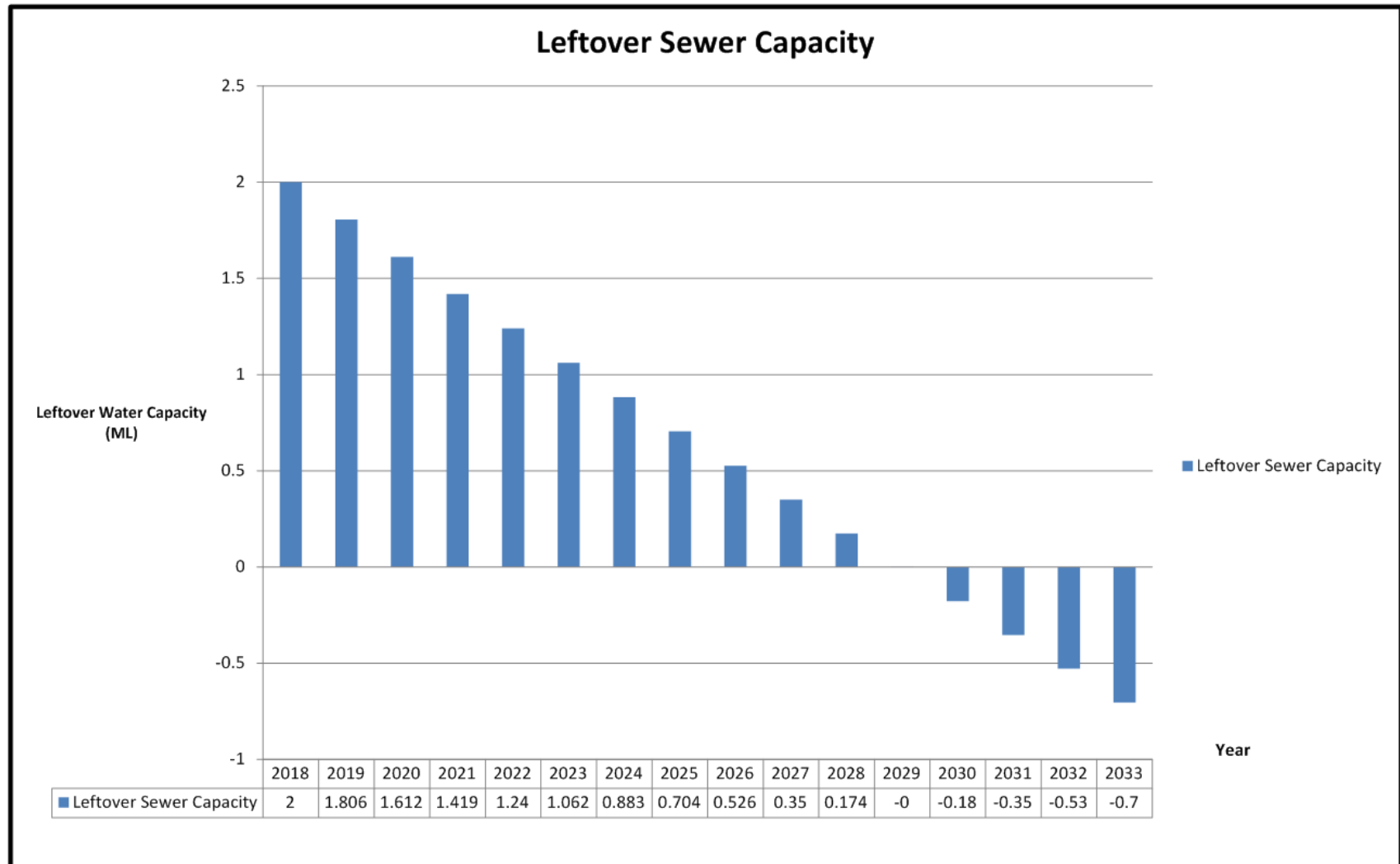
Figure 13 shows an estimate of leftover sewer capacity based on development of residential, commercial and industrial land. The initial analysis estimates that without intervention by Gippsland Water sewer capacity will be exhausted by 2029. This analysis is based on several assumptions:

- Residential growth based on Victoria in Future (2016) predictions
- Approximately 119 new commercial businesses will be established in the estimated floor space predicted by MTEC Investment Master Plan. This equates to 7.9 new connections per year.
- For industrial land, data from the Industry and Employment Strategy 2019 has been used. That approximately 3.875ha of land per annum is used to establish industrial businesses based on land consumption in 2012-2015.
- This capacity assumes that no heavy industrial user, i.e. a National Foods, establishes.

The analysis suggests that rezoning of land could be supported in the short – term. However, significant investment and planning is required by Gippsland Water on the future Sewer capacity in Latrobe City Council before further rezoning of land is undertaken as part of the MTEC Investment Master Plan.



Figure 13 – Estimated Leftover Sewer Capacity



## Water

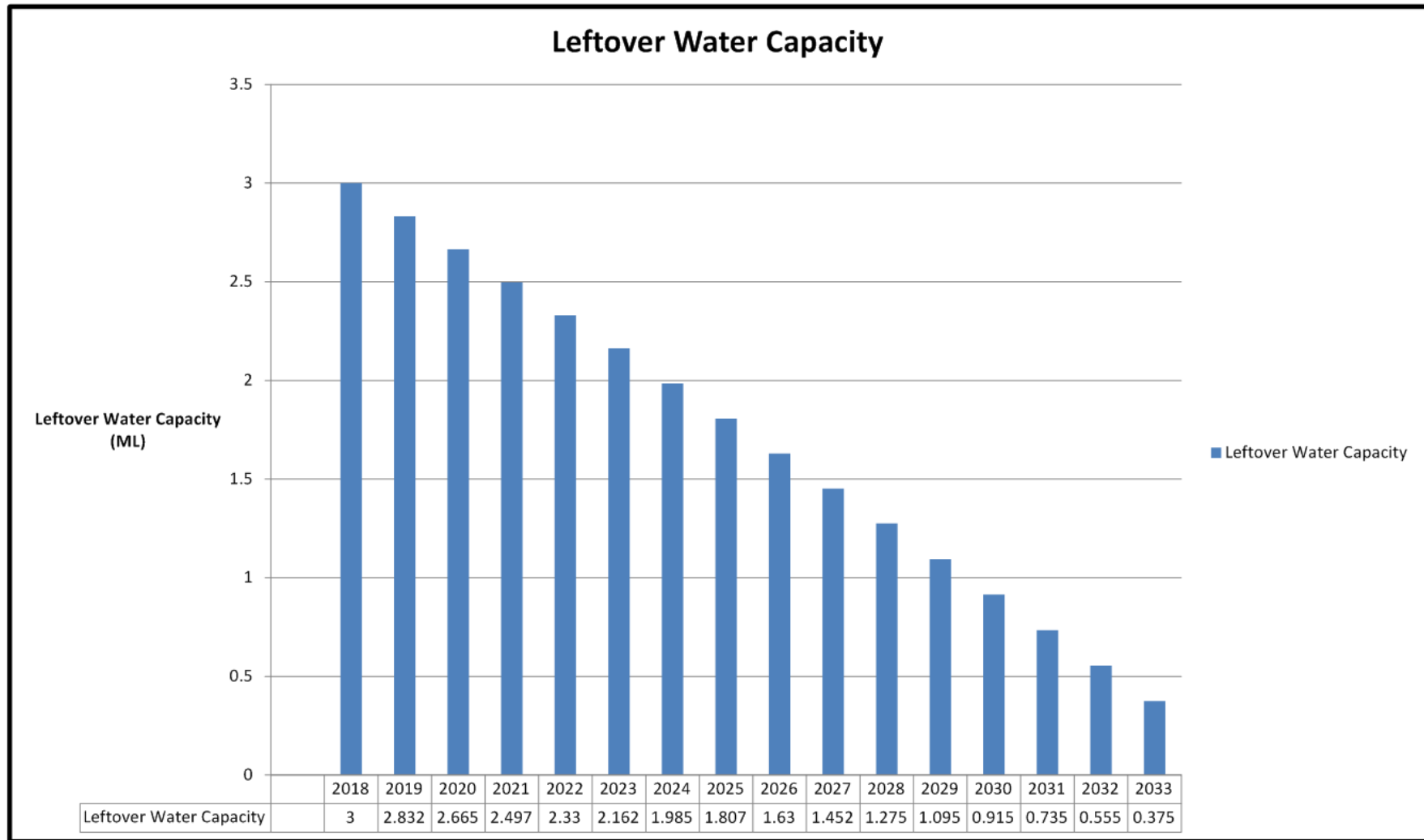
Based on the data received by Latrobe City Council from Gippsland Water, water capacity, especially within the Morwell WTP has been a concern. Therefore, an analysis and estimate on when the WTP capacity for water would be likely impacted has been undertaken by Latrobe City Council based on data provided by Gippsland Water.

Figure 14 shows an estimate of leftover water capacity based on development of residential, commercial and industrial land. The initial analysis estimates that without intervention by Gippsland Water, water capacity will be low by 2033 and almost exhausted. This analysis is based on several assumptions:

- Residential growth based on Victoria in Future (2016) predictions
- Approximately 119 new commercial businesses will be established in the estimated floor space predicted by MTEC Investment Master Plan. This equates to 7.9 new connections per year.
- For industrial land, data from the Industry and Employment Strategy 2019 has been used. That approximately 3.95ha of land per annum is used to establish industrial businesses based on land consumption in 2012-2015.

The analysis suggests that rezoning of land could be supported in the short term. However, significant investment and planning is required by Gippsland Water on the future water capacity in Latrobe City Council before further rezoning of land is undertaken as part of the MTEC Investment Master Plan.

Figure 14 – Estimated Leftover Water Capacity



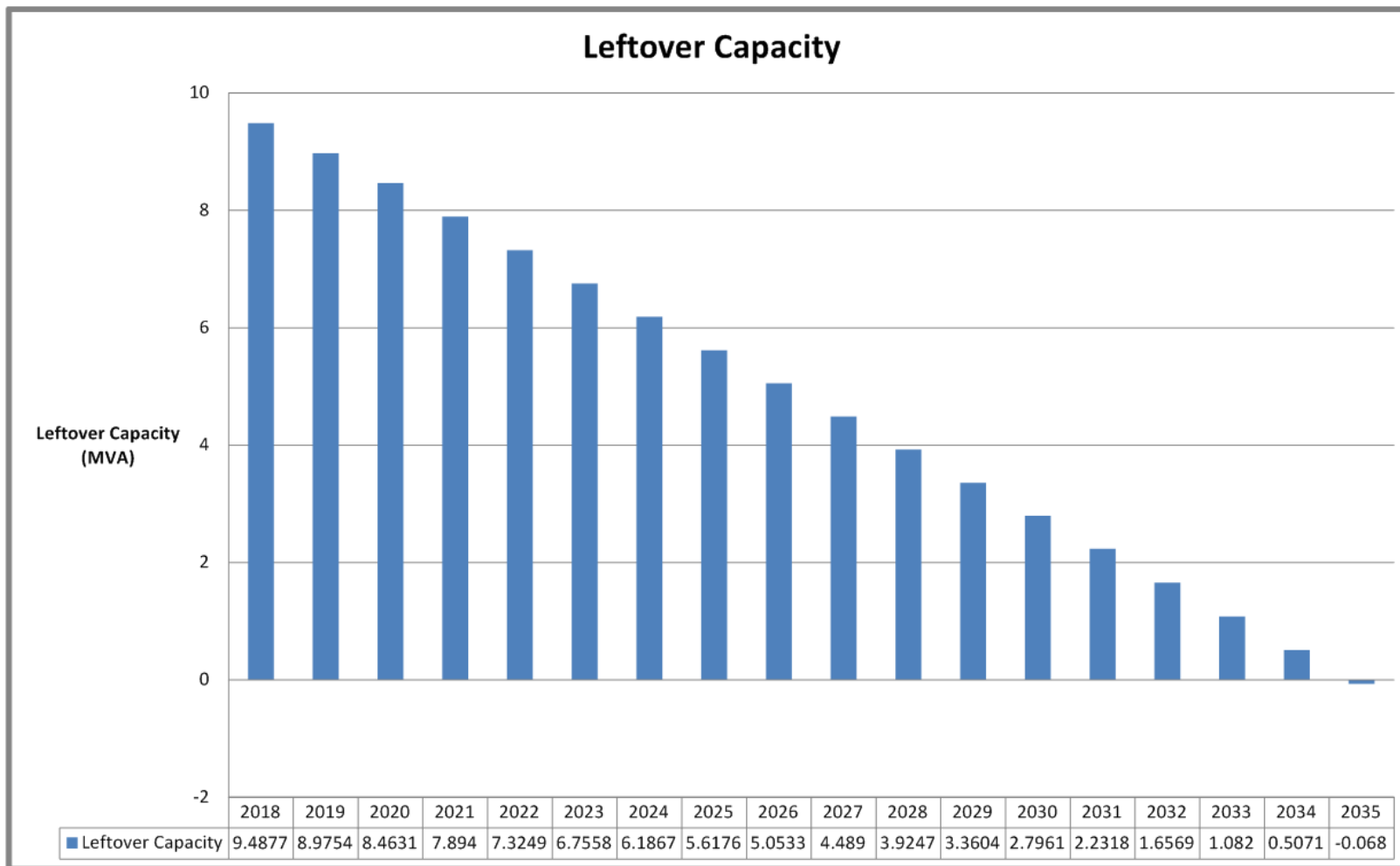
## Electricity

Based on the data received by Latrobe City Council from SP Ausnet, electricity capacity, especially within the Morwell Zone Substation has been a concern. Therefore, an analysis and estimate on when the Morwell Zone Substation capacity for electricity would be likely impacted has been undertaken by Latrobe City Council based on data provided by SP Ausnet.

Figure 15 shows an estimate of leftover water capacity based on development of residential, commercial and industrial land. The initial analysis estimates that without intervention by SP Ausnet, water capacity will be low by 2035 and almost exhausted. This analysis is based on several assumptions:

- Residential growth (Churchill and Morwell) based on Victoria in Future (2016) predictions
- That approximately 119 new businesses will be established in the estimated floor space predicted by MTEC Investment Master Plan. This equates to 7.9 new connections per year.
- That approximately 3 industrial businesses establish each year, this is based on past sale of industrial land over the last 10 years. This assumes a low growth rate.

The analysis suggests that rezoning of land could be supported in the short term. However, significant investment and planning is required by SP Ausnet on the future water capacity in Latrobe City Council before further rezoning of land is undertaken as part of the MTEC Investment Master Plan.



## Gas Servicing and Pipelines

As part of the development of land, APA VTS will require a SMS to be prepared, this affects both MTEC and Firmins Lane Precinct. Latrobe City Council is participating as part of a pilot project with Energy Safe Victoria and gas pipeline licensees where a municipal wide SMS will be completed. The aim of this project is to have certain criteria which identifies clearly where development could occur and potentially eliminate the need for landowners to complete individual SMS for their land if they comply with the criteria.

### **Morwell to Traralgon Employment Corridor**

Advice from both APA Networks and APA VTS suggest that there are significant supply constraints for the MTEC. If gas is required for the development of the MTEC, further work, construction of new assets and costs will be required.

Depending on existing capacity these constraints have potential delays for the development of all precincts, including the proposed hospital expansion (Precinct B3), Latrobe Regional Airport (Precinct C) development and development around Precincts A1 and A2.

### **Firmins Lane Precinct**

Advice from both APA Networks and APA VTS suggests that there is capacity within the existing trunk infrastructure to support development in the short to medium term.

## Flooding and Waterways

### **Flooding**

Latrobe City Council has commenced planning for the Waterhole Creek Flood Study which will review both the MTEC and Firmins Lane Precinct. It is expected that this project will be complete by December 2019. There is a possibility that new flooding data may be available for the precinct and some developable areas may change. However, it is not expected that entire precincts will not be able to be developed, therefore rezoning of land could commence for specific areas within the short term.

### **Waterways**

The impact, treatment and location of waterways will need to be considered and managed as part of a planning permit application for development. There is no foreseeable impact that would delay the development of any precinct as long as due consideration was given to the waterways to meet requirements of the Latrobe Planning Scheme and WGCMA.

## Stormwater

The treatment, design and location of stormwater infrastructure can be considered and managed as part of a planning permit application for development. There is no foreseeable significant impact that would delay the development of any precinct.

Ideally, an Integrated Stormwater Management Strategy would be beneficial for the entire MTEC and Firmins Lane Precincts to minimise retarding basins and other infrastructure to be maintained by Latrobe City Council. However, it is not a requirement prior to development.



## Roads

### **Morwell to Traralgon Employment Corridor**

Precincts A1 and A2 require the construction of the signalised intersection; a planning permit has been issued for this site. However, concerns the cost of infrastructure for this precinct, including the intersection has been a concern for the landowner, Council and Government agencies in attracting business to the location.

A Council resolution in March 2018 indicated that this site is the highest priority for creating jobs for the future. The funding of infrastructure continues to stall development within this precinct.

Further discussions are required with the DOT regarding precincts traffic movements, intersection requirements and locations are required for the precinct. The DOT preference for 1.6km signalised traffic intersection separation distance within this corridor is not achievable due to existing intersections and access points. In particular, long term intersections at Precincts B1 and E/I require detailed consideration of design, feasibility and location moving forward.

Long term intersections are identified in the MTEC Investment Master Plan and are reliant on the delivery of the Traralgon bypass. Delay in the construction of the bypass could mean that precincts A3, B1, B2, E, and I could have delays in rezoning and development potential.

### **Firmins Lane Precinct**

The Firmins Lane Precinct will require standard consideration of traffic, intersections and road network at the time of development, including a Traffic Impact Assessment, concept plans and works in accordance with VicRoads standards. A Service Road could be achieved, in particular east of Tramway Road and north of Porters Road should be able to meet service road requirements.

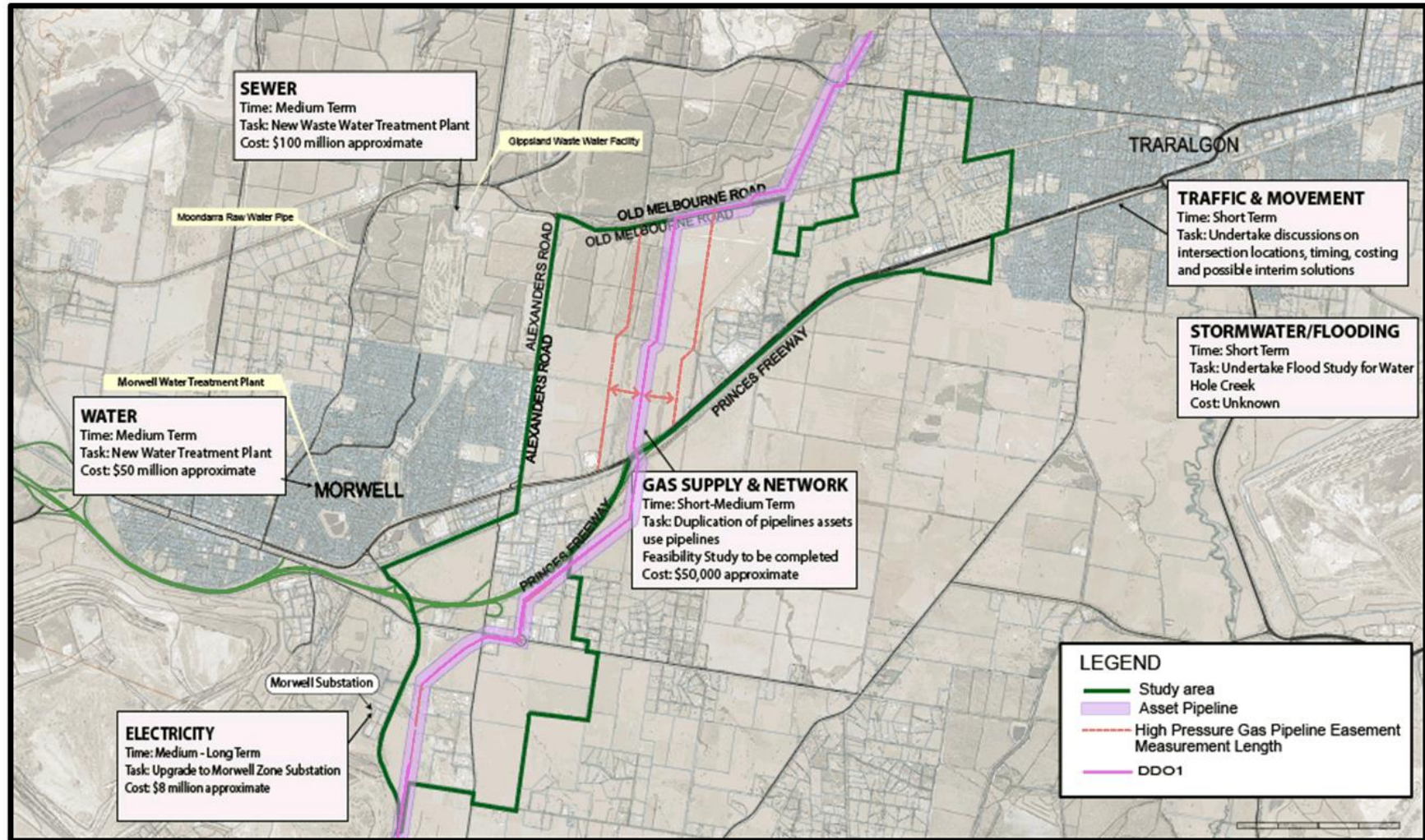
## CONCLUSION

Since 2016, Latrobe City Council has been advocating with the State Government, Local agencies and authorities around servicing of infrastructure within the municipality. The MTEC and Firmins Lane Precincts are essential to business, job and population growth within the municipality.

The servicing highlights that in the short term further rezoning of land within the MTEC could be supported. However, in the medium - longer term, significant constraints to the development of land with both the Firmins Lane and MTEC precinct will exist. See Figure 16 for key infrastructure items and likely constraints.

This Servicing Strategy recommends a series of actions to be undertaken to ensure development and investment within these two important precincts can continue.

Figure 16 – Key infrastructure items and constraints



## RECOMMENDATIONS

### Overall

1. Support the rezoning of Precincts B3 and D (Health Precinct) in the short term to facilitate development around existing infrastructure.
2. Latrobe City Council to continue to advocate with State Government, the Latrobe Valley Authority and other key agencies around funding and a funding mechanism for infrastructure..
3. Latrobe City Council to investigate alternate funding options for the delivery of key infrastructure items that sit outside a Development Contribution Plan / pioneer developer process.

### Sewer & Water

4. Latrobe City Council continues to advocate to Gippsland Water on pre-planning for the increase in capacity in both Sewer and Water infrastructure.
5. Latrobe City Council supports any funding bid by Gippsland Water to increase capacity in both sewer and water infrastructure in Latrobe.

### Electricity

6. Latrobe City Council advocates to SP Ausnet on pre-planning for the increase in capacity in electricity infrastructure.
7. Latrobe City Council supports any funding bid by SP Ausnet to increase capacity in electricity infrastructure in Latrobe.

### Gas Servicing and Pipelines

8. Meet with key stakeholders (including APA Networks and APA VTS, Latrobe Regional Hospital, Latrobe City Council, key landowners in Precincts A1, A2 B3 and D) to discuss gas servicing issues and identify whether landowners could work together in the preparation of a feasibility study for the area.
9. Latrobe City Council to continue to participate in the Gas Pipeline pilot project and ensure the Safety Management Strategy and any proposed changes addresses issues about development potential around the gas pipeline.

### Flooding and Waterways

10. Undertake the Waterhole Creek Flood Study to better understand flooding constraints within the Firmans Lane and MTEC Precincts.

## Stormwater

11. Consider the preparation an Integrated Stormwater Management Strategy for both precincts minimise retarding basins and other infrastructure to be maintained by Latrobe City Council.
12. Ensure the preparation of Stormwater Management Strategies are prepared for Precincts E and I, B1 and A3 as part of an identified Precinct Structure Plan, Development Plan or Planning Permit process, whichever is relevant.

## Roads

13. Discussion with key stakeholder including Department of Transport, Latrobe Valley Authority and DELWP are required regarding proposed traffic routes, intersection location, interim measures and contributions are required on both MTEC and Firmins Lane Precinct.
14. Discussions with landowners in Precincts A1, A2, A3, B1 and B2 regarding proposed intersections need to be undertaken as part of recommendation 11.
15. Latrobe City Council to continue to advocate with Department of Transport regarding the construction of the Traralgon Bypass.

**Submission 1**

**From:** [Michael.Johnstone@gippswater.com.au](mailto:Michael.Johnstone@gippswater.com.au)  
**To:** [Lorrae.Dukes](mailto:Lorrae.Dukes)  
**Cc:** [Paul.Young@gippswater.com.au](mailto:Paul.Young@gippswater.com.au)  
**Subject:** RE: AMENDMENT C115 (MORWELL TO TRARALGON EMPLOYMENT CORRIDOR) TO THE LATROBE PLANNING SCHEME - NOTICE OF PREPARATION OF AN AMENDMENT  
**Date:** Monday, 17 June 2019 9:03:12 AM

---

Hi Lorrae,

Gippsland Water has assessed the proposed planning scheme amendment and has no objection to C115.

Kind Regards,

**Michael Johnstone**

Senior Strategic Planning Engineer

Gippsland Water

PO BOX 348 Traralgon Vic 3844

T 03 5177 4774

M 0484 133 939

E: [michael.johnstone@gippswater.com.au](mailto:michael.johnstone@gippswater.com.au)

W: [www.gippswater.com.au](http://www.gippswater.com.au)

FB: [www.facebook.com/gippslandwater](https://www.facebook.com/gippslandwater)

Twitter: @gippswater

**Subject: AMENDMENT C115 (MORWELL TO TRARALGON EMPLOYMENT CORRIDOR) TO THE LATROBE PLANNING SCHEME - NOTICE OF PREPARATION OF AN AMENDMENT**

Dear Gippsland Water,

**AMENDMENT C115 (MORWELL TO TRARALGON EMPLOYMENT CORRIDOR) TO THE LATROBE PLANNING SCHEME - NOTICE OF PREPARATION OF AN AMENDMENT**

Latrobe City Council has prepared Amendment C115 to the Latrobe Planning Scheme. The amendment affects land located immediately north of the Princes Highway between the urban areas of Morwell and Traralgon. The amendment proposes to implement and facilitate the directions set out within the *Morwell Traralgon Employment Corridor Investment Masterplan - August 2018* (the Masterplan) by rezoning land identified as short term within the first stage of the Amendment to facilitate development around the Latrobe Regional Hospital for a health precinct.

Attached to this email is the formal notice of the amendment which is being sent in accordance with Section 19 of the *Planning & Environment Act 1987*. A copy of the explanatory report and fact sheet is also provided for your convenience.

Please note that the closing date for a written submission is Monday 15 July 2019. A submission must be sent to Lorrae Dukes, Coordinator Strategic Planning of Latrobe City Council, PO Box 264 Morwell VIC 3840.





The Authority can provide further information regarding any proposed development adjacent to a waterway in response to a planning permit application referred by the Latrobe City Council in accordance with the Planning and Environment Act 1987.

The Authority **does not object** to the proposed Amendment C115, and we look forward to working with Latrobe City Council to facilitate appropriate development within the subject land.

Should you have any queries, please do not hesitate to contact Penny Phillipson on 1300 094 262. To assist the Authority in handling any enquiries please quote **WG-F-2017-0479** in your correspondence with us.

Yours sincerely,



**Adam Dunn**  
**Statutory Planning Manager**

The information contained in this correspondence is subject to the disclaimers and definitions attached.

**Definitions and Disclaimers**

1. The area referred to in this letter as the 'proposed development location' is the land parcel(s) that, according to the Authority's assessment, most closely represent(s) the location identified by the applicant. The identification of the 'proposed development location' on the Authority's GIS has been done in good faith and in accordance with the information given to the Authority by the applicant(s) and/or the local government authority
2. While every endeavour has been made by the Authority to identify the proposed development location on its GIS using VicMap Parcel and Address data, the Authority accepts no responsibility for or makes no warranty with regard to the accuracy or naming of this proposed development location according to its official land title description.
3. **AEP** as Annual Exceedance Probability – is the likelihood of occurrence of a flood of given size or larger occurring in any one year. AEP is expressed as a percentage (%) risk and may be expressed as the reciprocal of ARI (Average Recurrence Interval).

Please note that the 1% probability flood is not the probable maximum flood (PMF). There is always a possibility that a flood larger in height and extent than the 1% probability flood may occur in the future.

4. **AHD** as Australian Height Datum - is the adopted national height datum that generally relates to height above mean sea level. Elevation is in metres.
5. **ARI** as Average Recurrence Interval - is the likelihood of occurrence, expressed in terms of the long-term average number of years, between flood events as large as or larger than the design flood event. For example, floods with a discharge as large as or larger than the 100 year ARI flood will occur on average once every 100 years.
6. Nominal Flood Protection Level – is the minimum height required to protect a building or its contents, which includes a freeboard above the 1% AEP flood level.
7. No warranty is made as to the accuracy or liability of any studies, estimates, calculations, opinions, conclusions, recommendations (which may change without notice) or other information contained in this letter and, to the maximum extent permitted by law, the Authority disclaims all liability and responsibility for any direct or indirect loss or damage which may be suffered by any recipient or other person through relying on anything contained in or omitted from this letter.
8. This letter has been prepared for the sole use by the party to whom it is addressed and no responsibility is accepted by the Authority with regard to any third party use of the whole or of any part of its contents. Neither the whole nor any part of this letter or any reference thereto may be included in any document, circular or statement without the Authority's written approval of the form and context in which it would appear.
9. The flood information provided represents the best estimates based on currently available information. This information is subject to change as new information becomes available and as further studies are carried out.
10. Please note that land levels provided by the Authority are an estimate only and should not be relied on by the applicant. Prior to any detailed planning or building approvals, a licensed surveyor should be engaged to confirm the above levels.

**From:** Shanra Ingleman  
**To:** Latrobe Central Email  
**Date:** 24/06/2019 10:04:08 AM  
**Subject:** Attention: Strategic Planning

**Submission 3**

To whom it may concern,

I am writing with regard to the proposed amendment C115 Latrobe planning scheme.

My partner and I currently reside at [REDACTED]. We purchased this property together (our first purchased home) in only March THIS YEAR. You must understand our devastation with being informed a few short weeks after settlement, that the very street we had purchased on would also be used for developing a drug rehabilitation clinic!!!! If we had any idea that this was planned to occur, there is ABSOLUTELY NO WAY we would've agreed to this purchase. As a young couple striving for a rural forever home safely out of town, we would never feel comfortable starting a family nearby a rehabilitation clinic! :(

We also feel as though we should point out that saving for this property (being 5 acres) was an uphill battle for two low income earners, and this 'development' will result in the immediate depreciation of value of our home that we worked so hard to save for. In short, we feel absolutely subjugated.

We understand the reasoning of the council's decision to develop in this location, but ABSOLUTELY NO-ONE in this street that I have spoken to, approves of nor authorizes the advancement of this planning scheme. And above all else, we feel used, betrayed and taken advantage of by being permitted no input prior to the public disclosure of this scheme.

The fact that we (the residents of Northern Avenue) were informed of this notion at the same time as the general public (through social media outlets) is just not good enough, nor professional in it's implementation. If a petition against this development is necessary, then I'm sure each and every nearby resident (including their families) will feel compelled to take action against this development and will all defend our rights to the best of our ability by doing so.

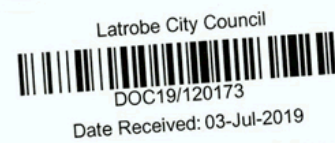
To be fair to the residents of this street, the development of the rehabilitation center should absolutely be reconsidered and redirected to an alternative location and developed with PERMISSION of any nearby residents that may be affected by its development.

With consideration to the rest of the planning scheme, we have no further issues with the suggested developments.

If there are any further inquiries necessary for discussion, please don't hesitate to contact us via e-mail or phone [REDACTED].

Respectfully,  
Shanra Ingleman and Gregory Bright



**Submission 4 A**

29<sup>th</sup> June 2019

Latrobe City Council

Strategic Planning Department

Commercial Rd. Morwell 3840

Ken Ludlow

Traralgon 3844

**Re: C115 Morwell – Traralgon Employment Corridor**

Dear Madam/Sir

I write to you with concerns relating to the Morwell – Traralgon Employment Corridor.

First let me say that the concept relating to the Employment Corridor will hopefully employ many more people in the health area.

I attended a meeting with the Council Planning Officers relating to this project.

I have since learned that the Council Planning Officers are saying that the only development at present is the subdivision of present 5 or 10 acre block into two separate blocks and they are continually looking at ways to develop this area into conventional residential blocks with land sizes below 1000 sq.m.

I believe there is a ten lots of one acre blocks presently being developed in Alamere Dr.

To enforce all future development in this area to develop conventional residential blocks is not good for Council or people who wish to subdivide their properties or live in this area for the following reasons:

1. It is financially impossible for owners of 5 acre lot to subdivide their land into 1000 sq m residential blocks, the owner would need to supply town sewage (very expensive considering pumping stations, easements, access) footpaths, sealed roads, underground power, gas and water. The returns would not there.
2. It would be very difficult for a group of 5 acre owners to organise in to a syndicate to develop the land, not all owners would think the same. Some would have financial problems raising the money to develop and others would not wish to do so.
3. Some owners in the area identified in C115 have been allowed to develop their 5 acre into blocks down to 4000 sp.m (one acre). Some of these blocks are one, two and three acres in size. There have been many houses built on these blocks. If future planning is for residential blocks, there is going to be a mismatch mixture of block sizes.
4. To think that a developer is going to purchase a number of 5 acre lots to develop into residential blocks simply will not happen. There will be people who are keen to sell and there will be people who will not want to sell and dig in. To develop larger holdings such as Hollydale would make it financially viable and good planning.

5. There has been no plan for schools which is a necessity for residential living, people will have to drive their children to schools. I believe the property known as 90 Coonoc Road has been earmarked as a green zone (not shown on the Morwell – Traralgon Employment Corridor). Who is going purchase this property? Will a developer be forced to purchase or contribute to making it into a green zone? This would further add to the costs and complication of developing residential blocks. Not practical.
6. There are many people who would like to have a much larger block to live on rather than the normal residential building block. There been an opportunity for people to purchase a one acre lot close to town, if this changes to conventional residential building block, this opportunity will be lost. Presently there are very few acre allotment for sale. The subdivision at Margies Pl. on the north side of Melbourne road, all blocks have been sold and presently being developed.

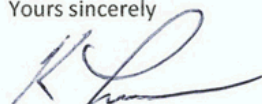
**Conclusion:** It is not financially practical for small land owners who wish to develop their 5 acre block into residential blocks. To think that a developer will come in and purchase a number of properties to develop is also not practical or financially viable. Dealing with a group of owners who have different agendas is difficult. Issues such as sewerage pumping station, easements, footpaths and roads are expensive and not viable for small subdivisions on a 5 acre allotment.

It is far easier and practical to develop a large parcel of greenfield land such as Hollydale, than to develop previously subdivide land that has been subdivided into 5 or 10 acre lots. This previously subdivided land now has houses and sheds built on this land.

At present there are many ten, five and one acre allotments C115. It does not make sense to try to include conventional residential blocks (except for large development such as Hollydale). It would be a mismatch of blocks and living areas. There is presently many conventional residential lots on the edge of Traralgon and lots of land identified for future development. This area C115 should be developed into one acre (4000 square metre allotments). There are people who wish to live on such allotments and don't mind the short drive into town. It gives people the option to choose conventional residential allotments or one acre allotments.

Thank you for reading my paper.

Yours sincerely



Ken Ludlow



**Submission 4B**

14<sup>th</sup> August 2019

Latrobe City Council

Strategic Planning Department

Commercial Rd. Morwell 3840

Ken Ludlow

Traralgon 3844

**Re: C115 Morwell – Traralgon Employment Corridor**

Dear Madam/Sir

I wrote to you on 29<sup>th</sup> June 2019 with concerns relating to the Council rezoning the land into small residential blocks less than 1000 square meters.

Yesterday a plane (crop duster) took off from the Latrobe Valley Airport bound for Coffs Harbour then to New Zealand. It had engine problems and had to do a forced landing, it landed in my front paddock still upright and the pilot walked away uninjured. The only damage was to the plane, fences and a power line.

The council is proposing to rezone our land in residential building lots. Had our land been developed into residential blocks with houses the damage to houses and injuries to people would have been horrific if a plane had to make a force landing, as it did yesterday.

If the land had been developed into larger 4000 square meter building blocks which had been developed, there would have been much less damage to houses due to being greater spaced than if residential, if a plane had to have a forced landing.

About two years ago another plane made a forced landing in a paddock at Hollydale. Hollydale is also proposed to rezoning into residential blocks.

Aeroplanes need some distance to climb to a safe altitude after taking off from any airport.

Thank you for reading my paper.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ken Ludlow', written over a horizontal line.

Ken Ludlow

**From:** Kraft, Kate  
**To:** Latrobe Central Email  
**Date:** 21/06/2019 2:52:29 PM  
**Subject:** Latrobe City Council Planning Scheme Amendment C115

**Submission 5**

Attention: Louise Rosser  
Latrobe City Council  
PO BOX 264  
MORWELL VIC 3840

Please find attached VicTrack's response to C115,

Regards

**Kate Kraft**

Planning Manager  
Property Group

Level 8, 1010 La Trobe St Docklands VIC 3008

T +61 3 9619 0222

M 0466 859 271

kate.kraft@victrack.com.au

victrack.com.au



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Our Ref: CSM 47428

18 June 2019

Attention: Louise Rosser  
Latrobe City Council  
PO BOX 264  
MORWELL VIC 3840

**Emailed to: [latrobe@latrobe.vic.gov.au](mailto:latrobe@latrobe.vic.gov.au)**

Dear Louise

**Latrobe City Council Planning Scheme Amendment C115  
Morewell to Traralgon Employment Corridor**

We refer to Council's correspondence dated 12 June 2019 notifying VicTrack of Amendment C115 to the Latrobe Planning Scheme.

We understand that the amendment proposes to implement and facilitate the directions set out within the Morwell Traralgon Employment Corridor Investment Masterplan 2018.

We have reviewed the amendment documentation in the context of the site and the rail corridor.

We note that plans show 'future train station' which Council would be required to work in consultation with the Department of Transport to implement.

VicTrack wishes to advise that any proposed rezoning shown does not impact on VicTrack land, existing rail operations or future network development.

On this basis, VicTrack has no objection to the amendment.

Should you have any queries, please contact me on 03 9619 0222 or [kate.kraft@victrack.com.au](mailto:kate.kraft@victrack.com.au).

---

**VicTrack**

Level 8, 1010 La Trobe St Docklands VIC 3008  
GPO Box 1681 Melbourne VIC 3001  
T 1300 VICTRACK (1300 842 872)  
[victrack.com.au](http://victrack.com.au)

**VicTrack**

Yours sincerely



**KATE KRAFT**  
Planning Manager

---

**VicTrack**



**Submission 6**

**Latrobe City** ABN 92 472 314 133  
**Telephone** 1300 367 700  
**Facsimile** (03) 5128 5672  
**TTY** (03) 5135 8322  
**Post to** PO Box 264 Morwell 3840  
**Email Address** latrobe@latrobe.vic.gov.au  
**Internet** www.latrobe.vic.gov.au  
**AUSDOC** DX217733

**Submission to Amendment C115 - MTEC**

Name: Ruben and Rebeca Diaz

.....

Address... [REDACTED]

.....

Phone Number... [REDACTED]

.....

Email Address... [REDACTED]

.....

Your views on the amendment (support or object):

After reading and discussing the (C115) amendment provided by the Latrobe Council, we would like to endorse the proposed Morwell To Traralgon employment corridor scheme. We believe it will enhance the growth and employment opportunities between the two towns. The proposed different zones will also accommodate diverse growth, which will give certainty and opportunities to the existing land holders. In the past, there were similar proposals to these ones, but they never came to fruition. We hope that this proposal will be fully endorsed and presented to the minister as soon as possible.



## Department of Environment, Land, Water & Planning

### Submission 7

11 July 2019

Steven Piasente  
Chief Executive Officer  
Latrobe City Council  
PO Box 264  
**MORWELL VIC 3840**

71 Hotham Street  
Traralgon Victoria 3844  
Australia  
Telephone: +61 3 5172 2111  
Facsimile: +61 3 5172 2100  
[www.delwp.vic.gov.au](http://www.delwp.vic.gov.au)  
DX 219284

Our ref: SP468254  
Your ref: C115

Dear Steven

Thank you for your correspondence dated 12 June 2019 in respect of Planning Scheme Amendment C115, which was referred to the Minister for Energy, Environment and Climate Change, as the Minister responsible for administering the *Conservation, Forests and Lands Act 1987* and the Minister for Water as the Minister responsible for administering the *Water Act 1989*, pursuant to section 19(1)(c) of the *Planning and Environment Act 1987*. The correspondence was received on 12 June 2019.

The land affected by the Amendment is land located immediately north of the Princes Highway between the urban areas of Morwell and Traralgon, referred to as the Morwell to Traralgon Employment Corridor (MTEC).

The Amendment proposes to:

- Rezone land in Precinct B3 and D in the Masterplan north of the Princes Highway surrounding the Latrobe Regional Hospital, also additional land at 5021 and 5023 Princes Highway Morwell and Lot 10 LP 94411 Northern Avenue, Traralgon from Rural Living Zone Schedule 5 to Special Use Zone Schedule 9 (excluding properties publicly owned);
- Rezone land at Village Avenue, Traralgon L16 LP67735, 9 Village Avenue, Traralgon L 19 LP67735, 40 Village Avenue, Traralgon CA 2032 and 45 Valley Drive, Traralgon L 5 LP 67735 from Rural Living Zone Schedule 5 to Public Use Zone 3;
- Insert at Clause 37.01 a new Special Use Zone Schedule 9 related to the development of the Health precinct and complementary uses;
- Amend at Clause 37.01 Special Use Zone Schedule 2 to facilitate development of Precinct F for Car Sales;
- Amends Clause 21.01 to update the Strategic Land Use Framework Plan to implement to recommendations of the Masterplan;
- Amend Clause 21.02 (Housing and Settlement) and 21.07 (Economic Development), to include key strategies and objectives to implement the recommendations of the Masterplan;

#### Privacy Statement

Any personal information about you or a third party in your correspondence will be protected under the provisions of the Privacy and Data Protection Act 2014. It will only be used or disclosed to appropriate Ministerial, Statutory Authority, or departmental staff in regard to the purpose for which it was provided, unless required or authorised by law. Enquiries about access to information about you held by the Department should be directed to the Privacy Coordinator, Department of Environment, Land, Water and Planning, PO Box 500, East Melbourne, Victoria 8002





- Amend Clause 21.09 (Local Areas) to include updating to Traralgon West Structure Plan which includes renaming it to the Morwell to Traralgon Structure Plan and including key strategies and objectives to implement the recommendations of the Masterplan; and
- Amends Clause 21.10 Implementation to include the Masterplan as a background document.

The Department of Environment, Land, Water & Planning (DELWP) offers the following comments for consideration:

- DELWP notes that the amendment proposes to implement and facilitate the directions set out within the Morwell Traralgon Employment Corridor Investment Masterplan - August 2018 (the Masterplan).
- The amendment is supported by the desktop assessment Biodiversity Assessment: Morwell-Traralgon Employment Corridor, Traralgon, Victoria (Ecology and Heritage Partners Pty Ltd April 2018). This report references several older ecological and other assessments of the study area, including the assessments Flora values and fauna habitat in the Morwell-Traralgon Corridor, Victoria. Final Report for Latrobe City (Biosis February 2003), and Flora values and fauna habitat of a proposed extension of the Latrobe Regional Airport. Final Report for Latrobe City (Biosis February 2003).

#### Threatened species and communities

- The Ecology and Heritage Partners report discusses the potential ecological and legislative implications associated with the proposed planning scheme amendment. The assessment indicates the Morwell Traralgon Employment Corridor (MTEC) study area has moderate potential to support threatened species and ecological communities listed under the EPBC Act. The report concluded that the project has the potential to support values that if impacted would require approval/permit under the following legislation:
  - Commonwealth Environment Protection and Biodiversity Conservation Act 1999;
  - Victorian Environment Effects Act 1978; and
  - Victorian Planning and Environment Act 1987.
- To address the requirement for permits and approvals the report recommends further surveys to determine the presence of threatened species and ecological communities and assess the extent and quality of native vegetation. DELWP fully supports the recommendation for targeted surveys at an appropriate time of year for:
  - Gippsland Red Gum (*Eucalyptus tereticornis* subsp. *mediana*);
  - Grassy Woodland and Associated Native Grassland;
  - Dwarf Galaxias *Galaxiella pusilla*.
- DELWP recommends targeted surveys for the endangered Grey Billy-buttons *Craspedia canens* as there is a significant population present in the road and rail reserve immediately south of the Princes Highway in the MTEC. DELWP considers this occurrence to have state significance as it is currently the single, recently recorded population in the Gippsland region (Victorian Biodiversity Atlas). Any proposed changes to the road and rail reserve adjacent to the Princes Highway, and/or the proposed new train station could adversely impact on the grassland habitat this species resides in.
- The targeted surveys are recommended at an appropriate time and in consultation with Regional Roads Victoria to occur before the roadside vegetation is slashed for maintenance in summer.

**Land use constraints and conflicts**

- DELWP notes that native vegetation and potential habitat for threatened species in Precinct E, Precinct C and along the southern side of the Princes Highway corridor is listed as a land use constraint in section 2.7 of the Masterplan. It is important to consider the potential land use conflict across the MTEC.
- DELWP notes that the Masterplan makes provision for potential strategic open space reserves and green corridors utilising encumbered land. DELWP supports the inclusion of public open space areas to protect waterways (e.g. the Hollydale property waterway in Precinct E), significant native vegetation and habitat for threatened species. This could be strategically planned to avoid and minimise impact from future changes in land use, particularly where vegetation contained within the road reserve is under consistent threat of further fragmentation and removal. Furthermore, the strategic utilisation and enhancement of these values into open space areas and reserves provides an opportunity to improve their biodiversity value, balanced sustainably with potential recreation and tourism opportunities.
- The Latrobe Regional Airport contains native vegetation that is being utilised as an offset site. The report, Morwell Traralgon Employment Corridor Investment Masterplan – Bushfire planning considerations report (Euca Planning Pty Ltd December 2018), references these offset locations and extent.

The proposed Amendment has been considered by the department on behalf of the Minister for Energy, Environment and Climate Change and the Minister for Water; and generally supports the Amendment.

These comments are submitted without prejudice for the consideration of the Amendment by the Minister for Planning under Section 35 of the *Planning and Environment Act 1987*.

All written correspondence should be sent electronically to [gippsland.planning@delwp.vic.gov.au](mailto:gippsland.planning@delwp.vic.gov.au) or mailed to:

Planning Approvals Gippsland  
Department of Environment, Land, Water & Planning  
71 Hotham Street  
TRARALGON VIC 3844

If you have any queries regarding this matter, please contact Planning Approvals - Gippsland at the department's Traralgon office on (03) 5172 2111.

Yours sincerely



**Ian Morland**  
Senior Program Officer Planning Approvals

**From:** "Craig Bosch"

**To:** Latrobe@latrobe.vic.gov.au

**Submission 8**

**Subject:** Attention: Strategic Planning - Objection to Planning Amendment C115

---

I Craig John Bosch of [REDACTED] wish to formally object to planning amendment C115.

I object on the grounds that this is the first step in a plan to re-zone the vacant land to the North of my property which is currently zoned low density residential, LDRZ.

The vacant land adjoining my property which is now a 2000m<sup>2</sup> block having already being subdivided once has plumbing in ground for a future five residences which is likely to happen if the land is re-zoned.

Such high density housing is totally out of character with the rest of the properties in Alamere drive.

Craig John Bosch  
[REDACTED]

 cid:image001.png@01D53A4B.70930860



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**General**

LGA : LATROBE  
Code : 337  
Locality : TRARALGON  
Parish : TRARALGON  
Code : 3647

**Lot / Plan**

Lot : 7  
Plan : PS537835  
SPI : 7\PS537835  
SPI Code : 101  
PFI : 128000114  
ViewPFI : 128000113  
DescType : 15  
Planning Zone : LOW DENSITY RESIDENTIAL ZONE [LDRZ]

**Property**

LGA: LATROBE  
PropNum: 49623  
Address:    
PropPFI: 128000117  
Area: 3,960m<sup>2</sup>

**Coordinates**

GDA94 : 38°11'50.59"S, 146°30'38.90"E  
MGA94 : 457165, 5772171 (55)  
VicRoads : 98 A5 (ed. 8)

**Submission 9**

**From:** [Yvonne Ayres](#)  
**To:** [Lorae Dukes](#)  
**Subject:** Fw: submission to amendment C115 - MTEC  
**Date:** Monday, 15 July 2019 2:22:00 PM

---

Alan Gibson & Yvonne Ayres  


After looking over the details of the amendment, we think this is a good idea and will help kick start the valley after a terrible period of Hazelwood and Brown & Dureau closing.

Kind Regards  
Alan Gibson  
Yvonne Ayres

## Submission 10

Level 9, 750 Collins Street, Docklands VIC 3008  
GPO Box 5343, Melbourne VIC 3001  
T (03) 9619 5900 F (03) 9619 5000 vline.com.au



15 July 2019

Lorrae Dukes, Coordinator Strategic Planning  
Latrobe City Council  
PO Box 264  
MOREWELL VIC 3840

Dear Lorrae,

**Re: AMENDMENT C115 (MORWELL TO TRARALGON EMPLOYMENT CORRIDOR) TO THE LATROBE PLANNING SCHEME - NOTICE OF PREPARATION OF AN AMENDMENT**

Thank you for seeking V/Line's feedback on *Amendment C115 to the Latrobe Planning Scheme*. Key changes influencing this feedback include provision for the possibility of a new station, extension of the existing hospital precinct and associated health services, and new residential lots along the rail corridor.

The Victorian Government's *Regional Network Development Plan* guides the short, medium and long-term priorities for regional public transport. Presently there are no plans for a new station between Morwell and Traralgon. Proposals for consideration in future planning should be directed to the Department of Transport. It should also be noted that the designated location for the station may not prove to be suitable given engineering and operational considerations.

When developing in vicinity of rail operations consideration should be given to how the railway will interact with the new development and vice-versa, including but not limited to the following.

*Critical inclusion*

1. Safety: Development abutting the rail corridor, and of nearby health services must include (at the proponent's expense) compliant fencing along the rail corridor. This is to mitigate trespassing in the rail corridor, which can negatively impact personal safety and rail operations.

*Other considerations*

2. Noise: Rail corridors operate 24/7 with new infrastructure construction, services and maintenance activities being undertaken throughout the day and night. In considering changing land use near an existing rail corridor it is important rail noise is well understood. While it is easy to imagine the impact of large changes, in some cases small changes can catch people unaware. For example, an increase in traffic may necessitate an upgrade to an existing railway crossing from passive to active protection with lights and bells.
3. Stormwater and drainage: Stormwater drainage or sewage must be directed away from the rail corridor as to do otherwise can impact track stability.
4. Environmental: Landscaping designs must consider the maintainability of the works, it must not encroach on the corridor or create fire fuel loads and vermin havens. It is important that V/Line's access to the corridor is maintained and that train drivers have a clear line of sight.



5. Road / rail interface safety: Based on the information in the document there does not appear to be any new railway crossings. Furthermore, it is unclear if the development will increase the volume of vehicles and pedestrians using existing crossings. For the avoidance of doubt, it is the developer's responsibility to provide a traffic management study which includes rail. Any studies and subsequent upgrades are to be funded outside of V/Line. Planning scheme amendment 18.01-2 of the State Planning Framework states that "design of transport routes must provide for grade separation at railway crossings except with the approval of the Minister for Transport".

If you have any queries regarding this feedback please contact Jeanette Mayes, Manager Strategy and Development on [jeanette.mayes@vline.com.au](mailto:jeanette.mayes@vline.com.au) or 0412 272 255.

Yours sincerely,



**Jonathan McKeown**  
Executive General Manager, Network Development and Integration

**Submission 11**

15 July 2019

Latrobe City Council  
PO Box 264  
MORWELL VIC 3840

**Attention:** Lorrae Dukes, Coordinator Strategic Planning

**RE: Amendment C115 - Morwell Traralgon Employment Corridor**

Dear Lorrae,

Further to our meeting regarding the above, I provide the following submission with regards to Amendment C115.

We are supportive of the amendment as a whole but make the following comments for consideration:

- C115 implements recommendations and findings of the Traralgon Employment Corridor Land Use Masterplan. The Land Use Masterplan identifies the Hollydale site as Strategic Redevelopment Site E, Residential land use, with a drainage reserve and NAC in the south east corner. While the supporting report suggests Hollydale presents medium density opportunities.

It is our contention that the rezoning of this land should be considered as part of this amendment. As the current land supply in Traralgon is limited by the following:

- The drawn-out nature of the Traralgon South PSP due to 90+ landowners. It is unlikely that any land in this area will be released prior to 2025; and
- Infrastructure problems with Traralgon North DP ensures that 145 Marshalls Road is the only parcel which can be developed.

The only land available currently is Cross' Road and 70 blocks at Emerald Waters. The Ellavale East Development Plan is to come online however the developer of this site is actively shopping it to the market so there is no definitive timeline on when this will occur. On this basis, current land supply should be reviewed and adjusted.

- C115 rezones short term opportunity land SUZ, health precinct. This health precinct should provide road connection to Hollydale as per the attached draft masterplan and require the upgrade of the intersection at Northern Avenue.
- C115 adopts the land use masterplan into the local planning scheme. Consideration should be given to including the NAC identified as part of this rezoning.
- In respect to the changes to the SUZ2 within Precinct F, we submit the limitations on 'Retail Premises' should be treated with a degree of flexibility to not predetermine the future role of Precinct F. This may include further review of the drafting of Schedule 2 and clause 21.07.
- For example, as while the preference is to grow recognised centres rather than establish new centres, planning policy could also more clearly annunciate circumstances where out-of-centre development would be acceptable, which is clearly also an outcome contemplated by planning policy.

- To support retail, innovation and competition as they relate to net community benefit, planning policy should be flexible and adaptive to land use change to ensure complementary new retail formats can be considered and are not precluded.

Please note that this submission is not exhaustive, and we look forward to the opportunity to work with Council on this important initiative and anticipate expanding on this submission, including at any independent panel convened.

Kind Regards,



Steven Buhagiar

Director  
Latrobe Villas & Stable Property



## Department of Transport

## Submission 12

120 Kay Street  
Traralgon, VIC 3844 Australia  
Telephone: +61 3 5172 2319  
www.transport.vic.gov.au  
DX 219286

Ref: DOC/19/266220

Latrobe City Council  
Strategic Planning Department  
PO Box 264  
MORWELL VIC 3840

To the Strategic Planning Department,

**RE: LATROBE PSA C115 – MORWELL TRARALGON EMPLOYMENT CORRIDOR**

Thank you for the invitation to comment on the Latrobe Planning Scheme Amendment C115 Morwell Traralgon Employment Corridor.

We have no objections to the proposed amendment and enthusiastically support the initiative to support job creation and industry diversification to enable economic growth in Latrobe City.

We do offer the following items for consideration in relation to the amendment and we hope that you will accept these comments as follows:

**Connector Road – B3 to B1, B2, A2 & A3**

The current design of the intersection of Princes Freeway, Princes Highway & Morwell-Traralgon Road (Princes Drive) may limit access options to the area identified as B1 within the Morwell Traralgon Employment Corridor Investment Master Plan. It would be prudent to ensure that there is provision allowed for a connector road from Village Avenue, through B3 to B1, B2, A2 & A3. Please consider including in the schedule to the PUZ3 /SUZ9 zones under Buildings and Works, eg "The following decision guidelines apply to an application for a permit under Clause 37.01.....

- **The provision of road access (suitable for freight vehicles) to precincts B1, B2, A2 & A3."**

**Transport Terminal – Prohibited Use**

Transport Terminal is a prohibited use in the proposed SUZ9. Although we support this in principle it may be that with the growth of the hospital and the development intended as part of this amendment that the existing bus terminal may need to be reconfigured. To ensure we have options into the future please consider including the words "(other than Bus terminal)" in the SUZ9 schedule.



**SUZ9 - Permit Not Required**

The proposed Schedule 9 to Clause 38.01 Special Use Zone states that the following uses do not require a permit: Child Care Centre, Residential Aged Care Facility & Medical Centre. We request that there be conditions included in the schedule for these types of uses, based on our concerns that the transport needs for these types of developments can have significant impact on surrounding networks/services.

**Train Station Proposal**

The Victorian Government's *Regional Network Development Plan* guides the short, medium and long-term priorities for regional public transport. Presently there are no plans for a new station between Morwell and Traralgon. Proposals for consideration in future planning should be directed to the Department of Transport. It should also be noted that the designated location for the station may not prove to be suitable given engineering and operational considerations.

**Clause 21.10 Implementation**

We support the inclusion of the 'Key Issue - Integrated transport networks' into Clause 21.10 Implementation and are very supportive of the objectives to maximise public transport opportunities and to provide safe vehicular, walking and cycling routes to connect people to destinations and we support the strategies identified to achieve this.

We also support the inclusion of the 'Key issue – Development infrastructure clause' into Clause 21.10 and the references to integration of roads, bike paths, footpaths and public transport options and ensuring walking and cycling infrastructure is incorporated into the design and development of new residential neighbourhoods, employment precincts and with end-of-trip facilities.

(Note: You may wish to consider reviewing the numbering within this clause.)

We are not supportive of the transport and movement proposals included in the Morwell Traralgon Employment Corridor Investment Master Plan, including the key future infrastructure upgrades identified and those improvements identified as short-term catalyst projects required to facilitate urban development. We stand by our comments provided in our letter dated 6<sup>th</sup> March 2019 and are encouraged by Latrobe City Council officer willingness to work with us to undertake more detailed planning in this regard so that we can optimise the existing transport connections to get greatest benefit for this precinct to support job creation and enable economic growth.

We have no further comments in relation to the Morwell - Traralgon Employment Corridor and Surrounds - Servicing Strategy and thank Latrobe City Council Officers for incorporating our feedback provided at the meeting on the 26<sup>th</sup> March 2019.

As previously identified, the development of this corridor provides a great opportunity for Latrobe City to capitalise on the skills of its community and linkages to the Principal Freight Networks (Princes Freeway & Gippsland Rail Line). We are excited to work with Latrobe City Council to develop this opportunity and we look forward to future discussions.

Yours sincerely



**Kylie Franklin**  
Senior Transport Planner

16 / 07 / 2019

**From:** "Robert Ford"  
**To:** latrobe@latrobe.vic.gov.au  
**CC:** 'Lorrae Dukes'  
**Subject:** Submission to Proposed Amendment C115

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**Submission 13**

**ATT: Lorrae Dukes**

Dear Lorrae,

Please find attached a submission on behalf of the landowners of Lot 1 Alexanders Road and 20 National Road, Morwell.

We look forward to liaising with Council in relation to proposed Amendment C115.

Regards

**ROBERT FORD**  
SENIOR URBAN PLANNER

03 9909 2202

0414 524 409

ford@humanhabitats.com.au



**HUMAN HABITATS**

Level 4, Suite 424, 838 Collins Street  
Docklands, VIC 3008, Australia





Human Habitats  
424 / 838 Collins Street  
Docklands VIC 3008  
www.humanhabitats.com.au  
ABN 48 115 201 356  
03 9909 2202

15 July 2019

Lorrae Dukes  
Coordinator Strategic Planning  
Latrobe City Council  
Via Email: [latrobe@latrobe.vic.gov.au](mailto:latrobe@latrobe.vic.gov.au)

Dear Lorrae

## **AMENDMENT C115**

### **SUBMISSION TO THE MORWELL TRARALGON EMPLOYMENT CORRIDOR**

Human Habitats act for Kasam Suleman Pty Ltd, Bujar Pty Ltd and The Original Virgin Flowers Pty Ltd, owners of Lot 1 Alexanders Road and 20 National Road, Morwell (the subject site).

#### **1 The Site**

The subject site is located within the Morwell Traralgon Employment Corridor Investment Masterplan area, currently under exhibition as part of Amendment C115 seeking to introduce the Masterplan and its recommendations into the Latrobe Planning Scheme.



Figure 1 - Aerial photograph of subject site and surrounds (nearmap.com)



**2 Proposed Morwell Traralgon Employment Corridor Investment Masterplan**

The exhibited Morwell Traralgon Employment Corridor Investment Masterplan does not propose to rezone the subject land, yet identifies the proposed future urban framework for the area, consisting of:

- Area A2 – Medium to large scale industrial businesses (food processing businesses)
- Area A3 – Strategic Future Industrial Land
- Area B1 – Future Commercial (business/employment precinct)
- Area B2 – Alternative Uses – Constrained Land
- Indicative Potential Green Corridor/Reserves
- High Pressure Gas Pipeline Easement Measurement Length
- Shared Path (under construction)
- Potential shared path extension/links

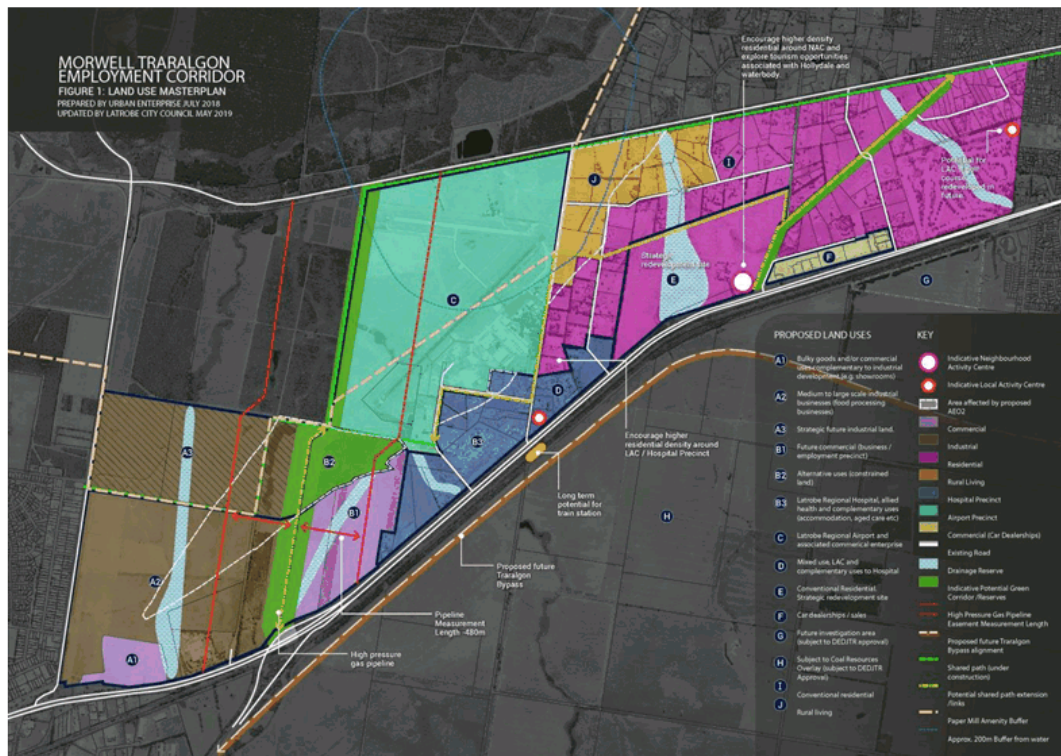


Figure 2 -Morwell Traralgon employment Corridor Land Use Master plan (latrobe.vic.gov.au)

**3 Submission**

We are not opposed to the implementation of the Morwell Traralgon Employment Corridor Investment Masterplan [the Master Plan] via Amendment C115, in some shape or form. We do question the rationale behind the future directions/preferred land uses outlined for the subject site and surrounding area, noting that employment corridor covers a vast and diverse landscape that should not be grouped in such a simplistic way.

This brief submission outlines the key elements of the Master Plan, that are at a high level supported and/or questioned from a strategic stand point (to be read in conjunction with the submitted critique plan):





- We acknowledge and generally support the vision expressed within the exhibited documentation and note that the overall intent of the amendment is to provide guidance and ensure the future highest and best use of the corridor, inclusive of the proposed rezoning of land and the introduction of local policies to allow for future rezoning;
- However, we do not at this time believe the elements depicted on the Master Plan will ensure the highest and best use of the subject site and surrounding lands and therefore question the strategic justification/rational associated with:
  1. The size and location of the green open space corridor/reserve shown as Area B2;
  2. The size and location of the proposed drainage reserve(s) which appear to transect land and limit future land use/development;
  3. The amount of land nominated as Industrial land as opposed to Commercial or Residential land;
  4. The positioning of the Neighbourhood Activity Centre to the east of the Master Plan and why it has been placed away from the 'Long term potential train station'; and
  5. The use of the Aviation Overlay (AE02) extents to define land use boundaries, noting that the overlay does not prohibit land use or development, as it rather requires use/developments to have greater consideration of environmental and/or amenity impacts within said area.

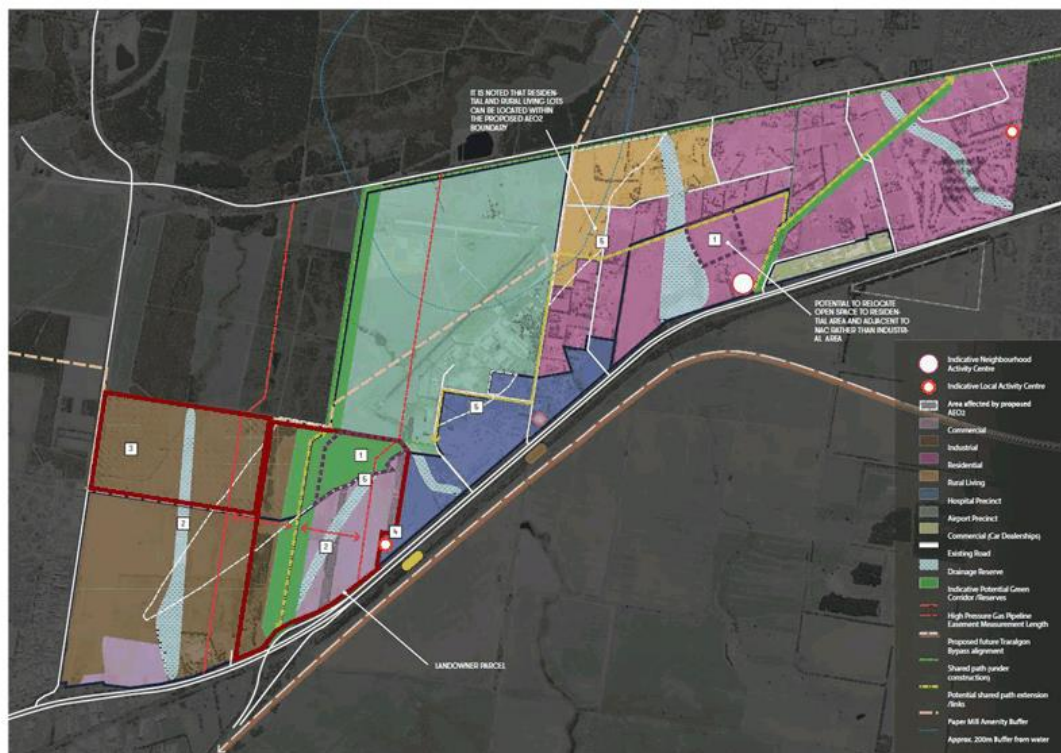


Figure 3 - Image of the critique plan prepared by Human Habitats, labelling areas of interest.



#### 4 Opportunity for Subsequent Submission

Human Habitats acknowledge and appreciates the opportunity afforded to the proponent by Latrobe City Council, which has allowed us to continue a detailed assessment of the exhibited documentation and enabled the preparation of a more **detailed submission to be lodged prior to the end of August 2019.**

As discussed with Council officers, it is our intent to provide a more detailed submission in the coming weeks addressing each of the points raised above and based on a peer review of the amendment documentation undertaken by the following sub consultants:

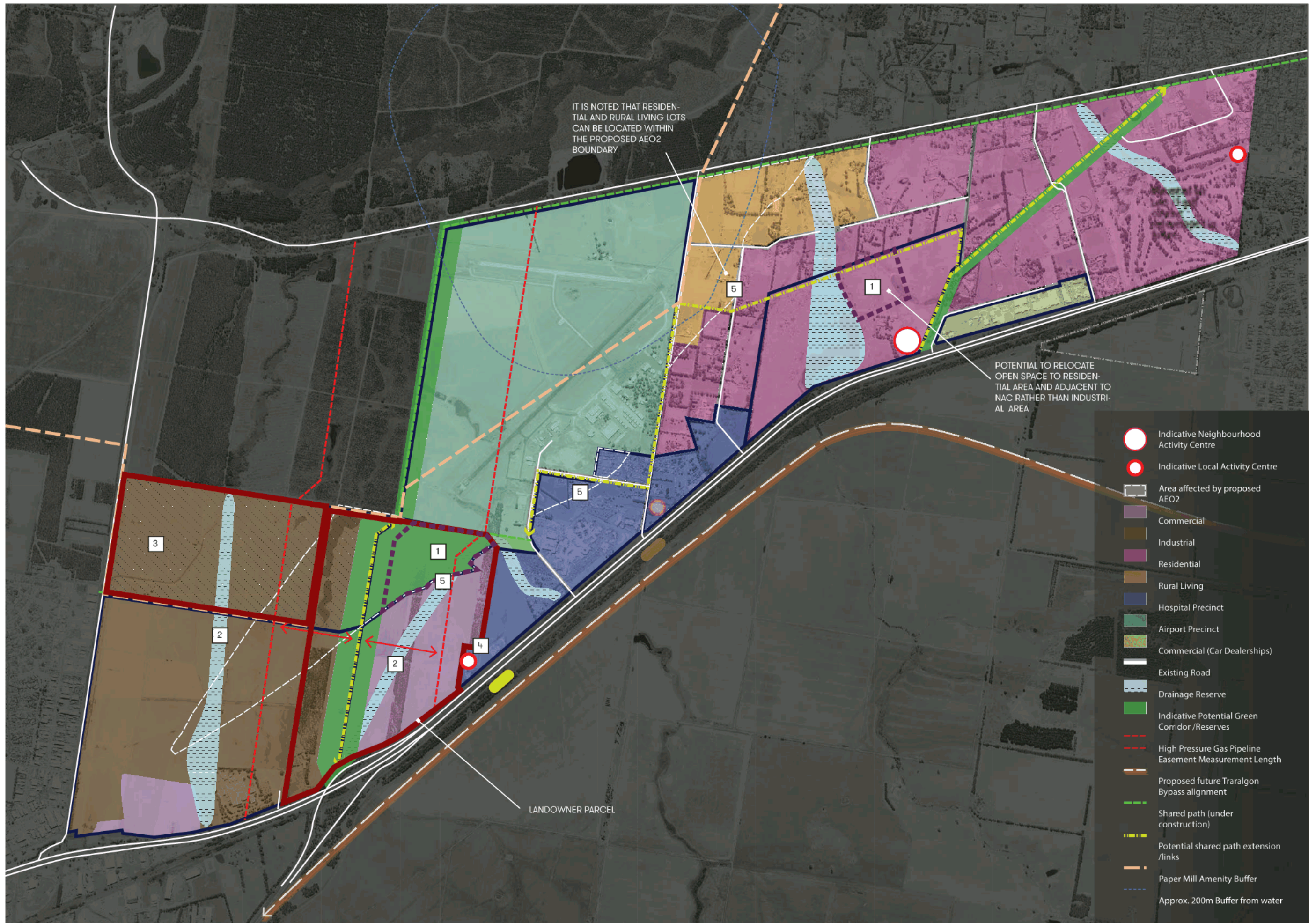
- Civil Engineer
- Land Economist

Please do not hesitate to contact me on (03) 9909 2202 or [ford@humanhabitats.com.au](mailto:ford@humanhabitats.com.au) if you have any further queries.

Yours sincerely

Robert Ford  
Senior Urban Planner







**Submission 14**

**From:** Julie Fleming [REDACTED]  
**Sent:** Tuesday, 23 July 2019 4:13 PM  
**To:** Lorrae Dukes  
**Cc:** Latrobe Central Email  
**Subject:** AMENDMENT C115 (MORWELL TO TRARALGON EMPLOYMENT CORRIDOR)  
**Importance:** High

Thank you Lorrae for answering my questions and time today to see me regarding the above.

As discussed I am requesting that the Amenity Lifestyle Precinct be removed from [REDACTED]  
[REDACTED]

As per previous issues that were raised in the area regarding the APM Odour Buffer Zone applied to the land, which was adjusted accordingly as per residents request, I am now requesting the water treatment buffer zone to be removed from our land.

We have never been made aware of this buffer being an issue on our land and we have owned this property for 20 years.

I am **requesting** that the future residential zoning be applied to our land also at [REDACTED]  
[REDACTED] as applied per sections E and I of the planning scheme.

Your attention to my requests at your earliest convenience would be greatly appreciated.

Thank you again,



*Julie Fleming*

**FLEMING'S TREE SERVICES PTY LTD**

Ph: [REDACTED]

Mob: [REDACTED]

Email: [REDACTED]

Website: [www.flemingstrees.com.au](http://www.flemingstrees.com.au)

**From:** Brian Walton  
**To:** Lorrae Dukes  
**CC:** Latrobe Central Email  
Brian Walton  
**Date:** 26/07/2019 3:49:42 PM  
**Subject:** Submission to Amendment C115 Latrobe Planning Scheme

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**Submission 15**

Hi Lorrae,

Thanks for returning my call and your time this morning.

As discussed I have just returned from travelling and opened your letter of 11th June and respectfully ask that my late submission be considered.

I have attached the submission and two maps which assist with identifying the area of my landholding which I believe should also be considered as a Future Investigation Area similar to the land identified as Precinct G in the Background Report and Land Use Masterplan.

Please do not hesitate to contact me on [REDACTED] if you require any further information.

Cheers  
Brian

### **Submission to Amendment C115 Latrobe Planning Scheme**

As a landowner in the identified land area affected by this planning scheme amendment I generally support the amendment but would ask that the land which I own also be considered in the same regard as the land noted in Proposed Land Uses and identified as Precinct G.

The land which I own abuts the land parcel identified as Precinct G and is also contained within the specified study area in part with the balance of the land located outside and immediately east of the specified study area.

In support of my request I note that the justifications outlined in the *Morwell to Traralgon Employment Corridor Precinct Masterplan Background Report May 2018 P14 Precinct G* equally apply to my land as well:

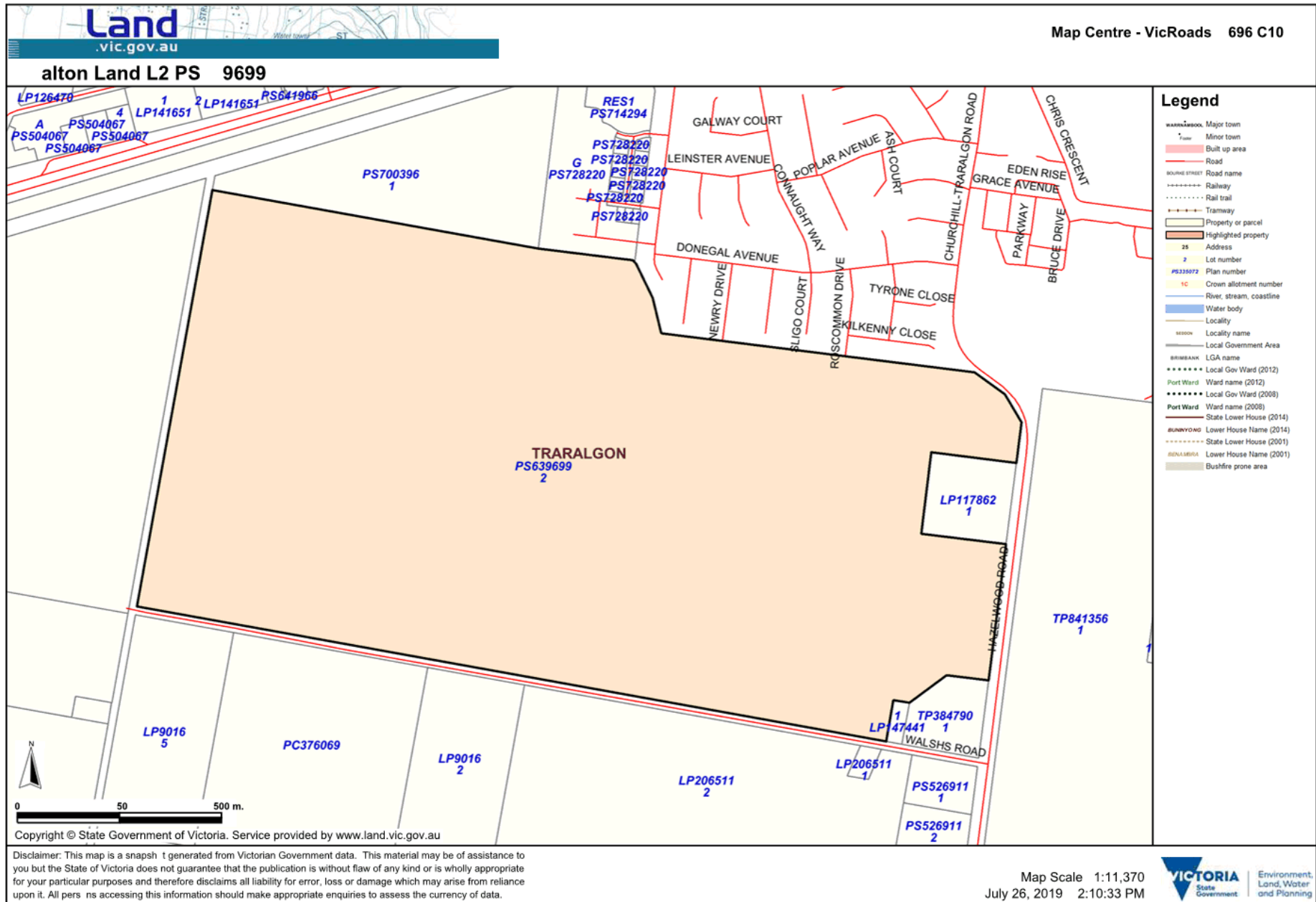
- The land is one property with the area between the proposed Traralgon Bypass boundary and the existing residential area being 40+ha.
- Similarly generally occupied by mixed farming and grazing uses.
- My land is accessible from three existing sealed roads being Hazelwood Road, Roscommon Drive and Newry Drive. I note the access from both Roscommon Drive and Newry Drive provides demonstration of the reason of why this land would logically be developed in the future and justification as to why it should be also be designated as a Future Investigation Area.
- Opportunity to develop the site in the long term following construction of the Traralgon Bypass is also consistent with the justification of identifying Precinct G as a Future Investigation Area.

I would also note that my landholding is generally located closer to the CBD and existing residential developments than the land currently identified as Precinct G, closer inspection would also note that the topography and amenity of the land is more preferable for future development to the land currently identified as Precinct G.

**In summary I request that the area of my land which is located between the north of the proposed Traralgon Bypass alignment and adjoining the existing residential area also be included within Precinct G for the reasons presented above.**

Attachments:

Vicroad map outlining the Traralgon Bypass Alignment showing boundaries.  
LandVic map showing location of my entire parcel of land being Lot 2 PS 639699





DATE: 6/04/2016  
MODEL: Default  
FILE: H:\Projects\Princes\_Highway\_160\_Traralgon\2015\BE691\_Traralgon\_Bypass\BE691-P01\CADD\BE691-P01-CIV-0007.dgn





**Submission 16**

29 July 2019

Lorrae Dukes  
Coordinator Strategic Planning-City Development  
Latrobe City Council  
PO BOX 264  
MORWELL VIC 3840

**EPA Reference:** 5009693

Dear Lorrae,

**RE: Planning Scheme Amendment C115 – Morwell To Traralgon Employment Corridor**

Thank you for the opportunity to provide a response to the proposed Planning Scheme Amendment C115, received by EPA on 12 June 2019 which applies to land located to the immediate north of the Princess Highway between the urban areas of Morwell and Traralgon.

**Planning Reform Context**

EPA has embarked on a five-year reform program to provide the people of Victoria with a strong, agile and modern environmental regulator. We want to ensure we can meet both the environmental and human health challenges of the future, and the expectations of the community. Our purpose is to prevent harm to the environment and people by preventing and reducing harm from pollution and waste.

Our organisational strategy, Our environment, Our health sets out our vision and identifies five goals that will guide our work:

- Prevent harm
- Equip community and business
- Be an influential authority
- Respond to harm
- Organisational excellence

There has been recent recognition of the preventative value of EPA's early involvement in strategic land use planning. This is reflected in Ministerial Direction 19, which requires planning authorities to seek early advice from EPA when undertaking strategic planning processes that may result in significant impacts on the environment, amenity and human health due to pollution and waste.

EPA is generally supportive of the proposed Amendment based on the information that has been provided, however wishes to provide the following comments for Council's consideration.

**Environment  
Protection  
Authority Victoria**

200 Victoria Street  
Carlton VIC 3053

GPO Box 4395  
Melbourne VIC 3001

**DX** 210082

**T** 1300 372 842  
1300 EPA VIC

**W** [epa.vic.gov.au](http://epa.vic.gov.au)





2

**The amendment**

EPA understands that the amendment implements the recommendations of the Morwell Traralgon Employment Corridor Investment Masterplan-August 2018 into the Latrobe Planning Scheme. More specifically, the amendment includes policy updates and rezoning land identified as needed in the short term to facilitate development around the Latrobe Regional Hospital for a health precinct.

The amendment proposes to:

- Rezone land in Precinct B3 and D in the Masterplan north of the Princes Highway surrounding the Latrobe Regional Hospital, also additional land at 5021 and 5023 Princes Highway Morwell and Lot 10 LP 94411 Northern Avenue, Traralgon from Rural Living Zone Schedule 5 (RLZ5) to Special Use Zone Schedule 9 (excluding properties publicly owned) (SUZ9) in order to support the development of health services and related uses which complement the existing Latrobe Regional Hospital;
- Rezone land at Village Avenue, Traralgon L16 LP67735, 9 Village Avenue, Traralgon L 19 LP67735, 40 Village Avenue, Traralgon CA 2032 and 45 Valley Drive, Traralgon L 5 LP 67735 from Rural Living Zone Schedule 5 (RLZ5) to Public Use Zone 3 (PUZ3) in order to allow for Health & Community (Latrobe Regional Hospital precinct);
- Insert at Clause 37.01 a new Special Use Zone Schedule 9 related to the development of the Health precinct and complementary uses;
- Amend at Clause 37.01 Special Use Zone Schedule 2 to facilitate development of Precinct F for Car Sales;
- Amends Clause 21.01 to update the Strategic Land Use Framework Plan to implement to recommendations of the Masterplan;
- Amend Clause 21.02 (Housing and Settlement) and 21.07 (Economic Development), to include key strategies and objectives to implement the recommendations of the Masterplan;
- Amend Clause 21.09 (Local Areas) to include updating to Traralgon West Structure Plan which includes renaming it to the Morwell to Traralgon Structure Plan and including key strategies and objectives to implement the recommendations of the Masterplan; and
- Amends Clause 21.10 Implementation to include the Masterplan as a background document.

**Matters to consider****Potentially contaminated land**

EPA notes that potentially contaminated land issues have not been addressed in the preparation of this amendment. It is noted that the application of the Special Use Zone Schedule 9 to areas B3 and D would allow sensitive land uses, such as a child-care centre, aged care facility or dwelling, to be established as of right. Consideration should be given to the historical use of land and how this may impact on future uses particularly where they consist of sensitive land uses.

3

**Encroachment/land use conflict**

Council is reminded to consider in its assessment of the Planning Scheme Amendment, any potential impact from the introduction of a sensitive receptor (such as dwellings) may have on the ability for existing and permitted commercial/industrial activities in the immediate vicinity to continue to operate. Likewise, and in the experience of the EPA, certain commercial/industrial uses may have potential offsite impacts to sensitive receptors such as dwellings.

Furthermore, given the nature of the proposed zoning and location of the future Latrobe Regional Hospital/health precinct as well as other sensitive uses, Council is encouraged to consider the importance of managing encroachment on the nearby Latrobe Regional Airport.

**Conclusion**

EPA is generally supportive of the proposed Amendment based on the information that has been provided.

Council is reminded of their general duty under Ministerial Direction No. 1 (MD1) which requires a planning authority to ensure that the land is suitable for any proposed use and associated development. Further, EPA recommends that Council satisfy themselves on the suitability of the land as early as possible in the amendment process.

EPA welcomes the opportunity to provide further comments to any further amendments associated with the subject precinct.

If our assessment is not aligned with your view of the environmental risk, or if the proposal is amended, please contact our Senior Planning Officer, Rund Gorgis, on 1300 EPA VIC (1300 372 842).

Yours sincerely,



Trisha Brice  
Team Leader-Strategic Planning  
Major Projects and Planning Unit  
**EPA Victoria**

**Submission 17****Lorrae Dukes**

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**Subject:** RE: AMENDMENT C115 (MORWELL TO TRARALGON EMPLOYMENT CORRIDOR) TO THE LATROBE PLANNING SCHEME - NOTICE OF PREPARATION OF AN AMENDMENT

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**From:** Ian Shand [mailto:ian.shand@ausnetservices.com.au]

**Sent:** Thursday, 8 August 2019 3:25 PM

**To:** Louise Rosser

**Subject:** RE: AMENDMENT C115 (MORWELL TO TRARALGON EMPLOYMENT CORRIDOR) TO THE LATROBE PLANNING SCHEME - NOTICE OF PREPARATION OF AN AMENDMENT

Hi Louise

I have reviewed the information in relation to the proposed re zoning of the land and provide the following response:-

- AusNet Services have no objection to the rezoning as proposed.
- Proposed business and Developers will be required to enter into agreements with AusNet Services Pty Ltd for supply of electricity.
- Due to the extent of the rezoning, the developments will be subject to an Electricity Network Review to determine if Electricity Networks upgrades are required. Indicative loading details will be required to prepare the Network Review.
- This corridor includes the Latrobe regional Hospital and Network upgrades shall not compromise the security of the supply to this essential infrastructure.
- At this early stage of the Planning Scheme, it is difficult to determine the extent of Network Upgrades that may be required.

Each applicant must –

- Enter in an agreement with AusNet Electricity Services Pty Ltd for supply of electricity to each lot on the endorsed plan.
- Enter into an agreement with AusNet Electricity Services Pty Ltd for the rearrangement of the existing electricity supply system.
- Enter into an agreement with AusNet Electricity Services Pty Ltd for rearrangement of the points of supply to any existing installations affected by any private electric power line which would cross a boundary created by the subdivision, or by such means as may be agreed by AusNet Electricity Services Pty Ltd.
- Provide easements satisfactory to AusNet Electricity Services Pty Ltd for the purpose of "Power Line" in the favour of "AusNet Electricity Services Pty Ltd" pursuant to Section 88 of the Electricity Industry Act 2000, where easements have not been otherwise provided, for all existing AusNet Electricity Services Pty Ltd electric power lines and for any new power lines required to service the lots on the endorsed plan and/or abutting land.
- Obtain for the use of AusNet Electricity Services Pty Ltd any other easement required to service the lots.
- Adjust the position of any existing AusNet Electricity Services Pty Ltd easement to accord with the position of the electricity line(s) as determined by survey.
- Set aside on the plan of subdivision Reserves for the use of AusNet Electricity Services Pty Ltd for electric substations.
- Provide survey plans for any electric substations required by AusNet Electricity Services Pty Ltd and for associated power lines and cables and executes leases for a period of 30 years, at a nominal rental with a right to extend the lease for a further 30 years. AusNet Electricity Services Pty Ltd requires that such leases are to be noted on the title by way of a caveat or a notification under Section 88 (2) of the Transfer of Land Act prior to the registration of the plan of subdivision.

- Provide to AusNet Electricity Services Pty Ltd a copy of the plan of subdivision submitted for certification that shows any amendments that have been required.
- Agree to provide alternative electricity supply to lot owners and/or each lot until such time as permanent supply is available to the development by AusNet Electricity Services Pty Ltd. Individual generators must be provided at each supply point. The generator for temporary supply must be installed in such a manner as to comply with the Electricity Safety Act 1998.
- Ensure that all necessary auditing is completed to the satisfaction of AusNet Electricity Services Pty Ltd to allow the new network assets to be safely connected to the distribution network.

*Please note new Mobile Phone number below*

Regards,

**Ian Shand**  
Design Officer



**AusNet Services**  
5 Stratton Drive  
Traralgon Vic 3844 Australia  
Tel 03 5173 9006 Fax 03 5174 1456  
Mobile 0428 235 485  
[ian.shand@ausnetservices.com.au](mailto:ian.shand@ausnetservices.com.au)  
[www.ausnetservices.com.au](http://www.ausnetservices.com.au)

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**From:** John Barnett  
**Sent:** Wednesday, 12 June 2019 3:20 PM  
**To:** Ian Shand  
**Cc:** Louise Rosser  
**Subject:** FW: AMENDMENT C115 (MORWELL TO TRARALGON EMPLOYMENT CORRIDOR) TO THE LATROBE PLANNING SCHEME - NOTICE OF PREPARATION OF AN AMENDMENT

Hi Ian,

Could you please review and respond to this Latrobe City request?

Thanks & Regards

John

**John Barnett**  
Design Team Manager



**AusNet Services**  
5 Stratton Drive  
Traralgon Victoria 3844 Australia  
Tel +61 3 5173 9033 Mobile +61 (0) 409 436 188  
[john.barnett@ausnetservices.com.au](mailto:john.barnett@ausnetservices.com.au)  
[www.ausnetservices.com.au](http://www.ausnetservices.com.au)

**SUMMARY OF SUBMISSION AND PLANNING RESPONSE  
AMENDMENT C115 – MORWELL TO TRARALGON EMPLOYMENT CORRIDOR**

<b>Sub No.</b>	<b>Name / Organisation</b>	<b>Support / Objection</b>	<b>Summary of Issues</b>	<b>Planning Comment</b>	<b>Changes to Plan Required? Yes / No</b>
1	Gippsland Water	Support	No objection to Amendment C115	Submission of support noted.	No
2	West Gippsland Catchment Management Authority	Support	<p>There are several properties subject to waterways within the proposed area to be rezoned.</p> <p>Any future development of the land will require waterways to be protected within a 30m buffer either side of the waterway as per the Servicing Strategy.</p> <p>The authority does not object to Amendment C115</p>	Submission of support noted.	No
3	Ms Shanra Ingleman and Mr Gregory Bright	Objection	<p>Concerns regarding the proposed youth drug and alcohol residential facility at lot 1 Northern Avenue.</p> <p>Concerned that the proximity of the facility will devalue their home.</p> <p>Concerned regarding the consultation undertaken for the proposed location of the facility, notification of landowners.</p> <p>Request that the drug and alcohol rehabilitation facility be relocated.</p>	<p>The proposed youth drug and alcohol residential facility at lot 1 Northern Avenue does not form part of this Planning Scheme Amendment.</p> <p>The announcement around the facility was made by the State Government in 2018, however no location was selected at that time.</p> <p>The facility is being undertaken by Department of Health and Human Services (DHHS).</p> <p>There are exemptions</p>	No



Sub No.	Name / Organisation	Support / Objection	Summary of Issues	Planning Comment	Changes to Plan Required? Yes / No
				<p>under the Planning Scheme at Clause 52.22 that exempts certain facilities (which this is) from a Planning Permit. The current zoning (Rural Living) of the land means that these exemptions apply.</p> <p>The proposed changes as part of the Planning Scheme Amendment will rezone lot 1 Northern Avenue from Rural Living Zone to Special Use Zone 9. The Special Use Zone is not one of the zones in which the exemption applies at Clause 52.22. Under the proposed Special Use Zone Schedule 9 a planning permit would be required for this type facility.</p>	
4a	Mr Ken Ludlow	Objection	<p>Supports the employment opportunities identified in the Master Plan.</p> <p>Has concerns regarding the future residential designation of precincts E and I in the Morwell to Traralgon Employment Corridor Investment Master Planning for the following reasons:</p> <ul style="list-style-type: none"> <li>- Financially unviable for subdivision of 5 acre blocks</li> </ul>	<p>The designation of precinct E and I in the Morwell to Traralgon Investment Master Plan as future residential had already been considered as part of the adopted Traralgon Growth Areas Review, gazetted Traralgon West Structure Plan and through Amendment C87.</p>	<p>Yes. Adjust the Morwell to Traralgon Structure Plan to remove local level public open space noting that this detail will be undertaken at the Precinct Structure Plan / Development Plan stage.</p>

Sub No.	Name / Organisation	Support / Objection	Summary of Issues	Planning Comment	Changes to Plan Required? Yes / No
			<p>with all requirements for sewer, water, paths roads etc;</p> <ul style="list-style-type: none"> <li>- Difficult for a syndicate to form to allow development of lots;</li> <li>- Existing subdivisions that have been allow to occur;</li> <li>- Unlikely for developers to purchase multiple 5 acre lots for development;</li> <li>- There has been no plan for schools;</li> <li>- 90 Coonoc Road has been identified as green space in the Traralgon West Structure Plan and not in the investment master plan. Who will purchase this property to ensure this will happen?;</li> <li>- There is a need for larger blocks rather than standard residential.</li> </ul> <p>The area should be allowed to develop into 4000m2 allotments not standard residential.</p>	<p>The Morwell to Traralgon Investment Master Plan continues this designation and does not propose to make any changes.</p> <p>Latrobe City Council is aware precincts E and I (precinct I in particular) will develop over the longer term and will require careful consideration on how it is developed.</p> <p>There is a further work item in the Latrobe Planning Scheme at Clause 21.10 which requires the preparation of the Precinct Structure Plan / Development Plan (either or) and Development Contributions Plan which will identify how the land will be developed.</p> <p>Also, Latrobe City Council is currently reviewing the Traralgon West Interim Development Policy 2011 to provide clearer guidance to subdivision under the existing zone land within this precinct. This review will also have a greater around road connections, vegetation and achievable lot yield.</p>	

Sub No.	Name / Organisation	Support / Objection	Summary of Issues	Planning Comment	Changes to Plan Required? Yes / No
				<p>Land at 90 Coonoc Road is shown as proposed public open space in the Traralgon West Structure Plan (now Morwell to Traralgon Structure Plan). The Investment Master Plan did not include every detail of the Traralgon West Structure Plan.</p> <p>These areas of proposed public open space are indicative only and would be subject to further detail during a preparation of a Development Plan / Precinct Structure Plan.</p> <p>As this area appears to be a 'local level' open space and is subject to more detailed plans. Changes to the Morwell to Traralgon Structure Plan can be made to remove this designation.</p> <p>The Servicing Strategy for MTEC and surrounds prepared for the Amendment recognises the existing infrastructure, extension of infrastructure required and possible difficulties in servicing, funding and 'pioneer</p>	

Sub No.	Name / Organisation	Support / Objection	Summary of Issues	Planning Comment	Changes to Plan Required? Yes / No
				<p>developer'. Therefore, there is a general recommendation for:</p> <p><i>"Latrobe City Council to investigate alternate funding options for the delivery of key infrastructure items that sit outside a Development Contribution Plan / pioneer developer process".</i></p> <p>This would include working with Gippsland Water around options on how infrastructure (i.e. sewer pumping stations) could be installed without using their current 'pioneer developer' model.</p>	
4b (Late Submission)	Mr Ken Ludlow	Objection	<p>A late submission was received which objects to the 'future residential' area proposed.</p> <p>The submitter is concerned about the future residential area being in close proximity to the Latrobe Regional Airport following an event which occurred in August with a light plane (crop duster) having a forced landing.</p> <p>The submitter raises concerns that if residential development was allowed that this incident could have caused more damage.</p>	<p>This submission was received on the 21 August 2019 and due to the preparation of this report, Council officers are finalising a response to the submission.</p>	

Sub No.	Name / Organisation	Support / Objection	Summary of Issues	Planning Comment	Changes to Plan Required? Yes / No
			The submitter notes that there was a similar incident which occurred on an adjacent property about 2 years ago.		
5	VicTrack	Support	Notes that the plan shows a 'future train station' which would be required to be planned with DOT to implement.  The proposed rezoning does not impact on VicTrack land, existing rail operations or future network development.  VicTrack have no objection to the Amendment.	Submission of support noted.	No
6	Mr Ruben and Mrs Rebecca Diaz	Support	Supports the Morwell to Traralgon Employment Corridor as it will enhance growth and employment opportunities between the two towns.  The proposed zones will accommodate diverse growth, which will give certainty and opportunity to landowners.	Submission of support noted.	No
7	Department of Environment, Land, Water and Planning	Support	The Department generally supports the Amendment.  Requests that if any development occurs south of the Highway that targeted surveys also be done for the endangered Grey Billy – buttons <i>Craspedia canens</i> .  Support the inclusion of public	Submission of support is noted.  Agree with the submission to ensure details around species and airport offsets are visible in the MTEC Investment Master Plan.	Yes  Update section 2.7 of the MTEC Investment Master Plan to include list of species that might require additional detailed surveys at the appropriate time.



Sub No.	Name / Organisation	Support / Objection	Summary of Issues	Planning Comment	Changes to Plan Required? Yes / No
			<p>open space areas to protect waterways and significant vegetation. In particular in precinct E.</p> <p>Notes the reference to the Airport offset area in the bushfire consideration.</p>		Update Investment Master Plan to show Airport Offset Area.
8.	Mr Craig Bosch	Objection	<p>Objects to Planning Scheme Amendment C115.</p> <p>In particular the 'future residential' designation of north of his property which is zoned Low Density Residential Zone.</p> <p>Such high density housing is out character with the rest of the properties in Alamere Drive, Traralgon.</p>	<p>The designation of precincts E and I (including Alamere Drive) in the Morwell to Traralgon Investment Master Plan as future residential had already been considered as part of the Traralgon Growth Areas Review, Traralgon West Structure Plan and through Amendment C87.</p> <p>The Morwell to Traralgon Investment Master Plan continues this designation and does not propose to make any changes.</p> <p>Amendment C115 does not propose to rezone this area to residential at this stage.</p> <p>The Traralgon Growth Areas Review identified the need for future residential land within Traralgon. The Traralgon West (Precincts E and I) is identified as a</p>	No

Sub No.	Name / Organisation	Support / Objection	Summary of Issues	Planning Comment	Changes to Plan Required? Yes / No
				short term action for future rezoning.	
9	Ms Yvonne Ayers and Mr Alan Gibson	Support	Supports the Amendment as it will help kick start the valley after a terrible period of Hazelwood, Brown and Dureau closing	Submission of support noted.	No
10	Vline	Support and Objection	<p>Vline have considered the following changes in relation to their submission including provision for the possibility of a new station, extension of the existing hospital precinct and associated health services, and new residential lots along the rail corridor.</p> <p>Presently there are no plans for a new station between Morwell and Traralgon. Proposals for consideration in future planning should be directed to the Department of Transport.</p> <p>The proposed location of the new station may not be suitable given engineering and operational considerations.</p> <p>With new development in the vicinity of rail operations, consideration should be given to follow:</p> <ul style="list-style-type: none"> <li>• Safety (critical inclusion)</li> <li>• Noise (other considerations)</li> <li>• Stormwater and drainage (other considerations)</li> </ul>	<p>The proposed station on the south side of the Princes Highway opposite the Latrobe Regional Hospital was a recommendation from the adopted Traralgon Growth Areas Review. This proposal is currently shown within the Traralgon West Structure Plan in Clause 21.09 of the Latrobe Planning Scheme.</p> <p>The reasoning behind the long term station proposal was to provide access to a key regional facility being the Latrobe Regional Hospital.</p> <p>The MTEC Investment Master Plan recognises this designation and highlights the benefit of station might bring in the longer term. However, the MTEC Investment Master Plan is not reliant on the development of the proposed station.</p>	<p>Yes</p> <p>Update Section 4 – Infrastructure (page 17 – 18) of the MTEC Investment Master Plan to include comments raised in submission on:</p> <ul style="list-style-type: none"> <li>• Safety (critical inclusion)</li> <li>• Noise (other considerations)</li> <li>• Stormwater and drainage (other considerations)</li> <li>• Environmental (other considerations)</li> <li>• Road and Rail Interface Safety (other considerations).</li> </ul>

Sub No.	Name / Organisation	Support / Objection	Summary of Issues	Planning Comment	Changes to Plan Required? Yes / No
			<ul style="list-style-type: none"> <li>• Environmental (other considerations)</li> <li>• Road and Rail Interface Safety (other considerations).</li> </ul>	<p>The location proposed on the MTEC Investment Master Plan and current Traralgon West Structure Plan is nominal and if the development of the station was to occur the most appropriate location subject to detailed design.</p> <p>The considerations in relation to rail and road movement, safety, noise, stormwater, environment as highlighted in the submission are important during the development of the MTEC Investment Master Plan. Therefore, additional information in Section 4 (Infrastructure) will be included to highlight points raised in their submission.</p>	
11	Millar Merrigar on behalf of Mr Steven Buhagiar	Support and Objection	<p>Supportive of the Amendment, however make the following comments for consideration:</p> <ul style="list-style-type: none"> <li>• Rezoning of precinct E for residential purposes;</li> <li>• The health precinct should provide road connection to Hollydale and require the intersection upgrade at northern avenue;</li> <li>• Rezoning of the NAC as part of the amendment for</li> </ul>	<p>The rezoning of precinct E and I for residential purposes is identified in the MTEC Investment Master Plan as a short term action, for rezoning as part of Stage 1B.</p> <p>Precinct E and I require a coordinated and integrated development approach and development contributions. There are also further</p>	Review policy in Clause 21.09 regarding rezoning of Neighbourhood Activity Centre. Ensure that intent of the strategy is met to not rezone until a residential catchment can be achieved.

Sub No.	Name / Organisation	Support / Objection	Summary of Issues	Planning Comment	Changes to Plan Required? Yes / No
			<p>commercial purposes;</p> <ul style="list-style-type: none"> <li>• Allow more flexibility in Special Use Zone 2 to allow 'retail premises';</li> <li>• Add additional policy around where out of centre development would be supported; and</li> <li>• Policy should remain flexible and adaptive to land use change to ensure complementary new retail formats can be considered and are not precluded.</li> </ul>	<p>discussions regarding infrastructure provision, for sewer, water and gas which need to be considered. Especially in relation to precinct I due to the fragmented lot size.</p> <p>The preparation of the Precinct Structure Plan or Development Plan with Development Contribution (Infrastructure Contributions) Plan is identified within the Planning Services work program from commencement in 21/22 however; this is subject to budget approval.</p> <p>Currently, Latrobe City Council has a current municipal residential land supply which is 30+years. In Traralgon, this supply is roughly estimated to be about 18 years.</p> <p>The Planning Policy Framework requires Councils to keep a 15+ year residential land supply. Due to the above considerations the rezoning of land is not supported at this time.</p>	

Sub No.	Name / Organisation	Support / Objection	Summary of Issues	Planning Comment	Changes to Plan Required? Yes / No
				<p>The rezoning of this land is considered out of scope of this Amendment.</p> <p>The health precinct will provide a road connection through to Hollydale as both have access to the Princes Highway. Any additional connection could be considered as part of the residential development of precinct I.</p> <p>In regards to the proposed intersection on Northern Avenue and Princes Highway, the MTEC Investment Master Plan indicates that this is a long term action and is preferred construction is once the bypass has been constructed.</p> <p>The requirement for the intersection will be due to increased traffic movements in association with proposed residential development in Precinct I. Therefore, the development of the health precinct is unlikely to require a signalised intersection. Any proposed uses or developments at 15 Northern Avenue or Lot</p>	



Sub No.	Name / Organisation	Support / Objection	Summary of Issues	Planning Comment	Changes to Plan Required? Yes / No
				<p>1 Northern Avenue will be considered on its merits at the time and will be subject to VicRoads approval.</p> <p>The proposed NAC at precinct E is identified as a short – medium term action in the MTEC Investment Master Plan. In particular, the NAC requires a residential population catchment of at least 8000 people for the viability for a centre. At the moment the population is not sufficient to support the rezoning of the centre.</p> <p>The establishment of a population catchment will require the rezoning of Precinct E and I. Therefore, it is not appropriate to rezone a NAC until residential population catchment can be achieved.</p> <p>The rezoning of this land is considered out of scope of this Amendment.</p> <p>The proposed changes to the Special Use Zone Schedule 2 have been made to allow the facilitation of the car yards</p>	

Sub No.	Name / Organisation	Support / Objection	Summary of Issues	Planning Comment	Changes to Plan Required? Yes / No
				<p>precinct which is exists under precinct 'F'. The current SUZ2 prevents 'retail premises' and the continuation of the prohibition has been continued. The MTEC Investment Master Plan has identified other opportunities for the development of retail premises which minimises the impact on town centres. This includes already zoned Commercial 2 land.</p> <p>The Latrobe City Council draft Retail Strategy which was endorsed by Council on 3 June 2019 provides further direction on when and where out of centre development would be supported. These changes are proposed to be introduced through Amendment C119.</p> <p>The MTEC Investment Master Plan supports the development of new development in which the policy reflects this. However, the economic assessment undertaken the MTEC Investment Master Plan cautions the</p>	

Sub No.	Name / Organisation	Support / Objection	Summary of Issues	Planning Comment	Changes to Plan Required? Yes / No
				<p>timing of these types of developments to ensure out of centre development does not take away from our retail centres. In particular, Morwell, Traralgon and Mid Valley. Policy can be reviewed to ensure that the intent of the MTEC Investment Master Plan in met whilst allowing some flexibility.</p>	
12	Human Habitats on behalf of Kasam Suleman Pty Ltd, Bujar Pty Ltd and The Original Virgin Flowers Pty Ltd.	Support and Objection	<p>Are not opposed to the implementation of the MTEC Investment Master Plan in some shape or form. However question the rationale behind future directions / preferred land uses.</p> <p>In particular, question the strategic justification / rationale associated with (refer to map on page 3 of submission):</p> <ol style="list-style-type: none"> <li>1. The size and location of green open space corridor reserve shown as area B2;</li> <li>2. The size and location of the proposed drainage reserve(s) which appear to transect land and limit future land use and development;</li> <li>3. The amount of land nominated as Industrial land as opposed to commercial or residential;</li> <li>4. The positioning of the Neighbourhood Activity</li> </ol>	<p>The extent of B2 as public open space is due to a number of constraints including:</p> <ul style="list-style-type: none"> <li>• Existing airport overlays (Design and Development Overlay, Airport Environs Overlay 2);</li> <li>• Proposed Airport Overlays through Amendment C92 (Design and Development Overlay, Airport Environs Overlay 1 and 2);</li> <li>• Major Gas Pipeline and associated Design and Development Overlay;</li> <li>• Close proximity to existing Latrobe</li> </ul>	<p>Yes.</p> <p>Update the MTEC Investment Master Plan to show constraints around development in close proximity to the Airport (DDO's);</p> <p>Update the MTEC Investment Master Plan to update legend in regards to 'drainage reserves' to include designated waterways and possible linear open space.</p>

Sub No.	Name / Organisation	Support / Objection	Summary of Issues	Planning Comment	Changes to Plan Required? Yes / No
			<p>Centre to the east of the Master Plan and why it has been placed away from the 'Long term potential train station'; and</p> <p>5. The use of Airport Environs Overlay 2 extends to define land use boundaries noting that the overlay does not prohibit land use or development, as it rather requires use / developments to have greater consideration of environmental and / or amenity impacts within said area.</p> <p>A subsequent submission is proposed to be submitted following more detail preparation of reports by a civil engineer and land economist.</p>	<p>Regional Airport Runway.</p> <p>The existing constraints around this site make it difficult to propose development which could conflict with the existing airport operations and existing infrastructure.</p> <p>Currently, an economic analysis and review of the Airport Master Plan and Amendment C92 is underway. There is also a pilot being undertaken in relation to major gas pipelines. If the extent of area affected by overlays or other constraints can be changed, adjustments could be made the extent of the public open space area.</p> <p>The suggested change to propose greater open space on precinct E is not appropriate. Public Open Space requirements for this area will be considered as part of the Development Plan or Precinct Structure Plan for E and I.</p> <p>The Drainage Reserves identified on the plan</p>	

Sub No.	Name / Organisation	Support / Objection	Summary of Issues	Planning Comment	Changes to Plan Required? Yes / No
				<p>denote where designated waterways sit within the precinct. In accordance with State Policy, waterways require a 30m buffer either side of a waterway.</p> <p>At the time of development subject to the approval of the WGCMA and Council reserves could be modified based detailed engineering assessment.</p> <p>As indicated in the Servicing Strategy Council is about to proceed with a Flood Study for Waterhole Creek and surrounds. Further detailed assessment was required as indications around flooding and drainage concerns have been raised within this area.</p> <p>The identification of Precinct A3 as future industrial is existing policy within the Latrobe Planning Scheme and was considered by the Morwell Structure Plan (Amendment C62), Traralgon West Structure Plan (Amendment C87) and has been expanded on</p>	

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				<p>through Amendment C105 (Live Work Latrobe) through the creation of the Morwell to Maryvale Industrial Corridor.</p> <p>Area A3 has been identified as a medium to long term action in the Morwell to Traralgon Employment Corridor. Any rezoning of this land will be subject to land supply assessment at the point in time.</p> <p>Area A3 is also affected the Environmental Significance Overlay Schedule 3 (Australian Paper Buffer), therefore the increase in sensitive uses i.e. residential would not be supported by Australian Paper or the EPA. This potentially could include some office type uses. Therefore, a future industrial zone is the most appropriate long term identification for this land.</p> <p>The positioning of the Neighbourhood Activity Centre was subject to review as part of the background documents for the MTEC Investment</p>	



Sub No.	Name / Organisation	Support / Objection	Summary of Issues	Planning Comment	Changes to Plan Required? Yes / No
				<p>Master Plan. The change in location was identified due to the need for a residential population catchment to support the establishment of the Neighbourhood Activity Centre. The proposed location of a long term rail station was considered, however, the highest priority was given to the establishment of a residential population catchment which is not easy to establish closer to the Hospital. Therefore the NAC and LAC location have been proposed to switch which differs from the current Traralgon West Structure Plan.</p> <p>The addition / relocation of a local activity centre as shown on map on pages 3 and 5 of the submission is not supported. The current location proposed in the MTEC Investment Master Plan in central to the Health Precinct, accessible to existing uses and meets the local convenience needs.</p> <p>The location of the long</p>	

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				<p>term rail station is subject to discussions with Department of Transport as indicated in VicTrack and Vline's submission above.</p> <p>As discussed above, the Airport Environs Overlay Schedule 2 is not the only constraint that has been considered in defining areas where limited development potential can occur for precinct B2.</p> <p>In regards to Area J, the AEO2 is not the reason why development potential has been restricted. The main reason is due to its designation as an Amenity Lifestyle Precinct through the Traralgon West Structure Plan (Amendment C87).</p> <p>Area B3 and D are also identified within the AEO2 and consideration must be given to this overlay. However, development in this area has not been prohibited. All constraints are listed on page 9 of the MTEC Investment Master Plan.</p>	

Sub No.	Name / Organisation	Support / Objection	Summary of Issues	Planning Comment	Changes to Plan Required? Yes / No
				The MTEC Investment Master Plan can be updated to ensure that all constraints are visible as to why areas have been shown or not shown for development.	
13	Department of Transport	Support with changes	<p>No objections to the proposed amendment, but offer the following comments for consideration:</p> <ul style="list-style-type: none"> <li>Consider including in the schedule to the Public Use Zone and Special Use Zone Schedule 9 under Buildings and Works that the following decision guideline be included <i>'the provision of road access (suitable for freight vehicles) to precincts B1 B2, A2 and A3'</i>.</li> <li>In the Special Use Zone Schedule 9 a transport terminal is prohibited. To ensure that options for public transport a 'bus terminal' is not prohibited.</li> <li>Child Care Centre, Medical Centre and Residential Aged Care Facility are section 1 uses. We would request that conditions be placed on these section 1 uses to ensure traffic impacts are considered.</li> </ul>	<p>The Servicing Strategy highlight concerns with access to property B1. There is a proposed connector Road which is shown that connects precinct B1, B2, A2 and A3 to the health precinct.</p> <p>Therefore, it is considered appropriate to include a decision guideline under the Special Use Zone Schedule 9 regarding provision for this road access. This consideration could also be included in Amendment C92 and the Special Use Zone Schedule 7 for the Airport due to close proximity of this connector road to the airport precinct.</p> <p>The inclusion of the decision guideline cannot be provided in the Public Use Zone because form and content does not allow for this.</p>	<p>Yes</p> <p>Update the Special Use Schedule 9 under the decision guidelines for buildings and works to include: <i>'on the western side of the health precinct, consider the provision of road access (suitable for freight vehicles up to b doubles) to precincts B1 B2, A2 and A3'</i>.</p> <p>Update the Special Use Zone Schedule to ensure that a bus terminal is not prohibited.</p> <p>Update the Special Use Zone Schedule 9 to include the following condition for Medical Centre, Child Care Centre and Residential Aged Care Facility:</p> <ul style="list-style-type: none"> <li><i>Must not require a permit under Clause 52.06-3</i></li> </ul>

Sub No.	Name / Organisation	Support / Objection	Summary of Issues	Planning Comment	Changes to Plan Required? Yes / No
			<ul style="list-style-type: none"> <li>• Presently there are no plans for a new station between Morwell and Traralgon. Proposals for consideration in future planning should be directed to the Department of Transport. The proposed location of the new station may not be suitable given engineering and operational considerations.</li> <li>• Support the key issues for 'Integrated Transport Networks and Development Infrastructure being included in Clause 21.10</li> <li>• Do not support the transport and movement proposal as part of MTEC. In particular, proposed intersections.</li> </ul>	<p>The prohibition of a 'bus terminal' under the Special Use Zone Schedule 9 was unintended. It is appropriate to make this change to allow consideration of the future transport network.</p> <p>This use is not prohibited under the Public Use Zone.</p> <p>When undertaking a comparison of other applicable zones for the 'Health precinct' being General Residential Zone, Mixed Use Zone and a Commercial 1 Zone in most instances Child Care Centre (except GRZ1 and MUZ), Medical Centre and Aged Care Facilities are a Section 1 Use. Some conditions do apply to the section 1 use but not around traffic movement.</p> <p>Conditions around car parking could be included to ensure that traffic impacts are considered.</p> <p>Local traffic movements and the requirements for traffic reports are included in Latrobe City Council's IDM. Therefore, any</p>	(parking)

Sub No.	Name / Organisation	Support / Objection	Summary of Issues	Planning Comment	Changes to Plan Required? Yes / No
				<p>properties which do not include a trigger under 52.29 that generate a significant amount of traffic movements, Council will consider impacts.</p> <p>Clause 52.29 will trigger a permit is a new access or alteration to this access is created as part of a planning permit. This is likely to apply to 10 out of 16 properties zoned Special Use.</p> <p>The proposed station on the south side of the Princes Highway opposite the Latrobe Regional Hospital was a recommendation from the Traralgon Growth Areas Review. This proposal is currently shown within the Traralgon West Structure Plan in Clause 21.09 of the Latrobe Planning Scheme.</p> <p>The MTEC Investment Master Plan recognises this designation and highlights the benefit of station might bring in the longer term. However, the MTEC Investment Master Plan is not reliant on the development of the</p>	

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				<p>proposed station.</p> <p>The location proposed on the MTEC Investment Master Plan and current Traralgon West Structure Plan is nominal and if the development of the station was to occur the most appropriate location subject to detailed design.</p> <p>The MTEC Investment Master Plan was consulted with DOT in the preparation of the documents, during the initial discussions and traffic report no concerns were noted regarding proposed traffic and movement.</p> <p>During the consultant of the Servicing Strategy issues were highlighted regarding proposed intersections, in particular around precincts A1 – B2.</p> <p>As a recommendation of the servicing strategy further work is to be undertaken on intersections and locations.</p> <p>A meeting was held on 24 July 2019 to talk through</p>	



Sub No.	Name / Organisation	Support / Objection	Summary of Issues	Planning Comment	Changes to Plan Required? Yes / No
				key recommendations and key work. Further work is required as identified in the servicing strategy. Service Roads or an internal road network will be required to support development within the corridor.	
<b>Late Submission</b>					
14	Ms Julie Fleming	Objection	<p>The submitter requests that the Amenity Lifestyle Precinct and the water treatment buffer be removed from their property.</p> <p>The submitter requests that a future residential zoning be applied to their land like Precincts E and I in the MTEC Investment Master Plan.</p>	<p>The Amenity Lifestyle Precinct and the Gippsland Water Buffer was included in the Council adopted Traralgon Growth Areas Review Reports.</p> <p>In particular, the Amenity Lifestyle was placed in the Morwell, Traralgon and Traralgon West Structure Plans along with the Amenity Rural buffer through gazetted Planning Scheme Amendment C87. Although the property is not affected by the Amenity Rural Buffer (odour buffer) through Environmental Significance Overlay 3. The designation of the Amenity Lifestyle Precinct was to achieve the same outcome, just with no overlay. This outcome was reached in discussion with submitters to Amendment C87, EPA and Australian Paper.</p>	No

Sub No.	Name / Organisation	Support / Objection	Summary of Issues	Planning Comment	Changes to Plan Required? Yes / No
				<p>Amendment C115 does not propose to make any changes to the Amenity Lifestyle Precincts. Due to the Amenity Rural Buffer and Amenity Lifestyle precincts, Amendment C115 also doesn't include the Gippsland Water Facility buffer in the Planning Scheme.</p> <p>Due to the presence of the Amenity Lifestyle Precinct and directions in the adopted Traralgon Growth Areas Review and Clause 21.09 not to allow a zone change which would allow further subdivision and sensitive uses a future residential designation of this property is not supported.</p> <p>Therefore, the request for these areas to be removed Amenity Lifestyle Precinct and designated as Future Residential in not supported.</p>	
15	Mr Brian Walton	Support with changes	<p>The submitter generally supports the proposed Amendment and outcomes associated with it.</p> <p>The submitter has requested that</p>	The northern part of the parcel which sits between the proposed Traralgon Bypass planning controls and the existing residential	Yes – Update the MTEC Investment Master Plan to include part of the property within Precinct G.

Sub No.	Name / Organisation	Support / Objection	Summary of Issues	Planning Comment	Changes to Plan Required? Yes / No
			<p>the part of their property which is south of precinct G and the existing residential estates west of Hazelwood Road be included in 'Precinct G'. This would be land on their property north of the bypass alignment and planning controls.</p> <p>This is due to the following principles identified in the background report being able to be applied to the northern part of their property, which are:</p> <ul style="list-style-type: none"> <li>• The land is an areas between the Traralgon bypass boundary and existing residential land supply;</li> <li>• Occupied by mixed farming and grazing issues;</li> <li>• Accessible from 3 existing sealed roads being Hazelwood Road, Roscommon Drive and Newry Drive; and</li> <li>• Opportunity to develop the site in the long term following the construction of the bypass.</li> </ul>	<p>area does have the same characteristics as identified for Precinct G.</p> <p>Therefore, proposed changes to the MTEC Investment Master Plan to include this property in precinct G are supported.</p> <p>Anything on this property south of the proposed bypass planning controls and within the State Resource Overlay area to remain in Area H.</p>	
16	EPA	Support with changes	<p>EPA is generally supportive of the Amendment and offers the following comments for consideration:</p> <ul style="list-style-type: none"> <li>• Potentially contaminated land and the changes to the special use zone which allows sensitive land uses</li> </ul>	<p>Precinct B3 and D which is the health precinct is proposed to be rezoned from Rural Living to Special Use Zone Schedule 9. The Special Use Zone Schedule 9 does allow some uses 'as of</p>	<p>Yes Update section 2 of the MTEC Investment Master Plan to include detail on Potentially Contaminated Land and historic land uses.</p>

Sub No.	Name / Organisation	Support / Objection	Summary of Issues	Planning Comment	Changes to Plan Required? Yes / No
			<p>as of right. Consideration should be given to historical land uses and how this change is impacted;</p> <ul style="list-style-type: none"> <li>• Encroachment and land use conflict in particular managing encroachment on the Latrobe Regional Airport. Also, the conflict between commercial / industrial uses and residential.</li> </ul>	<p>right' which the Rural Living requires a Planning Permit. However, this area generally contains existing sensitive uses i.e dwelling, caravan parks, Latrobe Regional Hospital.</p> <p>An update to the MTEC Investment Master Plan can be made to ensure information on historical land uses within the precinct has been considered.</p> <p>Section 2 of the MTEC Investment Master Plan identifies land use conflicts and constraints. The encroachment on the Latrobe Regional Airport has been considered. There are both existing and proposed overlay controls which will manage amenity impacts.</p> <p>The precincts have been planned in a way to ensure transition of industrial to a commercial / residential uses. At the time precinct A3 is rezoned, an appropriate zone, buffer or the like will have to be included to ensure distances from residential</p>	

Sub No.	Name / Organisation	Support / Objection	Summary of Issues	Planning Comment	Changes to Plan Required? Yes / No
				land uses as shown in the existing Traralgon West Structure Plan in the Latrobe Planning Scheme.	
17	SP Ausnet	Support	<p>AusNet Services have no objection to the rezoning as proposed.</p> <p>Proposed business and Developers will be required to enter into agreements with AusNet Services Pty Ltd for supply of electricity.</p> <p>Due to the extent of the rezoning, the developments will be subject to an Electricity Network Review to determine if Electricity Networks upgrades are required. Indicative loading details will be required to prepare the Network Review.</p> <p>This corridor includes the Latrobe regional Hospital and Network upgrades shall not compromise the security of the supply to this essential infrastructure.</p> <p>At this early stage of the Planning Scheme, it is difficult to determine the extent of Network Upgrades that may be required.</p>	<p>Submission of support noted.</p> <p>Comments in relation to the supply network have been included within the Servicing Strategy.</p>	No

*Planning and Environment Act 1987*

**LATROBE PLANNING SCHEME**  
**AMENDMENT C115 (MORWELL TO TRARALGON EMPLOYMENT**  
**CORRIDOR)**  
**EXPLANATORY REPORT**

**Who is the planning authority?**

This amendment has been prepared by Latrobe City Council, who is the planning authority for this amendment.

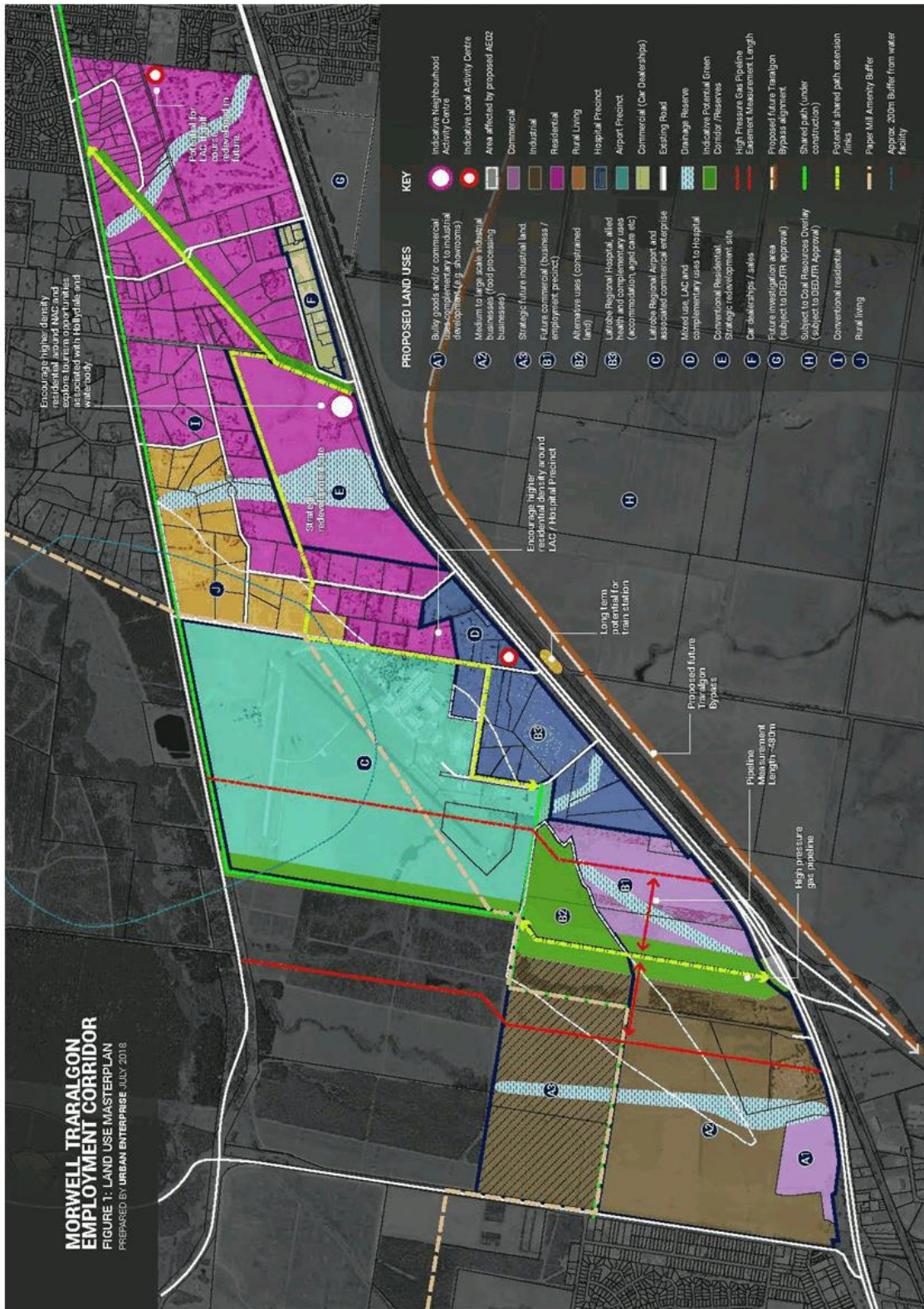
The Amendment has been made at the request of Latrobe City Council.

**Land affected by the Amendment**

The Amendment applies to land with the Morwell to Traralgon Employment Corridor (MTEC) shown in Figure 1 below.

A mapping reference table is attached at Attachment 1 to this Explanatory Report.





### What the amendment does

The Amendment proposes to implement the Morwell to Traralgon Investment Master Plan 2018 into the Latrobe Planning Scheme. This includes rezoning land identified as short term to facilitate development around the Latrobe Regional Hospital for a health precinct.

The Amendment:

- Rezones land in precinct B3 and D (see Figure 1), including land at 5021 and 5023 Princes Highway Morwell and Lot 10 LP 94411 Northern Avenue, Traralgon from Rural Living Zone Schedule 5 to Special Use Zone Schedule 9 (excluding properties publically owned);
- Rezones land at Village Avenue, Traralgon L16 LP67735, 9 Village Avenue, Traralgon L 19 LP67735, 40 Village Avenue, Traralgon CA 2032 and 45 Valley Drive, Traralgon L 5 LP 67735 from Rural Living Zone Schedule 5 to Public Use Zone 3;
- Inserts at Clause 37.01 a new Special Use Zone Schedule 9 related to the development of the Health precinct and complementary uses;
- Amends at Clause 37.01 Special Use Zone Schedule 2 to facilitate development of precinct F for Car Sales;
- Amends Clause 21.01 to update the Strategic Land Use Framework Plan to implement to recommendations of the MTEC Investment Master Plan 2018
- Amends Clause 21.02 (Housing and Settlement) and 21.07 (Economic Development), to include key strategies and objectives to implement the recommendations of the MTEC Investment Master Plan 2018
- Amends Clause 21.09 (Local Areas) to include updating to Traralgon West Structure Plan which includes renaming it to the Morwell to Traralgon Structure Plan and including key strategies and objectives to implement the recommendations of the MTEC Investment Master Plan 2018.
- Amends Clause 21.10 Implementation to include the MTEC Investment Master Plan 2018 as a background document

### Strategic assessment of the Amendment

#### Why is the Amendment required?

The Amendment is required to implement and facilitate the recommendations of the MTEC Investment Master Plan 2018. Objective 1 of the Council Plan is to '*Support job creation and industry diversification to enable economic growth in Latrobe City*'. To meet this objective, Council needs to ensure that there is enough suitably zoned land within the municipality to facilitate development and provide direction to potential investor regarding the key opportunities within the region.

The Economic Development Strategy 2016 – 2020 and with the closure of Hazelwood Power part of one of Latrobe's largest employers, support for job growth and economic diversification for the municipality is essential.

The MTEC Investment Master Plan 2018 estimates that the full development of corridor has the potential to support 5623 jobs and generate an economic output of \$2.5 billion. This amendment facilitates the rezoning of land in precincts B3 and D, it also facilitates further development of precinct F. This Amendment has the potential to create up to 3411 jobs and \$1billion in economic output.

The Amendment also highlights the future opportunity to develop other precincts within the medium to long term depending land supply and development rates.

#### How does the Amendment implement the objectives of planning in Victoria?

The Amendment meets the following objectives of Planning in Victoria

- (a) *to provide for the fair, orderly, economic and sustainable use, and development of land;*

(c) to secure a pleasant, efficient and safe working, living and recreational environment for all Victorians and visitors to Victoria;

(e) to protect public utilities and other assets and enable the orderly provision and co-ordination of public utilities and other facilities for the benefit of the community;

(f) to facilitate development in accordance with the objectives set out in paragraphs (a), (c), and (e);

The Amendment implements these objectives by introducing the MTEC Investment Master Plan into the Latrobe Planning Scheme which provides for the fair and orderly planning of the corridor. It is proposed to stage the release of land within the MTEC to ensure there is not an oversupply of land to the market, that issues around servicing can be resolved within an orderly manner.

The Amendment supports the protection and promotes the development of the Latrobe Regional Airport and Latrobe Regional Hospital as key public assets for the community. It is a key strength for the region which can be facilitates development to support jobs growth and investment.

#### **How does the Amendment address any environmental, social and economic effects?**

The Amendment has considered any environmental, social and economic effects by rationalising the land base and leveraging the strategic advantages of Latrobe City to sustain long term growth.

##### **Environmental Effects**

As part of the preparation of the MTEC Investment Master Plan background reports were undertaken, including a biodiversity assessment for the precinct. The assessment has highlighted key areas for consideration as part of any development of the precinct and determined the area has a moderate potential to support threatened species.

The report indicated that further detailed assessment would be required at the planning permit stage to determine presence and requirements around the development of specific sites.

Where possible, the MTEC Investment Master Plan has indicated public open space areas to protect certain waterways, significant vegetation etc to address any concerns. A considerable amount of vegetation is within the road reserve.

Areas of cultural sensitivity are identified in precincts A1, A2 and A3 and Precincts E and I. A Cultural Heritage Management Plan (CHMP) has been prepared as part of development of the Industrial Zone land in precinct A2 prior to the issues of the planning permit.

At the time of development, landowners will be required to ensure if a CHMP is required.

##### **Social Effects**

Latrobe City Council is projected to have a considerably larger aging population. Key assets such as a Latrobe Regional Hospital will play a key role in servicing this demographic. The Amendment supports the development and expansion of the Latrobe Regional Hospital and its associated services within the Health precinct (precincts B3 and D).

Latrobe City Council Housing Strategy supports the growth of Latrobe City to 100,000 residents over the next 30 years, reinforcing Latrobe City's role as one of Victoria's Four Major Regional Cities. The Amendment will help support this growth as the MTEC Investment Master Plan supports job growth and development within the region. The rezoning of land will support investment and job growth, which in turn can support population growth within the municipality.

##### **Economic Effects**

As part of the preparation of the MTEC Investment Master Plan, an economic assessment for the precinct was undertaken.

The MTEC Investment Master Plan 2018 estimates that the full development of corridor has the potential to support 5623 jobs and generate an economic output of \$2.5 billion. This amendment facilitates the rezoning of land in precincts B3 and D; it also facilitates further development of precinct F. This Amendment has the potential to create up to 3411 jobs and \$1 Billion in economic output.

The Amendment supports the protection and promotes the development of the Latrobe Regional Airport and Latrobe Regional Hospital as key public assets for the community. It is a key strength for the region which can be facilitates development to support jobs growth and investment.

**Does the Amendment address relevant bushfire risk?**

The Amendment has considered relevant bushfire risk and as part of the MTEC Investment Master Plan further work, being the *Morwell to Traralgon Employment Corridor Investment Master Plan – Bushfire Panning consideration report* (December 2018) was completed. A meeting was held with the Country Fire Authority to discuss the recommendations of the report.

The majority of the MTEC precinct is within a Bushfire Prone Area, with precinct A2, A3, B1, B2 and C partially covered by a bushfire Management Overlay. Typical bushfire scenarios for the precinct are:

1. Bushfire from the north which has the potential for a 3km fire run
2. Grassfire, which can impact in all areas where development has not occurred.

In general, the development of the MTEC is likely to reduce bushfire risk, in particular to the existing townships of Morwell and Traralgon. The Latrobe Regional Airport provides a maintained land area development in precinct B3 and D. The Latrobe Regional Airport is also undertaken a section 69 process to protect a small offset area for vegetation, however this are will have a management plan associated with it.

When rezoning and development of precinct A3 and B2 occur, a perimeter road will be required as a mitigation measure for bushfire protection. A Development Plan Overlay tool or other acceptable planning tools can be used at the time to require this measure. However, it is not required through this Amendment process.

A detailed assessment of Clause 13.02 and proposed mitigation measures has been provided with the *Morwell to Traralgon Employment Corridor Investment Master Plan – Bushfire Panning consideration report* (December 2018).

**Does the Amendment comply with the requirements of any Minister's Direction applicable to the amendment?**

The Amendment complies with and is consistent with requirements of the relevant Minister's Direction being:

- Ministerial Direction – The Form and Content of Planning Schemes
- Direction 11 – Strategic Assessment of Amendments
- Direction 15 – The Planning Scheme Amendment Process
- Direction 20 – Major Hazard Facilities
  - Advice was sought from Worksafe Victoria on 26 April 2019, to date no response has been received
  - Advice was sought from Minister for Economic Development on 3 May 2019, to date no response has been received.

**How does the Amendment support or implement the Planning Policy Framework and any adopted State policy?**

The Amendment directly supports the following Clauses of the Planning Policy Framework:

*Clause 17 Economic Development* by:

- Planning for new employment areas and facilitating growth across the health and retail industries allowing the Latrobe economy to diversify and grow.
- Supporting the development of business clusters to build the critical mass of employment within the area by leveraging the areas competitive strengths.

- Providing small scale shopping opportunities that meet the needs of local residents and workers in convenient locations.

*Clause 19 Infrastructure by:*

- Supporting the development of energy facilities in appropriate locations where they take advantage of existing infrastructure and provide benefits to industry and the community.
- Planning for the development of pipeline infrastructure subject to the Pipelines Act 2005.
- Locating hospitals and other large health facilities in designated health precincts and areas highly accessible to public and private transport.
- Providing timely, efficient and cost-effective development infrastructure that meets the needs of the community.
- Planning and coordinating integrated water management, bringing together stormwater, wastewater, drainage, water supply, water treatment and re-use.

The Amendment meets supports the Planning Policy Framework by building a critical mass of health related employment opportunities around the hospital by rezoning the land to a Special Use Zone – Schedule 9 which encourages health related uses. It also supports the needs of the locals, patients and workers by supporting small scale shopping opportunities in the precinct.

The accompanying Servicing Strategy for the entire Morwell – Traralgon Employment Corridor highlights the servicing needs and critical infrastructure within the area to ensure that coordinated planning of infrastructure requirements can occur, including gas, water, sewer and electricity.

**How does the Amendment support or implement the Local Planning Policy Framework, and specifically the Municipal Strategic Statement?**

This strategic consideration only applies if the planning scheme includes an LPPF at Clause 20.

The Amendment directly supports the following Clauses of the Municipal Strategic Statement:

*Clause 21.02 Housing and Settlement by:*

- Ensuring the strategic employment area identified as an employment investigation area should accommodate industry clusters where health, aeronautics or agriculture research in accordance with the Traralgon West Structure Plan.

*Clause 21.07 Economic Development by:*

- Complying with the Latrobe City Economic Sustainability Strategy 2016-2020 which has an emphasis on job creation, industry diversification and the ability to offer opportunities to prospective investors Latrobe City has two areas of significant commercial importance which are as follows: Gippsland Logistics Precinct in Morwell. Latrobe Regional Airport in the Morwell – Traralgon corridor.
- Facilitating new development and employment opportunities in Latrobe.
- Encouraging neighbourhood shops providing local convenience goods and services in locations accessible to local communities in accordance with Structure Plans and endorsed development plans.
- Providing for localised convenience retailing.
- Promoting and protecting the operations of Latrobe Regional Hospital by supporting the implementation of the Latrobe Regional Hospital Master Plan.
- Implementing the Traralgon West Growth Corridor Structure Plan (now renamed Morwell – Traralgon Corridor Structure Plan (MTCSP)) to help identify appropriate uses surrounding the Latrobe Regional Hospital.

*Clause 21.08 Transport and Infrastructure by:*

- Ensuring adequate physical infrastructure is provided for future development needs by encouraging broad scale infrastructure needs analysis across the main towns to help determine the type, location and cost of key shared infrastructure.
- Ensuring that all forms of urban development are connected to appropriate infrastructure including reticulated water, sewerage, telecommunications, power and stormwater facilities.



- Ensuring services meet known and anticipated demands for physical, financial and population growth.

*Clause 21.09 Local Areas by:*

- Discouraging further expansion of the existing area used for car sales along Princes Highway (TWGCSP (now MTCSP) Area 5).
- Encouraging proposals for employment intensive businesses that are compatible with the nearby Latrobe Regional Hospital and Latrobe Regional Airport associated with health and aeronautics in TWGCSP (now MTCSP) Area 4 and ensure that these proposed businesses have an appropriate interface treatment with the Major Gas Pipeline in the area.
- Protecting Latrobe Regional Hospital and support the intensification of health related uses on the hospital site or expansion into TWGCSP (now MTCSP) Area 4.

The Amendment supports the Local Planning Policy Framework by ensuring that the employment investigation area indicated in the Morwell - Traralgon Corridor Structure Plan supports the health industry jobs growth, and the expansion of the Latrobe Regional Hospital along with the further development of a business park in the future when there is demand for such facilities to encourage further diversification and jobs creation.

The Special Use Zone – Schedule 2 seeks ensure that the area allocated for car sales continues to function efficiently without the need for further expansion.

Furthermore, the identification of the public open space along the pipeline corridor and in line with the extent of the Airport Environs Overlay in precinct B1 ensures that the gas pipeline and the future operation of Latrobe Regional Airport are protected.

#### **How does the amendment support or implement the Municipal Planning Strategy?**

Not Applicable.

#### **Does the Amendment make proper use of the Victoria Planning Provisions?**

The Amendment makes proper use of the Victoria Planning Provisions. In particular, the Special Use Zone Schedule 9 has been applied as:

- Another appropriate zone could not have been applied that allowed certain uses, but restricting other uses; and
- The sites adjoin more than 1 zone being Farming, Special Use Zone 7, Rural Living, Public Use Zone.

The Amendment is also generally consistent with the following relevant practice notes:

- A practitioners Guide to the Victorian Planning Schemes
- PPN03 – Applying the Special Use Zone
- PPN04 – Writing a Municipal Strategic Statement
- PPN13 – Incorporated and background documents
- PPN46 – Strategic Assessment Guidelines
- PPN64 - Local Planning for bushfire protection
- PPN77 – Pre – setting panel hearing dates

#### **How does the Amendment address the views of any relevant agency?**

The preparation of the MTEC Investment Master Plan and associated background reports, *Morwell to Traralgon Employment Corridor Investment Master Plan – Bushfire Panning consideration report* (December 2018) and the Servicing Strategy was undertaken in consultation with relevant agencies and authorities.



Further comments will be sought from agencies during the exhibition of the amendment.

### **Does the Amendment address relevant requirements of the Transport Integration Act 2010?**

As part of the preparation of the MTEC Investment Master Plan a Traffic and Transport review was undertaken. A recommendation of the MTEC Investment Master Plan suggested that a Servicing Strategy be prepared to review impacts of servicing on the precinct. The MTEC Investment Master Plan leverages off access to the Princes Highway.

There are several existing intersections along the corridor as well as existing access to business around precincts B3, D and F. The Amendment only proposes to zone and around precinct B3 and D; therefore, it is considered at this point in time no impact on the Transport Network due to existing infrastructure.

The Servicing Strategy identifies some potential concerns for review in relation to intersection placement and makes recommendations around precincts A1, 2, 3 and B1 and 2 requiring further investigation and discussion with Department of Transport. Latrobe City Council will also need to continue to advocate for the construction of the Traralgon bypass to facilitate further development in these precincts.

### **Resource and administrative costs**

The Amendment may result in a moderate increase in planning permit activity with precinct B3 and D due to the change in zone. However, it is not proposed that this will have an impact on timeframes and resources to assess planning permit applications.

The Servicing Strategy highlights further work to be undertaken and this will result in additional funds being required. Latrobe City Council will identify funding opportunities, collaboration and / or allocation of budget for this further strategic work to be undertaken.

The implementation of the MTEC Investment Master Plan will result in further Planning Scheme Amendments to realise further development opportunities in precincts A3, B1 and 2 and precincts E and I. This could potentially be proponent led or Council led Planning Scheme Amendments and would be subject to further funding being required. Latrobe City Council will identify funding opportunities, collaboration and / or allocation of budget for this further strategic work to be undertaken.

### **Where you may inspect this Amendment**

The Amendment is available for public inspection, free of charge, during office hours at the following places:

Corporate Headquarters  
141 Commercial Road  
Morwell VIC 3840

Moe Service Centre  
1 – 29 George Street  
Moe VIC 3825

Churchill Service Centre  
9-11 Phillip Parade  
Churchill VI 3842

Traralgon Service Centre  
34-38 Kay Street  
Traralgon VIC 3844

The Amendment can also be inspected free of charge at the Department of Environment, Land, Water and Planning website at [www.planning.vic.gov.au/public-inspection](http://www.planning.vic.gov.au/public-inspection).

### **Submissions**

Any person who may be affected by the Amendment may make a submission to the planning authority. Submissions about the Amendment must be received by Monday 15 July 2019. A submission must be sent to:

Latrobe City Council  
Strategic Planning Department  
PO Box 264,  
Morwell VIC 3840

**Panel hearing dates**

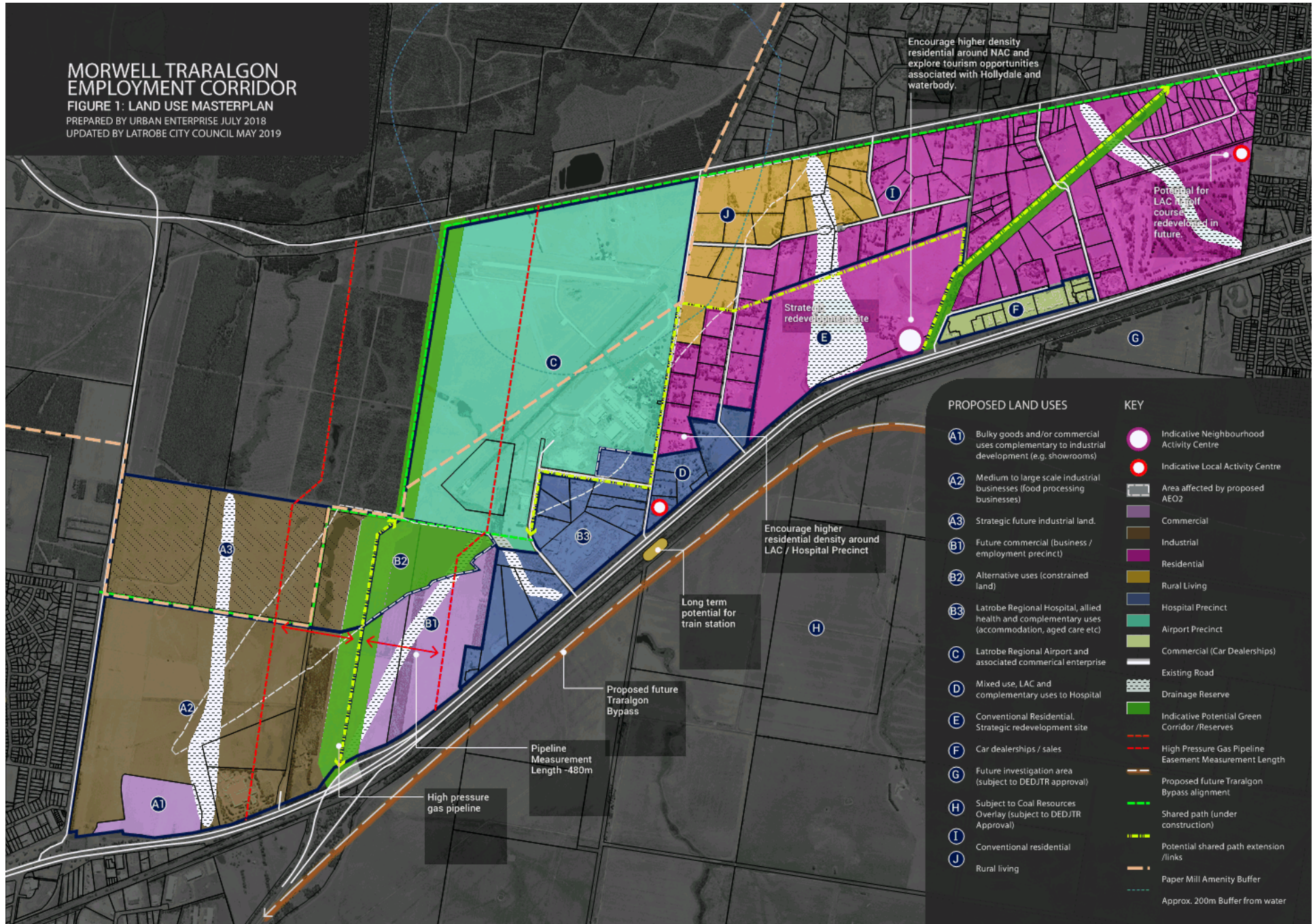
In accordance with clause 4(2) of Ministerial Direction No.15 the following panel hearing dates have been set for this amendment:

- directions hearing: September 2019
- panel hearing: October 2019

## ATTACHMENT 1 - Mapping reference table

Location	Land /Area Affected	Mapping Reference
<p>Latrobe City Council</p> <p>Morwell to Traralgon Employment Corridor</p>	<p>The Amendment proposes to implement the Morwell to Traralgon Investment Master Plan 2018 into the Latrobe Planning Scheme. This includes rezoning land identified as short term to facilitate development around the Latrobe Regional Hospital for a health precinct. Including land at:</p> <ul style="list-style-type: none"> <li>• Precinct B3 and D (see Figure 1), including land at 5021 and 5023 Princes Highway Morwell and Lot 10 LP 94411 Northern Avenue, Traralgon from Rural Living Zone Schedule 5 to Special Use Zone Schedule 9 (excluding properties publically owned);</li> <li>• Village Avenue, Traralgon L16 LP67735, 9 Village Avenue, Traralgon L 19 LP67735, 40 Village Avenue, Traralgon CA 2032 and 45 Valley Drive, Traralgon L 5 LP 67735 from Rural Living Zone Schedule 5 to Public Use Zone 3;</li> </ul>	<p>Latrobe C115 001ZnMap85 Exhibition</p>





**Agenda Item: 14.3**

**Agenda Item: 2A Crinigan Road, Morwell Rezoning Request**

**Sponsor: General Manager, City Development**

**Council Plan Objective: Improve the liveability and connectedness of Latrobe City.**

**Status: For Decision**

**MOTION**

**Moved:** Cr McFarlane

**Seconded:** Cr White

**That Council writes a letter of support to the Minister for Planning for the rezoning of land at 2A Crinigan Road, Morwell, from Public Use Zone – Schedule 2 to Neighbourhood Residential Zone – Schedule 4, in response to the request from the Department of Treasury and Finance.**

**CARRIED UNANIMOUSLY**

**Executive Summary:**

2A Crinigan Road, Morwell (Former Crinigan Road Primary School) has been identified as surplus land by the Department of Education and Training to be sold and as such the Public Use Zone – Schedule 2 (PUZ2) Education is no longer appropriate.

Beveridge Williams was engaged by the Department of Treasury and Finance in late 2018 to prepare a planning scheme amendment to rezone the land at 2A Crinigan Road, Morwell to a residential zone as the PUZ2 can only apply to public education sites.

The Amendment proposes to:

- Rezone the land at 2A Crinigan Road, Morwell from PUZ2 to Neighbourhood Residential Zone – Schedule 4 (NRZ4).

This zoning is consistent with the surrounding residential zone proposed in Amendment C105 Live Work Latrobe.

- Amend the Bushfire Management Overlay (BMO) that applies to the north of the property to Bushfire Management Overlay - Schedule 1 (BMO1)
- Amend Clause 21.09 Local Areas to remove reference to the school site on



the Morwell Town Structure Plan and amend the Morwell Housing Framework Plan to include the site as a limited change area.

Beveridge Williams is seeking Council support to proceed with the amendment as it is proposed to be a fast tracked amendment which does not include notification to the surrounding residents or public exhibition.

Council has the option to not support the amendment or to support the amendment proceeding.

Should Council choose to support the amendment, it would be lodged by Department of Treasury and Finance with the Minister for Planning for approval.

Council officers do not see any significant concerns with the proposed Amendment and believe a letter of support could be provided.

This is due to the rezoning to Neighbourhood Residential Zone being consistent with the adjacent land use and the amendment also provides the opportunity for new housing stock to be available in Morwell.

**Supporting Information:**

Under the Morwell Schools Regeneration Project, Commercial Road, Tobruk Street and Crinigan Road Primary Schools merged and relocated to the current McDonald Street site.

The Fast Track Government Land Service (FTGL Service) then identified 2A Crinigan Road, Morwell as surplus land in 2017. The site is shown in context in Figure 1 below:





*Figure 1: Aerial of 2A Crinigan Road, Morwell.*

The FTGL Service is an initiative to deliver changes to planning provisions or correct planning scheme anomalies for land owned, proposed to be owned in the future or to facilitate the delivery of priority projects by the Victorian Government. Government landowning departments and agencies that require planning scheme changes for their land can apply for assistance through the FTGL Service. This can include rezoning surplus government land, making changes to overlay provisions for existing sites delivering a government service outcome or determining planning provisions for land proposed to be owned by government in the future.

Council was offered the opportunity to purchase the former school site in 2017. Council considered a report at its meeting held on 27 March 2017 and it was resolved that Council writes to the Department of Treasury and Finance to:

- (a) Decline submitting an expression of interest to purchase the former primary school site located at Crinigan Road Morwell and Tobruk Street Morwell for community and/or educational purposes; and
- (b) Advocates to the state government to retain the Tobruk Street Morwell site and grant Berry Street School, Morwell tenure for the purpose of housing its school for disadvantaged youth.

The site is currently zoned Public Use Zone – Schedule 2 and has the Bushfire Management Overlay applied to the northern portion of the site (see attachment 1).

The Bushfire Management Overlay has been applied due the site being within 150 metres of Crinigan Bushland Reserve.

In late 2018, the Department of Treasury and Finance engaged Beveridge Williams to undertake a Planning Scheme Amendment to rezone the land at 2A Crinigan Road, Morwell as a part of the FTGL Service.

Latrobe City Council has been assisting Beveridge Williams with the Amendment since January 2019 in regards to analysing bushfire assessments, and providing an updated Morwell Housing Framework Plan and Morwell Town Structure Plan.

The Amendment seeks to:

- Rezone 2A Crinigan Road, Morwell from PUZ2 Education to NRZ4 (under the Amendment C105 provisions);
- Amend the BMO that applies to the north of the property to BMO1; and
- Amend Clause 21.09 Local Areas to remove reference to the school site on the Morwell Town Structure Plan and update the Morwell Housing Framework Plan to identify the site as a 'limited change' area.

The proposed Amendment seeks to amend the BMO to BMO1 as it simplifies the approval process for a planning permit and does not require a referral to the CFA if the application meets the BAL rating, water requirements, defensible space and access requirements as outlined in the schedule.

In order to proceed in a fast track amendment, a proponent needs a letter of support from the responsible authority which is Council in this case.

Council has the option to not support the amendment or to support the amendment proceeding.

The proposal is consistent with Ministerial Direction – Form and Content of a Planning Scheme Section 7 Part 5, which states:

*“12. A planning scheme may only include land in a Public Use Zone, a Public Park and Recreation Zone or a Public Conservation and Resource Zone if the land is Crown land, or is owned by, vested in or controlled by a Minister, government department, public authority or municipal council.”*

It is also consistent with Live Work Latrobe policy which identifies the site as a Strategic Development Site in the Morwell Housing Framework Plan.

#### **Issues:**

##### ***Strategy Implications***

The rezoning will help facilitate greater liveability and connectedness of Latrobe City which aligns with Objective 3 - *Improve the liveability and connectedness of Latrobe City* of the Council Plan by taking a currently vacant site and allowing further redevelopment opportunities.

### ***Communication***

The amendment would be considered as a minor technical amendment that does not require notice or a formal exhibition process.

Any development of the site would be considered through the Planning Permit or Building Permit process where formal notification can occur. As such, at the development stage the community will have an opportunity to comment.

### ***Financial Implications***

There is no financial implications regarding the amendment for the rezoning of 2A Crinigan Road, Morwell, officers time on providing response and advocating for matters is undertaken under BAU budget.

### ***Risk Analysis***

<b>Identified risk</b>	<b>Risk likelihood*</b>	<b>Controls to manage risk</b>
Lack of notification to surrounding residents causing some concern among residents.	3 - Possible	Notification will occur during the planning permit process for any further development on the site. The public will have an opportunity to comment on any proposed development at that point in time.
Community expectations about what uses can go on site as it will change from a school site to a residential site.	4 - Likely	The proposal is consistent with Ministerial Direction – Form and Content of Planning Schemes and is identified as a Strategic Development site within the Amendment C105 Live Work Latrobe Morwell Housing Framework Plan.

\* For example, likelihood ratings: 1 (Rare); 2 (Unlikely); 3 (Possible); 4 (Likely); 5 (Almost Certain)

### ***Legal and Compliance***

Ministerial Direction – Form and Content of a Planning Scheme Section 7 Part 5 states that no privately owned land can be in a public zone. As such, once the sale of the land is complete, the Latrobe Planning Scheme would not comply with this direction.



### ***Community Implications***

The site is identified as a Strategic Development Site in the Morwell Housing Framework Plan in the *Live Work Latrobe Housing Strategy 2019*. This designation allows for higher density developments such as aged care facilities.

### ***Environmental Implications***

The Bushfire Management Overlay currently applies to the northern section of the site. The Amendment proposes to amend the overlay to Bushfire Management Overlay – Schedule 1 which is consistent with the surrounding built up areas.

As a part of the amendment an assessment against Clause 13.02 of the Latrobe Planning Scheme was undertaken where it indicated that the bushfire risk could be effectively mitigated on site and would reduce the net risk for the properties to the south.

### ***Consultation***

As this amendment is proposed to be a fast tracked amendment, no consultation is proposed.

The amendment is however consistent with the implementation of Live Work Latrobe which has undergone extensive consultation. Notification will occur at the planning permit stage.

However, to manage expectations about what could occur on site, direct notification could be sent to those properties directly abutting the site once the Amendment has been finalised in order to inform the residents.

### ***Declaration of Interests:***

Officers preparing this report have declared they do not have a conflict of interest in this matter under the provisions of the *Local Government Act 1989*.

### ***Supporting Documents:***

Nil

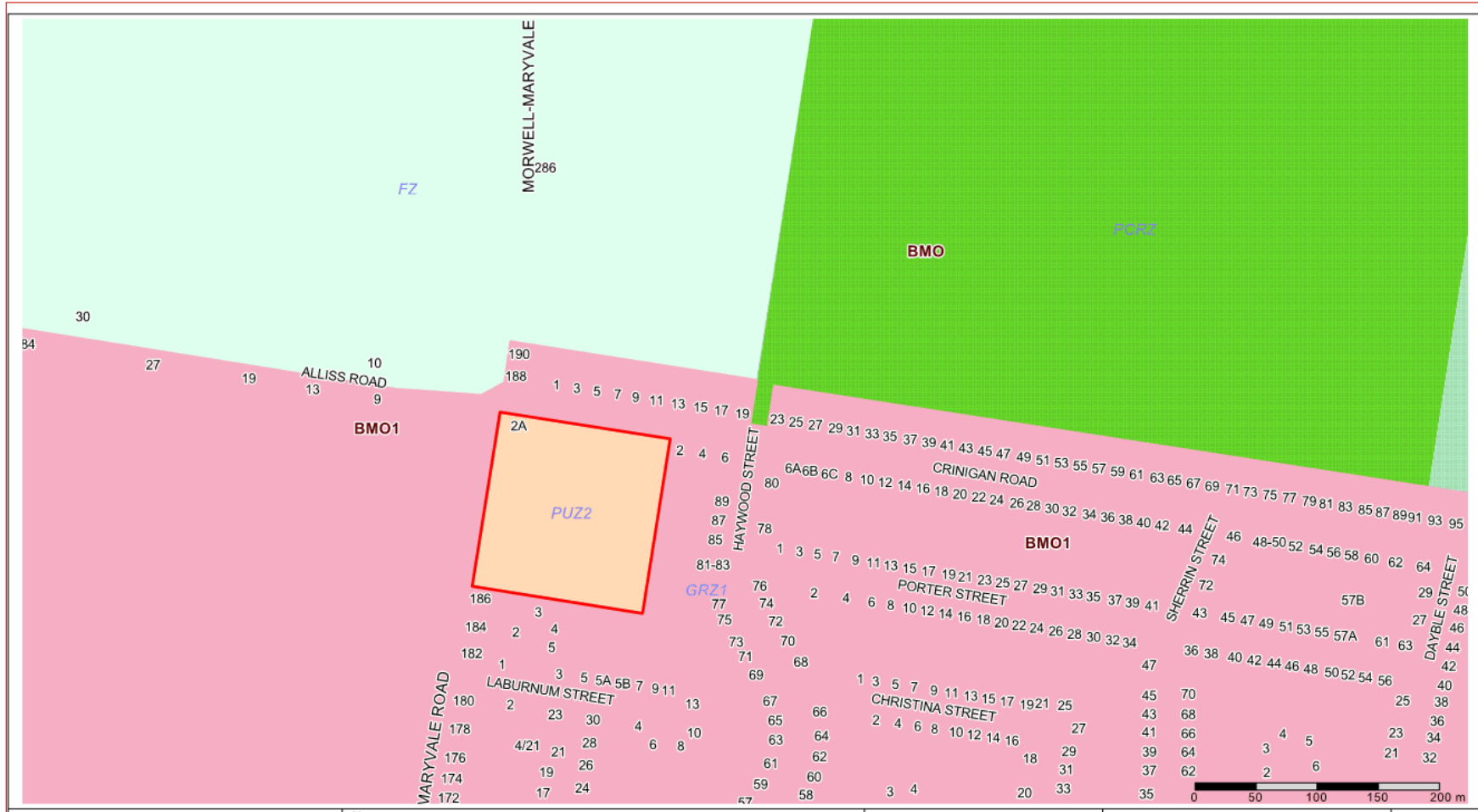
### ***Attachments***



1 [↓](#). 2A Crinigan Road, Morwell - Current Zones and Overlays

## **14.3**

### **2A Crinigan Road, Morwell Rezoning Request**

- 1 2A Crinigan Road, Morwell - Current Zones and Overlays ..... 219**



	<p><b>Note</b></p>		<p>31/07/2019</p>	
	<p>The information shown on this map is derived from a variety of sources including, but not limited to, Vicmap Data, other State and Local Government Agencies data and Latrobe City Data.</p> <p><b>Disclaimer:</b></p> <p>The State of Victoria does not warrant the accuracy or completeness of information in this publication and any person using or relying upon such information does so on the basis that the state of Victoria shall bear no responsibility or liability whatsoever for any errors, faults, defects or omissions in the information. Latrobe City does not guarantee the accuracy or the currency of the information presented on this map and therefore Latrobe City will not be held liable for any loss or damage arising as a result of using this information.</p> <p>The location of features shown on this map is indicative only. The underground infrastructure location shown is not to be used as a substitute for <b>Dial Before You Dig</b>.</p> <p>The compilation of this map is subject to copyright laws and regulations, no part of this map can be reproduced without prior written consent of Latrobe City Council.</p>		<p>Scale 1:4485</p>	





**Agenda Item: 14.4**

**Agenda Item: Supreme Court Hearing - Extension of Time  
Application for the Development of 16 dwellings at 4, 5  
and 6 McClure Court, Traralgon**

**Sponsor: General Manager, City Development**

**Council Plan Objective: Ensure Council operates openly, transparently and  
responsibly.**

**Status: For Decision**

**MOTION**

**Moved: Cr O'Callaghan**

**Seconded: Cr Howe**

**That Council participates in the Supreme Court hearing for the Extension of  
time application for planning permit 2011/297 for the development of 16  
dwellings at 4, 5 and 6 McClure Court Traralgon.**

**CARRIED UNANIMOUSLY**

**Executive Summary:**

The owner of 4-6 McClure Court, Traralgon is proceeding with a Supreme Court appeal of the decision by the Victorian Civil and Administrative Tribunal (VCAT) to refuse an extension of time to Planning Permit 2011/297.

A directions hearing for the matter was held on 24 July 2019. Council was represented by Sherwell Harrison Munro Lawyers. An order was issued at the directions hearing. The matter will now proceed to a hearing on 7 August 2020.

- At the hearing the application can either be dismissed or granted. If it is granted, the Court may either make an order granting the application and substituting its own order or return it to VCAT to be heard according to law.
- To date, Council has incurred costs of \$5,100 (exclusive of GST) through the engagement of Sherwell Harrison Munro Lawyers for their preparation and attendance at the directions hearing. Further active participation has a combined approximated cost of \$18,000 (exclusive of GST).
- These costs could increase dependent on the length of the hearing and cannot be accommodated in the Statutory Planning team's legal budget, funding for any further costs would need to be sought through a future budget process.
- Background information was provided by Councillor Briefing 19 August 2019. Councillors were informed of the options available to participate in the Supreme Court proceeding.
- It is recommended that Council take an active role in the proceedings by engaging Sherwell Harrison Munro Lawyers and a barrister to represent Council at the hearing.

*History of Application*

Planning Permit 2011/297 was issued on 23 April 2013 for the construction of sixteen dwellings at 4-6 McClure Court, Traralgon at the direction of VCAT. The permit has been extended twice – once in 2015 for twelve months and again in 2016 for twelve months. The permit expired on 23 April 2018. A further extension of time, which was applied for in 2018, was refused by Council at its Ordinary Meeting of 7 May 2018 on the following grounds:

1. *The application is inconsistent with Planning Scheme Amendment C105 'Live Work Latrobe' and in particular the Draft Housing Strategy.*
2. *It is considered that the land owner is 'warehousing' and the total lapse of time since the issue of the permit is excessive.*

The applicant, Michael Pogorzelski, appealed Council's decision at VCAT. The hearing was held in February 2019 and a VCAT order was issued on 21 May 2019

affirming Council's decision to refuse the extension of time. The Tribunal determined that:

*"...the Applicant's ill health is a contributing and relevant consideration but is not of itself sufficient to establish a reason for the total lapse of time. In the absence of information about other extenuating circumstances impacting on the Applicant's capacity to act on the permit, the Applicant has not met his obligation to advance some reason or material in support of the grant of an extension. I have not been presented with material that demonstrates the Applicant is not seeking to warehouse the permit."*

Mr Pogorzelski has appealed the decision to the Supreme Court. A VCAT decision can only be challenged on a question of law and this can only take place in the Supreme Court. Mr Pogorzelski has appealed the decision on the basis that he was denied natural justice as the Tribunal failed to have regard to the relevant considerations of the case, in particular his ill health as being the reason why he has not commenced the development. Mr Pogorzelski is seeking to have the VCAT orders set aside and be granted an 18 month extension to the permit, or alternatively have the proceeding remitted to the Tribunal to be heard and determined again in accordance with the law.

A directions hearing for the matter was held on 24 July 2019 where Council was represented by Sherwell Harrison Munro Lawyers. An order was issued at the directions hearing which outlines the steps required to be undertaken by each party to prepare for the hearing, a copy of the order from the Supreme Court has not been provided to Council to date.

The matter will now proceed to a hearing on 7 August 2020. At the hearing the application can either be dismissed or granted. If it is granted the Court may either make an order granting the application and substituting its own order or return it to the Tribunal to be heard according to law.

**Issues:**

*Strategy Implications*

The proposal is aligned to Strategy 9 of the Council Plan 2017-2021 which is:

*Implement a town planning regime which facilitates appropriate urban growth, industry diversification, liveability and connectivity of Latrobe City*

*Communication*

At the Ordinary Council Meeting on 7 May 2018, three parties spoke to the agenda item 14.3 Extension of time for planning permit 2011/297, Construction of 16 dwellings at 4-6 McClure Court, Traralgon.

One of these parties was representing the applicant with the other two being objectors to the original planning permit with one of these parties speaking on behalf of the Sherwood Park Action Group.

Council Planning Officers will provide an update to both parties who spoke at the Ordinary Council Meeting on 7 May 2018 detailing Council's role in future proceedings and the outcome of the hearing.

*Financial Implications*

Additional resources or financial cost will only be incurred should the planning permit application require determination at the Victorian Civil and Administrative Tribunal (VCAT).

To date, Council has incurred costs of \$5,100 (exclusive of GST) through the engagement of Sherwell Harrison Munro Lawyers for their preparation and attendance at the Directions Hearing. These costs have been accommodated in the Statutory Planning team's legal budget, funding for any further costs would need to be sought through a future budget process.

Should Council decide to be represented at the hearing of the application Sherwell Harrison Munro Lawyers engagement will need to continue and a barrister will be required to be engaged with a combined approximated cost of \$18,000 (exclusive of GST) noting that these costs could increase dependent on the length of the hearing. These further costs cannot be accommodated in the Statutory Planning team's legal budget and additional funding would need to be sought if Council wish to continue to participate in the hearing.

*Risk Analysis*

<b>Identified risk</b>	<b>Risk likelihood*</b>	<b>Controls to manage risk</b>
Risk to Council's reputation if VCAT's decision is overturned and Council did not participate in the proceedings	3 (Possible)	Council to continue to participate in the Supreme Court hearing, noting that the financial implications, as discussed above.
There is a financial risk if costs are awarded against Council	2 (Unlikely)	Council to engage a barrister to represent them in relation to this matter.

\* For example, likelihood ratings: 1 (Rare); 2 (Unlikely); 3 (Possible); 4 (Likely); 5 (Almost Certain)

*Legal and Compliance*

An overview of the legal implications has been addressed previously in this report.

*Community Implications*

As detailed previously in this report, out of the three parties who spoke to agenda item 14.3 at the Ordinary Council Meeting on 7 May 2018; two parties were objectors

to the original planning permit application, with one of these parties representing Sherwood Park Action Group.

The original application had 55 objections, with the Sherwood Park Action Group formed as a result of the planning permit application and representing original objectors to the proposal.

There is considerable community interest in relation to this matter and if Council do not continue to participate in the proceedings and VCAT's decision is overturned it could result in a reputational risk to Council, noting the varying degrees of participation possible.

*Environmental Implications*

There are no environmental implications.

*Consultation*

N/A

**Declaration of Interests:**

Officers preparing this report have declared they do not have a conflict of interest in this matter under the provisions of the *Local Government Act 1989*.

**Supporting Documents:**

Nil

**Attachments**  
Nil



# INFRASTRUCTURE AND RECREATION

## **15. INFRASTRUCTURE AND RECREATION**

**Agenda Item: 15.1**

**Agenda Item: Play Space Improvement Plan Year 4 actions -  
Prioritisation of projects**

**Sponsor: General Manager, Infrastructure and Recreation**

**Council Plan Objective: Provide a connected, engaged and safe community environment, which is improving the well-being of all Latrobe City citizens.**

**Status: For Decision**

### **MOTION**

**Moved: Cr O'Callaghan**

**Seconded: Cr Harriman**

**That Council:**

- 1. Endorses the upgrade of the following play spaces at; Gillwell Avenue Traralgon, Queens Parade Traralgon, Traralgon South, Tyers, Freeman Park West Traralgon, Ollerton Ave Newborough and Phillip Street Moe and**
- 2. Refers the upgrade of lower priority play spaces at Judd Park Traralgon, Southdown Way Traralgon, Newman Park Traralgon, Beattie Crescent Morwell, Anderson Avenue Yallourn North and Centenary Park Yinnar for consideration to deliver as part of the Year 5, 2020/21 Play Space Improvement Plan.**

**CARRIED UNANIMOUSLY**

### **Executive Summary:**

The Latrobe City Council Play Space Strategy and Play Space Improvement Plan 2016 – 2021 were endorsed by Council on 23 May 2016. Since this time, Latrobe City Council has completed the upgrade and renewal of 31 play spaces across the municipality. The focus of these upgrades has been on a 'whole of park' renewal, with the entire play space being upgraded, not just the play equipment. This has resulted in much improved amenity for our play spaces and an improved experience for our community.

The previously identified Year 4 actions in the Play Space Improvement Plan (Attachment 1) are estimated to cost \$590,000.

The approved 2019/20 Latrobe City Council budget includes \$327,115 funding for the Year 4 actions which is made up of:

- \$295,000 from the Latrobe City Council annual renewal budget; and
- \$32,115 as a carry forward from the 2018/19 Play Space Improvement Plan funding.

It was hoped to have matching funding from the LVA (as per 2018/19) however this was not achieved.

A prioritisation assessment of all the play spaces identified for upgrade during 2019/20 (Year 4 actions) has been undertaken, with high, medium and low priorities determined by applying the following assessment criteria to each play space:

- Play space age
- Play space condition
- Compliance (based upon an external audit report) with Australian Standards (AS 4685)
- Proximity to recent play space upgrades and play value
- Existing play space provision in each town

The table presented within this report provides Councilors with information on each play space project identified in the 2019/20 program, including the play space's age, its hierarchy, its current condition, the original design recommendations detailed in the Play Space Improvement Plan, and their priority.

Based upon the available funding of \$327,115 and utilising the assessment of play spaces presented in Table 2, it is recommended to Councillors that Latrobe City Council undertake a complete upgrade to four high and three medium priority play spaces.

High Priority	Medium Priority
Gilwell Avenue Traralgon - \$30,000	Freeman Park West Traralgon - \$30,000
Queens Parade Traralgon - \$40,000	Ollerton Avenue Newborough - \$25,000
Traralgon South - \$75,000	Phillip Street Moe - \$35,000
Tyers - \$90,000	
<b>\$235,000</b>	<b>\$90,000</b>

An assessment of all the play spaces identified for upgrade during 2019/20 (Year 4 actions) has been undertaken, with high, medium and low priorities determined by applying the following assessment criteria to each play space:

Assessment Criteria	Considerations
Play space age	Comparison of the age of each play space identified in the Year 4 Actions
Play space condition	What is the current condition of the play space and what works are required to upgrade the play space?
Compliance (based upon an external audit report) with Australian Standards (AS 4685)	Are the play spaces compliant with Australian Standards and/or what components of the play space are non-compliant.
Proximity to recent play space upgrades and play value	The proximity to of any play space upgrades
Existing play space provision in each town	Is there more than one play space in the town?

Latrobe City Council will ensure that any funds remaining may be able to fund additional upgrades to a play space identified as a low priority once all the identified high and medium priority projects are complete.

It is proposed that the remaining play spaces identified as a low priority will be re-prioritised to 2020/21 to be delivered as part of the Play Space Improvement Plan Year 5 actions.

### **Background:**

On the 23 May 2016, Council resolved to:

1. *Adopt the Latrobe City Council Play Space Strategy and Play Space Improvement Plan 2016-2021, superseding the Latrobe City Playground Strategy 2006-2021.*
2. *Determine the allocation of funding to deliver the Play Space Improvement Plan 2016-2021 through the development of the Long Term Financial Plan and the 2017/18 Strategic Resource Plan.*

The Play Space Strategy (2016-2021) is a municipal wide strategy that guides the planning, development, maintenance and management of over 120 play spaces across Latrobe City.

The Play Space Improvement Plan (2016 – 2021) identifies priority play space upgrades and improvements for five years between 2016 and 2021. Since 2016, Latrobe City Council has upgraded/replaced a total of 31 play spaces, with an investment of \$1.3 million.

The Play Space Strategy highlights the importance of a ‘whole of park’ approach to the upgrade and improvement of Council’s play spaces. The Play Space Improvement Plan 2016 – 2021 includes recommendations for a ‘whole of park’

approach to renewal and upgrades. This means that when a play space is upgraded, the play equipment is replaced along with seating, paths and landscaping. This has resulted in much improved play space amenity and an improved experience for our community.

Since 2016, Latrobe City Council has delivered 31 projects play space projects, including:

Table 1 – Play Space Improvement Plan completed projects

<b>2016/17 Play Space Improvement Plan – Year 1 actions</b>	<b>2017/18 Play Space Improvement Plan – Year 2 actions</b>	<b>2018/19 Play Space Improvement Plan – Year 3 actions</b>
Rod Dunbar Park Traralgon	Nindoo Drive Reserve Morwell	Savage Street Morwell
Tulloch Street Reserve Morwell	Angela Court Morwell	Hugh Court Park Traralgon
Ferguson Street Reserve Moe	Bond Park Christensen Close Traralgon	Priestly Park McDonald Court Traralgon
White Parade Reserve Churchill	Wood Park Coster Circle Traralgon	Think Big Reserve Tulloch Way Traralgon
Boolarra Avenue Reserve Newborough	Crisp Park Dowling Street Traralgon	Downs Reserve Cross's Road Traralgon
Apex Park Main Street Glengarry	Grahams Road Flynn	Randall Crescent Reserve Moe
	Hearn Park Murray Road Newborough	Bayley Street Reserve Moe
	Jeeralang Avenue Reserve Newborough	TB Drew Park Cemetery Road Moe
	HG Stoddart Reserve Vale St Moe	Walkley Park Williams Avenue Churchill
	Stoddart Street Reserve Moe	Lions Park Reserve Street Yallourn North
	Maryvale Reserve Morwell	Limonite Road Reserve Boolarra
	Victoria Street Reserve Toongabbie	Alfred Drive Reserve Yinnar
	Low Road Reserve Yallourn North	

<b>Total funding \$415,000</b>	<b>Total funding \$458,000</b>	<b>Total funding \$445,000</b>
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Funding for the 2016/17 and 2017/18 projects was secured through Latrobe City Council's Play Space renewal budget (an annual allocation based upon the renewal of the play equipment only), with the remaining funding (usually 50% of the total funding required) being secured from Latrobe City Council's capital works funding.

The estimated cost to fund the upgrade and improvement of all the Year 4 actions identified in the Play Space Improvement plan is \$590,000. (See Attachment)

The 2019/20 Latrobe City Council budget includes \$327,115 funding for the Year 4 actions which are made up of:

- \$295,000 from the Latrobe City Council annual renewal budget; and
- \$32,115 as a carry forward from the 2018/19 Play Space Improvement Plan funding.

Discussion were held with the Latrobe Valley Authority about securing an additional \$295,000 external project funding so that all 13 projects could be funded, however the Latrobe Valley Authority has advised that they have insufficient funding to support the project.

As a consequence of the funding available for this program, a re-prioritisation of the play space projects identified in the Play Space Improvement Plan for 2019/20 is necessary.

An assessment of all the play spaces identified for upgrade during 2019/20 based upon their age, condition, compliance (based upon an external audit report), compliance with Australian Standard (AS 4685), proximity to recent play space upgrades and play value has been completed.

The table below provides Councilors with information on each play space project identified in the 2019/20 program, including the play space's age, its hierarchy, its current condition, original design recommendations detailed in the Play Space Improvement Plan, and their priority.

Table 2 – Assessment of projects

<b>2019/20 Play Space Improvement Plan – Year 4 actions</b>	<b>Age of Play space</b>	<b>Play Space Hierarchy</b>	<b>Condition Assessment comments</b>	<b>Originally Proposed works</b>	<b>Priority</b>	<b>Play Space Improvement Plan Estimated Cost</b>
Gilwell Avenue Park - Traralgon	2006	Local	Replace decks, slide and rock wall.  Look at refurbishing or replacing double see-saw	<ul style="list-style-type: none"> <li>• Simplify existing equipment, retain swings and incorporate nature play elements</li> </ul>	HIGH	\$30,000



2019/20 Play Space Improvement Plan – Year 4 actions	Age of Play space	Play Space Hierarchy	Condition Assessment comments	Originally Proposed works	Priority	Play Space Improvement Plan Estimated Cost
			<p>Incorporate seat and bin</p> <p>Investigate possibility of including path connection to increase activation of the space.</p>	<ul style="list-style-type: none"> <li>• Provide path access</li> <li>• Park furniture</li> <li>• Tree planting</li> <li>• Signage</li> </ul>		
Queens Parade Reserve - Traralgon	2002	Local	This play space requires a complete replacement and new furniture.	<ul style="list-style-type: none"> <li>• Renew existing play unit and install additional unique but durable item</li> <li>• Park furniture</li> <li>• Tree planting</li> <li>• Signage</li> </ul>	HIGH	\$40,000
Traralgon South Recreation Reserve	1990	District <b>(This play space is the only facility in Traralgon South)</b>	<p>Has been identified as a non-compliance with AS 4685. One of the oldest play spaces in Latrobe City. Requires a complete replacement of existing play equipment.</p> <p>This is the only play space in Traralgon South, servicing the entire district.</p>	<ul style="list-style-type: none"> <li>• Renew existing play unit where necessary</li> <li>• Tree planting/shade provision</li> <li>• Signage</li> </ul>	HIGH	\$15,000
Tyers Playground - Tyers	1994	District <b>(This play</b>	Requires complete replacement	<ul style="list-style-type: none"> <li>• Renew existing play unit and install</li> </ul>	HIGH	\$60,000

2019/20 Play Space Improvement Plan – Year 4 actions	Age of Play space	Play Space Hierarchy	Condition Assessment comments	Originally Proposed works	Priority	Play Space Improvement Plan Estimated Cost
		<b>space is the only facility in Tyers)</b>	of all park equipment and supporting infrastructure  May require additional funding as \$60,000 will be insufficient.	some additional unique but durable items and replacing shade  <ul style="list-style-type: none"> <li>• Minor landscaping</li> <li>• Park furniture</li> <li>• Tree planting</li> <li>• Signage</li> </ul>		
Freeman Park West – Traralgon  Original budget  \$30,000	2001	Local	Assessment shows the play space is in fair condition with a high level of play value.  New seat, bin relocation  Replace spring rider and add spinning item  Clean and paint components	<ul style="list-style-type: none"> <li>• Renew existing play unit and install additional unique but durable item</li> <li>• Park furniture</li> <li>• Tree planting</li> <li>• Signage</li> </ul>	MEDIUM	\$30,000
Ollerton Reserve - Newborough	1993*		Rockers to be removed and replaced with other similar play equipment.  Other play equipment still in good condition, but requiring further maintenance.  Opportunity	<ul style="list-style-type: none"> <li>• Renew existing play unit and install some additional unique but durable items</li> <li>• Park furniture</li> <li>• Tree planting</li> <li>• Minor landscaping for entrance</li> </ul>	MEDIUM	\$25,000

2019/20 Play Space Improvement Plan – Year 4 actions	Age of Play space	Play Space Hierarchy	Condition Assessment comments	Originally Proposed works	Priority	Play Space Improvement Plan Estimated Cost
			to install additional landscaping features (trees) and nature play elements to align with proximity to Ollerton Ave Bushland Reserve.	<ul style="list-style-type: none"> <li>improvements</li> <li>• Signage</li> </ul>		
Phillip Street - Moe	2002	Local	<p>Path requires upgrade to concrete from gravel.</p> <p>Half court needs to be either upgraded or removed completely as it is in very poor condition.</p> <p>New park furniture required.</p> <p>Play equipment is compliant however dated and will require complete renewal.</p>	<ul style="list-style-type: none"> <li>• Provide a simple play setting with a unique piece incorporated</li> <li>• Improve basketball half court</li> <li>• Park furniture</li> <li>• Tree planting</li> <li>• Signage</li> </ul>	MEDIUM	\$35,000
Judd Park – Traralgon	2005	Local	<p>Poles etc. in good condition</p> <p>Replace rockers with rocker and new free standing item</p> <p>Path</p>	<ul style="list-style-type: none"> <li>• Renew existing play unit and install additional unique but durable item</li> <li>• Park furniture</li> <li>• Tree planting</li> </ul>	LOW	\$30,000

2019/20 Play Space Improvement Plan – Year 4 actions	Age of Play space	Play Space Hierarchy	Condition Assessment comments	Originally Proposed works	Priority	Play Space Improvement Plan Estimated Cost
			<p>installation</p> <p>New seat, bin relocation</p> <p>Install shade trees</p>	<ul style="list-style-type: none"> <li>• Signage</li> </ul>		
Southdown Way Reserve - Traralgon	2007	Local	<p>Replace swing frame – keep chains/seats</p> <p>Replace tunnel</p> <p>New fireman pole</p> <p>Replace rockers and incorporate spinning item</p> <p>Plant shade trees</p> <p>Minimise landscaping</p>	<ul style="list-style-type: none"> <li>• Renew existing play unit and install additional unique but durable item</li> <li>• Park furniture</li> <li>• Tree planting</li> <li>• Signage</li> </ul>	LOW	\$20,000
Newman Park Traralgon	1980*	Regional	<p>Utilise \$30,000 to fund a master plan for the site. This is a regional level play space which suffers from disjointed, unplanned and dated installations.</p>	<ul style="list-style-type: none"> <li>• Renew some play items throughout the space</li> <li>• Upgrade BBQ shelters</li> <li>• Park furniture</li> <li>• Tree planting</li> <li>• Signage</li> </ul>	LOW	\$150,000
Beattie Crescent (MERA Park) Morwell  Original budget	2003	Local	<p>Replace swing with double as existing triple swing was removed due to non-compliance</p>	<ul style="list-style-type: none"> <li>• Renew existing play unit and install additional unique but durable item</li> </ul>	LOW	\$30,000

2019/20 Play Space Improvement Plan – Year 4 actions	Age of Play space	Play Space Hierarchy	Condition Assessment comments	Originally Proposed works	Priority	Play Space Improvement Plan Estimated Cost
\$30,000			with AS 4685  Remainder of play equipment in fair condition.	<ul style="list-style-type: none"> <li>• Park furniture</li> <li>• Tree Planting</li> <li>• Signage</li> </ul>		
Anderson Avenue Yallourn North	2002	Local	Requires new swing and new park furniture.  A path is required to activate the space.	<ul style="list-style-type: none"> <li>• Renew some play items throughout the space</li> <li>• Minor landscaping</li> <li>• Path system for play</li> <li>• Park furniture</li> <li>• Tree planting</li> <li>• Signage</li> </ul>	LOW	\$40,000
Centenary Park - Yinnar	2003	District	Park furniture is the major issue with this play space. This could be addressed as a maintenance action/budget	<ul style="list-style-type: none"> <li>• Renew existing play unit and install some additional unique but durable items</li> <li>• Park furniture</li> <li>• Beautification of site (rationalisation , paint, signage etc.)</li> <li>• Tree planting</li> <li>• Signage</li> </ul>	LOW	\$85,000

Based upon the available funding of \$327,115 and utilising the assessment of play spaces presented in Table 2 above, undertake a complete upgrade to projects identified as High and Medium priority.

Table 3 – High and Medium priority projects

High Priority	Medium Priority
Gilwell Avenue Traralgon - \$30,000	Freeman Park West Traralgon - \$30,000
Queens Parade Traralgon - \$40,000	Ollerton Avenue Newborough - \$25,000
Traralgon South - \$75,000	Phillip Street Moe - \$35,000
Tyers - \$90,000	
<b>Total - \$235,000*</b>	<b>Total - \$90,000*</b>

\*based on current project estimates

Following Councillors review and feedback a report will be presented to the 2 September 2019 Ordinary Council meeting seeking Council's endorsement of the reprioritised projects.

### **Issues:**

#### ***Strategy Implications***

The project will assist in achieving Council's key objectives including improving the liveability, connectedness and amenity of Latrobe City through improved facilities and infrastructure to support the current and future community.

#### ***Communication***

As part of the delivery of the yearly Play Space Improvement Plan, Latrobe City Council has ensured that the community is informed about each proposed upgrade by placing project signage at each affected play space site for a period of at least 6 weeks prior to works commencing as well as updates on Latrobe City Council's web page and social media forums.

In the small townships, more detailed engagement has occurred with the township representative group to explain the project, its estimated costs and seek feedback on negotiable elements of the play space such as preferences for colour of equipment and landscaping.

It is proposed that once the recommended projects are endorsed by Council this process will commence for the 2019/20 projects.

#### ***Financial Implications***

Funding for the 2016/17 and 2017/18 actions identified in the Play Space Improvement plan was secured through Latrobe City Council's Play Space renewal budget (an annual allocation based upon the renewal of the play equipment only), with the remaining funding (usually 50% of the total funding required) being secured from Latrobe City Council's capital works funding.

The estimated cost to fund the upgrade and improvement of all the Year 4 actions identified in the Play Space Improvement plan is \$590,000. (See Attachment)



The 2019/20 Latrobe City Council budget includes \$327,115 funding for the Year 4 actions which are made up of:

- \$295,000 from the Latrobe City Council annual renewal budget; and
- \$32,115 as a carry forward from the 2018/19 Play Space Improvement Plan funding.

Discussion were held with the Latrobe Valley Authority about securing an additional \$295,000 external project funding so that all 13 projects could be funded, however the Latrobe Valley Authority has advised that they have insufficient funding to support the project.

As a consequence of the funding available for this program, a re-prioritisation of the play space projects identified in the Play Space Improvement Plan for 2019/20 is necessary.

### ***Risk Analysis***

The Play Space Strategy and Play Space Improvement Plan were developed following extensive consultation and engagement activities with the community of Latrobe City.

Both the strategy and the plan reflect the community's feedback and their expectations about how play spaces are upgraded and managed.

<b>Identified risk</b>	<b>Risk likelihood*</b>	<b>Controls to manage risk</b>
Community dissatisfaction with the standard and amenity of Play Spaces	Possible	Play Space Strategy Play Space Improvement Plan
Reputational risk to Council	Possible	Clear communication to the community on how the priority of projects are determined

\* For example, likelihood ratings: 1 (Rare); 2 (Unlikely); 3 (Possible); 4 (Likely); 5 (Almost Certain)

### ***Legal and Compliance***

All Latrobe City Council play spaces are audited for their compliance with Australian Standard AS 4685 on a yearly basis by an external auditor. Additionally each play space is inspected on a monthly basis to assess and monitor any potential risks or compliance matters.

Not all non-compliance requires immediate rectification. The Australian Standard AS 4685 is intermittently updated and these updates can cause play spaces to be non-compliant. To ensure that serious non-compliance is able to address risks are classified as low, medium and high risk.

High risk compliance matters are addressed immediately.

***Community Implications***

Latrobe City Council will ensure that it engages with the community in relation to the proposed works for 2019/20 by way of project signage, Council's web page and social media forums.

***Environmental Implications***

There are no environment implications as a result of this report.

***Consultation***

Significant community consultation was undertaken during the development of the Play Space Strategy in 2015 and 2016.

Feedback and submissions provided to this process informed the development of the Play Space Improvement Plan 2016 – 2021 and its subsequent recommendations.

Since both the Play Space Strategy and Play Space Improvement Plan were endorsed by Council in 2016, these documents have been available to view on Latrobe City Council's web page.

The strategy and subsequent plan have been used by Latrobe City Council to manage the expectations of the community during this time.

***Declaration of Interests:***

Officers preparing this report have declared they do not have a conflict of interest in this matter under the provisions of the *Local Government Act 1989*.

***Supporting Documents:***

Latrobe City Council Play Space Strategy (2016)

**Attachments**  
Nil

# **COMMUNITY SERVICES**

**16. COMMUNITY SERVICES**

Nil reports

# **CORPORATE SERVICES**

## **17. CORPORATE SERVICES**

**Agenda Item: 17.1**

**Agenda Item: 2018/19 Accumulated Cash Surplus**

**Sponsor: General Manager, Corporate Services**

**Council Plan Objective: Provide a connected, engaged and safe community environment, which is improving the well-being of all Latrobe City citizens.**

**Status: For Decision**

### **MOTION**

**Moved: Cr Gibson**

**Seconded: Cr White**

**That Council:**

- 1. Notes the 2018/19 financial year cash surplus of \$3.034M;**
- 2. Allocates \$1.7235M of the cash surplus to organisation projects;**
- 3. Allocates \$0.707M of the cash surplus to operational projects; and**
- 4. Allocates the remaining 2018/19 financial year cash surplus balance of \$0.603M to the accumulated cash surplus reserve.**

**CARRIED UNANIMOUSLY**

### **Executive Summary:**

At the completion of the 2018/19 financial year, a cash surplus of \$3.034M has been realised, pending final audit certification.

- During the 2018/19 financial year Council referred unbudgeted items to the value of \$1.7235M for funding consideration should a cash surplus be realised at the conclusion of the 2018/19 financial year.
- Management have identified the opportunity to reinvest \$0.707M into operational projects which were unable to be funded through the 2019/20 Budget or have emerged since the adoption of the 2019/20 budget.
- Council began the 2018/19 financial year with an accumulated unallocated cash surplus balance of \$9.734M. During the year Council passed resolutions to allocate \$9.106M of these funds, leaving an unallocated balance of



\$0.628M

- Taking into consideration the proposed allocation of \$2.4305M from the 2018/19 cash surplus of \$3.034M, this will leave a remaining unallocated portion of \$0.603M, and when added to the existing unallocated cash balance, will result in an accumulated unallocated cash reserve of \$1.231M

**Background:**

Council finances are predominately managed on a cash basis with the annual budget set balancing budgeted expenditure with expected cash income. At the conclusion of the financial year the balancing up of the annual financial accounts will result in the recognition of either a cash surplus or a cash deficit. Latrobe City Council has generally realised a cash surplus at the end of each financial year which mostly represents savings against the adopted annual budget or the recognition of additional unexpected revenue.

The recognition of a cash surplus allows the organisation to consider the funding of additional expenditure into the following financial year, the funding of previous years deficits (where applicable) or the transfer of the surplus to a reserve for future consideration.

During the financial year Council may need to seek funding for a project or unforeseen circumstance that is unbudgeted within the current financial year. Council has the ability to allocate funding from the accumulated unallocated cash surplus reserve via a resolution, or the matter may be referred by Council for consideration at a future budget review opportunity.

Council has an opportunity at the end of each financial year to allocate any realised cash surplus to those projects or issues which have been referred to the end of year process. In addition there are also operational funding requirements as identified by the Chief Executive Officer that may relate to items unable to be funded during the budget process, audit action requirements or items that have eventuated since the setting of the budget.

For the financial year 2018/19 council has recognised a cash surplus of \$3.034M. The surplus is mainly as a result of;

Additional revenue received from;

- Rates & Interest on Rates
- Interest on investments
- Statutory fees and fines

Savings/Reduced expenditure in the areas of:

- Employee related costs (mainly vacancies)
- Capital works

- IT & Communications
- Insurance premiums
- Plant and vehicle expenses
- Other programmed works

**Issues:**

The proposed resolution recognises the expected cash surplus for the year (pending audit certification) and identifies Council's allocation of surplus funds to meet previously considered decisions of council and additional operational necessities.

During the year council or councillors referred items for consideration in the event that there was an identified cash surplus at the conclusion of the 2018/19 financial year. Individual organisational projects to the value of \$1.7235M have been identified and recommended for allocation of funding.

The Chief Executive Officer has recommended the allocation of \$0.707M of funding to meet the operational requirements of the organisation which were unable to be funded through the 2018/19 budget process or have emerged since the adoption of the 2018/19 budget. These works will enable the ongoing realisation of efficiencies in delivering services across the organisation as well as addressing identified risks. These works are summarised in the following categories;

Project	\$M
Infrastructure	\$0.120
Governance	\$0.070
Community Strengthening	\$0.262
Community Wellbeing	\$0.255
<b>Sub-Total</b>	<b>\$0.707</b>

Following consideration of the above allocations there remains an unallocated surplus amount of \$0.603M for the 2018/19 financial year. In addition to the 2018/19 unallocated surplus there remains an amount of \$0.628M of accumulated unallocated reserves from previous years. Combined this resolution would leave a balance in the accumulated unallocated cash surplus reserve of \$1.231M for future consideration.

### ***Strategy Implications***

Objective 5 of the 2017-2021 Council Plan identifies the requirement to *Provide a connected, engaged and safe community environment, which is improving the well-being of all Latrobe City citizens.*

### ***Communication***

The allocation of additional funding will be included in a revised budget which is reported on and managed monthly by management, with an update provided to Council as part of the Mid-Year budget review.

### ***Financial Implications***

As the funding related to this report is associated with the current accumulated cash surplus, there are no financial implications on the 2019/20 adopted budget.

### ***Risk Analysis***

There is a risk that should Council decide not to fund the identified projects this may impact on user groups and restrict council in delivering identified service requirements.

### ***Legal and Compliance***

There are no identified legal implications associated with this report

### ***Community Implications***

The allocation of additional budget funds should create a positive community impact.

### ***Environmental Implications***

There are no identified environmental impacts associated with this report

### ***Consultation***

There is no identified engagement associated with this report

### ***Declaration of Interests:***

Officers preparing this report have declared they do not have a conflict of interest in this matter under the provisions of the *Local Government Act 1989*.

**Supporting Documents:**

Nil

**Attachments**

1. Organisational Projects for Surplus Allocation (Published Separately) (Confidential)
2. Operational Project Surplus Allocation (Published Separately) (Confidential)

**Agenda Item: 17.2**

**Agenda Item: 2019/20 Annual Sponsorship Program**

**Sponsor: General Manager, Corporate Services**

**Council Plan Objective: Improve the liveability and connectedness of Latrobe City.**

**Status: For Decision**

Cr Darrell White left the meeting, the time being 07:00 PM

Cr Darrell White returned to the meeting, the time being 07:02 PM

### **MOTION**

**Moved:** Cr McFarlane

**Seconded:** Cr Gibson

**That Council:**

- 1. Approves the sponsorship of the Gippsland Sports Academy for \$18,000.00 for the period of July 2019 to June 2020;**
- 2. Approves the sponsorship of Gippsland FM (Gippsland Community Radio Society Co-Operative Limited) for \$5,100.00 for the period of January to December 2019; and**
- 3. requests a report following a review of the current community sponsorship program as to whether the program still meets community and Council goals.**

**CARRIED UNANIMOUSLY**

### **Executive Summary:**

- Latrobe City Council provides sponsorships to assist community groups for a broad range of community programs, services and activities.
- The current endorsed process for administering Community Sponsorship involves proposals undergoing assessment by a panel of Senior Leadership Team (SLT) members, with recommendations considered for decision at an ordinary Council meeting.
- Assessment panel (the Panel) meetings were held to consider sponsorship

requests from the following organisations;

- Gippsland Sports Academy for \$18,000 for the period of July 2019 to June 2020; and
- Gippsland FM (Gippsland Community Radio Society Co-Operative Limited) for \$5,100 for the period of January to December 2019.

**Background:**

Latrobe City Council provides sponsorships to assist community groups for a broad range of community programs, services, and activities.

An assessment panel meeting was held on 11 July 2019 to consider sponsorship requests. A late sponsorship request was subsequently accepted and assessed by the assessment panel.

Sponsorship requests were assessed based on the following criteria:

- The applicant's capacity of delivering the project (20) – This includes any quotes, budget information and plans in support of the application.
- The benefits the project/s will have for the community (20)
- The level of recognition of Latrobe City Council's contribution (10)

The following assessment scores and commentary were attributed to form a recommendation for Council consideration:

<b>Organisation</b>	<b>Total Score</b>	<b>Recommended Amount</b>	<b>Commentary</b>
Gippsland Sports Academy	41	\$18,000 (which includes \$1,000 contribution to the Gippstar Awards)	Provides quality programs to the community. The sponsorship Council provides allows the academy to deliver programs for the community.
Gippsland FM Radio Station	48	\$5,100	Council have provided sponsorship for the radio station for many years. They have demonstrated a high capacity to deliver their project and provide messaging to the community on behalf of Council.



**Issues:**

***Strategy Implications***

Latrobe City Council provides financial support to the community with the aim to improve liveability. Through the various funding programs, Latrobe City Council provides support to community groups and individuals, which enables them to provide value for their communities. This funding program enables community groups to deliver programs, events and improvements to community facilities and increases the range of, and access to, quality community recreational, social and cultural activities, programs and services.

***Communication***

Following endorsements, applicants will be notified of their outcome via email and successful applicants will be invited to enter into a Funding Agreement with Council.

***Financial Implications***

In the 2019/20 budget there is sufficient allocation to cover the community sponsorship requests that have been recommended. If all applications are endorsed in line with the recommendations, \$23,100 will be allocated from the community sponsorships budget.

***Risk Analysis***

<b>Identified risk</b>	<b>Risk likelihood*</b>	<b>Controls to manage risk</b>
Misuse of Council Funding	Unlikely	Acquittal and accountability process as set out in the Grants Governance Policy.

\* For example, likelihood ratings: 1 (Rare); 2 (Unlikely); 3 (Possible); 4 (Likely); 5 (Almost Certain)

***Legal and Compliance***

Applications are administered and assessed in line with the Grants Governance Policy.

***Community Implications***

The annual sponsorship program delivers funding for projects that:

- Reflect our community's priorities and vision (as set out in Council and Community Plans);
- Strengthen communities and provide opportunities for enhanced participation in public life and community groups;

- Provide benefits to the local community; and
- Contribute to the social, cultural, environmental and economic development of our community.

***Environmental Implications***

There are no environmental implications associated with this report.

***Consultation***

No community consultation has been undertaken to endorse these recommendations.

**Declaration of Interests:**

Officers preparing this report have declared they do not have a conflict of interest in this matter under the provisions of the *Local Government Act 1989*.

**Supporting Documents:**

Nil

**Attachments**

- 1 [↓](#). 2019/20 Community Sponsorship Guidelines

## **17.2**

### **2019/20 Annual Sponsorship Program**

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# 2019/20 Annual Sponsorship Program

## Sponsorship Guidelines





## Introduction

Latrobe City Council has a proud history of working in partnership with the community to meet local needs. One of the ways Latrobe City Council supports community groups is through the Annual Sponsorship program, which delivers funding for projects that:

- Reflect our community's priorities and vision (as set out in Council and Community Plans);
- Strengthen communities and provide opportunities for enhanced participation in public life and community groups;
- Provide benefits to the local community; and
- Contribute to the social, cultural, environmental and economic development of our community.

The Annual Sponsorship program represents a significant contribution by Latrobe City Council to local activities. Sponsorship funding is a way of acknowledging the contribution that individuals and groups make to the Latrobe City community life.

## Sponsorship Objectives

The objectives of Latrobe City Council Annual Sponsorship Program are to:

- Encourage cooperation between community groups to ensure that all citizens can benefit from community resources and events;
- Increase the range of, and access to, quality community recreational, social and cultural activities, programs and services;
- Support community development initiatives and socially responsible community activities;
- Encourage and support equity of access to community facilities, programs, and activities for all citizens within Latrobe City, particularly those people who are economically or socially disadvantaged or have disabilities;
- Encourage communities to promote their region through promotional activities; and
- Encourage excellence in recreational, sport and cultural activities.

## Annual Sponsorships

Annual Sponsorships are to provide assistance to community groups for a broad range of community programs, services, and activities.

**Please note:** the word 'project' refers to the project, activity, proposal or event that will be delivered if your application is successful.

## Sponsorship Funding

Funding Available: Annual Budget Allocations



### Eligibility Criteria

To be eligible to apply, applicants must:

- Be a not-for-profit, properly constituted legal entity or be auspiced by such a body which is able, and willing, to accept legal and financial responsibility for the project;
- Be free of debt to Latrobe City Council and have no outstanding Acquittals from previous Latrobe City Council sponsorship applications;
- Hold appropriate Public Liability Insurance; and
- Be based within the municipality of Latrobe City or provide services or benefits primarily to the Latrobe City Community.

### Auspice

If your community group is not a legal entity, you can approach an organisation to auspice your project. We see auspicings as a great way to partner with likeminded organisations to deliver community projects.

The auspice organisation will partner with you to deliver your project and receive the funding on your behalf. The auspice organisation must meet the above eligibility criteria and provide a letter indicating that they accept full financial accountability for the project. The auspice organisation is not considered to be an applicant and may apply for their own funding.

### What will not be funded?

- Requests for the purpose of raising funds for other groups. Including fundraising projects with the primary purpose of fund raising for other organisations or individuals;
- Funding for trophies, awards, scholarships, subscriptions, prizes, and honorariums;
- Projects that deliver a religious or party political message where the purpose is to advance the organisation's religious beliefs, irrespective of what those beliefs or positions might be;
- Projects located where there are gaming machine venues;
- Retrospective costs. This includes reimbursement of costs already incurred and funding for projects which have already taken place or began prior to the application being approved by Council;
- Payment of debts or loans;
- General operating expenses – funding will not cover expenses such as electricity, lease or rent payments, telephone, wages, salaries, project management costs etc. that are ongoing organisational expenses;
- The purchase of land;
- Repair of facilities damaged by vandalism, fire or other natural disasters where the incident should reasonably be expected to be covered by insurance;
- A project that is not open to the whole community or fails to target participation from different community demographics; and
- Applications for projects that engage in activities which promote discrimination, violence or anti-social behaviour.



## Guidelines

- A project may be open to the whole community or target participation from different community demographics. Successful projects will either have broad community benefit, or achieve deep and meaningful outcomes with particular community members.
- Funds must be expended and acquitted within 12 months of signing a Sponsorship Agreement, unless written approval has been given for an extension. Applicants who have an outstanding Acquittal form will not be able to apply for further funding.

The Acquittal form will be a reconciled statement of income and expenditure associated with the sponsorship. It will ask the applicants to provide details on the outcomes of the project that were achieved as a result of the funding. You will also be required to attach:

1. Evidence of how Latrobe city Council's support for the project was recognised;
  2. An actual income and expenditure budget for the project; and
  3. Photo evidence that showcases the completed project and community participation.
- Latrobe City Council must be notified of any significant changes to the project, to what was originally submitted, by providing written request for a funding variation. This includes requests for extensions of time to acquit the project;
  - Additional funding conditions may be applied to your project during assessment;
  - Approval of funding does not constitute permission to deliver your project. It remains your responsibility to seek the appropriate permits and approvals to deliver the project;
  - Council strongly encourages groups to undertake joint grant submissions. Council acknowledges the community and financial benefits that accrue through collaboration and cooperation, and accordingly supports strong partnership projects which will effectively and efficiently respond to local community needs;
  - Latrobe City Council may request additional information to assist in assessing an application for funding;
  - Applicants are encouraged to provide financial or in-kind assistance to the project;
  - Applications must be completed in full and have sufficient evidence to make a reasonable assessment of the application. Applications must be submitted on the correct online application form;
  - Applicants who fail to comply with the terms and conditions listed in the sponsorship guidelines and supplementary agreements will be required to return the funding to Latrobe City Council. Any underspent and excess funding must be returned to Latrobe City Council when submitting the Acquittal Form;
  - Sponsorship must not be regarded as an automatic recurrent commitment from Latrobe City Council;
  - When an applicant is successful in receiving sponsorship, they agree to acknowledge Latrobe City Council's contribution on materials produced to support their project. This acknowledgement, depending on the amount of funding received, may include logo presence on supporting publications, displays or signage. You will be provided with copies of the Latrobe City Council, 'Supported by' logo and guidelines on its correct use when you receive your outcome notification.



### **Assessment Process**

Once applications are received they will be checked for eligibility against the sponsorship program guidelines.

All applications will be assessed in accordance with Latrobe City Council's Grant Governance Policy and program objectives and weighted out of 50. Latrobe City Council Annual Sponsorship program involves a competitive process with applications assessed against the following criteria:

- The applicant's capacity of delivering the project (20) – This includes any quotes, budget information and plans in support of the application.
- The benefits the project/s will have for the community (20)
- The level of recognition of Latrobe City Council's contribution (10)

Recommendations will be developed by an internal panel and reviewed by staff at a management level. Applicants will receive an email notifying them of the result of their application following approval by Latrobe City Council at an Ordinary Council Meeting.

### **Submitting your Application**

When you complete an application form you will be asked to sign up for a Latrobe City Council SmartyGrants Account. This account will be used to send you reminders, and allow you to complete your Funding Agreement and Acquittal forms.

### **Supporting Documents**

You will be asked to upload the following attachments when completing your application:

Mandatory:

- Current Certificate of Public Liability that will be used to cover the project;
- If your project has an auspice organisation, you will need to attach a letter from the auspice organisation indicating that they accept full financial accountability for the project.

### **Making the Payment**

To complete payment you will be required to:

- Complete the online Sponsorship Agreement form; and
- Sign and submit a Tax invoice, if you are GST registered; or
- Return a completed Statement by Supplier form.

Once you have provided these documents, funding will be deposited into your nominated bank account within 6 weeks. You will be provided with an Acquittal form to submit after sponsorship funding has been expended.

**Further information and assistance**

For all sponsorship enquiries, including assistance and support available to help you submit your application, please contact:

Grants Officer

Phone: 0428 661 071

Email: [grants@latrobe.vic.gov.au](mailto:grants@latrobe.vic.gov.au)



**Agenda Item: 17.3**

**Agenda Item: Authorisation of Councillors for Certification of the  
2018/19 Financial Report and Performance Statement**

**Sponsor: General Manager, Corporate Services**

**Council Plan Objective: Ensure Council operates openly, transparently and  
responsibly.**

**Status: For Decision**

**MOTION**

**Moved:** Cr Howe

**Seconded:** Cr Harriman

**That Council:**

- 1. In accordance with Section 132(2) of the Local Government Act 1989 gives its approval in principle to the attached draft performance statement and draft financial report for the year ended 30 June 2019; and**
- 2. In accordance with Section 132(5) of the Local Government Act 1989, authorises Audit and Risk Committee delegates Councillors Darrell White and Alan McFarlane to certify the performance statement and financial statements in their final form on behalf of Council for the year ended 30 June 2019.**

**CARRIED UNANIMOUSLY**

**Executive Summary:**

- In order for the Victorian Auditor General's Office (VAGO) to provide an audit report certifying Council's 2018/2019 financial report and performance statement, Council must first provide in principle approval of the statements and authorise two Councillors to certify the statements in their final form.
- These statements are a key requirement of Council's Annual Report which in accordance with the Local Government Act 1989 (the Act) must be submitted to the Minister for Local Government by 30 September each year.
- The draft statements were presented to Council's Audit and Risk Committee on 29 August 2019. Staff from VAGO's audit contractors DMG Audit and Advisory who conducted the Latrobe City audit were in attendance and tabled a closing audit report. An update of the Audit and Risk Committee

recommendations will be provided at the Council Meeting.

- Pending the outcome of the Audit and Risk Committee meeting it is recommended that Council gives its approval in principle to the draft performance statement and draft financial report for the year ended 30 June 2019 and that Council authorises Audit and Risk Committee delegates Councillors Darrell White and Alan McFarlane to certify these statements in their final form.

**Background:**

Under the provisions of the Act, a Council cannot submit its financial and performance statements to the Auditor-General or the Minister for Local Government (the Minister) unless a resolution has been passed by Council authorising two Councillors to certify the financial statements in their final form.

Once the auditor's reports on the performance statement and financial statements have been received by Council they will be incorporated into the annual report which will subsequently be finalised and submitted to the Minister.

Once the Annual Report has been submitted to the Minister, public notice will also be given advising that the Annual Report can be inspected at all Council offices. In accordance with Section 134 of the Act a meeting of Council will be held as soon as practicable, to consider the annual report, within the time required by the regulations, being one month after providing the annual report to the Minister.

The table below sets out the process:

<b>Process</b>	<b>Date</b>
Draft Audited Financial Statements presented to Audit and Risk Committee	29 August 2019
Council approval for two Councillors to certify the financial, standard and performance statements in their final form	02 September 2019
Certifications signed by the two nominated Councillors	02 September 2019
Auditor General issues audit reports	Upon receipt of signed certifications
Public notice given that audit reports have been received	Following receipt of audit reports
Annual report, including financial and performance reports sent to the Minister for Local Government	By 30 September 2019
Public notice given that the annual report is available for	Council meeting

inspection and the date of the Council meeting that Council will consider the annual report	within one month of submitting the annual report to the Minister for Local Government
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**Issues:**

*Strategy Implications*

This report supports the Council objective to ensure Council operates openly, transparently and responsibly by providing the community with reports on Council's performance over the 2018/19 financial year.

*Communication*

The financial report and performance statement will be included in Council's annual report which will be subject to a public notice providing the community with the opportunity to inspect prior to its adoption by Council.

*Financial Implications*

The subject reports are in respect of the Council's financial position, performance and operations for the year ended 30 June 2019. There are no financial or resource implications.

*Risk Analysis*

<b>Identified risk</b>	<b>Risk likelihood*</b>	<b>Controls to manage risk</b>
Non-compliance with legal requirements	Rare	The recommendations in this report comply with statutory requirements of the <i>Local Government Act 1989</i> and the <i>Local Government (Planning and Reporting) Regulations 2014</i> .

\* For example, likelihood ratings: 1 (Rare); 2 (Unlikely); 3 (Possible); 4 (Likely); 5 (Almost Certain)

*Legal and Compliance*

The recommendations in this report are necessary to comply with statutory requirements of the Local Government Act 1989 and the Local Government (Planning and Reporting) Regulations 2014.



*Community Implications*

n/a

*Environmental Implications*

n/a

*Consultation*

No engagement.

*Other*

n/a

**Declaration of Interests:**

Officers preparing this report have declared they do not have a conflict of interest in this matter under the provisions of the *Local Government Act 1989*.

**Supporting Documents:**

Nil

**Attachments**

- 1 [↓](#). 2018/19 Financial Report
- 2 [↓](#). 2018/19 Performance Statement

## 17.3

### Authorisation of Councillors for Certification of the 2018/19 Financial Report and Performance Statement

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# Latrobe City Council

2018/2019 Financial Report



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## Certification of the Financial Statements

In my opinion the accompanying financial statements have been prepared in accordance with the *Local Government Act 1989*, the *Local Government (Planning and Reporting) Regulations 2014*, Australian Accounting Standards and other mandatory professional reporting requirements.

Principal Accounting Officer

Matthew Rogers, CPA  
Dated: \_\_/\_\_/2019

In our opinion the accompanying financial statements present fairly the financial transactions of Latrobe City Council for the year ended 30 June 2019 and the financial position of the Council as at the date.

As at the date of signing, we are not aware of any circumstances which would render any particulars in the financial statements to be misleading or inaccurate.

We have been authorised by the Council and by the *Local Government (Planning and Reporting) Regulations 2014* to certify the financial statements in their final form.

Councillor

<Councillor 1 Name>  
Dated: \_\_/\_\_/2019

Councillor

<Councillor 2 Name>  
Dated: \_\_/\_\_/2019

Chief Executive Officer

Steven Piasente  
Dated: \_\_/\_\_/2019

Insert Auditors Report on this page



Insert Auditors Report on this page

**Comprehensive Income Statement**  
For the Year Ended 30 June 2019

	NOTE	2019 \$'000	2018 \$'000
<b>INCOME</b>			
Rates and charges	3.1	78,013	75,350
Statutory fees and fines	3.2	2,284	2,303
User fees	3.3	13,633	13,877
Grants - operating	3.4	28,947	28,338
Grants - capital	3.4	48,629	7,530
Contributions - monetary	3.5	1,085	512
Contributions - non monetary	3.5	4,839	6,133
Other income	3.6	5,794	4,589
<b>Total income</b>		<b>183,224</b>	<b>138,632</b>
<b>EXPENSES</b>			
Employee costs	4.1	(56,553)	(56,253)
Materials and services	4.2	(38,603)	(37,660)
Depreciation and amortisation	4.3	(27,660)	(25,732)
Bad and doubtful debts	4.4	(40)	(21)
Borrowing costs	4.5	(705)	(741)
Net loss on disposal of property, infrastructure, plant and equipment	4.6	(8,543)	(7,532)
Other expenses	4.7	(3,339)	(4,133)
Landfill rehabilitation provision movement	4.5	(913)	(8,982)
<b>Total expenses</b>		<b>(136,356)</b>	<b>(141,054)</b>
<b>Surplus/ (Deficit) for the year</b>		<b>46,868</b>	<b>(2,422)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Items that will not be reclassified to surplus or deficit in future periods</b>			
Net asset revaluation increment/(decrement)	9.1	7,196	(26,145)
<b>Total comprehensive result</b>		<b>54,064</b>	<b>(28,567)</b>

The above comprehensive income statement should be read in conjunction with the accompanying notes.

**Balance Sheet**

As at 30 June 2019

	NOTE	2019 \$'000	2018 \$'000
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5.1	26,117	23,459
Trade and other receivables	5.1	8,080	8,441
Other financial assets	5.1	96,712	64,518
Non-current assets classified as held for sale	6.1	-	48
Other assets	5.2	3,336	2,961
<b>Total current assets</b>		<b>134,245</b>	<b>99,427</b>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	5.1	15	18
Property, infrastructure, plant and equipment	6.2	1,167,920	1,150,138
Other financial assets	5.1	2	2
Intangible assets	5.2	1,374	124
<b>Total non-current assets</b>		<b>1,169,311</b>	<b>1,150,282</b>
<b>TOTAL ASSETS</b>		<b>1,303,556</b>	<b>1,249,709</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	5.3	9,472	8,010
Trust funds and deposits	5.3	2,640	2,114
Provisions	5.5	19,993	19,209
Interest-bearing loans and borrowings	5.4	9,239	1,573
<b>Total current liabilities</b>		<b>41,344</b>	<b>30,906</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	5.5	21,012	22,433
Interest-bearing loans and borrowings	5.4	5,826	15,061
<b>Total non-current liabilities</b>		<b>26,838</b>	<b>37,494</b>
<b>TOTAL LIABILITIES</b>		<b>68,182</b>	<b>68,400</b>
<b>NET ASSETS</b>		<b>1,235,374</b>	<b>1,181,309</b>
<b>EQUITY</b>			
Accumulated surplus		744,259	697,515
Reserves	9.1	491,115	483,794
<b>TOTAL EQUITY</b>		<b>1,235,374</b>	<b>1,181,309</b>

The above balance sheet should be read in conjunction with the accompanying notes.

**Statement of Changes in Equity**  
For the Year Ended 30 June 2019

	NOTE	TOTAL \$'000	ACCUMULATED SURPLUS \$'000	REVALUATION RESERVE \$'000	OTHER RESERVES \$'000
<b>2019</b>					
Balance at beginning of the financial year		1,181,309	697,515	480,390	3,404
Surplus for the year		46,868	46,868		
Net asset revaluation increment	6.2	7,196		7,196	
Transfers to other reserves	9.1	-	(143)	-	143
Transfers from other reserves	9.1	-	18	-	(18)
<b>Balance at end of the financial year</b>		<b>1,235,373</b>	<b>744,258</b>	<b>487,586</b>	<b>3,529</b>
<b>2018</b>					
Balance at beginning of the financial year		1,209,876	700,039	506,535	3,302
Deficit for the year		(2,422)	(2,422)		
Net asset revaluation decrement	6.2	(26,145)		(26,145)	
Transfers to other reserves	9.1	-	(153)	-	153
Transfers from other reserves	9.1	-	51	-	(51)
<b>Balance at end of the financial year</b>		<b>1,181,309</b>	<b>697,515</b>	<b>480,390</b>	<b>3,404</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

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**Statement of Cash Flows**  
For the Year Ended 30 June 2019

	NOTE	2019 \$'000	2018 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Rates and charges		77,990	75,636
Statutory fees and fines		2,315	2,271
User fees		14,441	14,221
Grants - operating		29,103	27,717
Grants - capital		50,021	6,389
Contributions - monetary		1,295	345
Interest received		2,921	2,366
Trust funds and deposits taken		11,948	14,789
Other receipts		1,994	2,715
Net GST refund/ (payment)		2,541	3,119
Employee costs		(56,850)	(55,420)
Materials and services		(46,177)	(42,239)
Trust funds and deposits repaid		(11,422)	(15,025)
Other payments		(3,214)	(3,262)
<b>Net cash provided by operating activities</b>	<b>9.2</b>	<b>76,906</b>	<b>33,622</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for property, infrastructure, plant and equipment		(40,441)	(26,878)
Proceeds from sale of property, infrastructure, plant and equipment		658	905
Payments for investments		(175,712)	(100,584)
Proceeds from sale of investments		143,518	107,584
<b>Net cash used in investing activities</b>		<b>(71,977)</b>	<b>(18,972)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Finance costs		(702)	(745)
Proceeds from borrowings		-	2,350
Repayment of borrowings		(1,569)	(1,866)
<b>Net cash used in financing activities</b>		<b>(2,271)</b>	<b>(261)</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>		<b>2,658</b>	<b>14,389</b>
Cash and cash equivalents at the beginning of the financial year		23,459	9,071
<b>Cash and cash equivalents at the end of the financial year</b>		<b>26,117</b>	<b>23,459</b>
Financing arrangements	5.6		
Restrictions on cash assets	5.1		

The above comprehensive income statement should be read in conjunction with the accompanying notes.

**Statement of Capital Works**

For the Year Ended 30 June 2019

	NOTE	2019 \$'000	2018 \$'000
<b>PROPERTY</b>			
Land		-	665
<b>Total land</b>		-	<b>665</b>
Buildings		18,124	6,036
Heritage buildings		5	119
<b>Total buildings</b>		<b>18,129</b>	<b>6,155</b>
<b>Total property</b>		<b>18,129</b>	<b>6,820</b>
<b>PLANT AND EQUIPMENT</b>			
Plant, machinery and equipment		2,473	1,838
Fixtures, fittings and furniture		37	11
Computers and telecommunications		395	273
Art collection		16	12
<b>Total plant and equipment</b>		<b>2,921</b>	<b>2,134</b>
<b>INFRASTRUCTURE</b>			
Roads		10,767	11,590
Bridges		166	294
Footpaths and cycleways		4,577	2,016
Drainage		632	222
Recreational, leisure and community facilities		3,550	-
Waste management		19	2,029
Parks, open space and streetscapes		832	458
Off street car parks		352	319
Other infrastructure		280	-
<b>Total infrastructure</b>		<b>21,175</b>	<b>16,928</b>
<b>Total capital works expenditure</b>		<b>42,225</b>	<b>25,882</b>
<b>Represented by:</b>			
New asset expenditure		20,923	4,804
Asset renewal expenditure		15,577	18,176
Asset expansion expenditure		3,170	38
Asset upgrade expenditure		2,555	2,864
<b>Total capital works expenditure</b>	<b>1.2</b>	<b>42,225</b>	<b>25,882</b>

The above Statement of Capital Works should be read in conjunction with the accompanying notes.



## OVERVIEW

### Introduction

The Latrobe City Council was established by an Order of the Governor in Council on 2 December 1994 and is a body corporate. The Council's main office is located at 141 Commercial Road Morwell 3840.

### Statement of compliance

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and Notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board (AASB), the *Local Government Act 1989* and the *Local Government (Financial and Reporting) Regulations 2014*.

### Significant Accounting Policies

#### (a) Basis of accounting

The accrual basis of accounting has been used in the preparation of these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated judgements are based on professional judgement derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AAS's that have significant effects on the financial statements and estimates relate to:

- The fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.2)
- The determination of depreciation for buildings, infrastructure, plant and equipment (refer to note 6.2)
- The determination of employee provisions (refer to note 5.5)
- The determination of landfill rehabilitation provisions (refer to note 5.5)

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation, and disclosure has been made of any material changes to comparatives.

Notes to the Financial Report  
For the Year Ended 30 June 2019

Latrobe City Council  
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## NOTE 1 Performance Against Budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent or \$250,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures detailed below are those adopted by Council on 4 June 2018. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for revenue and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

These notes are prepared to meet the requirements of the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

### 1.1 Income and Expenditure

	BUDGET 2019 \$'000	ACTUAL 2019 \$'000	VARIANCE 2019 \$'000	VARIANCE 2019 %	REF
<b>INCOME</b>					
Rates and charges	78,100	78,013	(87)	(0%)	
Statutory fees and fines	2,207	2,284	77	3%	
User fees	12,848	13,633	785	6%	1
Grants - operating	26,170	28,947	2,777	11%	2
Grants - capital	40,390	48,629	8,239	20%	3
Contributions - monetary	305	1,085	780	256%	4
Contributions - non monetary	3,000	4,839	1,839	61%	5
Other income	3,757	5,794	2,037	54%	6
<b>Total income</b>	<b>166,777</b>	<b>183,224</b>	<b>16,447</b>	<b>10%</b>	
<b>EXPENSES</b>					
Employee costs	58,126	56,553	1,573	3%	7
Materials and services	36,731	38,603	(1,872)	(5%)	8
Bad and doubtful debts	9	40	(31)	(344%)	9
Depreciation and amortisation	26,197	27,660	(1,463)	(6%)	10
Borrowing costs	732	705	27	4%	
Net loss on disposal of property, infrastructure, plant and equipment	-	8,543	(8,543)	100%	11
Landfill provision movement	-	913	(913)	100%	12
Other expenses	2,861	3,339	(478)	(17%)	13
<b>Total expenses</b>	<b>124,656</b>	<b>136,356</b>	<b>(11,700)</b>	<b>(9%)</b>	
<b>SURPLUS/ (DEFICIT) FOR THE YEAR</b>	<b>42,121</b>	<b>46,868</b>	<b>4,747</b>	<b>11%</b>	

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Notes to the Financial Report  
For the Year Ended 30 June 2019

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## NOTE 1 Performance Against Budget (continued)

### (i) Explanation of material variations - Income and Expenditure

REF	ITEM	EXPLANATION	Outcome:	Favourable	\$0.79 million	6%
1	<b>User fees</b>					
		Higher than expected landfill fees (\$1.07M) due to higher than expected levels of commercial waste, third party home care services (\$0.22M) and Local Laws/Emergency Management (\$0.09M). These variances have been partially offset by lower than expected fees in Leisure (\$0.45M) and Child Care (\$0.14M).				
2	<b>Grants - operating</b>				\$2.78 million	11%
		Unbudgeted funding was received for a number of projects and programs including Pre School programs (\$1.77M), Family Health & Development programs (\$0.96M), Arts & Events (\$0.43M), Economic Development (\$0.36M) and Community Development (\$0.32M). These variances have been partially offset by funding budgeted for the Latrobe City Sports & Entertainment Stadium lighting that was not successful (\$1.00M).				
3	<b>Grants - capital</b>				\$8.24 million	20%
		Greater than expected capital grant funding was received, mainly associated with Latrobe Valley Sports and Community Initiative projects (\$15.60M State Funding and \$0.61M Commonwealth Funding) grants received earlier than expected, along with unbudgeted grants for the Monash Reserve Pavilion & Courts Redevelopment project (\$2.70M), Nation Building Blackspot and Fixing Country Roads Programs (\$1.19M). These variances have been partially offset by lower than expected funding of the Gippsland Logistics Precinct (GLP) and Gippsland Intermodal Freight Terminal (GIFT) project (\$1.60M shortfall to budget), Haunted Hills Mountain Bike Park (\$1.20M to be managed externally) and Latrobe City Sports & Entertainment Stadium (\$1.35M unsuccessful grants), together with timing variances associated with the receipt of grants funding for the GLP/GIFT project (\$4.57M), Latrobe Creative Precinct (\$1.78M) and Future Morwell Project (\$1.68M) now expected to be received in future financial years.				
4	<b>Contributions - monetary</b>				\$0.78 million	256%
		Unbudgeted funding contributions were received for the Latrobe Regional Hospital Footpath Access Project (\$0.50M) and the Traralgon Tennis Club LED Lighting upgrade project (\$0.23M).				
5	<b>Contributions - non monetary</b>				\$1.84 million	61%
		Construction of infrastructure assets and provision of land for open space by developers in the course of creating new subdivisions results in the infrastructure assets being vested in Council when Council issues a Statement of Compliance at which point these assets are brought to account as revenue and capitalised. Higher than expected contribution of land and infrastructure assets have been received in 2018/19 mainly due to the budget being based on conservative development projections due the uncertainty of timing of developers requesting a Statement of Compliance for their subdivisions.				
6	<b>Other income</b>				\$2.04 million	54%
		Higher than expected interest income relating to investments and outstanding property rates & charges balances (\$1.14M) together with unbudgeted reimbursements (\$0.48M), mainly relating to Major Events and third party reimbursements				
7	<b>Employee costs</b>				\$1.57 million	3%
		The favourable variance relates mainly to additional project management wages recovery from capital projects incorrectly budgeted as operating (\$0.84M), along with other savings in Long Service Leave expense (\$0.37M), Fringe Benefits Tax (\$0.17M) and Workcover Levy (\$0.17M).				
8	<b>Materials and services</b>				\$1.87 million	5%
		Additional expenditure was incurred that is funded by unbudgeted grants, other external income sources or funding surpluses carried forward from previous financial periods. The main areas of additional expenditure were the Yinnar South & Walhalla Fires Disaster Response (\$0.72M), Family Services programs (\$0.42M), Startup Gippsland project (\$0.35M), Planning Services (\$0.35M) and Latrobe Valley Authority sponsored Major Events (\$0.33M).				

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Notes to the Financial Report  
For the Year Ended 30 June 2019

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## NOTE 1 Performance Against Budget (continued)

### Explanation of material variations - Income and Expenditure

REF	ITEM	EXPLANATION			
9	<b>Bad and doubtful debts</b>	<b>Outcome:</b>	<b>Unfavourable</b>	<b>\$0.03 million</b>	<b>344%</b>
	The majority of the variation mainly relates to the write-off of long term unrecoverable Library lost book charges (\$0.02M).				
10	<b>Depreciation and amortisation</b>	<b>Outcome:</b>	<b>Unfavourable</b>	<b>\$1.46 million</b>	<b>6%</b>
	The unfavourable variance is mainly due to higher than anticipated depreciation on buildings as a result of the revaluation undertaken at the end of the 2017/18 financial year.				
11	<b>Net loss on disposal of property, infrastructure, plant and equipment</b>	<b>Outcome:</b>	<b>Unfavourable</b>	<b>\$8.54 million</b>	<b>100%</b>
	Disposals are over budget due mainly to a new process that was implemented in the 2017/18 year to process disposals of assets renewed as part of the capital works program. This process was not factored in to the 2018/19 budget process and involves the disposal of the residual value of assets that have been replaced with a renewed asset and relates mainly to asset classes of infrastructure (\$4.9M) and buildings (\$1.7M). Additionally a number of buildings and pools have been demolished in relation to Capital Works projects e.g. Traralgon Outdoor Pool, Traralgon Croquet Club and Monash Reserve Newborough. These disposals/write-offs were not factored into to the budget calculations.				
12	<b>Landfill provision movement</b>	<b>Outcome:</b>	<b>Unfavourable</b>	<b>\$0.91 million</b>	<b>100%</b>
	A significant fall in the discount interest rates used to calculate the net present value (NPV) of the provision has resulted in the requirement for a \$0.91M increase in the provision for landfill rehabilitation. Due to the unpredictable nature of these movements, no allowance was made in the 2018/19 budget for this item.				
13	<b>Other expenses</b>	<b>Outcome:</b>	<b>Unfavourable</b>	<b>\$0.48 million</b>	<b>17%</b>
	The unfavourable balance is mainly attributable to above budget levels of State Government landfill levies associated with increased levels of waste to landfill during the year (\$0.39M). In addition there was also a requirement to expense \$0.25M of the opening work in progress balance mainly due to infrastructure works undertaken on behalf of a property development on an road intersection asset which will be owned by the State Government.				

Notes to the Financial Report  
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## NOTE 1 Performance Against Budget (continued)

### 1.2 Capital Works

	BUDGET 2019 \$'000	ACTUAL 2019 \$'000	VARIANCE 2019 \$'000	VARIANCE 2019 %	REF
<b>PROPERTY</b>					
Buildings	31,527	18,124	13,403	43%	1
Heritage buildings	-	5	(5)	100%	2
<b>Total buildings</b>	<b>31,527</b>	<b>18,129</b>	<b>13,398</b>	<b>42%</b>	
<b>Total property</b>	<b>31,527</b>	<b>18,129</b>	<b>13,398</b>	<b>42%</b>	
<b>PLANT AND EQUIPMENT</b>					
Plant, machinery and equipment	2,282	2,473	(191)	(8%)	
Fixtures, fittings and furniture	10	37	(27)	(270%)	3
Computers and telecommunications	700	395	305	44%	4
Art collection	15	16	(1)	(7%)	
<b>Total plant and equipment</b>	<b>3,007</b>	<b>2,921</b>	<b>86</b>	<b>3%</b>	
<b>INFRASTRUCTURE</b>					
Roads	9,716	10,767	(1,051)	(11%)	5
Bridges	150	166	(16)	(11%)	6
Footpaths and cycleways	4,537	4,577	(40)	(1%)	
Drainage	895	632	263	29%	7
Recreational, leisure and community facilities	6,917	3,550	3,367	49%	8
Waste management	1,600	19	1,581	99%	9
Parks, open space and streetscapes	3,265	832	2,433	75%	10
Off street car parks	-	352	(352)	100%	11
Other infrastructure	7,000	280	6,720	96%	12
<b>Total infrastructure</b>	<b>34,080</b>	<b>21,175</b>	<b>12,905</b>	<b>38%</b>	
<b>Total capital works expenditure</b>	<b>68,614</b>	<b>42,225</b>	<b>26,389</b>	<b>38%</b>	
<b>Represented by:</b>					
New asset expenditure	36,739	20,923	15,816	43%	13
Asset renewal expenditure	17,528	15,577	1,951	11%	14
Asset expansion expenditure	20	3,170	(3,150)	(15750%)	15
Asset upgrade expenditure	14,327	2,555	11,772	82%	16
<b>Total capital works expenditure</b>	<b>68,614</b>	<b>42,225</b>	<b>26,389</b>	<b>38%</b>	

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Notes to the Financial Report  
For the Year Ended 30 June 2019

Latrobe City Council  
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## NOTE 1 Performance Against Budget (continued)

### (i) Explanation of material variations - Capital Works

REF	ITEM	EXPLANATION	Outcome:	Underspend	\$	Percentage
1	<b>Buildings</b>		Outcome:	Underspend	\$13.40 million	43%
		The variance is mainly associated with changes in timing of projects which span multiple years, the unspent portion is now expected to be spent in the 2019/20 financial year. Project variations include Latrobe Creative Precinct (\$8.7M), Traralgon Sports Stadium (\$2.2M) and Ted Summerton Reserve (\$2.2M). Additionally budgeted works at the Latrobe City Sports & Entertainment Stadium (\$1.35M) did not progress as a result of the associated government grants not being approved. The variance was partially offset by expenditure on the Morwell Recreation Reserve Shared Sports Pavilion which was budgeted under the Recreation, leisure and community facilities category.				
2	<b>Heritage buildings</b>		Outcome:	Overspend	\$0.01 million	100%
		Overspend relates to costs incurred on the Traralgon Court House upgrade project, which were funded from amounts received/allocated in previous financial years.				
3	<b>Fixtures, fittings and furniture</b>		Outcome:	Overspend	\$0.03 million	270%
		Additional expenditure funded from operational budgets				
4	<b>Computers and telecommunications</b>		Outcome:	Underspend	\$0.30 million	44%
		The variance is mainly associated with items purchased from this budget that were under Council's capitalisation threshold of \$1,000 and therefore not recognised as capital expenditure e.g. mobile phones, laptops, docking stations, wi-fi access points and other minor items.				
5	<b>Roads</b>		Outcome:	Overspend	\$1.05 million	11%
		The additional expenditure was mainly associated with additional government grant funding received for the Fixing Country Roads Program (\$0.41M) and Nation Building Blackspot Program (\$0.46M) .				
6	<b>Bridges</b>		Outcome:	Overspend	\$0.02 million	11%
		The additional expenditure relates to works funded in the previous financial year relating to bridge design at Downies Lane.				
7	<b>Drainage</b>		Outcome:	Underspend	\$0.26 million	29%
		Drainage augmentation works relating to Furlonger/Nixon Court Traralgon were unable to be completed in 18/19 and will carry forward to 19/20 year (\$0.20M). Montane Estate Newborough (\$0.05M) and Josie Place Morwell Open Earth Drain (\$0.04M) were also unable to be completed and will now carry over to the 2019/20 financial year.				
8	<b>Recreational, leisure and community facilities</b>		Outcome:	Underspend	\$3.37 million	49%
		The budget underspend relates to the government funded Haunted Hills Mountain Bike Park which will not be received/managed by Council (\$1.2M). Works associated with the Morwell Recreation Reserve Shared Sports Pavilion have been reclassified as buildings (\$1.25M) along with the Sports Lighting component of the project (\$0.4M) being expensed to the income statement in accordance with the asset recognition policy.				
9	<b>Waste management</b>		Outcome:	Underspend	\$1.58 million	99%
		The Landfill Biogas to Energy Project has been delayed with funding to be carried forward to the 2019/20 year.				
10	<b>Parks, open space and streetscapes</b>		Outcome:	Underspend	\$2.43 million	75%
		Delays have been experienced in relation to the Future Morwell project (\$1.7M) these works have now been rescheduled into 2019/20. Delays with finalising funding agreements associated with the Moe AAA play space (\$0.3M) and the Moe Botanic Gardens Play Space (\$0.3M) will also result in these projects being carried forward for completion in the 2019/20 financial year.				
11	<b>Off street car parks</b>		Outcome:	Overspend	\$0.35 million	100%
		Expenditure associated with Off Street Car Parking constructed as part of Traralgon Croquet Club relocation is included in this category, however was fully funded as part of the Gippsland Regional Aquatic Centre for which the budget was classified as buildings.				

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Notes to the Financial Report  
For the Year Ended 30 June 2019

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## NOTE 1 Performance Against Budget (continued)

### Explanation of material variations - Capital Works

<b>12</b>	<b>Other infrastructure</b>	<b>Outcome:</b>	<b>Underspend</b>	<b>\$6.72 million</b>	<b>96%</b>
	Delays associated with the design, infrastructure, recognition and cultural heritage relating to the Gippsland Logistics Precinct have resulted in this project being delayed into a future budget. Additionally the funding secured for this project is \$5.37M compared to the budget of \$7.0M.				
<b>13</b>	<b>New asset expenditure</b>	<b>Outcome:</b>	<b>Underspend</b>	<b>\$15.82 million</b>	<b>43%</b>
	A number of projects have been delayed to the 2019/20 financial year, most notably the Latrobe Creative Precinct (\$8.7M), Gippsland Logistics Precinct and Intermodal Freight Terminal (\$6.7M), Ted Summerton Reserve (\$2.1M), Landfill Biogas to Energy Project (\$1.6M) and Future Morwell Project (\$1.7M). These variances are partially offset by expenditure on projects budgeted as upgrade expenditure e.g. Latrobe City Sports and Entertainment Stadium Synthetic Oval (\$1.95M) and Morwell Recreation Reserve Pavilion and Synthetic Oval (\$2.8M).				
<b>14</b>	<b>Asset renewal expenditure</b>	<b>Outcome:</b>	<b>Underspend</b>	<b>\$1.95 million</b>	<b>11%</b>
	The underspend relates to budgeted expenditure for unsuccessful government grants funding for the Latrobe City Sports & Entertainment Stadium (\$1.35M), together with delays in the Building Renewal Program (\$0.6M).				
<b>15</b>	<b>Asset expansion expenditure</b>	<b>Outcome:</b>	<b>Overspend</b>	<b>\$3.15 million</b>	<b>15750%</b>
	The Traralgon Sports Stadium project was budgeted as upgrade expenditure but the actual expenditure has been reclassified as expansion (\$3.2M).				
<b>16</b>	<b>Asset upgrade expenditure</b>	<b>Outcome:</b>	<b>Underspend</b>	<b>\$11.77 million</b>	<b>82%</b>
	Expenditure associated with Traralgon Sports Stadium (\$5.4M), Morwell Recreation Reserve (\$3.5M) and Latrobe City Sports and Entertainment Stadium (\$2.1M) was categorised in the budget as upgrade however when broken down into individual assets the actual expenditure has been classified as Expansion and New works resulting in an underspend showing in this category.				

Notes to the Financial Report  
For the Year Ended 30 June 2019

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**Note 2.1 Analysis of Council results by program**

Council delivers its functions and activities through the following programs.

**2.1 (a) Office of the Chief Executive**

Office of the Chief Executive  
Mayoral & Council Support and Operations  
Regional Strategy

**City Development**

Economic Development  
Arts and Events  
Statutory Planning and Municipal Services  
Future Planning

**Corporate Services**

Finance  
Information Services  
Governance  
Performance and Innovation  
People and Culture

**Infrastructure & Recreation**

Recreation  
Infrastructure Development (Infrastructure Design, Infrastructure Planning, Civil Works and Major Projects & Building Maintenance)  
Infrastructure Operations (includes Environment Sustainability, Infrastructure Maintenance and Parks, Gardens & Playgrounds)

**Community Services**

Community Resilience  
Community Development  
Communications and Customer Relations  
Aged and Disability  
Family Services

**Waste & Landfill**

Landfill Operations  
Waste & Recycling  
Litter Bins  
Garbage Charge revenue

**Major Recreation Projects**

Latrobe Valley Sports and Community Initiative Project Director's Office

**Other Operating**

Other unattributable items e.g. Loan interest, unattributable cash & investments and sundry receivables. A surplus is expected to be generated to fund repayment of loan principal.

**Capital Works Program**

Capital Works Program (includes items not capitalised, excludes Latrobe Valley Sports and Community Initiative and Waste & Landfill capital works )

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Notes to the Financial Report  
For the Year Ended 30 June 2019

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Note 2.1 Analysis of Council results by program

2.1 (b) Summary of revenues, expenses, assets and capital expenses by program

	Income	Expenses	Surplus/ (Deficit)	Grants included in income	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2019</b>					
Office of the Chief Executive	1,544	(1,425)	119	180	45
City Development	14,651	(15,025)	(374)	2,474	42,786
Corporate Services	15,129	(15,471)	(342)	1,862	3,926
Infrastructure & Recreation	48,072	(56,092)	(8,020)	7,136	1,006,936
Community Services	31,827	(31,054)	773	14,789	83,605
Waste & Landfill	17,038	(12,046)	4,992	215	28,577
Major Recreation Projects	37,409	(93)	37,316	37,143	29,436
Other Operating	3,059	(563)	2,496	333	75,626
Capital Works Program	14,495	(4,587)	9,908	13,444	32,619
	<b>183,224</b>	<b>(136,356)</b>	<b>46,868</b>	<b>77,576</b>	<b>1,303,556</b>
<b>2018</b>					
Office of the Chief Executive	1,439	(1,453)	(14)	186	48
City Development	14,115	(15,494)	(1,379)	2,167	43,572
Corporate Services	15,665	(14,350)	1,315	2,388	1,357
Infrastructure & Recreation	48,419	(53,013)	(4,594)	7,235	1,003,441
Community Services	29,756	(28,964)	792	14,193	88,485
Waste & Landfill	16,411	(19,437)	(3,026)	292	27,702
Major Recreation Projects	2,678	(416)	2,262	2,678	132
Other Operating	3,428	(992)	2,436	352	60,308
Capital Works Program	6,721	(6,935)	(214)	6,377	24,664
	<b>138,632</b>	<b>(141,054)</b>	<b>(2,422)</b>	<b>35,868</b>	<b>1,249,709</b>

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## NOTE 3 Funding for the delivery of our services

### 3.1 Rates and charges

Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is the value of its land and all its improvements.

This valuation base was used to calculate general rates, excluding valuations for power generation companies and Australian Paper.

The valuation base used to calculate general rates for 2018/19 was \$11,355.50 million (2017/18 was \$10,796.84 million).

The applicable rates in the CIV dollar were:

	2019	2018
	\$	\$
General	0.00468373	0.00475557
Farm	0.00351280	0.00356668
Derelict Properties	0.01405120	0.01426672
Cultural and recreational	0.00234187	0.00237778
Cultural and recreational with gaming facilities	0.00281024	0.00285334

This derived rate revenues of:

	2019	2018
	\$'000	\$'000
General rates	52,123	50,312
Municipal charge	5,250	5,086
Garbage charge	11,992	10,964
EPA Victoria landfill levy	724	706
Supplementary rates and rates adjustments	169	691
Cultural and recreational	84	83
Revenue in lieu of rates	7,671	7,508
<b>Total rates and charges</b>	<b>78,013</b>	<b>75,350</b>

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2018, and the valuation was first applied in the rating year commencing 1 July 2018.

Annual rates and charges are recognised as revenues when Council issues annual rates notices. Supplementary rates are recognised when a valuation and reassessment is completed and a supplementary rates notice issued.

### 3.2 Statutory fees and fines

Infringement and costs	477	623
Town planning fees	10	11
Land information certificates	72	71
Permits	713	613
Health registrations	369	353
Animal registrations	527	480
Other	116	152
<b>Total Statutory fees and fines</b>	<b>2,284</b>	<b>2,303</b>

Statutory fees and fines (including parking fees and fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

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	2019 \$'000	2018 \$'000
<b>3.3 User fees</b>		
Aged and health services	1,923	1,793
Leisure centre and recreation	3,203	3,410
Child care/children's programs	4,241	4,174
Waste management services	3,029	3,372
Other fees and charges	1,237	1,128
<b>Total User fees</b>	<b>13,633</b>	<b>13,877</b>

User fees are recognised as revenue when the service has been provided or council has otherwise earned the income.

**3.4 Funding from other levels of government**

Grants were received in respect of the following:

<b>Summary of Grants</b>		
Commonwealth funded grants	20,021	19,602
State funded grants	57,555	16,266
<b>Total</b>	<b>77,576</b>	<b>35,868</b>

**Grants – Operating**

**Recurrent – Commonwealth Government**

Victorian Grants Commission	11,660	12,329
Aged and disability programs	2,946	2,791
Family and children programs	62	110
Employment facilitation	147	521

**Recurrent – State Government**

Aged and disability programs	1,754	2,424
Preschools	4,249	3,404
Family and children programs	2,290	2,031
Maternal and child health	1,202	1,221
Libraries	509	509
Arts programs	155	155
Rural access program	135	129
School crossing supervision	199	122
Community health	18	26
Environment sustainability	29	-
Other	-	28
<b>Total Grants – Operating (Recurrent)</b>	<b>25,355</b>	<b>25,800</b>

**Non-Recurrent – Commonwealth Government**

Public lighting	(38)	170
Community support and development programs	40	110
Environment sustainability	50	-
Other	3	11

**Non-Recurrent – State Government**

Arts program	156	-
Events & International Relations	275	412
Natural disaster recovery	109	-
Economic development	424	119
Infrastructure Planning	132	-
Public Lighting	190	-
Recreational, Leisure & Community Facilities	1,818	1,383
Community support and development programs	243	132
Waste & Landfill	90	145
Other	100	56
<b>Total Grants – Operating (Non-Recurrent)</b>	<b>3,592</b>	<b>2,538</b>

<b>Total Grants – Operating</b>	<b>28,947</b>	<b>28,338</b>
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	2019 \$'000	2018 \$'000
<b>Grants –Capital</b>		
<b>Recurrent – Commonwealth Government</b>		
Roads to recovery program	1,181	2,384
<b>Total Grants –Capital (Recurrent)</b>	<b>1,181</b>	<b>2,384</b>
<b>Non-Recurrent – Commonwealth Government</b>		
Footpath & Cycleways	982	290
Recreation, leisure and community facilities	2,480	886
Buildings	270	-
Other	238	-
<b>Non-Recurrent – State Government</b>		
Buildings	32,027	1,116
Roads	1,194	786
Drainage	-	(31)
Footpath & Cycleways	1,665	621
Recreation, leisure and community facilities	7,592	1,478
Parks, Open Spaces And Streetscapes	200	-
Other Infrastructure	800	-
<b>Total Grants –Capital (Non-Recurrent)</b>	<b>47,448</b>	<b>5,146</b>
<b>Total Grants – Capital</b>	<b>48,629</b>	<b>7,530</b>
<b>Total Grants</b>	<b>77,576</b>	<b>35,868</b>
<b>Unspent grants received on condition that they be spent in a specific manner</b>		
Balance at start of year	12,620	12,340
Received during the financial year and remained unspent at balance date	36,309	11,762
Received in prior years and spent during the financial year	(10,642)	(11,482)
<b>Balance at year end*</b>	<b>38,287</b>	<b>12,620</b>

\* Note: Council received an advance of \$6.0 million of 2019/20 Victoria Grants Commission funding in June 2019, while this funding has no specific conditions attached, it is required to be carried forward as a funding source for the 2019/20 budget year. In addition, \$20.1 million was received as lump sums for Major Recreation Projects which will be spent in the 2019/20 financial year.

Grant income is recognised when Council obtains control of the contribution. Control is normally obtained upon receipt (or acquittal) or upon earlier notification that a grant has been secured.

### 3.5 Contributions

Monetary	1,085	512
Non-monetary	4,839	6,133
<b>Total Contributions</b>	<b>5,924</b>	<b>6,645</b>
Contributions of non-monetary assets were received in relation to the following asset classes:		
Land	637	1,097
Buildings	-	530
Roads	1,943	2,309
Other Infrastructure	2,203	2,173
Other	56	24
<b>Total non-monetary contributions</b>	<b>4,839</b>	<b>6,133</b>

Monetary and non-monetary contributions are recognised as revenue when Council obtains control over the contributed asset.



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## 3.6 Other Income

	2019 \$'000	2018 \$'000
Interest	3,240	2,388
Other Rent	779	742
Sales	551	611
Contributions other	1,031	653
Insurance	13	150
Rebates	142	-
Other	38	45
<b>Total other income</b>	<b>5,794</b>	<b>4,589</b>

Interest is recognised as it is earned.

Other income is measured at the fair value of the consideration received or receivable and is recognised when Council gains control over the right to receive the income.

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## NOTE 4 The cost of delivering services

	2019 \$'000	2018 \$'000
<b>4.1 Employee costs</b>		
Salaries and wages	48,309	47,780
Workcover	1,155	1,119
Superannuation	4,532	4,369
Fringe benefits tax	329	394
Other	2,228	2,591
<b>Total employee costs</b>	<b>56,553</b>	<b>56,253</b>

### (b) Superannuation

Council made contributions to the following funds:

#### Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	361	376
Employer contributions payable at reporting date	-	-
	<b>361</b>	<b>376</b>

#### Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	3,765	3,587
Employer contributions payable at reporting date	406	406
	<b>4,171</b>	<b>3,993</b>

Refer to note 9.3 for further information relating to Council's superannuation obligations

### 4.2 Materials and services

Cleaning	935	954
Family Day Care Educators	707	775
Vehicle Expenses	1,076	1,071
Disaster Response - Yinnar South Fires	660	-
Parks and Reserves	46	663
Sporting Grounds & Facilities	2,798	2,843
Domestic Rubbish Collection	3,315	3,132
Transfer Stations	999	978
Materials Recovery Facility	740	514
Green Waste Processing	612	572
Litter Bins	458	458
Street Sweeping	531	477
Other Contracts	5,518	5,682
Building maintenance	865	1,055
General maintenance	3,315	3,650
Utilities	3,249	2,686
Office administration	2,297	2,506
Information technology	2,296	1,709
Insurance	879	801
Consultants	2,475	2,790
Other	4,832	4,344
<b>Total materials and services</b>	<b>38,603</b>	<b>37,660</b>

### 4.3 Depreciation and amortisation

Property	5,916	4,171
Plant, furniture and equipment	2,090	2,047
Infrastructure	19,068	18,840
<b>Total depreciation</b>	<b>27,074</b>	<b>25,058</b>
Intangible assets	586	674
<b>Total depreciation and amortisation</b>	<b>27,660</b>	<b>25,732</b>

Refer to note 5.2(b) and 6.2 for a more detailed breakdown of depreciation and amortisation charges

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	2019 \$'000	2018 \$'000
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**4.4 Bad and doubtful debts**

Other debtors	40	21
<b>Total bad and doubtful debts*</b>	<b>40</b>	<b>21</b>

**Movement in provision for doubtful debts**

Balance at the beginning of the year	21	23
New Provisions recognised during the year	43	9
Amounts already provided for and written off as uncollectible	(4)	(10)
Amounts provided for but recovered during the year	(1)	(1)
<b>Balance at the end of the year</b>	<b>59</b>	<b>21</b>

Provision for doubtful debts is recognised based on an expected credit loss model. This model considers both historic and forward looking information in determining the level of impairment.

**4.5 Borrowing costs**

Interest on borrowings	705	741
<b>Total borrowing costs</b>	<b>705</b>	<b>741</b>

Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council.

**4.6 Net gain/ (loss) on disposal of property, infrastructure, plant and equipment**

Proceeds of sale	610	905
Write down value of assets disposed (sold/written off)	(2,594)	(738)
Write down value of assets disposed (asset renewal)	(6,559)	(7,699)
<b>Total net gain/ (loss) on disposal of property, infrastructure, plant and equipment</b>	<b>(8,543)</b>	<b>(7,532)</b>

The profit or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer.

**4.7 Other expenses**

Auditors' remuneration - VAGO	61	59
Auditors' remuneration - Internal	57	99
Audit other	26	45
Councillors' allowances	310	304
Operating lease rentals	71	62
Grants	1,041	1,107
Levies	1,522	1,560
Assets written-off / impaired	251	897
<b>Total other expenses</b>	<b>3,339</b>	<b>4,133</b>

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## NOTE 5 Our financial position

### 5.1 Financial assets

	2019 \$'000	2018 \$'000
<b>(a) Cash and cash equivalents</b>		
Cash on hand	11	14
Cash at bank	11,106	23,445
Term Deposits	15,000	-
<b>Total cash and cash equivalents</b>	<b>26,117</b>	<b>23,459</b>

### (b) Other financial assets

Term Deposits - current (>90days)	96,712	64,518
<b>Total other financial assets</b>	<b>96,712</b>	<b>64,518</b>
<b>Total financial assets</b>	<b>122,829</b>	<b>87,977</b>

Council's cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:

Trust funds and deposits (Note 5.3 (b))	2,640	2,114
<b>Total restricted funds</b>	<b>2,640</b>	<b>2,114</b>

<b>Total unrestricted cash and cash equivalents</b>	<b>23,477</b>	<b>21,345</b>
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#### Intended Allocations

Although not externally restricted the following amounts have been allocated for specific future purposes by Council

Reserve funds allocated for specific future purposes (Note 9.1 (b))	3,529	3,404
Cash held to fund carried forward capital works	11,092	6,729
Unexpended grants (Note 3.4 – net increase of \$25.67 million from 2018 to 2019)	38,287	12,620
Funds held to rehabilitate previous landfill cells and fund future landfill cell construction	21,059	20,473
Funds held to repay principal for "Interest Only" loan facility	6,656	5,083
Funds held to meet future Information Technology capital investment requirement:	4,862	5,283
Funds held to meet future Developer Contribution Plan (DCP) infrastructure requirement:	875	965
<b>Total funds subject to intended allocations</b>	<b>86,360</b>	<b>54,557</b>

Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of 90 days or less, net of outstanding bank overdrafts.

Other financial assets are valued at fair value, being market value, at balance date. Term deposits are measured at amortised cost. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.

#### Non-Current

MAPS Group Ltd. Shares	2	2
<b>Total non-current other financial assets</b>	<b>2</b>	<b>2</b>

<b>Total other financial assets</b>	<b>122,831</b>	<b>87,979</b>
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### (c) Trade and other receivables

<b>Current</b>		
<i>Statutory receivables</i>		
Rates debtors*	3,938	3,865
Health Registrations	2	1
Goods and services tax (GST)	1,036	753
<i>Non-statutory receivables</i>		
Loans and advances to community organisations	5	8
Other debtors	3,159	3,835
Provision for doubtful debts - other debtors	(60)	(21)
<b>Total current trade and other receivables</b>	<b>8,080</b>	<b>8,441</b>

\*Rates are payable by four instalments during the year or by lump sum in February. Arrears attract interest, currently at the rate of 10.0% per annum.

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## (c) Trade and other receivables (continued)

	2019 \$'000	2018 \$'000
<b>Non-Current</b>		
<i>Non-statutory receivables</i>		
Loans and advances to community organisations	15	18
<b>Total non-current trade and other receivables</b>	<b>15</b>	<b>18</b>
<b>Total trade and other receivables</b>	<b>8,095</b>	<b>8,459</b>

Short term receivables are carried at invoice amount as amortised cost using the effective interest rate method would not impact the carrying value. A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred. Long term receivables are carried at amortised cost using the effective interest rate method.

## a) Ageing of receivables

The ageing of the Council's trade & other receivables (excluding statutory receivables) that are not impaired was

Current (not yet due)	968	2,629
Past due by up to 30 days	964	871
Past due between 31 and 60 days	162	54
Past due between 61 and 90 days	87	56
Past due by more than 90 days	998	251
<b>Total trade and other receivables</b>	<b>3,179</b>	<b>3,861</b>

## b) Ageing of individually impaired receivables

At balance date, other debtors representing financial assets with a nominal value of \$60K (2018 \$21K) were impaired. The amount of the provision raised against these debtors was \$60K (2018 \$21K). They individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

Current (not yet due)	-	-
Past due by up to 30 days	-	-
Past due between 31 and 60 days	-	-
Past due between 61 and 90 days	-	1
Past due by more than 90 days	60	20
<b>Total trade and other receivables</b>	<b>60</b>	<b>21</b>

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## 5.2 Non-financial assets

## (a) Other assets

	2019 \$'000	2018 \$'000
Prepayments	582	504
Accrued income	2,754	2,457
<b>Total other assets</b>	<b>3,336</b>	<b>2,961</b>

## (b) Intangible assets

Software	61	124
Landfill Air Space	1,313	-
<b>Total intangible assets</b>	<b>1,374</b>	<b>124</b>

	SOFTWARE \$'000	LANDFILL AIR SPACE \$'000	TOTAL \$'000
<b>Gross Carrying Amount</b>			
Balance at 1 July 2018	1,147	16,586	17,733
Additions from internal developments	-	1,836	1,836
Other additions	-	-	-
<b>Balance at 30 June 2019</b>	<b>1,147</b>	<b>18,422</b>	<b>19,569</b>
<b>Accumulated Amortisation and Impairment</b>			
Balance at 1 July 2018	(1,023)	(16,586)	(17,609)
Amortisation Expense	(63)	(523)	(586)
<b>Balance at 30 June 2019</b>	<b>(1,086)</b>	<b>(17,109)</b>	<b>(18,195)</b>
Net Book Value at 30 June 2018	124	-	124
<b>Net Book Value at 30 June 2019</b>	<b>61</b>	<b>1,313</b>	<b>1,374</b>

## 5.3 Payables

## (a) Trade and other payables

	2019 \$'000	2018 \$'000
Trade Payables	8,378	7,050
Accrued Expenses	1,094	960
<b>Total trade and other payables</b>	<b>9,472</b>	<b>8,010</b>

## (b) Trust funds and deposits

Refundable deposits	1,868	1,689
Fire Service Levy	597	284
Retention amounts	95	95
Other refundable deposits	80	46
<b>Total trust funds and deposits</b>	<b>2,640</b>	<b>2,114</b>

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited. Trust funds that are forfeited, resulting in council gaining control of the funds, are to be recognised as revenue at the time of the forfeit.



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**Purpose and Nature of Items**

*Refundable deposits* – Deposits are taken by Council as a form of surety in a number of circumstances, including in relation to contracts, asset protection, planning permit works and the use of civic facilities.

*Fire Service Levy* – Council is the collection agent for fire services levy on behalf of the State Government. Council remits amounts received on a quarterly basis. Amounts disclosed here will be remitted to the state government in line with that process.

*Retention amounts* - Council has a contractual right to retain certain amounts until a contractor has met certain requirements or a related warrant or defect period has elapsed. Subject to the satisfactory completion of the contractual obligations, or the elapsing of time, these amounts will be paid to the relevant contractor in line with Council's contractual obligations.

**5.4 Interest-bearing liabilities**

	2019 \$'000	2018 \$'000
<b>Current</b>		
Borrowings – Secured	9,239	1,573
<b>Total current</b>	<b>9,239</b>	<b>1,573</b>
<b>Non-Current</b>		
Borrowings – Secured	5,826	15,061
<b>Total non-current</b>	<b>5,826</b>	<b>15,061</b>
<b>Total interest-bearing loans and borrowings</b>	<b>15,065</b>	<b>16,634</b>

All borrowings are secured over Council's Rate Revenue

The maturity profile for Council's borrowings is:

Not later than one year	9,239	1,573
Later than one year and not later than five years	1,429	10,426
Later than five years	4,397	4,635
	<b>15,065</b>	<b>16,634</b>

Borrowings are initially measured at fair value, being the cost of the interest bearing liabilities, net of transaction costs. The measurement basis subsequent to initial recognition depends on whether the Council has categorised its interest-bearing liabilities as either financial liabilities designated at fair value through the profit and loss, or financial liabilities at amortised cost. Any difference between the initial recognised amount and the redemption value is recognised in net result over the period of the borrowing using the effective interest method.

The classification depends on the nature and purpose of the interest bearing liabilities. The Council determines the classification of its interest bearing liabilities at initial recognition.

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5.5 Provisions

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	ANNUAL LEAVE	LONG SERVICE LEAVE	LANDFILL REHABILITATION	TOTAL
	\$'000	\$'000	\$'000	\$'000
<b>2019</b>				
Balance at Beginning of the Financial Year	4,576	10,055	27,011	41,642
Additional/(Reduced) Provisions	3,919	1,166	1,836	6,921
Amounts Used	(4,217)	(1,184)	(3,209)	(8,610)
Increase/(Decrease) in the discounted amount arising because of time and effect of any change in the discount rate	7	132	913	1,052
<b>Balance at the End of the Financial Year</b>	<b>4,285</b>	<b>10,169</b>	<b>26,551</b>	<b>41,005</b>
<b>2018</b>				
Balance at Beginning of the Financial Year	4,365	9,159	19,219	32,743
Additional/(Reduced) Provisions	3,976	1,536	8,991	14,503
Amounts Used	(3,771)	(729)	(1,190)	(5,690)
Increase/(Decrease) in the discounted amount arising because of time and effect of any change in the discount rate	6	89	(9)	86
<b>Balance at the End of the Financial Year</b>	<b>4,576</b>	<b>10,055</b>	<b>27,011</b>	<b>41,642</b>

(a) Employee provisions

	2019	2018
	\$'000	\$'000
<b>Current Provisions Expected to be wholly settled within 12 months</b>		
Annual leave	3,985	4,250
Long service leave	2,542	2,387
	<b>6,527</b>	<b>6,637</b>
<b>Current Provisions Expected to be wholly settled after 12 months</b>		
Annual leave	300	326
Long service leave	5,864	5,765
	<b>6,164</b>	<b>6,091</b>
<b>Total current employee provisions</b>	<b>12,691</b>	<b>12,729</b>
<b>Non-Current</b>		
Long service leave	1,763	1,902
<b>Total non-current employee provisions</b>	<b>1,763</b>	<b>1,902</b>
<b>Aggregate Carrying Amount of Employee Provisions</b>		
Current	12,691	12,729
Non-Current	1,763	1,902
	<b>14,454</b>	<b>14,631</b>

Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulated sick leave expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

Liabilities that are not expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at the present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

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	2019 \$'000	2018 \$'000
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## Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits. LSL is measured at present value.

Unconditional LSL is disclosed as a current liability. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non - current liability.

## Key assumptions:

- discount rate	1.07%	2.19%
- inflation rate	2.70%	3.88%
- settlement period	25 years	25 years

**(b) Landfill restoration**

Current	7,302	6,480
Non-Current	19,249	20,531
	<b>26,551</b>	<b>27,011</b>

Council is obligated to restore the current Highland Highway landfill site and legacy sites at Moe, Morwell, Traralgon and Yinnar to a particular standard. The forecast life of the Highland Highway landfill site is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill rehabilitation has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to restore the sites to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

**5.6 Financing arrangements**

	2019 \$'000	2018 \$'000
Bank overdraft	1,000	1,000
Credit card facilities	500	500
Other facilities	15,065	16,634
<b>Total facilities</b>	<b>16,565</b>	<b>18,134</b>
<b>Used facilities</b>	<b>15,145</b>	<b>16,663</b>
<b>Unused facilities</b>	<b>1,420</b>	<b>1,471</b>

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## 5.7 Commitments

The Council has entered into the following commitments. Commitments are not recognised in the Balance Sheet. Commitments are disclosed at their nominal value and presented inclusive of the GST payable.

	NOT LATER THAN 1 YEAR	LATER THAN 1 YEAR AND NOT LATER THAN 2 YEARS	LATER THAN 2 YEAR AND NOT LATER THAN 5 YEARS	LATER THAN 5 YEARS	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2019</b>					
<b>Operating</b>					
Recycling	2,229	-	-	-	2,229
Garbage collection	3,442	1,764	-	-	5,206
Processing of Organic Waste	1,056	541	-	-	1,597
Courier service	69	-	-	-	69
Cleaning contracts for council amenities/streets	1,246	625	-	-	1,871
Cleaning contracts for council buildings	1,060	-	-	-	1,060
Meals for Delivery	307	-	-	-	307
Software	53	-	-	-	53
Landfill	364	167	-	-	531
Recreation	355	-	-	-	355
<b>Total</b>	<b>10,181</b>	<b>3,097</b>	<b>-</b>	<b>-</b>	<b>13,278</b>
<b>Capital construction</b>					
Buildings	54,372	8,443	-	-	62,815
Landfill	176	-	-	-	176
Footpaths and Cycleways	709	-	-	-	709
Recreation	1,835	-	-	-	1,835
Roads	650	-	-	-	650
<b>Total</b>	<b>57,742</b>	<b>8,443</b>	<b>-</b>	<b>-</b>	<b>66,185</b>
<b>2018</b>					
<b>Operating</b>					
Recycling	2,200	2,222	-	-	4,422
Garbage collection	1,689	-	-	-	1,689
Courier service	65	-	-	-	65
Cleaning contracts for council amenities/streets	1,326	939	110	-	2,375
Cleaning contracts for council buildings	1,015	-	-	-	1,015
Meals for Delivery	205	-	-	-	205
Security	18	11	-	-	29
Software	63	47	-	-	110
Landfill	200	-	-	-	200
Recreation	62	-	-	-	62
<b>Total</b>	<b>6,843</b>	<b>3,219</b>	<b>110</b>	<b>-</b>	<b>10,172</b>
<b>Capital construction</b>					
Buildings	1,998	-	-	-	1,998
Landfill	183	142	66	-	391
Footpaths and Cycleways	98	-	-	-	98
Roads	441	-	-	-	441
<b>Total</b>	<b>2,720</b>	<b>142</b>	<b>66</b>	<b>-</b>	<b>2,928</b>

## Operating Lease Commitments

At the reporting date, the Council has the following obligations under non-cancellable operating leases for the lease of equipment and land

	2019 \$'000	2018 \$'000
Not later than one year	59	122
Later than one year and not later than five years	165	243
Later than five years	1,096	1,159
<b>Total</b>	<b>1,320</b>	<b>1,524</b>

Lease payments for operating leases are required by the accounting standard to be recognised on a straight line basis, rather than expensed in the years in which they are incurred.

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## NOTE 6 Assets we manage

### 6.1 Non-current assets classified as held for sale

	2019 \$'000	2018 \$'000
Cost of acquisition	-	48
<b>Total non-current assets classified as held for sale</b>	<b>-</b>	<b>48</b>

Non-current assets classified as held for sale (including disposal groups) are measured at the lower of their carrying amount and fair value less costs of disposal, and are not subject to depreciation. Non-current assets, disposal groups and related liabilities and assets are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale (or disposal group sale) is expected to be completed within 12 months from the date of classification.

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## 6.2 Property, infrastructure, plant and equipment

### Summary of property, infrastructure, plant and equipment

	AT FAIR VALUE 30 JUNE 2018 \$'000	ACQUISITIONS \$'000	CONTRIBUTIONS \$'000	REVALUATION \$'000	DEPRECIATION \$'000	DISPOSAL \$'000	TRANSFERS \$'000	AT FAIR VALUE 30 JUNE 2019 \$'000
Land	173,743	-	637	-	-	-	-	174,380
Buildings	202,937	4,143	-	-	(5,916)	(3,331)	1,686	199,519
Plant and equipment	11,694	2,922	56	-	(2,090)	(229)	-	12,353
Infrastructure	751,571	10,272	4,146	7,196	(19,068)	(5,593)	7,745	756,269
Work in progress	10,193	24,888	-	-	-	(251)	(9,431)	25,399
<b>Total</b>	<b>1,150,138</b>	<b>42,225</b>	<b>4,839</b>	<b>7,196</b>	<b>(27,074)</b>	<b>(9,404)</b>	<b>-</b>	<b>1,167,920</b>

### Summary of works in progress

	OPENING WIP \$'000	ADDITIONS \$'000	TRANSFERS \$'000	WRITE OFFS \$'000	CLOSING WIP \$'000
Buildings	1,726	13,986	(1,686)	(5)	14,021
Infrastructure	8,467	10,902	(7,745)	(246)	11,378
<b>Total</b>	<b>10,193</b>	<b>24,888</b>	<b>(9,431)</b>	<b>(251)</b>	<b>25,399</b>

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(a) Property

NOTE	LAND - SPECIALISED (INCL LAND UNDER ROADS) \$'000	LAND - NON SPECIALISED \$'000	TOTAL LAND \$'000	BUILDINGS - SPECIALISED \$'000	TOTAL BUILDINGS \$'000	WORK IN PROGRESS \$'000	TOTAL PROPERTY \$'000
At fair value 1 July 2018	127,168	46,575	173,743	267,675	267,675	1,726	443,144
Accumulated depreciation at 1 July 2018	-	-	-	(64,738)	(64,738)	-	(64,738)
	127,168	46,575	173,743	202,937	202,937	1,726	378,406
<b>Movements in fair value</b>							
Additions	-	-	-	4,143	4,143	13,986	18,129
Contributions	637	-	637	-	-	-	637
Disposal	-	-	-	(4,407)	(4,407)	-	(4,407)
Write-off	-	-	-	-	-	(5)	(5)
Transfers	-	-	-	1,686	1,686	(1,686)	-
	637	-	637	1,422	1,422	12,295	14,354
<b>Movements in accumulated depreciation</b>							
Depreciation and amortisation	-	-	-	(5,916)	(5,916)	-	(5,916)
Accumulated depreciation of disposals	-	-	-	1,076	1,076	-	1,076
	-	-	-	(4,840)	(4,840)	-	(4,840)
At fair value 30 June 2019	127,805	46,575	174,380	269,097	269,097	14,021	457,498
Accumulated depreciation at 30 June 2019	-	-	-	(69,578)	(69,578)	-	(69,578)
	127,805	46,575	174,380	199,519	199,519	14,021	387,920

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(b) Plant and Equipment

	NOTE	PLANT \$'000	FIXTURES \$'000	COMPUTERS \$'000	ART COLLECTION \$'000	TOTAL PLANT \$'000
At fair value 1 July 2018		15,087	1,734	5,750	3,626	26,197
Accumulated depreciation at 1 July 2018		(8,447)	(1,341)	(4,715)	-	(14,503)
		6,640	393	1,035	3,626	11,694
<b>Movements in fair value</b>						
Additions		2,474	37	395	16	2,922
Contributions		-	-	-	56	56
Disposal		(1,332)	-	-	-	(1,332)
		1,142	37	395	72	1,646
<b>Movements in accumulated depreciation</b>						
Depreciation and amortisation		(1,671)	(70)	(349)	-	(2,090)
Accumulated depreciation of disposals		1,103	-	-	-	1,103
		(568)	(70)	(349)	-	(987)
At fair value 30 June 2019		16,229	1,771	6,145	3,698	27,843
Accumulated depreciation at 30 June 2019		(9,015)	(1,411)	(5,064)	-	(15,490)
		7,214	360	1,081	3,698	12,353

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## (c) Infrastructure

NOTE	ROADS	BRIDGES	FOOTPATHS AND CYCLEWAYS	DRAINAGE	WASTE MANAGEMENT	PARKS OPEN SPACES AND STREETSCAPES	AERODROMES	OFF STREET CAR PARKS	RECREATION, LEISURE AND COMMUNITY FACILITIES	WORK IN PROGRESS	TOTAL INFRASTRUCTURE
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2018	725,947	55,377	79,939	206,484	7,063	3,869	4,928	6,935	9,613	8,467	1,108,622
Accumulated depreciation at 1 July 2018	(201,743)	(22,702)	(26,174)	(87,194)	(7,063)	(1,593)	(693)	(629)	(793)	-	(348,584)
	524,204	32,675	53,765	119,290	-	2,276	4,235	6,306	8,820	8,467	760,038
<b>Movements in fair value</b>											
Additions	6,055	184	2,721	492	19	454	-	347	-	10,902	21,174
Contributions	1,943	-	640	1,580	-	-	-	-	-	-	4,163
Revaluations	-	-	9,219	-	-	4,680	-	-	(2,406)	-	11,493
Disposal	(8,434)	(163)	(17)	(143)	-	(89)	-	(6)	(854)	(246)	(9,952)
Transfers	4,539	-	-	39	3,063	390	-	-	(286)	(7,745)	-
	4,103	21	12,563	1,968	3,082	5,435	-	341	(3,546)	2,911	26,878
<b>Movements in accumulated depreciation</b>											
Depreciation and amortisation	(13,777)	(567)	(1,437)	(1,659)	(878)	(194)	(226)	(148)	(182)	-	(19,068)
Contributions	-	-	(3)	(14)	-	-	-	-	-	-	(17)
Revaluations	-	-	(3,056)	-	-	(1,356)	-	-	115	-	(4,297)
Accumulated depreciation of disposals	3,752	65	6	110	-	82	-	-	98	-	4,113
Transfers	-	-	-	-	-	(29)	-	-	29	-	-
	(10,025)	(502)	(4,490)	(1,563)	(878)	(1,497)	(226)	(148)	60	-	(19,269)
At fair value 30 June 2019	730,050	55,398	92,502	208,452	10,145	9,304	4,928	7,276	6,067	11,378	1,135,500
Accumulated depreciation at 30 June 2019	(211,768)	(23,204)	(30,664)	(88,757)	(7,941)	(3,090)	(919)	(777)	(733)	-	(367,853)
	518,282	32,194	61,838	119,695	2,204	6,214	4,009	6,499	5,334	11,378	767,647

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**Acquisition**

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date.

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.

In accordance with Council's policy, the threshold limits have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

ASSET CATEGORY	DEPRECIATION PERIOD	THRESHOLD LIMIT \$'000
<b>Property</b>		
land	na	Nil
buildings*	10-100 years	10.0
<b>Plant and equipment</b>		
plant, machinery and equipment	3 - 12 years	1.0
fixtures, fittings and furniture	5 - 10 years	1.0
computers and telecommunications	3 - 7 years	1.0
art works collection	na	0.5
<b>Infrastructure</b>		
road pavements and seals	14 - 87 years	10.0
road formation and earthworks	na	10.0
road kerb and channel	77 years	10.0
bridges deck	100 years	10.0
bridges substructure	100 years	10.0
footpaths and cycleways	15 - 60 years	10.0
drainage	100 years	10.0
waste management	2 - 20 years	10.0
parks, open space and streetscapes	20-40 years	5.0
recreation, leisure and community facilities	40 years	10.0
off street car parks	14 - 87 years	10.0
<b>Intangible assets</b>		
software	5 years	5.0
landfill air space	2 years	10.0

**Land under roads**

Council recognises land under roads it controls at fair value.

**Depreciation and amortisation**

Buildings, land improvements, plant and equipment, infrastructure, and other assets having limited useful lives are systematically depreciated over their useful lives to the Council in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually.

Where assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and residual values and a separate depreciation rate is determined for each component.

Road earthworks are not depreciated on the basis that they are assessed as not having a limited useful life.

Straight line depreciation is charged based on the residual useful life as determined each year.

Depreciation periods used are listed below and are consistent with the prior year unless otherwise stated.

**Repairs and maintenance**

Routine maintenance, repair costs and minor renewal costs are expensed as incurred. Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

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**Valuation of land and buildings**

Valuation of land and buildings were undertaken by a qualified independent valuer, CJA Lee Property – Valuers and Consultants (Registration number: 62467). The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Specialised land is valued at fair value using site values adjusted for englobo (undeveloped and/or unserviced) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Any significant movements in the unobservable inputs for land and land under roads will have a significant impact on the fair value of these assets.

The date of the current valuation is June 2018.

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2019 are as follows:

	LEVEL 1 \$'000	LEVEL 2 \$'000	LEVEL 3 \$'000
Land – Non specialised	-	46,575	-
Land – Specialised	-	-	127,805
Buildings – Specialised	-	-	199,519
<b>Total</b>	-	<b>46,575</b>	<b>327,324</b>

**Valuation of infrastructure**

Valuation of infrastructure assets has been determined in accordance with an independent valuation undertaken by Assetic Pty Ltd MIE(Aust) CPEng, NPER : Membership 1102199.

The date of the current valuation is detailed in the following table. An index based revaluation was conducted in the current year for Footpaths and cycleways, this valuation was based on Rawlinson's Australian Construction Handbook unit rates, a full revaluation of these assets will be conducted in 2019/20.

The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation.

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2019 are as follows:

	LEVEL 1 \$'000	LEVEL 2 \$'000	LEVEL 3 \$'000	Date of Valuation
Roads	-	-	518,282	Jun-2015
Bridges	-	-	32,194	Jun-2015
Footpaths and cycleways	-	-	61,838	Jun-2019
Drainage	-	-	119,695	Jun-2015
Recreational, Leisure and community facilities	-	-	2,204	Jun-2019
Waste management	-	-	6,214	n/a
Parks, open space and streetscapes	-	-	4,009	Jun-2019
Aerodromes	-	-	6,499	Jun-2015
Off street car parks	-	-	5,334	Jun-2015
<b>Total</b>	-	-	<b>756,269</b>	

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**Description of significant unobservable inputs into level 3 valuations**

**Specialised land and land under roads** is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 5% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$0 and \$826 per square metre

**Specialised buildings** are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs are calculated on a square metre basis and ranges from \$84 to \$5,480 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 10 years to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

**Infrastructure assets** are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 0 to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

	2019 \$'000	2018 \$'000
<b>Reconciliation of specialised land</b>		
Land under roads	17,756	17,728
Parks, reserves and other	110,049	109,440
<b>Total specialised land</b>	<b>127,805</b>	<b>127,168</b>

**6.3 Investments in associates, joint arrangements and subsidiaries**

**Principles of consolidation**

The consolidated financial statements of Council incorporate all entities controlled by Council as at 30 June 2019, and their income and expenses for that part of the reporting period in which control existed.

Subsidiaries are all entities over which Council has control. Council controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Council. They are deconsolidated from the date that control ceases.

Where dissimilar accounting policies are adopted by entities and their effect is considered material, adjustments are made to ensure consistent policies are adopted in these financial statements.

**Committees of management**

All entities controlled by Council that have material revenues, expenses, assets or liabilities, such as committees of management, have been included in this financial report. Any transactions between these entities and Council have been eliminated in full. The Yallourn North Community Housing Committee is not included in this financial report based on their materiality.

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## NOTE 7 People and relationships

### 7.1 Council and key management remuneration

#### (a) Related Parties

Parent entity  
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#### (b) Key Management Personnel

Details of persons holding the position of Councillor or other members of key management personnel at any time during the year are:

<b>Councillors</b>	Councillor D White (Mayor from 1/07/2018 to 1/11/2018) Councillor G Middlemiss (Mayor from 2/11/2018 to 30/06/2019) Councillor K O'Callaghan Councillor D Clancey Councillor S Gibson Councillor D Harriman Councillor D Howe Councillor B Law Councillor A McFarlane
<b>Other KMP</b>	Chief Executive Officer General Manager Infrastructure & Recreation - (two KMP held this role during the year) General Manager Community Services - (two KMP held this role during the year) General Manager City Development General Manager Corporate Services

	2019 No.	2018 No.
Total Number of Councillors	9	9
Chief Executive Officer and other Key Management Personnel	7	8
<b>Total Key Management Personnel</b>	<b>16</b>	<b>17</b>

#### (c) Remuneration of Key Management Personnel

Total remuneration of key management personnel was as follows:

	2019 \$,000	2018 \$,000
Short-term benefits	1,460	1,447
Post-employment benefits	98	107
Long-term benefits	49	84
Termination benefits	-	33
<b>Total</b>	<b>1,607</b>	<b>1,671</b>

The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:

	2019 No.	2018 No.
<b>Income range:</b>		
\$1 - \$9,999	-	1
\$20,000 - \$29,999	8	7
\$30,000 - \$39,999	-	1
\$40,000 - \$49,999	1	1
\$60,000 - \$69,999	1	1
\$70,000 - \$79,999	-	1
\$120,000 - \$129,999	1	-
\$210,000 - \$219,999	3	1
\$220,000 - \$229,999	-	1
\$230,000 - \$239,999	1	1
\$250,000 - \$259,999	-	1
\$270,000 - \$279,999	1	-
\$310,000 - \$319,999	-	1
<b>Total</b>	<b>16</b>	<b>17</b>

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**(d) Senior Officer Remuneration**

A Senior Officer is an officer of Council, other than Key Management Personnel, who:

- a) has management responsibilities and reports directly to the Chief Executive; or
- b) whose total annual remuneration exceeds \$148,000

The number of Senior Officers are shown below in their relevant income bands:

	2019 No.	2018 No.
<b>Income Range:</b>		
< \$148,000	-	6
\$148,000 - \$149,999	5	2
\$150,000 - \$159,999	8	9
\$160,000 - \$169,1000	4	
\$180,000 - \$189,999	1	2
<b>Total</b>	<b>18</b>	<b>19</b>
<b>Total Remuneration for the reporting year for Senior Officers included above, amounted to (\$,000)</b>	<b>\$2,811</b>	<b>\$2,945</b>

**7.2 Related party disclosure**

**(a) Transactions with related parties**

During the period Council entered into the following transactions with related parties:

	2019 \$,000	2018 \$,000
Employee expenses for close family members of key personnel *	10	16
Purchase of materials & services from related parties of key management personnel	36	3
<b>Total</b>	<b>46</b>	<b>19</b>

\* All close family members of key management personnel were employed through an arm's length process. They are paid in accordance with the Award for the job they perform. The council employs 1003 staff of whom only one is a close family member of key management personnel.

**(b) Outstanding balances with related parties**

Council has no outstanding balances to/from any related parties.

No expense has been recognised in the current year or prior year for bad or doubtful debts in respect of amounts owed by related parties.

**(c) Loans to/from related parties**

No loans have been made, guaranteed or secured by the council to a key management person, or a related party of a key management person during the reporting period.

**(d) Commitments to/from related parties**

The following commitments were in place at the end of the reporting period in relation to related parties

	2019 \$,000	2018 \$,000
Employee commitments for close family members of key personnel	9	9
<b>Total</b>	<b>9</b>	<b>9</b>

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**NOTE 8 Managing uncertainties****8.1 Contingent assets and liabilities****(a) Contingent assets**

Construction of infrastructure assets by developers in the course of creating new subdivisions results in the infrastructure assets being vested in Council when Council issues a Statement of Compliance. These assets are brought to account as revenue and capitalised. At reporting date, developers had commenced construction of assets that will eventually be transferred to Council contingent upon Council issuing a Statement of Compliance. Due to the nature of the arrangements in place and the assets involved, a contingent asset cannot be reliably measured prior to completion.

**(b) Contingent liabilities****Superannuation**

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined below. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists.

***Future superannuation contributions***

In addition to the disclosed contribution, Latrobe City Council has paid unfunded liability payments to Vision Super totalling \$nil (2017/18 \$nil). There were \$nil contributions outstanding and \$nil loans issued from or to the above schemes as at 30 June 2019. The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2020 are \$0.3 million.

**Landfill**

Council has set aside a provision for the rehabilitation of landfill sites. The amounts provisioned are management's best estimates of the cost to rehabilitate these sites however until the rehabilitation plans have been designed and approved by the Environment Protection Authority Victoria (EPA) there is a possibility that Council's obligations could further increase in respect to these sites.

In addition Council has provided bank guarantees to the value of \$2.9 million to Environment Protection Authority Victoria (EPA) for performance obligations in relation to the rehabilitation of these landfill sites.

**Liability Mutual Insurance**

Council is a participant of the MAV Liability Mutual Insurance (LMI) Scheme. The LMI scheme provides public liability and professional indemnity insurance cover. The LMI scheme states that each participant will remain liable to make further contributions to the scheme in respect of any insurance year in which it was a participant to the extent of its participant's share of any shortfall in the provision set aside in respect of that insurance year, and such liability will continue whether or not the participant remains a participant in future insurance years.

**(c) Guarantees for loans to other entities**

Council has not provided any guarantees for loans to other entities as at the balance date.

Financial guarantee contracts are not recognised as a liability in the balance sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that the right will be exercised.

**8.2 Change in accounting standards**

The following new AAS's have been issued that are not mandatory for the 30 June 2019 reporting period. Council has assessed these pending standards and has identified the following potential impacts will flow from the application of these standards in future reporting periods.

**Revenue from contracts with customers (AASB 15) (applies 2019/20 for LG sector)**

The standard shifts the focus from the transaction-level to a contract-based approach. Recognition is determined based on what the customer expects to be entitled to (rights and obligations), while measurement encompasses estimation by the entity of the amount expected to be entitled for performing under the contract. The full impact of this standard is not known however it is most likely to impact where contracts extend over time, where there are rights and obligations that may vary the timing or amount of the consideration, or where there are multiple performance elements. This has the potential to impact on the recognition of certain grant income. The estimated impact had the standard been in effect for the 2019 reporting period is that a liability for prepaid grant income of \$32.3 million would have been recognised with a corresponding reduction in grant income and overall surplus result in the Comprehensive Income Statement.

**Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities (AASB 2016-7) (applies 2019/20)**

This Standard defers the mandatory effective date of AASB 15 for not-for-profit entities from 1 January 2018 to 1 January 2019.

**Leases (AASB 16) (applies 2019/20)**

The classification of leases as either finance leases or operating leases is eliminated for lessees. Leases will be recognised in the Balance Sheet by capitalising the present value of the minimum lease payments and showing a 'right-of-use' asset, while future lease payments will be recognised as a financial liability. The nature of the expense recognised in the profit or loss will change. Rather than being shown as rent, or as leasing costs, it will be recognised as depreciation on the 'right-of-use' asset, and an interest charge on the lease liability. The interest charge will be calculated using the effective interest method, which will result in a gradual reduction of interest expense over the lease term.

Council has elected to adopt the modified retrospective approach to the transition to the new lease standard. This will mean that only existing operating leases for non low value assets, with remaining terms greater than 12 months, will be recognised on transition (1 July 2019). Based on our current lease commitments and an assumption of a continuation of the current leasing arrangements Council expects that the transition to the new standard will see the initial recognition of \$633,000 in lease related assets and an equivalent liability

**Income of Not-for-Profit Entities (AASB 1058 ) (applies 2019/20)**

This standard is expected to apply to certain transactions currently accounted for under AASB 1004 Contributions and establishes revenue recognition principles for transactions where the consideration to acquire an asset is significantly less than fair value to enable a not-for-profit entity to further its objectives.

### 8.3 Financial instruments

#### (a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank borrowings. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in the Notes of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

#### (b) Market risk

Market risk is the risk that the fair value or future cash flows of council financial instruments will fluctuate because of changes in market prices. The Council's exposure to market risk is primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk.

##### Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes council to fair value interest rate risk / Council does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 1989*. Council manages interest rate risk by adopting an investment policy that ensures:

- diversification of investment product;
- monitoring of return on investment; and
- benchmarking of returns and comparison with budget.

There has been no significant change in the Council's exposure, or its objectives, policies and processes for managing interest rate risk or the methods used to measure this risk from the previous reporting period.

Interest rate movements have not been sufficiently significant during the year to have an impact on the Council's year end result.

#### (c) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council have exposure to credit risk on some financial assets included in the balance sheet. Particularly significant areas of credit risk exist in relation to outstanding fees and fines as well as loans and receivables from sporting clubs and

- council have a policy for establishing credit limits for the entities Council deal with;
- council may require collateral where appropriate; and
- council only invest surplus funds with financial institutions which have a recognised credit rating specified in council's investment policy.

Receivables consist of a large number of customers, spread across the ratepayer, business and government sectors. Credit risk associated with the Council's financial assets is minimal because the main debtor is secured by a charge over the rateable property.

There are no material financial assets which are individually determined to be impaired.

Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when Council provide a guarantee for another party. Details of our contingent liabilities are disclosed in Note 8.1(b).

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. Council does not hold any collateral.

**Notes to the Financial Report  
For the Year Ended 30 June 2019****Latrobe City Council  
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Liquidity risk includes the risk that, as a result of council's operational liquidity requirements it will not have sufficient funds to settle a transaction when required or will be forced to sell a financial asset at below value or may be unable to settle or recover a financial asset.

To help reduce these risks Council:

- have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- have readily accessible standby facilities and other funding arrangements in place;
- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitor budget to actual performance on a regular basis; and
- set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 8.1(c), and is deemed insignificant based on prior periods' data and current assessment of risk.

There has been no significant change in Council's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 5.4.

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

**(e) Sensitivity disclosure analysis**

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible' over the next 12 months:

- A parallel shift of + 1% and -1% in market interest rates (AUD) from year-end rates of 1.25%.

These movements will not have a material impact on the valuation of Council's financial assets and liabilities, nor will they have a material impact on the results of Council's operations.

**8.4 Fair value measurement****Fair value hierarchy**

Council's financial assets and liabilities are not valued in accordance with the fair value hierarchy, Council's financial assets and liabilities are measured at amortised cost.

Council measures certain assets and liabilities at fair value where required or permitted by Australian Accounting Standards. AASB 13 Fair value measurement, aims to improve consistency and reduce complexity by providing a definition of fair value and a single source of fair value measurement and disclosure requirements for use across Australian Accounting Standards.

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within a fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**Revaluation**

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 3 to 5 years. The valuation is performed either by experienced council officers or independent experts.

Where the assets are revalued, the revaluation increments are credited directly to the asset revaluation reserve except to the extent that an increment reverses a prior year decrement for that class of asset that had been recognised as an expense in which case the increment is recognised as revenue up to the amount of the expense. Revaluation decrements are recognised as an expense except where prior increments are included in the asset revaluation reserve for that class of asset in which case the decrement is taken to the reserve to the extent of the remaining increments. Within the same class of assets, revaluation increments and decrements within the year are offset.

**Impairment of assets**

At each reporting date, the Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the comprehensive income statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

**8.5 Events occurring after balance date**

No matters have occurred after balance date that requires disclosure in the financial report. (2017/18, Nil)

Notes to the Financial Report  
For the Year Ended 30 June 2019

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## NOTE 9 Other matters

### 9.1 Reserves

#### (a) Asset revaluation reserves

	BALANCE AT BEGINNING OF REPORTING PERIOD \$'000	INCREMENT/ (DECREMENT) \$'000	BALANCE AT END OF REPORTING PERIOD \$'000
<b>2019</b>			
<b>Property</b>			
Land	116,600	-	116,600
Buildings	110,489	-	110,489
	<b>227,089</b>	<b>-</b>	<b>227,089</b>
<b>Infrastructure</b>			
Roads	134,136	-	134,136
Bridges	28,982	-	28,982
Footpaths and cycleways	19,311	6,163	25,474
Off street carparks	7,080	-	7,080
Drainage	59,370	-	59,370
Recreation, leisure and community facilities	3,450	(2,291)	1,159
Parks, open space and streetscapes	63	3,324	3,387
	<b>252,392</b>	<b>7,196</b>	<b>259,588</b>
<b>Other</b>			
Artworks	895	-	895
Other	14	-	14
	<b>909</b>	<b>-</b>	<b>909</b>
<b>Total Asset Revaluation Reserves</b>	<b>480,390</b>	<b>7,196</b>	<b>487,586</b>
<b>2018</b>			
<b>Property</b>			
Land	167,209	(50,609)	116,600
Buildings	89,475	21,014	110,489
	<b>256,684</b>	<b>(29,595)</b>	<b>227,089</b>
<b>Infrastructure</b>			
Roads	134,136	-	134,136
Bridges	28,982	-	28,982
Footpaths and cycleways	19,311	-	19,311
Off street carparks	7,080	-	7,080
Drainage	59,370	-	59,370
Recreation, leisure and community facilities	-	3,450	3,450
Parks, open space and streetscapes	63	-	63
	<b>248,942</b>	<b>3,450</b>	<b>252,392</b>
<b>Other</b>			
Artworks	895	-	895
Other	14	-	14
	<b>909</b>	<b>-</b>	<b>909</b>
<b>Total Asset Revaluation Reserves</b>	<b>506,535</b>	<b>(26,145)</b>	<b>480,390</b>

The asset revaluation reserve is used to record the increased (net) value of Council's assets over time.

#### (b) Other reserves

	BALANCE AT BEGINNING OF REPORTING PERIOD \$'000	TRANSFER FROM ACCUMULATED SURPLUS \$'000	TRANSFER TO ACCUMULATED SURPLUS \$'000	BALANCE AT END OF REPORTING PERIOD \$'000
<b>2019</b>				
Developer Contributions	3,404	(17)	142	3,529
<b>Total other reserves</b>	<b>3,404</b>	<b>(17)</b>	<b>142</b>	<b>3,529</b>
<b>2018</b>				
Developer Contributions	3,302	(51)	153	3,404
<b>Total other reserves</b>	<b>3,302</b>	<b>(51)</b>	<b>153</b>	<b>3,404</b>

#### Purpose and nature of other reserves

*Developer Contributions* – The development contribution reserve is maintained to account for funds held by the Council for specific development purposes include off street parking, drainage, playgrounds and public open spaces and tree planting development.

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## 9.2 Reconciliation of cash flows from operating activities to surplus (deficit)

	2019 \$'000	2018 \$'000
<b>Surplus/(deficit) for the year</b>	<b>46,868</b>	<b>(2,423)</b>
Depreciation and amortisation	27,660	25,732
Net (gain)/loss on disposal of property, infrastructure, plant and equipment	8,543	7,532
Contributions non-monetary assets	(4,839)	(6,133)
Finance costs	705	741
Impairment losses/ Work in progress written off	251	897
<b>Changes in assets and liabilities</b>		
(Increase)/ decrease in trade and other receivables	363	(779)
(Increase)/ decrease in prepayments	(77)	568
(Increase)/ decrease in accrued income	(297)	(967)
Increase/ (decrease) in trade and other payables	(323)	(211)
Increase/ (decrease) in trust funds and deposits	526	(236)
Increase/ (decrease) in provisions	(2,474)	8,900
<b>Net cash provided by operating activities</b>	<b>76,906</b>	<b>33,622</b>

## 9.3 Superannuation

Latrobe City Council makes some of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently.

**Accumulation**

The Fund's accumulation categories, Vision MySuper/Vision Super Saver, receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2019, this was 9.5% as required under Superannuation Guarantee legislation).

**Defined Benefit**

Council does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a pooled multi-employer sponsored plan. Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary. For the year ended 30 June 2019, this rate was 9.5% of members' salaries (9.5% in 2017/2018).

As at 30 June 2017, a full triennial actuarial investigation was completed. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 103.1%. To determine the VBI, the Fund Actuary used the following long-term assumptions:

Net investment returns 6.5% pa  
Salary information 3.5% pa  
Price inflation (CPI) 2.5% pa

Vision Super has advised that the estimated VBI at 31 March 2019 was 105.4%. The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2017 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

**Defined benefit 2017 triennial actuarial investigation surplus amounts**

The Fund's triennial investigation as at 30 June 2017 identified the following in the defined benefit category of which Council is a contributing employer:

A VBI surplus of \$69.8 million  
A total service liability surplus of \$193.5 million.  
A discounted accrued benefits surplus of \$228.8 million.

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2017. Council was notified of the 30 June 2017 VBI during August 2017.

An interim actuarial investigation will be conducted for the Fund's position as at 30 June 2019. It is anticipated that this actuarial investigation will be completed in December 2019.

**Performance Statement**

For the year ended 30 June 2019

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**Description of municipality**

Latrobe City is Victoria's eastern Regional City and Gippsland's primary service centre and employment hub, providing retail, entertainment, education, government and health services to the region with a population of 75,211<sup>1</sup>.

Latrobe City is located an hour and half drive east of Melbourne covering an area of 1,425 square kilometres situated between the Strzelecki Ranges to the south and the Great Dividing Range to the north. The city is made up of four major towns; Churchill, Moe/Newborough, Morwell and Traralgon; and seven rural townships of Boolarra, Glengarry, Toongabbie, Tyers, Traralgon South, Yallourn North and Yinnar. The rural landscape in between townships houses a large population of hard working farmers and residents who enjoy the peace and tranquillity that comes with country life.

<sup>1</sup> Australian Bureau of Statistics 3218.0 Regional Population Growth Australia, 27 March 2019 E.R.P 2018

**Certification of the Performance Statement**

In my opinion, the accompanying performance statement has been prepared in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

Principal Accounting Officer

Matthew Rogers, CPA

Dated: xx September 2019

In our opinion, the accompanying performance statement of the Latrobe City Council for the year ended 30 June 2019 presents fairly the results of council's performance in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.

At the date of signing, we are not aware of any circumstances that would render any particulars in the performance statement to be misleading or inaccurate.

We have been authorised by the council and by the *Local Government (Planning and Reporting) Regulations 2014* to certify this performance statement in its final form.

**Councillor**

Cr. Darrell White OAM

Dated: xx September 2019

**Councillor**

Cr. Alan McFarlane

Dated: xx September 2019

**Chief Executive Officer**

Steven Piasente

Dated: xx September 2019

PERFORMANCE STATEMENT  
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### Sustainable Capacity Indicators

For the year ended 30 June 2019

<i>Indicator/measure</i>	<b>Results 2016</b>	<b>Results 2017</b>	<b>Results 2018</b>	<b>Results 2019</b>	<b>Material Variations</b>
<b>Own-source revenue</b> <i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,274	\$1,350	\$1,288	\$1,326	The result for this measure has increased by \$52 per capita over the 4 year period. The small increase is mainly due to CPI and Rates cap based increases in rates & charges and user fees income. The additional increase in 2017 was due to one-off items relating to a landfill rehabilitation provision write back and legal cost recoveries.
<b>Recurrent grants</b> <i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$285	\$429	\$378	\$353	The result for this measure has increased by \$68 per capita over the 4 year period. The significantly higher amount received in 2017 related to Commonwealth Financial Assistance Grants funding received in advance. Recurrent capital grants funding for the Roads to Recovery program had a one-off \$1.2 million increase in 2018 contributing to a higher result when compared to the 2019 result.
<b>Population</b> <i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$1,617	\$1,563	\$1,891	\$1,813	The result for this measure increased by \$196 per capita over the 4 year period. The 2018 result increased significantly after the change in accounting practice which now expenses the book value of non-current assets disposed in the process of capital works asset renewal, together with a large increase in the landfill rehabilitation provision (\$9.0 million). The lower cost shown in 2019 mainly relates to a smaller increase in the landfill provision (\$0.9 million).
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$12,915	\$12,929	\$13,086	\$13,210	The result for this measure increased by \$295 per capita over the 4 year period in line with the increasing fair value of infrastructure assets.
<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	47	46	46	46	The result for this measure has remained stable over the 4 year period.
<b>Disadvantage</b> <i>Relative socio-economic disadvantage</i> [Index of Relative Socio-economic Disadvantage by decile]	1	1	1	1	The result for this measure has remained unchanged over the 4 year period.

**PERFORMANCE STATEMENT**  
**2018/19**

### Service Performance Indicators

For the year ended 30 June 2019

<i>Service/indicator/measure</i>	<b>Results 2016</b>	<b>Results 2017</b>	<b>Results 2018</b>	<b>Results 2019</b>	<b>Material Variations</b>
<b>Governance</b>					
<b>Satisfaction</b>					
<i>Satisfaction with council decisions</i> [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	47	51	52	54	The result for this measure increased by 7 points over the 4 year period demonstrating increasing satisfaction with council performance.
<b>Statutory Planning</b>					
<b>Decision making</b>					
<i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	66.7%	57.1%	60.0%	40.0%	In 2018 & 2019, there were only 5 applications appealed to VCAT with the 20% difference representing one additional decision being overturned in 2019.
<b>Roads</b>					
<b>Satisfaction</b>					
<i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	50	61	56	60	The result for this measure increased by 10 points over the 4 year period and is potentially reflective of additional roads to recovery funding received during this period.
<b>Libraries</b>					
<b>Participation</b>					
<i>Active library members</i> [Number of active library members / Municipal population] x100	10.4%	11.6%	10.3%	10.3	The result for this measure has remained stable over the 4 year period. There was a temporary uplift in membership in 2017 coinciding with the opening of the new library facility in Moe.
<b>Waste Collection</b>					
<b>Waste diversion</b>					
<i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	52.1%	53.2%	54.0%	52.6%	The result for this measure has remained stable over the 4 year period.
<b>Aquatic facilities</b>					
<b>Utilisation</b>					
<i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	5.2	5.2	4.9	4.9	The result for this measure decreased by 0.3 visits per capita over the 4 year period despite there being no reduction in service levels, but may be reflective of growth in private facilities over this period.
<b>Animal management</b>					
<b>Health and safety</b>					
<i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	0	1	23	119	The result for this measure increased by 119 from a base of zero over the 4 year period. The development of a dedicated Prosecutions team to manage serious breaches of legislation and matters that could not be resolved through the infringement process provided an improved result in successful prosecutions in 2018 and 2019.



**PERFORMANCE STATEMENT**  
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**Service Performance indicators (continued)**

<b>Service/indicator/measure</b>	<b>Results 2016</b>	<b>Results 2017</b>	<b>Results 2018</b>	<b>Results 2019</b>	<b>Material Variations</b>
<b>Food safety</b> <b>Health and safety</b> <i>Critical and major non-compliance notifications</i> [Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100	82.5%	79.2%	93.4%	88.5%	The result for this measure increased by 6% over the 4 year period. Process improvements have led to an increased ability to follow up major and critical non-compliance notifications.
<b>Home and community care</b> <b>Participation</b> <i>Participation in HACC service</i> [Number of people that received a HACC service / Municipal target population for HACC services] x100	18.5%	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs
<b>Participation</b> <i>Participation in HACC service by CALD people</i> [Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100	18.5%	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs
<b>Maternal and child health</b> <b>Participation</b> <i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	74.9%	76.3%	72.6%	77.8%	The result for this measure has remained relatively stable with a small overall increase in the participation rate over the 4 year period.
<b>Participation</b> <i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	71.4%	68.2%	70.9%	69.1%	The result for this measure has remained relatively stable with a small overall decrease in the participation rate over the 4 year period.

**PERFORMANCE STATEMENT  
2018/19**

**Service Performance indicators (*continued*)**

**Definitions**

"Aboriginal child" means a child who is an Aboriginal person

"Aboriginal person" has the same meaning as in the Aboriginal Heritage Act 2006

"active library member" means a member of a library who has borrowed a book from the library

"annual report" means an annual report prepared by a council under sections 131, 132 and 133 of the Act

"CALD" means culturally and linguistically adverse and refers to persons born outside Australia in a country whose nationally language is not English

"class 1 food premises" means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 1 food premises under section 19C of that Act

"class 2 food premises" means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 2 food premises under section 19C of that Act

"Community Care Common Standards" means the Community Care Common Standards for the delivery of HACC services, published from time to time by the Commonwealth

"critical non-compliance outcome notification" means a notification received by council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health

"food premises" has the same meaning as in the *Food Act 1984*

"HACC program" means the Home and Community Care program established under the Agreement entered into for the purpose of the Home and Community Care Act 1985 of the Commonwealth

"HACC service" means home help, personal care or community respite provided under the HACC program

"local road" means a sealed or unsealed road for which the council is the responsible road authority under the *Road Management Act 2004*

"major non-compliance outcome notification" means a notification received by a council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to council by an authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken

"MCH" means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age

"population" means the resident population estimated by council

"target population" has the same meaning as in the Agreement entered into for the purposes of the Home and Community Care Act 1985 of the Commonwealth

"WorkSafe reportable aquatic facility safety incident" means an incident relating to a council aquatic facility that is required to be notified to the Victorian WorkCover Authority under Part 5 of the *Occupational Health and Safety Act 2004*.

**PERFORMANCE STATEMENT  
2018/19**

**Financial Performance Indicators**

For the year ended 30 June 2019

Dimension/indicator/measure	Results				Forecasts				Material Variations
	2016	2017	2018	2019	2020	2021	2022	2023	
<b>Operating position</b> <b>Adjusted underlying result #</b> Adjusted underlying surplus (or deficit) [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100	(1.1%)	13.2%	(11.2%)	(5.0%)	(1.3%)	(1.9%)	(3.1%)	(3.0%)	The result for this measure increased by 6.2 percentage points in the 2019 year. The larger underlying deficit in the 2018 year was mainly due to unexpected landfill rehabilitation provision expenses and the change in accounting practice in 2018 which now recognises disposal costs associated with renewing infrastructure assets. Although these expense items have reduced in 2019 they have still resulted in contributing to an underlying deficit result of 5.0%.
<b>Liquidity</b>  <b>Working capital</b> Current assets compared to current liabilities [Current assets / Current liabilities] x100	271.2%	302.1%	321.7%	324.7%	261.3%	244.5%	257.1%	279.1%	The result for this measure has increased by 53.5 percentage points over the 4 year period mainly as a result of external funding resulting in higher levels of cash and investment holdings associated with multi-year projects. A reduced ratio is forecast in 2020 as cash & investments from capital grants received in advance of expenditure are spent.
<b>Unrestricted cash</b> Unrestricted cash compared to current liabilities [Unrestricted cash / Current liabilities] x100	147.2%	(55.1%)	(4.6%)	(71.2%)	44.4%	53.7%	69.5%	87.2%	The result of this measure has reduced by 66.6 percentage points during the period. The negative result is due to Council holding funds in investments with maturity terms greater than 90 days which are recognised as current "Other Financial Assets" rather than cash. Items classified as "restricted cash" exceed actual cash holdings resulting in a negative ratio. Council ensures that these investments mature in a timely manner to ensure it meets obligations as they fall due. The large increase is due to an additional \$26 million in grants received during the year that are yet to be expended. Future forecasts predict this ratio returning to a positive position due to assumptions of lower restrictions on cash as current capital works projects are completed and grants carry forwards reduce.

**PERFORMANCE STATEMENT  
2018/19**

**Financial Performance Indicators (continued)**

Dimension/indicator/measure	Results				Forecasts				Material Variations
	2016	2017	2018	2019	2020	2021	2022	2023	
<b>Obligations</b>									
<b>Loans and borrowings</b>									
<i>Loans and borrowings compared to rates</i> [Interest bearing loans and borrowings / Rate revenue] x100	24.9%	21.5%	22.1%	19.3%	28.8%	25.6%	22.8%	19.9%	The result for this measure has decreased by 5.6% over the 4 year period reflecting a net reduction in borrowings over the period. The forecast increase in 2020 reflects new borrowings budgeted for the Gippsland Regional Aquatic Centre, Traralgon Sports Stadium and the Latrobe Creative Precinct projects.
<i>Loans and borrowings repayments compared to rates</i> [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	9.3%	3.7%	3.5%	2.9%	12.8%	3.4%	3.1%	3.0%	The result for this measure has decreased by 6.4% over the 4 year period reflecting a net reduction in borrowings over the period. The forecasted increase in the ratio in 2020 is due to the principal repayment of an \$8.2 million interest only loan.
<b>Indebtedness</b>									
<i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue] x100	42.9%	30.3%	39.0%	26.9%	38.6%	33.7%	30.9%	27.0%	The result for this measure has decreased by 16% over the 4 year period. The reduced ratio in 2019 is due to an interest only loan (\$8.2 million) moving from non-current to current liabilities. The ratio is forecasted to increase by 11.7% in 2020 mainly due to new borrowings budgeted for the Gippsland Regional Aquatic Centre, Traralgon Sports Stadium and the Latrobe Creative Precinct projects.
<b>Asset renewal</b>									
<i>Asset renewal compared to depreciation</i>  [Asset renewal expenses / Asset depreciation] x100	64.0%	71.6%	72.5%	57.5%	63.5%	75.8%	61.0%	61.1%	The result for this measure decreased by 15% in 2019 due to a combination of an increase Depreciation expense resulting from amended useful lives of Council buildings following a revaluation undertaken in the 2018 year together with a decrease in expenditure due to no new landfill cell works in 2019 and reduced building renewal works undertaken.

**PERFORMANCE STATEMENT**  
**2018/19**

**Financial Performance Indicators (continued)**

<b>Stability</b> <b>Rates concentration</b> <i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x100	64.3%	56.3%	59.4%	60.1%	63.7%	63.9%	64.1%	64.2%	The result for this measure has been slightly increasing over the last 3 years following a higher than usual ratio in 2016 caused by lower than usual operating grants due to the timing of payment of Commonwealth Financial Assistance Grants. The ratio is forecast to increase in the future due to conservative recurrent government grants and user fees projections.
<b>Rates effort</b> <i>Rates compared to property values</i> [Rate revenue / Capital improved value of rateable properties in the municipality ] x100	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	
<b>Efficiency</b> <b>Expenditure level</b> <i>Expenses per property assessment</i> [Total expenses / Number of property assessments]	\$3,118	\$3,038	\$3,690	\$3,534	\$3,283	\$3,341	\$3,419	\$3,456	The result for this measure has increased by \$416 over the 4 year period to 2019. Increased landfill rehabilitation provision and a change in accounting practice which now recognises disposal costs associated with renewing non-current assets resulted in \$658 additional expenses per assessment in 2018. These items reduced in 2019 resulting in a decrease of \$140 per assessment. Due to the unpredictable nature of these items they have not been factored in to future forecasts.
<b>Revenue level</b> <i>Average residential rate per residential property assessment</i> [Residential rate revenue / Number of residential property assessments]	\$1,535	\$1,582	\$1,608	\$1,675	\$1,729	\$1,724	\$1,758	\$1,793	
<b>Workforce turnover</b> <i>Resignations and terminations compared to average staff</i> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	15.0%	10.2%	9.8%	12.5%	10.0%	10.0%	10.0%	10.0%	The decreasing trend in this ratio over the first 3 years followed an organisational realignment in 2016. The 12.5 result in 2019 remains within normal expectations of workforce turnover.

**PERFORMANCE STATEMENT  
2018/19****Definitions**

"adjusted underlying revenue" means total income other than—

- (a) non-recurrent grants used to fund capital expenditure; and
- (b) non-monetary asset contributions; and
- (c) contributions to fund capital expenditure from sources other than those referred to in paragraphs (a) and (b)

"adjusted underlying surplus (or deficit)" means adjusted underlying revenue less total expenditure

"asset renewal expenditure" means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability

"current assets" has the same meaning as in the AAS

"current liabilities" has the same meaning as in the AAS

"non-current assets" means all assets other than current assets

"non-current liabilities" means all liabilities other than current liabilities

"non-recurrent grant" means a grant obtained on the condition that it be expended in a specified manner and is not expected to be received again during the period covered by a council's Strategic Resource Plan

"own-source revenue" means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)

"population" means the resident population estimated by council

"rate revenue" means revenue from general rates, municipal charges, service rates and service charges

"recurrent grant" means a grant other than a non-recurrent grant

"residential rates" means revenue from general rates, municipal charges, service rates and service charges levied on residential properties

"restricted cash" means cash and cash equivalents and financial assets, within the meaning of the AAS that are not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year

"unrestricted cash" means all cash and cash equivalents other than restricted cash.

## Other Information

For the year ended 30 June 2019

### 1. Basis of preparation

Council is required to prepare and include a performance statement within its annual report. The performance statement includes the results of the prescribed sustainable capacity, service performance and financial performance indicators and measures together with a description of the municipal district and an explanation of material variations in the results. This statement has been prepared to meet the requirements of the *Local Government Act 1989* and *Local Government (Planning and Reporting) Regulations 2014*.

Where applicable the results in the performance statement have been prepared on accounting bases consistent with those reported in the Financial Statements. The other results are based on information drawn from council information systems or from third parties (e.g. Australian Bureau of Statistics).

The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the council's strategic resource plan. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and detailed explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

The forecast figures included in the performance statement are those adopted by council in its strategic resource plan on 3 June 2019 and which forms part of the council plan. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting council.



**Agenda Item: 17.4**

**Agenda Item: Tabling of 'Assembly of Councillors' Records**

**Sponsor: General Manager, Corporate Services**

**Council Plan Objective: Ensure Council operates openly, transparently and responsibly.**

**Status: For Information**

**MOTION**

**Moved:** Cr Gibson  
**Seconded:** Cr Clancey

**That Council receives and notes the Assembly of Councillors records tabled for the period 25 February 2019 to 14 August 2019.**

**CARRIED UNANIMOUSLY**

**Executive Summary:**

The following Assembly of Councillor records have been submitted for tabling since the last ordinary Council meeting:

Date	Assembly Details	In Attendance	Confidential	Declarations of Interest
25 February 2019	Latrobe Regional Gallery Advisory Committee	Councillors Cr White OAM Cr Clancey  Officers Gail Gatt Mark Themann	Yes – Section 89(2)(c) Industrial matters	Nil
30 March 2019	Latrobe City International Relations Advisory Committee	Councillors Cr White OAM Cr Harriman Cr Gibson  Officers Bruce Connolly Jie Liu	No	Nil

Date	Assembly Details	In Attendance	Confidential	Declarations of Interest
30 April 2019	Latrobe City International Relations Advisory Committee	Councillors Cr White OAM  Officers Bruce Connolly Jie Liu	No	Nil
21 May 2019	Traralgon CBD Safety Committee	Councillors Cr Howe  Officers Steve Tong Andrew Legge	No	Nil
06 June 2019	Latrobe City International Relations Advisory Committee	Councillors Cr White OAM Cr Harriman Cr Clancey Cr Gibson  Officers Bruce Connolly	No	Nil
22 July 2019	Councillor Briefing	Councillors Cr McFarlane Cr Middlemiss Cr White OAM Cr Harriman Cr O'Callaghan Cr Howe Cr Clancey Cr Law Cr Gibson  Officers Steven Piasente Gail Gatt Larry Sengstock Kate Kerslake Matthew Rogers Hanna Steevens Bruce Connolly	Yes – Section 89(2)(e) Proposed developments  Section 89(2)(h) Prejudicial matters	Yes – Cr White Cr Law

Date	Assembly Details	In Attendance	Confidential	Declarations of Interest
29 July 2019	Out of Session Briefing - Federation University Strategic Plan	Councillors Cr McFarlane Cr Middlemiss Cr White OAM Cr Harriman Cr Howe Cr Clancey Cr Law Cr Gibson  Officers Steven Piasente Gail Gatt Larry Sengstock Kate Kerslake Greg Drumm	No	Nil
29 July 2019	Councillor Briefing	Councillors Cr McFarlane Cr Middlemiss Cr White OAM Cr Harriman Cr O'Callaghan Cr Howe Cr Clancey Cr Law Cr Gibson  Officers Steven Piasente Gail Gatt Larry Sengstock Kate Kerslake Matthew Rogers Hanna Steevens	Yes – Section 89(2)(e) Proposed developments  Section 89(2)(h) Prejudicial matters	Yes - Cr Harriman
07 August 2019	Traralgon Sports Stadium Redevelopment Project Reference Group	Councillors Cr Harriman Cr Clancey  Officers Larry Sengstock Janine Alexander	Yes – Section 89(2)(e) Proposed developments  Section 89(2)(h) Prejudicial matters	Nil

Date	Assembly Details	In Attendance	Confidential	Declarations of Interest
13 August 2019	Latrobe Creative Precinct Project Reference Group	Councillors Cr McFarlane Cr Clancey  Officers Larry Sengstock Gail Gatt Clint Hong Kathleen Roberts Trevor Dando Andrea Stanlake	Yes – Section 89(2)(d) Contractual matters	Nil
14 August 2019	Latrobe City Cultural Diversity Advisory Committee	Councillors Cr White OAM  Officers Paul Holton Abby Hill	No	Nil

**Declaration of Interests:**

Officers preparing this report have declared they do not have a conflict of interest in this matter under the provisions of the *Local Government Act 1989*.

**Reasons for Proposed Resolution:**

The attached *Assembly of Councillors* records have been submitted for tabling.

Section 80(A)2 of the *Local Government Act 1989* states 'The Chief Executive Officer must ensure that the written record of an assembly of Councillors is, as soon as is practicable - (a) reported at an ordinary meeting of the Council; and (b) incorporated in the minutes of that Council meeting'.

**Attachments**

1. 20190225 Latrobe Regional Gallery Advisory Committee
2. 20190330 Latrobe City International Relations Advisory Committee
3. 20190430 Latrobe City International Relations Advisory Committee
4. 20190521 Traralgon CBD Safety Committee
5. 20190606 Latrobe City International Relations Advisory Committee
6. 20190722 Councillor Briefing
7. 20190729 Out of Session Briefing - Federation University Strategic Plan
8. 20190729 Councillor Briefing
9. 20190807 Traralgon Sports Stadium Redevelopment Project Reference Group
10. 20190813 Latrobe Creative Precinct Project Reference Group
11. 20190814 Latrobe City Cultural Diversity Advisory Committee

## 17.4

### Tabling of 'Assembly of Councillors' Records

1	20190225 Latrobe Regional Gallery Advisory Committee.....	331
2	20190330 Latrobe City International Relations Advisory Committee .....	332
3	20190430 Latrobe City International Relations Advisory Committee .....	333
4	20190521 Traralgon CBD Safety Committee .....	335
5	20190606 Latrobe City International Relations Advisory Committee .....	336
6	20190722 Councillor Briefing.....	337
7	20190729 Out of Session Briefing - Federation University Strategic Plan.....	339
8	20190729 Councillor Briefing.....	341
9	20190807 Traralgon Sports Stadium Redevelopment Project Reference Group .....	343
10	20190813 Latrobe Creative Precinct Project Reference Group.....	345
11	20190814 Latrobe City Cultural Diversity Advisory Committee .....	346



### Assembly of Councillors Record

<b>Assembly details:</b>	Latrobe Regional Gallery Advisory Committee Meeting
<b>Date:</b>	25 <sup>TH</sup> February 2019
<b>Time:</b>	16.30 - 17.30
<b>Assembly Location:</b>	Latrobe Regional Gallery

#### In Attendance

<b>Councillors:</b>  <b>Arrival / Departure Time:</b>	<input type="checkbox"/> Cr McFarlane	<input type="checkbox"/> Cr Middlemiss	<input checked="" type="checkbox"/> Cr White OAM
	<input type="checkbox"/> Cr Harriman	<input type="checkbox"/> Cr O'Callaghan	<input type="checkbox"/> Cr Howe
	<input checked="" type="checkbox"/> Cr Clancey	<input type="checkbox"/> Cr Law	<input type="checkbox"/> Cr Gibson
<b>Officer/s:</b>	Gail Gatt , Mark Themann		
<b>Matters discussed:</b>	<ul style="list-style-type: none"> <li>- Cultural Gifts to LRG /Art work acquisitions (Industrial matters)</li> <li>- Budgets, Sponsorships and External Funding Applications (industrial matters)</li> <li>- Changes at LRG / Staffing (Industrial matters)</li> </ul>		
<p><b>Are any of the matters discussed, considered confidential under the <i>Local Government Act 1989</i>?</b></p> <p><input checked="" type="checkbox"/> <b>Yes</b>                      <input type="checkbox"/> <b>No</b></p> <p>Please list the confidentiality reasoning next to the matter discussed, as per the example in the guidance notes.</p>			

#### Conflict Of Interest Disclosures:

Councillor / Officer making disclosure	Left Meeting: Yes / No
N/A	N/A
XXXXXXXXXXXXX	XXXXXXXXXXXXX

**Record Completed by:** Mark Themann

(Please use the **Quick Add Profile No - 563** when registering this form on ECM)



### Assembly of Councillors Record

<b>Assembly details:</b>	Latrobe City International Relations Advisory Committee
<b>Date:</b>	30 March 2019
<b>Time:</b>	5.00-6.30 pm
<b>Assembly Location:</b>	Nambur Wariga Meeting Large Room

#### In Attendance

<b>Councillors:</b>  <b>Arrival / Departure Time:</b>	<input type="checkbox"/> Cr McFarlane	<input type="checkbox"/> Cr Middlemiss	<input checked="" type="checkbox"/> Cr White OAM
	<input checked="" type="checkbox"/> Cr Harriman	<input type="checkbox"/> Cr O'Callaghan	<input type="checkbox"/> Cr Howe
	<input type="checkbox"/> Cr Clancey	<input type="checkbox"/> Cr Law	<input checked="" type="checkbox"/> Cr Gibson
<b>Officer/s:</b>	Bruce Connolly, Jie Liu		
<b>Matters discussed:</b>	ALT Program International Engagement and Investment Strategy Economic Development Updates (CRRRC, Jiangsu Chunxing Co, JPower, JCoal) Stet Government Visit General Business		
<b>Are any of the matters discussed, considered confidential under the <i>Local Government Act 1989</i>?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No Please list the confidentiality reasoning next to the matter discussed, as per the example in the guidance notes.			

#### Conflict Of Interest Disclosures:

Councillor / Officer making disclosure	Left Meeting: Yes / No

**Record Completed by:** Jie Liu

(Please use the **Quick Add Profile No - 563** when registering this form on ECM)





### Assembly of Councillors Record

<b>Assembly details:</b>	Latrobe City International Relations Advisory Committee
<b>Date:</b>	30 April 2019
<b>Time:</b>	5.00-6.30 pm
<b>Assembly Location:</b>	Nambur Wariga Meeting Large Room

#### In Attendance

<b>Councillors:</b>  <b>Arrival / Departure Time:</b>	<input type="checkbox"/> Cr McFarlane	<input type="checkbox"/> Cr Middlemiss	<input checked="" type="checkbox"/> Cr White OAM
	<input type="checkbox"/> Cr Harriman	<input type="checkbox"/> Cr O'Callaghan	<input type="checkbox"/> Cr Howe
	<input type="checkbox"/> Cr Clancey	<input type="checkbox"/> Cr Law	<input type="checkbox"/> Cr Gibson
<b>Officer/s:</b>	Bruce Connolly, Jie Liu		
<b>Matters discussed:</b>	Latrobe Valley Badminton Association Sister Cities Festival 2019 2019 Business delegation Potential Sister/Friendship Relationship International Engagement and Investment Strategy Economic Development Updates General Business		
<b>Are any of the matters discussed, considered confidential under the <i>Local Government Act 1989</i>?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No Please list the confidentiality reasoning next to the matter discussed, as per the example in the guidance notes.			

#### Conflict Of Interest Disclosures:

Councillor / Officer making disclosure	Left Meeting: Yes / No



**Record Completed by:** Jie Liu

*(Please use the **Quick Add Profile No - 563** when registering this form on ECM)*





### Assembly of Councillors Record

<b>Assembly details:</b>	Traralgon CBD Safety Committee
<b>Date:</b>	Tuesday 21 May 2019
<b>Time:</b>	7.30 am to 9.00 am
<b>Assembly Location:</b>	Latrobe Room, Traralgon Service Centre

#### In Attendance

<b>Councillors:</b>	<input type="checkbox"/> Cr McFarlane	<input type="checkbox"/> Cr Middlemiss	<input type="checkbox"/> Cr White OAM
<b>Arrival / Departure Time:</b>	<input type="checkbox"/> Cr Harriman	<input type="checkbox"/> Cr O'Callaghan	<input checked="" type="checkbox"/> Cr Howe 7.30 am to 9.00 am
	<input type="checkbox"/> Cr Clancey	<input type="checkbox"/> Cr Law	<input type="checkbox"/> Cr Gibson
<b>Officer/s:</b>	Steve Tong & Andrew Legge		
<b>Matters discussed:</b>	Youth Issues in and around the Traralgon CBD. Agency Reports from; Victoria Police, Stockland Plaza, V/Line, Traralgon Taxis, Latrobe City, Latrobe Liquor Accords Traralgon Chamber of Commerce and Community Member.		
<p><b>Are any of the matters discussed, considered confidential under the <i>Local Government Act 1989</i>?</b></p> <p><input type="checkbox"/> Yes      <input checked="" type="checkbox"/> No</p> <p>Please list the confidentiality reasoning next to the matter discussed, as per the example in the guidance notes.</p>			

#### Conflict Of Interest Disclosures:

Councillor / Officer making disclosure	Left Meeting: Yes / No

**Record Completed by:** Andrew Legge Thursday 1 August 2019

(Please use the **Quick Add Profile No - 563** when registering this form on ECM)



### Assembly of Councillors Record

<b>Assembly details:</b>	Latrobe City International Relations Advisory Committee
<b>Date:</b>	6 June 2019
<b>Time:</b>	5.00-6.30 pm
<b>Assembly Location:</b>	Nambur Wariga Meeting Large Room

#### In Attendance

<b>Councillors:</b>  <b>Arrival / Departure Time:</b>	<input type="checkbox"/> Cr McFarlane	<input type="checkbox"/> Cr Middlemiss	<input checked="" type="checkbox"/> Cr White OAM
	<input checked="" type="checkbox"/> Cr Harriman	<input type="checkbox"/> Cr O'Callaghan	<input type="checkbox"/> Cr Howe
	<input checked="" type="checkbox"/> Cr Clancey	<input type="checkbox"/> Cr Law	<input checked="" type="checkbox"/> Cr Gibson
<b>Officer/s:</b>	Bruce Connolly		
<b>Matters discussed:</b>	2019 Business Delegation International Engagement and Investment Strategy Economic Updates Taizhou Delegation General Business		
<p><b>Are any of the matters discussed, considered confidential under the <i>Local Government Act 1989</i>?</b></p> <p><input type="checkbox"/> Yes      <input type="checkbox"/> No</p> <p>Please list the confidentiality reasoning next to the matter discussed, as per the example in the guidance notes.</p>			

#### Conflict Of Interest Disclosures:

Councillor / Officer making disclosure	Left Meeting: Yes / No

**Record Completed by:** Jie Liu

(Please use the **Quick Add Profile No - 563** when registering this form on ECM)



### Assembly of Councillors Record

<b>Assembly details:</b>	Councillor Briefing
<b>Date:</b>	22 July 2019
<b>Time:</b>	5:00 PM - 11:15 PM
<b>Assembly Location:</b>	Nambur Wariga Room , Latrobe City Council

#### In Attendance

<b>Councillors:</b>	<input checked="" type="checkbox"/> Cr McFarlane	<input checked="" type="checkbox"/> Cr Middlemiss	<input checked="" type="checkbox"/> Cr White OAM
	<input checked="" type="checkbox"/> Cr Harriman	<input checked="" type="checkbox"/> Cr O'Callaghan	<input checked="" type="checkbox"/> Cr Howe
	<input checked="" type="checkbox"/> Cr Clancey	<input checked="" type="checkbox"/> Cr Law	<input checked="" type="checkbox"/> Cr Gibson left at 6:46 pm
<b>Arrival / Departure Time:</b>			
<b>Officer/s:</b>	Steven Piasente From 6:40 pm - Gail Gatt, Larry Sengstock, Kate Kerslake, Matthew Rogers, Hanna Steevens Between 6:30 pm and 8:51 pm Bruce Connolly		
<b>Matters discussed:</b>	Tonight's Presentations Future Presentations Mayor's Update General Update Transition Briefing - Confidential under Section 89(2) (e) Proposed developments Organisational Report Latrobe City's Strategic Advocacy Program And Priorities - Confidential under Section 89(2) (h) Prejudicial matters Major Project Reference Group Update Draft Cultural Diversity Action Plan 2019-2023 Request To Release For Public Consultation Confidential Decision Options - Confidential under Section 89(2) (h) Prejudicial matters 2018/19 Outdoor Pool Season Review Mathison Park Management Plan Bradford Drive, Coopers Road And Princes Highway Traralgon		



	<p>Public Safety Infrastructure Fund Application For Lighting And CCTV In the Moe CBD</p> <p>Amendment Gc124 - Gippsland Rail Line Upgrades, Update on Informal Exhibition</p> <p>2019/20 Annual Sponsorship Requests</p> <p>For Information</p> <p>Northern Reserve Newborough - Construction Of A Netball Court By The Newborough Football Netball Club</p> <p>Destination Gippsland Destination Management Plan Comment</p> <p>International Business Delegation Report</p> <p>2019 Moe Cup Race Meeting</p> <p>Outstanding Issues - Confidential under Section 89(2) (h) Prejudicial matters</p> <p>Strategic Issues For Future Briefings</p>
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**Are any of the matters discussed, considered confidential under the *Local Government Act 1989*?**

**Yes**                       **No**

Please list the confidentiality reasoning next to the matter discussed, as per the example in the guidance notes.

**Conflict Of Interest Disclosures:**

<b>Councillor / Officer making disclosure</b>	<b>Left Meeting: Yes / No</b>
Councillor White declared a direct and/or indirect interest under Section 78 of the Local Government Act 1989 in respect to Item 9.8.	Yes
Councillor Law declared a direct and/or indirect interest under Section 78B of the Local Government Act 1989 in respect to Item 10.4.	Yes

**Record Completed by:** Hanna Stevens, Coordinator Governance  
 (Please use the **Quick Add Profile No - 563** when registering this form on ECM)





### Assembly of Councillors Record

<b>Assembly details:</b>	Out of Session Briefing - Federation University Strategic Plan
<b>Date:</b>	29 July, 2019
<b>Time:</b>	4.30pm to 5.00pm
<b>Assembly Location:</b>	Nambur Wariga, LCC Headquarters

#### In Attendance

<b>Councillors:</b>	<input checked="" type="checkbox"/> Cr McFarlane	<input checked="" type="checkbox"/> Cr Middlemiss	<input checked="" type="checkbox"/> Cr White OAM
<b>Arrival / Departure Time:</b>	<input checked="" type="checkbox"/> Cr Harriman	<input type="checkbox"/> Cr O'Callaghan	<input checked="" type="checkbox"/> Cr Howe
	<input checked="" type="checkbox"/> Cr Clancey	<input checked="" type="checkbox"/> Cr Law	<input checked="" type="checkbox"/> Cr Gibson
<b>Officer/s:</b>	Kate Kerslake - A/g GM Community Services Steve Piasente - Chief Executive Officer Gail Gatt - GM City Servicews Larry Sengstock - A/g GM Infrastructure and Recreation Greg Drumm - GM Corporate Services		
<b>Matters discussed:</b>	Consultation session with Councillors re input into the development of the proposed Federation University Strategic Plan.		
<b>Are any of the matters discussed, considered confidential under the <i>Local Government Act 1989</i>?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please list the confidentiality reasoning next to the matter discussed, as per the example in the guidance notes.			

#### Conflict Of Interest Disclosures:

Councillor / Officer making disclosure	Left Meeting: Yes / No





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**Record Completed by:** Kate Kerslake, a/g GM Community Services

*(Please use the **Quick Add Profile No - 563** when registering this form on ECM)*





## Assembly of Councillors Record

<b>Assembly details:</b>	Councillor Briefing
<b>Date:</b>	29 July 2019
<b>Time:</b>	6:05 PM - 8:45 PM
<b>Assembly Location:</b>	Nambur Wariga Room , Latrobe City Council

### In Attendance

<b>Councillors:</b>  <b>Arrival / Departure Time:</b>	<input checked="" type="checkbox"/> Cr McFarlane	<input checked="" type="checkbox"/> Cr Middlemiss	<input checked="" type="checkbox"/> Cr White OAM
	<input checked="" type="checkbox"/> Cr Harriman	<input checked="" type="checkbox"/> Cr O'Callaghan	<input checked="" type="checkbox"/> Cr Howe
	<input checked="" type="checkbox"/> Cr Clancey	<input checked="" type="checkbox"/> Cr Law	<input checked="" type="checkbox"/> Cr Gibson
<b>Officer/s:</b>	Steven Piasente From 6:05 pm - Gail Gatt, Larry Sengstock, Kate Kerslake, Matthew Rogers, Hanna Stevens		
<b>Matters discussed:</b>	<p>Future Presentations</p> <p>Mayor's Update</p> <p>General Update</p> <p>Transition Briefing - Confidential under Section 89(2) (e) Proposed developments</p> <p>Organisational Report</p> <p>Moe Community Groups Hub End Of Trial Period</p> <p>Narrow Residential Streets</p> <p>Toongabbie Township Group Inc</p> <p>Local Government Act - Reform Proposal</p> <p>Opportunity to host an in-season Big Bash League match at Moe</p> <p>Club Managed Recreation Projects - Status Update</p> <p>Draft Internal Audit Plan 2017-2021- Confidential under Section 89(2) (h)</p> <p>Prejudicial matters</p> <p>Living Well Latrobe Health And Wellbeing Plan Year Two Action Plan 2019-2020</p> <p>Future Endorsement Of Applications For Community Geographic Domain Names</p>		



	Provision Of Supported Playgroup Update Outstanding Issues - Confidential under Section 89(2) (h) Prejudicial matters Strategic Issues For Future Briefings
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**Are any of the matters discussed, considered confidential under the *Local Government Act 1989*?**

**Yes**                       **No**

Please list the confidentiality reasoning next to the matter discussed, as per the example in the guidance notes.

**Conflict Of Interest Disclosures:**

<b>Councillor / Officer making disclosure</b>	<b>Left Meeting: Yes / No</b>
Councillor Harriman declared an interest that is not a conflict under Section 79B of the Local Government Act 1989 in respect to Item 14.1 and 11.5.	No

**Record Completed by:** Hanna Steevens, Coordinator Governance  
 (Please use the **Quick Add Profile No - 563** when registering this form on ECM)





### Assembly of Councillors Record

<b>Assembly details:</b>	Traralgon Sports Stadium Redevelopment Project Reference Group
<b>Date:</b>	7 <sup>th</sup> August 2019
<b>Time:</b>	5.36pm - 6.47pm
<b>Assembly Location:</b>	Macfarlane Burnett Room- Traralgon Service Centre 34-38 Kay Street, Traralgon

#### In Attendance

<b>Councillors:</b>	<input type="checkbox"/> Cr McFarlane	<input type="checkbox"/> Cr Middlemiss	<input type="checkbox"/> Cr White OAM
<b>Arrival / Departure Time:</b>	<input checked="" type="checkbox"/> Cr Harriman left meeting 6.43pm	<input type="checkbox"/> Cr O'Callaghan	<input type="checkbox"/> Cr Howe
	<input checked="" type="checkbox"/> Cr Clancey	<input type="checkbox"/> Cr Law	<input type="checkbox"/> Cr Gibson
<b>Officer/s:</b>	Larry Sengstock, Janine Alexander		
<b>Matters discussed:</b>	<p>Catterick Crescent Sports Pavilion - Confidential under Section 89(2)(e) Proposed Developments; &amp; (h) any other matter which the Council or Special Committee considers would prejudice Council or any other person</p> <p>Project Management Update - Confidential under Section 89(2)(e) Proposed Developments; &amp; (h) any other matter which the Council or Special Committee considers would prejudice Council or any other person</p> <p>Proposed project works at Kosciuszko Street Primary School - Confidential under Section 89(2)(e) Proposed Developments; &amp; (h) any other matter which the Council or Special Committee considers would prejudice Council or any other person</p>		
<p><b>Are any of the matters discussed, considered confidential under the <i>Local Government Act 1989</i>?</b></p> <p><input checked="" type="checkbox"/> <b>Yes</b>      <input type="checkbox"/> <b>No</b></p> <p>Please list the confidentiality reasoning next to the matter discussed, as per the example in the guidance notes.</p>			

#### Conflict Of Interest Disclosures:

Councillor / Officer making disclosure	Left Meeting: Yes / No



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**Record Completed by:** Janine Alexander

*(Please use the **Quick Add Profile No - 563** when registering this form on ECM)*





### Assembly of Councillors Record

<b>Assembly details:</b>	Latrobe Creative Precinct Project Reference Group
<b>Date:</b>	13 August 2019
<b>Time:</b>	3.30 pm
<b>Assembly Location:</b>	Macfarlane Burnet Room, Traralgon Service Centre

#### In Attendance

<b>Councillors:</b>  <b>Arrival / Departure Time:</b>	<input checked="" type="checkbox"/> Cr McFarlane	<input type="checkbox"/> Cr Middlemiss	<input type="checkbox"/> Cr White OAM
	<input type="checkbox"/> Cr Harriman	<input type="checkbox"/> Cr O'Callaghan	<input type="checkbox"/> Cr Howe
	<input checked="" type="checkbox"/> Cr Clancey	<input type="checkbox"/> Cr Law	<input type="checkbox"/> Cr Gibson
<b>Officer/s:</b>	Larry Sengstock, Gail Gatt, Clint Hong, Kathleen Roberts, Trevor Dando, Andrea Stanlake		
<b>Matters discussed:</b>	Audience Research and Development Project Update (d) Operational Issues		
<p><b>Are any of the matters discussed, considered confidential under the <i>Local Government Act 1989</i>?</b></p> <p><input checked="" type="checkbox"/> <b>Yes</b>                      <input type="checkbox"/> <b>No</b></p> <p>Please list the confidentiality reasoning next to the matter discussed, as per the example in the guidance notes.</p>			

#### Conflict Of Interest Disclosures:

Councillor / Officer making disclosure	Left Meeting: Yes / No
Nil	

**Record Completed by:** Andrea Stanlake

(Please use the **Quick Add Profile No - 563** when registering this form on ECM)



### Assembly of Councillors Record

<b>Assembly details:</b>	Latrobe City Cultural Diversity Advisory Committee Meeting
<b>Date:</b>	14 August 2019
<b>Time:</b>	6.10 pm - 7.40 pm
<b>Assembly Location:</b>	Nambur Wariga Room, Latrobe City Headquarters, Morwell

#### In Attendance

<b>Councillors:</b>  <b>Arrival / Departure Time:</b>	<input type="checkbox"/> Cr McFarlane	<input type="checkbox"/> Cr Middlemiss	<input checked="" type="checkbox"/> Cr White OAM Arr: 5.50 pm, Dep: 7.50 pm
	<input type="checkbox"/> Cr Harriman	<input type="checkbox"/> Cr O'Callaghan	<input type="checkbox"/> Cr Howe
	<input type="checkbox"/> Cr Clancey	<input type="checkbox"/> Cr Law	<input type="checkbox"/> Cr Gibson
<b>Officer/s:</b>	Paul Holton, A/G Manager Customer Relations and Libraries Abby Hill, Community Development Officer		
<b>Matters discussed:</b>	<p>Acknowledgement of Traditional Owners, Welcome, Apologies and Declaration of Interest</p> <p>Noting of the Record of Items Discussed at Previous Meeting - 20 Feb 2019</p> <p>Matters Arising from Previous Minutes</p> <ul style="list-style-type: none"> <li>- Latrobe City New Residents Pack</li> <li>- Committee Vacancies: Motion to invite representation from CMY (organisation/agency) and a youth representative from CMY's Youth Advisory Group and Latrobe City's Youth Council (co-opted members)</li> <li>- Citizenship Ceremony Update</li> </ul> <p>Correspondence</p> <p>Draft Cultural Diversity Action Plan 2019 - 2023</p> <p>Scoping for Cultural Diversity Forum in 2020</p> <p>Scoping for Cultural Competency Training Online Module for Latrobe City staff</p> <p>Latrobe Settlement Network Update</p> <p>Committee Member Reports from Soula Kannelopoulos (International Women's Group) and Christine Lee (Gippsland Ethnic Communities Council)</p> <p>Next Committee Meeting</p>		





Are any of the matters discussed, considered confidential under the *Local Government Act 1989*?

Yes                       No

Please list the confidentiality reasoning next to the matter discussed, as per the example in the guidance notes.

**Conflict Of Interest Disclosures:**

Councillor / Officer making disclosure	Left Meeting: Yes / No
N/A	N/A
N/A	N/A

**Record Completed by:** Abby Hill

*(Please use the **Quick Add Profile No - 563** when registering this form on ECM)*

# URGENT BUSINESS

**18. URGENT BUSINESS**

*Business may be admitted to the meeting as urgent business in accordance with clause 19 of the Meeting Procedure Local Law by resolution of the Council, if it relates to a matter which has arisen since distribution of the agenda and cannot reasonably or conveniently be deferred until the next Ordinary Meeting.*

# **MEETING CLOSED TO THE PUBLIC**

## **19. MEETING CLOSED TO THE PUBLIC**

Section 89(2) of the *Local Government Act 1989* enables the Council to close the meeting to the public if the meeting is discussing any of the following:

- (a) Personnel matters;
- (b) The personal hardship of any resident or ratepayer;
- (c) Industrial matters;
- (d) Contractual matters;
- (e) Proposed developments;
- (f) Legal advice;
- (g) Matters affecting the security of Council property;
- (h) Any other matter which the Council or Special Committee considers would prejudice the Council or any person;
- (i) A resolution to close the meeting to members of the public.

### **MOTION**

**Moved:** Cr Harriman

**Seconded:** Cr Gibson

**That Council closes this Ordinary Meeting of Council to the public to consider the following items which are of a confidential nature, pursuant to section 89(2) of the *Local Government Act 1989* for the reasons indicated**

- 19.1 SEA Electric: Request for Land at the Gippsland Logistics Precinct**  
**Agenda item 19.1 *SEA Electric: Request for Land at the Gippsland Logistics Precinct* is designated as confidential as it relates to proposed developments (s89 2e)**
- 19.2 LCC-582 Footpath Replacement Program**  
**Agenda item 19.2 *LCC-582 Footpath Replacement Program* is designated as confidential as it relates to contractual matters (s89 2d)**
- 19.3 Draft Internal Audit Plan 2017-2021**  
**Agenda item 19.3 *Draft Internal Audit Plan 2017-2021* is designated as confidential as it relates to a matter which the Council or special committee considers would prejudice the Council or any person (s89 2h)**
- 19.4 Gippswide Kerbside Collaborative Procurement EOI**  
**Agenda item 19.4 *Gippswide Kerbside Collaborative Procurement EOI* is designated as confidential as it relates to contractual matters (s89 2d):**

**CARRIED UNANIMOUSLY**

**The Meeting closed to the public at 07.09 PM.**

**The meeting re-opened to the public at 07.41 PM.**

**There being no further business the meeting was declared closed at 07.41 PM.**

**I certify that these minutes have been confirmed.**

**Mayor:** \_\_\_\_\_

**Date:** \_\_\_\_\_