



LATROBE CITY COUNCIL

MINUTES FOR THE ORDINARY COUNCIL

HELD IN NAMBUR WARIGA MEETING ROOM
CORPORATE HEADQUARTERS, MORWELL
AT 6.02 PM ON
04 MAY 2015

CM460

PRESENT:

Councillors:	Cr Dale Harriman, Mayor	East Ward
	Cr Peter Gibbons, Deputy Mayor	West Ward
	Cr Sharon Gibson	West Ward
	Cr Sandy Kam, Mayor	East Ward
	Cr Graeme Middlemiss	Central Ward
	Cr Kellie O'Callaghan	East Ward
	Cr Michael Rossiter	East Ward
	Cr Christine Sindt	Central Ward
	Cr Darrell White	South Ward
Officers:	Gary Van Driel	Chief Executive Officer
	Sara Rhodes-Ward	General Manager Community Liveability
	Phil Stone	General Manager Planning & Economic Sustainability
	Sarah Cumming	Acting General Manager Corporate Services
	Steven Piasente	General Manager Community Infrastructure & Recreation
	Peter Mangan	Acting Executive Manager

Amy Phillips
Kylie Stockdale
Amanda Harding

Coordinator Governance
Council Operations Administration Officer
Coordinator Communications

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1. **OPENING PRAYER**
2. **ACKNOWLEDGEMENT OF THE TRADITIONAL OWNERS OF THE LAND**
3. **APOLOGIES AND LEAVE OF ABSENCE**
4. **DECLARATION OF CONFLICT OF INTEREST**

Cr Rossiter declared an indirect interest under Section 78B of *The Local Government Act 1989* in respect to Item 17.6 LCC-268 Provision of Air Conditioning Services

Cr White declared an indirect interest under Section 78B of *The Local Government Act 1989* in respect to Item 17.7 Sporting Sponsorship Application

5. **ADOPTION OF MINUTES**

RECOMMENDATION

That the minutes of the Ordinary Council Meeting held on 13 April 2015 be confirmed.

Moved: Cr Gibson
Seconded: Cr Sindt

That the Recommendation be adopted.

CARRIED UNANIMOUSLY

6. PUBLIC QUESTION TIME**Suspension of Standing Orders**

Moved: Cr Gibson
Seconded: Cr Middlemiss

That Standing Orders be suspended to allow members of the gallery to address Council in support of their submissions.

CARRIED UNANIMOUSLY**Standing Orders were suspended at 6.04pm**

Ms Judy Lipman addressed Council in relation to Item 9.1 – Draft 2015/2016 Budget and Draft Strategic Resource Plan 2015-2019 – Hearing of Submissions

Ms Jenny Sutton addressed Council in relation to Item 9.1 – Draft 2015/2016 Budget and Draft Strategic Resource Plan 2015-2019 – Hearing of Submissions

Ms Leesa Langstaff addressed Council in relation to Item 9.1 – Draft 2015/2016 Budget and Draft Strategic Resource Plan 2015-2019 – Hearing of Submissions

Ms Carol Kemp addressed Council in relation to Item 9.1 – Draft 2015/2016 Budget and Draft Strategic Resource Plan 2015-2019 – Hearing of Submissions

Ms Carly Thompson addressed Council in relation to Item 9.1 – Draft 2015/2016 Budget and Draft Strategic Resource Plan 2015-2019 – Hearing of Submissions

Ms Ash Vuillerman addressed Council in relation to Item 9.1 – Draft 2015/2016 Budget and Draft Strategic Resource Plan 2015-2019 – Hearing of Submissions

Ms Linda Reid addressed Council in relation to Item 9.1 – Draft 2015/2016 Budget and Draft Strategic Resource Plan 2015-2019 – Hearing of Submissions

Mr Graeme O'Hara addressed Council in relation to Item 9.1 – Draft 2015/2016 Budget and Draft Strategic Resource Plan 2015-2019 – Hearing of Submissions

Mr Bill Brown addressed Council in relation to Item 9.1 – Draft 2015/2016 Budget and Draft Strategic Resource Plan 2015-2019 – Hearing of Submissions

Ms Margaret Guthrie addressed Council in relation to Item 9.1 – Draft 2015/2016 Budget and Draft Strategic Resource Plan 2015-2019 – Hearing of Submissions

Resumption of Standing Orders

Moved: Cr Rossiter

Seconded: Cr Gibson

That Standing Orders be resumed.

CARRIED UNANIMOUSLY

Standing Orders were resumed at 6.42pm

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

Council Meeting Date	Item	Resolution	Status Update	Responsible Office
Office of the Chief Executive				
5/12/11	Investigation into Mechanisms Restricting the sale of Hubert Osborne Park Traralgon	That a draft policy be prepared relating to Hubert Osborne Park and be presented to Council for consideration.	Briefing to occur 27 April 2015 prior to a report coming to Council	Office of the Chief Executive
19/12/11	Traralgon Greyhound Racing Club – Proposed Development and Request for Alterations to Lease	That a further report be presented to Council following negotiations with the Latrobe Valley Racing Club, Robert Lont and the Traralgon Greyhound Club seeking Council approval to the new lease arrangements at Glenview Park.	<p>Preparation underway to commence negotiations for a new lease. A further report to be presented to Council.</p> <p>Discussion has progressed with the leasing of the land to the Traralgon Greyhound Racing Club.</p> <p>A rental valuation is being obtained from independent valuer.</p> <p>During March Council officers met with representatives from the Traralgon Greyhound Racing Club and the Latrobe Valley Racing Club to discuss new lease arrangements.</p> <p>A report will be presented to Council in July / August 2015.</p>	Office of the Chief Executive
13/10/14	Draft Community Engagement Strategy And Action Plan 2015-2019 - Community Consultation	<p>1. That Council approves the draft Community Engagement Strategy and Action Plan 2015-2019 be released for community consultation for four weeks from Monday, 20 October 2014 to Friday, 14 November 2014.</p> <p>2. That following the community consultation process a further report on the Community Engagement Strategy and Action Plan 2015-2019 be presented to Council for consideration.</p>	<p>The draft Strategy is being finalised following the community engagement period.</p> <p>A report will be presented to Council with the final Strategy in May 2015.</p>	Office of the Chief Executive

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Council Meeting Date	Item	Resolution	Status Update	Responsible Office
24/11/14	Review Of Council Meeting Cycle	That Council: 1. Maintain a three-weekly Council Meeting cycle. 2. Begin Ordinary Council Meetings at 6:00pm. 3. Distribute the final Ordinary Council Meeting Agenda to the public, six (6) days prior, to the Ordinary Council Meeting. 4. Review the meeting cycle after an eight-month period and a further report be presented to Council in July 2015 with a review of the changes.	Report to be prepared to Council in July 2015.	Office of the Chief Executive
Planning & Economic Sustainability				
19/09/11	Traralgon Activity Centre Plan Key Directions Report	That having considered all submissions received in respect to the Stage 2 Key Directions Report September 2011, Council resolves the following: 1. To defer the endorsement of the Stage 2 Key Directions Report September 2011 until: a) Council has been presented with the Traralgon Growth Area Review b) Council has received information on the results of the Latrobe Valley Bus Review 2. That Council writes to the State Government asking them what their commitment to Latrobe City in respect to providing an efficient public transport system and that the response be tabled at a Council Meeting. 3. That Council proceeds with the Parking Precinct Plan and investigate integrated public parking solutions. 4. That the Communication Strategy be amended to take into consideration that the November/December timelines are inappropriate to concerned stakeholders and that the revised Communication Strategy be presented to Council for approval.	1. <u>Status:</u> A review of Traralgon Activity Centre Plan project required to be undertaken by officers following adoption of Traralgon Growth Areas Review. Draft discussion paper currently being prepared. 2. <u>Status:</u> Letter sent 10 August 2010. Response received 24 August 2010. 3. <u>Status:</u> Letter sent 10 October 2011. No response received. 4. <u>Status:</u> Parking Strategy completed September 2013. Council resolved to proceed with car parking overlay Planning Scheme Amendment at Ordinary Council Meeting 9 February 2015.	Planning and Economic Sustainability

ORDINARY COUNCIL MEETING MINUTES 04 MAY 2015 (CM460)

Council Meeting Date	Item	Resolution	Status Update	Responsible Office
19/09/11	Traralgon Activity Centre Plan Key Directions Report (cont'd)	5. That in recognition of community concern regarding car parking in Traralgon the Chief Executive Officer establish a Traralgon Parking Precinct Plan Working Party comprising key stakeholders and to be chaired by the Dunbar Ward Councillor. Activities of the Traralgon Parking Precinct Plan Working Party to be informed by the Communication Strategy for the Traralgon Activity Centre Plan Stage 2 Final Reports (Attachment 3).	5. <u>Status:</u> Adopted by Council 6 February 2012 6. <u>Status:</u> Working Party endorsed by Council, 20 February 2012 1. 7. Briefing will be provided to Council prior to June 2015. This project is proposed to be completed in 2016/17 financial year. 2. 8. Report will be provided at CB(1) 11 May 2015	Planning and Economic Sustainability
6/05/13	Latrobe City International Relations Advisory Committee - Amended Terms of Reference	That the item be deferred pending further discussion by Councillors relating to the Terms of Reference.	Item on hold pending adoption of a Terms of Reference for Advisory Committees. A further report will be presented to Council once the Terms of Reference is adopted.	Planning & Economic Sustainability

ORDINARY COUNCIL MEETING MINUTES

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Council Meeting Date	Item	Resolution	Status Update	Responsible Office
Community Infrastructure & Recreation				
6/11/13	Latrobe Regional Motorsport Complex	<ol style="list-style-type: none"> That Council requests the members of the Latrobe Regional Motorsports Complex Advisory Committee to investigate potential sites for the motorsports complex and to advise Council of any sites identified so that further investigation can be undertaken by Council officers. That Council officers meet with Energy Australia to discuss other possible sites for a motorsports complex on their land. That a further report be presented to Council at such time that site options have been investigated. 	<p>Initial advice from Energy Australia and HVP is that land is not currently available for this use. Officers continuing to work with both parties to identify potential sites for further investigation.</p> <p>An on-site meeting with Cr Middlemiss occurred in December 2014 to investigate further site options.</p> <p>Further evaluation will be undertaken of sites identified during on-site meeting.</p> <p>Further report to be presented to Council in 2015.</p>	Community, Infrastructure & Recreation
Community Liveability				
18/02/13	Affordable Housing Project – Our future our place	<ol style="list-style-type: none"> That Council proceeds to publically call for Expressions of Interest as a mechanism to assess the viability and interest in developing an affordable housing project on land known as the Kingsford Reserve in Moe. That a further report be presented to Council for consideration on the outcome of the Expression of Interest process for the development of an affordable housing project on land known as the Kingsford Reserve in Moe. 	This project is currently under review, with a Council report to be presented to Council in 2015.	Community Liveability

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Council Meeting Date	Item	Resolution	Status Update	Responsible Office
13/10/14	Churchill and District Community Hub Strategic Plan 2014 – 2018	<p>Council release the draft Churchill and District Community Hub Strategic Plan 2014-2018 and,</p> <ol style="list-style-type: none"> 1. Release the Plan for public comment for a period of 6 weeks. 2. A further report be presented to Council at the Ordinary Council meeting 15 December 2014 to consider any submissions to the draft Churchill and District Community Hub Strategic Plan 2014 – 2018. 	<p>The Draft Churchill and District Community Hub Strategic Plan was released for public consultation in late January for a period of 6 weeks.</p> <p>Council endorsed the Four Year Strategic Plan at the Council Meeting 13 April 2015</p> <p>Complete</p>	Community Liveability
09/02/15	Family Day Care Feasibility	<p>That Council maintain the Family Day Care program at the current level.</p> <p>That the Family Day Care Coordination team is adjusted as required and directly in relation to any reduction of Educators and/or Service Users.</p> <p>That a further review of the program occur within the first six months of the 2015/16 financial year, with a further report being presented to Council for endorsement at the Ordinary Council Meeting on 07 December 2015.</p> <p>That a report be developed demonstrating cost and funding options to grow other early education and care services as a transition plan from FDC into the future.</p>	Further report to be provided to Council in December 2015.	Community Liveability
Corporate Services				

NOTICES OF MOTION

8. NOTICES OF MOTION**8.1 2015/05 ADDRESSING SPEED CONCERNS ON HAIGH ST, MOE
AND OLD SALE RD NEWBOROUGH****Cr Sharon Gibson**

- 1. That Council Officers investigate and present a report to Council in relation to measures that could be put in place along Haigh St extension Moe, between Old Sale Road and Bennett Street, to deal with speeding motorists.**
- 2. That the Mayor writes to Vic Roads Regional Manager asking if the speed limit along the rural section of Old Sale Road Newborough, between the Haigh St corner and the beginning of the homes after the bridge on Old Sale Rd Newborough, could be unified to the one speed of 80 Km/h, due to the Housing Estate that was established along this section and the new extension of this Estate that has been placed on the market.**

**Attachments
Nil****Moved: Cr Middlemiss
Seconded: Cr Gibbons****That Cr Gibson be granted an extension of speaking time.****CARRIED UNANIMOUSLY****Moved: Cr Gibson
Seconded: Cr Gibbons****That the Motion be adopted.****CARRIED UNANIMOUSLY**

**8.2 2015/06 - PREPARATION OF INFORMATION TO SUPPORT A
PLANNING SCHEME AMENDMENT REGARDING BURGAN
INFESTATION**

Cr Graeme Middlemiss

That a report be prepared for Council on the quickest and most cost effective way of Council acquiring the necessary authority to authorise the removal of Burgan infestation.

That this report be tabled at the Council Meeting of 15 June 2015

**Attachments
Nil**

Moved: Cr Middlemiss

Seconded: Cr Gibson

That the Motion be adopted.

CARRIED UNANIMOUSLY

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RAIL LOADING/UNLOADING AT MELBOURNE PORTS**

Cr Graeme Middlemiss

That the Mayor write to the State Ministers responsible for Ports and Railways drawing attention to the major cost differential between Road and Rail loading/unloading of containers at Melbourne Ports and the consequences for export costs and Port area road congestion.

That the Ministers be requested to take the appropriate action to reduce Rail container loading/unloading costs to the level of those of Road transport and to ensure that cost parity is retained after any Privatisation of Melbourne Ports.

That a copy of the letter be forwarded to all State MPs representing Latrobe City.

Attachments
Nil

Moved: Cr Middlemiss
Seconded: Cr Gibbons

That the Motion be adopted.

CARRIED UNANIMOUSLY

ITEMS REFERRED BY THE COUNCIL TO THIS MEETING FOR CONSIDERATION

9. ITEMS REFERRED BY THE COUNCIL TO THIS MEETING FOR CONSIDERATION**9.1 DRAFT 2015/2016 BUDGET AND DRAFT STRATEGIC RESOURCE PLAN 2015-2019 - HEARING OF SUBMISSIONS****General Manager****Corporate Services****For Decision****PURPOSE**

The purpose of this report is to present submissions received in relation to the draft 2015/2016 Budget and Strategic Resource Plan (SRP) 2015-2019 for Council's consideration.

EXECUTIVE SUMMARY

This report is to present to Council submissions received in relation to the draft 2015/2016 Budget and Strategic Resource Plan 2015-2019.

In accordance with legislative requirements, all submitters have an opportunity to speak to their submissions. Following Council resolving at the Council meeting held on 23 March 2015 to release the draft documents for public consideration, a total of ten submissions have been received. It is recommended that Council notes and considers these submissions prior to adopting the 2015/2016 Budget and SRP 2015-2019 documents which are proposed to be presented to Council at the Ordinary Council Meeting to be held on Monday 25 May 2015.

RECOMMENDATION

That Council notes and considers all submissions received in relation to the draft 2015/2016 Budget and Strategic Resource Plan 2015-2019.

Moved: Cr Middlemiss**Seconded:** Cr White**That the Recommendation be adopted.****CARRIED UNANIMOUSLY****DECLARATION OF INTEREST**

No officer declared an interest under the Local Government Act 1989 in the preparation of this report.

STRATEGIC FRAMEWORK

This report is consistent with Latrobe 2026: The Community Vision for Latrobe Valley and the Latrobe City Council Plan 2013-2017.

Latrobe 2026: The Community Vision for Latrobe Valley

Strategic Objectives – Governance

In 2026, Latrobe Valley has a reputation for conscientious leadership and governance, strengthened by an informed and engaged community committed to enriching local decision making

Latrobe City Council Plan 2013 - 2017

Theme and Objectives

Theme 1: Job creation and economic sustainability

Theme 2: affordable and sustainable facilities, services and recreation

Theme 3: Efficient, effective and accountable governance

Theme 4: Advocacy for and consultation with our community

Theme 5: Planning for the future

Strategic Directions –

Regularly report Council decisions and performance to the community.

Establish and maintain rigorous Council policies that comply with legislation and respond to community expectation.

Increase community awareness and satisfaction with Council's services and facilities.

Continuously improve financial management and reporting.

Ensure Latrobe City Council's infrastructure and assets are maintained and managed sustainably.

Strategy & Plans – 10 Year Financial & Resources Plan

Legislation – Local Government Act 1989

Section 126 (3) of the Local Government Act 1989, states that "A Council must adopt the Strategic Resource Plan not later than 30 June each year."

Section 127 (1) of the Local Government Act 1989, states that "A Council must prepare a budget for each financial year."

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Section 130 (3) of the Act states that "The Council must adopt the budget by 30 June each year".

Section 130 (4) of the Act states that "The Council must submit a copy of the budget to the Minister within 28 days after adopting the budget...".

BACKGROUND

On 23 March 2015, Council resolved to give notice of preparation of the proposed 2015/2016 budget and SRP 2015-2019 and to allow a period of 28 days for submissions.

A person has a right to make a submission under section 223 of the *Local Government Act 1989*, on any proposal contained in the budget.

Public notice of the preparation of the 2015/2016 budget and SRP was subsequently advertised in the Latrobe Valley Express on 26 March 2015, 30 March 2015 and 9 April 2015, advising that both documents were available for inspection at Council's service centres and on Council's website.

Submissions in relation to the budget (including fees and charges) and SRP are receivable up to 5pm on 22 April 2015. A person who has made a written submission to Council and requested that he or she be heard in support of the written submission is entitled to appear in person before a meeting of the Council. In the public notice Council indicated that written budget submissions would be considered and submitters would have an opportunity to speak to their submissions at the Ordinary Council Meeting to be held at 6.00 pm on Monday 4 May 2015.

KEY POINTS/ISSUES

Ten submissions have been received in relation to the draft 2015/2016 Budget and SRP 2015-2019. Those wishing to speak to their submission will have the opportunity to do so at the Council Meeting.

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A list of the submissions received is provided below and copies of submissions are attached.

Name	Summary of submission
Yallourn Bowling Club	Seeking assistance by way of financial support or assistance in planning, permits or other such items within the prevails of Latrobe City.
Mr Manny Gelagotis	General support for the budget in relation to Moe projects. Particular support for the resurfacing of the Moe Football Ground.
VicRoads	Supportive of Councils proposal to complete the Industrial Land Use and Employment Strategies.
Yallourn North Action Group	Seeking action in relation to the redesign and reconstruction of the North Road / Reserve Street intersection
Tennis Australia	Support for the inclusion of the Traralgon Show Court in the capital budget
Linda Reid Latrobe Valley Hockey Association	Request for inclusion in the budget for the construction of a pavilion for the Latrobe Synthetic Sports field.
Mr Jim Connaghan	Various items across the budget for which he is seeking further explanation and discussion.
Latrobe City Farm Ratepayers Association	Support for the retention of the Farm Rate Differential.
Debbie Wells Churchill Hockey Club	Request for inclusion in the budget for the construction of a pavilion for the Latrobe Synthetic Sports field.
Churchill District Community Association	Endorse the allocation of funds for the Churchill Bowls Club synthetic green. Seek consideration for funding for the Churchill East-West Link and amenities at the Regional Synthetic Sports field.

RISK IMPLICATIONS

Risk has been considered as part of this report and it is considered to be consistent with the Risk Management framework.

There is not considered to be any risks associated with this report.

FINANCIAL AND RESOURCES IMPLICATIONS

The financial implications of any proposed changes to the draft 2015/2016 budget and SRP 2015-2019 will need to be taken into account in the consideration of budget submissions.

INTERNAL/EXTERNAL CONSULTATION*Engagement Method Used:*

Copies of the draft Budget and SRP have been available for inspection at Council offices and on the Council web site since 24 March 2015, ensuring a minimum of 28 days were available for submissions to be received.

Budget Information Sessions were held in Churchill, Moe, Morwell and Traralgon respectively to provide the community with an opportunity to learn more about the proposed budget and ask questions.

Details of Community Consultation / Results of Engagement:

A total of ten submissions have been received in relation to the 2015/16 Draft Budget (including fees and charges) and Strategic Resource Plan 2015-2019.

OPTIONS

Under the provisions of section 223 of the *Local Government Act* 1989, Council must provide the opportunity for submissions to be considered at a meeting of Council.

CONCLUSION

On 23 March 2015 Council gave notice of preparation of the proposed 2015/2016 budget and SRP 2015-2019, and has provided the opportunity for submissions to be heard at this meeting of Council. This allows Council sufficient time to consider submissions received in relation to the proposed 2015/2016 budget and SRP 2015-2019 prior to considering the budget at the next Ordinary Council Meeting, to be held at 6.00pm on Monday, 25 May 2015.

Attachments

1. Budget Submissions

9.1

DRAFT 2015/2016 BUDGET AND DRAFT STRATEGIC RESOURCE PLAN 2015-2019 - HEARING OF SUBMISSIONS

1	Budget Submissions	23
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Attn.: Matthew Rogers
Manager Finance
Latrobe City Council
PO Box 264
MORWELL, VIC 3840

Dear Sir

I am writing to you on the advice of Mr. Gary Van Driel.

The Treasurer, and Manager and I met with Mr. Van Driel on April 9th to see what assistance Council could offer with a major refurbishment and building programme our Club is about to undertake.

Yallourn Bowling Club is a not for Profit Bowling Club that has been around in one form or another since 1923 and merged with Newborough BC in 1978 as a part of SEC resettlement.

Whilst we have an income stream from 'Pokies' our planned refurbishment and building programme are entirely for the benefit of our members (about 150 full members and about 80 social members)

We have a good facility in Newborough and are one of the few establishments in the area that offers community access to our facilities for a full range of uses from bowls days, weddings, funerals, engagements, birthdays etc. We offer these facilities at an inexpensive rate and will assist in catering, decoration etc. if this is required.

Our 'Pokies' and bar are staffed by paid staff and are subject to the requirements of the Gaming Commission in terms of numbers present etc..

The rest of the Club is run by volunteers. Kitchen, gardening, Bingo, Bowls, special events, functions etc. are all handled by our wonderful and dedicated volunteers.

Our Bingo income is used to pay for our green keeper as our volunteers (many in their 70's and 80's) cannot keep up with that aspect of the Club.

YBC runs a very successful national/international event – "the Classic Singles" in January each year where major sponsors assist us to hold a carnival that is known through-out the Bowling World.

In fact I have just returned from Queensland where on seeing my uniform a conversation always ensued concerning 'The Classic Singles' and by association the Latrobe Valley.

I am amazed (yearly) by this awareness and cannot believe the penetration of this event and the Latrobe City in Queensland at least. We are proud that Latrobe City is a major sponsor in this event.

YBC is a wonderful environment. We have three grass greens, lovely gardens and surrounds and great facilities such as a refurbished kitchen (~\$170K), refurbished Burra Bar and Function room, with new carpets, and furniture (~\$70K). A redeveloped outdoor area suitable for BBQs, and outside picnics, with terracing and other improvements that have allowed access to many both, from the Club and the Community.

We are a major sponsor in the area, giving money to many charities (The Latrobe Hospital, Narracan Gardens, The Scouts, Girl guides, Dance Eisteddfods, Local Schools, Royal Children's Hospital, The Red Cross, etc.) We are a community Club!

The purpose of my email is to ask if Latrobe City can factor in any assistance to my Club by way of financial support, or assistance in planning, permits, or other such items within the prevail of Latrobe City.

Our estimates are that the work may cost upwards of \$1.7 million dollars. We are intending to (where possible) use local builders and labour. The finished facility I believe will be a wonderful asset not just to our members but to a much broader community. We are not a wealthy Club, but believe that with careful management we will be able to service the necessary loan, however obviously any assistance we can get either through Local, State or Federal governments would be most helpful.

I have attached two documents that outline our proposals. I have spoken to Crs Kam, Gibson and White who all appeared to be very enthusiastic for our proposal.

Our members have endorsed the project with only two votes being cast against the proposal at our Special General Meeting.

I and my key colleagues would be happy to meet with you should this be something you believe would be beneficial.

I am also happy to extend an invitation to you and Mr Van Driel and any other officer of Latrobe City to visit our Club at your convenience should you wish to more fully explore our facilities and plans.

Sincerely,

Ross Beamsley

Chairman

Yallourn Bowling Club



Submission to the
Draft Budget 2015/16

To the Chief Executive Officer
Latrobe City Council
PO Box 264
Morwell VIC 3840



Name Manny Helagotis

Address [REDACTED]

Phone Number [REDACTED]

Your views on the draft Budget 2015/16 and /or what you would like Council to do or consider:

Congratulations on the delivery of a
well balanced Budget for Mae.

I am currently the President of the
Mare Football Netball Club and was very
pleased and relieved to see the allocation
of funds to fix the surface which is critical
for many reasons as a key sports facility in the
City. We look forward to working with
Council to deliver this budget and once
again well done for allowing the community
to have an important voice.

Regards
[Signature]



Eastern Region
120 Kay Street
Traralgon Victoria 3844
PO Box 158 Traralgon Victoria 3844

vicroads.vic.gov.au

Mr Gary Van Driel
Chief Executive Officer
Latrobe City Council
141 Commercial Road
MORWELL VIC 3840

Contact: Chris Padovan
Telephone: 5172 2627
Our Ref: RS 800 BD392 000
File No: 2918617

1 April 2015

Dear Mr Van Driel

I refer to a VicRoads and Latrobe City Council meeting on 23 March 2015 regarding the road safety and operational performance of the Moe Glengarry Road – Waterloo Road intersections and level crossing in Moe.

This level crossing provides a key north - south connection across the Melbourne to Bairnsdale Regional Rail Line. It is one of two crossing locations within Moe. The site has been subject to various road safety and operational performance concerns raised by industry and community groups.

From an operational performance perspective, the level crossing currently restricts B-Double heavy vehicles from travelling south due to road and rail safety concerns relating to queuing and short stacking across the level crossing. Furthermore, heavy vehicles including B-Doubles have difficulty negotiating the grade separated crossing at the Anzac Street, High Street, and Narracan Drive roundabout. This area of Moe has often been referred to as a freight bottleneck, particularly for southbound freight movements across the rail line.

VicRoads, Council and the Department of Economic Development, Jobs, Transport and Resources, have recently completed a SmartRoads workshop for the Township of Moe. The SmartRoads 'Road Use Hierarchy' plan for Moe nominates this intersection as part of a key preferred traffic route and proposed freight route that connects the Moe industrial area (via Saviges Road, Della Torre Road and Moe Rawson Road) and the Princes Highway East.

From a road safety perspective, the Australian Level Crossing Assessment Model (ALCAM) ranks this site in the top 20 of regional railway crossings due to the high queuing and short stacking risk. Although there have been no crashes involving road users with trains, there have been five casualty crashes at these intersections in the past five years.



VicRoads ABN 61 760 960 480

PSL 44

- 2 -

At the meeting, VicRoads informed Council that it has recently commenced investigating potential intersection improvement works to address road safety and operational performance outcomes. It was agreed that the overall strategic transport requirements should be considered prior to VicRoads and Council determining the most suitable improvement works.

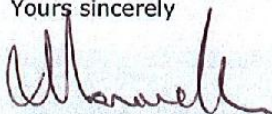
Latrobe City Council, in consultation with VicRoads, completed a traffic engineering report in 2011 'Moe Glengarry Road to Waterloo Road - Railway level Crossing' to investigate short, medium and long term treatments at this intersection. Although the report identified several long term intersection treatments, further strategic planning and development is required to determine the most appropriate intersection treatments for current and future traffic demands.

VicRoads acknowledges that Council proposes to complete an Industrial Land Use and Employment Strategy during the 2015 - 16 financial year. It is understood that the strategy will provide a strategic direction of the future land use framework for industrial zones and associated action plans to facilitate and sustain the industrial development within the municipality, including Moe. It is envisaged that the outcomes of the study will assist with providing a clearer perspective of what the current and future freight demands will be for Moe. This strategic information will enable VicRoads and Council to ultimately determine the most appropriate intersection treatments at the Moe Glengarry Road - Waterloo Road intersections and level crossing.

Overall, VicRoads is supportive of Councils proposal to complete the Industrial Land Use and Employment Strategy and would be pleased to work with Council to understand the future freight demands at the Moe Glengarry Road - Waterloo Road intersections and level crossing and develop appropriate intersection and level crossing treatments for future funding consideration.

Please do not hesitate to contact Mr Chris Padovan, Team Leader - Integrated Transport & Land Use on 5172 2627 should you wish to discuss this matter further.

Yours sincerely



**PAS MONACELLA
MANAGER - PLANNING
EASTERN VICTORIA**

Yallourn North Action Group



cl- 93 Kelso Road
Yallourn North Vic 3825

15/3/2015

Request for project inclusion in the 2015-16 budget.

The Mayor and Councillors
Latrobe City
P.O. Box 264
Morwell 3840
latrobe@latrobe.vic.gov.au

Dear Mayor Harriman and Councillors

From the time that the Yallourn North Foodworks supermarket began business and proved itself to be a valuable retail asset to the town, issues of safety immediately became evident. The supermarket building has an unfortunate location and orientation for traffic and pedestrian management. The site is sloped and on a slight bend in busy North Road. It partially faces North Road's intersection with Reserve Street.

Complex Issues of Safety

- * The roadside termination of footpaths within the intersection encourage diagonal pedestrian crossing to the supermarket.
- * Roadside parking occurs on both sides of the road between Reserve Street and the former café, west of the supermarket. This creates the following hazards
 - pedestrians randomly emerge from between cars to cross the road
 - two lanes of traffic can find it difficult to fit between the parked cars
 - this situation is exacerbated by vehicles turning left from Reserve Street into North Road and by vehicles turning left and right from the supermarket carpark into North Road.
- * Empty log trucks travel westward, accelerating at this point to keep up momentum because of the incline and the slight bend.
- * The supermarket has a carpark, but much of it is sloped as is the entrance/ exit to North Road, which has less than optimal vision due to the bend, North Road's gradient at that point and the number of vehicles parked to the east or west.
- * Medium size and large delivery vehicles either park on the north side of North Road (some illegally because of closer access when cumbersome items are involved) or they

access the rear of the building via the carpark. The largest trucks can only negotiate the right angle into/out of the car park by maneuvering across both lanes of North road on the east side of the bend.

*An Australia Post box was installed outside the main door of the supermarket when postal services became part of the business. It was sited in the middle of the pre-existing no-parking zone on the bend in North Road. Consequently, mail collection times worsen the already dangerous scenario. There is an associated loading zone road marking at the post box.

*Whilst there is a constant trickle of pedestrian and road traffic plus parking, there are rush periods. The safety issues are heightened when the weather is inclement and by the angle of the sunlight - late afternoon sun in some seasons is blinding for motorists negotiating the bend in North Road whilst travelling uphill in a westerly direction.

For many years YNAG has discussed improving the safety of two dangerous North Road intersections. In 2013 the group was relieved and gratified that, following provision being made in the Council budget, the North Road/Rossmore Avenue intersection was reconstructed. The issue of safety at the North Road/Reserve Street intersection, a concern since Foodworks began business, has continued to be periodically raised, and minuted in some, during YNAG meetings. Members recall that following YNAG contact, Council Officer Ray Bright inspected the site in 2006 and documented the situation. Separately, YNAG explored with Foodworks the possibility of alternative exit arrangements to the carpark from the rear. Unfortunately, the land required for this was found not to be part of the Foodworks site. More recently, during discussions regarding prioritizing future projects, the Reserve/North intersection was listed in documents tabled during the December 2014 meeting. At the most recent meeting of YNAG on February 10th 2015, citizen safety was nominated as an absolute priority with the North Road/Reserve Street project being named as needing immediate attention. Anthony Wasiukiewicz moved that the secretary contact the council, urgently requesting an update of an existing assessment of the site and urging action to address the complex issues at the North Road-Reserve Street intersection adjacent to the Foodworks supermarket. This motion was seconded by David Roberts and unanimously supported by all attending the meeting.

Consequently, we request that Council **logs this problem area as being one for action as part of the budget currently under consideration.**

YNAG suggests that remediating measures could include curbside barriers that discourage pedestrian crossing in certain areas (particularly on the south side corners of North Road where it intersects with Reserve St), south side kerbside footpaths that discourage diagonal road-crossing, revised parking and non-parking areas, possible indentation of nature strip for car parking, relocation of the postbox, attention to the exit requirements of the carpark. Planning should consider residents in the vicinity and involve consultation with Foodworks and with YNAG.

Over the years, the intersection has seen a numerous vehicle accidents, mostly minor, some of which may have been reported. However, there are **innumerable accounts** of near misses, especially many involving pedestrians crossing North Road at this very dangerous intersection.

The residents of Yallourn North feel a strong need to take preventative action rather than wait for a significant tragedy to provide evidence for the need for road-use management action. The danger shows no sign of diminishing – in fact it may even be increasing.

Please include this work in the budget for which allocations are currently being considered.

Yours sincerely

Judy Lipman
President
Yallourn North Action Group

Margaret Gaulton
Secretary

21 April 2015



Attn: Matthew Rogers
Manager Finance
Latrobe City Council
(via email)

Tennis Australia
Batman Avenue
Victoria Australia
Private Bag 6060
Richmond Victoria 3121
T +61 3 9914 4000
F +61 3 9650 2743
tennis.com.au

Dear Matthew,

RE: TENNIS AUSTRALIA LETTER OF SUPPORT – Latrobe City Budget 2015-16 Traralgon Tennis Show Court

The purpose of this letter is to provide Tennis Australia's (TA) support towards the Latrobe City Budget 2015/16 contribution of \$550,000 towards the Traralgon Show Court project. This contribution completes the funding contribution required to commence the project, complemented by the funding committed by the Victorian State Government and Tennis Australia.

The Traralgon Tennis Centre is considered a priority venue by TA and remains identified as one of 75 key Regional Partner venues across Australia (as part of the TA 2020 Facility Strategy) due to its geographic and demographic location, as well as meeting TA's vision of creating leading multi-use tennis venues that incorporate not only tennis, but provide and accommodate other essential community uses.

The development of the Traralgon Tennis Show Court will allow the Traralgon Tennis Association to grow the capacity of their existing events and improve event delivery at the centre, whilst also providing an opportunity to host a range of additional community activities.

TA is grateful for Latrobe City's continued support of tennis at the venue, not just through this budgetary contribution but through Council's year round involvement at the venue and we look forward to working in partnership to deliver this exciting show court project with Latrobe City.

If you have any questions regarding TA's support please feel free to contact me on 03 9914 4090.

Yours sincerely,

Adam Cheyne
Local Government and Community Projects Manager
Tennis Australia

cc: Chris Sallba – Tennis Victoria

The Latrobe Valley Hockey Association is aware that there is currently no provision towards the construction of a pavilion for the Latrobe Synthetic Sports field in the draft budget. As it is a draft budget we assume that there is the possibility of the inclusion of this important piece of infrastructure for this regional facility.

BACKGROUND

- The story begins in 2008 when the Gippsland Hockey Strategy (2008) was commissioned by Latrobe City Council and supported the provision of a pavilion/toilets/change rooms. This report was adopted by council.
- Latrobe City's preferred site was Churchill. It was not the preferred site of LVHA but in the interests of it being cheaper to build there agreed unanimously. This project was not handled well but after many obstacles was eventually built and we played our first game in 2010.
- This project is not a "Churchill" project and never was but is a regional project.
- LVHA agreed to give up all their grounds in Traralgon, Moe, Morwell and Gaskin Park and play all games on the synthetic field. We were asked to wait for a funding opportunity to construct a pavilion. We agreed to this also.
- The ground was not included in the Southern Towns report despite our inclusion in the consultation phase as it was seen as being funded from other sources. This project pre-dates many others and is just as important and urgent but nothing is progressing it.
- We have access to toilets provided by Federation University but they are some 135m through a university building and out of line of sight which is problematic for young children, visiting teams from other country and metropolitan regions and spectators.
- There are no change rooms which is not acceptable that men, women of all ages from 50+ down to teenage boys and girls, and children. To be changing in cars or the car park in full view of the town bus as it travels through the university is unacceptable but is the reality of what we need to do. This contravenes all EO principles or plain decency and respect. Can you imagine how embarrassing it is explaining our lack of basic facilities to visiting teams from outside of the region and new players.
- There is no provision for feeding or changing babies.

- There has been no running water. Access to water relies on someone having the vandleproof tap handle. We have approached Gippsland Water who are supplying a drink tap and dog bowl. We can use the dog bowl tap to fill drink bottles instead of trekking to the toilet to try and do this.
- We badly need storage facilities. The university have kindly allowed us the use of a small storage cupboard but we do need more. Many resources are live at members homes and are transported.
- There is nowhere in Churchill after 2pm on Saturday or anywhere on Sunday to purchase a cup of tea/coffee or food that is not KFC or fish and chips. We cannot provide even offer a makeshift kiosk in a gazebo at the ground as we would need to run an extension lead on wet muddy ground/rain which does contravene all manner of OHS laws. We recently hosted players from the NZ national team to conduct a regional junior coaching clinic. Luckily the weather was good.
- First aid is provided on the side of the ground with minimal (if any) shelter and no privacy. We would like a defibrillator but can only cope with a small portable first aid box as it needs to be transportable.
- Hockey Vic (who have no money) wish to use the ground as a base for the development of Junior hockey in Gippsland – from Orbost to Drouin.
- The ground is currently used 5 weeknights and all weekend by hockey, soccer and the University as well as mid week by schools with the only shelter being buses.
- It is also used for hotshot tennis, bootcamp , fitness classes with a regional team that plays in the metropolitan league wishing to hire the ground for training during the week.
- We host 1 or 2 state league games which run into the evening but with a pavilion could extend this.
- With a pavilion there is the potential to co-host part of the junior state carnival and state team trials.
- The Gippsland junior development squad would use the ground more.
- A pavilion would be available for community use also.
- Council spent \$50,000 on design work for a pavilion so it would be “shovel ready”. This has been done. Council engaged the architect and were in charge of the project. In what appears to be a repeat of first attempt to have the ground included for funding the price tag attached is more than expected. This is outside of our control. We did not ask for

anything other than basic facilities but of course, if we are offered more then we will happily accept it. Please do not make us go wanting but redesign the project to reach an acceptable cost and design.

- The hockey association gave an undertaking that on construction of the ground we would actively promote it to increase the usage and promote its use to other regions. We have done this. It is council that has not fulfilled its commitment to provide change rooms/toilets/club rooms. Latrobe Valley Hockey Association spans all wards so its funding seems to fall through the cracks in terms of who is the lead councillor. We again state very strongly that this is a regional project and is not a Churchill project. We urge you to give this submission serious consideration.

Regards

Linda Reid

Latrobe Valley Hockey



Matthew Rogers,

Manager Finance

19/4/2015

I have spent many hours perusing the Latrobe City 2014-2015 Budget and found numerous items that needed further examination and possible discussion with responsible officers.

- (1) Page 22, Office of the CEO. Actively participate in the Gippsland Local Government Network. This \$674,000 is a substantial amount of ratepayers funds. What is the justification for this expenditure?
- (2) Page 25, Business Area, services provided. I have picked only two of these for scrutiny although others also need looking at. International Relations and Regional Partnerships a total of \$467,000 is budgeted for these items. Is this another waste of ratepayers Funds?
- (3) Page 81 Business Plan for Airport. Is there a business plan that will see costs associated with the airport operations be paid for by the business interests and not subsidised by the ratepayers.
- (4) Page 82. Roads Renewal and Upgrade. With a \$15.550 budget. How can the council agree to this without having an itemised list with each item being costed.
- (5) Page 86. Churchill Bowls Club. Synthetic Green. I seek to understand how the budget of \$400,000 was established, a standard five rink green of the highest quality and built from scratch, is advertised at a much lower figure.
- (6) Page 81. Harold Preston Reserve. Traralgon Olympians Change Pavilion. What is included in this Pavilion. Is it change rooms + Other things? As a ratepayer want to understand how this Pavilion was costed at \$450,000.

These are just several items that drew my attention as I had limited time to study the budget papers.

I went to the Moe Service centre and requested a copy of the Budget. There was not a copy there for the public, however the officer I spoke to rang the Morwell Office and requested that a copy be sent to me. Later that same day I received a phone call telling me that Matthew Rogers had refused to send me a copy. The following week there was a notice in the Express saying that the budget papers were available in the Moe Service Centre. That was two trips to Moe some 36 Km in distance not a suitable system by any means.

Are our elected Councillors doing their job effectively and efficiently, it would appear not if this budget goes through without a detailed explanation of the many of the items in the budget.

The audit committee may have a better understanding but how can we tell if that committee does not appear to make any report open to the ratepayers. If council agrees to this budget without asking a range of pertinent questions relating to many of the costings then it is not doing its job.

Jim Connaghan

LATROBE CITY FARM RATEPAYERS ASSOCIATION

PRESIDENT

Mr Graeme O'Hara
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

SECRETARY

Jenny Thompson
[REDACTED]
[REDACTED]
[REDACTED]

16th April 2015

SUBMISSION TO LATROBE CITY COUNCIL FOR FARM RATE DIFFERENTIAL

Our Committee and members thank Council for the opportunity to present this Submission for the retention of our Farm Rate Differential. We acknowledge Council for their support in previous years.

BACKGROUND INFORMATION

Our Farm Rate Differential has been in place in excess of Thirty Eight years. The Minister for Local Government is encouraging all regional councils to reduce the rate burden placed on farms by the use of the Differential Rate System Valuation of Land Act, 1960.

The NAV of Farm Land was legislated at Five Percent of the CIV of the said property. The NAV purported to represent the return of that property in a rent or lease situation. The rate of return on Farm Land continues to be unable to return this Five Percent Figure.

Our Committee and members congratulate past councils for recognizing the inequity that does exist.

FARM LAND RATING

Farming is a land based activity. As the Farm Business improves its productivity via the land, the Land Value increases lifting its assessable Rate Value.

MUNICIPAL CHARGE

Our Association supports Council to maximise the Municipal Charge up to Twenty Percent of Total Rate Revenue. We view this charge as an equal contribution by all Rate Payers.

COMMENTS OF CONCERN FROM MEMBERS ON LAND VALUATIONS

The past three years Farm Valuations have plateaued out but in some cases fallen. Councils contracted (independent) Valuers don't seem to acknowledge this fact. A number of Property Auctions have been passed in not making their Shire Valuation.

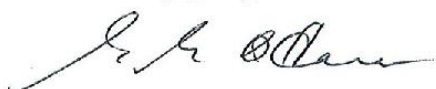
ZONING CHANGES

Requires careful planning and considerations (EG) Agriculture to Rural Living. Valuers are able to introduce the "POTENTIAL RATE" Thus rendering the Farm Property unviable due to the increased Rate Burden

CONCLUSION

The Farm Rate Differential is a tool provided by the Local Government Act to assist in setting an equitable rate. Farm Businesses are logistically low users of Council Services but they contribute substantially to both Latrobe Cities economy and rate revenue. Agriculture production within Latrobe City is a large contributor for the growing Gippsland Food Bowl.

Yours faithfully,

GRAEME O'HARA


Latrobe City Farm Ratepayers Association

21/4/2015

Dear Councillors,

It has been brought to the attention of the Churchill Hockey Club that there is currently no provision towards the construction of a pavilion for the Latrobe City Synthetic Sports field in the 2015-2016 draft budget. The Churchill Hockey Club believes quite strongly this is an integral piece of infrastructure for the Latrobe City as a regional area.

This season, the Churchill Hockey Club has been very proactive in working towards increasing our numbers and building the playing ranks of our club. In a bid to meet our sustainability targets set out for us by Hockey Victoria the club put in an enormous effort to flyer drop the entire Churchill residential area and even parts of Morwell. As a club we have had a great response to this endeavour and our hard work has paid off, gaining new players in every grade and collecting an entire team of Under 7 players to enter into the new grade that has been introduced this season.

While we as a club feel very privileged to be able to play a sport that we love (on a state of the art synthetic pitch) we are keen to encourage new participants to come along and enjoy what we have. We do however, have concerns about the lack of a pavilion and basic facilities and the safety of our younger players and spectators as a result. Having a pavilion would allow us as a Hockey family to offer a safer more family friendly environment. An environment where players and spectators are able to either get changed or go to the bathroom without having to go several hundred meters away, whilst crossing dangerous car parks and roads (or worse having to change in the car!). This is even more problematic when you consider the numbers of young

children who attend our Junior Matches and training sessions each and every week.

The Churchill synthetic is an enormous asset for the Latrobe City and to be used to its full potential it needs to be complemented with a pavilion so that the development of Hockey in this region is able to grow and prosper. With a pavilion it will not only offer a safer more user friendly environment for the users of this area but it also has the ability of attracting other groups from far and wide even beyond the realms of local Hockey competition.

The Churchill Hockey Club would like to strongly encourage you to take all the information in this submission into consideration and make provision towards the construction of a pavilion at the Latrobe City synthetic in the draft budget and help us to grow the sport we love.

Kind Regards,

Debbie Wells

Churchill Hockey Club Sec

PO Box 926

Morwell Vic 3840



To: Latrobe City Council
Commercial Rd
MORWELL 3840

22nd April 2015

Submission re draft 2015-16 Latrobe City Council Budget

Churchill and District Community Association (CDCA), having considered this matter at our April meeting, wishes to provide the following comments in regard to Council's draft 2015-16 Budget:

- We endorse the proposed allocation of funds for the Churchill Bowls Club synthetic green, noting that there is widespread local support for this long-desired facility within the Churchill community and it is in keeping with the Gaskin Park Recreation Plan adopted by Council
- We acknowledge the constraints of Council's revenue streams and the difficulty Council faces in prioritising budget allocations whilst keeping rate increases at an acceptable level

That said,

- We are dismayed to find that there is no allocation in this draft budget to progress the Churchill East-West Master Plan, as adopted by Council in 2013. This project has been identified as the prime requirement to link the Churchill Town Centre and western residential areas with the major infrastructure on the eastern side of Eel Hole Creek, including the Federation University campus and also the Latrobe Leisure Centre, the Regional Synthetic Sports Field and the senior campus of Kurnai College (formerly Gippsland Education Precinct), for which Council has been a major contributor to all. In keeping with Latrobe City's vision of healthy, vibrant and sustainable communities, the creation of a pedestrian link from the commercial and residential areas to facilities for passive and active recreation must be considered a priority for Churchill
- We would also like to commend Council for efforts to progress/expand Regional facilities within Latrobe City, such as the Traralgon Tennis Complex; such facilities continue to attract visitors, events and economic prosperity to our area

That said,

- The draft 2015-16 Budget ignores the need for any amenities to be provided at the Regional Synthetic Sports Field (which is not and should not be considered a 'local' project). The unwillingness of Council to adopt the Pavilion Concept Plan funded by a Council grant in the 2014/15 budget or further address the urgent need for basic facilities at this Regional Facility is incomprehensible when considered in the context of Council's earlier support for the construction of this

CHURCHILL AND DISTRICT COMMUNITY ASSOCIATION –Post Office 191 CHURCHILL VICTORIA AUSTRALIA 3842

facility. CDCA doubts that Council, nor the community, would support funding for any significant regional sporting or regional facility (e.g. the proposed Traralgon Aquatic Centre) if it were to be constructed without toilets and change rooms and is puzzled as to why Council would support funding for a Regional facility such as the Synthetic Sports Field without providing on-going funding for the development of appropriate amenities to support its on-going and expanding use. We further note that our local MP, Hon Russell Northe MLA, has expressed his support for the funding of amenities at this facility and discussed the necessity of it being 'shovel-ready' to progress this development should State Government funding become available. Council's failure to allocate any funds to progress the construction of amenities on this site means that Council will not be in a position to avail itself of such opportunities should they be presented.

CDCA understands that written submissions on the draft 2015-16 Council budget will be considered by Council on 4 May and requests that we be notified of the opportunity to speak in support of our submission.

Yours sincerely,



Margaret Guthrie
President, CDCA
0407 876 443

CORRESPONDENCE

10. CORRESPONDENCE

Nil reports

PRESENTATION OF PETITIONS

11. PRESENTATION OF PETITIONS**11.1 PETITION IN REGARDS TO RAISING THE POOL TEMPERATURE
AT LATROBE LEISURE MOE NEWBOROUGH OR LATROBE
LEISURE MORWELL ONE DAY PER WEEK****General Manager****Community Infrastructure &
Recreation****For Decision****PURPOSE**

The purpose of this report is to present Council with a petition requesting Council raise the temperature of the swimming pool at Latrobe Leisure Newborough or Latrobe Leisure Morwell to more than 32 degrees to cater for people with rehabilitation needs one day per week.

DECLARATION OF INTEREST

No officer declared an interest under the *Local Government Act* 1989 in the preparation of this report.

BACKGROUND

A petition with 170 signatures was received on the 15 April 2015, which is provided as Attachment 1 (confidential).

The petition requested the following;

We urge Latrobe City Council to heat the swimming pool at Newborough and/or Morwell to more than 32 degrees one day per week to cater for people with rehabilitation, arthritis etc following the closure of the pools at Warragul Leisure Centre from 31 March 2015.

CONCLUSION

It is usual practice for petitions to lay on the table as per Clause 63 of Council's Local Law No.1

It is recommended that the petition lay on the table until the 25 May Ordinary Council meeting.

RECOMMENDATION

That Council resolves to:

1. Lay on the table the petition requesting Council raise the temperature of the swimming pool at Latrobe Leisure Newborough or Latrobe Leisure Morwell to more than 32 degrees to cater for people with rehabilitation needs one day per week.
2. Receive a report at the 25 May 2015 Ordinary Council meeting providing Council with information in relation to the petition.
3. Advise the head petitioner of Council's decision in relation to the petition.

Moved: Cr Gibson
Seconded: Cr Gibbons

That the Recommendation be adopted.

CARRIED UNANIMOUSLY

Attachments

1. Petition (Published Separately) (Confidential)

OFFICE OF THE CHIEF EXECUTIVE

ORDINARY COUNCIL MEETING MINUTES

04 MAY 2015 (CM460)

12. OFFICE OF THE CHIEF EXECUTIVE

12.1 ASSEMBLY OF COUNCILLORS

Executive Manager

Office of the Chief Executive

For Decision

PURPOSE

The purpose of this report is to present to Council, the Assembly of Councillors forms submitted since the Ordinary Council Meeting held 13 April 2015.

DECLARATION OF INTEREST

No officer declared an interest under the Local Government Act 1989 in the preparation of this report.

OFFICER COMMENTS

The following Assembly of Councillors took place:

Date:	Assembly Details / Matters Discussed:	In Attendance:	Conflicts of Interest Declared:
17 March 15	Economic Development Strategy Councillor Workshop	Councillors: Cr Sindt, Cr Middlemiss, Cr Gibbons, Cr Harriman, Cr Kam, Cr White, Cr Rossiter, Cr Gibson Officers: Phil Stone, Bruce Connelly, Sophie Morell, Geoff Hill, Shannan Little	Nil
19 March 15	Traralgon CBD Safety Committee	Councillors: Cr Rossiter Officers: Andrew Legge	Nil
01 April 15	Latrobe City Industry Forum	Councillors: Cr Harriman, Cr Gibbons Officers: Gary Van Driel, Phil Stone, Geoff Hill, Bruce Connelly, Sophie Morell, Emma Bertoli	Nil
08 April 15	Morwell Town Common Development Plan Project Control Group	Councillors: Cr Middlemiss Officers: Simon Clark	Nil
15 April 15	Victory Park Precinct Advisory Committee	Councillors: Cr Kam Officers: Simon Clark	Nil

**ORDINARY COUNCIL MEETING MINUTES
04 MAY 2015 (CM460)****Attachments**

1. Economic Development Strategy Councillor Workshop 170315
2. Traralgon CBD Safety Committee 190315
3. Latrobe City Industry Forum 010415
4. Morwell Town Common Development Plan Project Control Group 080415
5. Victory Park Precinct Advisory Committee 150415

RECOMMENDATION

That Council note this report.

Moved: Cr Rossiter

Seconded: Cr Gibson

That the Recommendation be adopted.

CARRIED UNANIMOUSLY

12.1

Assembly of Councillors

1	Economic Development Strategy Councillor Workshop 170315.....	51
2	Traralgon CBD Safety Committee 190315	53
3	Latrobe City Industry Forum 010415.....	55
4	Morwell Town Common Development Plan Project Control Group 080415	59
5	Victory Park Precinct Advisory Committee 150415	61



Assembly of Councillors Record

This form **MUST** be completed by the attending Council officer and returned **IMMEDIATELY** to the Council Operations Team for filing. {see over for Explanation/Guide Notes}.

Assembly details:	Economic Development Strategy Councillor Workshop
Date:	17 March 2015
Time:	11:00 am to 2:00 pm
Assembly Location:	Nambur Wariga, Latrobe City Headquarters

IN ATTENDANCE

Councillors:	<input checked="" type="checkbox"/> Cr Christine Sindt	<input checked="" type="checkbox"/> Cr Graeme Middlemiss	<input checked="" type="checkbox"/> Cr Peter Gibbons
	<input checked="" type="checkbox"/> Cr Dale Harriman	<input type="checkbox"/> Cr Kellie O'Callaghan	<input checked="" type="checkbox"/> Cr Sandy Kam
	<input checked="" type="checkbox"/> Cr Darrell White	<input checked="" type="checkbox"/> Cr Michael Rossiter	<input checked="" type="checkbox"/> Cr Sharon Gibson
Officer/s:	Phil Stone, Bruce Connelly, Sophie Morell, Geoff Hill, Shannan Little		
Matter/s and main topic/s discussed: <i>Provide dot points only, not the minutes of the meeting</i>	<ul style="list-style-type: none"> • Discussion of the draft State of the City Report • Identification of gaps and opportunities for the new Economic Development Strategy • Discussion regarding Council's area of influence in driving economic development 		
Confidential/ Not confidential	Are the matters considered confidential under the Local Government Act? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

CONFLICT OF INTEREST DISCLOSURES: (refer to page 2)

Councillors:	<input type="checkbox"/> Cr Christine Sindt	<input type="checkbox"/> Cr Graeme Middlemiss	<input type="checkbox"/> Cr Peter Gibbons
	<input type="checkbox"/> Cr Dale Harriman	<input type="checkbox"/> Cr Kellie O'Callaghan	<input type="checkbox"/> Cr Sandy Kam
	<input type="checkbox"/> Cr Darrell White	<input type="checkbox"/> Cr Michael Rossiter	<input type="checkbox"/> Cr Sharon Gibson
Officer/s:			
Times that Officers / Councillors left/returned to the room:	Cr Gibson arrived at 11:25 pm		



Completed by: *Geoff Hill, Manager Economic Development 17, March 2015*

Assembly of Councillors Record Explanation / Guide Notes

Required pursuant to the Local Government Act 1989 as amended.

1. Section 80A requirements (re: Written Record to be made by Council staff member):

Amendments to the Local Government Act 1989 (Section 80A), operative from 2 December 2008 now stipulate:

"At an assembly of Councillors, the Chief Executive Officer must ensure that a written record is kept of:

- the names of all Councillors and members of Council staff attending;
- the matters considered;
- any conflict of interest disclosures made by a Councillor attending under subsection (3);
- whether a Councillor who has disclosed a conflict of interest as required by subsection (3) leaves the assembly."

The above required information is:

- to be reported to an Ordinary meeting of the Council; and
- incorporated in the minutes of that Ordinary meeting.

2. Section 76AA definition:

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Brief Explanation:

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Section 80A(3)

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Section 80B

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Assembly of Councillors Record

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Assembly details:	Traralgon CBD Safety Committee
Date:	Thursday 19 March 2015
Time:	9:00 am – 10:00 am
Assembly Location:	Traralgon Police Station

IN ATTENDANCE

Councillors:	<input type="checkbox"/> Cr Christine Sindt	<input type="checkbox"/> Cr Graeme Middlemiss	<input type="checkbox"/> Cr Peter Gibbons
	<input type="checkbox"/> Cr Dale Harriman	<input type="checkbox"/> Cr Kellie O'Callaghan	<input type="checkbox"/> Cr Sandy Kam
	<input type="checkbox"/> Cr Darrell White	<input checked="" type="checkbox"/> Cr Michael Rossiter	<input type="checkbox"/> Cr Sharon Gibson
Officer/s:	Andrew Legge		
Matter/s and main topic/s discussed: <i>Provide dot points only, not the minutes of the meeting</i>	Traralgon CCTV analysis, LV Bus Lines Nightrider Bus Service, Traralgon CBD walk-through, Ryans Hotel Carpark Lighting not working and Traralgon CBD Safety Committee Newsletter. Agency Reports from; <ul style="list-style-type: none"> • LV Bus Lines • Traralgon Liquor Accord • Stockland Plaza • Victoria Police 		
Confidential/ Not confidential	<i>Are the matters considered confidential under the Local Government Act?</i> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

CONFLICT OF INTEREST DISCLOSURES: (refer to page 2)

Councillors:	<input type="checkbox"/> Cr Christine Sindt	<input type="checkbox"/> Cr Graeme Middlemiss	<input type="checkbox"/> Cr Peter Gibbons
	<input type="checkbox"/> Cr Dale Harriman	<input type="checkbox"/> Cr Kellie O'Callaghan	<input type="checkbox"/> Cr Sandy Kam
	<input type="checkbox"/> Cr Darrell White	<input type="checkbox"/> Cr Michael Rossiter	<input type="checkbox"/> Cr Sharon Gibson
Officer/s:			
Times that Officers / Councillors left/returned to the room:			



Completed by: (Andrew Legge, Community Development Officer - Youth)
Assembly of Councillors Record Explanation / Guide Notes
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Assembly of Councillors Record

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Assembly details:	Latrobe City Industry Forum
Date:	Wednesday 1 April 2015
Time:	12.30 – 3.30 pm
Assembly Location:	Nambur Wariga Meeting Room, Latrobe City Council Headquarters Commercial Road Morwell 3840.

IN ATTENDANCE

Councillors:	<input type="checkbox"/> Cr Christine Sindt	<input type="checkbox"/> Cr Graeme Middlemiss	<input checked="" type="checkbox"/> Cr Peter Gibbons
	<input checked="" type="checkbox"/> Cr Dale Harriman	<input type="checkbox"/> Cr Kellie O'Callaghan	<input type="checkbox"/> Cr Sandy Kam
	<input type="checkbox"/> Cr Darrell White	<input type="checkbox"/> Cr Michael Rossiter	<input type="checkbox"/> Cr Sharon Gibson
Officer/s:	<ul style="list-style-type: none"> • Dr Mark Hodge – Chair (External) • Andrew Sprague – Deputy Chair (External) • Darren Charman – Regional Development Victoria (External) • Gary Van Driel – Chief Executive Officer • Phil Stone – General Manager Planning & Economic Sustainability • Geoff Hill – Manager Economic Development • Bruce Connolly – Manager Regional Strategy • Sophie Morell – Coordinator Business Development • Emma Bertoli – Executive Assistant Planning & Economic Sustainability 		
Matter/s and main topic/s discussed: <i>Provide dot points only, not the minutes of the meeting</i>	<ul style="list-style-type: none"> • Review of notes from previous meeting • Goals of Industry Forum • Potential Membership • Meeting Arrangements – Frequency and Location • Other Business • Next Meeting 		
Confidential/ Not confidential	Are the matters considered confidential under the Local Government Act? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		



CONFLICT OF INTEREST DISCLOSURES: (refer to page 2)

Councillors:	<input type="checkbox"/> Cr Christine Sindt	<input type="checkbox"/> Cr Graeme Middlemiss	<input type="checkbox"/> Cr Peter Gibbons
	<input type="checkbox"/> Cr Dale Harriman	<input type="checkbox"/> Cr Kellie O'Callaghan	<input type="checkbox"/> Cr Sandy Kam
	<input type="checkbox"/> Cr Darrell White	<input type="checkbox"/> Cr Michael Rossiter	<input type="checkbox"/> Cr Sharon Gibson
Officer/s:			
Times that Officers / Councillors left/returned to the room:			

Completed by:

Emma Bertoli, Executive Assistant Planning & Economic Sustainability, 8 April 2015



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Assembly details:	Morwell Town Common Development Plan Project Control Group
Date:	08 April 2015
Time:	5.10pm
Assembly Location:	Latrobe City Council Headquarters

IN ATTENDANCE

Councillors:	<input type="checkbox"/> Cr Christine Sindt	<input checked="" type="checkbox"/> Cr Graeme Middlemiss	<input type="checkbox"/> Cr Peter Gibbons
	<input type="checkbox"/> Cr Dale Harriman	<input type="checkbox"/> Cr Kellie O'Callaghan	<input type="checkbox"/> Cr Sandy Kam
	<input type="checkbox"/> Cr Darrell White	<input type="checkbox"/> Cr Michael Rossiter	<input type="checkbox"/> Cr Sharon Gibson
Officer/s:	Simon Clark		
Matter/s and main topic/s discussed: <i>Provide dot points only, not the minutes of the meeting</i>	<ul style="list-style-type: none"> - Design and information for historical sign - As per Feb 15 minutes, tree struck by lightning has been removed and left a gap. Available species for replacement for be investigated - Possible fencing of AAA playground. Recommendation for onsite meeting with LCC Officers and Committee for discussion, discussion with Rotary Club, consideration of installation of a shade sail. Further discussion to be had at June meeting. - 		
Confidential/ Not confidential	<i>Are the matters considered confidential under the Local Government Act?</i> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

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Councillors:	<input type="checkbox"/> Cr Christine Sindt	<input type="checkbox"/> Cr Graeme Middlemiss	<input type="checkbox"/> Cr Peter Gibbons
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	<input type="checkbox"/> Cr Darrell White	<input type="checkbox"/> Cr Michael Rossiter	<input type="checkbox"/> Cr Sharon Gibson
Officer/s:			
Times that Officers / Councillors left/returned to the room:			



Completed by: Simon Clark

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Assembly details:	Victory Park Precinct Advisory Committee
Date:	15 April 2015
Time:	5:15pm
Assembly Location:	MEETING ROOM 1 TRARALGON SERVICE CENTRE KAY STREET, TRARALGON

IN ATTENDANCE

Councillors:	<input type="checkbox"/> Cr Christine Sindt	<input type="checkbox"/> Cr Graeme Middlemiss	<input type="checkbox"/> Cr Peter Gibbons
	<input type="checkbox"/> Cr Dale Harriman	<input type="checkbox"/> Cr Kellie O'Callaghan	<input checked="" type="checkbox"/> Cr Sandy Kam
	<input type="checkbox"/> Cr Darrell White	<input type="checkbox"/> Cr Michael Rossiter	<input type="checkbox"/> Cr Sharon Gibson
Officer/s:	Simon Clark Coordinator Recreation Liaison		
Matter/s and main topic/s discussed: <i>Provide dot points only, not the minutes of the meeting</i>	<ol style="list-style-type: none"> 1. Presentation of Gippsland Model Engineering Societies Five Year Program. 2. Public art project proposal by Lions Club of Traralgon in Victory Park. 3. Maintenance matters within the precinct. 4. Planting of additional Hawthorn Trees in Doorty Park and Victory Park. 		
Confidential/ Not confidential	Are the matters considered confidential under the Local Government Act? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

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Officer/s:			



<p>Times that Officers / Councillors left/returned to the room:</p>	
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Completed by: Simon Clark

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PLANNING & ECONOMIC SUSTAINABILITY

13. PLANNING & ECONOMIC SUSTAINABILITY

**13.1 LATROBE HEAVY INDUSTRY PARK AND GIPPSLAND
LOGISTICS PRECINCT- PROJECT UPDATE AND PROPOSED
NEXT STEPS**

General Manager

Planning & Economic
Sustainability

For Decision

PURPOSE

This report provides an update and proposes, for Council's consideration, next steps for two current economic development infrastructure projects being the Gippsland Logistics Precinct and the Latrobe Heavy Industry Park.

EXECUTIVE SUMMARY

The Gippsland Logistics Precinct and the Latrobe Heavy Industry Park are two of the three Key Employment Zones identified in Council's Economic Sustainability Strategy 2011-2014. Both projects have progressed significantly over the past twelve months and this report provides an update of the current status of the two projects and outlines potential additional activities that can be undertaken to generate further progress.

RECOMMENDATION

That Council:

1. Notes the progress made on the Gippsland Logistics Precinct and the Latrobe Heavy Industry Park projects.
2. Reopens a Request for Proposal process aimed at securing private sector involvement in the Gippsland Logistics Precinct.
3. Initiates specific discussions with the Victorian Government to identify opportunities to assist the Government in marketing the potential of the Latrobe Heavy Industry Park to the private sector.

Moved: Cr Middlemiss

Seconded: Cr Gibson

That the Recommendation be adopted.

CARRIED UNANIMOUSLY

DECLARATION OF INTEREST

No officer declared an interest under the Local Government Act 1989 in the preparation of this report.

STRATEGIC FRAMEWORK

This report is consistent with Latrobe 2026: The Community Vision for Latrobe Valley and the Latrobe City Council Plan 2013-2017.

Latrobe 2026: The Community Vision for Latrobe Valley

Strategic Objectives - Economy

In 2026, Latrobe Valley has a strong and diverse economy built on innovation and sustainable enterprise. The vibrant business centre of Gippsland contributes to the regional and broader communities, whilst providing opportunities and prosperity for our local community.

Latrobe City Council Plan 2013 - 2017

Theme and Objectives

Theme 1: Job Creation and Economic Sustainability

Objectives:

- *Actively pursue long term economic prosperity for Latrobe City, one of Victoria's four major cities.*
- *Actively pursue further diversification of business and industry in the municipality.*
- *Actively pursue and support long term job security and the creation of new employment opportunities in Latrobe City.*

Strategic Direction - Job Creation and Economic Sustainability

- *Provide incentives and work proactively to attract new businesses and industry to locate in Latrobe City.*
- *Assist existing small and medium enterprises to expand and sustain employment opportunities.*
- *Work in partnership with business, industry and government to create new jobs and investment in Latrobe City.*
- *Enhance community and business confidence in the future of the local economy.*

Strategy & Plans –

Strategy 1- Economic Sustainability Strategy

Strategy 2- Gippsland Logistics Precinct Project Implementation Plan

Strategy 3- Former Lurgi Site Master Plan

BACKGROUND*Gippsland Logistics Precinct*

Council has had a significant long term interest and involvement in facilitating an open access intermodal freight terminal to create a centre for job growth and to provide for the efficient and cost effective movement of freight to and from the Gippsland region.

The Gippsland Logistics Precinct (GLP) is made up of two distinct but integrated components being:

- A site immediately adjacent to the main Gippsland Line between Princes Freeway and Tramway Road, Morwell known as the Gippsland Intermodal Freight Terminal (GIFT); and
- A 64 hectare site immediately adjacent to the GIFT and also located between the Princes Freeway and Tramway Road behind the Mid Valley commercial centre.

Council owns the 64 Ha and has a long term lease on the adjacent GIFT which is owned by VicTrack.

In recent years, the project has preceded as follows:

- In June 2005 a Masterplan for the Precinct was adopted by Council. The Masterplan indicated a total cost of approximately \$16 million which, at today's dollars equates to approximately \$20 million.
- In April 2009 a project plan and governance model for the operation of the precinct was adopted by Council.
- Finalised in 2009, a business case indicated sufficient potential demand for the activation of the site.
- In December 2010, a revised Project Implementation Plan for the Gippsland Logistics Precinct was completed in December 2010.
- In May 2011 a 45 year lease between VicTrack and Latrobe City Council for the GIFT site was entered into.
- From May to July 2011, an Expression of Interest (EOI) process for the development and operation of the site was held.
- From December 2012 to February 2013, a Request for Proposal (RFP) Process was conducted.
- As the RFP Process, did not result in a preferred private sector operator/developer for the GLP, Council resolved to keep the Process open until the end of 2014.
- Qube Logistics, which submitted a "non-conforming" Expression of Interest during the 2011 process and which operates the Australian Paper rail freight service (6 trains per week) has expressed ongoing interest in the Precinct subject to capacity being reached at the company's Australian Paper Maryvale terminal.

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- In November 2014 the incoming state government made a funding commitment of \$10 Million towards the project.
- In December 2014, letters from the Mayor were sent to Ministers Pulford and Allan thanking the new government for the funding commitment.
- In February 2015, initial discussions were held with relevant state government departments around how these funds can be utilised to facilitate development on the site.

Latrobe Heavy Industry Park

The Latrobe Heavy Industry Park, previously known as the Lurgi site, is located within the Morwell Churchill Corridor and is zoned Industrial 2 which provides for *“manufacturing industry, the storage and distribution of goods and associated facilities in a manner that does not affect the safety and amenity of local communities”*. This planning zone is not common within Victoria and presents a potentially strategic opportunity to attract heavy industry investment. The site was previously the location of the Lurgi Coal Gasification Plant until 1969.

Following its closure the Victorian Government sold the site to private sector interests and then, in recognition of its strategic attributes, purchased it back towards the end of the 1990's.

Council has had an interest in the development of the site since before the 2000 Latrobe Valley Ministerial Taskforce's decision to demolish and remediate the site. This project was part of the \$105 million spent in the Latrobe Valley by the Victorian Government in its *“Framework For The Future”* initiative which resulted from the Taskforce.

Demolition and remediation works on the Lurgi Site were completed on behalf of the Victorian Government in 2006.

In addition to 68 Ha of vacant land owned by the Victorian Government, existing businesses operating on or adjacent to the site include Carter Holt Harvey, O'Connors Transport and Difabrizio.

By 2012, access roads into the site had deteriorated to a point where the existing businesses were reporting an inability to effectively operate with particularly impacted businesses being Carter Holt Harvey and O'Connors Transport. This situation arose from a difference of opinion between Council and the Victorian Government about responsibility for the infrastructure on the site.

A Market Demand Analysis was undertaken in early 2014 to identify likely demand and the type of industry that could be attracted to Industrial 2 zoned land.

In 2014, an agreement was negotiated between Council and the Victorian Government to jointly fund reconstruction of the roads and associated infrastructure at an approximate cost of \$2.5 million each. This work commenced in late 2014 and is well progressed.

KEY POINTS/ISSUES

Project Status

Progress on these two projects is outlined below

Gippsland Logistics Precinct

The Request for Proposals (RfP) process formally closed on 31 December 2014 with no submission being received. Despite this inability to attract formal private sector interest, there is continued informal interest being expressed, particularly in light of the commitment of \$10 million made by the Victorian Government.

Any formal submissions received from any interested parties will be presented for the consideration of Council.

Following the election of the new Labour Government, meetings were convened with both Regional Development Victoria and the transport area of the Department of Economic Development, Jobs, Transport and Resources to discuss how the committed funding can best be utilised.

Latrobe Heavy Industry Park

Following negotiation of the funding agreement to enable renewal of necessary infrastructure on the site, a detailed works program was developed in conjunction with the impacted businesses and work commenced in October 2014.

Stage one of the project, which involves reconstruction of the access roads, is proceeding according to the program and near complete.

Stage 2 addresses the drainage from the Carter Holt Harvey property through the Lurgi site to Porters Road. The works have been separated into 2 parts. Part 1 is the drainage works through the Lurgi site to Porters Road. The design has been completed and quotes for the works are currently being sourced. Part 2 addresses the drainage easement through the Carter Holt Harvey site.

Stage 3 is the construction of wetlands with survey works completed and designs progressing. Actual construction is currently planned to occur during the 2015/16 summer period.

It is understood that the Victorian Government will put the property on the market as soon as works are sufficiently advanced so as not to impact on sale prospects.

Proposed Next Steps

Gippsland Logistics Precinct

While the now completed RfP process did not result in a formal proposal being received for the development and operation of the Gippsland Logistics Precinct, there remains consistent informal interest in the site. It is recognised that this interest has been accentuated by the commitment of funding support by the Victorian Government.

It is therefore proposed that the RfP be reopened for a few months, highlighting the funding commitment for the project, with the intention of generating one or more formal proposals for Council's consideration.

Latrobe Heavy Industry Park

The Latrobe Heavy Industry Park, with key attributes of fully serviced Industrial 2 zoned vacant land, represents a significant, and uncommon opportunity for the location of heavy industrial activity. This opportunity has recently been further improved by the construction of high quality, industrial capacity access to the Park.

Given that the property is owned by the Victorian Government, it is proposed that discussions be initiated specifically to identify opportunities to assist the Government in marketing the potential of the Latrobe Heavy Industry Park to the private sector.

RISK IMPLICATIONS

Risk has been considered as part of this report and it is considered to be consistent with the Risk Management framework.

A risk exists that, unless a tangible and agreed plan is developed for the use of the funds committed to the Gippsland Logistics Precinct, this funding may be reallocated to an alternative project.

FINANCIAL AND RESOURCES IMPLICATIONS

The proposed projects could be undertaken within the current and proposed 2015-16 Economic Development operational budget supplemented, where possible by Victorian Government grant funding.

INTERNAL/EXTERNAL CONSULTATION

The Gippsland Logistics Precinct and Latrobe Heavy Industry projects have been progressively implemented over a significant number of years with a range of internal and external consultation undertaken.

CONCLUSION

The Gippsland Logistics Precinct and the Latrobe Heavy Industry Park are two of Council's three identified Key Employment Hubs providing opportunities for significant job creation and industry diversification. The projects proposed provide the means to continue to progress these projects towards these objectives.

SUPPORTING DOCUMENTS

Gippsland Logistics Precinct Master Plan 2005

Gippsland Logistics Precinct Project Plan, June 2013

Gippsland Logistics Precinct Marketing Prospectus, December 2014

Morwell Logistics Precinct Master Plan, 2006

Lurgi Site History, October 2013

Heavy Industry Park Funding Agreement, 2014

Attachments

Nil

13.2 PLANNING PERMIT APPLICATION 2014/234 USE AND DEVELOPMENT OF A TELECOMMUNICATIONS FACILITY AND THE INSTALLATION OF LIGHTING ON THE PROPOSED FACILITY AT 66-110 MCNAIRN ROAD, TRARALGON EAST (LOT 2 PS 401791, LOT 1 TP140783).

General Manager

**Planning & Economic
Sustainability**

For Decision

PURPOSE

The purpose of this report is to determine Planning Permit Application 2014/234 for the use and development of a Telecommunications Facility and the installation of lighting on the proposed facility at 66-110 McNairn Road, Traralgon East (Lot 2 PS 401971, Lot 1 TP 140783).

The application is being heard at an Ordinary Council Meeting as requested by a Councillor under the current delegation process.

EXECUTIVE SUMMARY

The application seeks a permit for the use and development of a Telecommunications facility with the inclusion of lighting on the proposed tower. The tower is proposed to be 30m high and the lighting would be at a height of 14m, illuminating the car park which is part of the ongoing redevelopment of the Traralgon Greyhound Racing Club. The application site is located in Glenview Park, which is within the Public Park and Recreation Zone. Council is the landowner and leases the site to the Traralgon Greyhound Racing Club and the Latrobe Valley Racing Club. Council is acting as the Responsible Authority for this permit application and not as landowner. Two objections have been received raising concern at the impacts of radiation from the proposed facility and the visual impact of the tower.

Having assessed the proposal against the relevant provisions of the Latrobe Planning Scheme (the Scheme), it is considered consistent with the relevant objectives and decision guidelines of the Scheme. It is therefore recommended that a Notice of Decision be issued for the following reasons:

- The proposal will provide for improved infrastructure within the locality, in terms of providing an improvement to mobile broadband coverage and capacity. It is therefore in keeping with the objectives of Clauses 19.03-4 and 21.04-6 of the Scheme.
- The visual impact of the proposed facility will be minimised due to its siting and the existence of mature vegetation on the site. The proposal is therefore consistent with the purpose and decision guidelines of Clause 36.02.
- The proposal is consistent with the purpose and decision guidelines of Clause 52.19 (Telecommunications Facility).

- The proposal is consistent with Clause 65 Decision Guidelines.

RECOMMENDATION

That Council issues a Notice of Decision to grant a planning permit for the use and development of a Telecommunications Facility and the installation of lighting on the proposed facility at 66-110 McNairn Road, Traralgon East (Lot 2 PS 401971, Lot 1 TP 140783), with the following conditions:

- 1. The use and development as shown on the endorsed plans must not be altered without the written consent of the Responsible Authority.**
- 2. Upon completion of the works, the site must be cleared of all excess and unused building materials and debris to the satisfaction of the Responsible Authority.**
- 3. Once building works have commenced they must be completed to the satisfaction of the Responsible Authority.**
- 4. All buildings and works must be maintained in good order and appearance to the satisfaction of the Responsible Authority.**
- 5. The lighting hereby approved on the monopole must be designed, baffled and located so as to prevent any adverse effect on adjoining land to the satisfaction of the Responsible Authority.**
- 6. This permit will take effect from the date that the applicant receives a signed leasing agreement for the use of the land.**
- 7. Appropriate measures must be implemented throughout the construction stage of the development to rectify and/or minimise mud, crushed rock or other debris being carried onto public roads or footpaths from the subject land, to the satisfaction of the Responsible Authority.**
- 8. The areas provided within the property for vehicle access to the permitted structure and associated buildings and works, must be constructed and surfaced with concrete, reinforced concrete, brick paving, gravel, crushed rock or hot mix asphalt so as to prevent mud, crushed rock or other debris from being carried onto the road.**
- 9. The site must be reinstated to its pre-development condition or to the satisfaction of the Responsible Authority if the facility becomes redundant or disused within 6 months of cessation of use.**

10. This permit will expire if one of the following circumstances applies:

- a) The development is not started within two years of the date of this permit;
- b) The development is not completed and the use has not commenced within four years of the date of this permit;

The Responsible Authority may extend the periods referred to if a request is made in writing before the permit expires, or within six months of expiry of permit. An extension of time to complete the development or a stage of the development may be requested if—

- the request for an extension of time is made within 12 month after the permit expires; and
- the development or stage started lawfully before the permit expired.

Moved: Cr Gibson

Seconded: Cr White

That the Recommendation be adopted.

For the Motion

Councillors Gibson, Rossiter, White and Kam

Against the Motion

Councillors Sindt, O'Callaghan, Middlemiss, Harriman and Gibbons

The Mayor confirmed the Motion was LOST.

FORESHADOWED MOTION

That Council issues a notice of refusal to grant a planning permit for the use and development of a Telecommunications Facility and the installation of lighting on the proposed facility at 66-110 McNairn Road, Traralgon East (Lot 2 PS 401971, Lot 1 TP 140783), on the following grounds:

- 1. The application is inconsistent with the objectives of Clause 15.01-2 Urban Design Principles).**
- 2. The application is inconsistent with the Key Issues identified in the Municipal Strategic Statement at Clause 21.04-5 (Urban Design Overview).**

Moved: Cr Harriman
Seconded: Cr Sindt

That the Motion be adopted.

For the Motion

Councillors Sindt, Middlemiss, Harriman and Gibbons

Against the Motion

Councillors Gibson, Rossiter, White and Kam

Councillor O'Callaghan abstained.

The Mayor confirmed the Motion had been lost

DECLARATION OF INTERESTS

No officer declared an interest under the Local Government Act 1989 in the preparation of this report.

STRATEGIC FRAMEWORK

This report is consistent with Latrobe 2026: The Community Vision for Latrobe Valley and the Latrobe City Council Plan 2013-2017.

Latrobe 2026: The Community Vision for Latrobe Valley

Strategic Objectives – Built Environment

In 2026, Latrobe Valley benefits from a well planned built environment that is complementary to its surroundings and which provides for a connected and inclusive community.

Strategic Objectives – Economy

In 2026, Latrobe Valley has a strong and diverse economy built on innovative and sustainable enterprise. As the vibrant business centre of Gippsland, it contributes to the regional and broader economies, whilst providing opportunities and prosperity for our local community.

Latrobe City Council Plan 2013 - 2017

Theme and Objectives

Theme 2: Affordable and sustainable facilities, services and recreation

Strategic Directions

Development and maintain community infrastructure that meets the needs of our community.

Theme 5: Planning for the future

Strategic Directions

Provide efficient and effective planning services and decision making to encourage development and new investment opportunities.

Plan and coordinate the provision of key services and essential infrastructure to support new growth and developments.

Legislation

Local Government Act 1989

Planning and Environment Act 1987

BACKGROUND

SUMMARY

Land:	66-110 McNairn Road, Traralgon East known as Lot 2 PS 401971, Lot 1 TP 140783.
Proponent:	Telstra c/o Urbis Pty Ltd
Zoning:	Public Park and Recreation Zone
Overlay	N/A

A Planning Permit is required for buildings and works associated with the construction of a telecommunications facility if it does not meet the requirement set out in the Code of Practice for Telecommunications Facilities in Victoria in accordance with Clause 52.19. In addition a planning permit is required for the use of land for a telecommunications facility in accordance with Clause 36.02-1 and for buildings and works in accordance with Clause 36.02-2. A site context plan is included as Attachment 1 of this report.

PROPOSAL

The application is for the use and development of a Telecommunications Facility and the installation of lighting on the proposed facility.

The proposed facility would be located at the entrance to the car park approved under the redevelopment of the greyhound racing club and currently under construction. The mast itself would be 30m high with six antennae on top in a triangular arrangement. The lighting would be located about halfway up the mast, at 14m.

The ancillary equipment would be located on a concrete slab measuring 2m by 2.8m and would be 12m to the east of the proposed mast.

The area where the proposed facility would be located is 137m from the western boundary of the site and 147m from the southern boundary.

A copy of the proposed plans is included as Attachment 2 of this report.

Subject Land:

The application site is located in Glenview Park, which is accessed off McNairn Road and plays host to both the Traralgon Greyhound Racing Club and the Latrobe Valley Racing Club. The facilities for the Greyhound Racing Club are currently undergoing redevelopment.

There are residential dwellings to the west and south of the application site, as well as to the east. The properties to the west are set at a slightly lower level than the application site and front McNairn Road. There are scattered mature native trees within the application, both to the east and west of the proposed siting of the facility.

LATROBE PLANNING SCHEME**State Planning Policy Framework**

The proposal has been considered against the relevant clauses under the State Planning Policy Framework.

Clause 15.01-2 seeks to achieve architectural and urban design outcomes, whilst making a positive contribution to urban character and the public realm, yet minimising adverse impact on neighbouring properties.

Clause 19.03-4 seeks to facilitate the orderly development, extension and maintenance of telecommunications infrastructure. Of relevance to achieving this is A Code of Practice for Telecommunications Facilities in Victoria (Department of Sustainability and Environment, 2004).

Local Planning Policy Framework**Municipal Strategic Statement (Clause 21)**

Clause 21.02 relates to the Municipal Vision with the objective being to promote and support social, recreational, cultural and community life by providing both essential and innovative amenities, services and facilities within the municipality.

Clause 21.04-5 relates to Urban Design Overview and aims to provide a visually attractive urban environment which displays a high level of civic pride and community satisfaction and creates a positive image.

Clause 21.04-6 relates to Infrastructure Overview and seeks to maximise the use of existing infrastructure. Strategies to achieve this include developing flexibility in facilities to cater for changing demands of community and ensuring all proposed developments enhance the liveability and sustainability of the community.

Zoning

The site is located within the Public Park and Recreation Zone, where the purpose includes:

- To implement the State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies.
- To recognise areas for public recreation and open space.
- To protect and conserve areas of significance where appropriate.
- To provide for commercial uses where appropriate.

There have been a number of VCAT cases that have discussed the issue of whether telecommunication facility applications are development applications only, or whether they constitute both use and development. In a recent Practice Day Hearing *Pfarr v Campaspe SC* [2014] VCAT 872, Deputy President Helen Gibson made the decision that unless a Telecommunications Facility is exempt from the need for a permit pursuant to Clause 52.19-2, it triggers the need for a permit for use under the zone. Based on this, Council has now taken the view that telecommunication facilities trigger the need for a permit under the zone for both use and development. In accordance with Clause 36.02-5 of the Scheme, Council must consider the relevant decision guidelines of the Public Park and Recreation Zone. A discussion of these is considered in the Key points/Issues section of this report.

Particular Provisions

Clause 52.19 Telecommunications Facility:

As the proposal is for a new tower, a planning permit is required pursuant to Clause 52.19-2, where the purpose is:

- To ensure that telecommunications infrastructure and services are provided in an efficient and cost effective manner to meet community needs.
- To ensure the application of consistent provisions for telecommunications facilities.
- To encourage an effective state-wide telecommunications network in a manner consistent with the economic, environmental and social

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objectives of planning in Victoria as set out in Section 4 of the Planning and Environment Act 1987.

- To encourage the provision of telecommunications facilities with minimal impact on the amenity of the area.

Before deciding on an application, in addition to the decision guidelines of Clause 65, the following must be considered

- The principles for the design, siting, construction and operation of a Telecommunications Facility set out in A Code of Practice for Telecommunications Facilities in Victoria. This document is incorporated within the Planning Scheme.

Four principles are set out in Section 4 of the Code of Practice where a planning permit is required for a telecommunications:

- A telecommunications facility should be sited to minimise visual impact
- Telecommunication facilities should be co-located wherever practical
- Health standards for exposure to radio emissions will be met
- Disturbance and risk relating to siting and construction should be minimised.

A discussion of these is considered in the Key points/Issues section of this report.

Decision Guidelines (Clause 65):

Clause 65.01 sets out the decision guidelines to consider before deciding on an application of approval of a plan. These guidelines have been considered as part of the assessment of this planning application and where relevant have been discussed in this report.

INTERNAL / EXTERNAL CONSULTATION

Engagement Method Used:

Notification:

The application was advertised pursuant to Section 52(1)(a) and (d) of the Planning and Environment Act 1987. Notices were sent to all adjoining and adjacent landowners and occupiers, the lessees of Glenview Park and a site notice was displayed on the site frontage for 14 days.

Two submissions in the form of written objections were received. A copy of these objections can be viewed at Attachment 3 of this report. The fundamental concerns related to the impact of radiation from the proposed facility and the visual impact. An informal stakeholder meeting was held on site to discuss the concerns raised, however consensus was not reached between the parties, which would have allowed the matter to be determined by officer delegation, therefore requiring a decision by Council.

External:

There were no referral requirements pursuant to Section 55 of the Act.

Internal:

The application was referred internally to Council's Engineering, Recreation and Governance teams for consideration. There was no objection to the granting of a planning permit subject to the inclusion of appropriate conditions.

KEY POINTS/ISSUES

The application received two submissions in the form of objections. The issues raised were:

1. The impact of radiofrequency radiation on nearby residential properties due to the proximity of the proposed facility and the adverse impact of radiation on visitors and animals to the park. The long term impacts from exposure are not fully known.

The applicant has advised that the facility has been designed and will be installed to satisfy the requirement contained within Radiation Protection Standard – Maximum Exposure Levels to Radiofrequency Fields – 3kHz to 300 GHz, ARPANSA, May 2009. In order to be able to obtain a licence, any form of radiocommunications transmitter has a requirement to comply with the exposure limits set out in this standard.

The submitted information advises that the maximum cumulative EME level to the nearest residence, measured at 1.5m above ground would be 0.62% of the ARPANSA public exposure limits, which is well below the public exposure limits. This is also based on the worst case scenario measurements. The proposal is therefore considered to comply with the required health standards in terms of radio emissions.

2. There is already an existing 35m monopole 1.5km away in a non-residential area.

The proposed facility is required to improve mobile broadband coverage and capacity. Site location is specific in order to allow the facility to provide coverage / capacity to the required area. A Code of Practice for Telecommunications Facilities in Victoria states that "Telecommunications facilities should be co-located wherever practical." The applicant therefore has a duty to consider co-location as an option before looking for new sites. The report provided by the applicant indicates that there are no existing towers within the search area that could be used for co-location that would provide the adequate service provided. It was therefore deemed inappropriate and not possible to co-locate in this instance. Two other sites were considered by the applicant, both on Melrossa Road, to the south east of the subject site. These were however disregarded as the landowners did not wish to discuss either a long term lease or commercial terms.

3. The proposed monopole would detract from the visual amenity of the area.

Glenview Park, where the proposed facility would be located is generally flat, although it is set at a higher level than McNairn Road, to the west and the houses along this road. The telecommunications facility will be set well away from the boundaries of the park and residential dwellings (over 100m) and will be well screened by existing mature trees and vegetation within the application site. Although the facility will still be visible within the park and surrounding area, the combination of the setback from the boundaries and vegetative screening will reduce the visual impact to an acceptable level.

RISK IMPLICATIONS

Risk has been considered as part of this report and it is considered to be consistent with the Risk Management framework. There is not considered to be any risks associated with this report.

FINANCIAL RESOURCES 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). However, an appeal can be resourced within the Planning team.

OPTIONS

Council has the following options in regard to this application:

1. Issue a Notice of Decision
2. Refuse to Grant a Planning Permit

Council's decision must be based on planning grounds, having regard to the provisions of the Latrobe Planning Scheme.

CONCLUSION

The proposal is considered to be:

- Consistent with the strategic direction of the State and Local Planning Policy Frameworks;
- Consistent with the 'Purpose' and 'Decision Guidelines' of the Public Park and Recreation Zone;
- Consistent with Clause 65 (Decision Guidelines); and
- The objections received have been considered against the provisions of the Latrobe Planning Scheme and the relevant planning concerns have been considered. It has been determined that they do not form planning grounds on which the application should be refused.

**ORDINARY COUNCIL MEETING MINUTES
04 MAY 2015 (CM460)**

Attachments



1. Site context plan
2. Plans and elevations
3. Objection letters (Published Separately) (Confidential)

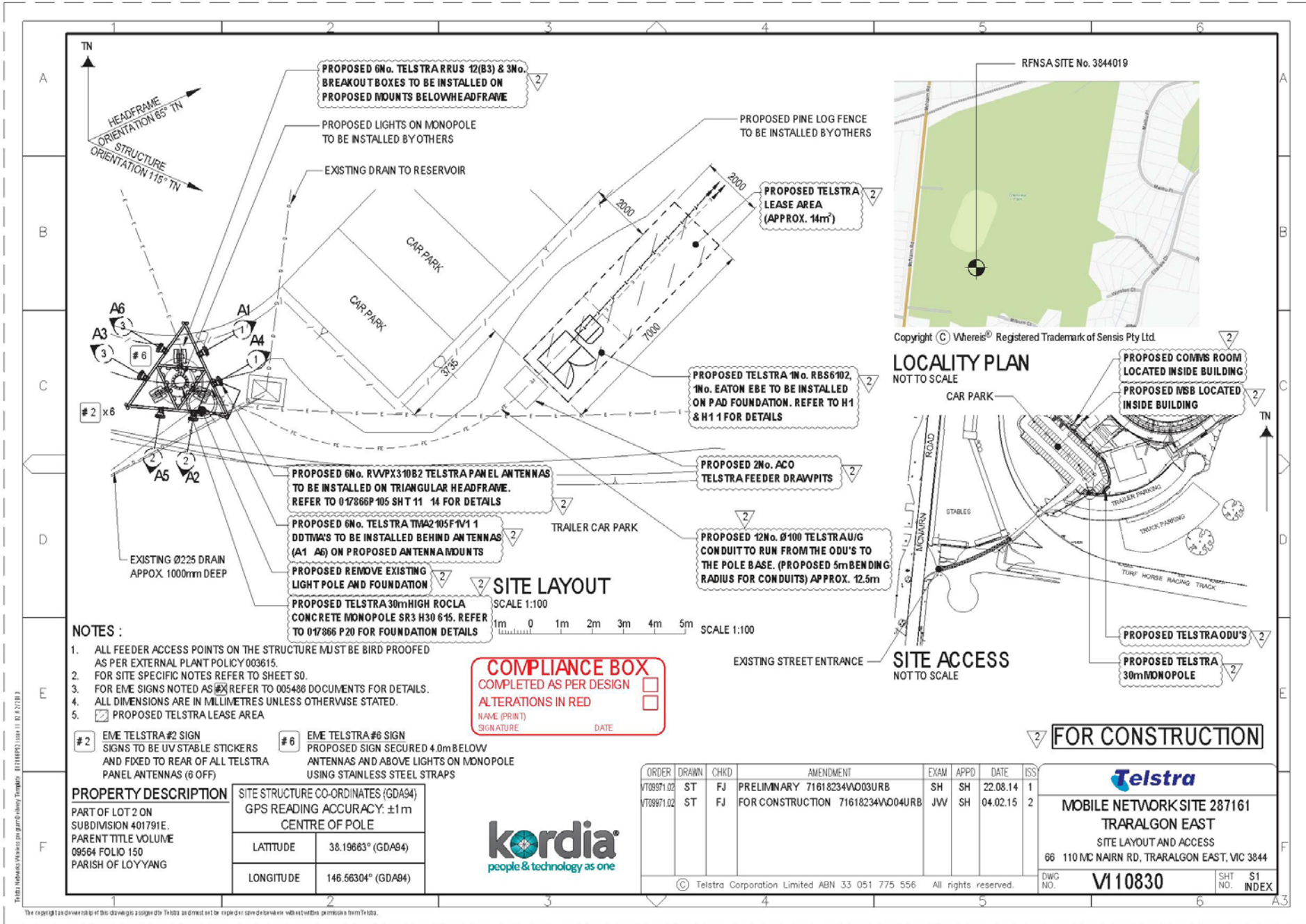
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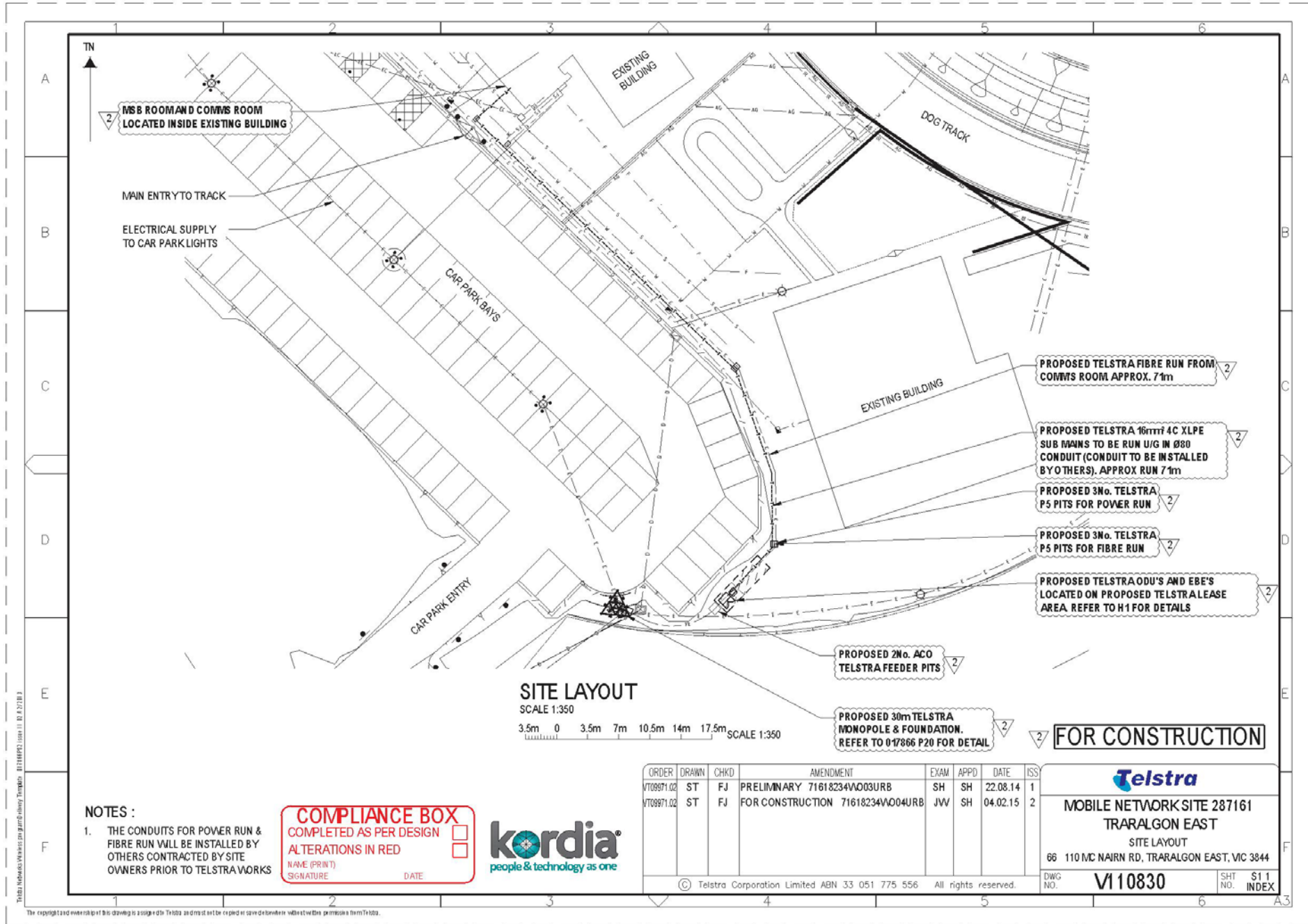
Planning permit application 2014/234 Use and development of a Telecommunications Facility and the installation of lighting on the proposed Facility at 66-110 McNairn Road, Traralgon East (Lot 2 PS 401791, Lot 1 TP140783).

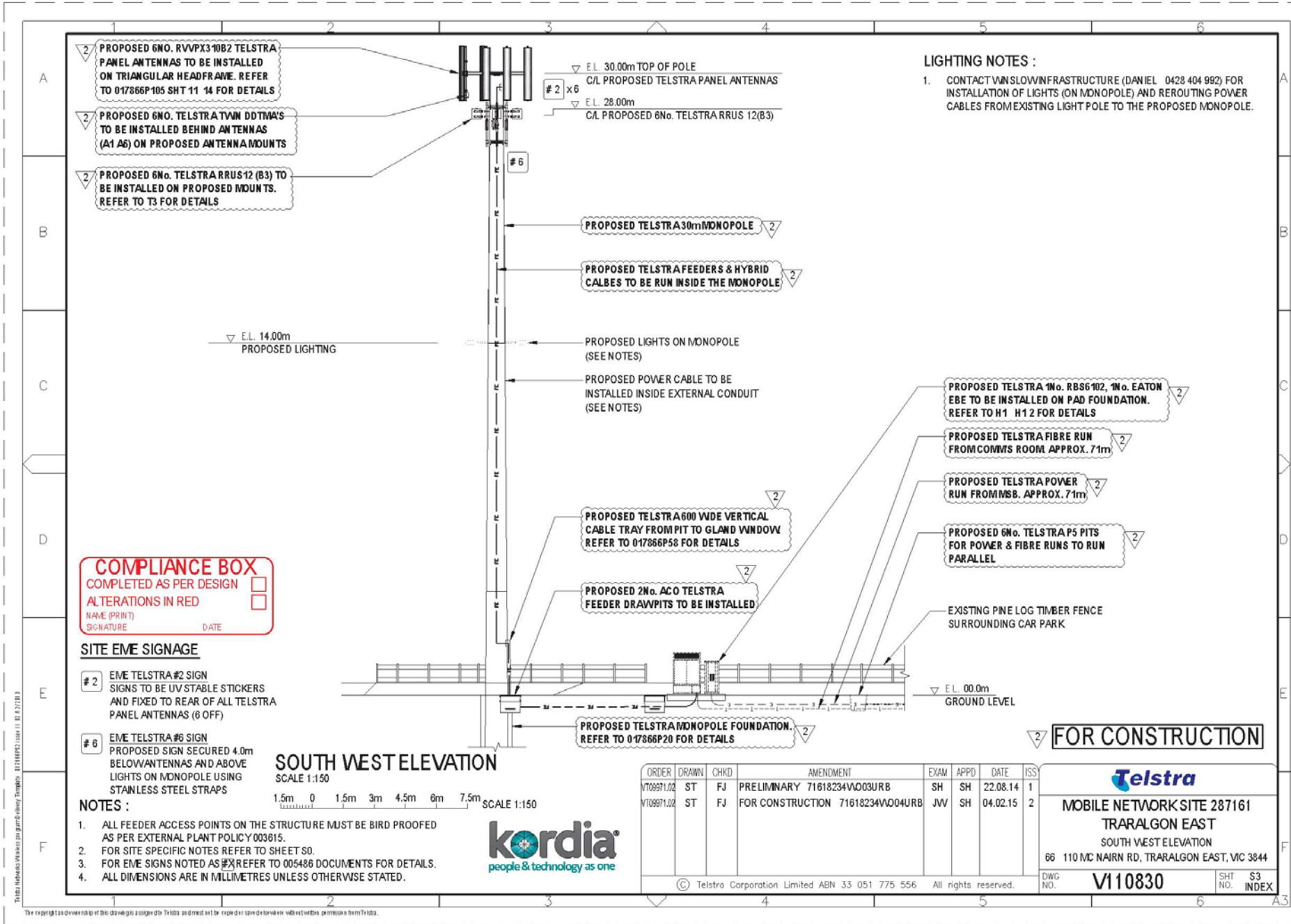
1	Site context plan	85
2	Plans and elevations	87



	<p>Note 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>Disclaimer: 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. 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 Dial Before You Dig. 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>Tuesday, 14 April 2015</p>	
		<p>Scale 1:5000</p>	







LIGHTING NOTES :

- CONTACT VNSLOW INFRASTRUCTURE (DANIEL 0428 404 992) FOR INSTALLATION OF LIGHTS (ON MONOPOLE) AND REROUTING POWER CABLES FROM EXISTING LIGHT POLE TO THE PROPOSED MONOPOLE.

COMPLIANCE BOX
 COMPLETED AS PER DESIGN
 ALTERATIONS IN RED
 NAME (PRINT) _____
 SIGNATURE _____ DATE _____

SITE EME SIGNAGE

- #2 EME TELSTRA #2 SIGN
SIGNS TO BE UV STABLE STICKERS AND FIXED TO REAR OF ALL TELSTRA PANEL ANTENNAS (6 OFF)
- #6 EME TELSTRA #6 SIGN
PROPOSED SIGN SECURED 4.0m BELOW ANTENNAS AND ABOVE LIGHTS ON MONOPOLE USING STAINLESS STEEL STRAPS

NOTES :

- ALL FEEDER ACCESS POINTS ON THE STRUCTURE MUST BE BIRD PROOFED AS PER EXTERNAL PLANT POLICY 003615.
- FOR SITE SPECIFIC NOTES REFER TO SHEET S0.
- FOR EME SIGNS NOTED AS #X REFER TO 005486 DOCUMENTS FOR DETAILS.
- ALL DIMENSIONS ARE IN MILLIMETRES UNLESS OTHERWISE STATED.

SOUTH WEST ELEVATION
SCALE 1:150

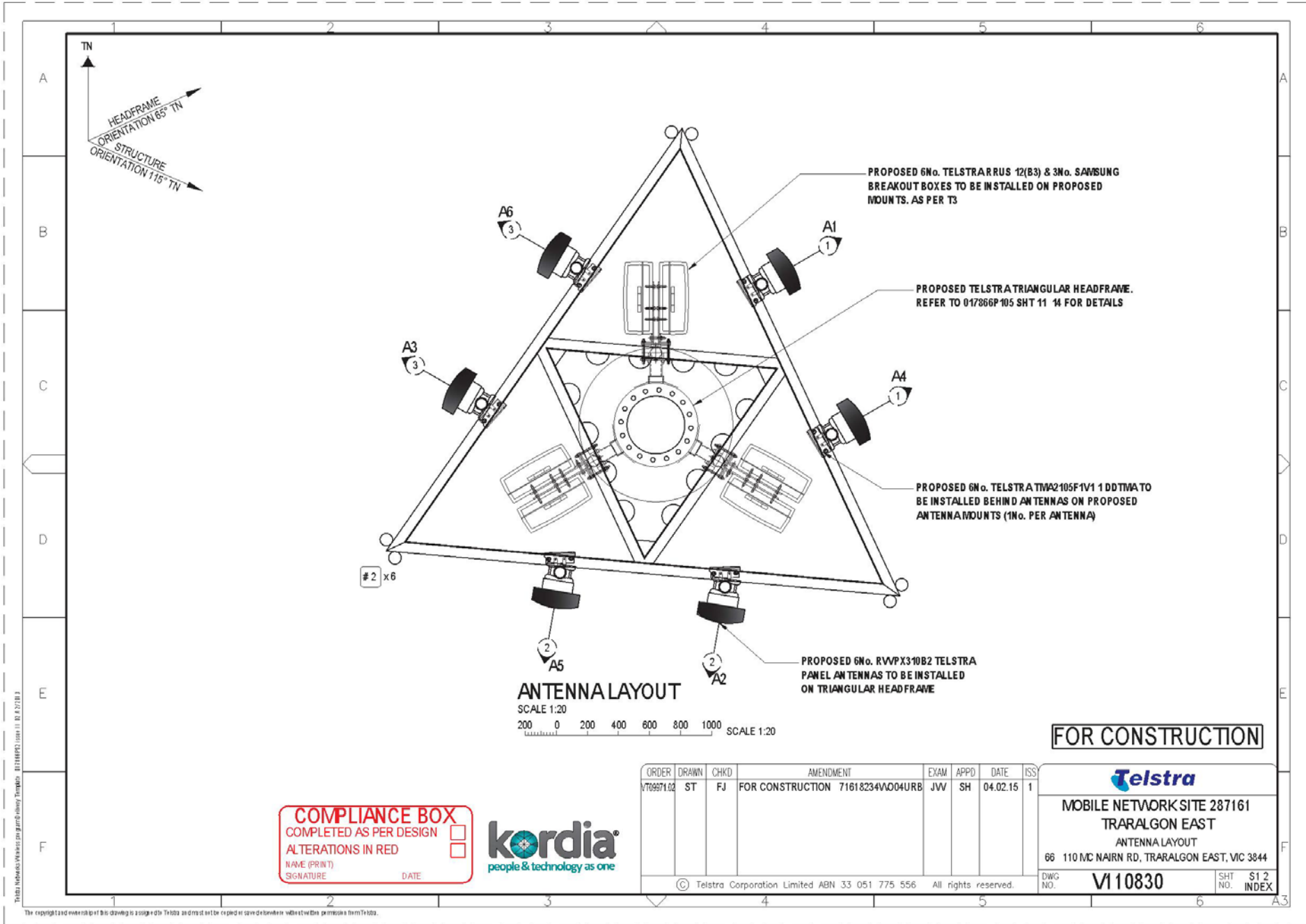


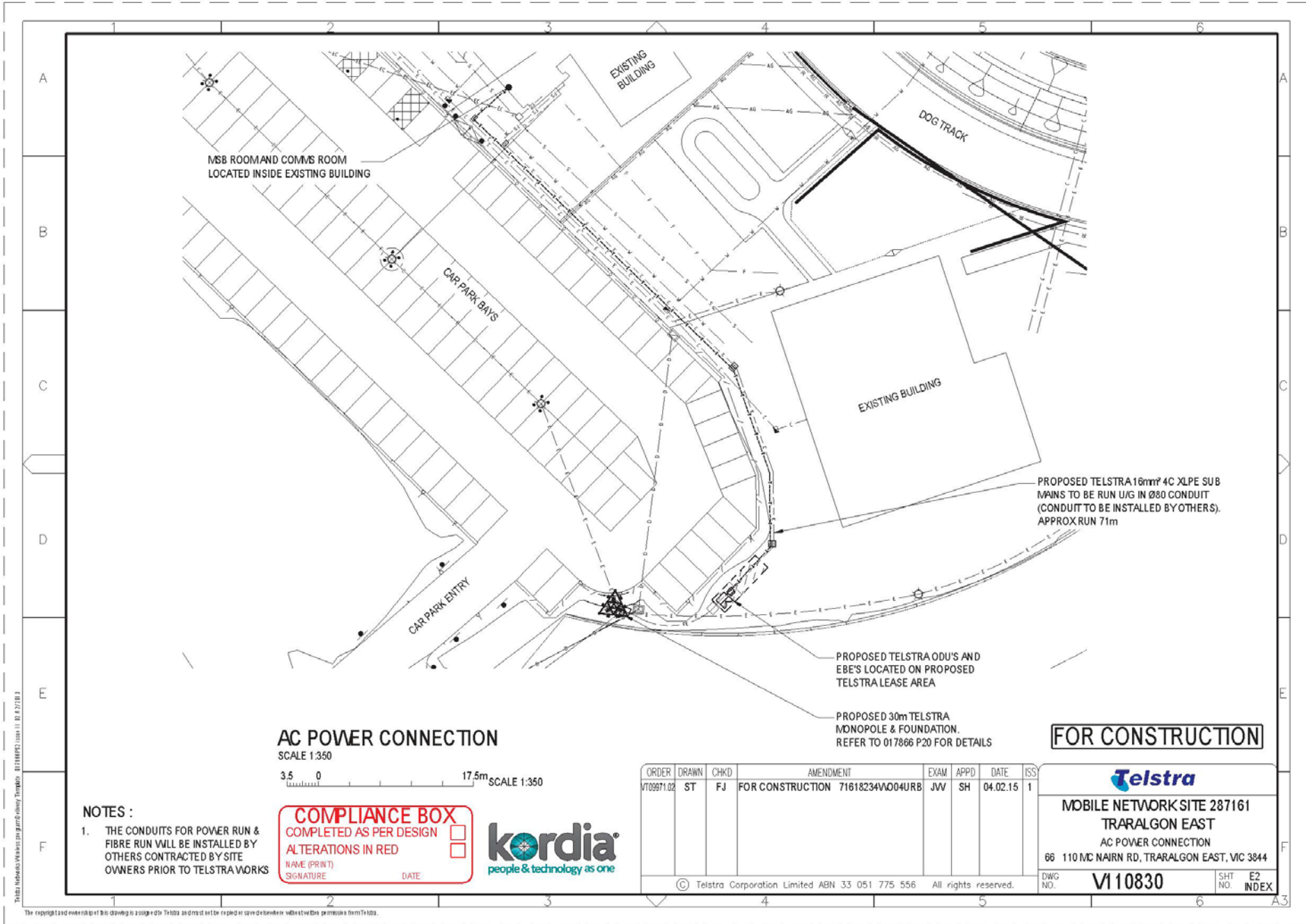
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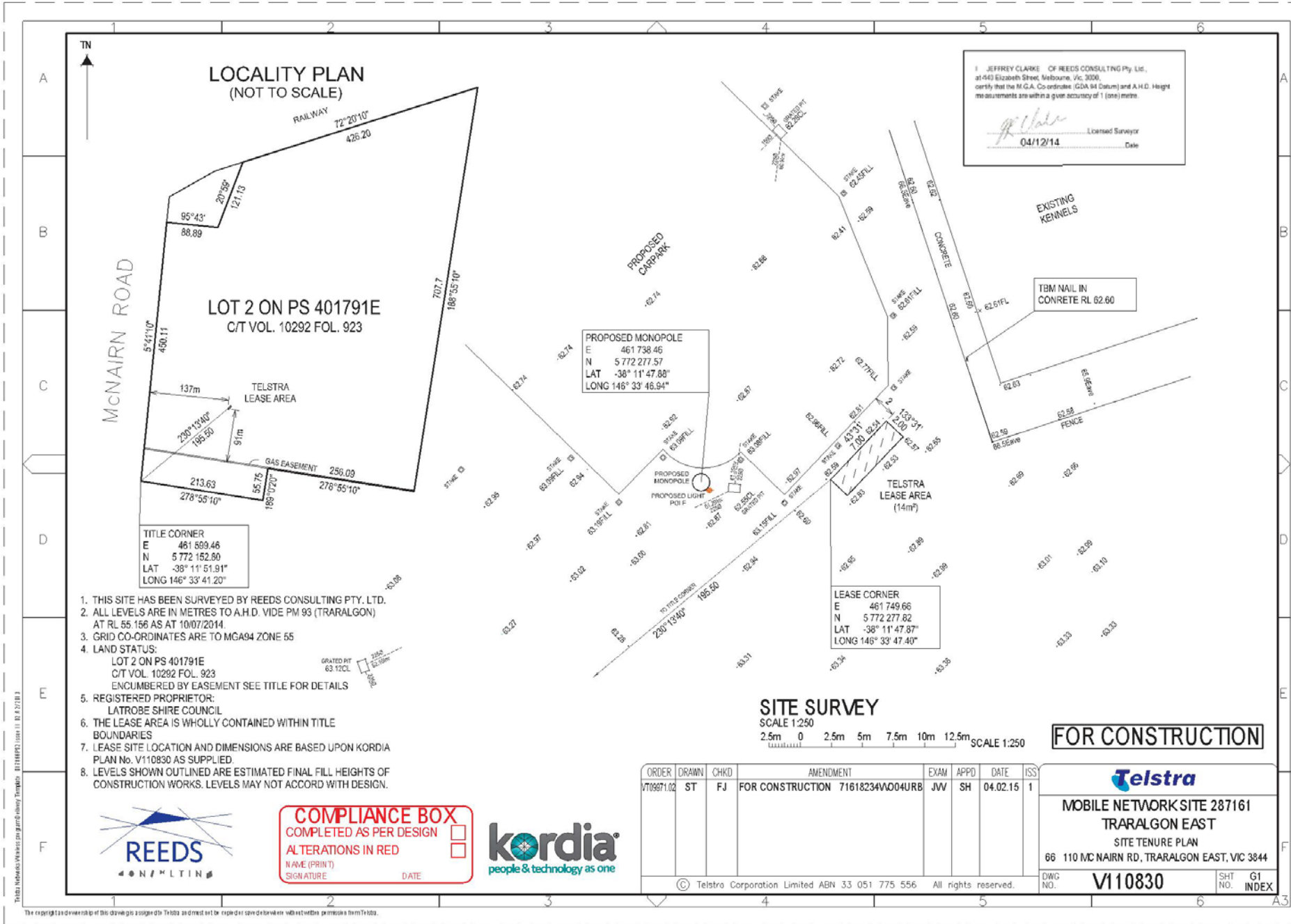
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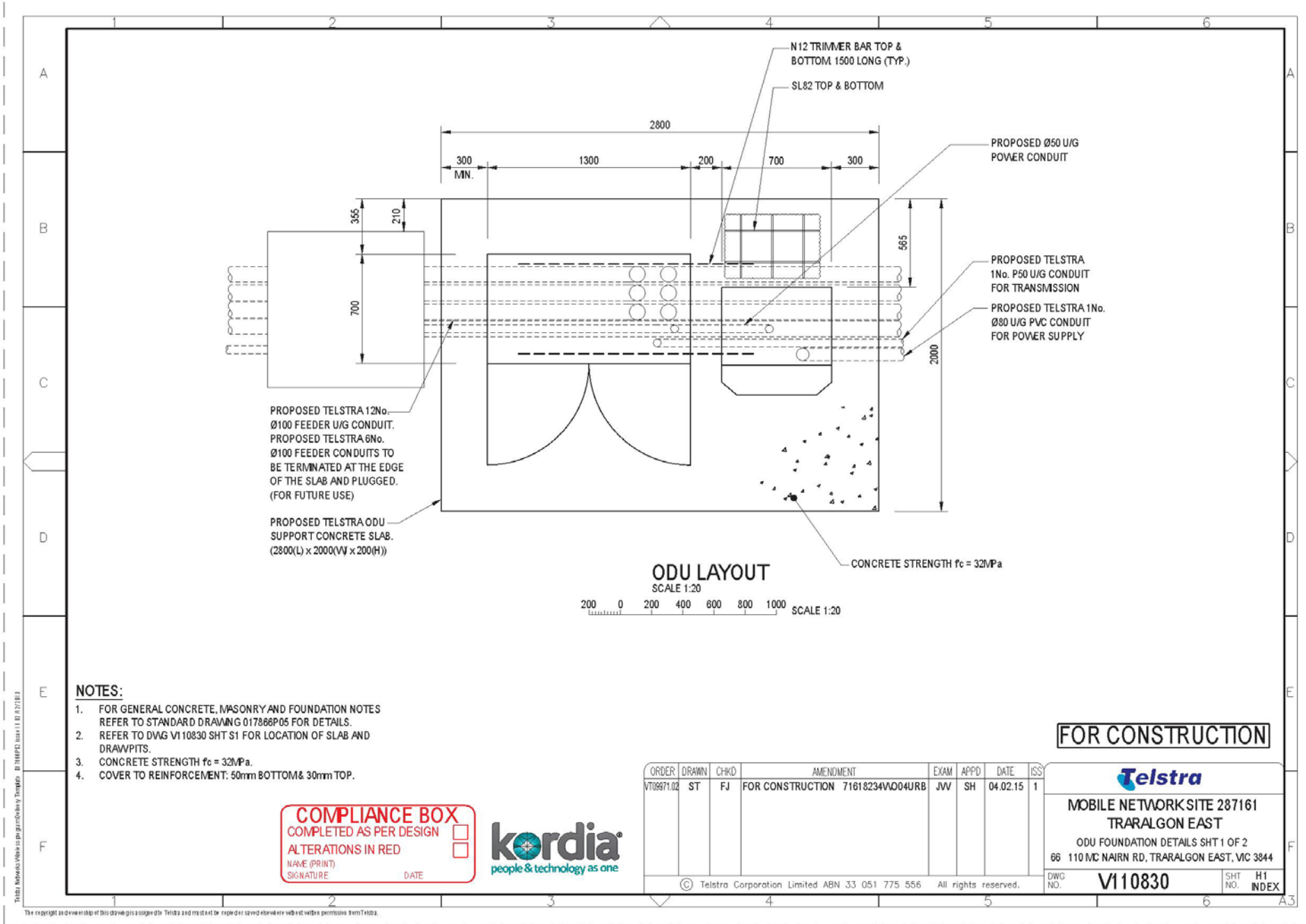
Telstra
 MOBILE NETWORK SITE 287161
 TRARALGON EAST
 SOUTH WEST ELEVATION
 66 110 MC NAIRN RD, TRARALGON EAST, VIC 3844
 DWG NO. **V110830** SHT NO. **S3** INDEX

Kordia Infrastructure Services Pty Ltd (ACN 611 889 211) B 2/2013
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NOTES:

1. FOR GENERAL CONCRETE, MASONRY AND FOUNDATION NOTES REFER TO STANDARD DRAWING 017866P05 FOR DETAILS.
2. REFER TO DWG V110830 SHT S1 FOR LOCATION OF SLAB AND DRAW/PITS.
3. CONCRETE STRENGTH $f_c = 32\text{MPa}$.
4. COVER TO REINFORCEMENT: 50mm BOTTOM & 30mm TOP.

COMPLIANCE BOX
 COMPLETED AS PER DESIGN
 ALTERATIONS IN RED
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 SIGNATURE _____ DATE _____



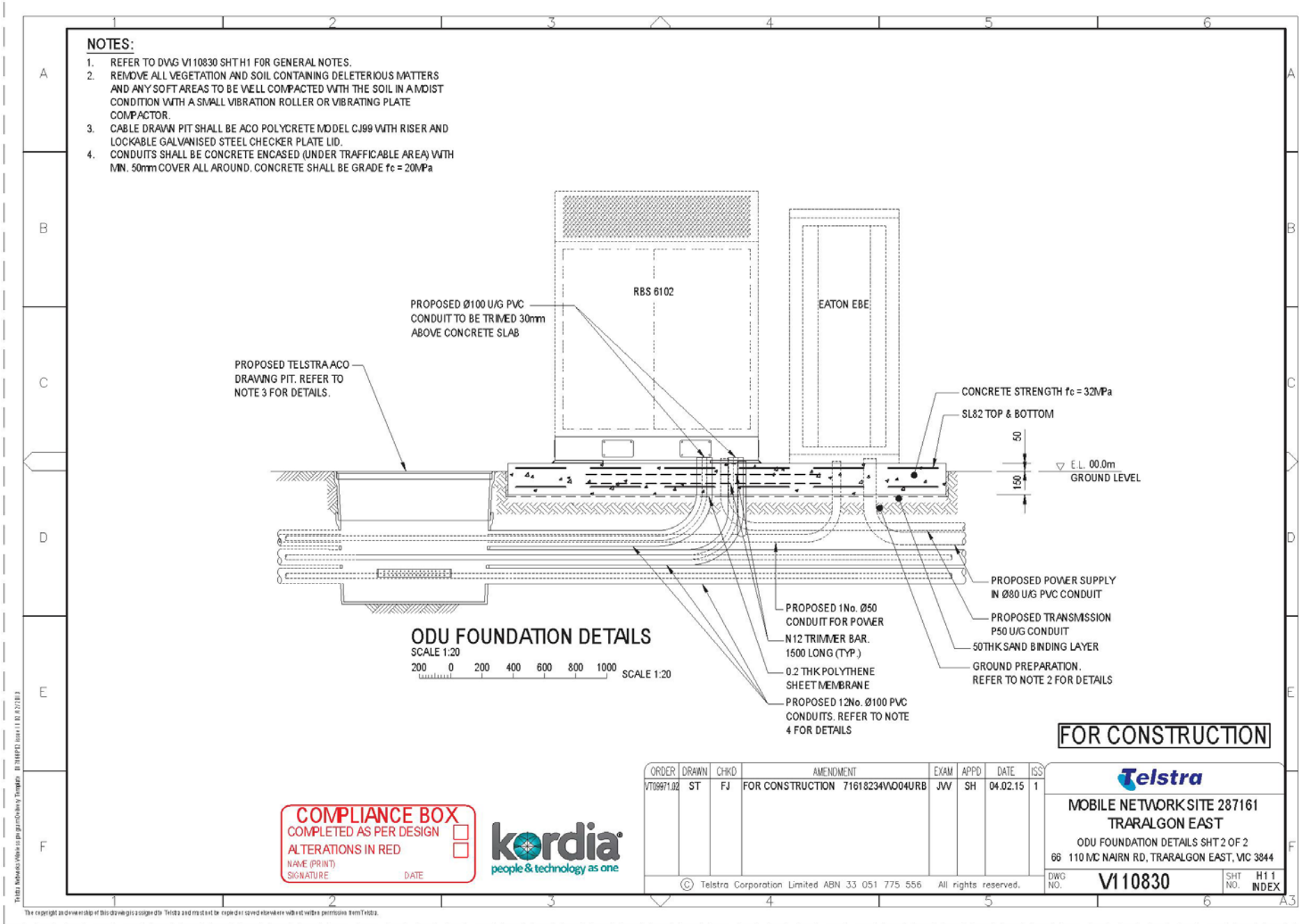
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FOR CONSTRUCTION

MOBILE NETWORK SITE 287161
TRARALGON EAST
 ODU FOUNDATION DETAILS SHT 1 OF 2
 66 110 MC NAIRN RD, TRARALGON EAST, VIC 3844
 DWG NO. **V110830** SHT NO. **H1** INDEX

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FOR CONSTRUCTION

COMPLIANCE BOX
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 NAME (PRINT) _____
 SIGNATURE _____ DATE _____



ORDER	DRAWN	CHKD	AMENDMENT	EXAM	APPD	DATE	ISS
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Telstra

MOBILE NETWORK SITE 287161
TRARALGON EAST
 ODU FOUNDATION DETAILS SHT 2 OF 2
 66 110 MC NAIRN RD, TRARALGON EAST, VIC 3844

DWG NO. **V110830** SHT NO. **H1 1** INDEX

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**13.3 SUBMISSION TO THE REGIONAL ECONOMIC DEVELOPMENT
AND SERVICES REVIEW****General Manager****Planning & Economic
Sustainability****For Decision****PURPOSE**

The purpose of this Report is to present for consideration of Council, a submission to the Victorian Government Regional Economic Development and Services Review.

EXECUTIVE SUMMARY

On 12 February 2015, the Victorian Government announced a review of the State Regional Economic Development and Services provision and invited submissions from interested parties. Given the limited time available, a submission was developed and submitted under the signature of the Chief Executive Officer based on key themes outlined to Councillors in March 2015.

The key recommendations included in this submission are that:

- the Regional Development Victoria model should be retained;
- the Small Business Training program should be retained and potentially strengthened;
- the program of trade missions should be retained;
- consideration should be given to significantly increasing the autonomy of the Regional Office and providing an opportunity for tailoring funding programs and support according to regional needs;
- consideration should be given to reintroducing an increased number of contemporary industry sector specialists into RDV sourced through the private sector;
- consideration should be given to formalising an integrated partnership approach between state and local government via policy and procedure; and
- consideration should be given to reintroducing a physical small business advisory service within RDV Regional Offices.

RECOMMENDATION

That Council endorses the submission provided by the Chief Executive Officer to the Victorian Government Regional Economic Development and Services Review.

Moved: Cr Gibbons
Seconded: Cr White

That the Recommendation be adopted.

CARRIED UNANIMOUSLY

DECLARATION OF INTEREST

No officer declared an interest under the Local Government Act 1989 in the preparation of this report.

OFFICER COMMENTS

On 12 February the Hon Jaala Pulford MLC, Minister for Regional Development announced a review into the Department of Economic Development's regional service delivery model and the best policies to drive economic growth in regional Victoria.

It was announced that the review would be conducted over three months and involve:

- Forming an External Advisory Board which will include business, local government and community leaders from across Victoria;
- Conducting a program of targeted stakeholder engagement;
- Inviting input and ideas from all interested members of the public; and
- Building on the considerable strategic planning already undertaken by regional leaders and communities across Victoria to identify the best new options to drive sustainable economic growth in rural and regional Victoria.

A Terms of Reference was announced and is provided as an attachment to this Report.

On the 6 March 2015, the Minister announced membership of the External Advisory Board for the Review consisting of eight members including the Hon John Brumby as Chair and Gippslander, Richard Elkington as a Board Member.

In response to concerns raised regarding the original length of time made available to provide submissions to the Review, the announced timeframe was extended until 10 April 2015. However, despite this extension, the period between announcement and closure of submissions was determined to be not sufficient to obtain a formal Council position prior to submissions closing.

A submission was consequently prepared and submitted by the Chief Executive Officer and is attached for Council's consideration. In preparing this submission Councillors were informed of planned themes for the submission and input invited on 17 March 2015. A verbal response was received from one Councillor indicating support for the themes but

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requesting that a stronger presence for Regional Development Victoria in Latrobe City be requested.

It is proposed that Council endorse this submission as Council's formal response to the Victorian Government Regional Economic Development and Services Review.

Attachments

1. Terms of Reference
2. Submission

13.3

Submission to the Regional Economic Development and Services Review

1	Terms of Reference	99
2	Submission	101

Terms of reference

The review will:

1. Identify best practice, evidence-based policy directions to foster regional growth and job creation. This will include:
 1. Identifying the major economic, social and demographic issues facing regional Victoria. This analysis should include but not be limited to:
 - Industry profile – key sectors, strengths and weaknesses etc.
 - Education and training participation and attainment levels
 - Inter- and intra-regional transport connectivity
 - ICT/broadband capacity
 - Inter-regional variations, cross-regional issues and flows
 2. Undertaking a broad, 'first principles' examination of what the evidence tells us about how to drive regional growth, with examination of key policy levers including: transport, infrastructure and planning; innovation and industry policy; trade and investment facilitation; education and training; and measures to foster a sound business environment such as regulation settings.
 3. Consider current regional strategic and related planning models and the evidence regarding the effectiveness of various models.
 4. Confirming key priorities for each region and broad policy directions, possible actions, and recommendations for further work to drive regional economic growth.
2. Identify the approach to regional service delivery best able to deliver regional growth and job creation. This will include:
 1. Reviewing the history of regional delivery models in Victoria.
 2. Reviewing other jurisdictions' regional delivery models.
 3. Reviewing key functions in DEDJTR (notably Regional Development Victoria, including the domestic Victorian Government Business Office network; Agriculture Services and Biosecurity Operations; regional transport planning and investment facilitation; and the structural arrangements in place to drive tourism in regional Victoria), regional planning arrangements; and across Government (where appropriate).
 4. Having regard for the Government's election commitments for regional service delivery (e.g. establishment of new Regional Business Centres and Regional Cities Clusters).
 5. Recommending the mix of structural, governance, and strategic models for regional service delivery best suited to promoting long term prosperity in regional Victoria.



Our Ref: 1254058
GVD:GH

8 April 2015

The Hon Jaala Pulford MLC
Minister for Regional Development
Minister for Agriculture
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Dear Minister Pulford

Regional Economic Development Strategy and Service Model Review

Thank you for this opportunity to provide input into the *Regional Economic Development Strategy and Service Model Review* which you announced on 12 February 2015.

With an estimated Gross Regional Product (GRP) of \$4,929 million the City of Latrobe is one of Victoria's four key regional centres. The City has underpinned Victoria's prosperity for 100 years providing an inexpensive and reliable power supply for the State. It is home to Australia's largest fine paper and packaging complex, major food processing, manufacturing and a broad range of high order facilities serving greater Gippsland.

Latrobe City Council recognises the value of the Victorian Government's role in delivering regional development and the critical importance of an effective partnership between local and state government in achieving lasting regional development outcomes.

The Review's Terms of Reference takes a broad view and it is not the intention to offer input across the full study. Rather, the following comments are constrained to Section 2, *Regional Service Delivery* and specifically to "...*Regional Development Victoria, including the domestic Victorian Government Business Office network.*"

Regional Development Victoria (RDV) has been an important contributor to regional development within Gippsland since its inception and the Latrobe City Council has enjoyed a positive relationship with RDV over this period through the Gippsland Regional Office, the Melbourne Office and Victorian Government Business Offices in China, Japan and India.

The benefits of this relationship have been significant and, by way of example, I refer to the recent funding program *Latrobe Valley Industry Infrastructure Fund* where, through a Victorian Government investment of \$7.7 million, a

total of \$30.5 million in private sector projects and approximately 230 jobs were created within Latrobe City.

It is recommended that the Regional Development Victoria model be retained.

Other significant outcomes which should be retained include small business training programs, providing much needed skill development and the program of trade missions to key trading partners providing significant opportunities for potential and fledgling exporters.

A number of opportunities for improvement have been identified as follows.

The centralisation of RDV decision making in Melbourne, which appears to have increased in intensity over recent years, has often not been conducive to timely and targeted results within the Regions. Consideration should be given to significantly increasing the autonomy of the Regional Office and providing an opportunity for tailoring funding programs and support according to regional needs. It is recognised that this may require an increase in seniority of Regional Directors and an untagged funding source provided to the Regional Office.

Over recent years, it has become apparent that the presence of industry sector specialists within RDV is progressively being replaced with career generalists. It would appear that this is resulting in a loss of industry knowledge and a reduction in the ability of RDV to effectively guide regional development. Consideration should be given to reintroducing an increased number of contemporary industry sector specialists sourced through the private sector.

A partnership approach across governments and particularly between state and local, is recognised as a powerful way to streamline regional development resources. Ongoing efforts by officers of the RDV Regional Office and Latrobe City Council Economic Development Officers are being made to integrate activities and by way of example, attempts have been made to jointly undertake or share industry site visits. However, the current arrangements mean that it is, at best, an ad hoc approach. Consideration should be given to formalising an integrated partnership approach between state and local government via policy and procedure.

A reorganisation of the Small Business Victoria service over recent years has appeared to reduce resources allocated to the provision of small business assistance within Regional Offices. This has resulted in a significant unfilled gap in information provision for existing and potential small business operators, replaced, in part only, by web based information. Consideration should be given to reintroducing a small business advisory service within RDV Regional Offices.

In summary, Latrobe City Council makes the following recommendations to the *Regional Economic Development Strategy and Service Model Review*.

Recommendation 1

The Regional Development Victoria model should be retained.

Recommendation 2

The Small Business Training program should be retained and potentially strengthened.

Recommendation 3

The program of trade missions should be retained.

Recommendation 4

Consideration should be given to significantly increasing the autonomy of the Regional Office and providing an opportunity for tailoring funding programs and support according to regional needs.

Recommendation 5

Consideration should be given to reintroducing an increased number of contemporary industry sector specialists into RDV sourced through the private sector.

Recommendation 6

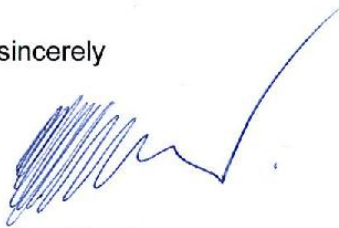
Consideration should be given to formalising an integrated partnership approach between state and local government via policy and procedure.

Recommendation 7

Consideration should be given to reintroducing a physical small business advisory service within RDV Regional Offices.

I look forward to the outcomes of the Review and invite you to contact Geoff Hill, Manager Economic Development on (03) 5128 5676 or Geoff.Hill@latrobe.vic.gov.au.

Yours sincerely



GARY VAN DRIEL
Chief Executive Officer

13.4 SUBMISSION TO SENATE INQUIRY - FUTURE ROLE AND CONTRIBUTION OF REGIONAL CAPITALS TO AUSTRALIA**General Manager****Planning & Economic
Sustainability****For Decision****PURPOSE**

This report presents a draft submission to a Senate inquiry on behalf of Latrobe City Council into the Future Role and Contribution of regional capitals to Australia. It is recommended that Council adopts the submission for consideration by the inquiry.

EXECUTIVE SUMMARY

On 11 February 2015, the Senate moved to conduct an inquiry to investigate the future role and contribution of regional capitals to Australia.

Council staff worked with The Agenda Group Pty Ltd and a number of key stakeholders to develop a submission for consideration by Council.

The submission outlines the following:

- Overviews Latrobe City's unique position as a regional capital
- Presents demographic information and economic structural information
- Highlights issues with federal funding programmes
- Outlines investment challenges and opportunities
- Makes appropriate recommendations to the senate committee to assist in its inquiry.

RECOMMENDATION

That Council adopts the Latrobe City Council submission to the Senate Inquiry on the Role of regional capitals in Australia.

Moved: Cr Gibbons

Seconded: Cr Rossiter

That the Recommendation be adopted.

CARRIED UNANIMOUSLY

DECLARATION OF INTEREST

No officer declared an interest under the Local Government Act 1989 in the preparation of this report.

OFFICER COMMENTS

On 11 February 2015, the Senate moved that the Senate Rural and Regional Affairs and Transport References Committee conduct an inquiry to investigate the future role and contribution of regional capitals to Australia.

The terms of reference assess the future role and contribution of regional capitals to Australia, including:

- a) An assessment of current demographic trends and the changing role of regional capitals;
- b) An analysis of current funding provided to regional capitals;
- c) An analysis of the benefit of additional funding regional capitals could receive based on population, demand for services and their strategic importance for the region, state or country;
- d) Investment challenges and opportunities to maintain or grow regional capitals, including infrastructure, community and human services, communications and natural resources;
- e) Incentives and policy measures that would support sustainable growth in regional capitals;
- f) The impact the changing environment will have on regional capitals; and
- g) Any other related matters.

A submission has been developed drawing information from desktop research, previous reports and documentation already adopted by council and through information provided in meetings with a number of key stakeholders in the region.

The time with which to respond has been limited, therefore more formal consultation with community members has been not practical.

As the draft was being developed, two informal councillor briefings were conducted and feedback provided was incorporated into the submission.

The submission recommends that the Federal Government:

1. work closely with state and local government to attract skilled workers to regional capitals
2. include improved liveability and amenity as key criteria for all regional capital funding programmes
3. position regional capital funding programmes as strategic investments committed to developing regional cities' competitive strengths

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4. work with Latrobe City and stakeholders to investigate how the region can quickly expand food processing industries to meet the Asian demand for clean foods and growing domestic demand
5. investigate options that will reduce the bottlenecks and associated costs in moving Gippsland products to ports for export
6. recognise Latrobe City as Australia's leading regional aerospace hub by providing programmes that support workforce skills transfer and investment incentives,
7. identify initiatives that will increase regional and metropolitan student enrolments in regional universities, and
8. Recognises the work undertaken by Latrobe City to develop Australia's first Wood Encouragement Policy. The Policy encourages value adding timber products and advanced manufacturing, the benefits can be extended, and realised sooner, through additional federal government infrastructure investment.

Attachments

1. Latrobe City Council Submission to Senate Inquiry

13.4

Submission to Senate Inquiry - Future role and contribution of regional capitals to Australia

- 1 Latrobe City Council Submission to Senate Inquiry 109**



Latrobe City Council *Role of regional capitals submission*

Future role and contribution of regional capitals to Australia

Background

On 11 February 2015, the Senate moved that the Senate Rural and Regional Affairs and Transport References Committee conduct an inquiry to investigate the future role and contribution of regional capitals to Australia.

The terms of reference assess the future role and contribution of regional capitals to Australia, including:

- a) an assessment of current demographic trends and the changing role of regional capitals;
- b) an analysis of current funding provided to regional capitals;
- c) an analysis of the benefit of additional funding regional capitals could receive based on population, demand for services and their strategic importance for the region, state or country;
- d) investment challenges and opportunities to maintain or grow regional capitals, including infrastructure, community and human services, communications and natural resources;
- e) incentives and policy measures that would support sustainable growth in regional capitals;
- f) the impact the changing environment will have on regional capitals; and
- g) any other related matters.

The submission follows the format outlined in the matters of the Terms of Reference as above.

Should the Committee require additional information, Council would be pleased to assist through further written content, or as part of the Committee's ongoing hearing process.

Latrobe City recommendations

That the Federal Government:

1. work closely with state and local government to attract skilled workers to regional capitals
2. include improved liveability and amenity as key criteria for all regional capital funding programmes
3. position regional capital funding programmes as strategic investments committed to developing regional cities' competitive strengths
4. work with Latrobe City and stakeholders to investigate how the region can quickly expand food processing industries to meet the Asian demand for clean foods and growing domestic demand
5. investigate options that will reduce the bottlenecks and associated costs in moving Gippsland products to ports for export



Latrobe City Council

Role of regional capitals submission

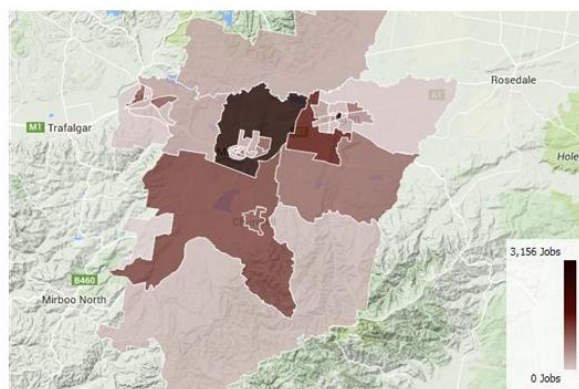
6. recognise Latrobe City as Australia's leading regional aerospace hub by providing programmes that support workforce skills transfer and investment incentives,
7. identify initiatives that will increase regional and metropolitan student enrolments in regional universities, and
8. recognises the work undertaken by Latrobe City to develop Australia's first Wood Encouragement Policy. The Policy encourages value adding timber products and advanced manufacturing, the benefits can be extended, and realised sooner, through additional federal government infrastructure investment.

a) an assessment of current demographic trends and the changing role of regional capitals;

Just under two hours' drive east of Melbourne, Latrobe City is the fourth-largest regional centre with an estimated 74,360 residents in a region of 255,000 people. Latrobe City has seen steady population growth over the past 15 years.

Latrobe City is the major business hub of eastern Victoria, including approximately 4,500 businesses providing a total of a round 26,000 jobs and Gross Regional Product of around \$4 billion.

Latrobe is unique among regional capitals in that it has not one city centre, but a single urban 'system' made up of the three cities of Moe, Morwell and Traralgon connected along the spine of the Princes Highway. Like other regional capitals, however, Latrobe acts as services, business, and cultural hub for the surrounding region, clearly seen in the job density map to the right. Latrobe is the capital of



Gippsland, and Victoria's only eastern regional capital. Consistent with Australia's other regional capitals and their role as services hubs, Latrobe's biggest employers are in the services sector:

Industry	Jobs
Health Care & Social Assistance	4,038
Retail Trade	3,291
Manufacturing	2,574
Education & Training	2,400
Public Administration & Safety	2,224
Construction	1,913
Accommodation & Food Services	1,576

The Latrobe Valley currently supplies over 85 per cent of Victoria's electricity generation requirements through its vast supply of brown coal, and has a workforce skilled in the energy and coal mining industries.

Other industries include health care food processing, retail, engineering, post-secondary education with Federation University Australia and Federation Training. Latrobe also has a large forestry industry servicing Australia's largest pulp and paper mill and other sawmills.

Latrobe City acts as the regional headquarters for banks and insurance companies, and has since the 1990s been the site of one of Australia's best-performing Centrelink call centres.



Latrobe City Council Role of regional capitals submission

Demographic changes in Latrobe

Population growth in Latrobe has been outstripped by Victorian population growth levels with forecast population growth (0.9% pa) well below regional (1.5% pa) and State projections (1.6% pa)

Latrobe continues to have a tertiary education and skills deficit, despite the wealth of expertise from the mining and power production sectors. Only 27 per cent of residents hold diploma or above qualifications, compared to 40 per cent for Victoria.

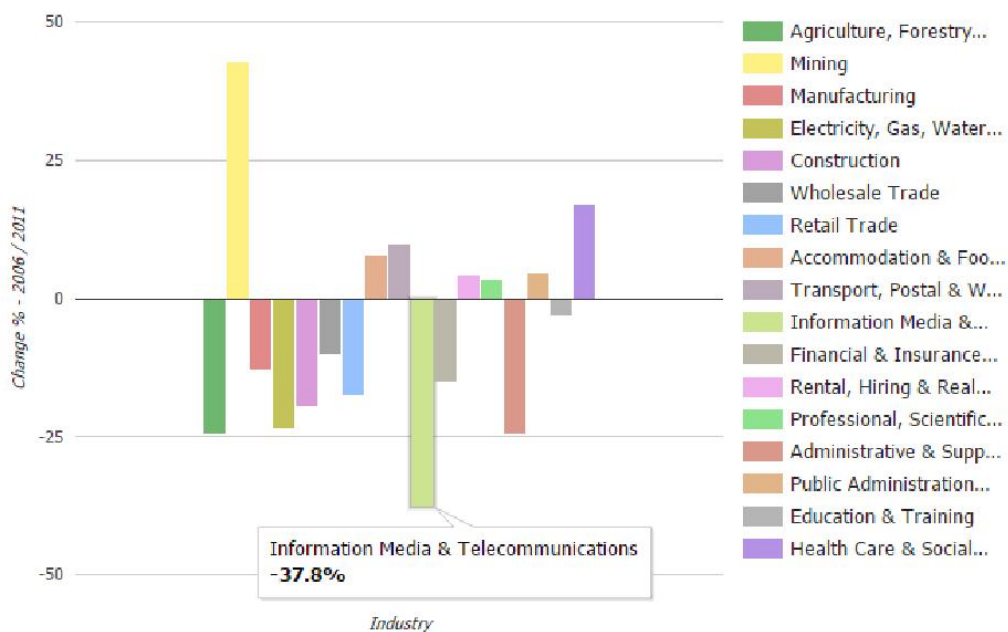
Between 2006 and 2011, total jobs provided in Latrobe contracted by 6 per cent, compared with a 13 per cent increase across Victoria, and Latrobe's unemployment rate of 6.7¹ per cent remains well above state averages.

The largest declines in jobs were in information, media and technology, agriculture, forestry & fishing, electricity, gas, water and waste services.

Jobs growth has been seen in sectors including mining, health care and social assistance, transport and accommodation and food services.

Latrobe

% Change in Jobs (2006 - 2011)



¹ Source: Essential Economics State of the City discussion paper 2015

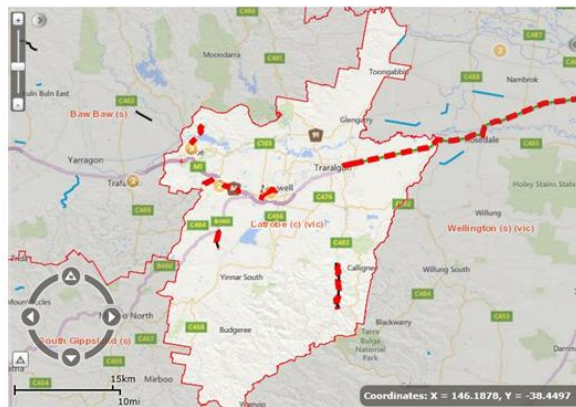
b) an analysis of current funding provided to regional capitals;

There are a limited number of federal government programmes that provide direct infrastructure funding to local governments, despite local governments like Latrobe increasingly bearing the burden of service provision. This cost-shifting from other levels of government has come without corresponding increased funding.

Current federal infrastructure funding is largely ad hoc. As can be seen from the list of possible funding programs, the funding is focused on repairing roads and infrastructure where the council cannot afford it, or filling the gap in council's otherwise complete responsibility for infrastructure within its borders.

The nature of many of these funding programs force councils to compete against each other for funding to remedy faults rather than proactively planning for growth.

The map at the right shows the recent projects funded under the following programs:



- Investment Road and Rail Programme
- Plan for the Future - Building Australia Fund
- Heavy Vehicle Safety and Productivity Programme
- Black Spot Projects
- Roads to Recovery Programme

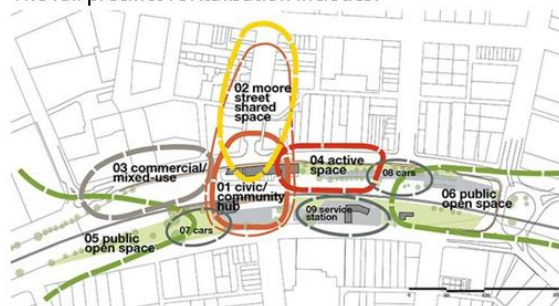
Excluding funding for major projects that span several LGAs and sometimes even interstate, in the last three years there has been \$4,580,929 (see Appendix 1)-worth of investment in the above programs directly into Latrobe City, all exclusively on road-related projects.

Latrobe also has a share of the federal and state funding for the Moe Rail Precinct Revitalisation Project as part of the Latrobe Valley Economic Diversification programme announced in 2013. Of the anticipated total project cost of \$29.5 million, the federal government has committed \$7.5 million.



Provision of Federal Government funding for this project explicitly demonstrates a new rationale for infrastructure investment, stating "improvements to amenity and liveability the project will act as a catalyst to attract new investment and drive business opportunities."

The rail precinct revitalisation includes:



- a new library
- Council service centre
- public meeting and research rooms
- consulting suites
- public toilets
- café
- public plaza and green roof.

mission - 29 April 2015



Latrobe City Council

Role of regional capitals submission

c) an analysis of the benefit of additional funding regional capitals could receive based on population, demand for services and their strategic importance for the region, state or country;

There is no doubt that vital infrastructure needs to be maintained, but infrastructure is more than roads and bridges. Infrastructure investment in regional capitals should be considered as a proactive means of reaching the goal of a nation of interconnected productive cities.

A recent OECD² report (2014) indicates that the paradigm of infrastructure investment in Australia should include:

1. A shift from an approach based on subsidising declining sectors within a regional capital to one based on strategic investments to develop the area's most productive activities.
2. A focus on local factors as a means of generating new competitive advantages, such as amenities (environmental or cultural) or local products (traditional or labelled).
3. A shift from a sectoral to a territorial policy approach, including attempts to integrate the various sectoral policies at regional and local levels and to improve co-ordination of sectoral policies at the national government level.

The majority of economists agree that a large source of productivity growth and Australia's economic growth in the future will come from the services sector. Investments such as the Moe Rail Precinct Revitalisation Project, with its focus on increasing amenity to attract business investment and workers, are vital to fostering regional capitals' role as regional services hubs.

Projects that promote amenity as a strategy to attract business investment and skilled workers should be considered on par with other infrastructure investment.

The federal government already has the Regional Development Australia (RDA) programme, a national network of 55 committees comprised of local leaders who work with government, business and community groups to support economic development of the regions.

RDAs should consider regional economic development programs with explicit acknowledgement of the role of regional capitals as regional development leaders, and there should be more coordination between RDAs across Australia dealing with issues common to all regional capitals.

d) investment challenges and opportunities to maintain or grow regional capitals, including infrastructure, community and human services, communications and natural resources;

Latrobe is the major energy provider to Victoria, and operates the largest pulp and paper mill in Australia through Australian Paper, but these vital industries are also susceptible to a single point of economic shock.

Unemployment has been climbing, while investment and Gross Regional Product growth declined over the last ten years, however there are a number of areas of key opportunity for Latrobe to work with other levels of government and other regional capitals:

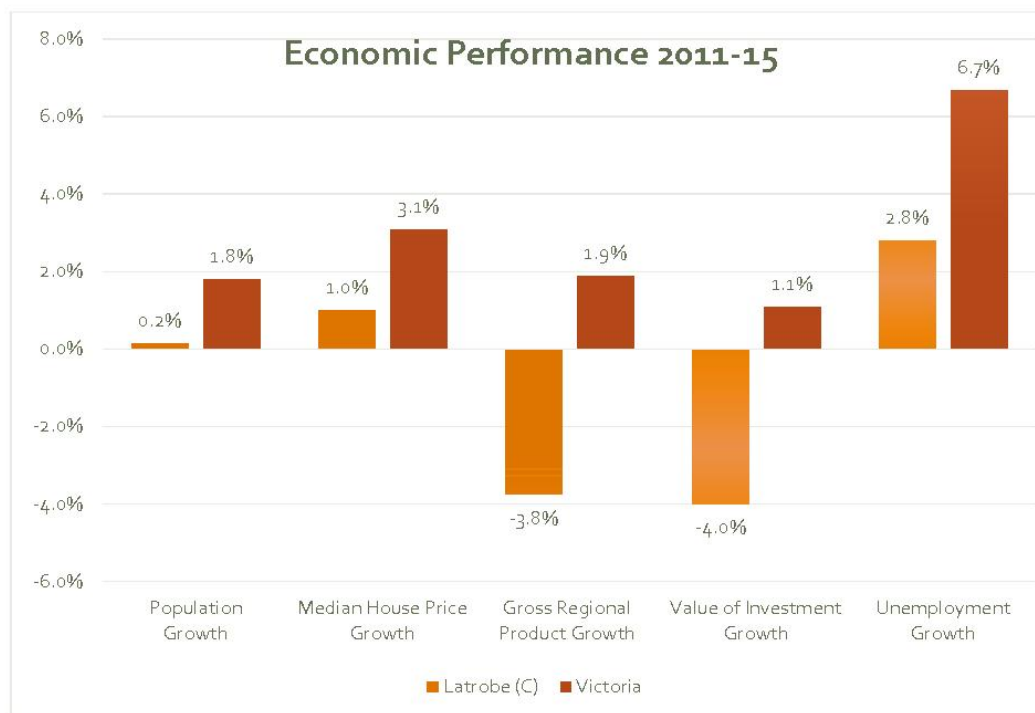
1. Food processing, value-adding and decentralised freight packaging
2. Skills transfer and industry diversification
3. Amenity and connectivity to attract investment

² OECD Regional Outlook 2014, Regions and Cities: Where Policies and People Meet, October 2014.
Role of regional capitals submission - 29 April 2015



Latrobe City Council

Role of regional capitals submission



1 Essential Economics State of the City discussion paper 2015

Food processing and value-adds

There is a great opportunity for expanding and diversifying Latrobe's industries by encouraging more food processing and particularly dairy processing. There is burgeoning demand for dairy and fresh milk products across Asia and particularly in China. Beijing currently imports \$17 billion-worth of powdered milk annually, almost two-thirds of the entire world market and economists predict the market will double again in the next three years.

Latrobe is uniquely placed for expansion of food processing industries, with property prices approximately 75 per cent of the average for Victoria's regional cities, and approximately 10,000 lots available for development over the coming decade. Additionally, the low cost electricity generated in the Latrobe Valley from brown coal resources gives a reliability in production as does the availability of a ready and cheap water supply.

In the last two years, Lion Foods conducted a \$50-million upgrade of its Latrobe facilities, almost doubling the capacity of the plant and increasing the number employed from around 200 to 300. When Lion Foods was considering where to situate its dairy processing plant in the 1990s, Latrobe's amenity was a key consideration.

Logistics and freight pathways

There are transport challenges in getting Latrobe's goods to market along current freight pathways. Rail freight is set to double along the Gippsland corridor even though there are already inefficiencies in place arising from the need to share rail with the passenger network.



Latrobe City Council

Role of regional capitals submission

The road network is already under pressure and will continue to grow. Over the next 20-30 years the freight task carried by trucks and light commercial vehicle traffic is expected to more than double.³

On top of increasing freight costs, stevedoring costs at the Port of Melbourne are predicted to double in the next few years,⁴ and goods travelling out from Latrobe face a bottleneck of customs processing at the port.

The Gippsland Logistics Precinct, where the Victorian Government last year committed \$10m for redevelopment, can potentially diversify into a vibrant freight packaging hub for regional industry.

Skills transfer and industry diversification

Latrobe has lower tertiary qualified workers than the rest of the Victoria, though many of the region's workforce skills are not reflected in education statistics as they are on-site acquired skills in the specialised areas of mining and power generation.

Latrobe faces the challenge of diversifying from a few essential industries (power and timber) that are vulnerable to shock and transferring skills across to other industries, and also continuing to support current industries. For example, Latrobe City is proactively promoting the use of timber in construction and encouraging advanced wood-related manufacturing industries by being Australia's first city council to adopt a Wood Encouragement Policy.

For Australia to achieve its potential as a manufacturer of high-value products, however, it must improve its cost competitiveness. That will require an increased commitment by both business and government to invest in technology, skill building, productivity initiatives, and capital equipment in sectors in which Australia has a competitive advantage.

The Shifting Economics of Global Manufacturing:

Boston Consulting Group, August 2014

Aviation and Defence Materiel

With high quality infrastructure, aerospace manufacturing capacity and proximity to the RAAF Base, East Sale, Latrobe has a unique opportunity to transition workers from existing industries requiring technical skills to aerospace engineering.

Federation Training in Latrobe is currently working towards a vibrant Federation Academy of Aviation, capitalising on the RAAF training base, and existing expertise from Mahindra GippsAero, which is located on the Latrobe Regional Airport and manufacturing Australia's only commercial passenger aircraft.

Where there used to be 10 apprentices training in CASA licensing requirements for maintenance engineers, there are now over 40 and with adequate support, could expand even further to be Australia's leading aerospace hub, and a centre for engineering.

Regional universities and upskilling the workforce

Once the site of Monash University Gippsland campus, Latrobe is now home to Federation University Australia. Regional universities and university campuses face a number of challenges not currently acknowledged in funding structures.

Regional Australia accounts for almost 40 per cent of our nation's population, yet young people aged 15-24 years from rural and regional Australia are almost half as likely to be attending university as young people from metropolitan areas.

³ 2012, Victorian Department of Planning and Community Development.

⁴ <http://www.smh.com.au/business/qube-warns-port-of-melbourne-charges-could-double-20140910-10f3kx.html>



Latrobe City Council

Role of regional capitals submission

Commonwealth data shows that university applications from regional/rural students fell by 1.1% compared with a 1.5% rise from metropolitan students.

The benefits to Latrobe of a vibrant university sector are clear. There is ample data to show that students who study in a regional area are overwhelmingly more likely to continue to live and work in that area. With tertiary education rates much lower than the state average, it seems the best way to upskill the Latrobe workforce and attract industries with higher education levels is to promote Federation University as a viable place to study for metropolitan and regional students alike.

OECD reports acknowledged this point, noting that:

“OECD Countries are putting considerable emphasis on meeting regional development goals, by nurturing unique assets and circumstances of each region, particularly in developing knowledge-based industries. As key sources of knowledge and innovation, higher education institutions (HEIs) can be central to this process”⁵

And a recent Australian Government report held that “a combined increase in formal training and in the average length of education will boost both productivity and participation, leading to a lift in Gross Domestic Product (GDP) of 1.1 per cent by 2040.”⁶

Promoting amenity to attract highly skilled workers, industries

Recently, KPMG UK completed leading research into how developed second level cities improve their ‘offer’ and attract residents, visitors and business investment, centering on the qualities of nine cities that had turned around their ‘misfortunes’ to now be a ‘magnet city.’

The report found that all the ‘magnet cities’ became highly attractive to a specific group of educated, ambitious and energetic young people. “These ‘young wealth creators’ generate the jobs of the future:

Designers, engineers, high-tech/low-tech entrepreneurs, researchers, biologists, physicists, artists, bloggers, filmmakers, musicians, digital animators, food experimenters, app designers, games designers, clean-tech advocates...chemical engineers, mechanical engineers, accountants, advanced manufacturing..

The NBN is currently being rolled out to the Latrobe area on a largely fixed wireless basis, but Latrobe is still faced with the challenge of summoning back the workers in technology industries that declined over the last ten years. The industry sector resulting in biggest percentage change in jobs between 2006 and 2011 was in the media, technology and telecommunications areas.

⁵ Organization for Economic Cooperation and Development 2007, 11

⁶ Department of Education, Employment and Workplace Relations 2008, 5



Latrobe City Council

Role of regional capitals submission

e) incentives and policy measures that would support sustainable growth in regional capitals;

Policies should be informed by the need to upskill, grow and diversify the workforce of regional capitals like Latrobe. Regional capitals play an essential role as infrastructure, services and cultural hubs for their surrounding regions. The best way to improve economic development of the surrounding regions is to develop regional capitals.

Infrastructure spending (soft and hard infrastructure) needs to be a more concerted, strategically driven process rather than an exercise in gap-filling. Infrastructure investment should be geared towards cultivating conditions for business growth and competition, but with a paradigm allowing for amenity to attract skilled workers and business investment.

Spending based on population rather than acknowledgement of the functional and strategic role that regional capitals play is unlikely to foster growth, and continues to treat regional capitals the same way as remote Australia.

Economic development strategies should explicitly take into account the role of regional capitals as economic leaders of the regions to best accommodate future growth productively.

f) the impact the changing environment will have on regional capitals

Environmental policies and movement towards cleaner burning energy than brown coal could have a large negative effect on Latrobe's industry and jobs prospects, and it is therefore vital that Latrobe diversifies and pursues other industries to mitigate the impacts of such shocks.

As an existing nationally significant producer of energy Latrobe City is strategically well positioned to diversify its energy industry. Government investment in cleaner energy has already leveraged additional private sector investment, and there is scope for more.

With some government funding, Latrobe City is working with industry and government partners through the Advanced Lignite Development program to research and commercialise cleaner methods of energy production.

While there are positive opportunities for diversification and new industry growth, there are also very serious financial impacts on Latrobe City Council as the demand for coal decreases.

When privatization occurred in the nineties, special arrangements in lieu of rates were established by the State Government of Victoria. In the event that power generators reduce output, or close their facility as some have already announced, the lower 'rates' paid by the power generators to Council will have a profound effect on their financial capacity to provide community services.

This outcome will require careful planning by all levels of government.



Latrobe City Council

Role of regional capitals submission

Summary

Latrobe City performs an invaluable role as Gippsland's regional capital. A region that has experienced seismic change over the past 25 years, and despite the difficulties, remains committed to improving the economic and social well-being of its residents.

Critical to attracting investment in the region is the creation of a highly skilled workforce, able to adapt and take advantage of new high growth industries. Increasing the number of skilled workers is one of the region's highest priorities.

But to deliver on this priority, the region needs to be regarded as an attractive place to live and work. Funding programmes must be available to improve the amenity of the region.

In the 21st century workers don't *have* to live where they work, mainly because of cheaper transport options, so there needs to be a compelling reason for people to decide to live close to their place of employment. Latrobe City has some way to go to improve liveability but without access to government support, it will remain a challenge.

Latrobe City is optimistic. It is working hard to diversify its traditional forestry and energy sectors by nurturing new industries such as the burgeoning aerospace industry; creating new engineering, manufacturing and education opportunities that will generate wealth.

The growth of aerospace is on the cusp of national significance, but local government can't do it alone. The community requires a new partnership from all levels of government that recognises each region is different, a one size fits all approach to industry development simply will not work.

As a regional capital, Latrobe City's prosperity reaches out to the entire Gippsland region providing a host of services that metropolitan capitals typically provide to their residents.

Economic strength and social vibrancy in Latrobe City will create flow on benefits for all of Gippsland.



Latrobe City Council

Role of regional capitals submission

Appendix 1

Project title	Funding program	Status	Category	Australian Govt Contribution	Total cost (if applicable)
Becks Bridge Road - Old Sale Road to Purvis Road - MOE - 048020-13VIC-BS	Black Spot Project	Completed	Road	\$30,000	
Commercial Road - Maryvale Crescent to White Street - MORWELL - 048022-13VIC-BS	Black Spot Project	Completed	Road	\$40,000	
Hourigan Road, Morwell - 046975-12VIC-RTR	Roads to Recovery Programme	Completed	Road	\$1,749,100	
June Street, Morwell - 054099-14VIC-RTR	Roads to Recovery Programme	Completed	Road	\$219,862	
Old Sale Road - Haigh Street - MOE - 048026-13VIC-BS	Black Spot Project	Completed	Road	\$436,000	
Chapel Road, Sassafras (rural) - 052828-14TAS-RTR	Roads to Recovery Programme	In planning	Road	\$221,967	
Hourigan Road - Vary Street - MORWELL - 051673-14VIC-BS	Black Spot Project	In planning	Road	\$146,000	
Marretts Road - 2.9km Section South From Varys Track - HERNES OAK - 051683-14VIC-BS	Black Spot Project	In planning	Road	\$220,000	
McDonalds Track - 3.9km Length Between Marretts Road and Sayers Track - HERNES OAK - 051686-14VIC-BS	Black Spot Project	In planning	Road	\$228,000	
Wirraway Street - Elizabeth Street and Lincoln Street - MOE - 051659-14VIC-BS	Black Spot Project	In planning	Road	\$159,000	
Yinnar-Driffield Road - From Strzelecki Highway to Stocks Road - DRIFFIELD - 051658-14VIC-BS	Black Spot Project	In planning	Road	\$159,000	
Airfield Road, Traralgon - 054095-14VIC-RTR	Roads to Recovery Programme	Under construction	Road	\$972,000	
Princes Highway East - Traralgon to Sale	Investment Road and Rail Programme	Under construction	Road	\$210,000,000	\$260,000,000
Total Australian Government contribution direct to Latrobe:				\$4,580,929	

COMMUNITY INFRASTRUCTURE & RECREATION

14. COMMUNITY INFRASTRUCTURE & RECREATION

Nil reports

COMMUNITY LIVEABILITY

15. COMMUNITY LIVEABILITY

Nil reports

CORPORATE SERVICES

16. CORPORATE SERVICES**16.1 MARCH 2015 QUARTERLY FINANCE REPORT****General Manager****Corporate Services****For Information****PURPOSE**

The purpose of this report is to present the March 2015 Quarterly Finance Report.

EXECUTIVE SUMMARY

This report meets the requirements of the *Local Government Act 1989* to report to Council at least every three months comparing budget and actual revenue and expenditure for the financial year to date.

The report shows that Council overall is operating within the parameters of its adopted budget with most variances relating to carry forward funds from the previous year and the timing of revenue and expenditure within the current financial year.

The report is provided for Council's information.

RECOMMENDATION

That Council receives and notes the March 2015 Quarterly Finance Report which includes a report for the nine months ended 31 March 2015, in accordance with the requirements of the Local Government Act 1989.

Moved: Cr Middlemiss**Seconded:** Cr White**That the Recommendation be adopted.****CARRIED UNANIMOUSLY****DECLARATION OF INTEREST**

No officer declared an interest under the Local Government Act 1989 in the preparation of this report.

STRATEGIC FRAMEWORK

This report is consistent with Latrobe 2026: The Community Vision for Latrobe Valley and the Latrobe City Council Plan 2013-2017.

Latrobe 2026: The Community Vision for Latrobe Valley

Strategic Objectives - Governance

In 2026, Latrobe Valley has a reputation for conscientious leadership and governance, strengthened by an informed and engaged community, committed to enriching local decision making.

Latrobe City Council Plan 2013 - 2017

Theme and Objectives

Theme 3: Efficient, effective and accountable governance

Strategic Direction – Regularly report Council decisions and performance to the community

Legislation –

Local Government Act 1989

BACKGROUND

Under the provisions of the *Local Government Act 1989 Section 138 (1)*, at least every three months, the Chief Executive Officer must ensure that a statement comparing the budgeted revenue and expenditure for the financial year with the actual revenue and expenditure to date is presented to Council at a Council meeting which is open to the public. This report ensures compliance with this legislative requirement.

The attached report as at 31 March 2015 is provided for the information of Council and the community. The financial report compares budgeted income and expenditure with actual results for the first nine months of the financial year.

KEY POINTS/ISSUES

The attached report, "Income Statement", shows the actual result for the nine months ended 31 March 2015 compared with the budgeted year to date result. The report also provides a forecast for the full year financial result compared to budget.

The "Income Statement" report forecasts a surplus result for the full financial year of \$12.946M which is a favourable variance of \$1.066M to the original budget. The main contributing factors is increased capital government grants resulting from carry forward projects and additional funding received in the current financial year such as funding for the Federal Blackspot roads safety program, together with favourable Landfill fees which are to be held in surplus for funding future landfill development.

Overall the report is showing a favourable year to date variance of \$5.280M. This is a result of favourable variances of \$0.778M in income and \$4.502M in expenditure mainly due to the following factors;

**ORDINARY COUNCIL MEETING MINUTES
04 MAY 2015 (CM460)**

- User fees and charges (\$1.493M favourable) mainly as a result of greater than anticipated Commercial waste received at Council's landfill facility together with favourable variances to date in subdivision and local laws.
- Grants Operating non-recurrent (\$1.077M favourable) resulting from funding for the Energy Efficiency Lighting Upgrade being received earlier than anticipated together with grants received for projects that were not identified at the time of budget.
- Grants Operating recurrent (\$0.921M favourable) resulting from grant monies that have been received earlier than anticipated as well as new funding for HACC Flexible Support Package that was not identified at the time of the budget.
- Higher than anticipated rates growth prior to raising the annual rates charges (\$0.383M favourable).
- Grants Capital non-recurrent (\$3.578M unfavourable) mainly as a result of budgeted funds received for the Moe Rail Precinct Revitalisation Project in the previous financial year together with grant funds for other projects to be received later in the current financial year than anticipated.
- Employee costs (\$1.239M favourable) principally relating to a number of unfilled vacant staffing positions in the first nine months of the financial year together with a lower than expected workcover premium for 2014/15.
- Materials and Services (\$1.383M favourable) principally relating to project and program expenditure that will be incurred later than anticipated.
- Depreciation and Amortisation (\$1.427M) as a result of later than expected timing of infrastructure re-valuations.

These and other variances are explained further in the attached report.

RISK IMPLICATIONS

Risk has been considered as part of this report and it is considered to be consistent with the Risk Management framework.

This report assists in ensuring legislative requirements are met.

FINANCIAL AND RESOURCES IMPLICATIONS

The attached report provides details of budget variances for the nine months to 31 March 2015 and the forecasted full financial year.

INTERNAL/EXTERNAL CONSULTATION

No consultation was required in the preparation of this report.

OPTIONS

The requirement to report on financial and key strategic actions quarterly is a statutory requirement, therefore the options that exist are:

1. Council receives and notes the March 2015 Quarterly Finance Report for the nine months ended 31 March 2015, in accordance with the requirements of the Local Government Act 1989; or
2. Council seeks additional information.

CONCLUSION

The attached report provides financial details, as required by the Local Government Act 1989. The report indicates that Council is operating within the parameters of its 2014/2015 adopted budget. Variances arising from the timing of the receipt of and new capital grant revenues together with favourable landfill gate fees which will be held in surplus for future landfill development requirements have resulted in a forecasted increased operating surplus for the full financial year.

SUPPORTING DOCUMENTS

N/A

Attachments

1. March 2015 Quarterly Finance Report

16.1

March 2015 Quarterly Finance Report

1	March 2015 Quarterly Finance Report	131
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STANDARD INCOME STATEMENT
For The Quarter Ended 31 March 2015

	NOTE	YTD Actual \$'000	YTD Budget \$'000	Variance YTD Act/Bud \$'000	Full Year Forecast \$'000	Annual Budget \$'000	Variance Annual Budget /Forecast \$'000
INCOME							
Rates and charges	1	69,647	69,264	383	69,650	69,400	250
Grants - Operating (recurrent)	2	17,624	16,703	921	23,508	22,478	1,030
Grants - Operating (non-recurrent)	3	2,598	1,521	1,077	3,116	2,278	838
Grants - Capital (recurrent)	4	951	881	70	1,175	1,175	0
Grants - Capital (non-recurrent)	5	4,763	8,341	(3,578)	13,535	12,566	969
Interest	6	1,105	975	130	1,482	1,300	182
User fees and charges	7	12,078	10,585	1,493	16,003	14,747	1,256
Other Income	8	1,730	1,761	(31)	2,248	2,415	(166)
Developer Contributions (Cash)	9	240	27	213	254	41	213
Developer Contributed assets	10	0	0	0	2,000	2,000	0
Net gain (loss) on disposal of property, infrastructure and equipment	11	100	(0)	100	0	0	0
TOTAL INCOME		110,838	110,060	778	132,971	128,399	4,571
EXPENSES							
Employee costs	12	34,740	35,979	1,239	50,332	51,262	930
Materials and services	13	23,340	24,723	1,383	39,761	35,659	(4,102)
Bad and Doubtful Debts	14	14	11	(3)	19	16	(3)
Finance costs	15	668	866	199	1,054	1,129	74
Other Expenditure	16	3,789	4,046	257	5,559	5,154	(405)
Depreciation and amortisation	17	16,048	17,475	1,427	23,300	23,300	(0)
TOTAL EXPENSES		78,599	83,101	4,502	120,025	116,520	(3,505)
SURPLUS (DEFICIT) FOR THE YEAR		32,238	26,958	5,280	12,946	11,880	1,066

NOTES TO THE INCOME STATEMENT - Year to Date and Full Year Variances**1. Rates and charges**

Year to Date - \$0.383M Favourable

The favourable variance is primarily a result of higher than anticipated supplementary rates growth processed to date.

Full Year - \$0.250M Favourable

The favourable variance is primarily a result of higher than anticipated supplementary rates growth.

2. Grants - Operating (recurrent)

Year to Date - \$0.921M Favourable

The favourable variance is due to some grant monies that have been received earlier than anticipated as well as new funding for HACC Flexible Support Package that was not identified at the time of the budget. The funding for Maternal & Child Health was also incorrectly budgeted against Other Income for the year.

Full Year - \$1.030M Favourable

The main reason for the full year favourable variance is due to the funding for Maternal & Child Health being incorrectly budgeted against Other Income. Also new funding for HACC Flexible Support Package of \$252K that was not identified at the time the budget was set. There are also other minor variances across other areas.

3. Grants - Operating (non-recurrent)

Year to Date - \$1.077M Favourable

The main reason for the favourable variance is due to the funding for Energy Efficiency Lighting Upgrade being received earlier than anticipated together with funding received for projects that were not identified at the time of budget as identified in the full year comment.

Full Year - \$0.838M Favourable

The favourable variance is due to new funding that was not identified at the time of budget. \$278K for Mine Fire CBD Cleaning, \$185K for Community Sector, \$150K for Morwell Streetscape Beautification Project and \$124K for Emergency Response & Recovery Collaboration Gippsland. There are also other minor variances across other areas.

4. Grants - Capital (recurrent)

Year to Date - \$0.070M Favourable

The favourable variance is due to the timing in receiving funding for the Roads to Recovery program.

Full Year - \$0.000M Nil Variance

No Variance.

5. Grants - Capital (non-recurrent)**Year to Date - (\$3.578M) Unfavourable**

The unfavourable variance is due to a combination of some funding received at the end of the 13/14 financial year and also in the timing anticipated to receive other funding.

Full Year - \$0.969M Favourable

The favourable variance is due to new funding that was not identified at the time of budget. \$1.071M for Major Flood recovery works, \$825K for National Building Blackspot Program, \$550K for Piggery Road Landslip Land Purchase. There is also an additional \$1.540M forecast for Growing Aerospace Manufacturing at LRA. This has also been offset by a reduction of \$1.150M for Moe Rail Precinct Revitalisation Project which was received in June 2014.

6. Interest**Year to Date - \$0.130M Favourable**

The favourable variance is a result of greater than expected funds available for investing.

Full Year - \$0.182M Favourable

The favourable variance is a result of greater than expected funds available for investing.

7. User fees and charges**Year to Date - \$1.493M Favourable**

The year to date variance is mainly a result of additional income in Landfill gate fees of \$1.263M together with other minor variances.

Full Year - \$1.256M Favourable

The forecasted variance is mainly a result of expected additional income in Landfill gate fees of \$1.414M together with other minor variances

8. Other Income**Year to Date - (\$0.031M) Unfavourable**

The unfavourable variance is a combination of the Government funding received for Maternal & Child Health that was incorrectly budgeted against Other Income for the year and a higher than anticipated Interest on overdue rates that has been raised for the year.

Full Year - (\$0.166M) Unfavourable

The unfavourable variance is a combination of the Government funding for Maternal & Child Health that was incorrectly budgeted against Other Income for the year and a higher than anticipated Interest on overdue rates to be raised for the year.

9. Developer Contributions**Year to Date - \$0.213M Favourable**

The year to date favourable variance is from additional monies received in Public Open Space, Future Roadworks and Street Trees.

Full Year - \$0.213M Favourable

The favourable variance is from additional monies received in Public Open Space, Future Roadworks and Street Trees which have already been received.

10. Developer Contributed assets

Year to Date - **\$0.000M Nil Variance**

No variance to date.

Full Year - **\$0.000M Nil Variance**

No variance is forecasted at this stage.

11. Net gain (loss) on disposal of property, infrastructure and equipment

Year to Date - **\$0.100M Favourable**

Minor favourable variance associated with plant and fleet trade-ins to date.

Full Year - **\$0.000M Nil Variance**

No variance is forecasted at this stage.

12. Employee costs

Year to Date - **\$1.239M Favourable**

The favourable variance is largely due to a lower than anticipated Workcover Levy together with a number of vacant staffing positions across the organisation.

Full Year - **\$0.930M Favourable**

The favourable variance is largely due to a lower than anticipated Workcover Levy together with a number of vacant staffing positions across the organisation.

13. Materials and services

Year to Date - **\$1.383M Favourable**

The favourable year to date result is mainly due to various minor variances in the timing of works and supplier payments.

Full Year - **(\$4.102M) Unfavourable**

The unfavourable full year variance reflects expenditure on a number of projects/programs that were funded from the 2013/2014 accumulated surplus due to them not being fully completed in the last financial year. Other contributing factors are expenditure on new externally funded programs.

14. Bad and Doubtful Debts

Year to Date - **(\$0.003M) Unfavourable**

Minor Variance

Full Year - **(\$0.003M) Unfavourable**

Minor Variance

15. Finance costs**Year to Date - \$0.199M Favourable**

The favourable variance is a result of Council receiving a lower interest rate from the Local Government Funding Vehicle (LGFV) for its 2013/2014 borrowings than was budgeted .

Full Year - \$0.074M Favourable

The favourable variance is a result of Council receiving a lower interest rate from the Local Government Funding Vehicle (LGFV) for its 2013/2014 borrowings than was budgeted .

16. Other Expenditure**Year to Date - \$0.257M Favourable**

The favourable variance is mainly due to a saving in Insurance Premiums of \$218K together with the timing of payments for Grants and Contributions made (\$227K). This is offset by additional expenditure in Landfill Operations Levies of \$234K

Full Year - (\$0.405M) Unfavourable

The unfavourable variance is due to additional expenditure in Landfill Operations Levies of \$459K associated with higher than expected commercial waste volumes.

17. Depreciation**Year to Date - \$1.427M Favourable**

The favourable variance is mainly a result of later than anticipated revaluation of Infrastructure assets. It is anticipated that this revaluation will be processed in the coming months which will result in the depreciation calculations being updated.

Full Year - (\$0.000M) Unfavourable

No variance identified at this stage

RECONCILIATION OF STANDARD INCOME STATEMENT TO CASH BUDGET
For The Quarter Ended 31 March 2015

NOTE	YTD Actual \$'000	YTD Budget \$'000	Variance YTD Act/Bud \$'000	Full Year Forecast \$'000	Annual Budget \$'000	Variance Annual Budget /Forecast \$'000
Operating Surplus (Deficit)	32,238	26,958	5,280	12,946	11,880	1,066
Reconciliation to Cash Budget						
Plus Depreciation	16,048	17,475	(1,427)	23,300	23,300	0
Plus Written Down Value of Assets Disposed	483	871	(388)	2,937	1,635	1,302
Less Developer Contributed assets	0	0	0	(2,000)	(2,000)	0
Less Capital Expenditure	(16,662)	(27,895)	11,234	(39,385)	(43,229)	3,844
Less Loan Principal Repayments	(10,194)	(2,524)	(7,671)	(10,823)	(3,341)	(7,482)
Less Landfill Rehabilitation Expenditure	(652)	(1,000)	348	(1,744)	(1,500)	(244)
Plus Internal Transfers	17,585	10,125	7,460	3,837	9,905	(6,069)
Plus Loan Proceeds	8,216	0	8,216	11,566	3,350	8,216
Net Other Non-Operating Items	(4)	0	(4)	0	0	0
Net Total Non-Operating items	(14,820)	2,948	(17,768)	12,313	11,880	433
Cash Budget Surplus (Deficit)	47,059	24,011	23,048	633	(0)	633

STANDARD INCOME STATEMENT
For The Quarter Ended 31 March 2015 Compared To Previous Financial Year

	2014/15			2013/14		
	YTD Actuals	YTD Budgets	Variance YTD Act/Bud	YTD Actuals	YTD Budgets	Variance YTD Act/Bud
INCOME						
Rates and charges	69,647	69,264	383	66,400	66,494	(94)
Grants - Operating (recurrent)	17,624	16,703	921	12,789	16,271	(3,482)
Grants - Operating (non-recurrent)	2,598	1,521	1,077	2,176	1,562	614
Grants - Capital (recurrent)	951	881	70	1,175	1,175	0
Grants - Capital (non-recurrent)	4,763	8,341	(3,578)	1,917	4,042	(2,125)
Interest	1,105	975	130	1,153	915	238
User fees and charges	12,078	10,585	1,493	11,519	10,199	1,320
Other Income	1,730	1,761	(31)	1,987	1,441	546
Developer Contributions (Cash)	240	27	213	28	54	(26)
Developer Contributed assets	0	0	0	0	0	0
Net gain (loss) on disposal of property, infrastructure and equipment	100	(0)	100	(11)	0	(11)
TOTAL INCOME	110,838	110,060	778	99,133	102,153	(3,020)
EXPENSES						
Employee costs	34,740	35,979	1,239	34,918	35,414	497
Materials and services	23,340	24,723	1,383	20,064	22,325	2,261
Bad and Doubtful Debts	14	11	(3)	14	14	(1)
Finance costs	668	866	199	857	1,021	165
Other Expenditure	3,789	4,046	257	3,538	3,313	(225)
Depreciation and amortisation	16,048	17,475	1,427	16,891	16,553	(338)
Write-off Previously Recognised Assets	0	0	0	0	0	0
TOTAL EXPENSES	78,599	83,101	4,502	76,283	78,641	2,358
SURPLUS (DEFICIT) FOR THE YEAR	32,238	26,958	5,280	22,850	23,512	(662)

STANDARD CASH FLOW STATEMENT

For the Quarter ended 31 March 2015

	NOTE	YTD Cash Flow	Adopted Budget Annual Cashflow	Cash Flow 2013/14
		\$'000s	\$'000s	\$'000s
		Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES				
Rates and charges		56,915	69,078	65,560
Grants - operating		20,972	23,403	20,705
Grants - capital		5,836	13,677	7,088
User fees and fines		12,655	14,679	16,973
Interest		996	1,294	1,739
Developer Contributions		240	41	36
Other Receipts		3,776	3,688	1,581
Employee Costs		(37,615)	(50,473)	(49,289)
Materials and services		(30,268)	(31,318)	(40,979)
Other Payments		(3,789)	(10,806)	(5,151)
Net cash from operating activities		29,719	33,263	18,263
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from Property, Plant & Equipment		583	1,635	570
Proceeds from Investments		40,620	0	58,000
Payments for Property, Plant & Equipment		(16,662)	(43,230)	(24,108)
Payments for Investments		(85,570)	0	(41,810)
Net Cash Flows used in investing activities		(61,029)	(41,595)	(7,348)
CASH FLOWS FROM FINANCING ACTIVITIES				
Finance costs		(668)	(1,129)	(1,211)
Proceeds from borrowings		8,216	3,350	8,970
Repayment of borrowings		(10,194)	(3,341)	(3,705)
Net Cash Flows from Financing Activities		(2,647)	(1,120)	4,054
Net Increase/(Decrease) in cash held		(33,957)	(9,452)	14,970
Cash & cash equivalents at beginning of year	1	42,632	34,136	27,663
Cash & cash equivalents at end of period		8,675	24,684	42,632

NOTES

1. The budgeted cash at the beginning of the year was based on \$8.7M of the 2013/2014 capital works program being incomplete at 30 June 2014. The actual amount of incomplete capital works and capital grants received in advance was \$14.6M. This additional \$5.9M together with additional advance funding and incomplete operational projects from 2013/2014 of \$3.2M are the principal factors contributing to the significant variance in the opening cash balance.

STANDARD BALANCE SHEET

As at 31 March 2015

	Current Balance \$'000s	Balance as at 30/06/2014 \$'000s	Movement for Year to Date \$'000s	Balance as at 30/03/2014 \$'000s
CURRENT ASSETS				
Cash and Cash Equivalents	8,675	42,632	(33,957)	24,803
Financial Assets	48,260	3,310	44,950	25,000
Prepayments	4	293	(289)	4
Trade and Other Receivables	21,069	8,962	12,107	18,559
Total Current Assets	78,009	55,198	22,811	68,367
NON CURRENT ASSETS				
Property, Plant and Equipment	1,036,229	1,036,036	193	1,028,881
Intangible Assets	176	239	(63)	260
Trade and Other Receivables	17	17	0	26
Financial Assets	2	2	0	2
Total Non-Current Assets	1,036,424	1,036,294	130	1,029,170
TOTAL ASSETS	1,114,433	1,091,492	22,941	1,097,537
CURRENT LIABILITIES				
Payables	4,712	10,942	(6,230)	2,384
Interest-bearing Liabilities	8,844	10,823	(1,979)	9,113
Provisions - Employee Benefits	9,975	10,815	(840)	9,836
Provisions - Landfill	1,467	2,120	(652)	1,578
Trust Funds and Deposits	2,619	2,214	404	2,324
Total Current Liabilities	27,617	36,914	(9,297)	25,235
NON CURRENT LIABILITIES				
Interest-bearing Liabilities	8,828	8,828	0	11,427
Provisions - Employee Benefits	1,370	1,370	0	1,406
Provisions - Landfill	13,628	13,628	0	14,387
Total Non-Current Liabilities	23,827	23,827	0	27,221
TOTAL LIABILITIES	51,443	60,740	(9,297)	52,456
NET ASSETS	1,062,990	1,030,751	32,238	1,045,081
EQUITY				
Current Year Surplus/(Deficit)	32,238	7,653	24,585	22,850
Accumulated Surplus	628,071	620,653	7,417	620,613
Reserves	402,681	402,445	236	401,619
TOTAL EQUITY	1,062,990	1,030,751	32,238	1,045,082

STANDARD CAPITAL WORKS STATEMENT
For The Quarter Ended 31 March 2015

	NOTE	YTD Actuals \$'000	Full Year Forecast \$'000	Annual Budget \$'000	Variance Annual Budget /Forecast \$'000
Property					
Land, Buildings & Improvements	1	3,874	10,952	13,555	2,602
Total Property		3,874	10,952	13,555	2,602
Plant and Equipment					
Plant & Equipment	2	1,348	2,993	2,065	(928)
Furniture & Equipment	3	327	650	642	(8)
Artworks	4	0	18	15	(3)
Total Plant and Equipment		1,674	3,661	2,722	(939)
Infrastructure					
Roads	5	8,621	18,115	19,942	1,827
Footpaths & Cycleways	6	550	1,747	1,494	(253)
Bridges & Culverts	7	341	823	500	(323)
Off Street Carparks	8	457	551	510	(41)
Drainage	9	319	1,286	1,455	169
Playgrounds	10	205	500	252	(248)
Landfill Cell Construction	11	620	1,750	2,800	1,050
Total Infrastructure		11,113	24,771	26,953	2,181
Total Capital Works expenditure		16,662	39,385	43,229	3,844
REPRESENTED BY;					
New Asset Expenditure	12	5,438	12,262	14,738	2,477
Asset Renewal Expenditure	13	9,332	20,147	22,023	1,876
Asset Expansion Expenditure	14	265	1,235	2,028	793
Asset Upgrade Expenditure	15	1,626	5,741	4,440	(1,301)
Total Capital Works		16,662	39,385	43,229	3,844

NOTES TO THE CAPITAL WORKS STATEMENT - Full Year Forecast Variances

1. Land, Buildings and Improvements \$2.602M Favourable

The reduced expenditure forecast is mainly due to the expected timing of works on the Moe Rail Precinct Revitalisation Project Stage 1, Harold Preston Park Pavilion, Moe Tennis Complex and Traralgon Court House projects. This expenditure is now expected to be incurred in the 2015/16 financial year. Additional expenditure is to be incurred at Latrobe Regional Airport and for landslip remediation as a result of the timing of government grant funding that was not included in the adopted budget which partly offsets the reductions for carry forwards.

2. Plant and Equipment (\$0.928M) Unfavourable

The additional expenditure is a result of unspent fleet replacement funds carried forward from the previous financial year as a result of a delay in the program due to a review of Council's fleet processes.

3. Furniture and Equipment (\$0.008M) Unfavourable

The minor additional expenditure is a result of unspent IT Equipment replacement funds carried forward from the previous financial year.

4. Artworks (\$0.003M) Unfavourable

Minor additional expenditure funded by donations received.

5. Roads \$1.827M Favourable

The reduction in expenditure is mainly due to the expected timing of works on the Heavy Industrial Park infrastructure project with \$2.5M or 50% now expected to be carried forward to the 2015/16 financial year. This is partially offset by additional expenditure in mainly a result of unbudgeted National Blackspot Program funding received (\$825K), Rural Gravel Road Sealing program works funded from reserves and Marshall's Road Rehabilitation works funded from carry forward and developer contributions.

6. Footpaths and Cycleways (\$0.253M) Unfavourable

The additional expenditure is a result of unspent footpath replacement and development funds carried forward from the previous financial year.

- 7. Bridges and Culverts** **(\$0.323M) Unfavourable**
The additional expenditure is mainly a result of Wright Street Footbridge funds carried forward from the previous financial year.
- 8. Offstreet Carparks** **(\$0.041M) Unfavourable**
The additional expenditure is mainly a result of unspent Morwell Town Common carpark funds carried forward from the previous financial year.
- 9. Drainage** **\$0.169M Favourable**
The reduction in expenditure forecasted is mainly due to the expected timing of drainage works in Moe and Morwell Park Oval that are now expected to be carried forward for completion in the 2015/16 financial year. These variances are partially offset by additional expenditure for the Milburn Court Drainage project for which funds were carried forward from the previous financial year.
- 10. Playgrounds** **(\$0.248M) Unfavourable**
The additional expenditure is mainly a result of unspent Morwell Town Common AAA Playground funds carried forward from the previous financial year.
- 11. Landfill Cell Construction** **\$1.050M Favourable**
The reduction in expenditure forecasted is due to the expected timing of works on Cell 4 and the Highland Highway Landfill. It is now anticipated that some funds will be required to be spent in 2015/16 and some potential savings which will be held in reserve for future Landfill requirements.
- 12. New Assets** **\$2.477M Favourable**
The reduced expenditure forecast is mainly due to the expected timing of works on the Moe Rail Precinct Revitalisation Project Stage 1 which will fall over two financial years, with a greater portion of the expenditure now expected to occur in the 2015/16 financial year which offsets this reduction.
- 13. Asset Renewal** **\$1.876M Favourable**
The reduction in expenditure is mainly due to the expected timing of works on the Heavy Industrial Park infrastructure project with \$2.5M or 50% now expected to be carried forward to the 2015/16 financial year. This is partially offset by additional expenditure mainly due to carry over and additional external funding for Landslip remediation, Fleet Replacement, Road Rehabilitation, Wright Street Footbridge, Footpath and IT Equipment replacement programs.
- 14. Asset expansion** **\$0.793M Favourable**
The reduction in expenditure forecast is mainly due to the expected timing of works on the Harold Preston Park Pavilion and Traralgon Court House projects. This expenditure is now expected to be incurred in the 2015/16 financial year.
- 15. Asset upgrade** **(\$1.301M) Unfavourable**
The additional expenditure is mainly a result of additional Federal Blackspot Program funding approved and Rural Gravel Road Sealing and IT upgrade projects funded from carry forward reserves.

FINANCIAL PERFORMANCE RATIOS

As at 31 March 2015

	Year to Date Ratios			Forecast at 30/06/15	Budget at 30/06/15	Expected Range	
	\$'000s	Ratio at 31/03/15	Ratio at 31/03/14				
OPERATING POSITION							
Adjusted Underlying Result Indicator							
(Indicator of the broad objective that an adjusted underlying surplus should be generated in the ordinary course of business. A surplus or increasing surplus suggests an improvement in the operating position)							
Adjusted underlying surplus (or deficit)							
	<u>Adjusted net Surplus/(Deficit)</u>	27,475	25.9%	21.5%	(2.2%)	(2.4%)	-20% - +20%
	Adjusted underlying revenue	106,075					
The ratio takes out the effect of once off capital grants & developer contributions.							
LIQUIDITY							
Working Capital Indicator							
(Indicator of the broad objective that sufficient working capital is available to pay bills as and when they fall due. High or increasing level of working capital suggests an improvement in liquidity)							
Current assets compared to current liabilities							
	<u>Current Assets</u>	78,009	282.5%	270.9%	195.4%	135.2%	100% - 300%
	Current Liabilities	27,617					
Unrestricted Cash Indicator							
(Indicator that sufficient cash which is free of restrictions is available to pay bills as and when they fall due. High or increasing level of cash suggests an improvement in liquidity)							
	<u>Unrestricted Cash</u>	46,755	169.3%	n/a	81.7%	82.5%	0.0% - 200%
	Current Liabilities	27,617					
Note: Indicative figure only as restricted cash only measurable at year end.							
OBLIGATIONS							
Loans and borrowings Indicator							
(Indicator of the broad objective that the level of interest bearing loans and borrowings should be appropriate to the size and nature of a council's activities. Low or decreasing level of loans and borrowings suggests an improvement in the capacity to meet long term obligations)							
Loans and borrowings compared to rates							
	<u>Interest Bearing loans and borrowings</u>	17,672	25.4%	29.5%	29.3%	28.3%	0% - 50%
	Rate Revenue	69,647					
Note: This ratio is expected to be slightly higher than budgeted due to Council participating in the MAV Local Government Funding Vehicle which is interest only with principal repayments only occurring every five years.							
Loans and borrowings repayments compared to rates							
	<u>Interest & principal repayments</u>	10,862	15.6%	5.5%	17.1%	6.4%	0% - 10%
	Rate Revenue	69,647					
Note: This ratio is expected to be higher than budgeted due to Council refinancing from an interim loan facility to the MAV Local Government Funding Vehicle this has led to the repayment of principal being included in principal repayments but is offset by proceeds from the new facility.							

	Year to Date Ratios			Forecast at 30/06/15	Budget at 30/06/15	Expected Range
	\$'000s	Ratio at 31/03/15	Ratio at 31/03/14			
OPERATING POSITION						
Indebtedness Indicator						
(Indicator of the broad objective that the level of long term liabilities should be appropriate to the size and nature of a Council's activities. Low or decreasing level of long term liabilities suggests an improvement in the capacity to meet long term obligations)						
Non-current liabilities compared to own source revenue (to ensure Council has the ability to pay its long term debts & provisions)						
Non Current Liabilities	23,827	27.8%	33.6%	36.0%	34.3%	0% - 50%
Own Source Revenue	85,612					
Own Source Revenue is adjusted underlying revenue excluding revenue which is not under the control of council (including government grants)						
Asset Renewal Indicator						
(Indicator of the broad objective that assets should be renewed as planned. High or increasing level of planned asset renewal being met suggests an improvement in the capacity to meet long term obligations)						
Asset Renewal Expenditure	9,332	58.2%	79.9%	86.5%	94.5%	50%-100%
Depreciation	16,048					
Note: The improved forecast ratio is mainly a result of funds carried forward from the previous financial year thus leading to a lower ratio than expected in 2013/14.						
STABILITY						
Rates Concentration Indicator						
(Indicator of the broad objective that revenue should be generated from a range of sources. High or increasing range of revenue sources suggests an improvement in stability)						
Rates compared to adjusted underlying revenue						
Rate Revenue	69,647	65.7%	68.3%	59.3%	61.0%	40% - 80%
Adjusted underlying revenue	106,075					
Rates Effort Indicator						
(Indicator of the broad objective that the rating level should be set based on the community's capacity to pay. Low or decreasing level of rates suggests an improvement in the rating burden)						
Rates compared to property values						
Rate Revenue	69,647	0.4%	0.4%	0.4%	0.7%	0.2% to 0.7%
property values (CIV)	16,292,532					
Note: The budget document indicated this ratio would be 0.7% but this included payments in lieu of rates in rate revenue but not the CIV property values as these payments are not valuation based. By adding the CIV values of these properties the budgeted ratio would have been 0.4%. This adjustment has been made to the actual and forecast ratios.						

	Year to Date Ratios			Forecast at 30/06/15	Budget at 30/06/15	Expected Range
	\$'000s	Ratio at 31/03/15	Ratio at 31/03/14			
OPERATING POSITION						
EFFICIENCY						
Expenditure Level Indicator						
(Indicator of the broad objective that resources should be used efficiently in the delivery of services. Low or decreasing level of expenditure suggests an improvement in organisational efficiency)						
Expenses per property assessment						
	<u>Total expenses</u>	78,599				
	Number of property assessments	37	\$ 2,096	\$ 2,053	\$ 3,201	\$ 3,112
						\$2000 - \$4000
Note: The forecasted increase in expenses per assessment is mainly related to materials and services expenditure funded from additional government funding and carry forward funds.						
Revenue Level Indicator						
(Indicator of the broad objective that resources should be used efficiently in the delivery of services. Low or decreasing level of rates suggests an improvement in organisational efficiency)						
Average residential rate per residential property assessment						
	<u>Residential Rate Revenue</u>	50,027				
	Number of residential property assessments	33	\$ 1,495	\$ 1,423	\$ 1,484	\$ 1,484
						\$800 - \$1,800
Note: Indicative figure only as system does not currently directly attribute Municipal & Garbages Charges to a property type. New reports are currently being devised to more accurately capture this data.						

URGENT BUSINESS

URGENT BUSINESS

Moved: Cr Middlemiss
Seconded: Cr White

That Cr Gibbons be permitted to introduce an item of Urgent Business.

CARRIED UNANIMOUSLY

MOTION

That Council:

- 1. Congratulates Jessie McEwan on being presented with the Regional Achiever Award presented at the 2015 Victorian Young Achiever Awards; and**
- 2. Directs the Mayor to write to Jessie on attaining this prestigious State award and to wish her further success in her vocation in the future.**

Moved: Cr Gibbons
Seconded: Cr Middlemiss

That the Motion be adopted.

CARRIED UNANIMOUSLY

MEETING CLOSED TO THE PUBLIC

17. 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.

RECOMMENDATION

That the Ordinary Meeting of Council closes this meeting to the public to consider the following items which are of a confidential nature, pursuant to section 89(2) of the Local Government Act (LGA) 1989 for the reasons indicated:

17.1 CONFIDENTIAL ITEMS HELD OVER

Agenda item 17.1 *Confidential Items Held Over* 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)

17.2 ADOPTION OF MINUTES

Agenda item 17.2 *Adoption of Minutes* 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)

17.3 CONFIDENTIAL ITEMS

Agenda item 17.3 *Confidential Items* 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)

17.4 ASSEMBLY OF COUNCILLORS

Agenda item 17.4 *Assembly of Councillors* 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)

17.5 LCC-265 PROVISION OF VETERINARY SERVICES

Agenda item 17.5 *LCC-265 PROVISION OF VETERINARY SERVICES* is designated as confidential as it relates to contractual matters (s89 2d)

17.6 LCC-268 PROVISION OF AIR CONDITIONING MAINTENANCE

Agenda item 17.6 *LCC-268 PROVISION OF AIR CONDITIONING MAINTENANCE* is designated as confidential as it relates to contractual matters (s89 2d)

17.7 SPORTING SPONSORSHIP APPLICATION

Agenda item 17.7 *Sporting Sponsorship Application* 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)

17.8 ACQUISITION OF 83 PIGGERY ROAD BOOLARRA

Agenda item 17.8 *Acquisition of 83 Piggery Road Boolarra* is designated as confidential as it relates to contractual matters (s89 2d)

17.9 INSURANCE RENEWALS

Agenda item 16.1 *Insurance Renewals* is designated as confidential as it relates to contractual matters (s89 2d)

Moved: Cr Rossiter

Seconded: Cr Gibbons

That the Recommendation be adopted.

CARRIED UNANIMOUSLY

The Meeting closed to the public at 8.00PM

I certify that these minutes have been confirmed.

Mayor: _____

Date: _____