



LATROBE CITY COUNCIL

MINUTES FOR THE ORDINARY COUNCIL MEETING

HELD IN NAMBUR WARIGA MEETING ROOM
CORPORATE HEADQUARTERS, MORWELL
AT 6.00PM ON
18 APRIL 2017

CM499

PRESENT:

Councillors:	Cr Kellie O'Callaghan, Mayor	East Ward
	Cr Graeme Middlemiss, Deputy Mayor	Central Ward
	Cr Alan McFarlane	Central Ward
	Cr Darren Howe	East Ward
	Cr Dale Harriman	East Ward
	Cr Dan Clancey	East Ward
	Cr Brad Law	West Ward
	Cr Sharon Gibson	West Ward
Officers:	Gary Van Driel	Chief Executive Officer
	Sara Rhodes-Ward	General Manager Community Services
	Gail Gatt	Acting General Manager City Development
	Angelo Saridis	Acting General Manager Corporate Services
	Steven Piasente	General Manager Infrastructure & Recreation
	Amy Phillips	Acting Manager Governance
	Fiona Warne	Acting Coordinator Governance
	Kylie Stockdale	Governance Officer
	Edith Heiberg	Manager Communications and Customer Relations

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1. OPENING PRAYER

The Mayor read the opening prayer.

Mr Ronald Edwards was invited to conduct the Welcome to Country.

2. ACKNOWLEDGEMENT OF THE TRADITIONAL OWNERS OF THE LAND

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

The Mayor requested the Acknowledgements section be heard at this time.

3. ACKNOWLEDGEMENTS

The Mayor acknowledged Mr Ronald Edwards for his contribution of art work on display at Latrobe City Council.

Cr Sharon Gibson acknowledged the Twin City Archery Club on a successful event for the Youth Championships.

The Mayor welcomed the Youth Council to the meeting.

4. APOLOGIES AND LEAVE OF ABSENCE

Cr Darrell White is an apology.

5. DECLARATION OF INTERESTS

Cr Alan McFarlane declared an indirect interest under Section 78 of *The Local Government Act* 1989 in respect to Item 17.2 Draft Council Plan 2017-2021 and Strategic Resource Plan and 17.3 2017/18 Draft Budget (Including Fees & Charges).

6. ADOPTION OF MINUTES

MOTION

Moved: Cr Gibson

Seconded: Cr McFarlane

That the minutes of the Ordinary Council Meeting held on 27 March 2017 be confirmed.

CARRIED UNANIMOUSLY

7. PUBLIC QUESTION TIME

7.1 PUBLIC SPEAKERS

Suspension of Standing Orders

MOTION

Moved: Cr Gibson

Seconded: Cr Middlemiss

That Council suspend standing orders to hear speakers at this point in time.

CARRIED UNANIMOUSLY

Standing orders were suspended at 6.07 pm

The following persons spoke on an item on the agenda:

9.1 2017/05 - Advocacy for Latrobe Valley branding on media weather maps

- Ms Christine Sindt

Resumption of Standing Orders

MOTION

Moved: Cr Gibson

Seconded: Cr Law

That Council resumes standing orders..

CARRIED UNANIMOUSLY

Standing orders resumed at 6.11 pm

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

Date of Council Meeting	Item	Date of Future Council Meeting Report
Chief Executive Office		
City Development		
Infrastructure & Recreation		
06 November 2013	Latrobe Regional Motorsport Complex	<p>2015 A briefing report and Council report will be presented in April 2016.</p> <p>30 March 2016 A briefing report will be presented in May 2016.</p> <p>26 May 2016 A briefing report will be presented to Councillors at the 30 May 2016 Councillor Briefing.</p> <p>30 May 2016 A report was presented to the Councillor Briefing on 30 May 2016, and a further report will follow in September.</p> <p>20 September 2016 A tour of possible sites for the development of a Motorsport Complex will be organised for early in 2017.</p>
19 May 2014	<p>East West Link for Traralgon</p> <p>Confidential under section 89(2)(h) a matter which the Council or special committee considers would prejudice the Council or any person</p>	<p>27 January 2017 A report will be presented to Council in March 2017.</p>

Date of Council Meeting	Item	Date of Future Council Meeting Report
20 June 2016	Draft Drainage Asset Management Plan 2016	<p>05 July 2016 Following adoption Officers are reviewing the improvement plan and will discuss Consultation with Communication Department to prepare a plan to consult immediately following the caretaker period.</p> <p>21 September 2016 Consultation will commence once the Caretaker period has finished.</p> <p>23 November 2016 Consultation is arranged for December through to February 2017.</p> <p>27 January 2017 A report will presented to an Ordinary Council Meeting in May 2017 following the conclusion of the community consultation.</p>
11 July 2016	Latrobe Leisure Moe Newborough Hydrotherapy Program	<p>20 July 2016 A report will be presented to Council in 2017.</p> <p>22 February 2017 Councillor Briefing report presented 20 February 2017. A further report will be presented to Council in April 2017.</p>
12 September 2016	2016/25 - Footpaths in Central Business District and Moe CBD on Street Car Parking	<p>11 January 2017 Report to Council programmed for the March 2017 Council meeting.</p>
12 September 2016	Outdoor Pool Operating Hours 2016/17	<p>20 September 2016 A report will be presented to Council at the end of the outdoor pool season (March 2017).</p>

Date of Council Meeting	Item	Date of Future Council Meeting Report
12 September 2016	Community Cricket Program: On Common Ground Confidential under section 89(2)(e) proposed developments	30 January 2017 A report will be presented to Councillors at the 20 February 2017 Councillor Briefing. 09 February 2017 A report to Council has been deferred from February 2017 to March 2017. 15 March 2017 The report to Council has been deferred to April 2017. 28 March 2017 The report has been deferred again to May 2017.
13 February 2017	Proposal to establish a BMX Track in Centenary Park, Boolarra	Complete 15 February 2017 A Council report will be presented to the 6 March 2017 Ordinary Council meeting in relation to this matter. 09 March 2017 Report presented to 6 March 2017 Council meeting.
13 February 2017	Henry Street, Traralgon - Resident Exempt Parking analysis	22 February 2017 A report will be presented to Council in April 2017.
13 February 2017	39 Queen Street, Moe - Traffic and Verge Parking	22 February 2017 A report will be presented to Council 3 months after the installation of signage.
27 March 2017	Disposal of Illegally Dumped Rubbish on HVP Plantations Land	28 March 2017 A report will be presented to Council in 2018, at the conclusion of the one year period.

Date of Council Meeting	Item	Date of Future Council Meeting Report
Community Services		
18 February 2013	Affordable Housing Project – Our Future Our Place	<p>09 March 2016 A report will be presented to a Councillor Briefing in May 2016</p> <p>08 June 2016 The Briefing report has been rescheduled to 27 June 2016.</p> <p>20 July 2016 A briefing report was prepared for the Councillor briefing on 27 June.</p> <p>09 August 2016 A briefing report was presented to the Councillor briefing on 25 July.</p> <p>28 October 2016 Report scheduled in for Councillor Briefing (2) on Monday, 28 November 2016.</p> <p>07 November 2016 Councillor Briefing Report to be presented in Feb 2017.</p> <p>15 March 2017 A report will be presented to Council at the 18 April 2017 meeting.</p>
22 August 2016	2016/21 - Hinkler Street Reserve Site	<p>07 November 2016 Councillor Briefing Report to be presented in Feb 2017.</p> <p>15 March 2017 A report will be presented to Council at the 18 April 2017 meeting.</p>
12 September 2016	2016/27 - Use of Telephone and Mobile Device Applications for Improving Communication between our Community and Council	<p>20 September 2016 Officers will prepare a report for a future Council Meeting.</p> <p>02 November 2016 A report will be presented to Council in 2017.</p> <p>30 January 2017 A report will be presented to Council in April 2017.</p>

Date of Council Meeting	Item	Date of Future Council Meeting Report
12 September 2016	Future Morwell Revitalisation Plan Confidential under section 89(2)(d)(e) contractual matters and proposed developments	Complete 28 October 2016 Briefing report scheduled to go before Councillors in February 2017, with a Council Meeting report to be scheduled following the briefing. February 2016 The briefing report has been rescheduled to March 2017. 30 March 2017 A report was presented to the 27 March 2017 Ordinary Council Meeting.
05 December 2016 Community Services	Moe Library Facility to Incorporate a Local Information Centre and the Display and Sale of Local Artworks	30 January 2017 Follow up briefing due to Council in April 2017.
27 March 2017	Tarwin Street Pop-Up Park, Morwell	28 March 2017 A report will be presented to Council on 21 August 2017.
27 March 2017	Future Morwell Revitalisation Plan	31 March 2017 A report will be brought back to Council at the conclusion of the community engagement activities.
Corporate Services		
25 May 2015	MAV Workcare Self Insurance Confidential under section 89(2)(d) contractual matters	2015 A report will be presented to Council in the second half of 2019. 14 March 2017 A report to Council is scheduled for the end of the current financial year.
17 August 2015	Legal Matter - Sale of Council Property Confidential under section 89(2)(f) legal advice	27 January 2017 A report will be presented to Council in the second half of 2017.

Date of Council Meeting	Item	Date of Future Council Meeting Report
13 February 2017	Proposed Sale of Land – Short Street, Traralgon	16 February 2017 A report will be presented to Council at the conclusion of the Expression of Interest process.
13 February 2017	Proposed name change - McPherson Road Newborough	16 February 2017 A report will be presented to Council at the conclusion of the consultation period should any submissions be received.
13 February 2017	Proposed sale of a portion of Council owned Recreation Reserve located north of Rangeview Drive Traralgon	16 February 2017 A report will be presented to Council at the conclusion of the consultation period should any submissions be received.

NOTICES OF MOTION

9. NOTICES OF MOTION

9.1 2017/05 - Advocacy for Latrobe Valley branding on media weather maps

Cr Alan McFarlane

I, Cr Alan McFarlane, hereby give notice of my intention to move the following motion at the Council Meeting to be held on Monday, 18 April 2017:

MOTION

Moved: Cr McFarlane
Seconded: Cr Middlemiss

That Council as part of Council's branding initiatives, advocates to media outlets to describe and mark on their weather maps when broadcasting, the Latrobe Valley, rather than individual townships (excluding emergency warnings).

CARRIED UNANIMOUSLY

Attachments
Nil

Signed
Cr Alan McFarlane

9.2 2017/06 - Support for a Motorsport Complex

Cr Sharon Gibson

I, Cr Sharon Gibson, hereby give notice of my intention to move the following motion at the Council Meeting to be held on Tuesday, 18 April 2017:

MOTION

Moved: Cr Gibson
Seconded: Cr Middlemiss

That Council:

- 1. Supports the reactivation of Council's Motorsport Complex Committee**
 - a. Including the appointment of two Council representatives being Cr Gibson and Cr Middlemiss, and**
 - b. Requests officers and the appointed Council representatives to develop a Terms of Reference, which is to be brought back to Council for adoption; and**
- 2. Seeks funding from the Latrobe Valley Authority to match Council's 2017/18 budget allocation.**

CARRIED UNANIMOUSLY

Attachments
Nil

Signed
Cr Sharon Gibson

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

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

Nil reports

CORRESPONDENCE

11. CORRESPONDENCE

Nil reports

PRESENTATION OF PETITIONS

12. PRESENTATION OF PETITIONS

Nil reports

CHIEF EXECUTIVE OFFICE

13. CHIEF EXECUTIVE OFFICE

Nil reports

CITY DEVELOPMENT

14. CITY DEVELOPMENT

14.1 Planning Application 2016/116 - Development of a three storey office and apartment building, car park, and associated works within the Commercial 1 Zone; General Residential Zone - Schedule 1 and Heritage Overlay

General Manager

City Development

For Decision

EXECUTIVE SUMMARY

The applicant seeks a permit for the approval of a mixed use, three storey development (office and residential), car park and associated works. The subject site comprises three titles, two of which are in the Commercial 1 Zone (19 and 21 Breed Street) and affected by the Parking Overlay and one of which is within the General Residential Zone and affected by a Heritage Overlay (2 Henry Street).

The proposed three storey building would be located on the land at 19 & 21 Breed Street, with office use at ground floor level and twelve apartments split over the first and second floor. It is proposed to utilise the rear garden of 2 Henry Street, whilst retaining the existing dwelling on this lot, to provide car parking for the residential aspect of the development with the car parking associated with the office contained on 19 & 21 Breed Street. Vehicular access for the proposed development is via a new access from Henry Street.

A total of 29 submissions have been received to the application, 10 submissions in the form of support and 19 objections which have raised concerns relating to:

- Adverse impact on heritage;
- Traffic flow and traffic management;
- Noise and amenity concerns;
- Inadequate parking;
- Design concerns;
- Removal/Damage of Street Trees Along Henry Street; and
- Property Depreciation.

Having considered the submissions and assessed the proposal against the relevant provisions of the Latrobe Planning Scheme (the Scheme), it is considered that the proposal is generally in accordance with the relevant objectives and decision guidelines of the Scheme. It is therefore recommended that a Notice of Decision to Grant a Planning Permit be issued.

RECOMMENDATION

That Council:

Issue a Notice of Decision to grant a planning permit, for the Development of a three storey office and apartment building and associated works within the Commercial 1 Zone, use and development of an ancillary car parking, including car ports, fence and ancillary works within the General Residential Zone Schedule 1 and Heritage Overlay at 19 & 21 Breed Street and 2 Henry Street, Traralgon (Lots 11, 12 and 13 on Plan of Subdivision 1767) with the following conditions:

Endorsed Plans:

1. The use and development as shown on the endorsed plans must not be altered without the written consent of the Responsible Authority.

Landscaping Conditions:

2. Prior to the commencement of any works, a landscape plan must be submitted to and approved by the Responsible Authority. The plan must show:
 - a) a survey (including botanical names) of all existing vegetation to be retained and/or removed;
 - b) buildings and trees (including botanical names) on neighbouring properties within three metres of the boundary;
 - c) details of surface finishes of pathways and driveways;
 - d) a planting schedule of all proposed trees, shrubs and ground covers, including botanical names, common names, pot sizes, sizes at maturity, and quantities of each plant; and
 - e) landscaping and planting within all open areas of the site.

All species must be selected to the satisfaction of the Responsible Authority.

When approved, the plan will be endorsed and will then form part of the permit. The plan must be drawn to scale with dimensions and three copies must be provided.

3. Prior to the occupancy of the development or by such later date as is approved by the Responsible Authority in writing, the landscaping works shown on the endorsed plans must be carried out and completed to the satisfaction of the Responsible Authority.
4. The landscaping shown on the endorsed plans must be maintained to the satisfaction of the Responsible Authority, including that any dead, diseased or damaged plants are to be replaced.

Section 173 Agreement Condition:

5. Prior to the commencement of works, the operator of this permit must:
 - a) enter into an agreement with the Responsible Authority made pursuant to Section 173 of the *Planning and Environment Act 1987* (the Act) that requires the following:

- i. that the land known as lot 11, 12 and 13 on plan of subdivision 1767 cannot be sold separately if the permit is operated unless agreed in writing by the Responsible Authority.
- b) Make application to the Registrar of Titles to register the Section 173 Agreement on the title to the land under Section 181 of the Act; and
- c) Pay the reasonable costs of the preparation, review, and execution and registration of the Section 173 Agreement; and
- d) Provide Council with a copy of the dealing number issued by the Titles Office; and
- e) Once titles are issued, provide either:
 - i. a current title search; or
 - ii. a photocopy of the duplicate certificate of Title as evidence of registration of the Section 173 Agreement on title.

Car Parking Condition:

- 6. The car parking spaces located on lot 11 on plan of subdivision 1767 are to be used solely by the residents of the apartments and should not be used for any commercial purposes.

Amenity Conditions:

- 7. Air conditioning units and all other plant equipment must be located within the plant areas as shown on the endorsed plans unless otherwise approved in writing by the Responsible Authority.
- 8. All garbage and other waste material must be stored within the refuse storage areas as shown on the endorsed plan to the satisfaction of the Responsible Authority.
- 9. No garbage bin or surplus materials generated by the site may be deposited or stored outside the site and bins must be returned to the garbage storage areas as soon as practicable after garbage collection.
- 10. Garbage collection for the development must occur from Breed Street with no bins to be collected from Henry Street.
- 11. The use and development must be managed so that the amenity of the area is not detrimentally affected, through the:
 - a) transport of materials, goods or commodities to or from the land;
 - b) appearance of any building, works or materials;
 - c) emission of noise, artificial light, vibration, smell, fumes, smoke, vapour, steam, soot, ash, dust, waste water, waste products, grit or oil;
 - d) presence of vermin;or otherwise, to the satisfaction of the Responsible Authority.

Development Conditions:

- 12. The operator of this permit must implement appropriate measures to ensure

that the trees along Henry Street are not damaged during the construction of the proposed development.

13. Once building works have commenced they must be completed to the satisfaction of the Responsible Authority.
14. All buildings and works must be maintained in good order and appearance to the satisfaction of the Responsible Authority.
15. Construction works on the land must be carried out in a manner that does not result in damage to existing Council assets and does not cause detriment to adjoining owners and occupiers, to the satisfaction of the Responsible Authority.
16. 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.

DELWP Condition:

17. In order to formalise any approved occupation of the government road strata, the proponent must obtain a lease under Section 134A of the *Land Act 1958* through the Department of Environment, Land, Water and Planning.

Engineering Conditions:

18. Before works commence on the development hereby permitted, a site drainage plan including levels or contours of the land and all hydraulic computations must be submitted to and approved by the Responsible Authority. When approved, the plan will be endorsed and will then form part of the permit. The plan must be drawn to scale with dimensions and an electronic copy (PDF) must be provided. The drainage plan must be prepared in accordance with the requirements of Latrobe City Council's Design Guidelines and must provide for the following:
 - a) A drainage system providing for all stormwater discharging from the site, including from all buildings, car parks and vehicle access areas, to be conveyed to the legal point of discharge. The drainage system must be designed to take the 1 in 20 year ARI storm event.
 - b) An underground pipe drainage system conveying stormwater from the legal point of discharge and connecting into Latrobe City Council's stormwater drainage system.
 - c) The provision of stormwater detention within the site and prior to the point of discharge into Latrobe City Council's drainage system. The stormwater detention system must be designed to ensure that stormwater discharges arising from the proposed development of the land are restricted to pre-development flow rates. The rate of pre-development stormwater discharge shall be calculated using a coefficient of run-off of 0.4.
19. Prior to the commencement of any works hereby permitted, where it is agreed that existing street trees may be removed, the operator of this permit shall:

- a) Arrange for a tree removal contractor approved by the Responsible Authority, to remove the agreed street trees (including the stumps) at numbers 19 and 21 Breed Street, Traralgon. Seven (7) days notification must be given to Latrobe City Council's Supervisor Arborist before the commencement of any tree removal works.
 - b) Pay the sum of \$3,969.75 to Latrobe City Council in compensation for the loss of asset value as a result of the removal of any street trees at numbers 19 and 21 Breed Street, Traralgon.
20. Before the use commences of the building hereby permitted, or by such later date as is approved by the Responsible Authority in writing, the following works must be completed in accordance with the endorsed plans and to the satisfaction of the Responsible Authority including all necessary permits being obtained and inspections undertaken:
- a) All drainage works must be constructed in accordance with the approved site drainage plan.
 - b) The areas shown on the endorsed plans for vehicle access and car parking must be constructed to such levels that they can be used in accordance with the approved plans including surfacing with an all-weather sealed surface, drained, line marking to indicate each car space and all access lanes; and clearly marked to show the direction of traffic along access lanes and roadways.
 - c) All proposed vehicle crossings must be constructed in accordance with the endorsed plans, at right angles to the road and must comply with the vehicle crossing standards set out in Latrobe City Council's Standard Drawing LCC 307.
 - d) All redundant vehicle crossings must be removed and kerb and channel, footpath and grassed naturestrip reinstated.
 - e) The operator of this permit shall arrange for a contractor approved by the Responsible Authority to remove by high pressure water blasting of all redundant line marking for the on-street parallel parking in Breed Street adjacent to numbers 19 and 21 Breed Street.
 - f) The operator of this permit shall arrange for a contractor approved by the Responsible Authority to install/alter the on-street parallel parking bays along the west side of Breed Street as shown on the endorsed plans, including all signage alterations and road pavement line marking.
21. Where proposed, all lighting used to externally illuminate buildings, works and uses shall be fitted with cut-off luminaries (baffles), so as to prevent the emission of direct and indirect light onto adjoining roadways, land and premises to the satisfaction of the Responsible Authority.
- 1 22. 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.

- 2 23. The areas set aside for car parking and vehicle access ways must be maintained in a continuously useable condition to the satisfaction of the Responsible Authority.
24. Car spaces and vehicle access ways must be kept available for these purposes at all times.

3 Expiry of Permit:

25. 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 months after the permit expires; and
- the development or stage started lawfully before the permit expired.

MOTION

**Moved: Cr Clancey
Seconded: Cr Harriman**

That Council:

Advise VCAT that had a “Failure to Determine within the Prescribed Time” appeal not been lodged, Council would have issued a Notice of Decision to grant a planning permit, for the Development of a three storey office and apartment building and associated works within the Commercial 1 Zone, use and development of an ancillary car parking, including car ports, fence and ancillary works within the General Residential Zone Schedule 1 and Heritage Overlay at 19 & 21 Breed Street and 2 Henry Street, Traralgon (Lots 11, 12 and 13 on Plan of Subdivision 1767) with the following conditions:

Endorsed Plans:

1. **The use and development as shown on the endorsed plans must not be altered without the written consent of the Responsible Authority.**

Construction Management Plan:

2. **Prior to the commencement of the development starting a Construction Management Plan must be submitted and approved detailing the construction activity proposed. The plans must include, but not limited to:**

- a) The method for storage of material;
- b) Hours of operation;
- c) Dust management;
- d) Parking and traffic movement of all workers vehicles and construction vehicles;
- e) Works timetable;
- f) Any impacts upon adjacent roads and pedestrian walkways and providing for adequate movement and circulation of vehicles and pedestrians adjacent to the site during the construction phase;
- g) Access routes for construction vehicles;
- h) Proposed parking locations for construction vehicles and construction workers' vehicles;
- i) Temporary fencing works;
- j) Number of workers expected to work on the site at any time; and
- k) Methods of limiting escape of dust and litter from the site.

The provisions, recommendations and requirements of the endorsed Construction Management Plan must be implemented and complied with to the satisfaction of the Responsible Authority

Landscaping Conditions:

3. Prior to the commencement of any works, a landscape plan must be submitted to and approved by the Responsible Authority. The plan must show:
- a) a survey (including botanical names) of all existing vegetation to be retained and/or removed;
 - b) buildings and trees (including botanical names) on neighbouring properties within three metres of the boundary;
 - c) details of surface finishes of pathways and driveways;
 - d) a planting schedule of all proposed trees, shrubs and ground covers, including botanical names, common names, pot sizes, sizes at maturity, and quantities of each plant; and
 - e) landscaping and planting within all open areas of the site.

All species must be selected to the satisfaction of the Responsible Authority.

When approved, the plan will be endorsed and will then form part of the permit. The plan must be drawn to scale with dimensions and three copies must be provided.

4. Prior to the occupancy of the development or by such later date as is approved by the Responsible Authority in writing, the landscaping works shown on the endorsed plans must be carried out and completed to the satisfaction of the Responsible Authority.
5. The landscaping shown on the endorsed plans must be maintained to the satisfaction of the Responsible Authority, including that any dead, diseased or damaged plants are to be replaced.

Section 173 Agreement Condition:

6. Prior to the commencement of works, the operator of this permit must:
 - a) enter into an agreement with the Responsible Authority made pursuant to Section 173 of the *Planning and Environment Act 1987* (the Act) that requires the following:
 - i) the land known as lot 11, 12 and 13 on plan of subdivision 1767 cannot be sold separately if the permit is operated unless agreed in writing by the Responsible Authority.
 - b) Make application to the Registrar of Titles to register the Section 173 Agreement on the title to the land under Section 181 of the Act; and
 - c) Pay the reasonable costs of the preparation, review, and execution and registration of the Section 173 Agreement; and
 - d) Provide Council with a copy of the dealing number issued by the Titles Office; and
 - e) Once titles are issued, provide either:
 - i) a current title search; or
 - ii) a photocopy of the duplicate certificate of Title as evidence of registration of the Section 173 Agreement on title.

Car Parking Condition:

7. The car parking spaces located on lot 11 on plan of subdivision 1767 are to be used solely by the residents of the apartments and should not be used for any commercial purposes.

Amenity Conditions:

8. Air conditioning units and all other plant equipment must be located within the plant areas as shown on the endorsed plans unless otherwise approved in writing by the Responsible Authority.
9. All garbage and other waste material must be stored within the refuse storage areas as shown on the endorsed plan to the satisfaction of the Responsible Authority.

10. No garbage bin or surplus materials generated by the site may be deposited or stored outside the site and bins must be returned to the garbage storage areas as soon as practicable after garbage collection.
11. Garbage collection for the development must occur from Breed Street with no bins to be collected from Henry Street.
12. The use and development must be managed so that the amenity of the area is not detrimentally affected, through the:
 - transport of materials, goods or commodities to or from the land;
 - appearance of any building, works or materials;
 - emission of noise, artificial light, vibration, smell, fumes, smoke, vapour, steam, soot, ash, dust, waste water, waste products, grit or oil;
 - presence of vermin;
 - or otherwise, to the satisfaction of the Responsible Authority.

Development Conditions:
13. The operator of this permit must implement appropriate measures to ensure that the trees along Henry Street are not damaged during the construction of the proposed development.
14. Once building works have commenced they must be completed to the satisfaction of the Responsible Authority.
15. All buildings and works must be maintained in good order and appearance to the satisfaction of the Responsible Authority.
16. Construction works on the land must be carried out in a manner that does not result in damage to existing Council assets and does not cause detriment to adjoining owners and occupiers, to the satisfaction of the Responsible Authority.
17. 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.

DELWP Condition:
18. In order to formalise any approved occupation of the government road strata, the proponent must obtain a lease under Section 134A of the *Land Act 1958* through the Department of Environment, Land, Water and Planning.

Engineering Condition:
19. Before works commence on the development hereby permitted, a site drainage plan including levels or contours of the land and all

hydraulic computations must be submitted to and approved by the Responsible Authority. When approved, the plan will be endorsed and will then form part of the permit. The plan must be drawn to scale with dimensions and an electronic copy (PDF) must be provided. The drainage plan must be prepared in accordance with the requirements of Latrobe City Council's Design Guidelines and must provide for the following:

- a) A drainage system providing for all stormwater discharging from the site, including from all buildings, car parks and vehicle access areas, to be conveyed to the legal point of discharge. The drainage system must be designed to take the 1 in 20 year ARI storm event.
 - b) An underground pipe drainage system conveying stormwater from the legal point of discharge and connecting into Latrobe City Council's stormwater drainage system.
 - c) The provision of stormwater detention within the site and prior to the point of discharge into Latrobe City Council's drainage system. The stormwater detention system must be designed to ensure that stormwater discharges arising from the proposed development of the land are restricted to pre-development flow rates. The rate of pre-development stormwater discharge shall be calculated using a co-efficient of run-off of 0.4.
20. Prior to the commencement of any works hereby permitted, where it is agreed that existing street trees may be removed, the operator of this permit shall:
- a) Arrange for a tree removal contractor approved by the Responsible Authority, to remove the agreed street trees (including the stumps) at numbers 19 and 21 Breed Street, Traralgon. Seven (7) days notification must be given to Latrobe City Council's Supervisor Arborist before the commencement of any tree removal works.
 - b) Pay the sum of \$3,969.75 to Latrobe City Council in compensation for the loss of asset value as a result of the removal of any street trees at numbers 19 and 21 Breed Street, Traralgon.
21. Before the use commences of the building hereby permitted, or by such later date as is approved by the Responsible Authority in writing, the following works must be completed in accordance with the endorsed plans and to the satisfaction of the Responsible Authority including all necessary permits being obtained and inspections undertaken:

- a) All drainage works must be constructed in accordance with the approved site drainage plan.
 - b) The areas shown on the endorsed plans for vehicle access and car parking must be constructed to such levels that they can be used in accordance with the approved plans including surfacing with an all-weather sealed surface, drained, line marking to indicate each car space and all access lanes; and clearly marked to show the direction of traffic along access lanes and roadways.
 - c) All proposed vehicle crossings must be constructed in accordance with the endorsed plans, at right angles to the road and must comply with the vehicle crossing standards set out in Latrobe City Council's Standard Drawing LCC 307.
 - d) All redundant vehicle crossings must be removed and kerb and channel, footpath and grassed naturestrip reinstated.
 - e) The operator of this permit shall arrange for a contractor approved by the Responsible Authority to remove by high pressure water blasting of all redundant line marking for the on-street parallel parking in Breed Street adjacent to numbers 19 and 21 Breed Street.
 - f) The operator of this permit shall arrange for a contractor approved by the Responsible Authority to install/alter the on-street parallel parking bays along the west side of Breed Street as shown on the endorsed plans, including all signage alterations and road pavement line marking.
22. Where proposed, all lighting used to externally illuminate buildings, works and uses shall be fitted with cut-off luminaries (baffles), so as to prevent the emission of direct and indirect light onto adjoining roadways, land and premises to the satisfaction of the Responsible Authority.
23. 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.
24. The areas set aside for car parking and vehicle access ways must be maintained in a continuously useable condition to the satisfaction of the Responsible Authority.
25. Car spaces and vehicle access ways must be kept available for these purposes at all times.

Expiry of Permit:

26. 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 months after the permit expires; and**
- the development or stage started lawfully before the permit expired.**

CARRIED UNANIMOUSLY

DECLARATION OF INTERESTS

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

SUMMARY

Land: 19 & 21 Breed Street and 2 Henry Street, Traralgon, known as Lots 11, 12 and 13 on Plan of Subdivision 1767.

Proponent: Arthur Kangelaris
C/- Beveridge Williams & Co Pty Ltd

Zoning: Commercial 1 Zone and General Residential Zone

Overlay: Heritage Overlay
Parking Overlay

A planning permit is required for the following:

- use of land for a car park in accordance with Table to Clause 32.08-1 of the General Residential Zone;
- buildings and works in accordance with Clause 32.08-6 of the General Residential Zone;
- buildings and works in accordance with Clause 34.01-4 of the Commercial 1 Zone; and

- construct a building or construct or carry out works in accordance with Clause 43.01-1 of the Heritage Overlay.

PROPOSAL

The application is for the development of a three storey office and apartment building and associated works within the Commercial 1 Zone, use and development of an ancillary car park, including car ports, fence and ancillary works within the General Residential Zone Schedule 1 and Heritage Overlay.

The proposed three storey building will be located within the title boundaries of both 19 and 21 Breed Street and will encompass three offices within the ground floor and twelve apartments split over the first and second floor. The building will abut its southern property boundary along Henry Street and its eastern property boundaries along Breed Street. The building will be setback 2.4 metres from its northern property boundaries and a minimum of 10.9 metres from its western property boundaries. The building will have an overall height of 13.7 metres. The verandah along both Henry and Breed will extend over the footpath by 2.1 metres with balconies associated with the apartments on the first and second storey protruding over the property boundaries, along Henry and Breed Street, by approximately 0.6 metres and 1.8 metres along the western façade of the building within the car park area.

The building will be constructed of concrete wall panels rendered with a paint finish, with large expanses of glazing. Feature vertical steel battens are located above the main pedestrian access to the building along Breed Street with the balcony areas around the first and second storey incorporating protruding screens with feature vertical timber screen battens.

Refer to attachment 1 which shows the plans for each floor level of the development.

The ground floor level will incorporate:

- Three (3) offices ranging in floor area from 158 square metres to 276 squares;
- Pedestrian access to the offices will be from Henry Street for Office 1 and via a shared accessway off Breed Street for Offices 2 and 3 with additional access points from the car park located to the rear of the building;
- Shared accessway incorporating the stairwell and lift to access the apartments on the first and second storey; and
- Two plant rooms, located at each end of the building and accessed from the car park.

The first and second floor level will incorporate:

- Twelve (12) apartments, with six (6) apartments on each floor. The apartments will encompass two bedrooms, bathrooms, laundry, kitchen/dining living area, and two balconies and will have a frontage to both Breed and Henry Street and the car park located at the rear of the building. The apartments will range in area from 107.2 to 113.8 sqm with each apartment having a combined balcony area ranging from 15.5 sqm to 34.7 sqm; and
- The apartments will be accessed from the shared accessway which contains the stairwell and lift.

Vehicle access, car parking and landscaping:

All vehicles will access and egress the proposed car park via a new crossover from Henry Street. The car park area contained within the title boundaries of 19 and 21 Breed Street will encompass seventeen (17) car parking spaces, associated with the proposed office element of the development, rubbish bin storage area for the apartments, pedestrian accessways and landscaping. The car park area located within the rear portion of the land at 2 Henry Street will encompass fourteen (14) undercover car parking spaces, storage units, associated with the proposed apartments (dwellings), and landscaped areas. Access to the car park spaces associated with the apartments will be gated. The proposed fence along the western boundary of the site which abuts 4 Henry Street is a 1.8 metre high acoustic fence.

The car parking provided on the land meet the requirements of Clause 45.09 Parking Overlay and Clause 52.06 Car Parking of the Latrobe Planning Scheme.

The applicant has also requested the removal of two existing planted street trees located within the road reserve along Breed Street which will be replaced with four trees within the nature strip at the applicants cost.

Other works required include:

- The demolition of the two dwellings and ancillary structures, landscaping and fencing at 19 and 21 Breed Street is required;
- The demolition of the existing shed ancillary to the existing dwelling at 2 Henry Street is also required. It is noted that the dwelling at 2 Henry Street will be retained;
- The removal of the two redundant crossovers associated with the existing dwellings located at 19 and 21 Breed Street; and
- The removal of the electricity poles and overhead lines on Breed and Henry Street where they abut the subject land.

Copies of the development plans are included as attachment 1 of this report.

SUBJECT LAND AND SURROUNDING AREA

19 and 21 Breed Street each encompass a detached Edwardian weatherboard dwelling with each lot having a frontage to Breed Street of 20.12 metres and a depth of 36.21 metres. The property at 19 Breed Street is on the corner of Breed Street and Henry Street with the southern boundary adjoining Henry Street. Vehicle access to the property is provided from Henry Street approximately 20 metres from the intersection. A mature street tree and electricity pole are located in the nature strip west of the existing vehicle crossing. Vehicle access to 21 Breed Street exists at the north east corner of the property with a driveway extending along the north side to a garage in the north-west corner.

2 Henry Street encompasses a detached Edwardian weatherboard dwelling and has a frontage to Henry Street of 20.12 metres and a depth of 40.23 metres. The property is accessed via an existing driveway from Henry Street which is located adjacent to the eastern boundary. In addition to the dwelling on site there is a brick shed/bungalow, as noted on the plans, to the rear of the existing dwelling.

Landscaping in the form of a variety of planted exotic trees and shrubs and lawn cover exists within the front and rear yard of the property.

The subject land is located on the western fringe of the Traralgon Activity Centre. Properties adjacent to Breed Street are contained within the Commercial 1 Zone and comprise of a mix of retail and office uses. Henry Street is an established residential area and the Transit Cities Precinct extends west beyond the subject site to the corner of Henry Street and Mabel Street. Henry Street has a number of heritage listed properties within 200m of the subject site including 2,8,10,12,14 and 19 Henry Street, with 8-14 Henry Street being within a Heritage Precinct. This is added to a number of large contemporary two storey dwellings in the area. The vast majority of properties are well maintained with a mix of scale and design features. The modern dwellings in the area are also considered to be finished to a high architectural standard.

A site context plan is included as attachment 2 of this report.

LATROBE PLANNING SCHEME

The State Planning Policy Framework (SPPF) and the Local Planning Policy Framework (LPPF), including the Municipal Strategic Statement (MSS) have been considered as part of the assessment of this application.

The following clauses are relevant to the consideration of this application.

State Planning Policy Framework

- Clause 11.02-1 Supply of urban land;
- Clause 11.05-1 Regional settlement networks;
- Clause 11.05-4 Regional planning strategies and principles;
- Clause 11.08-1 A diversified economy;
- Clause 11.08-3 Sustainable communities;
- Clause 15.01-1 Urban Design;
- Clause 15.01-4 Design for safety;
- Clause 15.01-5 Cultural identity and neighbourhood character;
- Clause 15.03-1 Heritage conservation;
- Clause 16.01-1 Integrated housing;
- Clause 16.01-2 Location of residential development;
- Clause 16.01-4 Housing diversity; and
- The objective of Clause 17.01-1 Business.

Local Planning Policy Framework

Municipal Strategic Statement (Clause 21)

- Clause 21.04 Built Environment Sustainability;
- Clause 21.01-4 Heritage Overlay;

- Clause 21.04-5 Urban Design Overview;
- Clause 21.05-2 Main Towns Overview;
- Clause 21.05-6 Specific Main Town Strategies – Traralgon; and
- Clause 21.07-2 Economic Sustainability Overview.

Zoning

The land at 19 and 21 Breed Street is located within the Commercial 1 Zone. The purpose and decision guidelines of the Commercial 1 Zone have been taken into account as part of the assessment of this application and it is considered that the application is generally consistent with the zoning provisions.

The land at 2 Henry Street is located with the General Residential Zone Schedule 1. The purpose and decision guidelines of the General Residential Zone have been taken into account as part of the assessment of this application and it is considered that the application is generally consistent with the zoning provisions.

These elements will be further discussed in the 'Issues' section of this report.

Overlay

The land at 19 and 21 Breed Street is located within the Parking Overlay, sufficient car parking has been provided for the development as detailed under the 'particular provision' section of this report.

The land at 2 Henry Street is located within a Heritage Overlay. The purpose and decision guidelines of the Heritage Overlay have been taken into account as part of the assessment of this application and it is considered that the application is consistent with the overlay provisions.

The Heritage Overlay will be further discussed in the 'Issues' section of this report.

Particular Provisions

Clause 52.06 Car Parking

Clause 3.0 of Schedule 1 of Clause 45.09 Parking Overlay details that an office requires the provision of 3 car parking spaces to each 100 square metres of net floor area. The proposed offices have a combined floor area of 593 square metres and therefore require the provision of seventeen (17) car parking spaces. The applicant has provided seventeen (17) car parking spaces on the land at 19 and 21 Breed Street for the office aspect of the proposal that meet the requirements of Clause 52.06 of the Scheme.

Clause 3.0 of Schedule 1 of Clause 45.09 Parking Overlay requires the provision of 0.75 car parking spaces to each two bedroom dwelling. The proposed development encompasses twelve apartments (dwellings) with each apartment having two bedrooms. Therefore this aspect of the development requires the provision of nine (9) car parking spaces. The applicant has provided fourteen (14) undercover car parking spaces on the land at 2 Henry Street and 21 Breed Street for the apartment aspect of the proposal that exceed the requirements of Clause 52.06 of the Scheme.

Decision Guidelines (Clause 65):

Clause 65.01 sets out the decision guidelines to consider before deciding on an application or approval of a plan.

Incorporated Documents (Clause 81):

The proposed development is in accordance with the below mentioned relevant incorporated documents:

- Australian Standard AS/NZS 2890.1:2004, Parking Facilities – Off street car parking, Standards Australia 2004.

STAKEHOLDER CONSULTATION

Engagement Method Used:

Notification:

The original application, which was lodged on 24 June 2016, was advertised pursuant to Sections 52(1)(a) and (d) of the Planning and Environment Act 1987. Notices were sent to all adjoining and adjacent landowners and occupiers, a site notice was displayed on the site frontage for 14 days and a notice was placed in the Latrobe Valley Express for two separate issues on separate weeks. It was considered that the signs on site were not prominent and clearly visible and the applicant was instructed to display the notices on site for a further 14 days.

16 submissions in the form of written objection and 10 submissions in the form of support were received.

The proposed development was reviewed by the Victorian Design Review Panel. The advice provided to Council detailed that there were a series of issues with the proposal concerning building mass, setbacks, built form, heritage and public environment interfaces.

Following correspondence with the applicant where concerns were reiterated regarding the scale and bulk of the proposed building the applicant amended the planning application by removing the fourth floor of the building.

The amended application, which was lodged on 17 January 2017, was advertised pursuant to Sections 52(1)(a) and (d) of the Planning and Environment Act 1987. Notices were sent to all adjoining and adjacent landowners and occupiers and a site notice was displayed on the site frontage for 14 days. It was considered again that the signs on site were not prominent and clearly visible and the applicant was instructed to display the notices on site for a further 14 days.

10 submissions in the form of written objection were received, with 7 of these objections from those who submitted an objection to the original objection. Section 57A of the Planning and Environment Act 1987 details that '*all objections made in relation to the original application are to be taken to be objections to the amended application*'.

On this basis 29 submissions, with 19 in the form of written objections and 10 in the form of support, have been received to date.

A copy of objections can be viewed at Attachment 3 of this report and a copy of submissions in the form of support at Attachment 4 of this report.

External:

The application was referred to the Department of Environment, Land, Water & Planning (DELWP) in regards to the proposed balconies associated with the apartments being constructed outside of the applications title and encroaching onto the strata of the two government roads, being Breed and Henry Street. DELWP had no objection to the granting of a planning permit subject to the inclusion of appropriate conditions regarding the obtaining of a lease.

Internal:

Internal officer comments were sought from Council's Infrastructure Planning Team and Strategic Planning. Council's Infrastructure Planning Team gave consent to the granting of a planning permit subject to appropriate conditions and notes. Council's Strategic Planning Team was in support of the application and considered it to be consistent with the strategic direction for the area.

Comments were also sought from Council's Heritage Advisor which will be discussed later in this report.

Details of Community Consultation following Notification:

No stakeholder meeting was held as it was considered that no resolution to the concerns raised in submission would be found.

KEY POINTS/ISSUES

Strategic direction of the State and Local Planning Policy Frameworks:

The proposal is considered to be consistent with the strategic direction of the State and Local Planning Policy Frameworks. It is considered that the proposed development of a three storey building for an office and apartment and ancillary works is appropriate in the Traralgon Primary Activity Centre which is a focus for business, shopping, working, leisure and community facilities.

It is considered that the subject site is an appropriate location for the development of a three storey office and apartment building, car park and associated works within the Commercial 1 Zone, General Residential Zone Schedule 1 and Heritage Overlay given the intent and direction of the state and local planning policy framework. In addition, it is considered that the proposal provides a good urban design outcome and has taken into consideration its location having an interface between the existing primary activity centre and sensitive land uses to the west including the heritage value of surrounding properties and the neighbourhood.

There are also a number of relevant local planning policy documents that have been considered in the assessment of this application

Latrobe Transit Centred Precincts

The *Latrobe Transit Centred Precincts* has sought to provide a framework to establish how the defined principles of transit city development could be applied to the townships of the Latrobe Valley which have access to the regional rail link.

Six key objectives were identified for Traralgon the one most relevant to this proposal is as follows:

'A stronger economy – identified Princes Highway and Breed Street as key office areas, with replacement of obsolete retail building stock to improve the retail environment'.

The *Urban Renewal Framework Plan* for Traralgon identifies 2 of the sites, being 19 and 21 Breed Street, for 'offices' and acknowledges that the town centre has expanded into the houses on the western side of Breed Street. Additionally it states that *'opportunities exist to redevelop the remaining houses on Breed Street for higher density office development.....Small-medium sized offices up to three storeys high with a relatively domestic scale would not have an adverse impact on adjoining character'*. It is also noted that redevelopment of these properties needs to respect the adjoining residential character and amenities, which is considered the case with this proposal.

Traralgon Activity Centre Plan

The *Traralgon Activity Centre Plan (TACP)* is also considered relevant to the assessment of this application. At its Ordinary Council Meeting on 2 August 2010 Council adopted the Traralgon Activity Centre Plan Stage 1 Background Reports July 2010. This plan is intended to provide guidance for both land use planning, and urban design, within the central business district (defined as an Activity Centre) of Traralgon for the next 20 years. There are a total of eight background documents that make up this strategy; Car Parking, Consultation, Executive Summary, Planning Report, Transport and Public Transport, Urban Context, Community and Economics.

The Background Reports, in particular the *Planning Report* acknowledges that *'some office/consultancy type uses have spread to the western side of Breed Street'* additionally the *Urban Context Report* – identifies 2 of the sites, being 19 and 21 Breed Street, as being within an *'office precinct'*.

The *Key Directions Report*, in particular Key Direction 3.7 encourages the development of housing within the activity centre:

- *Encourage shop top housing and implement a Parking Precinct Plan to set appropriate levels of parking provision and/or establish a framework for financial constructions for waiving of car parking.*
- *Investigate possibilities for the development of medium density housing within the town centre in partnership with private operators to demonstrate feasibility.*

It is noted that whilst the TACP project is in draft form and not adopted by Council, it has been the subject of extensive community consultation and the contents of the Key Directions report are considered to be of relevance in the assessment of this planning application.

'Purpose' and 'Decision Guidelines' of the General Residential Zone – Schedule 1:

The proposal, being the use and development of a car park ancillary to the proposed apartments, is considered to be consistent with the 'purpose' of the General Residential Zone – Schedule. The proposed use is a discretionary use in the

General Residential Zone – Schedule 1 (GRZ1) and seeks to use and develop a portion of the land at 2 Henry Street for a car park, carports and associated works.

The proposal is considered to be generally consistent with the Clause 32.08-10 Decision Guidelines; the land at 2 Henry Street is located in the (GRZ1). It is considered that the proposal assists in the provision of a diverse housing type within the CAD of Traralgon and facilitates an appropriate development outcome for the subject lands.

The proposal is considered to be appropriate for the site noting the strategic policy considerations, the context of the surrounding land uses and is considered on balance to satisfy the considerations of the General Residential Zone – Schedule 1.

'Purpose' and 'Decision Guidelines' of the Commercial 1 Zone:

The proposal is considered to be consistent with the 'purpose' of the Commercial 1 Zone noting all previously mentioned relevant policy considerations in both the SPPF and LPPF, added to the direction given in the Latrobe Transit Centred Precincts and Traralgon Activity Centre Plan. The proposal seeks to provide an office and residential development which is apt for its location within a commercial area. The proposed use is an 'as of right' use in the Commercial 1 Zone (C1Z) with the buildings and works associated with the use triggering a permit under the C1Z.

The proposal is considered to be generally consistent with the Clause 34.01-8 Decision Guidelines; the land at 19 and 21 Breed Street is located in the Commercial 1 Zone. As part of Clause 34.01-8 Decision Guidelines consideration needs to be given to Clause 55 – Two or More Dwellings on a Lot. The apartment aspect of the proposal is considered to generally comply with the objectives and standards of the Clause subject to the inclusion of appropriate conditions. It is however considered appropriate that the following issues warrant further discussion:

Standard B6 Street setback objective

The subject site is located on a corner with buildings on both abutting allotments on Henry Street and Breed Street. The site is in the Commercial 1 Zone and it is proposed to have offices at ground floor level, with the residential element on the floors above. No setback is proposed, however the majority of the ground floor elevations will be glazed providing an active frontage and passive surveillance.

It is therefore considered appropriate in this instance to vary the setback required in this Clause.

Standard B17 Side and rear setbacks objective

It is considered that the front boundary of the site is with Breed Street. The rear boundary of the site therefore lies adjacent to both 2 and 4 Henry Street. The proposed three storey building is set over 14 metres from the rear boundary with number 2 and over 32 metres from the rear boundary with number 4 easily achieving the required setback.

However, when considering the setbacks from the side (northern) elevation, the proposal does not meet the specified standards, with the building setback 2.4 from the boundary with an overall height along the façade of 12.6 metres. The adjoining property to the north is an office building which is setback to the rear of the site; therefore the setback of the building will impact on the parking area of the property at

23 Breed Street. The objective of limiting the impact on the amenity of existing dwellings is therefore achieved; however the proposal does not meet the height and setback requirements of a building from a boundary. Strategic policy however seeks to development the land along Breed Street for higher density offices that is of high architectural quality, supporting vertical growth that maximises use of land.

Having considered the overall proposal the variation to the setback is deemed to be appropriate for the site noting the strategic policy considerations, the context of the surrounding land uses and is considered on balance to satisfy the considerations of the Commercial 1 Zone.

It is therefore considered appropriate in this instance to vary the setback requirements in this Clause.

It is considered that the proposal on balance provides an acceptable and appropriate development outcome for the site. The proposal allows for adequate setbacks to sensitive land uses to the west while allowing for a small scale commercial development consistent with the strategic direction of the area.

'Purpose' and 'Decision Guidelines' of the Heritage Overlay

The proposal is considered to be consistent with the 'purpose' of the Heritage Overlay. It is considered that the proposed development on balance allows for an acceptable outcome for the subject site.

The proposed development of the car park, carports, fences and associated works on a portion of the land at 2 Henry Street trigger the need for a permit under the Heritage Overlay. In addition to the proposed buildings and works consideration needs to be given to the affect the proposed 3 storey building will have on the heritage value of the surrounding area.

Council's Independent Heritage Advisor's Report provided the following advice which in summary details the following:

'The proposed scheme is likely to have a detrimental impact on the heritage value of both the site at 2 Henry St (HO107) and the Henry St Precinct (HO87). More generally the scale and size of the proposed scheme is seen as dominant and inconsistent with the character of the residential neighbourhood to the west of the site boundary. For these reasons the scheme is not supported.'

A copy of the advice is included in attachment 6

In contrast to Councils Independent Heritage Advice the applicant submitted a Heritage Assessment with their application which in summary details the following:

'The proposal is consistent with the intent of the heritage overlay. It will retain the existing house on the site that is recognised to be of heritage value to Latrobe City. The proposed works, including the proposed rear car park and the proposed three – storey commercial/residential building, are designed in a considered manner, and will not adversely affect, either physically or visually, the retained heritage building on this site, or the adjacent heritage place at 17 Breed Street. It is on this basis that I believe that the proposed works are supportable from a heritage perspective.'

In consideration, it is noted that any proposed development on the subject land that is not of a domestic nature will have an impact on the heritage value of the surrounding area but it is the scale and impact of this detriment that needs to be

balanced with the strategic direction of the CAD of Traralgon. It is further noted that the only trigger associated with the heritage overlay is the car parking being provided to the rear of the existing dwelling that will remain untouched at 2 Henry Street.

It is noted that the proposed 3 storey building is setback 10.9 metres, this is from the balconies that protrude 1.5 metres past the façade of the building, from the title boundaries of the land at 2 Henry Street with the dwelling setback a further 4.85 metres from the boundary fence. If the proposed building had minimal setbacks to the dwelling at 2 Henry Street it would be considered appropriate to require the proposed development to incorporate a stepped height, being two storey maximum where it abuts the heritage building and three storeys along Breed Street. This is not the case as in total the building is setback at a minimum 15.75 metres from the heritage dwelling which on balance is considered to be an acceptable outcome especially noting the proposed building location itself does not trigger a permit under the heritage overlay.

In terms of the overall design of the proposed building, it is considered that the three storey building is consistent with strategic policy for the subject land. The building does not seek to mimic the existing heritage buildings within the wider area but is of a contemporary design with a high level of articulation, detail, mix of materials and is generally of a type of development encouraged within the CAD of Traralgon. Furthermore, the proposal achieves an increased development density and vertical growth of the town centre that will result in a more sustainable use of urban land and associated infrastructure.

The dwelling at 19 Breed Street is not covered by a Heritage Overlay and does not require a planning permit to be demolished. Therefore considerations in regards to retaining this dwelling are not considered determining considerations in the assessment of this application.

It is considered that the proposed car park, carports and ancillary works at the rear of the dwelling at 2 Henry Street will not cause detriment to its existing heritage value. The development in terms of scale and massing, with proposed carports are 2.4 metres in height, will not overshadow or visually dominate the existing dwelling. It should be noted the *Latrobe City Heritage Study Volume 3: Heritage place and precincts citation* does not include any reference to the gardens or landscaping associated with the dwelling at 2 Henry Street and only refers to the dwelling itself.

It is considered that the proposal adequately addresses the interface between the heritage dwelling at 2 Henry Street and the wider heritage precinct. That the amendment of the development by removal of the fourth floor (third storey) of the development, decreasing the area of plant on the roof and reintroduction of such materials as timber have assisted in reducing the overall mass and bulk of the building and achieving a better outcome for the wider area.

Having considered the proposal it is considered to be appropriate for the site noting the strategic policy considerations, the context of the surrounding land uses and is considered on balance to satisfy the considerations of the Heritage Overlay.

Submissions

As a result of the notification process, the application has received (to date) 19 objections. The issues raised in the objection were as follows:

1. Adverse impact on heritage.

Officer Comment:

As discussed previously in this report it is considered that the proposed development will not adversely impact the heritage value of the area and on balance allows for an acceptable development outcome for the subject land.

2. Traffic flow and traffic management.

Officer Comment:

The applicant submitted a traffic and transport report for the proposed development which assessed the impact of the proposal on traffic along Henry Street and on traffic in the vicinity of the entry to the development from Henry Street. The traffic and transport report advises that the additional traffic generated by the development can be accommodated by the surrounding road network without any significant impact.

3. Noise and amenity concerns

Officer Comment:

The applicant has detailed that each residential apartment will be constructed with adequate noise attenuation to minimise any potential noise transmission within the development. Furthermore, the applicant has proposed to erect a 1.8 metre high timber acoustic fence along the section of the western boundary abutting the proposed car park at the rear of 2 Henry Street with 1.8 metre high storage units being built will act as an acoustic buffer to the residential development along the northern and southern boundaries.

Conditions will be placed on any permit issued for the proposal in regards to the storage of bins on the subject land and the location of bin collections to further assist in reducing any detriment to the existing sensitive uses surrounding the subject site.

In addition any permit issued for a commercial/office proposal will include standard conditions to address noise and furthermore, to ensure the amenity of the area is not detrimentally affected.

4. Inadequate parking

Officer Comment:

As detailed previously in this report the applicant has provided car parking in excess of the minimum requirements of the Latrobe Planning Scheme for the proposed development.

5. Design concerns

Officer Comment:

On the 17 January 2017 the applicant submitted an amendment to the application for a planning permit to address concerns raised regarding the design of the development and how it addresses its context. The applicant amended the proposal as follows:

- removed the upper (third floor) of residential apartments (x 4 in total);
- reduced the extent of verandah overhang and glazing at ground level along Henry Street;

- increased the landscaping buffer along the western property boundary to 1.7 metres in width; and
- included a screened area on the roof area for plant equipment.

The applicant has subsequently reduced the height and area of the screened plant area on the roof and included the provision of timber cladding on the façade of the building to try and further address concerns regarding the design of the development, a copy of these drawings are enclosed.

In regards to concerns relating to overshadowing and overlooking from the proposed development; drawings SK09 and SK07 submitted with the application show how the proposed development meets the requirements of Clause 55.04-5 Overshadowing OpenSpace Objective and Clause 55.04-6 Overlooking Objective of the Latrobe Planning Scheme.

The provision of private open space for each proposed apartment meets the requirements of Clause 55.05-4 which requires each apartment to be provided with a balcony of 8 square metres with a minimum width of 1.6 metres and convenient access from a living room.

The application was referred to the Department of Environment, Land, Water & Planning in regards to balconies being constructed outside of the property boundaries. The Department of Environment, Land, Water & Planning had no objection to the proposal subject to the applicant entering into a lease under Section 134A of the Land Act 1958.

6. Removal/Damage of Street Trees Along Henry Street

Officer Comment:

There is a Council resolution in relation to the street trees along Henry Street which details that the trees in Henry Street are to be retained. As part of the proposal the applicant proposes to remove the electricity poles and overhead lines along Breed and Henry Street where they abut the subject lands. To ensure that the trees along Henry Street are protected a condition will be placed on any permit issued for the proposal detailing that appropriate measures must be implemented by the operator of the permit to ensure the trees are not damaged as a result of the proposed development.

Furthermore, prior to the commencement of any works, including the removal of the powerlines and associated poles, within Councils road reserve Council are required to be notified of the proposed worked as per the requirements of the Road Management Act 2004.

7. Property Depreciation

Officer Comment:

As property depreciation cannot be assured as a result of a proposed development, VCAT have consistently held this ground to be irrelevant in the consideration of planning applications.

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 no known risk associated with the approval of this proposal.

FINANCIAL RESOURCES IMPLICATIONS

Additional resources or financial cost will be incurred should the planning permit application require determination at the Victorian Civil and Administrative Tribunal (VCAT). The anticipated time required for a Council Officer to prepare a VCAT submission and collate all relevant documentation is 5 business days with an additional day required to attend and present at the appeal, total 6 business days. This equates to a financial cost in the order of \$2,400. This cost would be far greater if a consultant is required to attend on Councils behalf and would likely to be in excess of \$10,000.

The estimated cost of the proposed development is \$4.5 million. The financial implications relating directly to the proposed development include employment during the construction stage, employment opportunities generated upon completion and rental income.

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 General Residential Zone Schedule 1;
- Consistent with the 'Purpose' and 'Decision Guidelines' of the Commercial 1 Zone;
- Consistent with the 'Purpose' and 'Decision Guidelines' of the Heritage Overlay;
- Consistent with the 'Purpose' and 'Decision Guidelines' of the Parking Overlay
- 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. Where relevant, permit conditions addressing these issues will be required, while noting that some concerns raised in the objections do not form planning grounds on which the application should be refused.

SUPPORTING DOCUMENTS

Nil

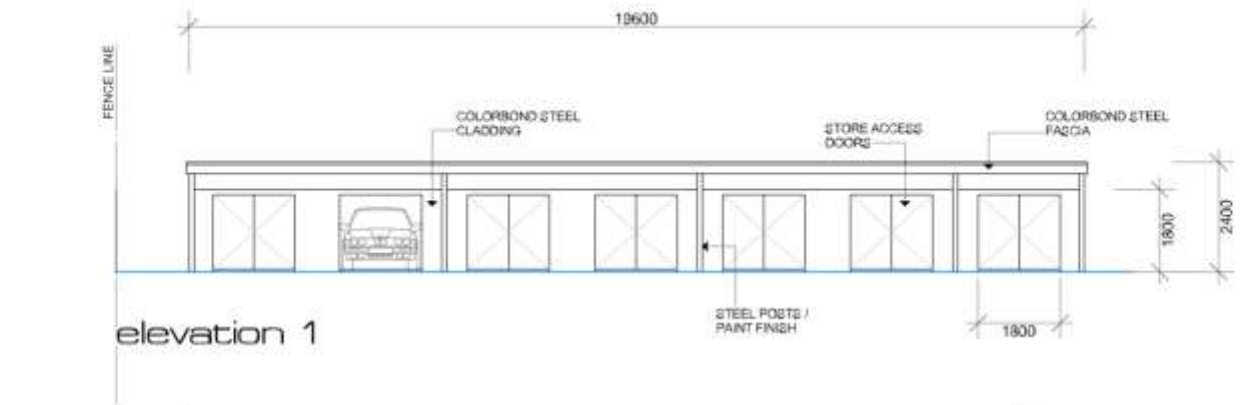
Attachments

1. Attachment 1 Development Plans
2. Attachment 2 Site Context Plan
3. Attachment 3 Objections (Published Separately) (Confidential)
4. Attachment 4 Letters of Support (Published Separately) (Confidential)
5. Attachment 5 Location of Objectors (Published Separately) (Confidential)
6. Independent Heritage Advisor's Report

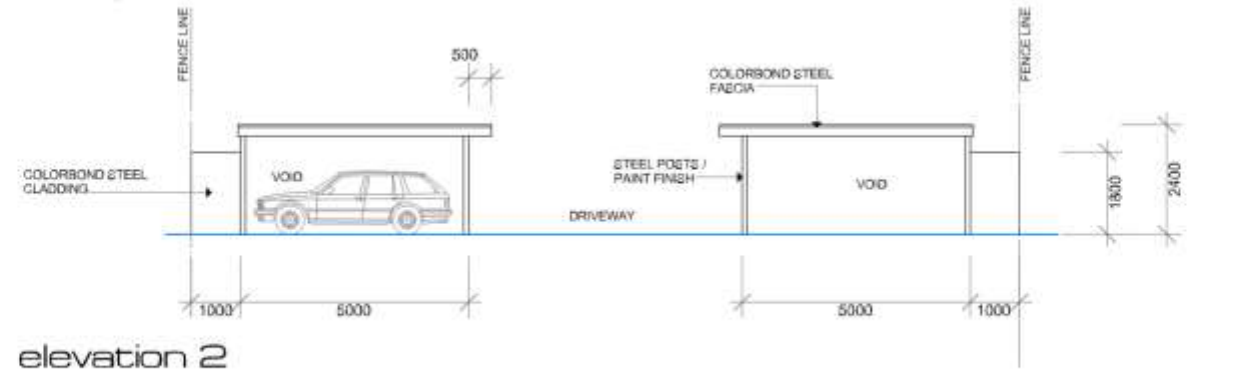
14.1

Planning Application 2016/116 - Development of a three storey office and apartment building, car park, and associated works within the Commercial 1 Zone; General Residential Zone - Schedule 1 and Heritage Overlay

1	Attachment 1 Development Plans	49
2	Attachment 2 Site Context Plan.....	61
6	Independent Heritage Advisor's Report	63



elevation 1



elevation 2



carport floor plan TYPICAL



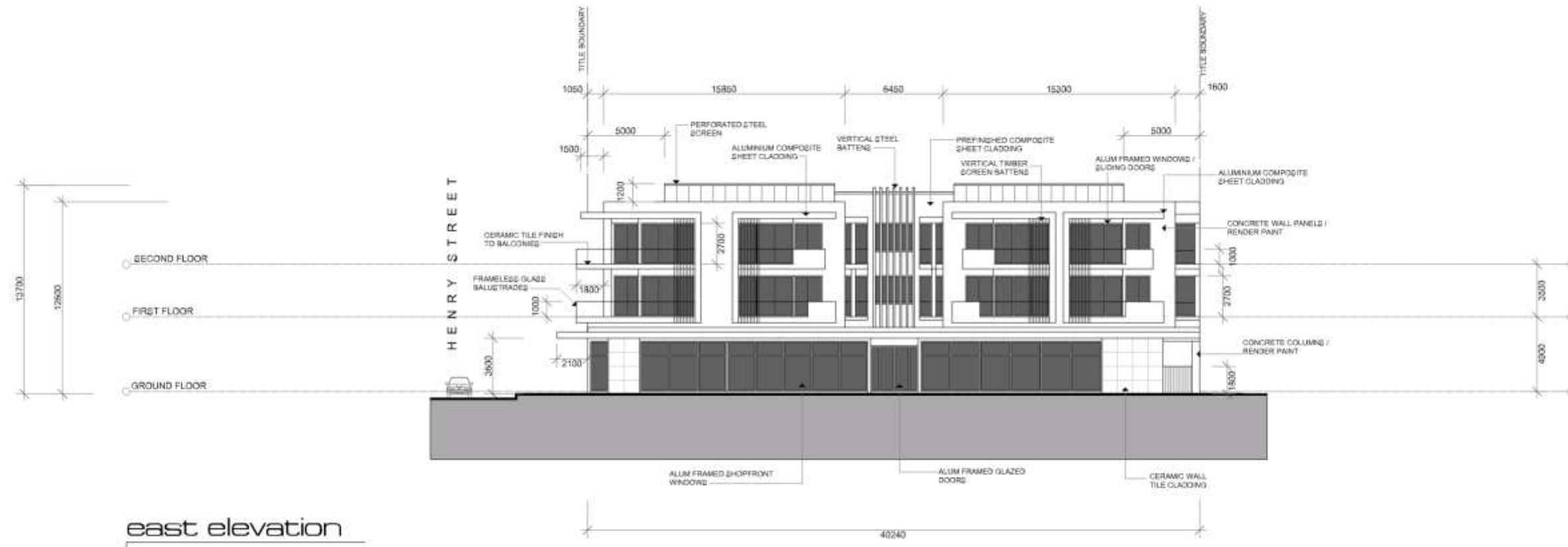
A D ROBERTSON & ASSOCIATES PTY LTD
 LEVEL 1 10-12 GREY STREET TRARALGON VICTORIA 3844
 T 03 5174 3993 E ADRLIB@GPOHND.COM

PROJECT office / apartment development
 CLIENT a kangalaris
 SITE 19 - 21 breed street traralgon

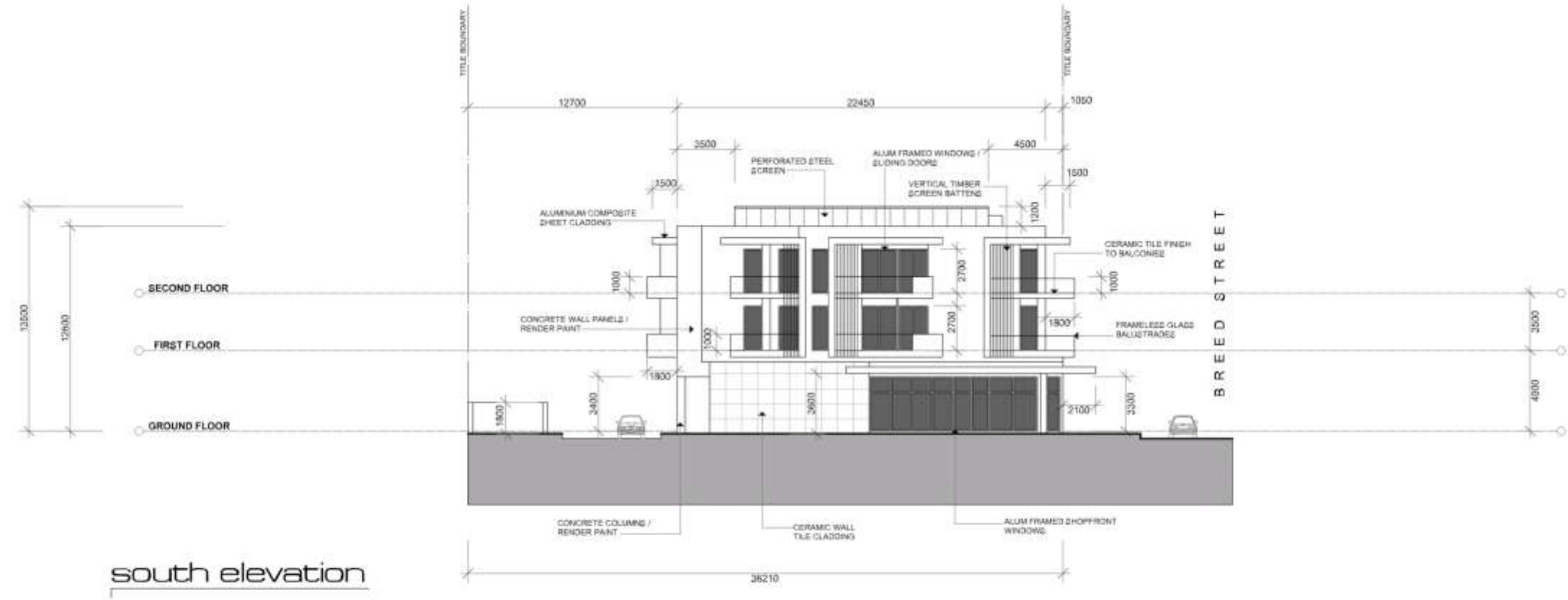
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DRWG NO SK 08
 SHEET NO 08 of 11
 REVISION





east elevation



south elevation

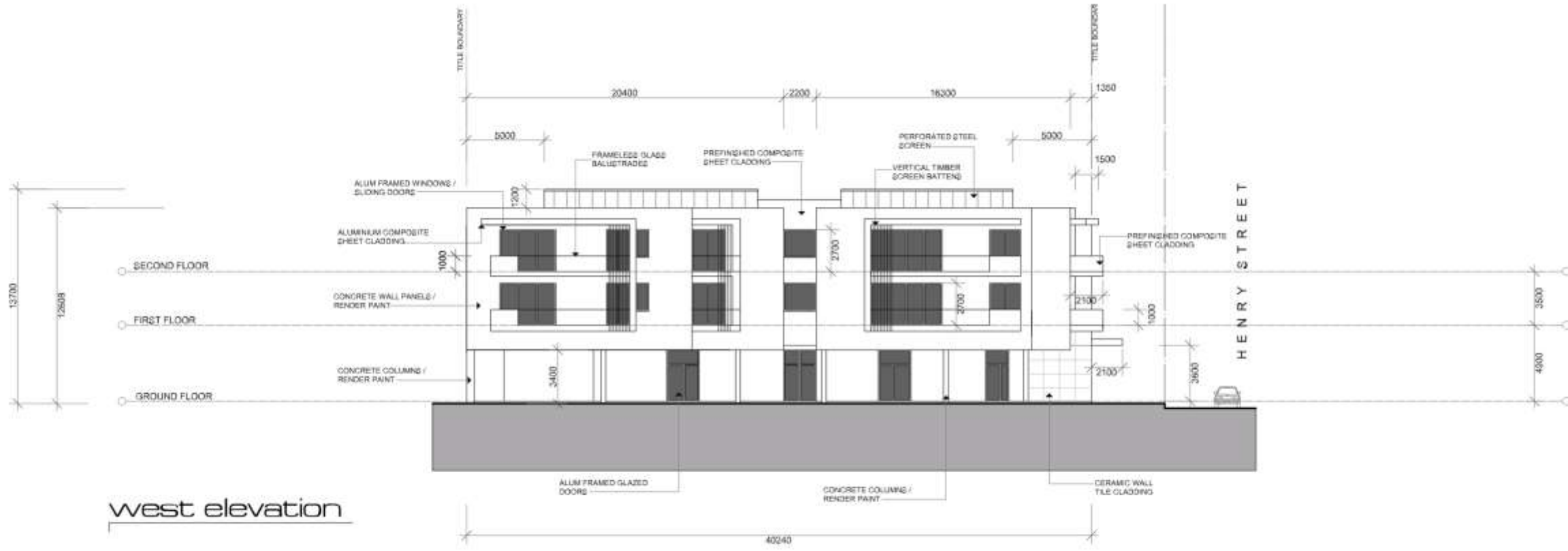


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 T 03 5174 3993 E ADRLIB@GPOHND.COM

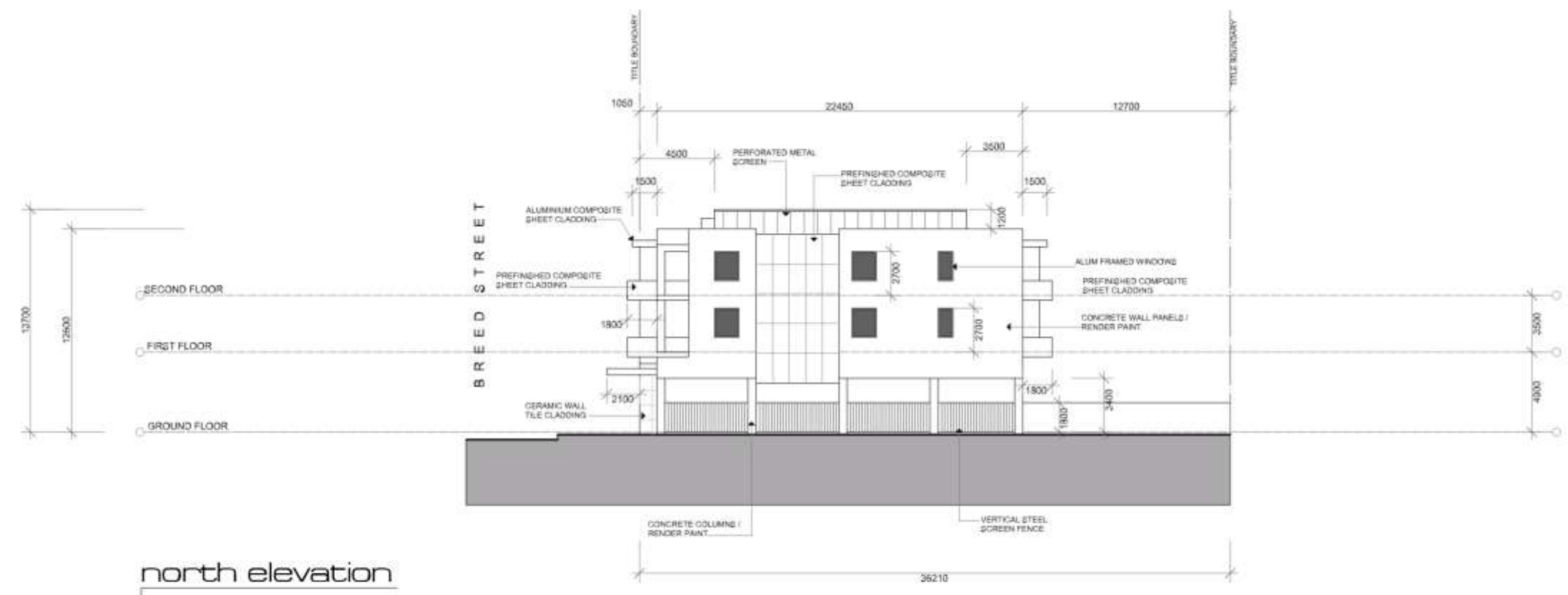
PROJECT office / apartment development
 CLIENT a kangalaris
 SITE 19 - 21 breed street traralgon

DATE dec 2016
 JOB NO 101216
 SCALE 1 : 200
 DRAWING NO SK 02
 SHEET NO 02 of 11
 REVISION A 19/02/17





west elevation



north elevation

ADR+
BUILDING DESIGN CONSULTANTS
A D ROBERTSON & ASSOCIATES PTY LTD
LEVEL 1 10-12 GREY STREET TRARALGON VICTORIA 3844
T 03 5174 3993 E ADRPLUS@GPOH0.COM

PROJECT office / apartment development
CLIENT a kangellaris
SITE 19 - 21 breed street traralgon

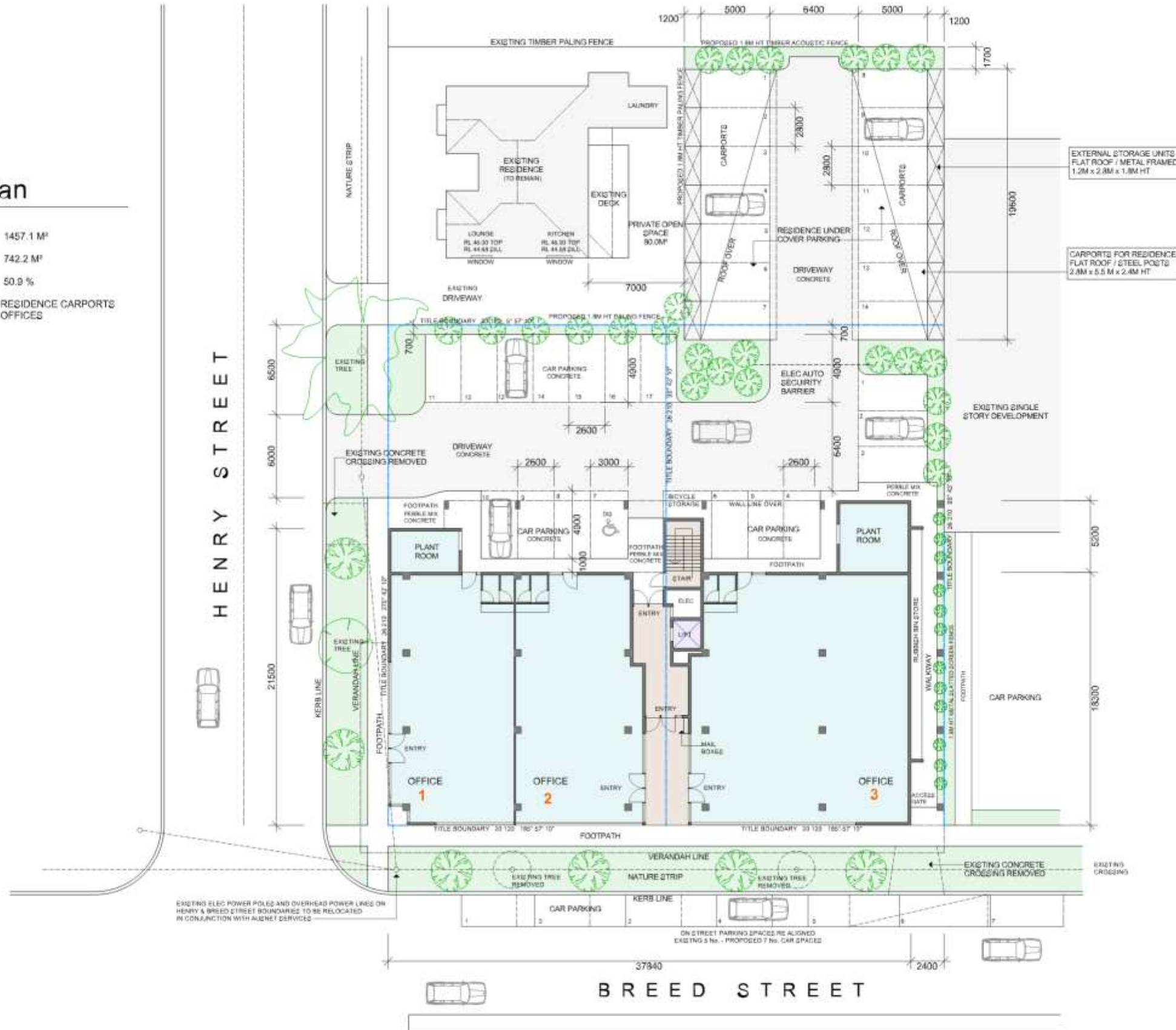
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JOB NO 101216
SCALE 1 : 200
DRAWG NO SK 03
SHEET NO 03 of 11
REVISION A 19/01/17



ground floor plan

TOTAL SITE AREA	1457.1 M ²
GROUND FLOOR AREA	742.2 M ²
SITE COVERAGE	50.9 %
CAR PARKING	14 No. RESIDENCE CARPORTS 17 No. OFFICES
BICYCLE	8 No
SITE PERMABILITY	5.6%

INTERNAL FLOOR AREAS	
OFFICE 1	158.0 M ²
OFFICE 2	158.0 M ²
OFFICE 3	276.0 M ²

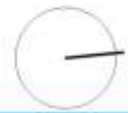


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 LEVEL 1 10-12 GREY STREET TRARALGON VICTORIA 3844
 T 03 5174 3993 E ADRLIB@GPOH.OZ

PROJECT office / apartment development
 CLIENT a kangalaris
 SITE 19 - 21 breed street traralgon

DATE dec 2016
 JOB NO 101216
 SCALE 1 : 200

DRWG NO SK 04
 SHEET NO 04 of 11
 REVISION A 19/02/17



first floor plan

TOTAL FLOOR AREA	828.5 M ²
APARTMENT 1	FLOOR AREA - 113.8 M ² / 12.2 SQ BALCONY - 23.7 M ² / 11.0 M ²
APARTMENT 2	FLOOR AREA - 107.2 M ² / 11.5 SQ BALCONY - 12.0 M ² / 4.0 M ²
APARTMENT 3	FLOOR AREA - 116.8 M ² / 12.6 SQ BALCONY - 11.5 M ² / 4.0 M ²
APARTMENT 4	FLOOR AREA - 115.8 M ² / 12.5 SQ BALCONY - 11.5 M ² / 4.0 M ²
APARTMENT 5	FLOOR AREA - 113.6 M ² / 12.2 SQ BALCONY - 16.3 M ² / 6.3 M ²
APARTMENT 6	FLOOR AREA - 111.2 M ² / 12.0 SQ BALCONY - 17.3 M ² / 6.3 M ²

HENRY STREET



BREED STREET



A D ROBERTSON & ASSOCIATES PTY LTD
LEVEL 1 10-12 GREY STREET TRARALGON VICTORIA 3844
T 03 5174 3993 E ADRPLUS@GPOHND.COM

PROJECT office / apartment development
CLIENT a kangellaris
SITE 19 - 21 breed street traralgon

DATE dec 2016
JOB NO 101216
SCALE 1 : 200

DRWG NO SK 05
SHEET NO 05 of 11
REVISION A 19/01/17



second floor plan

TOTAL FLOOR AREA	828.5 M ²
APARTMENT 1	FLOOR AREA - 113.8 M ² / 12.2 SQ BALCONY - 23.7 M ² / 11.0 M ²
APARTMENT 2	FLOOR AREA - 107.2 M ² / 11.5 SQ BALCONY - 12.0 M ² / 4.0 M ²
APARTMENT 3	FLOOR AREA - 116.8 M ² / 12.6 SQ BALCONY - 11.5 M ² / 4.0 M ²
APARTMENT 4	FLOOR AREA - 115.8 M ² / 12.5 SQ BALCONY - 11.5 M ² / 4.0 M ²
APARTMENT 5	FLOOR AREA - 113.6 M ² / 12.2 SQ BALCONY - 16.3 M ² / 6.3 M ²
APARTMENT 6	FLOOR AREA - 111.2 M ² / 12.0 SQ BALCONY - 17.3 M ² / 6.3 M ²

HENRY STREET



BREED STREET

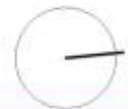


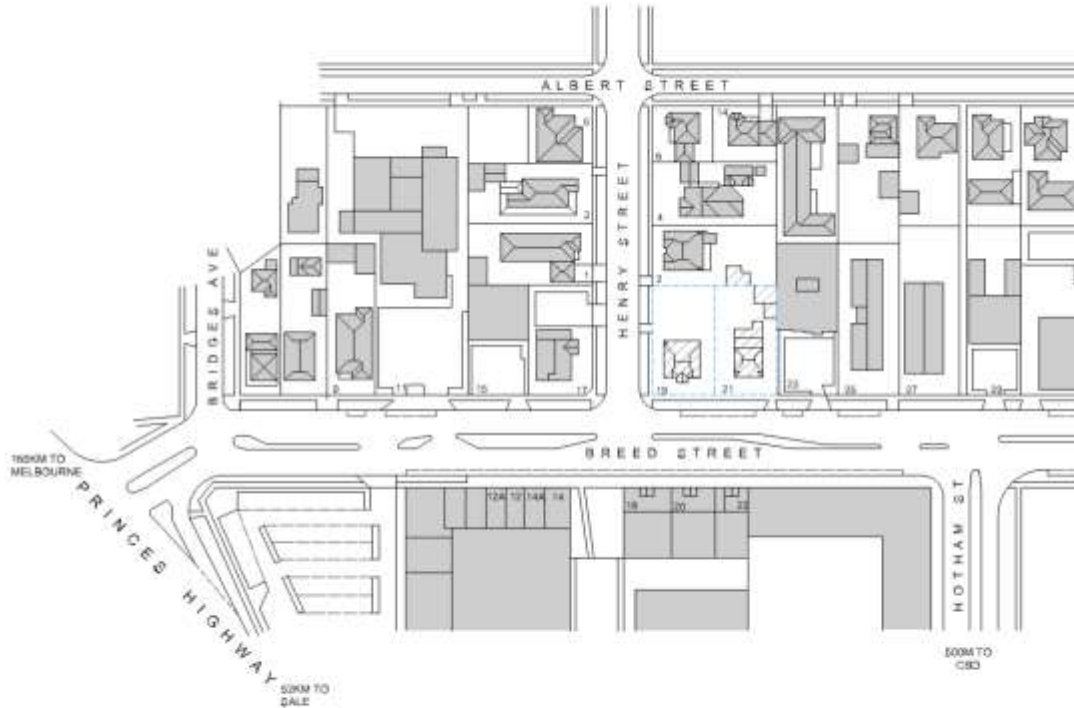
A D ROBERTSON & ASSOCIATES PTY LTD
LEVEL 1 10-12 GREY STREET TRARALGON VICTORIA 3844
T 1 03 1 5 174 3993 E ADRPLUS@GPOPNZ.COM

PROJECT office / apartment development
CLIENT a kangalaris
SITE 19 - 21 breed street traralgon

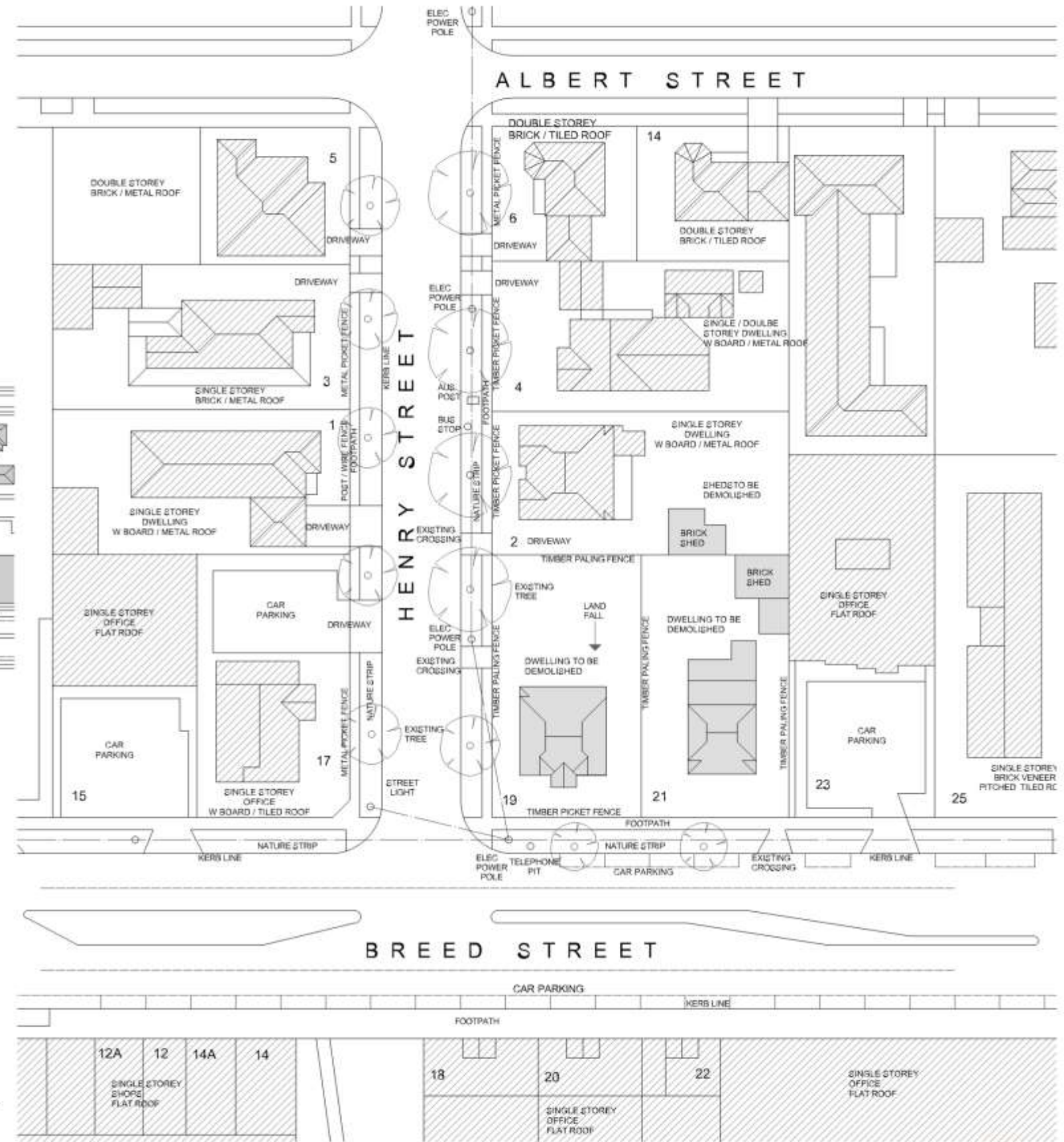
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JOB NO 101216
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DRWG NO SK 06
SHEET NO 06 of 11
REVISION A 19/01/17





location plan



site analysis

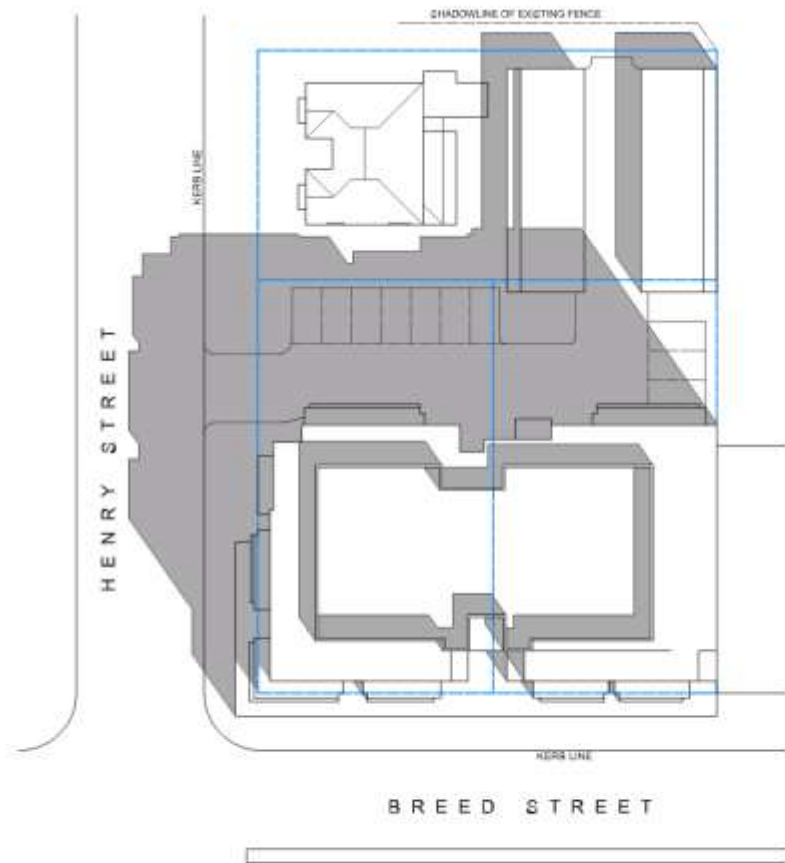


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 T 0515174 3993 E ADRPLUS@GPOHND.COM

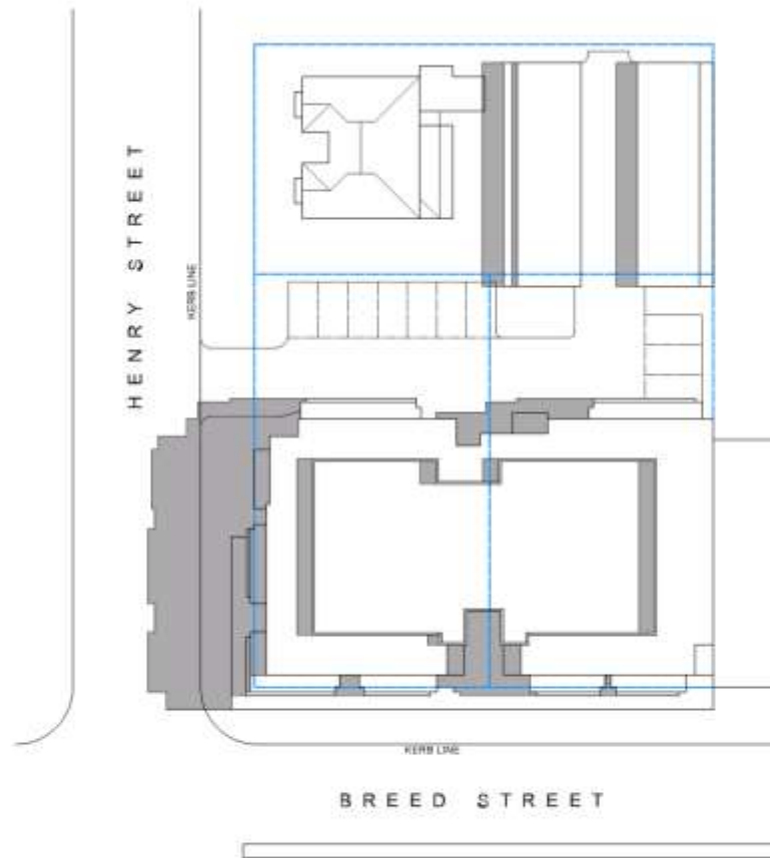
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 CLIENT a kangalaris
 SITE 19 - 21 breed street traralgon

DATE dec 2016
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 SHEET NO 1 of 11
 REVISION

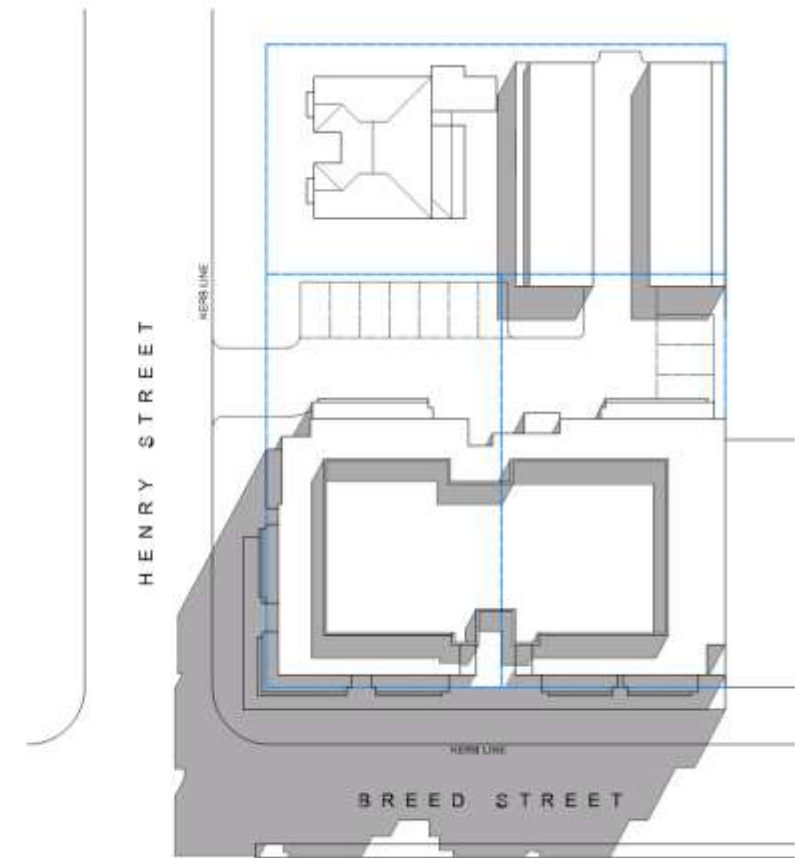




9.00AM - 22ND SEPTEMBER



12.00AM - 22ND SEPTEMBER



3.00PM - 22ND SEPTEMBER

SHADOW DIAGRAMS

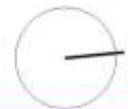


A D ROBERTSON & ASSOCIATES PTY LTD
 LEVEL 1 10-12 GREY STREET TRARALGON VICTORIA 3844
 T +61 3 5174 3993 E ADRLIB@GPOHND.COM

PROJECT office / apartment development
 CLIENT a kangellaris
 SITE 19 - 21 breed street traralgon

DATE dec 2016
 JOB NO 101216
 SCALE 1 : 400

DRWG NO SK 09
 SHEET NO 09 of 11
 REVISION A 19/02/17





street elevation - east



street elevation - south



street elevation - west



street elevation - north





north east street view



south east street view

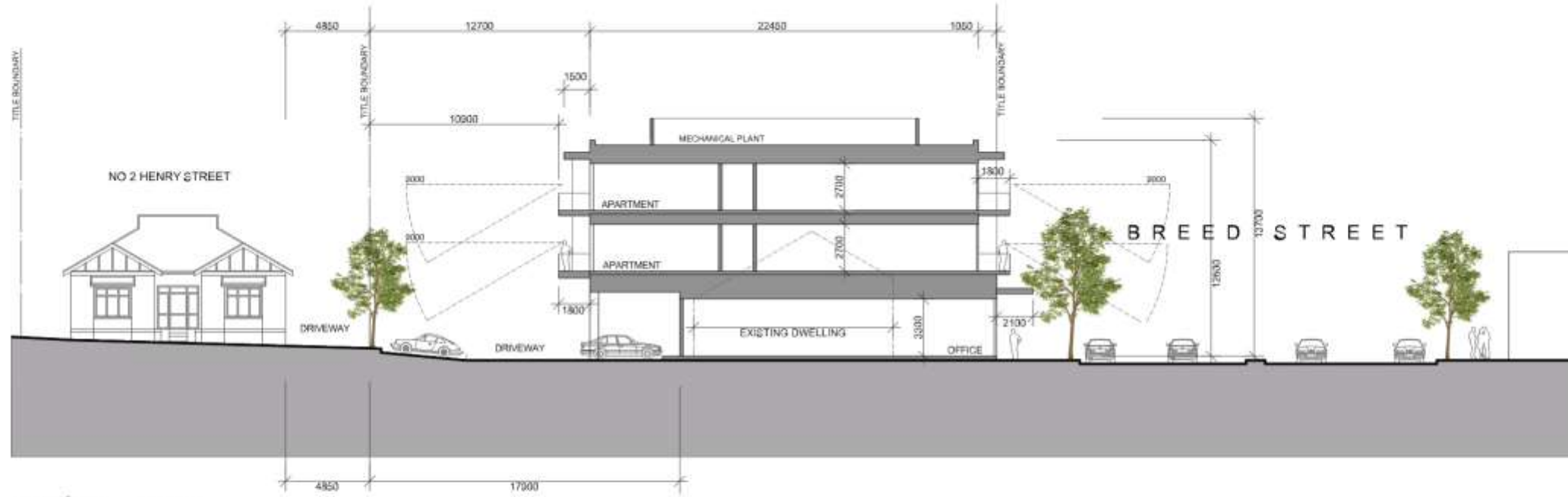


north west street view

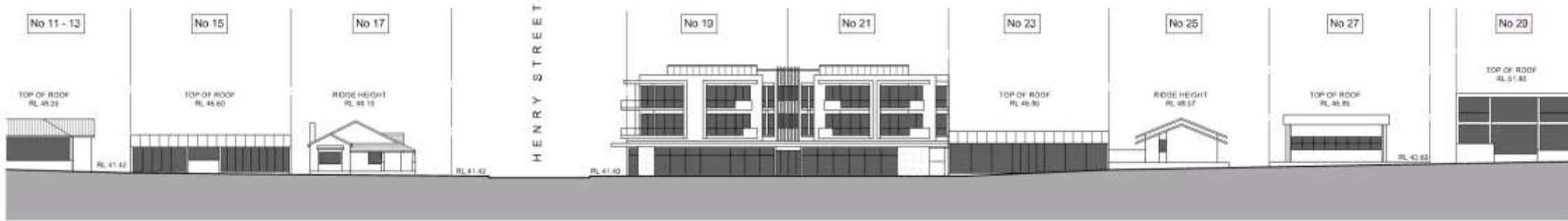


south west street view





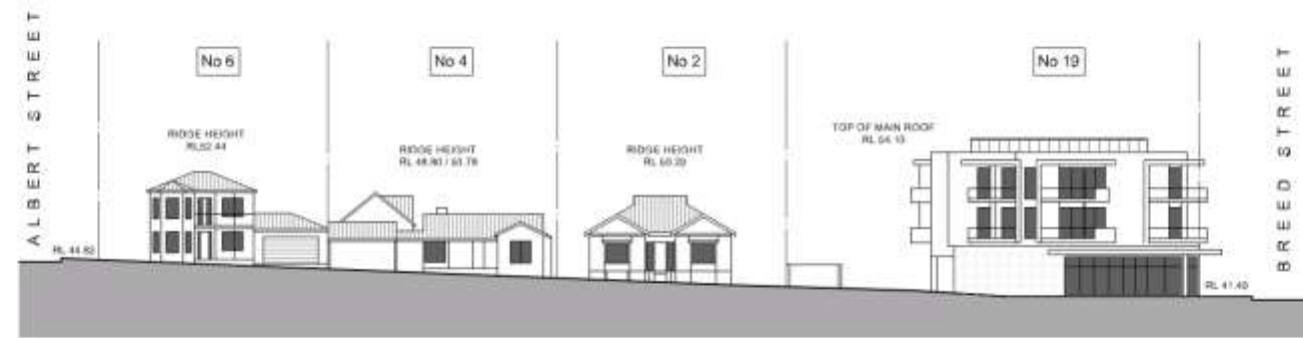
section TYPICAL



street elevation BREED STREET

SCALE 1 : 400

HEIGHTS ARE TO AHD - DATUM VIDE PM 94 (RL 41.200M)



street elevation HENRY STREET

SCALE 1 : 400





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 T 03 5174 3993 E ADRLIB@GPOH.OZ

PROJECT office / apartment development
 CLIENT a kangalaris
 SITE 19 - 21 breed street traralgon

DATE dec 2016
 JOB NO 101216
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 DRAWG NO SK 07
 SHEET NO 07 of 11
 REVISION A 19/01/17





	<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>	<h3>Site Context Plan</h3>		23/03/2017	
				Scale 1:1000	



HERITAGE ADVISOR'S REPORT

Planning Permit No: 2016/116
Address: 19-21 Breed Street and 2 Henry Street, Traralgon
Date: 2 February, 2017
Previous advice: 15 September, 2016
Heritage Overlay No.: HO107 (2 Henry Street, Traralgon)

BACKGROUND: A planning application for development of the subject site has been submitted to Latrobe City Council.

The application seeks planning approval to construct a mixed use development on the corner of Breed and Henry Streets, Traralgon. The proposed development covers three sites: 2 Henry Street and 19 and 21 Breed Street. All three properties are currently held by one owner.

The Henry Street property is zoned Residential 1 and is covered by a site specific Heritage Overlay (HO107). The Breed Street properties are zoned Commercial 1. No site overlays apply.

Relevant overlays close to the subject site include a site specific overlay 17 Breed St (HO91), and a precinct overlay on the properties 8-14 Henry St (HO87).

The planning application seeks approval to demolish the houses at 19 and 21 Breed Street and construct the new mixed use complex across the two sites. In addition, the proposal seeks to develop the rear of the site at 2 Henry St to provide covered car parking and associated amenities for the new development.

Review of Proposal, September 2016
A review of the proposal was conducted by Context Pty Ltd in September, 2016. The review concluded:

The proposed scheme is likely to have a detrimental impact on the heritage value of both the site at 2 Henry St (HO107) and the Henry St Precinct(HO87). More generally the scale and size of the proposed scheme is seen as dominant and inconsistent with the character of the residential neighbourhood to the west of the site boundary.

For these reasons the scheme was not supported.

ADDITIONAL INFORMATION:

In January, 2017 further information was submitted to Council in relation to this application. The following documents were submitted for review:

- 'Construction of a three storey building and associated works, use and construction of an ancillary car park in the general residential zone and construction of carports, works and a fence in the heritage overlay', prepared by Beveridge Williams development and environment consultants, dated January 2017.
-

- 'Heritage Assessment of a proposal to remove two existing houses and to build a commercial/residential development on this site', prepared by Peter Andrew Barrett, amended January 2017. (Appendix G of above report).
- Drawings describing proposed development - 22101S-SK04 to 22101S-SK07, prepared by A D Robertson & Associates Pty Ltd, dated December 2016. (Appendix G of above report).

Revisions to Proposed Plans

A change in the revised drawings shows the proposed building with three storeys rather than four. Most other details remain consistent, including the proposed carports and associated development at the rear of 2 Henry St.

DISCUSSION:

Response to Revised Plans

Scale and mass of proposed development

While the number of floors proposed in the amended plans has been revised from four to three, the overall impact this revision is likely to be minimal. The 'mechanical plant' enclosure appears to have the same footprint as the fourth storey on the earlier scheme, and consequently contributes to the overall mass of the building in a similar way. The resultant reduction in overall height of the building of 2100m is welcome, but not regarded as significant enough in reducing the overall massing and scale of the building.

Street elevations shown in Drawing SK07 (Dec 2016), show the mass and scale of the proposed building continues to dominate or overwhelm the adjacent and neighbouring HO sites, and therefore remains inconsistent with Council policy. Conclusions noted in the Context Heritage Assessment report (September 2016) remain unchanged.

Car Parking at the rear of 2 Henry St

While the number of apartments has been reduced in the revised scheme, the number of car parking spaces at the rear of 2 Henry St has not been adjusted. Conclusions noted in the Context Heritage Assessment report (September 2016) remain unchanged.

CONCLUSIONS:

This report makes minor adjustments to the Conclusions and Recommendations outlined in the previous Heritage Advice Report (Context, September 2016).

The proposed scheme is likely to have a detrimental impact on the heritage value of both the site at 2 Henry St (HO107) and the Henry St Precinct (HO87). More generally the scale and size of the proposed scheme is seen as dominant and inconsistent with the character of the residential neighbourhood to the west of the site boundary. For these reasons the scheme is not supported.

Consider alternative uses for the site including:

- Generally, any development of the subject sites should provide a graduated transition between commercial zoning to residential zoning. Scale, form, materiality, landscaping and siting of new buildings should be considered as part of any design response.
A small impact in the overall mass of the building is proposed in revised drawings (December 2016), but this is not likely to result in any significant



reduction to the impact of the development on adjacent and neighbouring HO sites.

- The house at 19 Breed Street should be retained for its heritage value due to its association with the neighbouring properties at 2 Henry St (HO107) and 17 Breed St (HO91), and also for its role as a gateway building to the Henry St precinct (HO87). Consideration should be given to including the houses at 17 and 19 Breed St and 2 Henry St as a precinct with heritage value as part of the Latrobe City Council Planning Scheme.
- Redevelopment of the existing site and house at 19 Breed St for possible commercial use is acceptable. The existing house could be upgraded for non-residential uses including offices, professional suites etc. In addition, development at the rear of the site may be acceptable. This could include new infill development fronting Henry St or additions to the rear of the existing house. Any development to the rear of 19 Breed St should be limited to one or two storeys and should be sensitive to its location on the threshold between commercial and residential zoning.
- There is no reason to retain the existing house at 21 Breed St. One or two level commercial development could be considered for this site.
- It may be acceptable to further develop the rear of the site at 2 Henry St providing any development was not inconsistent with the current zoned residential use and not deemed to be detrimental to the heritage value of the site as set out in HO107.

The proposed car park and storage development associated with the adjacent development is not seen as appropriate and sympathetic to the heritage values of the site.

RECOMMENDATIONS

- Generally, any development across the three properties should be sensitive in scale, massing, use, interface with existing heritage values in the vicinity. Any new development should not exceed two storeys.
 - The house at 19 Breed St should be retained and consideration should be given to including the houses at 17 and 19 Breed St and 2 Henry St as a precinct with heritage value as part of the Latrobe Planning Scheme. Redevelopment of the house and site for commercial purposes may still be possible.
 - There is no objection to demolishing the house at 21 Breed St and developing the site for commercial purposes.
 - Development to the rear of 2 Henry St is acceptable if it is consistent with the heritage value of the site. NB Use of the site for car parking is not considered to be consistent with the heritage values of the site.
-

Completed by Vicki McLean

Heritage Consultant, Context Pty Ltd
2 February, 2016

Reviewed by Louise Honman

INFRASTRUCTURE AND RECREATION

15. INFRASTRUCTURE AND RECREATION

15.1 Latrobe Leisure Moe Newborough - Hydrotherapy Program Report

General Manager

Infrastructure and Recreation

For Decision

EXECUTIVE SUMMARY

On 25 May 2015 Council resolved to undertake a hydrotherapy trial at Latrobe Leisure Moe Newborough (LLMN) for a period of 3 months which began on 28 June 2015. On 26 October 2016 Council resolved to continue to heat the LLMN pool one day per week for the remainder of the 2015/16 financial year. On 11 July 2016 Council resolved to continue the trial until early 2017 to provide time to measure the impacts of the opening of the Warragul Leisure Centre.

From January until December 2016, LLMN has seen an overall increase in the facility's aquatic attendances of 1594. Following the opening of the newly developed Warragul Leisure Centre in September 2016, that has a purpose built hydrotherapy pool, the attendance data shows a drop of 129 aquatic attendances from September to December compared with the same period in 2015.

The data demonstrates that compared to 2015, aquatic attendances during the same period in 2016 at our largest aquatic facility, Latrobe Leisure Morwell, has decreased on a Sunday by 431 attendances over the 12 month period.

During the trial period, Latrobe Leisure staff received both positive and negative feedback regarding the hydrotherapy trial. Those participants attending the facility specifically to undertake hydrotherapy exercises have been very positive and appreciative in their feedback for the program. While lap swimmers and the Gippsland Flippers Masters Swimming Club have been displaced during the trial as the water is just too hot for them.

There has been no additional cost of running the hydrotherapy program as there has been no increase to the costs associated with the heating of the pool and the program has required no additional staffing to operate.

The state government's recent funding announcement regarding the development of the Gippsland Regional Aquatic Centre in Traralgon once built may have a longer term impact on the current hot water program at attendances at the centre. At this point however it is considered appropriate to continue the program.

MOTION

Moved: Cr Gibson

Seconded: Cr Law

That Council

- 1. Maintains the hydrotherapy/hot water program at Latrobe Leisure Moe Newborough; and**
- 2. Officers review the potential impacts and ongoing viability of the hot water program at Latrobe Leisure Moe Newborough during the development of the Gippsland Regional Aquatic Centre plans.**

CARRIED UNANIMOUSLY

DECLARATION OF INTERESTS

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

DISCUSSION

On 10, 23 and 30 March 2015, Latrobe City Council received letters from a facility user and the Advance Morwell Group, requesting that Council raise the pool temperature at Latrobe Leisure Morwell or Latrobe Leisure Moe Newborough to over 32 degrees for 1 day per week. Furthermore, a petition was also received outlining the same request and was presented to Council for consideration.

At the Ordinary Council Meeting held 25 May 2015 Council resolved to:

Trial the hydrotherapy program 1 day per week for a 3 month period and for officer's to review the attendance and viability of this program.

Fund the 3 month trial from the 2014/15 & 2015/16 financial year's recurrent budgets.

A further report presented to council prior to the end of the trial detailing the benefits and impacts associated with the trial.

It was determined that the most suitable day to conduct the trial of increased water temperature was Sundays and prior to the beginning of the trial, Latrobe Leisure installed a digital thermal controller at LLMN to ensure the pool temperature could be accurately managed and monitored.

Nearing the end of the 3 month trial period, Council received a letter from the Gippsland Flippers Masters Swimming Club dated 17 September 2015 expressing their objection to the LLMN pool being turned into a hydrotherapy pool one day per week. The Flippers group consists of 8 members and they indicated that the increase in water temperature was unsuitable and had resulted in them having to move their Sunday training sessions to Latrobe Leisure Morwell since the trial began.

At the Ordinary Council Meeting held 26 October 2015, Council were provided with a summary of the trial period in terms of attendances, costs and community impacts. At this meeting, Council resolved to:

Continues to heat the Latrobe Leisure Moe Newborough pool one day per week for the remainder of the 2015/16 financial year.

Requests a further report presented to council prior to the end of the financial year detailing the metrics of the extension to the heating of the pool for hydrotherapy.

Latrobe Leisure will continue to operate this program until a decision has been made by council.

At the Ordinary Council Meeting held 11 July 2016, Council were further presented with an updated summary of the trial attendances and impacts. At this meeting, Council resolved to:

Continue the hydrotherapy program at LLMN on Sundays until a report is presented to Council in early 2017, which will provide time to assess the impact of the opening of the newly redeveloped Warragul Leisure Centre.

Advise key stakeholders (Pre-schools, schools, LCC childcare centres, aged care facilities, and medical centres) of Councils decision to continue the hydrotherapy program at LLMN until a report is presented to Council in early 2017.

Pool Temperature Control

Prior to the beginning of the hydrotherapy trial, Latrobe Leisure had a digital thermometer installed at LLMN to ensure the facility can control and manage the water temperature. Considering the heating (boiler heating the water) and cooling (boiler idle) of the pool is taking approximately the same time, there has been no increase in the cost of gas to operate the pool due to this program.

Facility Attendance

From January until December 2016, LLMN has seen an overall increase in the facility's aquatic attendances of 1594. Following the opening of the newly developed Warragul Leisure Centre in September 2016, that has a purpose built hydrotherapy pool, the attendance data shows a drop of 129 attendances in aquatic attendances from September to December compared with the same period in 2015.

The below table illustrates the facility aquatic attendance from January until December 2015 (Sunday only) versus 2016 and the September to December 2015 versus 2016 attendances,

	2015	2016	Total Attendances Change:
Aquatic Attendances Jan to Dec:			
Latrobe Leisure Moe Newborough total Sunday attendance during the hydrotherapy trial:	4352	5946	1594
Latrobe Leisure Morwell total Sunday attendances:	6156	5725	-431
Latrobe Leisure Moe Newborough attendances Sep to Dec Since Warragul Leisure Opened:	1375	1246	-129

The attendance data above demonstrate that the Moe Newborough community has supported the increased water temperature at Latrobe Leisure Moe Newborough on a Sunday over the 18 months since the hydrotherapy program began.

The data demonstrates that compared to 2015, attendances during the same period in 2016 at our largest aquatic facility, Latrobe Leisure Morwell, has decreased on a Sunday by 431 attendances over the 12 month period.

Options

Council has the following options for consideration,

- Cease operating the hydrotherapy/hot water program as of 30 June 2017.
- Continue the hydrotherapy/hot water program indefinitely as an additional service to the community.

The state government's recent funding announcement regarding the development of the Gippsland Regional Aquatic Centre in Traralgon once built may have a longer term impact on the current hot water program at attendances at the centre. At this point however it is considered appropriate to continue the program.

STAKEHOLDER CONSULTATION

Latrobe Leisure has been liaising with all stakeholders during the trial program. The main concern for lap swimmers is that on a regular basis the pool on a Monday morning is remaining at a minimum of 31.7 degrees, above the general temperature of 30.5 degrees. This has resulted in some verbal complaints being received by staff at LLMN.

Since the beginning of the hydrotherapy program, the Gippsland Flippers Group, consisting of 8 to 10 people per week have been moved to Latrobe Leisure Morwell to undertake their regular lap swimming program on Sundays as they too, believe the water temperature is too warm for lap swimming. Latrobe Leisure has had verbal complaints from patrons that wish to swim laps on Sundays and early Monday mornings that say the pool is too hot.

LLMN has seen an overall increase in the number of families and children utilising the pool on the Sunday as they prefer to swim in the warmer water. The feedback from families and parents has been very positive as it provides them with access to warm water swimming which they otherwise don't have access to.

Those patrons attending the pool for hydrotherapy exercises have also provided positive verbal feedback since the beginning of the trial and have been very appreciative of the facility offering this opportunity to the community.

FINANCIAL AND RESOURCES IMPLICATIONS

There has been no additional cost of running the hydrotherapy program as there has been no increase to the costs associated with the heating of the pool and the program has required no additional staffing to operate.

RISK IMPLICATIONS

Over the duration of the trial period and beyond, Council officers have been provided with written feedback from the Gippsland Flippers Masters Swimming Club and verbally by lap swimmers that the water temperature of 32 degrees on Sundays is too hot for general lap and fitness swimming.

Some individuals that utilised the pool for lap and fitness swimming indicated that they believe there is a greater risk of physical incidents as a result of the increased water temperature. There have been no incidents reported at LLMN in relation to the increased temperature, although it should be noted that there was a decreased number of lap swimmers in attendance on Sundays.

CONCLUSION

There have been 1594 additional attendances into the aquatic area on Sundays over the last 12 months (during the hydrotherapy program). According to the attendance data as above, the Moe Newborough community has supported the increased water temperature at Latrobe Leisure Moe Newborough on a Sunday over the past 18 months since the hydrotherapy program began.

The increased water temperature has not been supported by some lap swimmers, and some others using the facilities.

As there has been an increase in attendances and no additional cost in running the hydrotherapy program it is recommended that the program continue indefinitely.

The state government's recent funding announcement regarding the development of the Gippsland Regional Aquatic Centre in Traralgon once built may have a longer term impact on the current hot water program at attendances at the centre. At this point however it is considered appropriate to continue the program.

SUPPORTING DOCUMENTS

Council Report, 25 October 2015, Hydrotherapy Pool Trial Operations at Latrobe Leisure Moe Newborough

Council Report, 11 July 2016, Latrobe Leisure Hydrotherapy Program

Attachments

Nil

15.2 Moe Tennis Facility - Tree Removal

General Manager

Infrastructure and Recreation

For Decision

EXECUTIVE SUMMARY

This report presents to Council information regarding the proposed removal of seven (7) trees in the vicinity of the newly constructed tennis courts at Moe Botanic Gardens in Moe.

The \$1.5 million Moe Tennis Court project involves the construction of 10 (ten) new tennis courts at Moe Botanic Gardens. The reconstruction of the courts follows a detailed study and analysis of the existing courts, which was completed in 2014.

The Moe Tennis Needs Assessment report endorsed by Council in 2014 recommended the complete reconstruction of 10 (ten) court and removal of two (2) courts closest to the Narracan Creek. The courts had over time been subject to earthquake damage, poor drainage and undermined by tree roots near the courts.

The report explains that the courts (in 2014) were beyond repair and required reconstruction. There were significant problems occurring because of a lack of root barriers being installed around the original pavement, exposing the asphalt to movement through root damage and sub-grade destabilisation. This caused serious pavement collapses in the existing tennis court. The courts were also damaged by significant during a major earthquake in 2012.

With the \$1.5 million investment into the reconstruction of the Moe tennis courts, officers and the key stakeholder, Moe Tennis Club are keen to ensure that the newly constructed courts would not be unduly impacted by the existing vegetation on the site, especially a number of large trees that are situated close to the courts.

In October 2016, Council's Environmental officer and Council arborist were asked to assess the trees located within close proximity to the courts. The initial advice provided by the Environmental officer was that of the eight (8) trees identified close to the courts, only one tree was remnant native vegetation, but that a further assessment by a Department of Environment, Water, Land and Planning officer (DEWLP) would be required.

Council has since confirmed that the trees were actually planted after the tennis courts were constructed. This information has been confirmed with the location a photo of the original courts when they were constructed.

A planning permit was lodged for the removal of the single tree identified as remnant vegetation, requiring a small offset. The planning permit has been approved and actioned.

The remaining seven (7) trees were found to be in reasonable condition, however due to their proximity to the courts, leaf shedding and fruiting and the potential risks associated with roots invading the court area and damaging the court sub-base, it is recommended that the trees be permanently removed.

The trees have been assessed by Council's arborist and have been identified as indigenous, however are not native to the area. All the trees at the site were planted.

The site will still retain most of the existing trees, with two (2) larger trees on the eastern side of the courts being managed by pruning rather than being removed.

MOTION

Moved: Cr Gibson

Seconded: Cr Harriman

That Council approves the removal of trees 1, 12, 16, 17, 18, 19 and 20 at the Moe Tennis Courts, Botanic Drive Moe as detailed in Attachment 2 to this report.

CARRIED UNANIMOUSLY

DECLARATION OF INTERESTS

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

DISCUSSION

The reconstruction of the Moe tennis courts is a \$1.5 million project has seen the demolition of two (2) courts and the total reconstruction of ten (10) courts at Moe Botanic Gardens in Moe.

Court reconstruction commenced in October 2016 and the project is now complete.

During pre-planning for the reconstruction of the courts it was identified that there were eight (8) trees that were very close to the tennis courts.

A condition assessment report for the courts completed in 2012 and the Moe Tennis Needs Assessment report completed in 2014 both identified that trees roots and the vicinity of the trees to the courts had caused or contributed to significant problems with the court sub-grade and pavements.

In order to ascertain the species and status of the eight (8) trees, Council's Environmental Officer and Arborist were asked to provide their assessment.

Council's Environmental officer undertook the initial site investigation and identified there were a number of native species at the site. Eight (8) trees were identified as native, however following a site visit with a Senior Biodiversity Officer from Department of Environment, Land, Water & Planning only one tree, a Silver-leaf Peppermint Eucalyptus was identified as remnant and not planted. A biodiversity assessment report (attached) was completed by Council's Environmental Officer in preparation for a permit to remove native vegetation under clause 52.16 or 52.17 of the Victorian Planning Provisions.

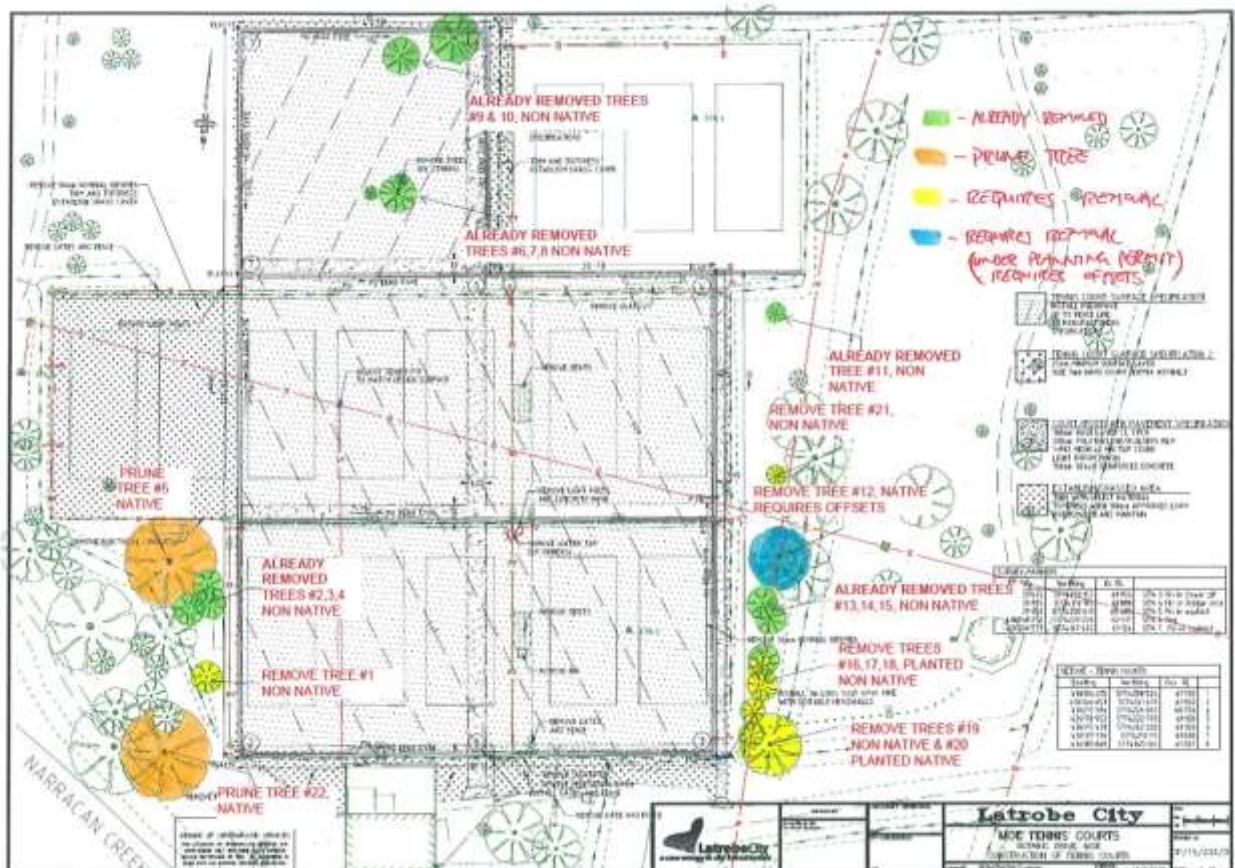
A planning permit was lodged for the removal of this single tree, and a permit was granted for removal of the tree on the 22 December 2016.

As the other seven (7) trees were assessed as being native trees (planted) Council's arborist provided an assessment of these particular trees. (Attached)

Figure 1. below identifies the trees at the site and their proximity to the courts.

- Four trees identified below are large, and their canopies are close to overhanging the court area;
- Two (2) trees on the western side of the courts (coloured orange) are identified for pruning only and will not be removed.
- The tree highlighted in blue is the tree that is subject to the planning permit and as this has been approved; this tree will be removed as soon as possible.
- The remaining trees in yellow are the trees that the arborist has provided an assessment for, and due to their proximity to the courts require removal to protect the new courts for damage from tree debris and tree roots.

Figure 1. Moe Tennis Courts



Since the original assessment of the trees was completed by Council's Environmental planner, officers have confirmed that the trees were planted after the tennis courts were constructed. This information has been confirmed with the location a photo of the original courts (Figure 2) when they were constructed. This photo is located in the Moe Tennis Clubrooms.

Figure 2.



All the trees assessed were found to be in reasonable condition. The seven (7) trees identified for removal do not fall under Council's Tree Policy of Dead/Dying/Dangerous where a Council officer is delegated to remove trees without a Council resolution.

Removal of the trees is proposed due to the close proximity of the trees to the tennis courts. Council's arborist highlighted that due to the works at the tennis courts being so close to the seven (7) trees root zones, this could potentially impact on the future health and structure of the trees if they were to remain.

Following the proposed removal of the trees, the area will be re-grassed. There is already substantial vegetation and trees at the Moe Botanic Gardens site, and there are no plans to plant any further trees in the area.

STAKEHOLDER CONSULTATION

The Moe Tennis Court project has been subject to significant community engagement. During 2013 and 2014 Council completed the Moe Tennis Needs Assessment.

The report detailing the proposed court redevelopment project was subject to broad community engagement activities, including engagement with the broader Moe community.

The Moe Tennis Club have indicated their support to the removal of the trees recognising the long term risk to the courts if they were to remain.

FINANCIAL AND RESOURCES IMPLICATIONS

Council has invested \$1.5 million into the redevelopment of the Moe Tennis Courts. The ten (10) new courts replace the old 12 courts which were in very poor condition from a variety of issues, including poor drainage, earthquake damages and invasion

of the courts sub-base by tree roots. The old court 12 had a tree growing in the centre of the court.

To ensure that Council's investment into the reconstruction of these courts is not compromised, only the trees close to the courts have been identified for removal, so that the new courts are not affected by tree roots. Root barriers have also been installed to minimise any future risks.

RISK IMPLICATIONS

Risk implications have been assessed in the preparation of this report. There is a real risk that if the identified trees are not removed that trees reports will invade the sub-base of the tennis courts and undermine the newly constructed \$1.5 million project.

CONCLUSION

The Moe Tennis Court reconstruction project includes the reconstruction of ten (10) courts at the site. Two courts have been permanently removed due to their proximity to the Narracan Creek and significant vegetation.

During pre-planning for the construction of the new courts, eight (8) trees were identified as being very close to the rebuilt courts. These trees were assessed by Council's Environmental planner as well as a representative from the Department of Environment, Land, Water & Planning. Only one of the trees has been assessed as being remnant native vegetation and a planning permit has been secured for the removal of this tree. The remaining seven (7) trees whilst native, are not remnant and have been assessed as planted.

Council's arborist has provided a report on these seven (7) identified trees following a detailed inspection. All the trees were found to be in reasonable condition. The seven (7) trees identified for removal do not fall under Council's Tree Policy of Dead/Dying/Dangerous where a Council officer is delegated to remove trees without a Council resolution.

Removal is proposed due to the close proximity of the trees to the tennis courts. Council's arborist highlighted that due to the works at the tennis courts being so close to the seven (7) trees root zones, this could potentially impact on the future health and structure of the trees if they are to remain.

SUPPORTING DOCUMENTS

Moe Tennis Needs Assessment report

Moe Tennis Court pavement collapse report

Arborist report

Attachments

- 1↓ . Moe Tennis pavement report
- 2↓ . Moe Tennis Court tree removal map
- 3↓ . Arborist report

15.2

Moe Tennis Facility - Tree Removal

1	Moe Tennis pavement report.....	79
2	Moe Tennis Court tree removal map.....	167
3	Arborist report	169



TROPIC DESIGN GROUP Pty Ltd
BUILDING CONSULTANTS
1-3 Church Street Traralgon Vic 3844 Ph 5176 1510

Tennis Court Paving Damage Report
for Latrobe Council / Moe Tennis Club
at Botanic Drive Moe VIC 3825

Insurance Builder : Bay Building Services-Traralgon
Ref : 01-304-28441

22nd November 2012

Tropic Design Group Pty Ltd

22 November 2012

Tennis Court Paving Damage Report

Insured : Latrobe Council / Moe Tennis Club
Brad Griffin (*President*) 0418 524413
Address: Botanic Drive Moe VIC 3825
Insurance Builder : Bay Building Services – Traralgon
Ref: 01-304-28441

Instructions:

Tropic Design Group Pty Ltd has been engaged by Bay Building Services to provide specialist advice on the following:

- *Inspect and report on the cause of cracking to the Synpave asphalt tennis courts.*

Construction:

The complex is a group of 15 full sized asphalt based tennis courts constructed adjacent to the Narracan Creek. They are fully fenced with chain mesh fencing and are fully line marked. They were constructed approximately 26 years ago by the local Council at the time and were refurbished with a new 'Laykold' acrylic resurface approximately 5 years ago. The complex has an adjacent brick clubhouse and a carpark.

The courts are arranged in approximate north/ south rows, Courts 1 to 5 closest to the clubrooms , then Courts 6 to 12 and lastly Courts 13 to 15. The Court closest to the Narracan Creek is Court 12 which has the most severe cracking. This court edge is approximately 8m from the creek edge.

The Geology of the area is Quaternary Sediments, silty clay topsoils overlying 'slightly silty clay'.

Summary:

The asphalt based tennis courts have been damaged by the major earthquake on June 19th 2012 exacerbating a number of small pre existing cracks and causing numerous new tensile cracks in the court playing

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22 November 2012

surfaces. The Tennis Club were, at the time of the seismic event, investigating the reconstruction of the courts to rectify long term cracking damage and drainage issues. This had progressed to the point of Geological Investigations, Engineering investigations and Consultants preparation of Cost Estimates. As there was a considerable amount of pre existing cracking damage, the 'pre existing damage' has been assessed relative to the 'Earthquake caused damage' and proportional estimated repair costs have been apportioned in what we believe to be a fair and equitable settlement of proportional damage. This amounts to an earthquake repair cost contribution of \$ 293 044.37

Earthquake :

On Tuesday 19 June 2012, at 8.53 pm (AEST), a large earthquake occurred about 10km south of Moe. The magnitude of this earthquake was ML 5.5 *. This earthquake was felt across Melbourne, with reports of it being felt as far away as Deniliquin in NSW – around 330km from the epicentre. Aftershocks have continued since the initial occurrence with an aftershock of ML 2.9 on the 30th June 2012 and a more severe event of ML4.3 on Friday 20th July 2012.

This is the largest earthquake in Victoria in over 100 years – since the estimated magnitude 5.6 Warrnambool earthquake in 1903. The tennis courts are located 13km north of the epicentre.

Documents Provided:

Mr Brad Griffin, the Tennis Club President advised that due to the condition of the Courts, planning and investigation had begun into reconstruction of the Courts in the near future, which would be carried out in stages.

He provided the following documents:

- *Report from 2MH Consulting Woodend dated 6th Feb 2012 – Facility Audit & Inspection – 28pp*
- *Fee Proposal from 2MH Consulting dated 23 March 2012 – Consulting to provide design , documentation and Project Management – 6pp*

Moe Tennis Club –Cracking Damage Report

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- *Recreational Pavement Investigation from Provincial Geotechnical Pty Ltd Geelong dated 8th August 2012 – Borelogs and Testing – 25pp*
- *Report from BCS Consulting Engineers Gisborne dated 17 August 2012 – Report on Condition of Moe Tennis Club Courts, Botanic Gardens Moe – 6pp*
- *Cost Estimates from 2MH Consulting Woodend - undated - Moe Tennis Club Facility Redevelopment Cost Estimates – 10pp*
- *Quotation for “Moe Tennis Center” – undated – source unknown – 5pp*

Inspection & Findings:

An inspection was carried out on Wednesday 7th November 2012 to all of the Tennis Courts, where the Club President, Mr Brad Griffin pointed out the damage and cracking. He was forthcoming advising of the pre existing issues and cracks, and the Clubs intent to refurbish the facility. He provided the above documents via email following our inspection.

He advised that he was of the opinion that new cracks occurred or existing cracks exacerbated following the recent seismic event.

The following observations were made:

- 1 All of the Courts had been pressured cleaned on the days prior to our inspection, therefore the surfaces were clean and algae / moss free. The most westerly and southerly courts had various areas of dishing(birdbaths) evidenced by the ponding water. (*refer photo 1*)
- 2 Numerous long term cracks were evident on most courts evidenced by signs of past repairs and weeds / grass growing out of same. (*refer photos 2,3,4,5 & 6*)
3. New, fresh cracks were readily identifiable due to their clean edges, internal cleanliness and the mode and the random direction of cracking (*refer photos 7,8,9 &10*)

Moe Tennis Club –Cracking Damage Report

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4. A number of areas had pavement failure due to differential settlement of sub grade fixtures and sub base softening over many years. (*refer photo 11*)
5. A number of boreholes had been bored at the centre of various courts (adjacent to the net) and patched with black asphalt cold mix. (*refer photo 12*)

Likely Cause of Failure:

The new tension cracking in the Court surfaces described above, is recent, and has occurred due to the Seismic event on June 19th 2012. The construction method of the courts has not assisted the reduction in damage, as it has been constructed on an alluvial flood plain abutting a creek and is “continuous” with no construction / expansion joints over long distances of up to 110metres. A considerable amount of cracking was pre existing and was noted as such, evidenced by previous repairs, debris and weeds within the cracks and worn edges of same.

Recommended Remedial Action:

As a fair and equitable method of damage apportionment, (*pre earthquake and post earthquake*) a site measure and estimate was carried out on each Court. This measure assessed the overall lineal metreage of cracking to that particular court and this was broken down into percentages - pre existing cracks versus recent cracking. (*refer chart below*)

The construction cost base provided by 2MH Consulting has been adopted where applicable, except where ‘betterment’ was involved and we provided our cost estimates based on both the 2MH documents and the Rawlinsons Costs Guide Edition 29 - dated 2011. This has then been converted to a cost per court, then the percentage of additional damage multiplied by the cost per court resulting in the amount that can be apportioned to the earthquake activity.

There are various arguments based on how liabilities are apportioned including “*if all the courts were in good condition*” and “*the courts after 26 years had reached the end of their serviceable life*”, however, we are of the opinion that the fairest distribution is as set out above and within the spreadsheet below.

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Costings & Reconstruction Estimates:

Part of the documents provided by the Club included was “*Cost Estimates from 2MH Consulting Woodend - undated - Moe Tennis Club Facility Redevelopment Cost Estimates*”.

This document went into detail over the reconstruction costs of the existing 15 courts, PLUS a new court adjacent to Court 13. It also was based on different methods of construction compared with the existing conditions. That is, the estimates were based on a preferred court base of a 150mm thick reinforced concrete slab on a 150mm thick layer of compacted crushed rock, not ‘like for like’. (existing is 30mm asphalt over 150mm of class 2A crushed rock).

We have recalculated the reconstruction costs for both the wearing surface and the sub base by allowing for 50mm of asphalt over 200mm of compacted crushed rock.

We have also included costs as set out in the estimates for:

Excavation and demolition

Crushed rock base compaction

(this has been allowed to contribute to the ground stabilization of the underlying clays)

Grade surrounds allowance

Acrylic painted surface

Temporary lines allowance

Investigation, Design and Project Management

Ten percent contingency

We HAVE NOT ALLOWED for the additional improvements recommended for the reconstruction, those being:

Upgrade to concrete slab paving

Concrete edge and spoon drains

Drainage Connections

New fencing and gates

These are not considered as ‘*like for like*’ works and, in our opinion, are deemed ‘*betterment*’.

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22 November 2012

Table of estimated reconstruction costs:

Stage 1				
Court #	Cost of one full court reconstruction modified with exclusions as above.	Proportion of pre-existing cracking	Proportion of new cracking	\$ Estimate of proportional earth quake damage
1	\$ 84 675.00	0%	0%	\$ 00.00
2	\$ 84 675.00	5%	95%	\$ 80 441.25
3	\$ 84 675.00	20%	80%	\$ 67 740.00
4	\$ 84 675.00	80%	20%	\$16 935.00
5	\$ 84 675.00	80%	20%	\$ 16 935.00
				\$182 051.25
Stage 2				
9	\$ 83 359.67	100%	0%	\$ 00.00
10	\$ 83 359.67	90%	10%	\$ 8 335.97
11	\$ 83 359.67	90%	10%	\$ 8 335.97
12	\$ 83 359.67	90%	10%	\$ 8 335.97
				\$ 25 007.91
Stage 3				
6	\$ 85 985.23	80%	20	\$17197.04
7	\$ 85 985.23	90%	10	\$ 8598.52
8	\$ 85 985.23	90%	10	\$ 8598.52
				\$ 34 394.08
Stage 4				
13	\$ 85 985.23	90%	10%	\$ 8598.52
14	\$ 85 985.23	70%	30%	\$ 25795.57
15	\$ 85 985.23	80%	20%	\$17197.04
Sub total				\$51 591.13
TOTAL				\$ 293 044.37

Notes to Table:

The estimates provided by 2MH include 16 courts , where a new court had been allowed for – this has not been included in our costings as it was additional works .

Additional Information:

The site of these tennis courts is a low lying area abutting Narracan Creek, with the sub soils being soft alluvial material. From our experience (100's of investigations and repair scopes) of the Moe earthquakes, damage has been greatest along the low lying alluvial areas heading out to the north of Moe towards Westbury. This site is part of that alluvial area which has been prone to the worst damage.

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22 November 2012

The tennis courts have also been constructed adjacent to the northern creek bank, and the courts closest to the creek have the worst long term damage. It is highly likely that long term creep (creek bank instability) and movement has created tension in the adjacent soils.

A Title Search of the property also reveals it is under a "Floodway Overlay" and a "Land Subject to Inundation" overlay.

Considering the ongoing creep, high moisture contents, reactive clay material, and likelihood of flooding, it is not site I would recommend for Tennis Court construction (or any other permanent fixtures).

The Consulting Engineer designing the new Courts shall satisfy himself that they are all designed to accommodate these issues particularly differential movement / settlement, creep and durability if inundated/submerged for short periods.

It is our opinion that an asphalt based system, similar to what is in place, is not a satisfactory solution for the reconstruction of these tennis courts.

A present, a continuous flexible pavement of over 100m in one direction is laid on reactive clays adjacent to a constantly running creek which is not optimum conditions for a large area of paving.



Richard Northover
M.A.S.B.C.
Registered Building Practitioner DP-AD1111

Tropic Design Group Pty Ltd

22 November 2012

ATTACHMENTS

Attachment A – Photographs

Attachment B – 2MH Audit & Inspection Report

Attachment C – Engineers Report – bcs Engineers

Attachment D – Geotechnical Report

Attachment E – Costings /Estimates

Attachment F – Design Fee proposal

Moe Tennis Club –Cracking Damage Report

8

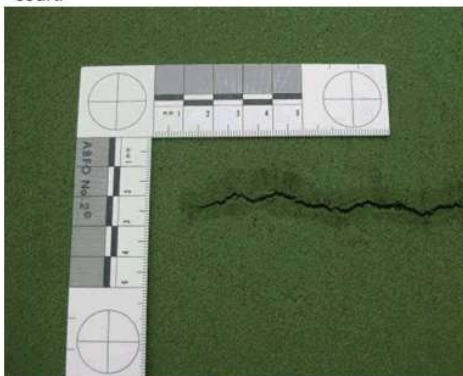
Tropic Design Group Pty Ltd Moe Tennis Courts



1. Typical view over tennis court # 3 – acrylic 'Laykold' top over original 'Rebound Ace' Synpave court.



2. Looking west along northern boundary – long term cracking caused by adjacent trees.



3. Typical long term cracking to courts – dirt and debris buildup. (Dampness from pressure clean)



4. Typical long term cracking to courts – note weeds in crack.



5. Long term cracking to north edge of courts – past repairs evident – a combination of tree root activity and differential shrinkage of clays.



6. Long term crack on court # 7, existing crack has propagated further following the seismic event.

Photo date –Wednesday 7th November 2012

Tropic Design Group Pty Ltd

Moe Tennis Courts



7. New tensile cracking to Court #3 following seismic event.



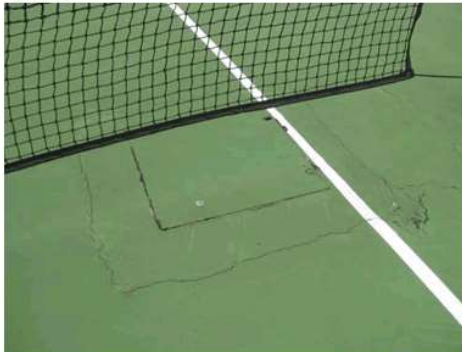
8. New tensile cracking to Court #3 following seismic event.



9. Long term crack on court # 6, existing crack has propagated further following the seismic event.



10. New tensile cracking to Court # 15 following seismic event.



11. Long term pre existing damage to centre of Court # 9 caused by differential settlement of pit and court surface.



12. Typical patch over core sample taken from net on Court 15 – taken by Provincial Geotechnical on 6th August 2012. *Material was 25mm of Bitumen, over 110 crushed rock over 390mm of sand mix(bedding sand fill).*

Photo date –Wednesday 7th November 2012



6th February 2012

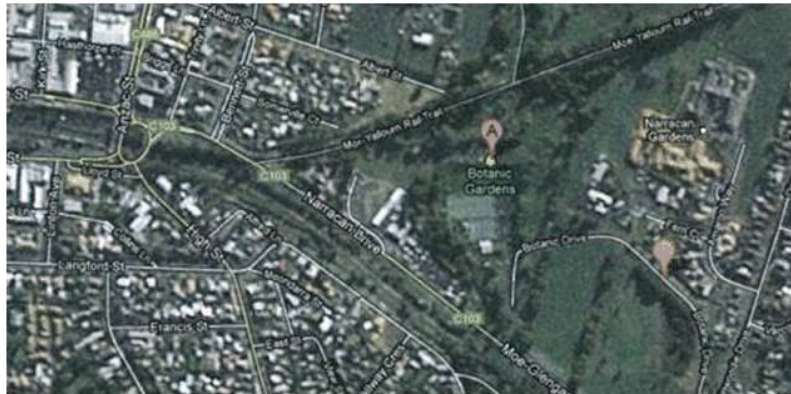
Attn: Simon Thompson
 Infrastructure & Environment Manager
 Tennis Victoria
 Locked Bag 6001
 Richmond, Victoria 3121

Dear Simon,

RE: Tennis facility audit and inspection – Moe Tennis Club, Botanic Drive, Moe.

On 16th November 2011, Mick Hassett and I attended the Moe Tennis Club in Moe. We had been asked to visit the club and conduct an inspection of the fifteen acrylic surfaced tennis courts.

These courts were in five separate enclosures with a clubhouse and carparking on the Southern boundary. All fifteen courts have an asphalt base and surfaced with acrylic. The tennis courts are ideally located with the Botanic Gardens reserve within town; however they are terribly close to a waterway that poses water retention issues.



We completed our usual inspection process that included the following;

- Inspect each court, making notations about court type and condition.
- Rate the fence and gate conditions, post and net types.
- Consider existing lighting designs (if applicable).
- We measure each courts run offs and space around each court.
- Notations are made about any areas of concern, such as drainage problems, court failures or trees that are impacting the courts / facilities.

Please see attached our Tennis Facility Inspection Checklist and the hand sketched inspection notes / drawings collated whilst on site. Following is a summary of the issues encountered and discussed whilst on site.



Summary-

All fifteen courts have damage to the acrylic playing surface at this complex. The pavement is cracking, plating and there are serious collapsed pavement issues. This type of damage is a serious concern for the club, as it indicates that the pavement and base have been undermined by water inundation over a prolonged period. It would be likely that this is due to a combination of surface inundation, poor drainage and the rising water table beneath the pavement. Most courts will require extensive repair works before resurfacing, with the majority of courts requiring full reconstruction.

In addition, all of the courts are non-compliant; mainly the East/West pavement run-offs are too short and are therefore non-compliant to the current standards. Half of the North/South run-offs can be accommodated within the existing enclosures if the courts are shuffled. The remainder would require either extending the enclosure size or moving spoon drains to outside the enclosure when reconstructing the courts.

Although there is a concrete spoon drain in almost every enclosure, these are completely inadequate and do not operate as intended, these are also well within the required run-off areas of all courts. There are no drainage pits on this site; the water is required to simply empty from the spoon drains to the surrounding open swale drains. Most enclosures have a build up at these outlet areas preventing the water from escaping efficiently.

All courts have a significant amount of dirt, debris and a black silty material on the surface. Regular maintenance is recommended to help prolong the longevity of the playing surface and to minimise risk to player safety.

The fencing is aged, curling at the bottom, slack and damaged in numerous areas. Repairs to several areas would be required in the near future with planning for their total replacement long term or when redevelopment occurs.



Large trees need trimming away from the court fencing to prevent damage to the fencing and to help minimise the amount of debris on the courts. Root barriers should be placed wherever trees are in close proximity to tennis courts to prevent the invasion of roots under the pavements.



Damage to the courts due to tree root invasion and poor drainage is consistent across all courts in the facility.



Common problems across this site;



The acrylic surface application is untidy and has not been applied all the way to the fence. The current standards require a consistent and even surface within the playing and run-off areas. In addition, this is aesthetically unpleasing and inadequate.



Drainage is a major problem at this site, both within and outside the court enclosures.

Urgent Issues:



Exposed electrical wiring and major trip/slip hazards within main access points are a serious risk to public safety and should be given urgent attention.



In summary, our inspection has identified that the fifteen acrylic surface courts at the Moe Tennis Court complex are in average condition and need significant remedial works and reconstruction as opposed to a simple crack repair and resurface. The courts pavement size will also need to increase at this time to ensure that all court dimensions and run-offs are compliant with Current Standards for Club competition.

A staged plan of works may be a good way forward for this site as this is a large complex and the works required are extensive. This may be quite daunting for the club and their budgets into the future. We do not recommend a band-aid approach to this site.

We recommend that any improvement works or redevelopment works at this site be undertaken in conjunction with guidance from the Tennis Facility Planning Guide produced by Sport and Recreation Victoria in partnership with Tennis Victoria.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Kellie Duff', written in a cursive style.

Kellie Duff
Project Manager
2MH Consulting

Notes of reference:

- 'Current standards' refer to the recommended and minimum dimensions of a tennis court set by the *International Tennis Federation's (ITF) Rules of Tennis* (Dimension guide is attached).
- Example of 'Plating' where the pavement cracks in a square or plate like fashion. This type of damaged is referenced throughout this report.





Tennis Facility Audit and Inspection

Moe Tennis Club,
Moe



TENNIS FACILITY INSPECTION CHECKLIST

Site Name: **Moe Tennis Club**

Date: **16/11/2011**

Site Address: Botanic Drive, Moe

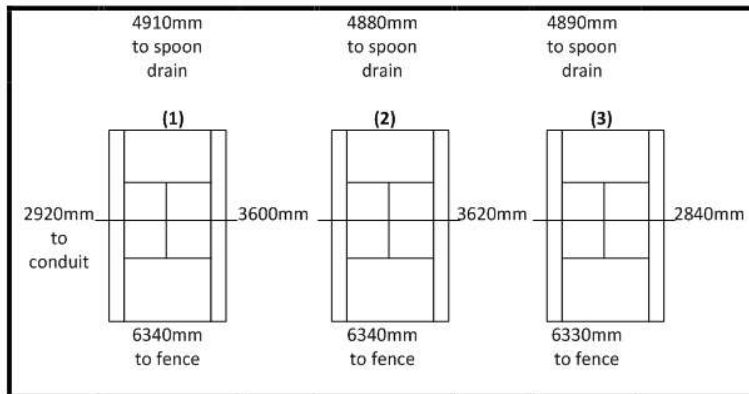
Contact Name: Brad Griffin/Lesa Domagala Phone No: 0418 524 413/0409 232 263

Club / Association (or Management):

1. SURFACE TYPE	Number of Courts and Comments:
Hardcourt	15 Acrylic
Porous	
Synthetic	
Asphalt	
2. GENERAL COURT CONDITION	
For each court located on the site, comment on the following detail:	<p>Surface condition should comment on; surface imperfections including: cracking (hairline to severe), gravel, undulations, fittings for other sports (i.e. netball hole caps), water retention (filled with water indentations which cover 20c piece), mould, mildew, leaves or sticks</p> <p>Court Line Marking should comments on whether it is clear and well marked, multi-lined (i.e. for other sports) and if the run off distances meet minimum standards.</p>
Courts 1-3 in the one bank	

North ↑
To courts 8-12

The Spoon drain along this boundary is 1370mm wide inside the fence line, making the distance between the court baselines and the fence 6250mm.



2MH Consulting, 8 Strathclyde Crescent,
Woodend. Vic. 3442 Ph: 03 5427 3080





<p>Courts 1-3: Acrylic Hardcourt</p> 	<p>Surface type/ condition: These courts are positioned in front of the clubrooms and it would be assumed that these are highly utilised. All three courts have an Acrylic Hardcourt surface with an asphalt base; they were resurfaced four years ago. The repaired/resurfaced cracks are reflecting through the new surface, in addition there are many cracks along the Western boundary as a direct result of the large trees in close proximity. These large cracks are heaving and will continue to increase in size as the tree roots do. Repairs to these will be required to prevent further damage to the pavements base. There are numerous other cracked areas mainly along the Southern end that will also need repairing before any resurfacing is attempted. There are some sections of the courts which are plating within the playing areas (Northern end of Court 1 and the Southern ends of Courts 2 & 3). This type of damage is usually associated with water inundation either by surface flooding or a rising water table under the court base.</p> <p>There are lower lying areas across these courts that allow water to sit on the pavement surface for long periods of time. This would decrease the longevity of the courts surface and increase the risk to player safety as the buildup of silty & black sooty material within the ponding areas would become quite slippery when moist. This will need to be monitored as this may pose a serious risk to player safety if it continues to deteriorate. If resurfacing in the future a self-leveling compound may be needed to lessen the depth of these areas.</p> <p>There is an electrical conduit in galvanised tubing along the Eastern and Western boundary within the enclosure; it is recommended that this be buried outside of the enclosure if redeveloping this pavement to ensure minimum run-off distances are maintained for compliant courts.</p> <p>The courts have formed drainage with a spoon drain along the entire Northern boundary; this is formed as part of the asphalt pavement. It empties, without a pit, into the large swale drain surrounding the courts. However at the time of inspection there was water sitting in the spoon drain as it does not fall adequately. There was also debris and leaf litter in the North West corner of the spoon drain preventing the drain from operating efficiently in heavy downpours.</p> <p>There is significant debris across all of the courts, the Western side of the enclosure is the worst affected, this would be attributed to the large trees along this boundary. It would be advisable to trim the branches away from the fencing to minimise the impact. The courts should also be regularly maintained ensuring leaf litter, weeds and dirt have been removed from the acrylic surface on a regular basis.</p> <p>The type of damage to the pavement and acrylic surface of these courts would suggest that the pavement has been affected by a combination of age, lack of routine maintenance, tree damage, reflective cracking and water inundation from either the surface or rising water table as this facility has a creek running adjacent to the Western boundary. This pavement could be repaired, re-leveled/re-sheeted and then resurfaced however it is important to note that this may not offer long term results for the club, it is possible that cracking may reflect through the new surface. A soil test is recommended for this pavement area prior to any works due to the close proximity to the creek and to ensure sufficient works are being carried out given the soil conditions under the pavement (i.e.: is the rising water table pushing silty material up through the base material contaminating and undermining the base). Tree root barriers are also recommended along the Western boundary if a long term budget allows the redevelopment of these courts.</p> <p>Net Posts & Nets: The posts are old style with fixed rusty winders and are installed directly into the pavement. They are slightly bent. The nets on both are in good condition and tethered to the posts. They have centre net straps and they are in good condition.</p> <p>Court run-off: Both courts fail to meet minimum run-offs for club competition. They are non-compliant in the following areas;</p>
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Boundary Position	Existing	Required
	Min / max.	.
All Northern Baselines	4880 / 4910mm	5480mm
b/w all courts	3600 / 3620mm	3660mm
West and East sidelines	2840 / 2920mm	3050mm

It is important to note that although there is sufficient space to the fence on the Northern ends of the courts for compliance the spoon drain is a change in gradient and cannot be utilised as run-off area.

The Current Standards requires the court surface and the run-offs to be of the same surface type and without change of level.

Current Court layout Pavement	34990mm (N/S) x 46010mm (E/W)
Minimum Pavement required for compliance	34730mm (N/S) x 46330mm (E/W)
Available space within enclosure	36360mm (N/S) x 46010mm (E/W)

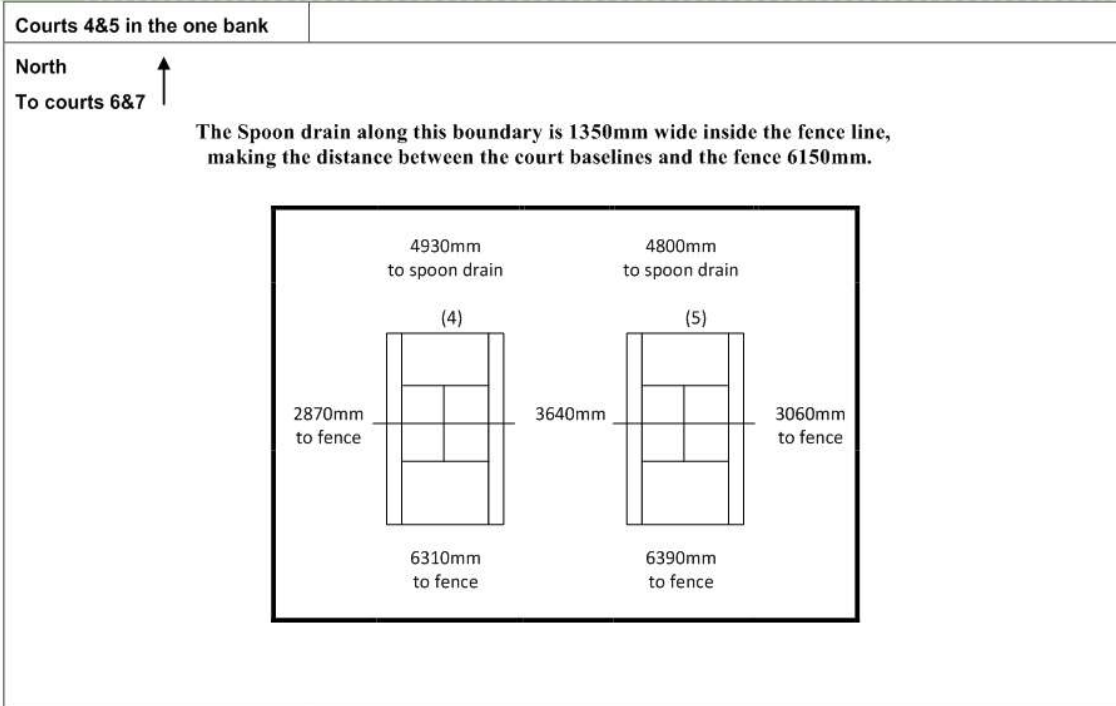
The pavement will need to grow at least 320mm East/West to be compliant to the current Standards for court dimensions and minimum run-offs. There is ample room within the enclosure for compliant North/South run-offs if the courts were shuffled to the South to take advantage of the excess run-off at that end.

Court line marking: Line marking is cracked, chipped and dirty reflecting the deteriorated state of the courts.

Floodlights: There are 4 high steel light towers positioned outside of the enclosure. 2 light towers have several light fittings mounted to them due to their multiuse with the surrounding courts. A lux level test is recommended if redeveloping to ensure competition standard lux levels are met.

Maintenance / capital works recommendations:

- Regular court grooming is required (weed, debris and dirt removal within court enclosure a priority).
- Investigate the pavement, base and the soil conditions under the court to determine if remedial works would be successful long term.
- If the base has been undermined considerably, reconstruct all 3 courts, extending the enclosure East/West and ensuring the spoon drain and electrical conduits are placed outside of the required run-off areas.
- Install root barriers.
- Net posts should be replaced when re-shuffling or reconstructing the courts; these should be replaced with black powder coated posts with collapsible winders and new ¾ length high quality nets with centre net straps.
- When reconstructing, ensure all dimensions and run-offs are compliant with the current Standards for Club competition.



**Courts 4&5:
Acrylic Hardcourt**



Surface type/ condition: Both courts are within the one enclosure. They have an Acrylic Hardcourt surface with an asphalt base, they are aged and in rapid decline due to the poor drainage and nearby trees on site. The playing surface has a number of hairline cracks throughout the court area, these are mainly in line with the courts playing lines, and they have weeds growing from them that require spraying out. There are numerous large, open & heaving cracks along the Southern and Eastern run-off areas; these appear to be a direct result of poor drainage and trees along these boundaries. There is an open swale drain that wraps around these boundaries and they had water sitting in them at the time of inspection. The pavement is not supported by a concrete plinth and is therefore more susceptible to collapsing; this is currently evident with heavy cracking along these boundaries. These courts would offer a variable ball bounce on the run-off surface and possible trip & slip hazards. This will need to be monitored as this may pose a serious risk to player safety if it continues to deteriorate and is not cleaned.

The courts have formed drainage with a spoon drain along the entire Northern boundary; this is formed as part of the asphalt pavement. It empties, without a pit, into the shallow swale drain surrounding the courts to the East. However at the time of inspection this outlet area was built up at the fence line with dirt and weed growth, preventing the water from getting away efficiently. This suggests that there is often a backlog of water sitting in the surrounding areas. Cleaning out the outlet area would dramatically increase the efficiency of this drain.

The courts should also be regularly maintained ensuring all dirt and silty material has been removed from the acrylic surface.

The type of damage to the pavement and acrylic surface of these courts would suggest that the pavement has been severely affected by a combination of age, poor drainage, tree root invasion and no form of pavement retention around the edges. It would be possible to patch repair the small cracks and cut out the affected run-off areas on the Southern and Eastern sides of the courts and replace with retained pavement. It would be advisable to have a full drainage assessment and remedial works conducted at this time to prevent the continuing of moisture in these areas and minimise the likelihood of damage re-occurring.



Net Posts & Nets: The posts are old style without winders and are installed directly into the pavement. They are slightly bent. The nets are in good condition and tethered to the posts. There are no centre net straps however there are anchors in place.



Court run-off: All courts do not meet minimum run-offs for club competition. They are non-compliant in the following areas;

Boundary Position	Existing	Required
	Min / max.	
All Northern Baselines	4800 / 4930mm	5480mm
b/w courts	3640mm	3660mm
West and East sidelines	2870mm	3050mm

It is important to note that although there is sufficient space to the fence on the Northern ends of the courts for compliance the spoon drain is a change in gradient and cannot be utilised as run-off area.



The Current Standards require the court surface and the run-offs to be of the same surface type and without change of level.

Current Court layout Pavement	34890mm (N/S) x 31530mm (E/W)
Minimum Pavement required for compliance	34730mm (N/S) x 31700mm (E/W)
Available space within enclosure	36240mm (N/S) x 31530mm (E/W)

The pavement will need to grow at least 170mm East/West to be compliant to the current Standards for court dimensions and minimum run-offs. There is ample room within the enclosure for compliant North/South run-offs if the courts were shuffled to the South to take advantage of the excess run-off at that end.



Court line marking: Line marking is cracked and dirty reflecting the current state of the courts.


Floodlights: There are 4 high steel light towers positioned outside of the enclosure. Some of the light towers have several light fittings mounted to them due to the multiuse with the surrounding courts. A lux level test is recommended when redeveloping to ensure competition standard lux levels are met.



Maintenance / capital works recommendations:

- Regular court grooming is required (weed, debris and dirt removal within court enclosure a priority).
- Look to repair cracks, cut and repair the run-off areas on the South and Eastern sides re-sheet and resurface. Extend pavement on the Eastern boundary and reshuffle the courts at this time to ensure compliant run-offs are achieved.
- Install root barriers.
- Investigate soil type to ensure adequate pavement design for soil type/condition.
- Net posts should be replaced when remedial works are carried out on these courts; these should be replaced with black powder coated posts with collapsible winders and new ¾ length high quality nets with centre net straps.
- When reconstructing, ensure all dimensions and run-offs are compliant with the current Standards for Club competition.



<p>Courts 6&7 in the one bank</p>	
<p>North ↑</p> <p>The Spoon drain along this boundary is 1250mm wide inside the fence line, making the distance between the court baselines and the fence 6400mm.</p> <div data-bbox="496 499 1086 913" style="border: 1px solid black; padding: 10px; margin: 10px auto; width: fit-content;"> </div>	
<p>Courts 6&7: Acrylic Hardcourt</p> 	<p>Surface type/ condition: Both courts are within the one enclosure. They have an Acrylic Hardcourt surface with an asphalt base, they are aged and in decline due to the poor drainage on site. The playing surface has a number of hairline cracks throughout the court area, these are mainly in line with the courts playing lines and they have weeds growing from them that require spraying out. There are numerous cracks along the Southern and Eastern run-off areas; these appear to be a direct result of poor drainage along these boundaries. There is an open swale drain that runs along the Eastern boundary which had water sitting in it at the time of inspection. The pavement is not supported by a concrete plinth and is therefore more susceptible to the collapsing; this is currently evident with heavy cracking along this boundary. There are several large ponding areas and a large collapsed area in the North East corner of the enclosure. These have a build-up of silt & a black sooty material which would become quite slippery when moist. These courts would offer a variable ball bounce on the Eastern run-off surface and possible slip hazards. This will need to be monitored as this may pose a serious risk to player safety if it continues to deteriorate and is not cleaned.</p> <p>The courts have formed drainage with a spoon drain along the entire Northern boundary; this is formed as part of the asphalt pavement. It empties, without a pit, into the swale drain to the East. However at the time of inspection there was water sitting in the spoon drain with a large amount of dirt and black silty material along the entire length and for a large area surrounding the outlet area. This suggests that there is often a backlog of water sitting in these areas. Cleaning out the outlet area would dramatically increase the efficiency of this drain.</p> <p>The courts should also be regularly maintained ensuring all dirt and silty material has been removed from the acrylic surface.</p> <p>The type of damage to the pavement and acrylic surface of these courts would suggest that the pavement has been severely affected by a combination of age, poor drainage and no pavement retention. It would be possible to patch repair the small cracks within the playing surface and cut out the affected run-off areas on the Eastern side of the court enclosure and replace with a retained pavement, then resurface the entire court enclosure. It would be advisable to have a full drainage assessment and remedial works conducted at this time to prevent the holding of moisture in these areas and minimise the likelihood of damage re-occurring.</p> <p>Net Posts & Nets: The posts are old style with fixed winders and are installed directly into the pavement. They are slightly bent. The nets are in good condition and tethered to the posts. They have centre net straps installed.</p>



Court run-off: All courts do not meet minimum run-offs for club competition. They are non-compliant in the following areas;

Boundary Position	Existing	Required
	Min / max.	
All Northern Baselines	5150 / 5200mm	5480mm
b/w courts	3620mm	3660mm
West and East sidelines	2850 / 3020mm	3050mm

It is important to note that although there is sufficient space to the fence on the Northern ends of the courts for compliance the spoon drain is a change in gradient and cannot be utilised as run-off area.

The Current Standards require the court surface and the run-offs to be of the same surface type and without change of level.

Current Court layout Pavement	35140mm (N/S) x 31460mm (E/W)
Minimum Pavement required for compliance	34730mm (N/S) x 31700mm (E/W)
Available space within enclosure	36390mm (N/S) x 31460mm (E/W)

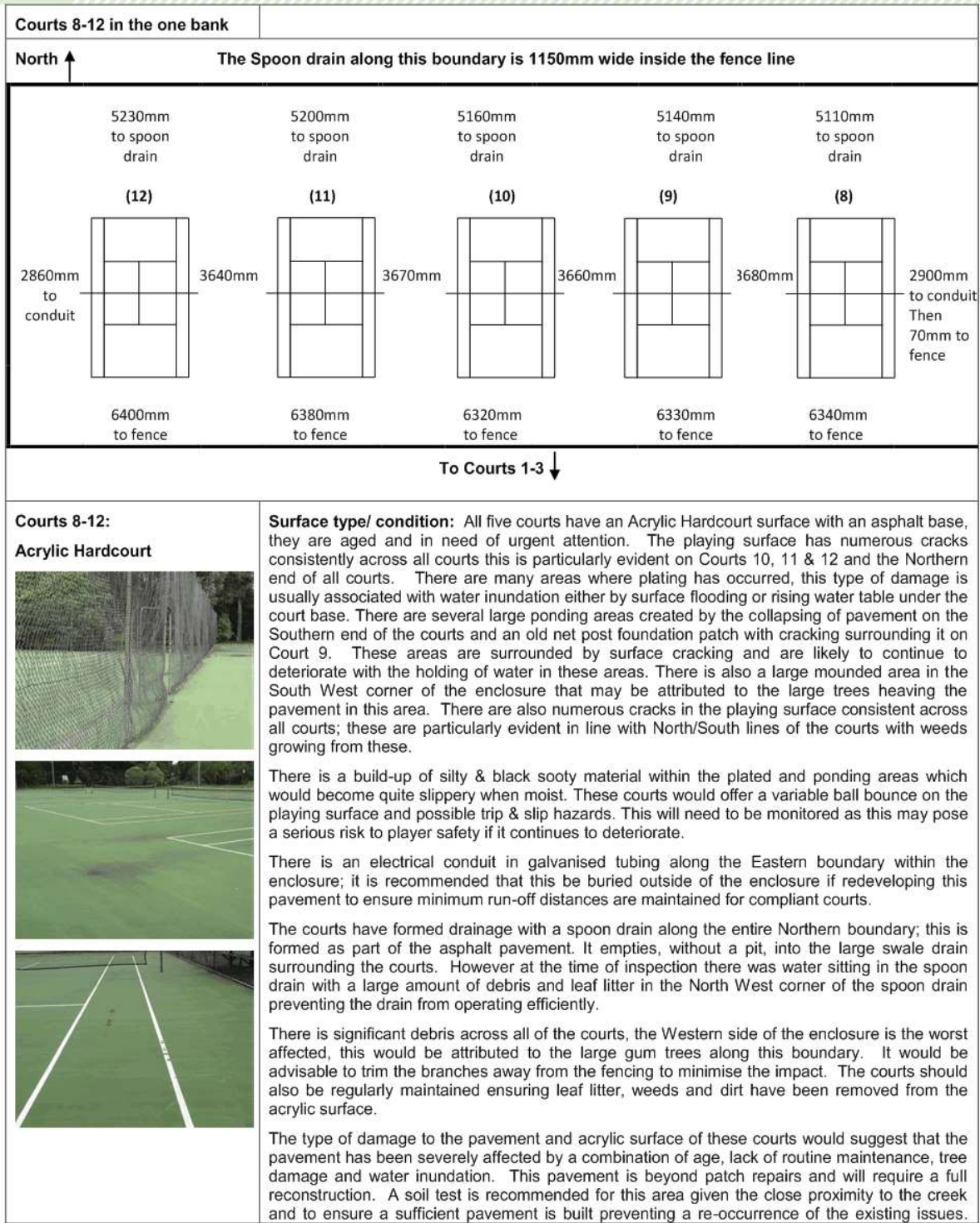
The pavement will need to grow at least 240mm East/West to be compliant to the current Standards for court dimensions and minimum run-offs. There is ample room within the enclosure for compliant North/South run-offs if the courts were shuffled to the South to take advantage of the excess run-off at that end.

Court line marking: Line marking is cracked and dirty reflecting the current state of the courts.

Floodlights: There are 4 high steel light towers positioned outside of the enclosure. They all have several light fittings mounted to them due to the multiuse with the surrounding courts. A lux level test is recommended when redeveloping to ensure competition standard lux levels are met.

Maintenance / capital works recommendations:

- Regular court grooming is required (weed, debris and dirt removal within court enclosure a priority).
- Look to repair cracks, cut and repair the run-off area on the Eastern side of the enclosure and resurface. Extend pavement on the Eastern boundary and reshuffle the courts at this time to ensure compliant run-offs are achieved.
- Install root barriers where trees are likely to impact.
- Investigate soil type to ensure adequate pavement design for soil type/condition.
- Net posts should be replaced when remedial works are carried out on these courts; these should be replaced with black powder coated posts with collapsible winders and new ¾ length high quality nets with centre net straps.
- When reconstructing, ensure all dimensions and run-offs are compliant to the current Standards for Club competition.





Tree root barriers are also recommended.

Net Posts & Nets: The posts are old style with fixed rusty winders and are installed directly into the pavement. They are slightly bent. The nets on courts 8 & 9 are in good condition and tethered to the posts, courts 10 & 11 are in need of repair and there is no net on court 12. The fitted nets have centre net straps and they are in good condition.

Court run-off: All courts do not meet minimum run-offs for club competition. They are non-compliant in the following areas;

Boundary Position	Existing	Required
All Northern Baselines		5480mm
b/w courts 11&12		3660mm
West and East sidelines		3050mm

It is important to note that although there is sufficient space to the fence on the Northern ends of the courts for compliance the spoon drain is a change in gradient and cannot be utilised as run-off area.

The Current Standard requires the court surface and the run-offs to be of the same surface type and without change of level.

Current Court layout Pavement 35230mm (N/S) x 75240mm (E/W)

Minimum Pavement required for compliance 34730mm (N/S) x 75590mm (E/W)

Available space within enclosure 36380mm (N/S) x 75380mm (E/W)

The pavement will need to grow at least 210mm East/West to be compliant to the current Standards for court dimensions and minimum run-offs. There is ample room within the enclosure for compliant North/South run-offs if the spoon drain is constructed closer to the fence line only taking up 600mm of the enclosures space.

Court line marking: Line marking is cracked, chipped and dirty reflecting the deteriorated state of the courts.

Floodlights: There are 6 high steel light towers positioned outside of the enclosure. 4 light towers have several light fittings mounted to them due to the multiuse with the surrounding courts. A lux level test is recommended when redeveloping to ensure competition standard lux levels are met.

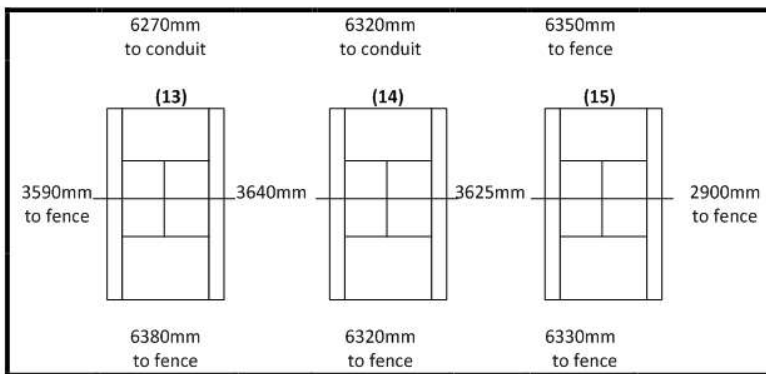
Maintenance / capital works recommendations:

- Regular court grooming is required (weed, debris and dirt removal within court enclosure a priority).
- Reconstruct all 5 courts, extending the enclosure East/West and ensuring the spoon drain and electrical conduits are placed outside of the required run-off areas.
- Install root barriers where trees are likely to impact.
- Investigate soil type to ensure adequate pavement design for soil type/condition.
- Net posts should be replaced when reconstructing the courts; these should be replaced with black powder coated posts with collapsible winders and new ¾ length high quality nets with centre net straps.
- When reconstructing, ensure all dimensions and run-offs are compliant with the current Standards for Club competition.



Courts 13-15 in the one bank

North ↑



**Courts 13-15:
Acrylic Hardcourt**



Surface type/ condition: These courts are positioned the furthest away from the clubrooms. All three courts have an Acrylic Hardcourt surface with an asphalt base. There are numerous cracks consistently over all three courts. Court 13 is in the worst condition with multiple cracks, large ponding areas and a mounded area in the middle of the Northern end. The Western flank of this court has collapsed creating large cracks that have opened up and are now heaving. The uneven surface and degree of damage to the court make this court a risk to player safety. The Eastern side of Court 15 is also badly affected by poor drainage with cracking of the pavement and collapsed fence footings. These areas will continue to deteriorate rapidly as the base has been undermined with the penetration of moisture through the large cracks. Repairs to these will be required to prevent further damage to the pavements base. There are numerous other cracked areas mainly within the playing surface of Court 15 that will also need repairing before any resurfacing is attempted.

There are large ponding areas at the Northern end of Court 13 and in the North East corner of the enclosure. This has decreased the longevity of the courts surface and increased the risk to player safety as the build-up silty & black sooty material within the ponding areas would become quite slippery when moist. This will need to be monitored as this may pose a serious risk to player safety if it continues to deteriorate. These areas are substantial and would require reconstructing as the base and pavement has failed.

There is an electrical conduit in galvanised tubing along the Western boundary within the enclosure; it is recommended that this be buried outside of the enclosure if redeveloping this pavement to ensure minimum run-off distances are maintained for compliant courts, this run-off is currently non-compliant.

These courts have no formed drainage. They fall to the North East corner of the enclosure and empty out through the fence line to the open swale drain. This was wet and holding water at the time of inspection. This does not appear to work efficiently with evidence of water being held on and around the North East corner, resulting in the collapsed pavement.

The courts should also be regularly maintained ensuring leaf litter, weeds and dirt have been removed from the acrylic surface on a regular basis.



The type of damage to the pavement and acrylic surface of these courts would suggest that the pavement has been affected by a combination of age, lack of routine maintenance, poor drainage and water inundation from either the surface or rising water table as this facility has a creek running adjacent to the Western boundary. This pavement appears to be beyond patch repairs and a total reconstruction may be necessary. A soil test is recommended during the design process to ensure sufficient works are being carried out given the soil conditions in this immediate area.



Net Posts & Nets: The posts are old style with fixed rusty winders and are installed directly into the pavement. They are leaning. The nets on are in good condition however Courts 13 & 15 need theirs tethered to the posts. They have centre net straps however Court 13's is the only one in good condition.



Court run-off: All three courts fail to meet minimum run-offs for club competition. They are non-compliant in the following areas;

Boundary Position	Existing	Required
	Min / max.	
b/w all courts	3625 / 3640mm	3660mm
Western sideline	2900mm	3050mm



The Current Standards requires the court surface and the run-offs to be of the same surface type and without change of level.

Current Court layout Pavement 36370mm (N/S) x 46755mm (E/W)

Minimum Pavement required for compliance 34730mm (N/S) x 46330mm (E/W)

Available space within enclosure 36370mm (N/S) x 46755mm (E/W)



The pavement will not need to grow as there is already sufficient space within this enclosure for compliant courts. However the courts would need to be shuffled for each court to be complaint East/West.



Court line marking: Line marking is cracked, chipped and dirty reflecting the deteriorated state of the courts.

Floodlights: There are 4 high steel light towers positioned outside of the enclosure. 2 light towers have several light fittings mounted to them due to their multiuse with the surrounding courts. A lux level test is recommended if redeveloping to ensure competition standard lux levels are met.


Maintenance / capital works recommendations:

- Regular court grooming is required (weed, debris and dirt removal within court enclosure a priority).
- Investigate the pavement, base and the soil conditions under the court to determine if remedial works would be successful long term.
- If the base has been undermined considerably, reconstruct all 3 courts, extending the enclosure East/West and ensuring the spoon drain and electrical conduits are placed outside of the required run-off areas (preferably outside the enclosures fencing).
- Install root barriers where trees are likely to impact.
- Net posts should be replaced when re-shuffling or reconstructing the courts; these should be replaced with black powder coated posts with collapsible winders and new ¾ length high quality nets with centre net straps.
- When reconstructing, ensure all dimensions and run-offs are compliant with the current Standards for Club competition.



3. COURT LIGHTING	
Number of courts with lights:	15
What type of lighting:	High steel light towers positioned outside of each the enclosure.
Provide Lux level reading (if appropriate):	Lux levels were not requested at this time
4. DRAINAGE	
Please note any comments in regards to site drainage: 	All courts have issues as a result of poor drainage, both on court and surrounding the courts. Any redevelopment of these courts would require a full drainage design, the surrounding area should be considered in addition to the actual pavement surface drainage for each enclosure. There are no concrete plinths or pits at this complex; these would help prolong the lifespan of the courts if implemented in the redesign of this complex.
5. COURT FENCING	
Comments in regards to fencing type (steel or powder coated) AND any visible damage or rust AND whether top and/or bottom rails are provided:	Old PVC chain mesh fencing is used extensively throughout this site. There are no top or bottom rails and this had led to curling of the mesh at the bottom. The fencing is also slack and damaged in many areas. The three most concerning areas are; the Eastern side of Court 15 where the post foundations are failing and the fencing is leaning substantially, at the Southern end of Court 4 where there is a large hole and on the Western side of Court 13 where it allows access to the courts under the fence where it has been pulled up. Consideration and future budgets should be forecast to replace all fencing at this complex with black PVC chain mesh fencing with top and bottom rails.
6. CAR PARKING	
Comments in regards to whether it is a purpose built car parking including; sealed or unsealed, line marking, clearly marked traffic direction arrows, accessible spaces, access to courts for ambulance or car and/or security lighting:	Formed unsealed parking. It is not marked, however it is in a dedicated parking area in close proximity to the courts and clubhouse. 
7. COURT SURROUNDS	
Comments in regards to landscaping, any overhanging trees or shrubs, shade trees or shelters:	The perimeter grounds appear mown and well cared for – however maintenance to the nearby trees and drainage infrastructure is required urgently.



8. CLUB HOUSE	
<p>Rating of facilities in general, please circle:</p> <p>Excellent</p> <p>Good</p> <p>Fair</p> <p>Poor</p> <p>Other comments: Inspection of the clubrooms was not conducted at this time</p>	<p>Please tick the facilities located on site;</p> <p><input type="checkbox"/> First aid facility, including running water</p> <p><input checked="" type="checkbox"/> <u>Social Area</u></p> <p><input type="checkbox"/> Meeting room / Office</p> <p><input type="checkbox"/> Equipment storage</p> <p><input type="checkbox"/> Creche</p> <p><input type="checkbox"/> Toilets (secure & adequate number – separate Male/Female)</p> <p><input checked="" type="checkbox"/> <u>Toilets (accessible)</u></p> <p><input type="checkbox"/> Change rooms (players)</p> <p><input type="checkbox"/> Change rooms (umpires)</p> <p><input checked="" type="checkbox"/> <u>Canteen/ Kitchen facilities</u></p> <p><input type="checkbox"/> Heating / air conditioning</p> <p><input type="checkbox"/> Impact protection glass windows</p> <p><input type="checkbox"/> Fire safety equipment / devices</p> <p><input checked="" type="checkbox"/> <u>Outdoor seating area, plus shade structure</u></p>
9. ADJACENT LAND / FACILITIES	
<p>Any comments in regards to adjacent facilities:</p>	<p>Tennis courts are located within a picturesque reserve.</p>
10. WATER AVAILABILITY	
<p>Is there non-potable water available at the site?</p>	<p>Unsure</p>
11. ACCESSABILITY	
<p>Are the facilities accessible?</p> 	<p>Yes. There is a path connection to the carparking area. However accessibility around the complex is risky and poses numerous dangers underfoot, with cabling, small metal ramps and conduit piping at numerous unavoidable areas around the complex.</p>



Identified **Urgent Priorities**, please list:



These unprotected electrical conduits and wires are at the entrance to the complex and pose a serious risk to the public and maintenance personnel.



These conduit pipes have small ramps that are meant to help accessibility within the walkway areas between courts however they are inadequate and pose a different level of risk with exposed wire, sharp metal pieces and piping that is still uncovered creating a major trip/slip hazard.

Other Notes:

INSPECTION COMPLETED BY:



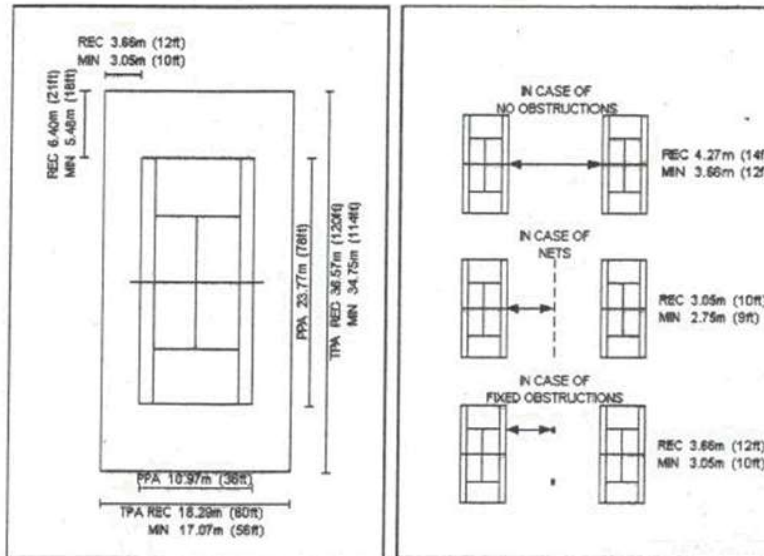
Mick Hassett & Kellie Duff
2MH Consulting
Ph: 5427 3080
admin@2mhconsulting.com.au



Dimension guide

for both recreational and club play (not to scale)

As a guide, the suggested recommended minimum and recommended dimensions for tennis courts are:



Principle Playing Area (PPA) and Total Playing Area (TPA)

Inter-court Spacing

For more information contact your respective state / territory Member Association's Facilities representative.

Tennis ACT
Phone: (02) 6247 8804
facilities@tennisact.com.au

Tennis NSW
Phone: (02) 9763 7644
facilities@tennisnsw.com.au

Tennis NT
Phone: (08) 8981 5509
facilities@tennisnt.com.au

Tennis Queensland
Phone: (07) 3871 8555
facilities@tennisqueensland.com.au

Tennis SA
Phone: (08) 8212 6777
facilities@tennissa.com.au

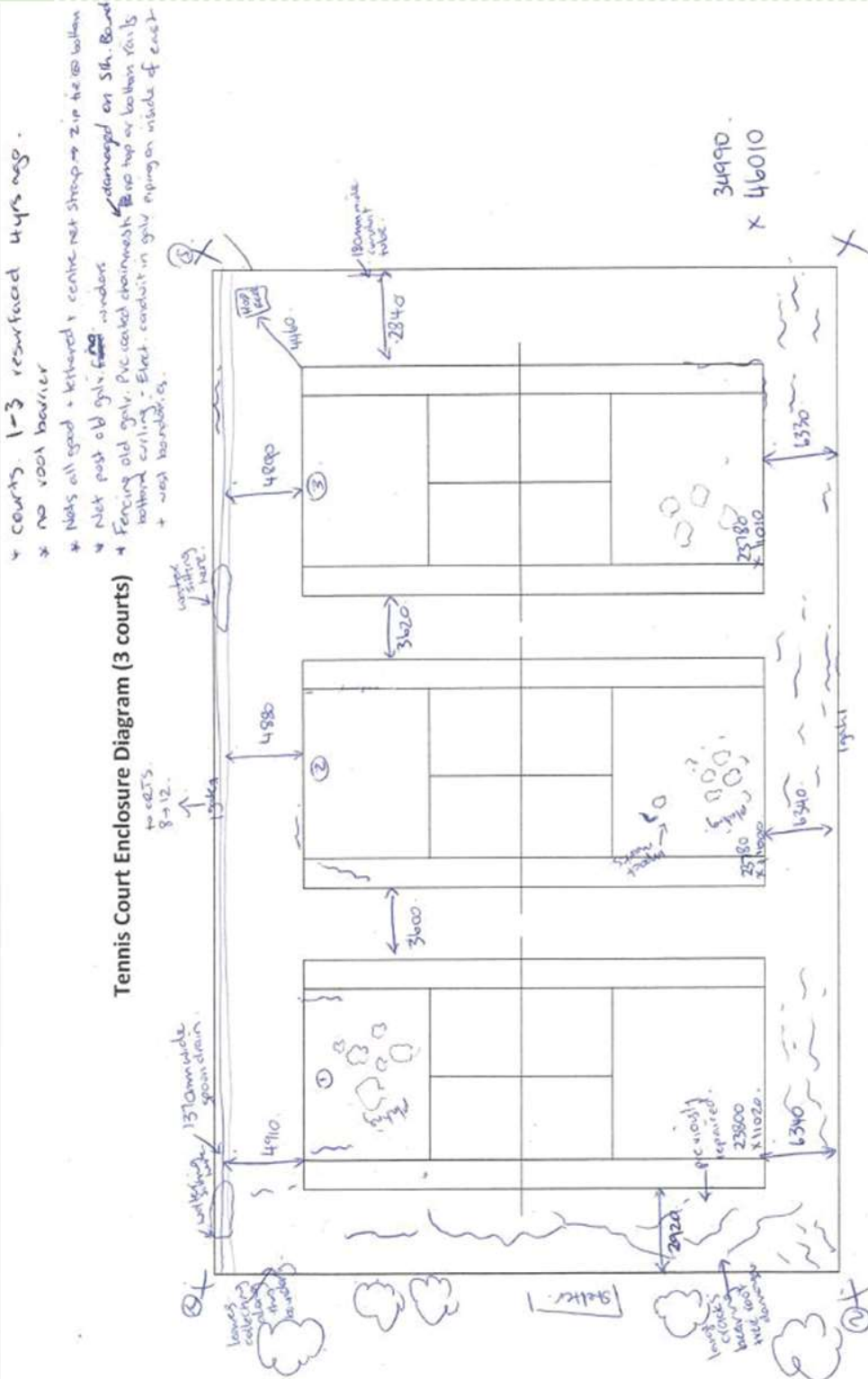
Tennis Tasmania
Phone: (03) 6334 4237
facilities@tennistasmania.com.au

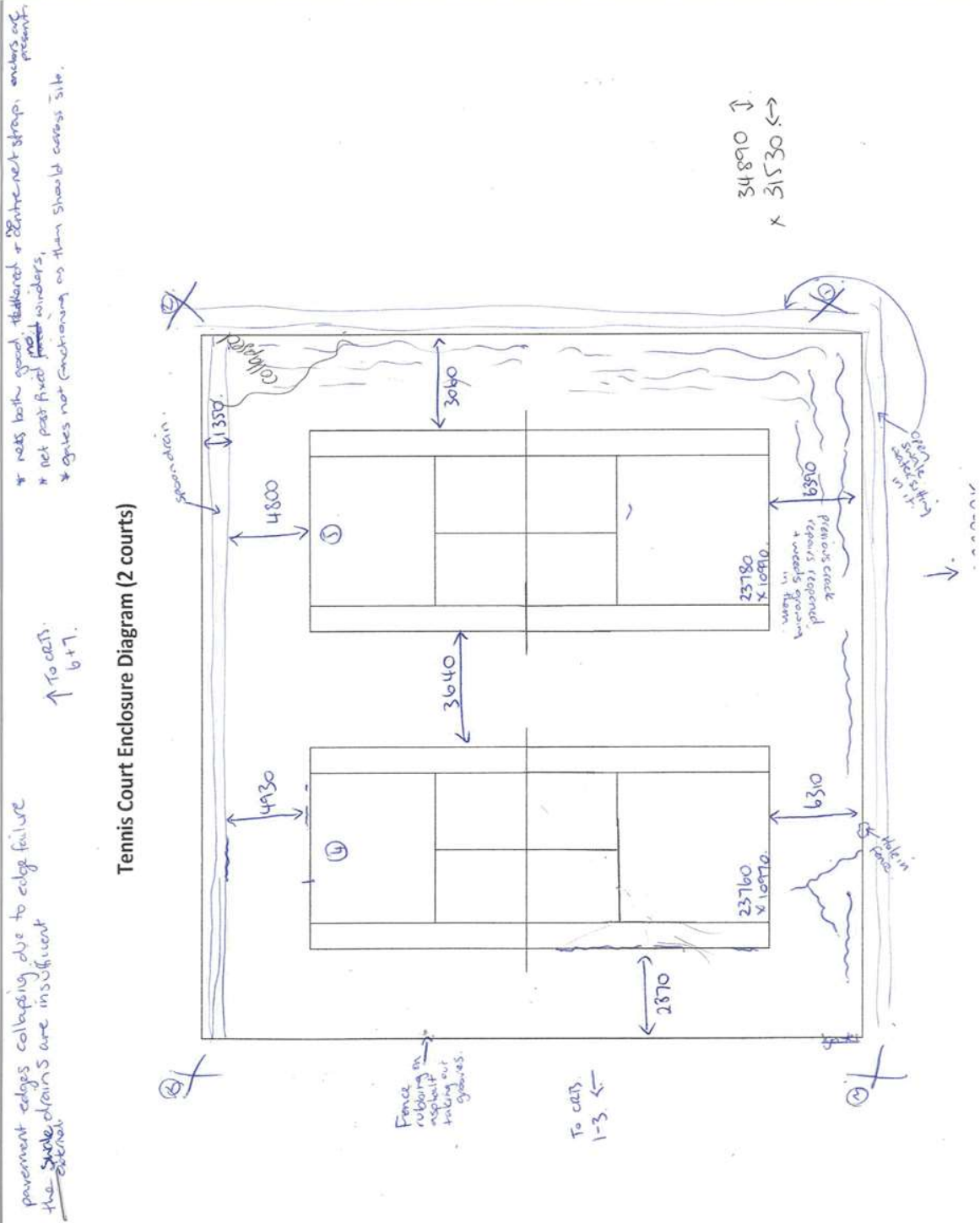
Tennis Victoria
Phone: (03) 8420 8420
facilities@tennisvic.com.au

Tennis West
Phone: (08) 9361 1112
facilities@tenniswest.com.au

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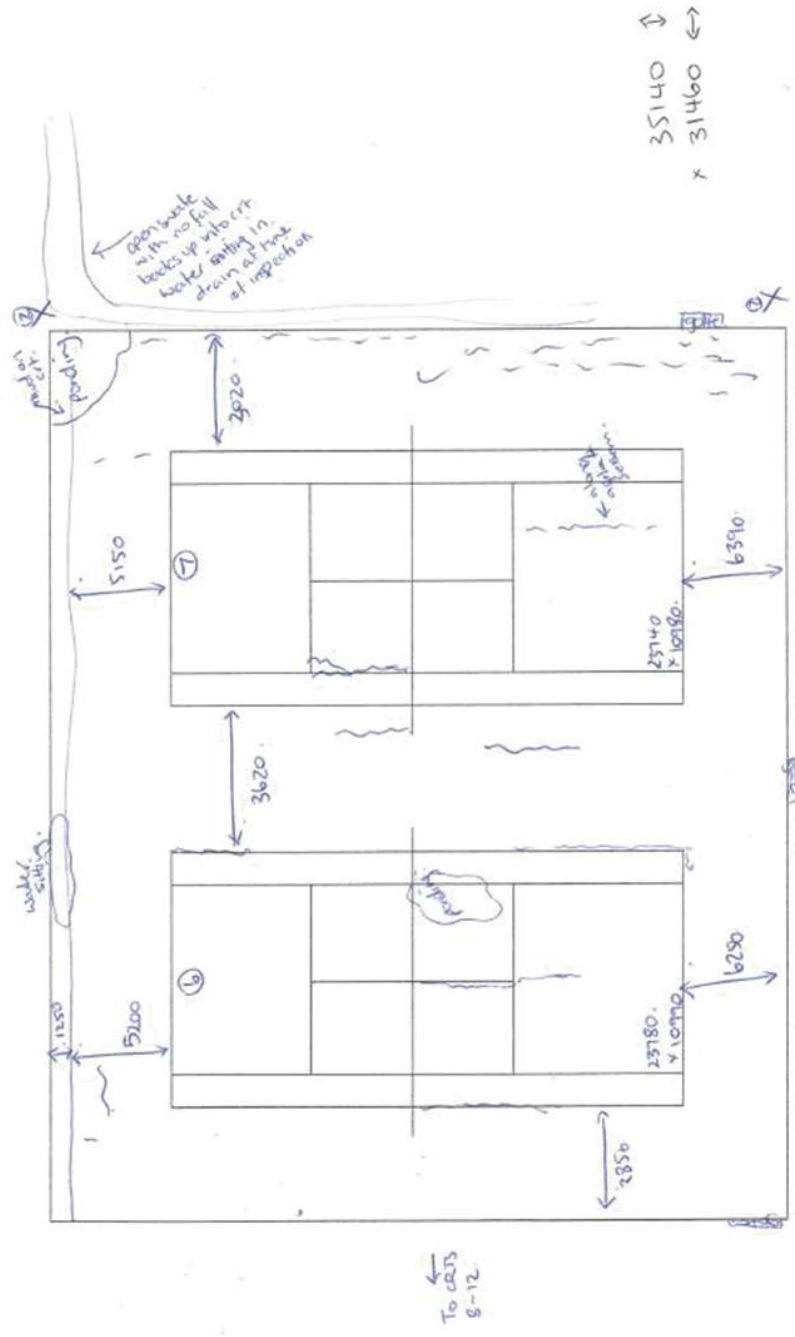
2MH Consulting, 8 Strathclyde Crescent,
 Woodend, Vic. 3442 Ph: 03 5427 3080





- * nets both ends good + tapered + center not strap.
- * net posts old only in fixed windows
- * Fencing old only in pic black mesh no top or bottom rails - cutting @ bottom.

Tennis Court Enclosure Diagram (2 courts)



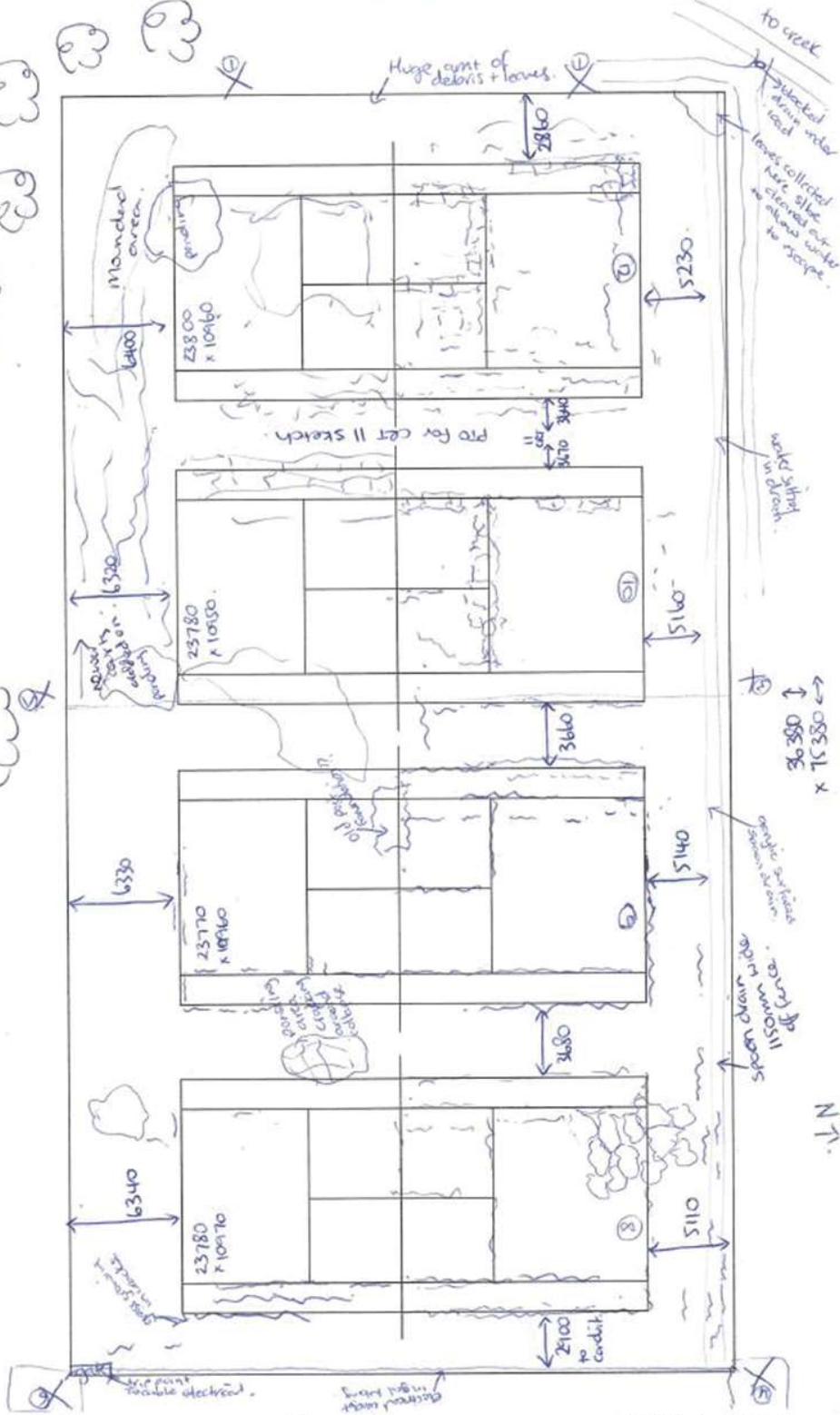


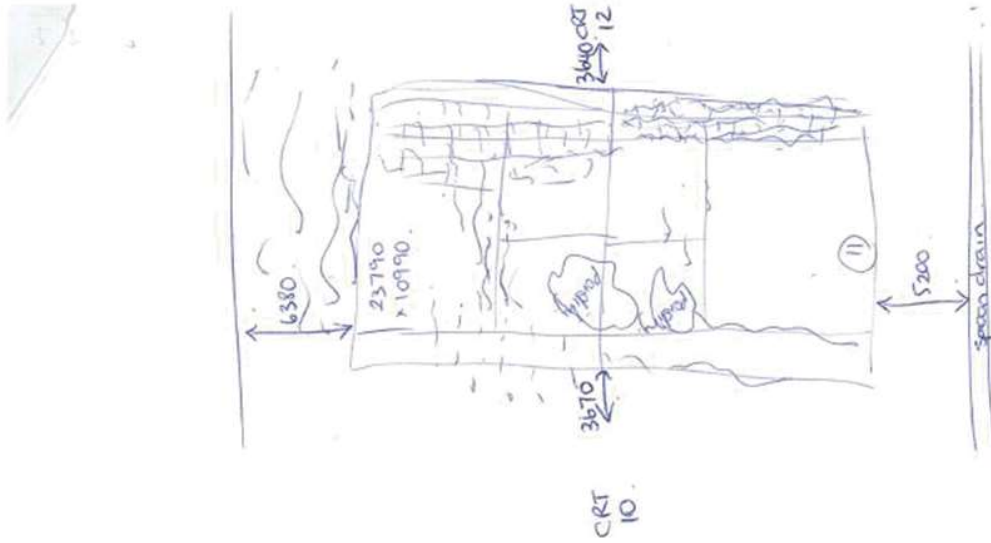
- Significant debris on all CRTS → western end
- Black soil on surface esp in ponding areas
- nets on CRTS 8 + 9 good + kithored
- no net on CRT 10 + 11 need repair
- no net on CRT 12 centre strips installed + good

Tennis Court Enclosure Diagram (4 courts)

↑ TO CRTS 1-3

- Weeds growing from cracks
- Net posts slight lean, fixed posts + windows - rusty
- Fencing old gal posts PVC black chain mesh - no top or bottom rails - slack + damaged in parts - repairs are evident - bottom curling



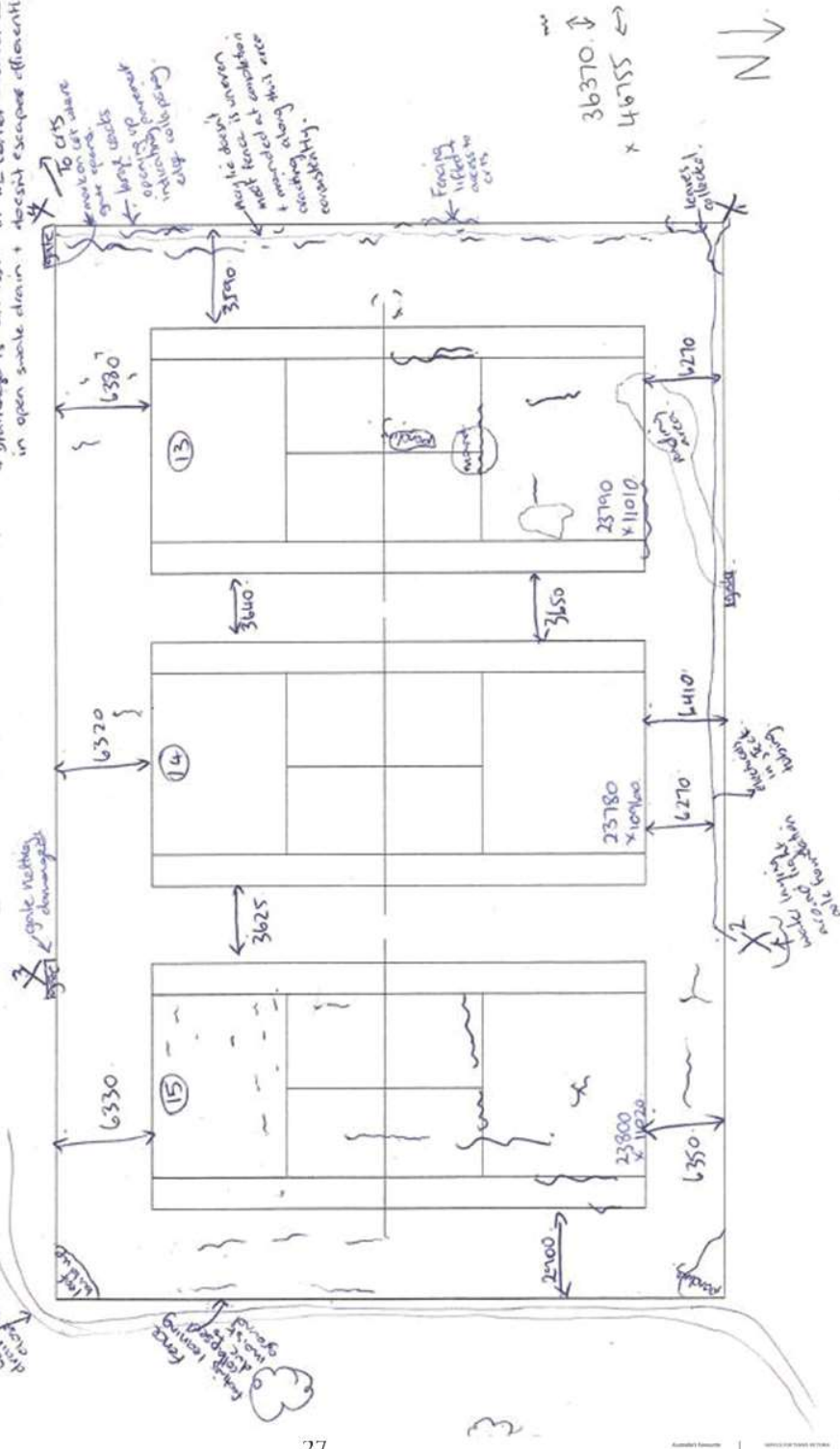




- * Net post old and fixed winders - slightly leaning into
- * Net good condition need to be attached to bottom
- of posts on all 4 sides net strap fitted properly only on side 13 all others damaged
- * Crit 13 in poor condition - uneven surface esp with end with mounding + ponding evident
- * Drainage is an issue in NE corner - water collects in open small drain + doesn't escape efficiently

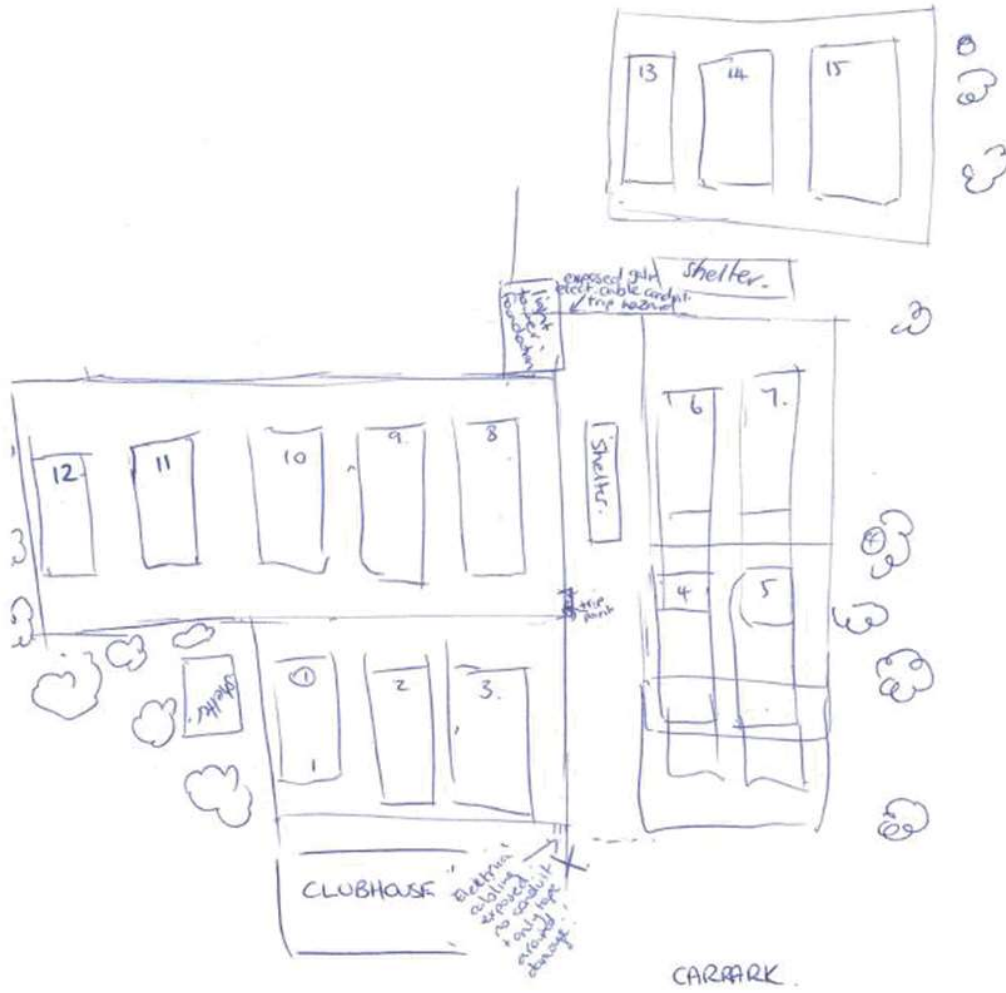
Tennis Court Enclosure Diagram (3 courts)
TO CARTS
6.7.7
SHELTER

- * Weeds growing from cracks
- * Flat cracks mostly
- * Fencing old - PVC channmesh no top or bottom rails
- * Fencing old - PVC channmesh on eastern side + damaged areas
- * General condition poor - especially on eastern side
- * Fencing old - PVC channmesh no top or bottom rails
- * Fencing old - PVC channmesh on eastern side + damaged areas
- * General condition poor - especially on eastern side





Overall site sketch.



existing disposed - electrical present
right = replaced ramp



JON BUCKLE, *M.I.E. Aust, C.P. Eng*
(*Civil & Structural*), *B.E. Civil*.

HAMILTON HOUSE
5a HAMILTON STREET,
GISBORNE 3437.
PHONE : (03) 5428 3266
FAX : (03) 5428 4900

E-mail : jonbuckle@bcseengineers.com.au

Consulting **Engineers** Pty. Ltd.
A.C.N. 119 809 675 A.B.N. 28 283 904 297

REPORT ON CONDITION OF MOE TENNIS CLUB COURTS, BOTANIC GARDENS MOE



LATROBE CITY COUNCIL

REFERENCE: 11714/12
DATE: 17/08/12



MOE TENNIS COURTS
MOE TENNIS CLUB

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4.0 INVESTIGATION RESULTS:4

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LIST OF FIGURES

Figure 1	Site Plan
Figure 2	Typical Court Condition



MOE TENNIS COURTS
MOE TENNIS CLUB

1.0 INTRODUCTION

The purpose of this report is to investigate the conditions of the existing tennis court complex and offer recommendations on the viability of the site as an ongoing tennis court complex.

2.0 THE SITE

The site is located near the Moe Botanic Gardens within the Latrobe City Council. The principal vehicular access to the site is by way of Botanic Drive. See figure 1.



Figure 1. Site Plan

The club infrastructure includes a clubhouse, 15 tennis courts and car parking.

3.0 EXISTING CONDITIONS

The courts are asphaltic in nature and generally fall in an easterly to north/easterly direction. The courts are divided by a walkway, which runs in a north/south direction. The eastern and western sides of the courts are bounded by trees. A creek also abuts the court on the western side.



MOE TENNIS COURTS
MOE TENNIS CLUB

The courts are approximately 15 years old and have had various forms of resurfacing over this time.



Figure 2 – Typical Court Condition

Figure 2 shows the typical condition of the courts.

Around the perimeter of the courts, some significant surface cracking is evident. This cracking could be result of the close proximity of trees and or inadequate drainage, both surface and subsurface.

The grading of the courts is based on sloping planes and not a crest and valley design. A unique part of the courts are the shaped asphaltic spoon drains. The spoon drains have been strategically placed to intercept court runoff. As expected with this type of spoon drain construction it is difficult to construct uniform grades



MOE TENNIS COURTS
MOE TENNIS CLUB

and the drains do hold water in places. The inappropriate location of large concrete blocks does not help the drainage situation. It is recommend that a detailed engineering feature survey is undertaken to check the grades of the existing courts.

The spoon drains convey water to open swale drains that are prevalent on the eastern sides of the court complex. The swale drains are shallow and hold water.

The geotechnical report shows a reasonably thick pavement constructed on firm clay. The pavement thickness is in the order of 300mm thick and asphalt 20-30mm thick.

It is understood the courts are not subjected to flooding from the nearby creek.

4.0 INVESTIGATION RESULTS:

It is understood that reconstruction of the courts is required and this has already been predetermined. The author of this report agrees that significant reconstruction works are required.

The site is suitable for reconstruction works. The underlying silty clay is moist but more importantly stiff. The clay can support the construction traffic associated with court construction.

Whilst the courts show areas of significant cracking and distortion, this is generally isolated and not prevalent over the whole court precinct. The general grading of the courts appears adequate and the shape or fall of the court planes have remained relatively true. This later issue is very important with respect to court reconstruction. If there were waves of distress over the whole court area then this would indicate issues with the underlying clays.



MOE TENNIS COURTS
MOE TENNIS CLUB

5.0 CONCLUSIONS

- The site requires significant reconstruction works.
- The site is suitable for reconstruction. Note, BCS Consulting Engineers reserve the right to a final opinion once a detailed engineering survey has been undertaken. The survey will confirm the existing grades and drainage paths of the court complex.
- The site can be reconstructed with an emphasis on the following infrastructure items:
 - Concrete spoon drains in lieu of the existing formed asphaltic spoon drains.
 - Subsurface agricultural drains.
 - Root barriers.
 - Underground drainage within the court precinct.
 - Deepened and or underground drainage to replace the existing shallow swale drains. Note, should inadequate outfall drainage be available then drainage sump pumps may be required.
- The composition of the courts can be of asphaltic construction or concrete construction. The land is not prone to flooding therefore concrete construction is not mandatory. Nevertheless, some further investigation is recommended to ascertain the cause of the extensive fungal growth on the courts. Asphalt is somewhat porous and cavatious in nature as compared with concrete, particularly if a plastic membrane is used under the concrete. It is possible that moisture vapors add or indeed create a suitable environment for the fungal growth. The plastic membrane under the concrete will prevent the formation and hence entrapment of moisture vapors under the base of the finished court surfacing.



MOE TENNIS COURTS
MOE TENNIS CLUB



Jon Buckle *M.I.E. Aust. C.P. Eng (Civil & Structural), B.E. Civil.*
bcs Consulting Engineers Pty. Ltd

PROVINCIAL GEOTECHNICAL PTY. LTD.
CONSULTING GEOLOGISTS

A.B.N. 88 090 400 114

PRINCIPAL: ANDREW P. REDMAN BSc



GEELONG

91 Nicholas Street, NEWTOWN VIC 3220
P.O. BOX 1161, GEELONG VIC 3220
Phone: (03) 52 231566 Fax: (03) 52 224560

BALLARAT

P. O. BOX 1124, BAKERY HILL VIC 3354
Phone: (03) 53 381770 Fax: (03) 53 396598

E-MAIL: admin@pgvic.com.au

RECREATIONAL PAVEMENT INVESTIGATION

SITE: MOE TENNIS CLUB,
BOTANIC DRIVE,
NEWBOROUGH VIC

COMMISSION: Site Investigation for C.B.R. Assessment.

CLIENT: 2MH CONSULTING
8 STRATHCLYDE CRESCENT
WOODEND VIC 3442

DATE: 8th August 2012

REFERENCE NUMBER: F2081

PROPOSED DEVELOPMENT: Recreational pavement redevelopment
– 15 No. tennis courts.

TYPE OF CONSTRUCTION: Unknown at time of reporting.

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F2081

CONTENTS:

1. Introduction
2. Terrain Evaluation
3. Testing Programme
4. Findings
5. Pavement Design Recommendations: Natural Subgrade
6. Pavement Design Recommendations: Fill Subgrade
7. Site Maintenance Requirements
8. Site Classification
9. Site Constraints

APPENDICES:

- i. Property Report
- ii. Aerial Photograph
- iii. Geovic Map
- iv. Test Site Location Plan (Aerial Photograph)
- v. Borelog Descriptions
- vi. Pavement Design & Construction Notes

The site investigation hereby reported and recommendations have been carried out with regard to the information supplied to us by our client or client's agents at the date of our commission. Should the client or his agent have omitted to supply us with relevant information or make significant changes to the site our report may be irrelevant and/or inappropriate. No responsibility will be accepted by us for the consequences of such action. The client should acknowledge that this is a report specifically prepared for the proposed development at the proposed location and does not extend beyond that brief.

All site works related to the project must be undertaken to comply with the relevant Codes and Standards. Provincial Geotechnical Pty Ltd accepts no liability or responsibility for any site works outside of our specific commission.

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1. INTRODUCTION

Provincial Geotechnical Pty Ltd has been commissioned by 2MH Consulting to undertake a Geotechnical Investigation for a Pavement Assessment associated with a proposed redevelopment of existing tennis courts at the Moe Tennis Club, Botanic Drive, Newborough.

The purpose of the site investigation is to provide recommendations for a civil design of the proposed playing court surface including CBR values for a nominated subgrade.

2. TERRAIN EVALUATION

- LOCATION: North side of Botanic Drive.
(Refer Property Report Appendix i).
- SLOPE: Virtually flat over existing courts. (Site is filled level).
- DRAINAGE: SURFACE: Fair.
SUB-SURFACE: Fair. Silty clay topsoils on this site can become inundated and lose form during wet weather or as a result of poor drainage.
- GEOLOGY: Quaternary Sediments.
Identification assisted by reference to appropriate geological survey map and Geovic website (Appendix ii).
- SOIL TYPES: Natural: Silty clays overlying clays.
Fill: No fill subgrade present. Sand/clayey gravel sub-base present.
- SITE CONTEXT: The appended aerial photograph indicates the site's immediate and surrounding features.

3. TESTING PROGRAMME

12 test sites were established and excavated using a 100mm auger at the locations shown on the attached site plan as directed (Appendix iii).

Disturbed samples were collected and hand classified.

Site history: The client is advised that a site investigation can be altered by past activities on this site not known at the time of our site investigation and report preparation. The client is advised that failure to investigate and report past history may invalidate the report.

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4. FINDINGS

Soil Conditions

The soil profiles encountered are shown on the log sheet. (Appendix ii)

The cohesion value obtained is quoted on the log sheet.

The sedimentary origin and depth of clay indicates a moderate-high soil reactivity and seasonal heave potential.

The existing seal/subbase/subgrade profile on average indicated a bitumen seal of 20mm to 30mm thickness overlying a subbase of 50mm to 110mm of crushed rock (basalt) overlying a sand mix (2 distinct episodes) 110mm to 380mm thick.

Depth to the natural underlying subgrade varied from 190mm to 500mm below the court surface.

No filling or disturbed soil subgrade was observed.

Refer to the attached borelog sections for individual profile descriptions.

Note: In our opinion the existing subbase material could be re used – subject to laboratory compaction analysis.

The client should recognise that the soil profiles encountered during our testing as deemed representative of the site. The client should be aware however that in some cases soil conditions can change dramatically over short distances and although all effort is made to determine possible soil profile variations, no responsibility is taken for any undetected variations. The most careful exploration programme may not locate all soil profile variations due to time and economic restraints.

5. PAVEMENT DESIGN RECOMMENDATIONS: Natural Subgrade

In conjunction with any excavation required to achieve design grade levels, stripping of rubble, vegetation and root zone material should be carried out across areas of the site to be occupied by pavements. The grade surface should be brought to suitable moisture conditions, proof rolled using tracked excavation equipment or roller compactor (minimum 8 tonne static weight). Material responding poorly to compaction should be excavated to achieve a competent base and excavations backfilled using aggregate (i.e. approved NDCR or Class 4:40mm) compacted to at least 98% Standard Compaction Density (per, AS1289, 5.1.1).

Pavement design can be based on the following C.B.R., values which are estimated for likely subgrade conditions as indicated by site drilling and insitu testing at the following test sites where natural undisturbed clay was encountered at reasonably shallow depths.

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TEST SITE	DEPTH	SUBGRADE MATERIAL	DESIGN C.B.R.
1	100mm	Natural firm stiff clay	4%
2	200mm	Natural firm stiff clay	4%
3	400mm	Natural firm stiff clay	4%
4	500mm	Natural firm stiff clay	4%
5	300mm	Natural firm stiff clay	4%
6	400mm	Natural firm stiff clay	4%
7	300mm	Natural firm stiff clay	4%
8	200mm	Natural firm stiff clay	4%
9	400mm	Natural firm stiff clay	4%
10	400mm	Natural firm stiff clay	4%
11	400mm	Natural firm stiff clay	4%
12	300mm	Natural firm stiff clay	4%

These values assume that drainage is suitably detailed to prevent any saturation of subgrade or pavement materials.

The above table provides a CBR value for the natural undisturbed slightly silty clay soil at all 12 test sites. The following **Section 6** is applicable where consideration is given to elevating the court levels.

Reference to C.R.B. Technical Bulletin No. 31 September, 1908 "The Design of Flexible Pavements" and Australian Road Research Board Special Report No. 41 "Into a New Age of Pavement Design" is recommended for design purposes.

6. PAVEMENT DESIGN RECOMMENDATIONS: Fill Subgrade

6.1 Flexible and Rigid Pavements Constructed on a Fill Subgrade

Where the court surfaces are considered to be elevated a flexible pavement constructed on subgrade, subject to the subgrade preparation outlined in Section 6, may represent an alternative. A design CBR value of 2% may be adopted. Rigid pavements constructed on a fill subgrade may be designed using long and short term moduli of 18 and 23 MPa respectively. Some allowance for ongoing maintenance of pavements should be made.

6.2 Preparation of Subgrade

Performance of the proposed pavement will be highly dependent on the level of subgrade preparation. The following levels of preparation and associated pavement performance may be considered.

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6.3 Minimum Subgrade Preparation

Proof rolling of the exposed subgrade prior to placement of the pavement subbase course should be closely inspected. Any soft or heaving areas should be stripped and re-instated using structural fill.

If the subgrade has been exposed to significant rainfall it may be unworkable and proof rolling may not be possible. Under such circumstances further advice on subgrade preparation should be sought from this office.

Note: Where insitu subbase material is considered to be reused for future sub-base it is important to confirm that the material can achieve the desired compaction level and the nominated optimum soil moisture content.

Laboratory analysis of the material is recommended to determine pavement design parameters.

6.4 Pavement and Subgrade Drainage

Effective surface and perimeter cut-off drainage must be provided and maintained to ensure that the pavement layers and subgrade cannot become saturated. Premature pavement failure is highly likely where drainage is poor.

It is recommended that pavements be constructed with cross fall in excess of minimum requirements to allow for possible irregular settlement of pavements.

The designing engineer may consider the use of stabilization techniques and/or geofabrics in conjunction with site drainage.

Reference to C.R.B. Technical Bulletin No. 31 September, 1908 "The Design of Flexible Pavements" and Australian Road Research Board Special Report No. 41 "Into a New Age of Pavement Design" is recommended for design purposes.

6.5 Inspection of Subgrade

The exposed pavement subgrades should be inspected by a qualified engineer during proof rolling to ensure that a suitable level of subgrade preparation has been achieved. The presence of any unusual features or conditions should be brought to the attention of this office before construction proceeds.

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7. SITE MAINTENANCE REQUIREMENTS

It is essential that surface sealing and gradients through pavement areas be detailed so as to minimise moisture ingress into the foundation zone and subgrade soils.

Apart from constructing a pavement on fill or a permeable soil that has the inherent risk of failure if the subgrade becomes inundated the influence of proximate vegetation also poses a substantial risk to pavement failure.

The effect of tree root systems on the proposed pavement in respect to both physical movement and soil moisture influence must also be a major factor in the pavement design.

This report contains a standard Pavement Appendix of which a number of points are applicable to this site.

8. SITE CLASSIFICATION

Where the use of a concrete slab similar to a domestic style construction is considered as a court base the designer should note that the background classification of this site is CLASS H1 (Reactive Clay).

The actual classification is CLASS P (PROBLEM SITE) as it is a developed site that exhibits Abnormal Moisture Conditions.

CLASS H1 classifications assume a maximum characteristic surface movement of 60mm and the presence of abnormal moisture condition's (proximate vegetation) indicates that this value could be exceeded.

Slab construction should not exceed a maximum Allowable Bearing Pressure of 50kPa and slab beams should be founded a minimum of 100mm into natural undisturbed soil.

Site drainage is highly recommended to preserve the integrity of the proposed subgrade.

9. SITE CONSTRAINTS

EXCAVATION/CONSTRUCTION DIFFICULTIES

SITE VEHICLE ACCESS: Good-Fair.

SITE VEHICLE MANOEUVRABILITY: Good-Fair.

EXISTING STRUCTURE AROUND CONSTRUCTION AREA: Yes.

VEGETATION AROUND CONSTRUCTION AREA: Yes.

WET WEATHER IMPACT: Possible.

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9. SITE CONSTRAINTS CONTINUED:

Sites without good natural or installed drainage or with permeable topsoils present can be adversely impacted upon during construction. The client should be aware that the following impacts can occur after wet weather.

- * Site may become slippery & boggy.
- * Permeable soils may become inundated and unworkable.
- * Site drainage may need to be installed.
- * Site may need to be abandoned for a period.
- * Additional earthworks may be required.
- * Soil removal and replacement with granular fill may be required.

I hope this information meets with your requirements.

Please contact this office if you require further information or assistance.

ANDREW REDMAN BSc.
GEOLOGIST.

AR:gk

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CONSULTING GEOLOGISTS F2081

APPENDICES

- i. Property Report
- ii. Aerial Photograph
- iii. Geovic Map
- iv. Test Site Location Plan (Aerial Photograph)
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APPENDIX i

PROPERTY REPORT



Property Report

from www.land.vic.gov.au on 08 August 2012 09:35 AM

Address: NARRACAN DRIVE NEWBOROUGH 3825

Lot and Plan Number: This site has 2 parcels. See table below.

Standard Parcel Identifier (SPI): See table below.

Local Government (Council): LATROBE **Council Property Number:** 37188

Directory Reference: VicRoads 700 G5

**This property is in a designated bushfire prone area.
Special bushfire construction requirements apply.**

Further information about the building control system and building in bushfire prone areas can be found on the Building Commission website www.buildingcommission.com.au

Parcel Details

Lot/Plan or Crown Description	SPI
Lot 1 TP84232	1\TP84232
Lot 2 TP84232	2\TP84232

State Electorates

Legislative Council: EASTERN VICTORIA (2005)

Legislative Assembly: NARRACAN (2001)

Utilities

Regional Urban Water Business: Gippsland Water

Rural Water Business: Southern Rural Water

Melbourne Water: outside drainage boundary

Power Distributor: SP AusNet (Information about [choosing an electricity retailer](#))

Planning Zone Summary

Planning Zone: PUBLIC PARK AND RECREATION ZONE (PPRZ)
SCHEDULE TO THE PUBLIC PARK AND RECREATION ZONE

Planning Overlays: FLOODWAY OVERLAY (FO)
FLOODWAY OVERLAY SCHEDULE (FO)
LAND SUBJECT TO INUNDATION OVERLAY (LSIO)
LAND SUBJECT TO INUNDATION OVERLAY SCHEDULE (LSIO)

Planning scheme data last updated on 2 August 2012.

A **planning scheme** sets out policies and requirements for the use, development and protection of land. This report provides information about the zone and overlay provisions that apply to the selected land. Information about the State, local, particular and general provisions of the local planning scheme that may affect the use of this land can be obtained by contacting the [local council](#) or by visiting [Planning Schemes Online](#)

This report is NOT a **Planning Certificate** issued pursuant to Section 199 of the Planning & Environment Act 1987. It does not include information about exhibited planning scheme amendments, or zonings that may affect the land. To obtain a Planning Certificate go to [Titles and Property Certificates](#)

For details of surrounding properties, use this service to get the Reports for properties of interest

To view planning zones, overlay and heritage information in an interactive format visit [Planning Maps Online](#)

For other information about planning in Victoria visit www.dpcd.vic.gov.au/planning

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NARRACAN-DRIVE-NEWBOROUGH-BASIC-PROPERTY-REPORT



Page 1 of 2



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NARRACAN DRIVE-NEWBOROUGH-BASIC-PROPERTY-REPORT



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CONSULTING GEOLOGISTS F2081

APPENDIX ii

AERIAL PHOTOGRAPH

PROVINCIAL GEOTECHNICAL PTY. LTD. CONSULTING GEOLOGISTS

AERIAL PHOTOGRAPH

Client: 2MH CONSULTING
Ref. Number: F2081
Date: 6/8/12
Site: Moe Tennis Club, Botanic Drive, NEWBOROUGH



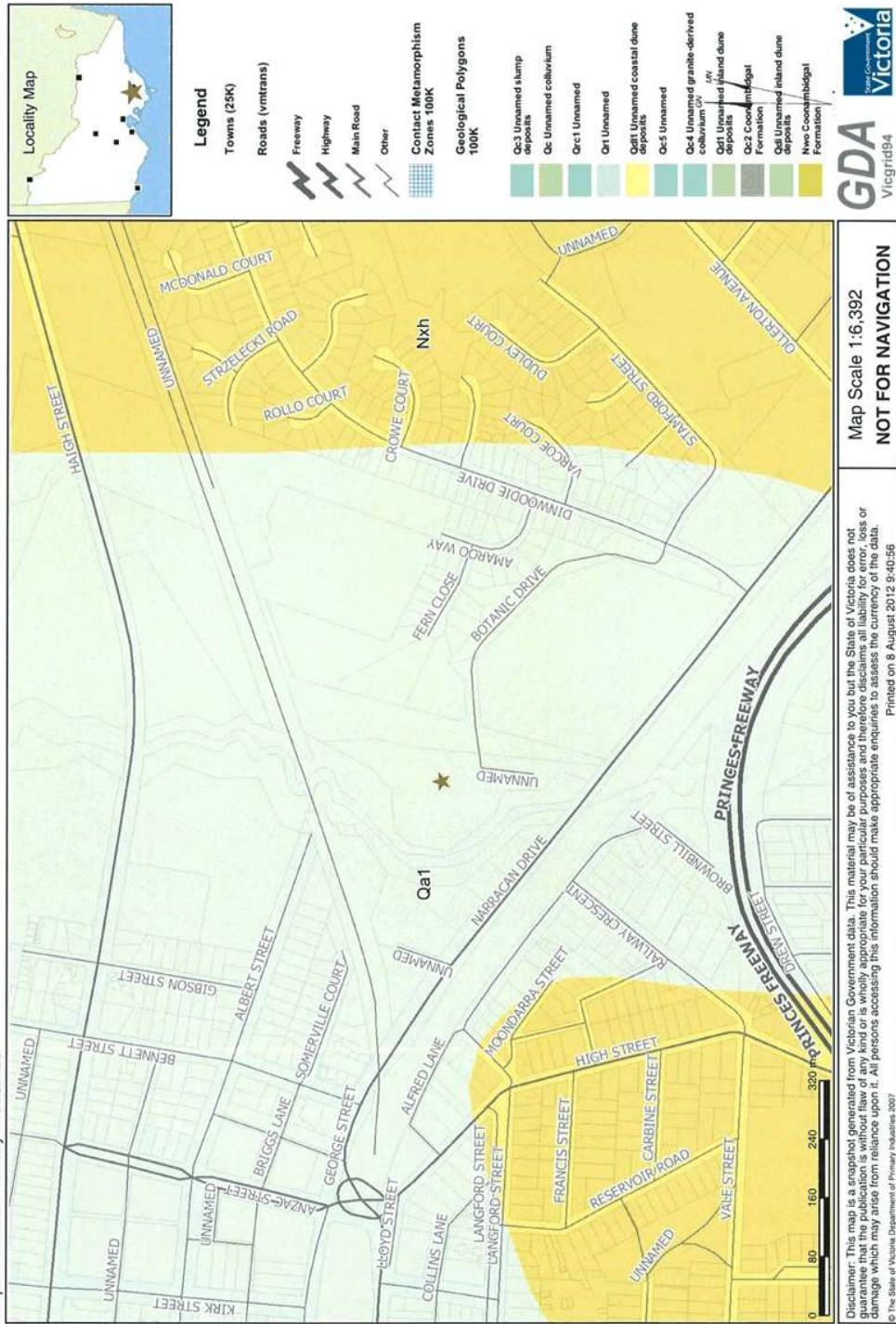
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APPENDIX iii

GEOVIC MAP

Moe Tennis Club, Botanic Drive., Newborough(Moe)
 Department of Primary Industries



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APPENDIX iv

TEST SITE LOCATION PLAN

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TEST SITE LOCATION PLAN (NOT TO SCALE)

Client: 2MH CONSULTING
Ref. Number: F2081
Date: 6/8/12
Site: Moe Tennis Club,
Botanic Drive,
NEWBOROUGH

○ Test Site Location (Distances are approximate)



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APPENDIX v

BORELOG DESCRIPTIONS

PROVINCIAL GEOTECHNICAL PTY LTD

CLIENT: 2MH CONSULTING	REFERENCE NUMBER: F2081	DATE: 6/8/12
PROJECT ADDRESS: MOE TENNIS CLUB, BOTANIC DRIVE, NEWBOROUGH	GEOLOGIST: Andrew Redman	DRILLING METHOD: 100mm diameter drill rig or hand auger

TEST SITE 1				TEST SITE 2				TEST SITE 3			
Depth mm	SOIL PROFILE	Fill	C kPa	Depth mm	SOIL PROFILE	Fill	C kPa	Depth mm	SOIL PROFILE	Fill	C kPa
100	SLIGHTLY SILTY CLAY dark grey moist and stiff			30	FILL: BITUMEN			25	FILL: BITUMEN		
200				80	FILL: CRUSHED ROCK			110	FILL: CRUSHED ROCK		
300				190	FILL: SAND MIX			390	FILL: SAND MIX		
1000	CLAY brown/grey mottle moist and stiff			1000	SLIGHTLY SILTY CLAY dark grey moist and stiff			1000	SLIGHTLY SILTY CLAY dark grey moist and stiff		
1100	END BORE HOLE.			1100	END BORE HOLE.			1100	END BORE HOLE.		
1200											
1300											
1400											
1500											
1600											
1700											
1800											
1900											
2000											
2100											
2200											
2300											
2400											
2500											
2600											
2700											
2800											

PROVINCIAL GEOTECHNICAL PTY LTD

CLIENT: 2MH CONSULTING	REFERENCE NUMBER: F2081	DATE: 6/8/12
PROJECT ADDRESS: MOE TENNIS CLUB, BOTANIC DRIVE, NEWBOROUGH	GEOLOGIST: Andrew Redman	DRILLING METHOD: 100mm diameter drill rig or hand auger

TEST SITE 4				TEST SITE 5				TEST SITE 6			
Depth mm	SOIL PROFILE	Fill	C kPa	Depth mm	SOIL PROFILE	Fill	C kPa	Depth mm	SOIL PROFILE	Fill	C kPa
20	FILL: BITUMEN			25	FILL: BITUMEN			20	FILL: BITUMEN		
120	FILL: CRUSHED ROCK			130	FILL: CRUSHED ROCK			120	FILL: CRUSHED ROCK		
500	FILL: SAND MIX			300	FILL: SAND MIX			360	FILL: SAND MIX		
1000	SLIGHTLY SILTY CLAY dark grey moist and stiff			1000	SLIGHTLY SILTY CLAY dark grey moist and stiff			1000	SLIGHTLY SILTY CLAY dark grey moist and stiff		
1100	END BORE HOLE.			1100	END BORE HOLE.			1100	END BORE HOLE.		
1200				1200				1200			
1300				1300				1300			
1400				1400				1400			
1500				1500				1500			
1600				1600				1600			
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2200				2200				2200			
2300				2300				2300			
2400				2400				2400			
2500				2500				2500			
2600				2600				2600			
2700				2700				2700			
2800				2800				2800			

PROVINCIAL GEOTECHNICAL PTY LTD

CLIENT: 2MH CONSULTING	REFERENCE NUMBER: F2081	DATE: 6/8/12
PROJECT ADDRESS: MOE TENNIS CLUB, BOTANIC DRIVE, NEWBOROUGH	GEOLOGIST: Andrew Redman	DRILLING METHOD: 100mm diameter drill rig or hand auger

TEST SITE 7				TEST SITE 8				TEST SITE 9			
Depth mm	SOIL PROFILE	Fill	C kPa	Depth mm	SOIL PROFILE	Fill	C kPa	Depth mm	SOIL PROFILE	Fill	C kPa
20	FILL: BITUMEN			25	FILL: BITUMEN			25	FILL: BITUMEN		
120	FILL: CRUSHED ROCK			120	FILL: CRUSHED ROCK			120	FILL: CRUSHED ROCK		
300	FILL: SAND MIX			200	FILL: SAND MIX			380	FILL: SAND MIX		
1000	SLIGHTLY SILTY CLAY dark grey moist and stiff			1000	SLIGHTLY SILTY CLAY dark grey moist and stiff			1000	SLIGHTLY SILTY CLAY dark grey moist and stiff		
1100	END BORE HOLE.			1100	END BORE HOLE.			1100	END BORE HOLE.		
1200				1200				1200			
1300				1300				1300			
1400				1400				1400			
1500				1500				1500			
1600				1600				1600			
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PROVINCIAL GEOTECHNICAL PTY LTD

CLIENT: 2MH CONSULTING	REFERENCE NUMBER: F2081	DATE: 6/8/12
PROJECT ADDRESS: MOE TENNIS CLUB, BOTANIC DRIVE, NEWBOROUGH	GEOLOGIST: Andrew Redman	DRILLING METHOD: 100mm diameter drill rig or hand auger

TEST SITE 10				TEST SITE 11				TEST SITE 12			
Depth mm	SOIL PROFILE	Fill	C kPa	Depth mm	SOIL PROFILE	Fill	C kPa	Depth mm	SOIL PROFILE	Fill	C kPa
20	FILL: BITUMEN			25	FILL: BITUMEN			20	FILL: BITUMEN		
130	FILL: CRUSHED ROCK			130	FILL: CRUSHED ROCK			100	FILL: CRUSHED ROCK		
390	FILL: SAND MIX			320	FILL: SAND MIX			210	FILL: SAND MIX		
1000	SLIGHTLY SILTY CLAY dark grey moist and stiff			1000	SLIGHTLY SILTY CLAY dark grey moist and stiff			1000	SLIGHTLY SILTY CLAY dark grey moist and stiff		
1100	END BORE HOLE.			1100	END BORE HOLE.			1100	END BORE HOLE.		
1200				1200				1200			
1300				1300				1300			
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PROVINCIAL GEOTECHNICAL PTY. LTD.
CONSULTING GEOLOGISTS

F2081

APPENDIX vi

PAVEMENT DESIGN & CONSTRUCTION NOTES

PROVINCIAL GEOTECHNICAL PTY. LTD.

CONSULTING GEOLOGISTS

F2081

PAVEMENT DESIGN & CONSTRUCTION NOTES

- i. All pavement should be designed by a suitably qualified engineer.
- ii. All works should be undertaken to the designing engineer's specifications and satisfaction.
- iii. Attention should be given to the following:
 - a) Excavation and pavement installation near trees
 - b) Grubbing and clearing where necessary
 - c) Sub-grade compaction and treatment of rock, soft spots and fill where present
 - d) Installation of proper site drainage to ensure the long term integrity of the sub-grade
 - e) The use of approved crushed rock material placed and compacted under proper supervision to the engineer's approval.
- iv. The client should address performance tolerances expected.
- v. Soil conditions: Where soil conditions encountered during preparation are found to differ from those described during our investigation, further immediate investigation is recommended. Any concern by any person involved in the proposed project concerning the soil conditions described and/or report supplied by Provincial Geotechnical Pty. Ltd. should be addressed to ourselves for further consultation.
- vi. Reference has been made to C.R.B. Technical bulletin No. 31 September, 1980 "The Design of Flexible Pavements" and Australian Road Research Board special Report No. 41 "into a New Age of Pavement Design".
- vii. As instructed, the C.B.R. evaluation of this site is based upon a site assessment of the soil geology correlated with typical design C.B.R.'s reported in C.R.B. Technical Bulletin No. 31, 1980 and A.R.R.B. Special Report No. 41.

The values supplied are therefore conservative being based upon soil profile correlation only and may yield a standard deviation of + or - 2% C.B.R. value from more accurate laboratory assessments.

The client and designing engineer should recognise the above and, dependent upon other factors, may request more accurate analysis.



Moe Tennis Club Facility Redevelopment Cost Estimates

Moe Tennis Club,
Moe



8 Strathclyde Crescent
Woodend 3442
Victoria Australia
Ph/Fax (03) 5427 3080

Mick 0419 873 081
Kellie 0419 535 062
admin@2mhconsulting.com.au
www.2mhconsulting.com.au



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8 Strathclyde Crescent
Woodend 3442
Victoria Australia
Ph/Fax (03) 5427 3080

Mick 0419 873 081
Kellie 0419 535 062
admin@2mhconsulting.com.au
www.2mhconsulting.com.au



Introduction

As a continuation from the original Tennis Facility Audit report prepared by 2MH Consulting (inspection conducted 16th November 2011) the Moe Tennis Club has engaged 2MH Consulting to prepare cost estimates for the necessary repair or redevelopment works at the facility.

It is important to note that the cost estimates prepared within this report extension have been collated and calculated using industry knowledge and costs representative of past construction projects similar in nature to what's recommended at Moe. In the absence of engineering investigations, geotechnical reporting, accurate surveying and design preparation, the costs provided are estimations based on a "worst case scenario". The cost estimates represent complete redevelopment of all courts, inclusive of pavement construction, drainage construction and new fencing and auxiliaries such as nets and net posts. It is possible that some existing pavement segments can be utilised as a basis for court redevelopment – but the consultants are not convinced that this will be a long term viable solution and they are hesitant to factor costs on this approach without their preferred Civil Engineers advice. To assume that the existing pavements can be remedied is too risky and will most likely result in inadequate budget estimates that fail to address the key structural issues at the site.

2MH Consulting has considerable experience in reviewing existing facilities and preparing budget estimates for remedial and redevelopment works. As such, it is a company policy to focus on the best possible outcome for the facility and to encourage all stakeholders to work towards a common goal focussed on long term achievements and outcomes. This approach requires vision and master planning from the key stakeholders (in this case the Tennis Club and Council), and it aligns with Tennis Victoria's strategic approach to facility improvements and development.

2MH Consulting appreciates the budget constraints that Councils and Tennis Clubs often face and the company understands how difficult it is to attract external funding. Structuring costs to be representative of longer term views and to deliver optimum results with all projects, can be difficult to sell to Councils and Tennis Clubs. This challenge should not be shunned and staged developments are the most appropriate way to address larger issues in the right manner.



8 Strathclyde Crescent
Woodend 3442
Victoria Australia
Ph/Fax (03) 5427 3080

Mick 0419 873 081
Kellie 0419 535 062
admin@2mhconsulting.com.au
www.2mhconsulting.com.au



Key issues from site.

The initial report prepared discussed in depth the issues on site that have prompted the consultants to recommend a complete site redevelopment. Significant structural problems, such as pavement failures, root damage and drainage problems are not easily rectified without major works occurring. The following is a snap shot of the issues inspected on site.



Large trees and shrubs are just too close to the courts. This creates pavement problems, adds stress to the fencing and increases the amount of debris on the courts. Pavement failures are often a result of interference from trees.



Drainage is a major problem at this site, both within and outside the court enclosures.



There are many examples of the court pavements failing and collapsing throughout all court enclosures.

8 Strathclyde Crescent
Woodend 3442
Victoria Australia
Ph/Fax (03) 5427 3080

Mick 0419 873 081
Kellie 0419 535 062
admin@2mhconsulting.com.au
www.2mhconsulting.com.au



The poor state of the fencing and the impeded access ways can all be addressed as part of a total site redevelopment.



The worn and sub-standard acrylic surfacing can be replaced with a new and better quality material when applied.

The aerial photograph below has been altered to represent one of several possible design improvements and staged construction approaches suggested to redevelop the Moe Tennis Court complex into 16 courts.



- Stage 1 = 5 Courts
- Stage 2 = 4 Courts
- Stage 3 = 3 Courts
- Stage 4 = 4 Courts

8 Strathclyde Crescent
Woodend 3442
Victoria Australia
Ph/Fax (03) 5427 3080

Mick 0419 873 081
Kellie 0419 535 062
admin@2mhconsulting.com.au
www.2mhconsulting.com.au



Total facility reconstruction project for a full 16 court facility.

Cost Estimates – Stages 1 to 4. All costs prepared exclude GST.

Suggested works description and associated costs – Moe Tennis facility, Stage 1 (5 courts).

Complete reconstruction of 5 courts in a concrete base construction for a total area of 2,812.63m ² including an allowance for a 2.5 metre wide walkway.		
Associated Works Description	Sub Total	Totals
Excavate and demolish existing 5 courts for a total area @ \$17.50m ² (allow \$5,000 demolition)	\$ 54,221.02	
Crushed rock base supply and compact \$23.00m ²	\$ 64,690.49	
Grade surrounds allowance	\$ 5,000.00	
Construct a 150mm thick concrete slab \$100.00m ²	\$281,263.00	
Concrete edge and sponddrain \$80.00 lineal metre 296 lineal metres	\$ 23,680.00	
Drainage connections with 600mm x 600mm concrete pit allowance	\$ 6,500.00	
Acrylic painted surface \$16.00m ²	\$ 43,594.08	
Temporary lines allowance	\$ 1,500.00	
Fence black PVC coated chain mesh with top and bottom rails \$110.00 lineal metre, Double access gates allowance \$5,000.00 and Pedestrian gates x 4		
Fence upgrade total	\$ 40,560.00	
5 sets of nets and net posts	\$ 9,200.00	
5 court redevelopment cost – Stage 1	\$530,208.59	\$530,208.59
Investigation, design and Project Management Costs – design for all 16 courts allowed here. Future stages will incur minimal documentation costs and only relevant Project Management expenses		\$ 55,000.00
Total funding required to reconstruct the 5 court facility to current standards – Stage 1		\$585,208.59
Note: 10% Contingency		\$ 58,520.85
Project Total Costs		\$643,729.44

Note: No direct allowance has been allowed in these figures for lighting or electrical works. Until a full electrical assessment is undertaken and designs prepared it is unknown what needs to be done to accommodate a compliant lighting design.

Possible 5 court construction costs if an asphalt base is approved by Civil Engineer - \$460,000.00 excluding GST and without lighting. The \$460,000.00 estimate does allow for the full 16 court design and Stage 1 Project Management and a contingency of 10%.

8 Strathclyde Crescent
Woodend 3442
Victoria Australia
Ph/Fax (03) 5427 3080

Mick 0419 873 081
Kellie 0419 535 062
admin@2mhconsulting.com.au
www.2mhconsulting.com.au



Suggested works description and associated costs – Moe Tennis facility, Stage 2 (4 courts).

Complete reconstruction of 4 courts in a concrete base construction for a total area of 2,301.02m ² .		
Associated Works Description	Sub Total	Totals
Excavate and demolish existing 4 courts for a total area @ \$17.50m ² (allow \$5,000 demolition)	\$ 45,267.95	
Crushed rock base supply and compact \$23.00m ²	\$ 52,923.46	
Grade surrounds allowance	\$ 5,000.00	
Construct a 150mm thick concrete slab \$100.00m ²	\$230,102.00	
Concrete edge and spon drain \$80.00 lineal metre 202 lineal metres	\$ 16,160.00	
Drainage connections with 600mm x 600mm concrete pit allowance	\$ 6,500.00	
Acrylic painted surface \$16.00m ²	\$ 36,816.32	
Temporary lines allowance	\$ 1,500.00	
Fence black PVC coated chain mesh with top and bottom rails \$110.00 lineal metre, Double access gates allowance \$5,000.00 and Pedestrian gates x 2		
Fence upgrade total	\$ 28,720.00	
4 sets of nets and net posts	\$ 7,400.00	
4 court redevelopment cost – Stage 2	\$430,389.73	\$430,389.73
Minor design, documentation and Project Management. Original costs for full 16 court design allowed in Stage 1		\$ 30,000.00
Total funding required to reconstruct the 4 court facility to current standards – Stage 2		\$460,389.73
Note: 10% Contingency		\$ 46,038.97
Project Total Costs		\$506,428.70

Note: No direct allowance has been allowed in these figures for lighting or electrical works. Until a full electrical assessment is undertaken and designs prepared it is unknown what needs to be done to accommodate a compliant lighting design.

Possible 4 court construction costs if an asphalt base is approved by Civil Engineer - \$363,000.00 excluding GST and without lighting. The \$363,000.00 estimate does allow for Stage 2 Project Management and a contingency of 10%.

8 Strathclyde Crescent
Woodend 3442
Victoria Australia
Ph/Fax (03) 5427 3080

Mick 0419 873 081
Kellie 0419 535 062
admin@2mhconsulting.com.au
www.2mhconsulting.com.au



Suggested works description and associated costs – Moe Tennis facility, Stage 3 (3 courts).

Complete reconstruction of 3 courts in a concrete base construction for a total area of 1,710.16m ² including a concrete walkway.		
Associated Works Description	Sub Total	Totals
Excavate and demolish existing 3 courts for a total area @ \$17.50m ² (allow \$5,000 demolition)	\$ 34,927.80	
Crushed rock base supply and compact \$23.00m ²	\$ 39,333.68	
Grade surrounds allowance	\$ 5,000.00	
Construct a 150mm thick concrete slab \$100.00m ²	\$171,016.00	
Concrete edge and sponddrain \$80.00 lineal metre 163 lineal metres	\$ 13,040.00	
Drainage connections with 600mm x 600mm concrete pit allowance	\$ 6,500.00	
Acrylic painted surface \$16.00m ²	\$ 25,922.56	
Temporary lines allowance	\$ 1,500.00	
Fence black PVC coated chain mesh with top and bottom rails \$110.00 lineal metre, Double access gates allowance \$5,000.00 and Pedestrian gates x 2 = \$1,500.00.		
Fence upgrade total	\$ 24,430.00	
3 sets of nets and net posts	\$ 5,500.00	
3 court redevelopment cost – Stage 3	\$327,170.04	\$327,170.04
Minor design, documentation and Project Management. Original costs for full 16 court design allowed in Stage 1		\$ 30,000.00
Total funding required to reconstruct the 3 court facility to current standards – Stage 3		\$357,170.04
Note: 10% Contingency		\$ 35,717.00
Project Total Costs		\$392,887.04

Note: No direct allowance has been allowed in these figures for lighting or electrical works. Until a full electrical assessment is undertaken and designs prepared it is unknown what needs to be done to accommodate a compliant lighting design.

Possible 3 court construction costs if an asphalt base is approved by Civil Engineer - \$290,250.00 excluding GST and without lighting (does include an allowance for an asphalted walkway). The \$290,250.00 estimate does allow for Stage 3 Project Management and a contingency of 10%.

8 Strathclyde Crescent
Woodend 3442
Victoria Australia
Ph/Fax (03) 5427 3080

Mick 0419 873 081
Kellie 0419 535 062
admin@2mhconsulting.com.au
www.2mhconsulting.com.au



Suggested works description and associated costs – Moe Tennis facility, Stage 4 (4 courts).

Complete reconstruction of 4 courts in a concrete base construction for a total area of 2,470.00m ² including a concrete walkway to the south of the complex.		
Associated Works Description	Sub Total	Totals
Excavate and demolish existing 3 courts for a total area @ \$17.50m ² (allow \$5,000 demolition)	\$ 48,225.00	
Crushed rock base supply and compact \$23.00m ²	\$ 56,810.00	
Grade surrounds allowance	\$ 5,000.00	
Construct a 150mm thick concrete slab \$100.00m ²	\$247,000.00	
Concrete edge and spon drain \$80.00 lineal metre 202 lineal metres	\$ 16,160.00	
Drainage connections with 600mm x 600mm concrete pit allowance	\$ 6,500.00	
Acrylic painted surface \$16.00m ²	\$ 36,816.32	
Temporary lines allowance	\$ 1,500.00	
Fence black PVC coated chain mesh with top and bottom rails \$110.00 lineal metre, Double access gates allowance \$5,000.00 and Pedestrian gates x 2 = \$1,500.00		
Fence upgrade total	\$ 28,720.00	
4 sets of nets and net posts	\$ 7,400.00	
4 court redevelopment cost – Stage 4	\$454,131.32	\$454,131.32
Minor design, documentation and Project Management. Original costs for full 16 court design allowed in Stage 1		\$ 30,000.00
Total funding required to reconstruct the 4 court facility to current standards – Stage 4		\$484,131.32
Note: 10% Contingency		\$ 48,413.13
Project Total Costs		\$532,544.45

Note: No direct allowance has been allowed in these figures for lighting or electrical works. Until a full electrical assessment is undertaken and designs prepared it is unknown what needs to be done to accommodate a compliant lighting design.

Possible 4 court construction costs if an asphalt base is approved by Civil Engineer (including allowance for the walkway) - \$390,000.00 excluding GST and without lighting. The \$390,000.00 estimate does allow for Stage 4 Project Management and a contingency of 10%.

8 Strathclyde Crescent
Woodend 3442
Victoria Australia
Ph/Fax (03) 5427 3080

Mick 0419 873 081
Kellie 0419 535 062
admin@2mhconsulting.com.au
www.2mhconsulting.com.au



Estimates of cost totalled for the construction of all 16 courts. All costs exclude GST.

Concrete construction	
Stage 1 – 5 courts total	\$ 643,729.44
Stage 2 – 4 courts total	\$ 506,428.70
Stage 3 – 3 courts total	\$ 392,887.04
Stage 4 – 4 courts total	\$ 532,544.45
16 court construction total estimate	\$2,075,589.63

Asphalt construction	
Stage 1 – 5 courts total	\$ 460,000.00
Stage 2 – 4 courts total	\$ 363,000.00
Stage 3 – 3 courts total	\$ 290,250.00
Stage 4 – 4 courts total	\$ 390,000.00
16 court construction total estimate	\$1,503,250.00

Included in the figures above are the following allowances for design, documentation and project management	
Stage 1 – 5 courts total	\$ 55,000.00
Stage 2 – 4 courts total	\$ 30,000.00
Stage 3 – 3 courts total	\$ 30,000.00
Stage 4 – 4 courts total	\$ 30,000.00
16 court construction total estimate	\$ 145,000.00

This represents 9.6% of the asphalt construction totals and approximately 7% of the concrete construction totals.

COSTS AND ASSOCIATED REPORT PREPARED BY:

Yours Sincerely,

Mick Hassett
Director
2MH Consulting

Kellie Duff
Project Manager
2MH Consulting



Mick Hassett & Kellie Duff
2MH Consulting
Ph: 5427 3080
admin@2mhconsulting.com.au



23 March 2012

Quote No: 12

Attn: Lesa Domagala
Moe Tennis Club

Via email: moetennisclub@gmail.com

Dear Lesa,

RE: Fee proposal for 2MH Consulting to provide design, documentation and Project Management services for the construction of 16 tennis courts at the Moe Tennis Club.

Thank you for giving us the opportunity to provide you with this fee proposal and provide you with information on our services and how we propose to work on this exciting project.

2MH Consulting has been working in partnership with Tennis Victoria as their Preferred Technical Advisors for over two years now and have just signed a contract to continue this vital service for a further three years. We pride ourselves on offering clubs our knowledge of best design and construction principles in the tennis field. In addition, we act as an effective conduit between sporting clubs, local government and Tennis Victoria to ensure the best possible long term outcomes for everyone involved in each and every project we deliver.

We offer tennis clubs and local government guidance and advice on planning their facility upgrade projects including; site investigation, reporting, planning and recommendations. We also provide facility development services including; detailed design, specifications and tender documentation, tender assessment and full Project Management of the construction phase to practical completion. Our consultants are heavily involved with local sporting clubs in a volunteering role, including tennis. This community involvement and on-site project supervision background combined with our partnership with Tennis Victoria has provided 2MH Consulting with invaluable experience and knowledge. This has proven to be essential when conducting site inspections and making recommendations to sporting clubs and local governments.



8 Strathclyde Crescent
Woodend 3442
Victoria Australia
Ph/Fax (03) 5427 3080

Mick 0419 873 081
Kellie 0419 535 062
admin@2mhconsulting.com.au
www.2mhconsulting.com.au



Our services are broken up into the following sections –

- 1. Design and documentation**
- 2. Project Management**

1. Design and documentation

We will commence works on site by meeting with our preferred Service Detector, Surveying, Geotechnical Company and Engineer to ensure all of their individual works can be conducted as efficiently as possible. The Moe Tennis Club and Latrobe City Council will be invited to attend this preliminary site visit.

The Engineer will provide advice on the most appropriate pavement design, layout and location. At this stage, we will need confirmation from the Moe Tennis Club/Latrobe City Council of the useable footprint and the surface preferences. The Engineers pavement advice, drainage and pavement designs will form the basis of the tender documentation. We will collate and prepare the specifications with all associated details, drawings and schedules for tender.

We can be available to assist with the tender evaluation process and to advise on the appointment of the best available contractor. This process will ensure sound construction methodology is adhered to, industry reputation is considered and that the courts will be constructed to meet Australian Standards for court dimensions and run-off as recommended by Tennis Victoria.

2. Project Management

Once the most appropriate contractor has been appointed and works are ready to commence, 2MH Consulting can offer total site supervision and project management of the construction process. We will oversee the set out works, the excavations and pavement construction, right through to practical completion and hand over to the club and Council.



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FEE PROPOSAL

Works Item	Cost per item – ex GST
1. Design and documentation	
▪ Site meeting with specialists – Geotechnical and Engineer.	\$ 2,500.00
▪ Geotechnical testing and reporting – for 32 bore holes, 2 per tennis court for paving.	\$ 5,000.00
▪ Geotechnical testing and reporting – for 4 bore holes for lighting.	\$ 1,600.00
▪ *Service Detection.	\$ 2,028.00
▪ Site Survey.	\$ 1,740.00
▪ **Electrical Lighting –site visit, existing lighting assessment, existing electrical assessment including preliminary site power supply review.	\$ 3,500.00
▪ Drainage Design.	\$ 2,400.00
▪ ***Engineering advice, pavement design & specifications for tender – includes site visit, functional layout plan, tennis court design, fencing and pavement details.	\$10,487.52
▪ Preparation of documentation to form specifications for tender documents.	\$ 5,355.00
▪ Allowance for liaison with relevant departments and authorities and the Club.	\$ 1,050.00
▪ Disbursements.	\$ 869.08
Total cost of stage 1 of works	\$ 36,529.60 plus GST

Please see notations below:

*Service Detection is for detectable services only. Additional charges will apply to detect optic fibre cables that are undetectable via normal service detection.

**Lighting designer is required to assess existing infrastructure prior to being able to prepare a full design quotation. The site assessment will include Lux level testing and a preliminary report.

***Please note that the above quotation for Engineering does not include light pole certification and footing designs. This will only be possible once the lighting design has been prepared.



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Victoria Australia
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2. Project Management	
<ul style="list-style-type: none"> Per hour rate for all site supervision and quality management. 	\$105.00 per hour
<ul style="list-style-type: none"> Attendance for two consultants on tender evaluation panel, located at office to be nominated by client in Moe (Incl. travel return). 	\$ 2,100.00
<ul style="list-style-type: none"> Report preparation recommending contractor appointment (Allowance made for 3-5 competing contractors). 	\$ 1,000.00
<p>Estimation for Project Management services – based on the estimated 12 hold points below, (Including 5hrs Travel return per site visit). Allowing for two consultants for two site visits, one consultant for remainder.</p> <p>Works include the following site visit / inspections;</p> <ul style="list-style-type: none"> Meet contractor on site, inspect set up and marking out & revision of all O.H&S documentation such as SWMS, Supervising all site excavations & confirmation of finished levels, Sub grade preparation and proof roll, Base preparation, Drainage works, Pavement construction, 1st layer compaction test, Pavement construction 2nd layer compaction test, Final layer inspection, Surfacing, Fencing / supporting infrastructure installation, Site earthworks to finished levels, Final handover. <p>Note: Actual hours worked will be charged for. If efficiencies arise these costs may be reduced.</p>	\$10,290 .00 <i>Estimation only</i>
<ul style="list-style-type: none"> Estimation of cost for project management services – based on previous similar projects being for co-ordination of contractors, trouble shooting, phone calls, emails, printing and arrangement of the above site inspections and works – totalling 50 hours. 	\$ 5,250.00 <i>Estimation only</i>
Total cost of stage 2 of works	\$18,640.00 plus GST
Total cost of Project – Stage 1 and Stage 2	\$55,169.60 plus GST

*Per hour rate for all site supervision and quality management is \$105.00 per hour excluding GST.

Stage 2 Project Management costs provided are estimations and can only be refined following final confirmation of full project scope following Stage 1.



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Victoria Australia
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ASSUMPTIONS AND INFORMATION

To ensure an efficient and successful project is delivered, 2MH Consulting will require the following support from the Moe Tennis Club and the Latrobe City Council where applicable. Support includes:

- Access to the site as required.
- Moe Tennis Club/ Council to organise copies of all service plans.
- Council to supply its standard contract and tender documentation (if applicable) to work in conjunction with the drawings, details, specifications and schedules prepared by 2MH Consulting.
- We will require plans of all existing services on site for the purpose of design, specifically all information relevant to the existing drainage system.

Where possible, we have attempted to keep our costs to a minimum to assist with the timely realisation of this project. Additionally, where required, we will consult with relevant Tennis Victoria personnel regarding facility design and development and ensure the link between the Club, 2MH Consulting and Tennis Victoria representatives' remains connected throughout this process.

PROJECT EXPERIENCE

2MH Consulting have considerable experience in providing facility redevelopment concepts, designs and planning. Our process involves collaboration between 2MH Consulting staff, the client and Tennis Victoria to ensure a compliant user friendly facility. 2MH Consulting can also provide project management to local sporting clubs and local government for the realisation of new and modified tennis facilities. We have a proven record in value adding to our projects, effectively offsetting our charges by improving the range and efficiencies of the project. Our most recent sports pavement projects have included:

- **Riddells Creek Multipurpose Tennis/Netball Courts (Current)** - Court design, documentation and project management - 3 tennis/1 netball court on a concrete base with an acrylic surface - Macedon Ranges Shire Council (MRSC).
- **Natimuk Tennis Court Project (Current)** - Design, documentation and project management - 6 tennis courts/1 netball court on concrete base with an acrylic surface - Horsham Rural City Council.
- **Banyena Tennis Court Project (Current)** - Design and Documentation - 3 tennis courts on a concrete base with acrylic surface - Northern Grampians Shire Council.
- **Marnoo Tennis Court Project (Current)** - Design and Documentation - 3 tennis courts on a concrete base with acrylic surface - Northern Grampians Shire Council.
- **St Mary's Tennis Club (Current)** – Design, documentation and project management – 4 tennis courts on asphalt base 2 with an acrylic surface and



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Victoria Australia
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- 2 with Artificial Sand Filled Grass – City of Greater Geelong.
- **Tennis and Netball Court Flood Audits – 2011** - 23 Tennis & Netball clubs - Sport & Recreation Victoria.
 - **Boroondara City Council – 2011** – Shire Tennis Court Audits.
 - **Cola and Otway Shire Council – 2011** – Shire Tennis Court Audits.
 - **Lancefield Tennis Courts – 2010** - Design, Documentation and Project Management - 4 tennis courts with synthetic grass surface - MRSC.
 - **Woodend Bowling Club – 2010** - Design, Documentation and Project Management New Synthetic Bowling Green - MRSC.
 - **Tennis and Netball Facility Audits, 2005 & 2010** - Mitchell Shire Council.
 - **Macedon Tennis Court Project** – Design, Documentation and Project Management - 2 multipurpose Tennis/Netball courts with concrete base - MRSC.
 - **Sportsfield Assessment and Maintenance Report** - Mitchell Shire Council.
 - **Melton Bowling Club** - Synthetic Green - Shire of Melton.
 - **Kilmore Bowling Club** - Synthetic Green - Mitchell Shire Council.
 - **Bowls Club Feasibility Study** - South Gippsland Shire Council.
 - **Springside Reserve, Lead Consultant design and tender phases** - 2 synthetic grass football (soccer) pitches - 1 pitch at FIFA 1 Star Standard - Shire of Melton.

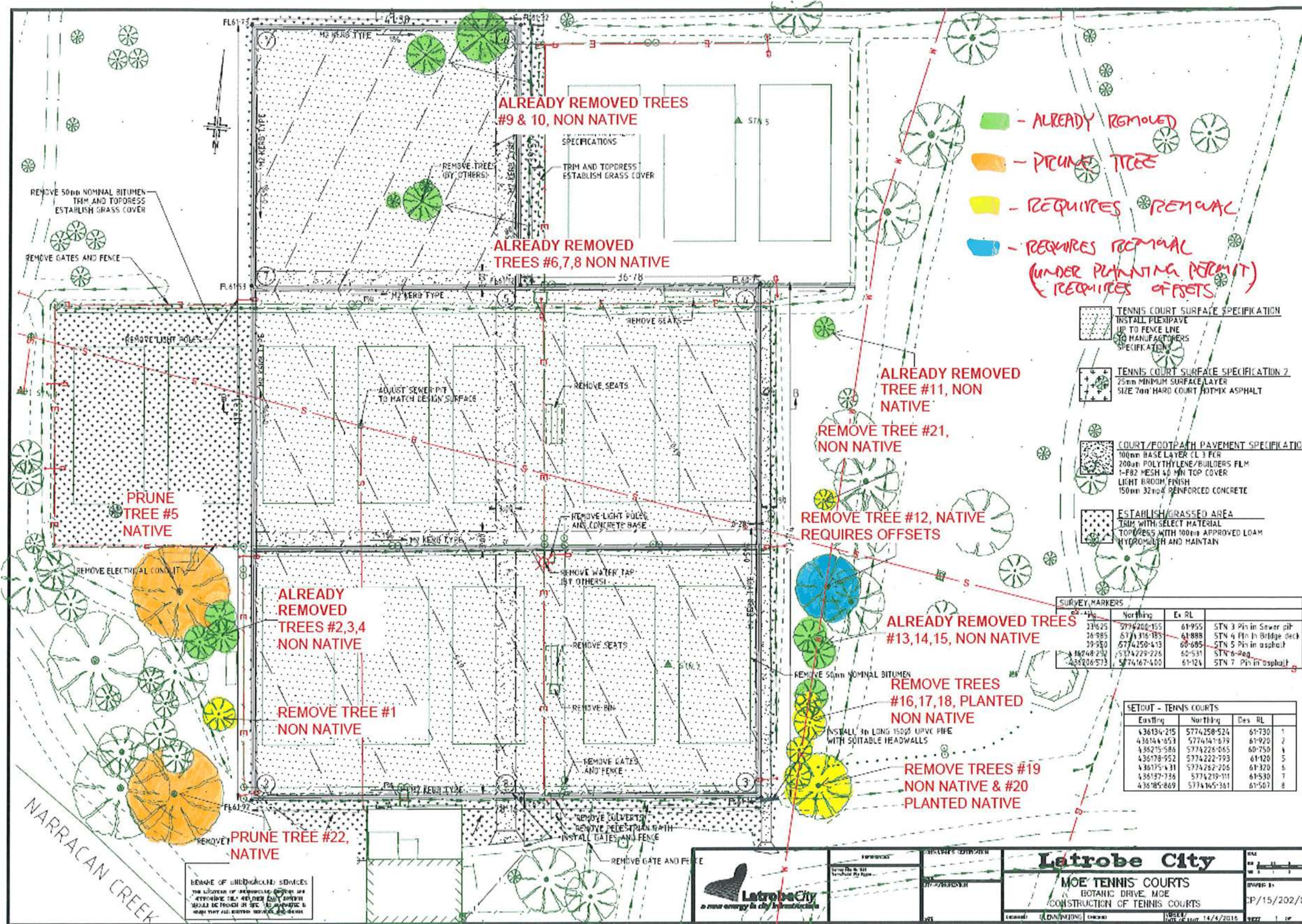
Referees: Simon Thompson, Tennis Victoria Ph: (03) 8420 8405
Graham Treadwell, MRSC Ph: (03) 5421 1466
Roger Barr, Contact for Lancefield Tennis Club Ph: 0423 020 669
Laurie O'Brien, Treasurer Woodend Bowling Club Ph: (03) 5427 2272
Paul Brumby, Northern Grampians Shire Council Ph: (03) 5358 0511

Further details of projects managed by 2MH Consulting can be found at www.2mhconsulting.com.au.

Yours sincerely,

Mick Hassett
Director
2MH Consulting







ARBORIST'S REPORT

(Arborist's comments/recommendations are highlighted in bold)

Introduction:

This report was initiated due to the redevelopment of the Moe Tennis Court.

Only trees located in the park within close proximity of the Tennis courts are included in this assessment.

Please refer to site drawings for tree numbering.

Tree's location: **Moe Tennis Court's, Botanic Drive**

Town/Area: **Moe**

Botanical name:	<i>Eucalyptus maculata</i> X 3	<i>Tree No. 16,17,18</i>
	<i>Eucalyptus botryoides</i> X 1	<i>Tree No. 20</i>
	<i>Eucalyptus conspicua</i> X 2	<i>Tree No. 1,12</i>
	<i>Banksia integrifolia</i>	<i>Tree No. 1</i>
	<i>Lophostemon confertus</i>	<i>Tree No. 21</i>
Common name:	Spotted Gum	<i>Tree No. 16,17,18</i>
	Mahogany Gum	<i>Tree No. 20</i>
	Gippsland Swamp Box	<i>Tree No. 12</i>
	Coast Banksia	<i>Tree No. 1</i>
	Queensland Box	<i>Tree No. 21</i>

Total tree numbers: **7**

Date of inspection: 13/10/2016

Inspection carried out by: **Ben Black**

Tree/s located in: Parkland

**Tree No.16
Spotted Gum**

Age (estimate): **10** years

Safe Useful Life expectancy: **10** years

Height (estimate): **22** metres

Canopy spread (estimate): **8** metres

Trunk diameter (@ 1.4 metre): **570** millimetres

Register of significant trees: **No**

Native Indigenous Vegetation: **No**

Native Vegetation: **Yes**

Health: **Poor** **Average** **Good** **Excellent**

Comments: **Tree is in reasonable Health**

Structure: **Poor** **Average** **Good** **Excellent**

Comments:

Site suitability: **Unsatisfactory** **Fair** **Good** **Ideal**

Comments: **Tree is positioned in close proximity of the Tennis Courts.
Shedding fruiting capsules would be a potential slip hazard on the redeveloped playing surface.**



Tree No.17
Spotted Gum

Age (estimate): **7** years

Safe Useful Life expectancy: **10** years

Height (estimate): **12** metres

Canopy spread (estimate): **5** metres

Trunk diameter (@ 1.4 metre): **270** millimetres

Register of significant trees: **No**

Native Indigenous Vegetation: **No**

Native Vegetation: **Yes**

Health: **Poor** **Average** **Good** **Excellent**

Comments: **Deadwood present is approximately 20%**

Structure: **Poor** **Average** **Good** **Excellent**

Comments:

Site suitability: **Unsatisfactory** **Fair** **Good** **Ideal**

Comments: **Tree is positioned in close proximity of the Tennis Courts. Shedding fruiting capsules would be a potential slip hazard on the redeveloped playing surface.**



**Tree No.18
Spotted Gum**

Age (estimate): **8** years

Safe Useful Life expectancy: **7** years

Height (estimate): **17** metres

Canopy spread (estimate): **8** metres

Trunk diameter (@ 1.4 metre): **380** millimetres

Register of significant trees: **No**

Native Indigenous Vegetation: **No**

Native Vegetation: **Yes**

Health: **Poor** **Average** **Good** **Excellent**

Comments: **Minor new growth sighted.**

Structure: **Poor** **Average** **Good** **Excellent**

Comments: **Large co-dominant leader.**

Site suitability: **Unsatisfactory** **Fair** **Good** **Ideal**

Comments: **Tree is positioned in close proximity of the Tennis Courts. Shedding fruiting capsules would be a potential slip hazard on the redeveloped playing surface.**



**Tree No. 20
Mahogany Gum**

Age (estimate): **10** years

Safe Useful Life expectancy: **4** years

Height (estimate): **15** metres

Canopy spread (estimate): **12** metres

Trunk diameter (@ 1.4 metre): **750** millimetres

Register of significant trees: **No**

Native Indigenous Vegetation: **No**

Native Vegetation: **Yes**

Health: **Poor** **Average** **Good** **Excellent**

Comments:

Structure: **Poor** **Average** **Good** **Excellent**

Comments: **Poor form present, a history of multiple limb failures is present also numerous limbs rubbing against each other.**

Site suitability: **Unsatisfactory** **Fair** **Good** **Ideal**

Comments: **Tree is positioned in close proximity of the Tennis Courts.**



**Tree No.1
Coast Banksia**

Age (estimate): **7** years

Safe Useful Life expectancy: **6** years

Height (estimate): **10** metres

Canopy spread (estimate): **7** metres

Trunk diameter (@ 1.4 metre): **410** millimetres

Register of significant trees: **No**

Native Indigenous Vegetation: **No**

Native Vegetation: **Yes**

Health: **Poor** **Average** **Good** **Excellent**

Comments:

Structure: **Poor** **Average** **Good** **Excellent**

Comments: **Multiple leader arrangement.**

Site suitability: **Unsatisfactory** **Fair** **Good** **Ideal**

Comments: **Tree is positioned in close proximity of the Tennis Courts. Shedding Banksia pods would be a potential slip hazard on the redeveloped playing surface.**



Tree No.12
Gippsland Swamp Box

Age (estimate): **13** years

Safe Useful Life expectancy: **5** years

Height (estimate): **16** metres

Canopy spread (estimate): **10** metres

Trunk diameter (@ 1.4 metre): **760** millimetres

Register of significant trees: **No**

Native Indigenous Vegetation: **Yes**

Native Vegetation: **Yes**

Health: **Poor** **Average** **Good** **Excellent**

Comments:

Structure: **Poor** **Average** **Good** **Excellent**

Comments: **The tree was found to have an unfavourable form.**

Site suitability: **Unsatisfactory** **Fair** **Good** **Ideal**

Comments: **Tree is positioned in close proximity of the Tennis Courts. Shedding fruiting capsules would be a potential slip hazard on the redeveloped playing surface.**



**Tree No.21
Queensland Box**

Age (estimate): **6** years

Safe Useful Life expectancy: **10** years

Height (estimate): **8** metres

Canopy spread (estimate): **5** metres

Trunk diameter (@ 1.4 metre): **220** millimetres

Register of significant trees: **No**

Native Indigenous Vegetation: **No**

Native Vegetation: **Yes**

Health: **Poor** **Average** **Good** **Excellent**

Comments:

Structure: **Poor** **Average** **Good** **Excellent**

Comments: **Tree was found to have an average/poor structure due to its restricted growth habits caused from adjacent trees overhanging canopy.**

Site suitability: **Unsatisfactory** **Fair** **Good** **Ideal**

Comments:

**The canopy of larger nearby trees over shadow the tree, resulting in restricted growth.
Tree is positioned in close proximity of the Tennis Courts.
Shedding fruiting capsules would be a potential slip hazard on the redeveloped playing surface.**



GENERAL COMMENTS

All trees were found to be in reasonable condition.

Under Councils current Tree Removal Policy the trees have not qualified for removal.

Removal is proposed due to the close proximity of the trees to the tennis courts.

Tree No. 12 The Gippsland Swamp Box (*Eucalyptus conspicua*) was found to be the only tree within the site identified as indigenous to the area.

With the tree's located at a close distance from the facilities, leaf shedding and fruiting will be an ongoing slip hazard/nuisance factor on the playing surface.

A factor that may contribute to a detrimental health and structure of the trees in the future is the proposed excavation works required within close proximity of the trees root zones.

Report requested by: **Josh Wilson**

Reason for request: **Re-development of the Tennis Courts project.**

Report prepared and written by Ben Black, Acting Supervisor Arborist, Latrobe City Council

15.3 Permit Parking review - Henry Street, Traralgon

General Manager

Infrastructure and Recreation

For Decision

EXECUTIVE SUMMARY

This report presents the findings of the consultation and investigation into parking on Henry Street, Traralgon between Breed Street and Albert Street, responding to the 5 December 2016 resolution and the 13 February 2017 resolution.

The 13 February report provided a discussion of the positives, negatives and costs of implementing on-street Permit Parking in the form of Resident Exempt Permit (RE) parking. Key findings are that RE parking will: increase Council's operating cost due to the management of the zones including extra Local Law patrols specific to that area and annual permits; impact on the general liveability of the street; and may transfer the issue elsewhere.

As per the 13 February 2017 resolution Officers consulted with the residents, and monitored the parking occupancy from approximately 7:30 AM to 5:30 PM in the block in question through February and into early March 2017.

On average 2 vehicles were parked on street in the block throughout the day, leaving 5 available parking opportunities. The maximum occupation was 4 vehicles, which meant on that block there were 3 available parking spaces. The results were consistent with the original smaller sample taken in preparation for the 13 February 2017 report.

Consultation with the residents was undertaken during February 2017. Officers visited each property, and if they could not find people at home left questionnaires with return paid envelopes and an email contact. Of the 8 properties 5 responses were received.

- 1 response supported the introduction of resident exempt permit parking.
- 3 responses had no current problems with parking in Henry Street, though 2 noted that the situation may change with the potential development in Breed Street.
- 1 response clearly did not support the introduction of resident exempt permit parking.

It is likely that the property adjacent the business on the corner of Breed Street and Henry Street is impacted by visitors to the business. These visitors would likely stay less than 2 hours and then depart and therefore, to be effective a RE zone would need to be very short term. The likely result would be the business visitor would simply move to the next available house frontage.

Due to the consistent availability of parking opportunities in the block and the low level of neighbourhood support at this time for resident exempt parking, officers do not recommend implementing a Resident Exempt Permit parking scheme.

RECOMMENDATION

That Council:

1. Does not implement a resident exempt permit system for Henry Street Traralgon; and
2. Notifies the residents of Henry Street Traralgon between Breed Street and Albert Street of their decision.

MOTION

Moved: Cr Harriman
Seconded: Cr McFarlane

That Council:

1. **Not implement a resident exempt permit system for Henry Street Traralgon at this time; and**
2. **Notifies the residents of Henry Street Traralgon between Breed Street and Albert Street.**

CARRIED UNANIMOUSLY

DECLARATION OF INTERESTS

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

DISCUSSION

On 5 December 2016 Council resolved to investigate and report on assisting residents on Henry Street, Traralgon with the impact of external parking on their neighbourhood amenity as follows.

That Council:

1. *Requests that a report be brought back to the first Council Meeting in 2017 regarding the introduction of a permit zone for resident parking in Henry Street, Traralgon between Breed Street and Albert Street that explores, at a minimum, the parking characteristics, potential impacts, and how a permit system could be implemented; and*
2. *Undertake consultation with the residents in Henry Street in relation to the proposal for a permit zone*

On 13 February 2017 a report was presented to Council with background and it was resolved as follows:

That Council:

1. *Notes the report providing information on Resident Exempt Permit Parking; and*

2. *Requests a further report be provided with results of parking occupancy study and consultation with residents and business of Henry Street, Traralgon from Breed Street to Albert Street.*

A road's primary purpose is for the conveyance of people and goods. Where the constructed portion of a road is not required for this purpose it can be used for parking. Unless Council erects parking restrictions, by default there is no limit to the time that a person can legally park on a road – including in front of another person's property.

Typically, commercial or industrial areas create a demand for long term parking for employees or customers, and short term parking for its customers. Although on-site parking for commercial enterprises is generally provided, frequently this is insufficient to support a business's needs. Or it may simply be more convenient or less expensive to employees to park on the street.

Although a resident does not have exclusive right to park in front of their house, a reasonable level of amenity should be maintained. This is generally through providing parking opportunities throughout the day *on the block* for all residents of that block.

One common mechanism to do this is to use a parking permit system to ensure regular turnover of parking (encourage long term parkers to park elsewhere) but exempt the residents of the block from the exemption.

There is no set requirement in relation to how "inconvenienced" by external parking a street must be before taking action, although some traffic engineers assume that a block is considered under stress when 85% of the parking is occupied.

It is generally accepted by traffic officers that a property is adequately served if there is parking within a "convenient distance". This distance is undefined and it could be influenced by whether the person has on-site parking and wants to park on the street for the convenience of not driving onto their property. Generally though, it is considered that if a person can park on their street block – perhaps 100m maximum – this is sufficient.

Some heritage properties were developed with no on-site parking at all. If a resident's only option is to park on the street, this is a very strong reason for Council to ensure they have priority access to street parking. This is not the case in this instance as all properties have at least 1 on-site parking space.

Resident Exempt Permit Parking

The most common way to secure access to the street for residents is with Resident Exempt Permit Parking (RE parking). RE parking zones consist of a parking restriction to which residents vehicles (registered in the system for that zone) are exempt.

Drawbacks of Resident Exempt Permit parking

- The restrictions apply also to visitors to residents in the area, to tradespeople working in the area, and even to the owner's vehicles that are not registered to that block.
- As it is currently unrestricted, Officers will need to include this as a specific zone to be covered, hence increasing the Local Law patrols.

- Resident exempt parking has a tendency to simply shift the external demand to the next block, therefore requiring more zones in the future. This can be handled with judicious application of the zones.
- There is a resource and financial cost to manage the system. Officers need to identify vehicles as being registered for that block and therefore issue permits to householders that are generally displayed in the vehicle window. The permits are vehicle specific so that it is a benefit to only the property owner (in some circumstances they have been “traded” for profit).
- In addition to the identified costs below, officer experience is that the owners will frequently not register new vehicles, challenge legitimate infringement notices, etc., which requires investigation and resolution each time. Identified costs include:
 - A permit system to be built into the existing Pathways Corporate system and the creation and management of forms and the overall system (~\$3,500 one-off cost)
 - Additional signage (conceptually a \$500 one-off cost)
 - Distribution of permits on an annual basis (~\$500 to \$1,000 per year depending on the extent)
 - Additional inspections of the new zone will be required. Assuming 1 hour per week that is approximately \$300 per year
 - An isolated zone where it is not obviously required will not be expected by the motorist and may be seen as a “revenue raiser”

Options for Resident Exempt Permit parking:

As mentioned there are several permutations for resident exempt parking.

- The length of restriction time and the time of day can be adjusted to suit the level of impact on the residents. The typical time of the restriction is 2 hours although it can be No Stopping Anytime (only for very impacted areas) or even a loading zone.
- The resident exempt parking restriction can be for only part of the day (e.g. 9:00 to Noon) to redirect employees that start early and finish late, yet still reduce the impact on normal road parking demands (visitors, tradespeople, etc.).
- The extent of coverage of the street can be managed to ensure some long term parking is available while protecting the area covered with the restrictions.

Typically this is to apply the restriction to roughly 50% of a block. This retains an unrestricted area for the external demand and demands by visitors etc., and reduces the likelihood of the external demand simply moving to the next block.

- The number of vehicles a resident may register can be limited.
- A permit or permits issued to the property may not be vehicle specific, although this option is fraught with abuse and complications.

- The permits can be free or a cost recovery charge for the administration of the system can be applied. Or permits could be free to the first vehicle and a ramped fee structure for each additional vehicle.
- Generally tradespeople and visitors are not exempt, however temporary (expiring after a certain time) unspecified permits can be issued. This has complications and makes administering the system difficult and more resource intensive.

Parking occupancy and consultation

Officers undertook a parking occupancy study of the (minimum) 7 spaces on the block of Henry Street immediately west of Breed Street during the weeks of 9 and 16 January 2017. Following the 13 February 2017 report a further study was undertaken in February and part of March 2017 that included a door knock and discussion with the residents directly.

In both the January and February studies the occupancy was generally between 2 and 4 spaces occupied of the minimum 7 spaces - 5 spaces available on average. In February the average occupancy was 4 vehicles during the mid-day.

Table 1 – Occupancy Study results

Date	Time	Occupied Parking Spaces	Available Parking Spaces	Availability
9/01/2017	5:10 PM	0	7	100%
10/01/2017	7:45 AM	0	7	100%
10/01/2017	10:30 AM	1	6	86%
10/01/2017	11:05 AM	2	5	71%
10/01/2017	2:20 PM	1	6	86%
10/01/2017	3:15 PM	2	5	71%
10/01/2017	5:15 PM	3	4	57%
11/01/2017	7:45 AM	2	5	71%
11/01/2017	6:30 PM	0	7	100%
12/01/2017	7:40 AM	2	5	71%
13/01/2017	8:10 PM	2	5	71%
January	All Average	1.4	5.6	80%
13/02/2017	7:45 AM	1	6	86%
14/02/2017	7:55 AM	2	5	71%
17/02/2017	8:10 AM	0	7	100%
20/02/2017	5:45 PM	2	5	71%
23/02/2017	5:10 PM	2	5	71%
24/02/2017	7:55 AM	2	5	71%
27/02/2017	11:55 AM	3	4	57%
28/02/2017	1:10 PM	4	3	43%
1/03/2017	7:55 AM	1	6	86%
2/03/2017	6:15 PM	2	5	71%
February	Average	1.9	5.1	71%
Average	All	1.6	5.4	77%

Analysis

It is unreasonable for a resident to expect to always be able to park in front of their property every day. It is noted that there are 7 spaces available on the street and 8 properties of which several have more than one vehicle. This expectation of access to on-street parking near your residence is less reasonable the closer one is to a business district or multi-unit properties.

Although the property owner that strongly supported Resident Exempt Permit parking is the most impacted (due to the accounting firm on the corner of Breed Street and Henry Street) there is still ample parking at any time of the day elsewhere on the block. All properties have storage for 2 vehicles or more vehicles on-site.

Implementing a Resident Exempt Permit parking scheme

Should Council resolve to proceed with a RE parking scheme at this location it is likely that other areas within the City will expect similar protection from external parking.

The initial costs to establish the methods to implement the permit scheme, and modifying the software to manage the issuance and control of the parking permits would not change.

What would change is the on-going

- Issuance of initial permits to residents
- Reissuance of permits annually and as vehicles change
- Local Law patrols to new areas.

Officers recommend that the number of permits to a property with 1 or more on-site car park should be limited to 2 permits, and that a charge of \$10 per permit issued should be established to offset the cost of providing the physical permits when they are initially provided and when re-issued (perhaps every 3 years).

STAKEHOLDER CONSULTATION

Consultation was undertaken as part of this report by way of a questionnaire and direct door knocking and discussing the issue directly with the residents. A questionnaire was left for the residents to complete and return if they were not home or did not wish to complete the form while the officer was present.

Of the 8 properties on the block, 5 responses were received, 4 from residential properties and 1 from a business property with the following responses:

- 1 response clearly supported the introduction of resident exempt parking.
- 3 responses had no current problems with parking in Henry Street, though 2 expressed that the situation may change depending on possible development in Breed Street (possible future concerns).
- 1 response clearly did not support the introduction of resident exempt parking.

FINANCIAL AND RESOURCES IMPLICATIONS

There are no financial implications of the recommendations of this report.

If Council resolves to implement a scheme the costs are discussed in the body of this report. In short there would be an initial cost of approximately \$4,000 and on-going annual (operating) costs would be in the order of \$500 to \$1,000 depending on the frequency of vehicle ownership change and regular reissuance of permits, and the frequency of inspections and expiation notice challenges.

This on-going cost can be off-set in part by

- charging an annual fee,
- charging a one-off registration fee to cover the cost of preparing and issuing the permits.

RISK IMPLICATIONS

There is no risk associated with the recommendation.

The issue may need to be reconsidered at a later date if there is a significant change to parking availability due to commercial development within or adjacent to the lower end of Henry Street. This is best responded to if and when the parking availability is impacted.

If Council resolves to proceed with a Resident Exempt Permit parking scheme Officers anticipate that others in the City would expect the same protection of their on-street parking privilege. Each installation would have similar installation costs of approximately \$500. There would be a minor increase in the resources to manage the scheme (distributing permits and challenged expiation notices for example) and increased resources in the form of Local Law patrols to the previously unrestricted areas.

CONCLUSION

Residential areas adjacent commercial areas will always be prone to an external parking demand either from the employees or patrons of the businesses.

Where Council deems the impact on the neighbourhood amenity of a street to be unreasonable one method to address this is to impose a parking restriction to create parking opportunities, but to exempt the residents from the restriction. This is commonly termed Resident Exempt Permit Parking.

The approximate costs are \$4,000 to establish the system and \$500 to \$1,000 annually to operate it.

The studies both indicated that the parking occupancy is 3 to 5 vehicles during the day, which leaves 2 to 4 spaces available at most times.

The highest impact may be adjacent to the business on the corner of Breed Street and Henry Street and this may be the reason there was 1 residence in strong support of introducing a permit parking scheme, however there was one residence strongly against the proposal and the 3 other responses did not believe there was a problem to address.

On balance therefore, Officers recommend no action.

SUPPORTING DOCUMENTS

Nil

Attachments

1↓. Consultation responses

15.3

Permit Parking review - Henry Street, Traralgon

1	Consultation responses.....	187
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Feedback Form

Our Ref: Resident Exempt Permit Parking
 Returning Officer:



RESIDENT EXEMPT PERMIT PARKING HENRY STREET, TRARALGON

Please tick the box that reflects your opinion in relation to the establishment of Resident Permit Parking in Henry Street, Traralgon between Breed Street and Albert Street.

Please return this form to Latrobe City Council in the reply paid envelope before the end of February 2017.

Question (Please circle response)		Comment
1. I often park on Henry Street. (If yes please indicate usage duration)	< less than 1 hour	
	1 to 2 hours <input checked="" type="checkbox"/>	
	>longer than 2 hours	
2. How often do you experience problems parking your vehicle on Henry Street, in front of your house.	Frequently <input checked="" type="checkbox"/>	
	Occasionally	
	Never	
3. How many parking spaces do you have on your property?	2	
4. How many vehicles are typically housed at your property?	Weekdays 8am to 5pm 1	
	Weekends 2	
5. If you support implementing Resident Exempt Permit Parking please circle your preferred restriction time	< less than 1 hour	Parking in area for Residents of Henry St only.
	1 to 2 hours	
	>longer than 2 hours	
	Do not support	

General Comments or Concerns:

Please see attached letter.

(Use other side if insufficient space)

Residential Address:

Signed

Date

Name (please print)

Please return your completed Feedback Form to Latrobe City Council by end of February 2017. Please note that personal information supplied will remain confidential and will be used solely to inform the analysis of this survey.

Car Parking – Eastern end of Henry Street, Traralgon.

One of the main issues relating to the request for residents only permit parking for Henry street is the fact that the commercial areas on Breed street have been developed progressively over the last few years and most developments (e.g. Macmillan chiropractor's and the dental clinic) have all requested and been granted exemptions to their car parking requirements.

I have been informed that, as the Latrobe City Traralgon car parking plan has not been adopted fully, there is no capacity to charge a fee in lieu of the required car parks to allow the development of alternative commercial parking (i.e. another level on the high rise car park etc.).

The brunt of the pressure for the increasing demand for commercial based car parking is now rippling out into the surrounding residential areas. As this scenario is at least partially because of the exemptions granted by council I think council needs to consider the needs and expectations of the rate paying residents in the areas bordering the commercial zones. There are plenty of examples of this style of parking restrictions in other towns and cities that preserve the amenity of the residents sited near commercial strips.

Attached are some photos of the "less than ideal" examples of car parking undertaken by people who are parking in this area when accessing the commercial properties around the corner.

Frequently we have our drive way "overshadowed" on both sides as people rush to appointments.

The people parking are both a mix of employees parking all day while they are at work, and clients parking for a few hours whilst accessing the commercial services.

We often cannot park in front of our own home, or friends visiting our home during the work week struggle to find a car park nearby. I know the recent studies do not necessarily reflect the reality of the problem due perhaps to the day or time of day the studies were undertaken.

This end of Henry Street is busy with traffic leaving and entering Henry Street and pedestrians crossing both Henry and Breed Street. The constant parking of cars close to the edge of our drive way makes it very hazardous for us when we come and go from our property by car. Limiting the commercial orientated car parking from this area should mitigate this issue to some extent.

Regards,

Feedback Form

Our Ref: Resident Exempt Permit Parking
Returning Officer:



RESIDENT EXEMPT PERMIT PARKING HENRY STREET, TRARALGON

Please tick the box that reflects your opinion in relation to the establishment of Resident Permit Parking in Henry Street, Traralgon between Breed Street and Albert Street.

Please return this form to Latrobe City Council in the reply paid envelope before the end of February 2017.

Question (Please circle response)	Comment
1. I often park on Henry Street. (If yes please indicate usage duration)	
	<input checked="" type="radio"/> < less than 1 hour
	<input type="radio"/> 1 to 2 hours
	<input type="radio"/> >longer than 2 hours
2. How often do you experience problems parking your vehicle on Henry Street, in front of your house.	
	<input type="radio"/> Frequently
	<input checked="" type="radio"/> Occasionaly
	<input type="radio"/> Never
3. How many parking spaces do you have on your property?.	
	TWO
4. How many vehicles are typically housed at your property?	
	Weekdays 8am to 5pm ONE
	Weekends TWO
5. If you support implementing Resident Exempt Permit Parking please circle your preferred restriction time	
	<input type="radio"/> < less than 1 hour
	<input checked="" type="radio"/> 1 to 2 hours
	<input type="radio"/> >longer than 2 hours
	<input type="radio"/> Do not support

General Comments or Concerns:

PERSONALLY AT THE MOMENT WE DON'T HAVE A PROBLEM, BUT ONCE THE PROPOSED MULTI STOREY APARTMENTS AND SHOP FRONTS ARE COMPLETED I THINK IT WILL BECOME A REAL ISSUE.

(Use other side if insufficient space)

Residential Address: ...

Signed..

Date

Name (please print)

Please return your completed Feedback Form to Latrobe City Council by end of February 2017. Please note that personal information supplied will remain confidential and will be used solely to inform the analysis of this survey.

Feedback Form

Our Ref: Resident Exempt Permit Parking
Returning Officer:



RESIDENT EXEMPT PERMIT PARKING HENRY STREET, TRARALGON

Please tick the box that reflects your opinion in relation to the establishment of Resident Permit Parking in Henry Street, Traralgon between Breed Street and Albert Street.

Please return this form to Latrobe City Council in the reply paid envelope before the end of February 2017.

Question (Please circle response)		Comment	
1. I often park on Henry Street. (If yes please indicate usage duration)	< less than 1 hour	Mostly coming + going during the day. My car is in the carport at night	
	1 to 2 hours		
	> longer than 2 hours		
2. How often do you experience problems parking your vehicle on Henry Street, in front of your house.	Frequently	Yellow line for bus + post box restricts my parking	
	Occasionally		
	Never		
3. How many parking spaces do you have on your property?	2	one occupied by trailer	
4. How many vehicles are typically housed at your property?	Weekdays 8am to 5pm	1 - 2	Dependant on whether my son is home from work.
	Weekends	1 - 2	
5. If you support implementing Resident Exempt Permit Parking please circle your preferred restriction time	< less than 1 hour		
	1 to 2 hours		
	> longer than 2 hours		
	Do not support		

General Comments or Concerns:

I am concerned that if the proposed Breed St development goes ahead, Henry St will become the "overflow" car park for the offices + particularly residential properties. This will create noise potentially at all

(Use other side if insufficient space)

Residential Address:

Signed

Date

Name (please print)

Please return your completed Feedback Form to Latrobe City Council by end of February 2017. Please note that personal information supplied will remain confidential and will be used solely to inform the analysis of this survey.

hours, as well as make parking for Henry St. residents impossible

Would the proposal include "visitors" permits in the event that people visit over weekends or even during the week?





Feedback Form

Our Ref: Resident Exempt Permit Parking
Returning Officer:



RESIDENT EXEMPT PERMIT PARKING HENRY STREET, TRARALGON

Please tick the box that reflects your opinion in relation to the establishment of Resident Permit Parking in Henry Street, Traralgon between Breed Street and Albert Street.

Please return this form to Latrobe City Council in the reply paid envelope before the end of February 2017.

Question (Please circle response)		Comment
1. I often park on Henry Street. (If yes please indicate usage duration)	< less than 1 hour	
	1 to 2 hours	
	<u>longer than 2 hours</u>	
2. How often do you experience problems parking your vehicle on Henry Street, in front of your house.	Frequently	
	<u>Occasionally</u>	
	Never	
3. How many parking spaces do you have on your property?	<u>2</u>	
4. How many vehicles are typically housed at your property?	Weekdays 8am to 5pm <u>3</u>	
	Weekends <u>3</u>	
5. If you support implementing Resident Exempt Permit Parking please circle your preferred restriction time	< less than 1 hour	
	1 to 2 hours	
	<u>>longer than 2 hours</u>	
	Do not support	

General Comments or Concerns:

(Use other side if insufficient space)

Residential Address

Signed

Date

Name (please print)

Please return your completed Feedback Form to Latrobe City Council by end of February 2017. Please note that personal information supplied will remain confidential and will be used solely to inform the analysis of this survey.

Feedback Form

Our Ref: Resident Exempt Permit Parking
Returning Officer:



RESIDENT EXEMPT PERMIT PARKING HENRY STREET, TRARALGON

Please tick the box that reflects your opinion in relation to the establishment of Resident Permit Parking in Henry Street, Traralgon between Breed Street and Albert Street.

Please return this form to Latrobe City Council in the reply paid envelope before the end of February 2017.

Question (Please circle response)		Comment
1. I often park on Henry Street. (If yes please indicate usage duration)	< less than 1 hour	5 mins if rushed Rarely.
	1 to 2 hours	
	> longer than 2 hours	
2. How often do you experience problems parking your vehicle on Henry Street, in front of your house.	Frequently	
	Occasionally	
	Never	
3. How many parking spaces do you have on your property?	<u>8</u>	
4. How many vehicles are typically housed at your property?	Weekdays 8am to 5pm	5
	Weekends	0
5. If you support implementing Resident Exempt Permit Parking please circle your preferred restriction time	< less than 1 hour	Never between Breed St Turnoff + Carpark of DJ Gregg as Hazardous.
	1 to 2 hours	
	> longer than 2 hours	
	Do not support	

General Comments or Concerns:

No Problem with Parking in Henry St however not
between Breed St + Carpark driveway of 17 Breed St as
it blocks vision - hazardous as cars come around corner
(Henry St Driveway)

(Use other side if insufficient space)

Residential Address:

Signed

Date

Name (please print)

Please return your completed Feedback Form to Latrobe City Council by end of February 2017.
Please note that personal information supplied will remain confidential and will be used solely to inform the analysis of this survey.

COMMUNITY SERVICES

16. COMMUNITY SERVICES

16.1 Petition response regarding local art at Moe Service Centre

General Manager

Community Services

For Decision

EXECUTIVE SUMMARY

During the 2016 election period a petition was circulated, and subsequently laid on the table at the 5 December 2016 Council Meeting.

The document petitions Council to “better utilise the new Moe Library building to incorporate a local Information Centre and to display/sell local artworks”. It contains 186 signatories.

This Report seeks for Council to make a decision regarding aspects of the petition to pursue and implement; and which components to reject at this point in time.

A suitable space for the establishment of a gallery-style display space for hanging artworks has been identified and could be implemented as a Latrobe Regional Gallery community outreach space for \$4500.

Although it is possible to accommodate the request for display of artworks, their sale could compromise Council’s competitive neutrality as such commercial opportunities already exist in Moe, and, if pursued, would require a separate receipting, tracking and reporting process to be developed in order to manage and return each artist’s proceeds.

At this time no Latrobe City library includes a commercial component.

A municipality-wide review of the location and function of tourism services now, and into the future, is currently underway and therefore it would be premature to implement the Information Centre component of the petition—however a decision relating to the future composition of tourism information services should take this concept into consideration.

MOTION

Moved: Cr Gibson

Seconded: Cr Clancey

That Council:

- 1. Invests \$4500 of the current operating budget in the establishment of a gallery-style display space in the Moe Service Centre; and**
- 2. Notifies the petitioner of this outcome in writing.**

CARRIED UNANIMOUSLY

DECLARATION OF INTERESTS

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

DISCUSSION

During the 2016 election period a petition was distributed, predominantly to Moe traders, as part of a candidate's campaign.

The petition calls for the display and sale of local artworks and the incorporation of an information centre for tourists.

The interior layout of the building, with its curved internal walls and expansive use of glass, makes the creation of a dedicated space for the display of artwork challenging. The wide, straight hallway at the western end of the building, connecting the public toilets to the commercial kitchen and meeting rooms, is a zone that enjoys significant incidental foot traffic. This area has been identified as the place best suited to the installation of gallery-style infrastructure for the hanging and lighting of framed artworks.

Establishing this area would require a \$4500 investment by Council. Should Council resolve for this work to occur, the necessary policy and governance arrangements will be developed by the Latrobe Regional Gallery to manage the bookings and logistics of its ongoing use, by local artists, as a community outreach exhibition space.

An art exhibition space, with a commercial element, would constitute a significant departure from the composition of Latrobe City's current public library service offering.

The sale of displayed artwork presents a range of issues including competitive neutrality as Old Gippstown, various eateries and markets already provide an outlet for the sale of local art works.

The receipting and return of monies collected for artwork sales would present challenges for the current accounting practices used in our libraries.

Were Council to express an appetite in pursuing the concept of adding commercial elements to the library environment, officers will undertake further investigation work, and a further recommendation will be supplied in the form of a subsequent Council Report.

Although not explicitly stated by the petition, the objective of the petition was that the 'café space' at the eastern end of the new Service Centre building be repurposed for this activity in response to trader disquiet about the competition that the establishment of a new café in Moe would bring.

Interestingly, despite Moe Service Centre having maintained strong weekday and weekend patronage, none of the cafes in the vicinity of the new facility have extended their hours to accommodate community demand for late afternoon and weekend coffee/meals. None chose to open to meet hospitality demand during the highly successful Community Celebration Day event in November 2016 despite being notified of the event well in advance, and a commitment that a coffee vendor would not be brought in for the event.

A café has become a common inclusion in a modern library offering, where the free service has transitioned from *lending places* to *learning places*, where customers are encouraged to linger longer, interact socially and regard their library visit as a more complete experience than simply borrowing books.

Council's intent for the café space has been that it is to be established by a lessee, including the completion and fit out of the interior.

Making the space useable for an alternate Council purpose such as an Information Centre would require, at a minimum, the installation of heating/cooling; inclusion to the cleaning contract including toilets and windows; floor sealing/covering; painting of walls; joinery; furnishing; and installation of CCTV equipment.

The cost is expected to be approximately \$65,000 plus consideration for ongoing staffing requirements. A more detailed costing would be provided should Council choose to pursue this aspect of the petition although for the reasons outlined above, it is not recommended.

A review into the service offering Latrobe City Council makes to tourists is currently underway. A decision relating specifically to Moe at this time would be premature and potentially misaligned to the municipal-wide strategy.

STAKEHOLDER CONSULTATION

Related engagement results:

In the first four weeks of operation of the new building, customers were invited to complete feedback forms.

Of the 202 responses received, 17 people cited issues relating to lack of parking in the vicinity of the building and 7 mentioned looking forward to the café facility opening.

A general library-users survey conducted in January/February 2017 had 73 respondents specifically refer to the Moe facility. 16 people reported parking issues and 15 indicated positive support for the café development.

Encouraging tourism visitors, who commonly require additional parking space to accommodate caravans and boat trailers, would likely exacerbate the already limited parking availability.

Utilising the space earmarked for a café development for another use would remove any possibility of the café proceeding.

FINANCIAL AND RESOURCES IMPLICATIONS

Establishment of a local art space:

The installation of spot lighting, fitting of gallery-style hanging infrastructure and signage can be completed for \$4500 which can be funded through the current operating budget.

This is comprised of: gallery hanging tracks and hooks; spot lighting; painting; electrical contractors; signage.

Council repurposing of café space:

Making the incomplete café space operational, for Council to use as an Information Centre, could be completed for approximately \$65,000 which is currently unbudgeted.

This is comprised of: installation of air conditioning; inclusion to the cleaning contract including toilets and windows; floor sealing/covering; painting of walls; joinery; furnishing; and installation of CCTV equipment.

RISK IMPLICATIONS

Pursuing plans at this time for the establishment of an Information Centre at the Moe Service Centre could be incongruous with broader strategic work relating to Latrobe City's tourism offering which is currently being reviewed.

This petition suggests dissatisfaction by the local traders with Council's intention to establish a café as part of the library experience—because although a library café is now a standard offering in modern facilities, it would be the first for Latrobe City.

As part of any future Expressions of Interest process seeking a tenant to operate the earmarked café space, the issues raised by neighbouring cafes will be factored into decision making.

CONCLUSION

The establishment of a dedicated gallery space for local artists is relatively simple and inexpensive to implement. Ongoing management and logistics would be undertaken by the Latrobe Regional Gallery as a community outreach initiative.

The subsequent sale of displayed artworks would introduce a commercial component to library services and poses additional challenges, including issues of competitive neutrality and the receipting/return of monies; therefore these aspects of the petition are not advisable.

Establishing an Information Centre would be best considered within the context of the municipality-wide review, which is currently underway, into how and where Latrobe City Council's visitor services are administered.

SUPPORTING DOCUMENTS

Nil

Attachments
Nil

**16.2 Use of telephone and mobile device Apps for improving communication
between community and Council.**

General Manager

Community Services

For Information

EXECUTIVE SUMMARY

A high percentage of the Latrobe Valley community are users of mobile phones and internet enabled handheld devices, and the number of digitally connected customers continues to grow in line with national trends.

It is now commonplace for Apps to be used in daily communication with services such as utilities, telecommunications companies, insurance providers, toll road authorities and government agencies such as VicRoads.

A range of commercially produced Apps, listed on the App Store, enable requests for service to be submitted to municipal councils across Australia.

Over the past three years, Latrobe City Council received more than 550 requests for service from its customers via Snap Send Solve, significantly more than similar free App options such as NeatStreets and Fixmyroad.

This activity occurred at our customers' volition, without any prompting or promotion by Council.

Latrobe City Council's sole involvement in App development to date is ParkTracks. As at the end of March 2017, of the 559 copies downloaded 136 were to users in Japan, 110 to the USA and 265 in Australia. This App was developed with \$50,000 VicHealth funding and ongoing upkeep is a further \$300 per month as Council does not have the necessary internal expertise to manage and maintain the App.

A wide range of Apps exist to assist customers with Council-related business however at this time they are not developed, managed or maintained by Council.

The eServices Project will include consideration of App utilisation as part of Council's digital engagement offering, and design such tools in line with agreed customer experience principles and community expectations.

MOTION

Moved: Cr Harriman

Seconded: Cr Clancey

That Council:

- 1. Gives in principle support for the integration of Apps as a legitimate tool for customer communication with Council; and**
- 2. Requires due consideration of Apps to be addressed within the eServices Project.**

For Crs O'Callaghan, Harriman, Gibson, McFarlane, Howe, Clancey and Law

Against: Cr Middlemiss

CARRIED

DECLARATION OF INTERESTS

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

DISCUSSION

A high percentage of the Latrobe Valley community are users of mobile phones and internet enabled handheld devices. There are an ever increasing range of freely available Apps designed to enable requests for service to be submitted to municipal councils across Australia.

Typical requests for service to municipal councils that are submitted via Apps include graffiti; damage to footpaths, rubbish bins and street furniture; overhanging trees; and parking issues.

Due to their generic nature, these apps also reach beyond the realm of local government and allow users to also report issues such as abandoned shopping trolleys (to Coles, Kmart and Woolworths) or pit and equipment damage (to Telstra).

Over the past three years, Latrobe City received more than 500 requests for service from its customers via Snap Send Solve.

Based on the propensity of customer usage, in early 2017 an internal multidisciplinary project group sought to maximise the benefit of Snap Send Solve.

After mapping the standard process against the ideal customer journey, improvements were made to increase customer satisfaction while expending minimum officer time, cost and effort in processing and addressing each incoming service request.

The Snap Send Solve process is now digitally integrated with Council's Pathways system. This means the once manual steps of registering the incoming Snap Send

Solve email as a corporate document, by Information Management team, prior to manual input into Pathways, by the Customer Relations team, has now been removed.

An additional improvement has been made to the generic Snap Send Solve offering through the addition of an automated confirmation receipt email to the customer and the provision of a Pathway reference number should the customer need to follow-up.

These steps reduce the cost to serve and improve reporting accuracy.

Requests for service submitted via an App provide superior information to traditional reporting methods, such as by telephone or service counter visits, as the photos carry GPS data. This information enables officers to quickly and accurately pinpoint the precise geographical location of the issue.

To facilitate accurate reference to Snap Send Solve as a mechanism for constituents to report issues to Council, details of the App were printed on the reverse side of Councillor business cards commencing 2017.

Other Apps customers could use to assist them in their dealings with Latrobe City Council include those that provide reminders for when instalments, payments and library books are due; Apps to track expiration dates for things such as gym memberships and domestic animal registrations; ticketing purchase Apps; the ATO App for tax return receipting and record keeping; Apps to locate playgrounds, public toilets, disabled parking bays; Apps mapping the safest travel route for those with elevated accessibility needs.

These tools are all currently available to Latrobe City Council residents however the cost of their development and responsibility for their upkeep does not reside with Council.

Latrobe City Council's sole involvement in App development to date is the ParkTracks app.

Launched in March 2016 this App is designed to showcase walking/running and cycling routes in and around our municipality. As at the end of March 2017, the App had been downloaded 559 times. Of those, 136 were to users in Japan, 110 to the USA and 265 in Australia.

This tool was developed with \$50,000 funding as a joint initiative between Council, VicHealth, Healthy Together Latrobe. Its hosting, upkeep and maintenance is managed, at a minimum of \$300 per month, by the developer.

When advancements in operating systems inevitably occur, this version will become incompatible/redundant and at that time significant further investment would be required to maintain its operation.

Council does not have the necessary resources or expertise to update to a newer version at this time.

This situation is not dissimilar to a situation being experienced by Shellharbour City Council NSW where an App was developed with funding from the New South Wales Roads and Maritime Service Authority (VicRoads equivalent).

Following full expenditure of the grant, ongoing glitches and issues with how the App works, where submissions flow for officer action and technical issues in need of remedy are beyond the expertise of Council personnel to manage.

In February 2014 the South Australian Local Government Association launched a similar tool to Snap Send Solve however additional features include information lifted from council websites relating to events and, with the use of geospatial technologies, information about waste and recycling collection schedules for specific properties. Latrobe City Council's current website platform cannot support this functionality, although this could be remedied as part of the eServices project.

For Council to move into App development and ownership, roles with the specific skills would need to be established.

The eServices Project will include consideration of App utilisation as part of Council's digital engagement offering, and design such tools in line with agreed customer experience principles and community expectations.

STAKEHOLDER CONSULTATION

No consultation was conducted in the preparation of this report.

The eServices project will include significant consultation to identify customer expectations in relation to Apps as a component of communication with Council.

FINANCIAL AND RESOURCES IMPLICATIONS

App development would most likely occur within the eServices Project however this would require Council to establish internal capacity for their development and ongoing maintenance.

RISK IMPLICATIONS

Although grants do become available for the development of Apps, once exhausted the ongoing maintenance and upkeep of the tool must be funded within Council operating budgets, which currently comes at a premium cost due to the need to outsource.

CONCLUSION

Latrobe City Council customers are already using a wide range of Apps to communicate with, and about, Council services.

The eServices Project will assess customer experience and expectations in relation to Apps and, when appropriate, make recommendations to Council regarding the development of custom Apps.

SUPPORTING DOCUMENTS

Nil

Attachments

Nil

CORPORATE SERVICES

17. CORPORATE SERVICES

17.1 Presentation of the Fees and Charges Pricing Policy for Adoption

General Manager

Corporate Services

For Decision

EXECUTIVE SUMMARY

In preparation for the development of Council's 2017-18 Draft Budget, a Fees and Charges Pricing Policy (the Policy) has been developed and is presented to Council for adoption.

The Policy responds to items identified in a recent review of Fees and Charges which highlighted the need to simplify Council's schedule of fees and charges as well as introducing a pricing policy that is aligned with the objectives of Council, which include maximising utilisation of Council assets (venues and halls in particular) as well as offering equitable subsidies for all community users of Council venues and halls (not including sporting stadia).

The Policy sets out an overall subsidy level for use of Council halls and venues by Community Organisations at 60% of the standard rate. The discount is available to any community groups based within Latrobe City Council municipality or that provide services or benefits to the Latrobe City community such as:

- Sporting Clubs
- Schools
- Not for Profit Organisations
- Historical Societies
- Senior Citizen Groups

The principles driving the development of the Fees and Charges Pricing Policy position, relating to community concessional fee arrangements for venue and hall hire are:

1. Enhanced utilisation of our halls and venues
2. Greater equity in how we allocate discounts for community users of halls and venues
3. Maintain existing special arrangements (e.g. Eisteddfod)
4. Minimise potential revenue loss through enhancing utilisation of halls and venues while keeping discounts to a level that is affordable for council.

The adoption of the Policy also requires that the current venue hire grants program be removed from Council's grants program.

MOTION

Moved: Cr Gibson
Seconded: Cr McFarlane

That Council:

- 1. Adopts the Fees and Charges Pricing Policy with an effective date of 18 April 2017; and**
- 2. Removes Venue Hire Grants from the Latrobe City Council grants program.**

CARRIED UNANIMOUSLY

DECLARATION OF INTERESTS

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

DISCUSSION

Following on from a recent review outlining a proposed Fees and Charges Pricing Policy and the proposed changes to the Fees and Charges schedule, considerable work has been undertaken to understand the impact of the proposed changes, in particular those changes relating to halls and venues.

Following a process of scenario comparison between the current pricing regime and the proposed pricing approach for halls and venues it was identified that given the low level of utilisation of these Council assets today and the relatively small amount of revenue generated through their hire, there was significant beneficial potential in ensuring there were relatively few instances where the hire cost to the community increased, because the likely impact on revenue was small, and the potential to increase community use and the associated goodwill towards Council was significant.

As part of this work a range of scenarios were considered and on balance officers have formed the view that Council could increase the proposed level of subsidisation in the Fees and Charges Pricing Policy for community use of halls and venues to an overall subsidy level of 60% of the standard rate and remove the concepts of peak and off-peak pricing arrangements.

This change was driven by a number of factors including the desire to increase utilisation from a currently very low base, simplification of process, minimising instances where members of the community who were hiring halls were worse off than under the previous regime, and improving equity of access to our halls and venues, and equity of subsidisation through the removal of the venue hire grants process.

The challenge in doing the scenario comparison is that the venue grants were not applied in an equitable way, for instance when the grants budget was exhausted, a community user who would have otherwise qualified for the grant, was unable to access the grant arrangements.

The other significant change in the proposed halls and venues fees and charges is the move from a range of pricing scenarios to a single 5 hour session pricing arrangement, as well as significant reduction to the standard pricing in place for the Moe Town Hall due to extremely low rate of community use.

The combination of these various changes has made the comparison process difficult. Having regard to the low level of utilisation of the hall and venue assets by the community it is considered that a 60% concessional rate for community use is likely to deliver a better outcome overall.

In summary the changes proposed will have the effect of:

- removing the venue hire grants process
- removing inequity of access to grants (as once it ran out and not available any community applicant regardless of merit)
- removing internal inefficiency in administering the venue grants
- offering concessional arrangements (discounts) of equal value to all community users of halls and venues

STAKEHOLDER CONSULTATION

Applicable consultation has occurred within the organisation on the Fees and Charges Policy.

FINANCIAL AND RESOURCES IMPLICATIONS

Current utilisation of Council halls and venues is relatively low and a reduction of hire fees is intended to incentivise use of these facilities and improve the utilisation of these assets. There is expected to be minimal revenue impact based on the current level of utilisation and the existing low levels of revenue currently being received from these three venues, and as such any impact in revenue should be able to be offset through increasing use of our halls and venues over time.

Officers will continue to review any impacts of increased utilisation on Council's overall building maintenance budget.

RISK IMPLICATIONS

Community users of Council venues who may have previously successfully received a venue hire grant may be affected by the changes. Officers will provide the necessary information to venue hirers at the point of hire to understand the new pricing policy.

CONCLUSION

The recommendation to adopt the Fees and Charges Pricing Policy is in alignment with Council's objectives to enhance the utilisation of our assets while creating a greater equity of community access to Council's halls and venues.

SUPPORTING DOCUMENTS

Council Policy Development Policy

Attachments

1↓ . Fees and Charges Pricing Policy

17.1

Presentation of the Fees and Charges Pricing Policy for Adoption

1	Fees and Charges Pricing Policy	211
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Fees & Charges Pricing Policy

Version 1

Approval Date: (insert date)

Review Date: (insert date)



Fees & Charges Pricing Policy

DOCUMENT CONTROL

Responsible GM	Angelo Saridis	
Division	Corporate Services	
Last Updated (who & when)	(Manager Title & Name)	2017
DOCUMENT HISTORY		
Authority	Date	Description of change
Council	(day, month & year)	(Insert detail of change to policy)
References	Refer to Section 9 and 10 of this policy	
Next Review Date	(Month & Year)	
Published on website	(Yes or No)	
Document Reference No		

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Responsible Division	(Insert Division Name)	Approved Date	(day, month, Year)	Review Date	(month & year)
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Fees & Charges Pricing Policy

1. Background

Fees and Charges are levied by the Latrobe City Council to enable the provision and upkeep of facilities owned and managed by the Council enabling services to be provided to the community.

2. Objectives

This policy provides guidance for Latrobe City Council in setting fees and charges for its facilities and services, which are consistent, fair and equitable and comply with all relevant statutory requirements.

It needs to take into account community benefit, user groups and corporate objectives, and to provide for regular reviews of fees and charges within the overall service and financial planning process.

It encourages pricing that is simple to administer, easily understood, provides value for money, and optimises utilisation of Council's assets.

It will reflect Council's continuing commitment to support, encourage and promote the use of the facilities by the citizens of Latrobe City with an emphasis on the provision of subsidised venues and sporting facilities to community groups and schools.

The policy establishes the types of pricing methods available for fees and charges, and encourages Council to move over time to a position where all fees and charges can be readily classified and the cost of providing the service is understood.

3. Scope

This policy applies to all facilities and services directly managed by Council for which a fee or charge is applicable.

This policy does not apply to reserves, pavilions and meeting facilities managed directly by Committees of Management. This policy also does not apply to Council facilities leased to external parties.

4. Principles of Management

This policy applies to all Latrobe City Council employees who are responsible for determining fees and charges for services (excluding rates) provided by Council.

It is the responsibility of Managers who charge fees and charges to ensure that their budgetary responsibilities are met. This includes ensuring that all goods and / or services provided by Council are charged for at the level of fees and charges adopted during the Annual Budget.

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Responsible Division	(Insert Division Name)	Approved Date	(day, month, Year)	Review Date	(month & year)
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Fees & Charges Pricing Policy

It is the responsibility of each Manager to review their fees and charges, at a minimum, on an annual basis with reference to:

- user capacity to pay;
- community service obligations;
- cost recovery principles;
- benchmarking of similar services;
- statutory principles;
- expected utilisation of the service; and
- compliance with other Council Policies affecting the service in question.

Council's role is to determine the extent of cost recovery for particular services consistent with the level of individual and community benefit that the services provide and taking into consideration the community's expectations.

Council's services are very diverse and there are widely differing levels of need and ability to pay among the various user groups. Council's role in pricing varies accordingly.

Council's services are provided on the basis of one of the following pricing methods:

- Statutory Pricing;
- Council Subsidy Pricing;
- Full Cost Recovery Pricing;
- Market Pricing, and
- Concessional Fees

5. Pricing Methods

5.1. Statutory Pricing

These prices are set by legislation. For some fees and charges Council's role is to administer services and apply fees set or controlled under statute or funding agreement. These fees may only provide a partial recovery of the cost of providing the service. Council will set prices as per the relevant legislative instrument. Council will set statutory prices at the maximum available.

5.2. Council Subsidy Pricing

Council subsidy pricing is currently not fully applied. This method has been adopted in principle but there is acknowledgement that the complete view of the cost to provide all services is not known at this time, however will be transitioned over time.

5.2.1.1. Full Council Subsidy Pricing

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Responsible Division	(Insert Division Name)	Approved Date	(day, month, Year)	Review Date	(month & year)
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Fees & Charges Pricing Policy

Services provided under Council's community service obligations are funded from Council's rate revenue, and therefore receive a Full Council Subsidy and have a zero cost to the ratepayer.

A situation where Full Council Subsidy pricing is appropriate is where the consumption is applicable to the community as a whole, rather than having an exclusive benefit to individual users.

5.2.1.2. Partial Council Subsidy Pricing

Services provided by Council as part of a policy objective are often priced using a Partial Council Subsidy. In this case, less than the full cost of providing a service is recovered from the price charged for that service. The subsidy is funded from Council's rate revenue and in some cases from external sources, such as government grant funding.

Situations where Partial Council Subsidy pricing is appropriate include:

- where the service benefits the community as whole as well as the individual customer as a short-term approach to stimulate demand for a service;
- where charging prices at full price may result in widespread evasion or inappropriate adoption;
- where the service is targeted at low income earners (for example, Pensioners and Health Care Card holders); and
- fees and charges are set at a level to encourage certain behaviours.

Partial cost pricing will always be based on knowledge of the full cost of providing a service. Where the full cost is not known the default position will be a continuance of the historical pricing structure.

Subsidies will be based on a percentage of the cost of the service, and therefore, prices will move in accordance with the changes in the cost of providing the service each year. Volume and type of customers will also be monitored to ensure the objective of providing the service at a subsidised price is still relevant.

5.3. Full Cost Recovery Pricing

Services provided by Council that benefit individual customers specifically, rather than the community as whole, will be priced on a full cost recovery basis. Full Cost Recovery pricing will aim to recover all direct and indirect costs involved in providing a service or as much as reasonably practicable.

The Cost Recovery Principles are designed to promote efficiency and equity. This will enable Council's fees and charges to be transparent and be calculated on a consistent basis. Cost recovery means the recuperation of all costs associated with

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Responsible Division	(Insert Division Name)	Approved Date	(day, month, Year)	Review Date	(month & year)
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Fees & Charges Pricing Policy

those services or products. In addition to the costs directly associated with the service, full cost includes an appropriate allocation of indirect costs or overheads.

The method used to allocate these expenses is based on the Municipal Association of Victoria Overhead Model. This is to be done in conjunction with the Financial Services unit.

The overheads that Council will be apportioning include:

- Buildings and Equipment
- Finance
- Human Resources / Payroll / OHS & Training
- Information Systems
- Insurance
- Utilities
- Advertising
- Management

5.4. Market Pricing

The setting of market pricing will be undertaken in accordance with Competitive Neutrality Policy, National Competition Policy principles and the Trade Practices Act.

If a market price, less than full cost recovery is contemplated, Council should review whether it should provide the service, or reconsider whether there is a community service obligation.

5.5. Community Organisation Concessional Fees & Charges for Hall and Venue Hire

To deliver appropriate community outcomes, Council will continue to provide concessional fees for each service. These fees will be determined by taking the following into account:

- Type of service being provided;
- Balancing individual and community benefit;
- Users' ability to pay;
- Market pricing - the pricing of comparable services offered by other providers; and
- Competitive neutrality (where relevant).

Council recognises the role that community organisations and in particular schools, play in strengthening and providing benefit within the community. It is appropriate

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Responsible Division	(Insert Division Name)	Approved Date	(day, month, Year)	Review Date	(month & year)
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Fees & Charges Pricing Policy

that Council not only provides concessional fees and charges but also has the ability to subsidise fees and charges payable by community organisations.

The standard concessional discount for community groups will apply to all hall and venue hire fees. The discount is 60% off the standard fee as adopted in the Fees and Charges schedule for hall and venue hire. The discount is available to any community groups based within Latrobe City Council municipality or that provide services or benefits to the Latrobe City community such as:

- Sporting Clubs
- Schools
- Not for Profit Organisations
- Historical Societies
- Senior Citizen Groups

The concessional fee arrangements will apply to all halls and venues including the following:

- Newborough Hall
- Moe Town Hall
- Latrobe Performing Arts Centre, and
- Kernot Hall

All halls and venues eligible for the Community Organisation Concessional Fees and Charges will be identified in the adopted Fees and Charges Schedule of Council.

Concessional fee arrangements do not apply to the following due to full subsidy (no charge) arrangements already being in place for community groups:

- Senior Citizens Centres
- Churchill Hub meeting rooms, and
- Moe Place meeting rooms

Ancillary hire costs such as lighting, sound equipment and technicians are not covered by any concessional fees.

Under no circumstances will concessional fees be made available where a grant has been provided by Council for the purpose of subsidising hall and venue hire fees. For instance where an Eisteddfod receives a grant intended to assist with venue or hall hire costs in part, or in full, the Concessional Discounts for Community Groups will not apply.

6. Accountability and Responsibility

Accountability and responsibility for this policy is outlined below.

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Responsible Division	(Insert Division Name)	Approved Date	(day, month, Year)	Review Date	(month & year)
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Fees & Charges Pricing Policy

6.1. Council

- Responsibility to ensure this Policy is consistent with Latrobe City Council Strategic Direction and other Latrobe City Council Policy
- Responsibility for the decision to approve this Policy by Council Resolution

6.2. Chief Executive Officer

- Overall responsibility for compliance with this policy
- Overall responsibility for enforcing accountability
- Overall responsibility for providing resources
- Overall responsibility for performance monitoring

6.3. General Manager

- Responsibility for compliance with this policy
- Responsibility for enforcing accountability
- Responsibility for providing resources
- Responsibility for performance monitoring

6.4. Manager

- Develop frameworks and procedures in compliance with this policy
- Enforce responsibilities to achieve compliance with frameworks and procedures
- Provide appropriate resources for the execution of the frameworks and procedures

6.5. Employees, Contractors and Volunteers

- Participate where required in the development of frameworks and procedures in compliance with this policy.
- Comply with frameworks and procedures developed to achieve compliance with this policy.

7. Evaluation and Review

This policy will be reviewed on request of Council, in the event of significant change in the Executive team, significant changes to legislation applicable to the subject matter of the policy or, in any other case, during each Council term (generally four years).

8. Definitions

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Responsible Division	(Insert Division Name)	Approved Date	(day, month, Year)	Review Date	(month & year)
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Fees & Charges Pricing Policy

Ancillary Costs – Costs related to Venue Hire such as technicians, lighting, test & tag of electrical items, public liability insurance.

Direct cost - Costs that can be readily attributed to a product or service because they are incurred for that particular service i.e. Labour.

Commercial Use - regular ongoing hire/use where an entry/participation fee is charged or the hirer is using the facility for personal/commercial gain.

Community Organisation – a formal or informal organisation that relies on volunteer labour to deliver community benefit and does not distribute profits to members or shareholders.

Competitive neutrality - A policy principle that involves achieving fair market environment by removing or offsetting any competitive advantages due to public ownership or government businesses.

Indirect cost - Costs that are not directly attributable to the production to an activity – often referred to as overheads.

National Competition Policy - Federal policy agreed to by the states of Australia. The main aim of the policy is improved economic efficiency through greater competition.

Not-for-Profit Organisation – an organisation which is Incorporated and registered as a not-for-profit organisation and does not fit the definition of a community organisation.

Off-Peak Hire - Hire of halls and venues occurring during Monday to Thursday excluding Public Holidays.

Services - Where the term “services” is used, it also includes any goods Council provides.

Statutory Pricing - These prices are set by legislation. For some fees and charges Council's role is to administer services and apply fees set or controlled under statute or funding agreement. These fees may only provide a partial recovery of the cost of providing the service.

9. Related Documents

Rating of Social and Sporting Clubs Policy 11 POL-4

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Responsible Division	(Insert Division Name)	Approved Date	(day, month, Year)	Review Date	(month & year)
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Fees & Charges Pricing Policy

Sporting Reserves, Pavilions and Recreational Facilities Policy 12 POL-5

Public Meeting Facilities Policy 11 POL-4

10. Reference Resources

Local Government Act 1989

11. Appendices

11.1. Applicable scenarios for Council Pricing

11.1.1. Full Council Subsidy Pricing

The types of facilities usage that would be included under full subsidy pricing include those that have no fee charged to Community and School groups such as:

- Daytime use of Loy Yang Power Latrobe Community Sound Shell and meeting Rooms at Churchill Hub, Moe Place for Community and Not For Profit Groups;
- Inter Library Loan Fees with Other Victorian Public Libraries;
- Disabled parking permits free of charge for the First Permit;
- Spectators to regular competitions at Sports Stadiums;
- Boat Launching at Lake Narracan for Latrobe City residents; and
- Casual use of the grounds / reserves by schools including bins, toilets & utility costs.

11.1.2. Full Cost Recovery

Examples of full cost recovery include the application of Commercial rates on items such as:

- Airport Annual Licence Fees
- Studio Workshop rental at Latrobe Regional Gallery
- Provision of traffic management related to Road Occupations
- Commercial hire of venues

11.1.3. Concessional Fees

Examples can include:

- Sports grounds hire that is based on recovering a proportion of costs associated with maintenance, such as mowing and materials associated with renovation between sports seasons to ensure they are fit for purpose;
- School hire of the Performing Arts Centre. Venue hire concessional fee but not any ancillary costs.

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Responsible Division	(Insert Division Name)	Approved Date	(day, month, Year)	Review Date	(month & year)
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Fees & Charges Pricing Policy

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Responsible Division	(Insert Division Name)	Approved Date	(day, month, Year)	Review Date	(month & year)
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Cr Alan McFarlane declared an indirect interest under Section 78 of *The Local Government Act 1989* in respect to the following item

Cr Alan McFarlane left the meeting, the time being 06:36 pm

17.2 Draft Council Plan 2017-2021 and Strategic Resource Plan

General Manager

Corporate Services

For Decision

EXECUTIVE SUMMARY

This report seeks Council's approval to release the proposed Council Plan 2017-2021 and Strategic Resource Plan for public comment.

This enables Council to meet its obligations under the *Local Government Act 1989 (the Act)* and the objectives of the Council's Community Engagement Plan.

MOTION

Moved: Cr Middlemiss

Seconded: Cr Gibson

That Council confirms the proposed Salaries and Wages in the Early Learning and Care service to be included within the Strategic Resource Plan.

CARRIED UNANIMOUSLY

Cr Alan McFarlane returned to the meeting, the time being 06:37 pm

MOTION

Moved: Cr Middlemiss

Seconded: Cr Law

That Council:

- 1. Releases the proposed Council Plan 2017-2021 and Strategic Resource Plan for public comment;**
- 2. Authorises the Chief Executive Officer to:**
 - a) give public notice of the proposed Council Plan 2017-2021 and the Strategic Resource Plan in accordance with section 223 of the *Local Government Act 1989*;**
 - b) make the proposed Council Plan 2017-2021 and Strategic Resource Plan available for inspection at Council Headquarters, Service Centres and on Council's website;**
- 3. Hears any submissions in relation to the proposed Council Plan 2017-2021 and Strategic Resource Plan in accordance with section 223 of the *Local Government Act 1989* at the Ordinary Meeting of Council to be held on Monday 29 May 2017; and**
- 4. Gives notice of its intention to adopt the proposed Council Plan 2017-2021 and Strategic Resource Plan at the Ordinary Meeting of Council to be held on Monday 19 June 2017 at the Corporate Headquarters, Morwell.**

CARRIED UNANIMOUSLY

DECLARATION OF INTERESTS

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

DISCUSSION

In accordance with Section 125 of the *Local Government Act 1989*, Council must prepare a Council Plan and Strategic Resource plan within the period of 6 months after each general election or by the next 30 June.

This report forms part of the statutory process for the adoption of the 2017-2021 Council Plan and Strategic Resource Plan and complies with Section 223 of *the Act* which requires Council to give public notice that it has prepared a proposed Council Plan and Strategic Resource Plan.

The Act also requires that copies of the proposed Council Plan and Strategic Resource Plan are made available for public inspection for at least 28 days after the publication of the notice at the Council office and district offices and that it is also published on Council's website during this time.

Under Section 223 of *the Act* a person also has the right to make a submission on the proposed Council Plan and Strategic Resource Plan. Section 223 further requires that the public notice must specify the date that submissions will be received until, and state that any person making a submission is entitled to request in the submission that the person wishes to appear in person, or to be represented by a person specified in the submission, at a meeting to be heard in support of the submission.

Councillors have developed the proposed Council Plan 2017-2021 through a series of workshops. The resulting proposed Council Plan and Strategic Resource Plan meet the requirements set out in section 125 of the *Local Government Act 1989* which state that a Council Plan must include:

- the strategic objectives of the Council
- strategies for achieving the objectives for at least the next four years
- strategic indicators for monitoring the achievements of the objectives
- a Strategic Resource Plan

The information making up the Strategic Resource Plan (a four year view of the budget) is also provided within the draft Budget document, however it is also required to be produced alongside the Council Plan.

STAKEHOLDER CONSULTATION

Community engagement will commence once the Proposed Council Plan and Strategic Resource Plan are released to the public under a resolution of Council.

FINANCIAL AND RESOURCES IMPLICATIONS

Costs associated with the statutory process are officers' time and resources in the preparation of Council reports and the cost of public notices in the Latrobe Valley Express inviting submissions.

RISK IMPLICATIONS

Non-compliance with the *Local Government Act 1989* is identified as a risk. This report begins the process to ensure Council meets the requirements of *the Act*.

CONCLUSION

The proposed Council Plan 2017-2021 and Strategic Resource Plan have been developed in accordance with *the Act*, and it is recommended that the documents be released for public comment, as per the requirements of *the Act*.

SUPPORTING DOCUMENTS

Nil

Attachments

- 1↓ . Proposed Council Plan
- 2↓ . Proposed Strategic Resource Plan

17.2

Draft Council Plan 2017-2021 and Strategic Resource Plan

- 1 Proposed Council Plan 227**
- 2 Proposed Strategic Resource Plan 229**

OBJECTIVE	MEASURE	STATUS
OBJECTIVE 1 Full creation and industry diversification to enable net growth in Lantana City	<p>MEASURE</p> <p>Learning approval assessed within 60 days</p> <p>Utilisation rate of Council's Pre-school and Child Care services above the Economic Development Strategy - 100%</p> <p>Number of major events held in Lantana City Council that have net economic and tourism impacts</p>	<p>85%</p> <p>100%</p> <p>100%</p>
OBJECTIVE 2 High standard education & training outcomes in Lantana City	<p>MEASURE</p> <p>Utilisation rate of Council's Pre-school and Child Care services below membership as a proportion of the Lantana population under of 16 years of age</p>	<p>100%</p> <p>100%</p>
OBJECTIVE 3 The flexibility and connectivity of Lantana City	<p>MEASURE</p> <p>Connect community participation with Council's physical space</p> <p>Completion of works requests relating to the physical maintenance of Council assets</p> <p>Delivery of the corridor precinct structure plan for Maxwell Heritage corridor</p>	<p>100%</p> <p>100%</p> <p>100%</p>
OBJECTIVE 4 The amenity and accessibility of Council services	<p>MEASURE</p> <p>Increased satisfaction with Council services</p> <p>Number of digital services available to the community</p> <p>Delivery of the Customer Experience Strategy that respond direct to service requests</p>	<p>100%</p> <p>100%</p> <p>100%</p>

OBJECTIVE	MEASURE	STATUS
OBJECTIVE 5 Provide a secure and engaged and safe community environment within & improving the well-being of all Lantana City citizens	<p>MEASURE</p> <p>Public participation in Council hosted community forums</p> <p>Council presence at community hosted forums</p> <p>Utilisation rate of Council's Recreational and Leisure services</p> <p>Participation rate</p> <p>Community attendance at Council's Sporting Committee Group meeting</p> <p>Attendance at Lantana City Council's leisure facilities</p> <p>Attendance at Council's major cultural facilities (RPS and LMC)</p> <p>Public administration received</p> <p>Number of visitors and visitors community groups accessing Council's senior citizens centres</p> <p>Community Satisfaction Results - response to direct wellbeing related services</p> <p>Council committee position holding rate of community members</p> <p>Council committee attendance rate of community members</p> <p>Municipal Public Health and Wellbeing Plan reviewed annually</p> <p>Community Satisfaction survey result - Satisfaction Performance goal for Community Engagement</p>	<p>100%</p> <p>100%</p> <p>100%</p> <p>100%</p> <p>100%</p> <p>100%</p> <p>100%</p> <p>100%</p> <p>100%</p> <p>100%</p> <p>100%</p> <p>100%</p>
OBJECTIVE 6 Ensure Council operates safely, transparently and responsibly	<p>MEASURE</p> <p>Cost the number of disclosure made in closed Council sessions</p> <p>TIIPPI financial ratios</p> <p>Completion of value of life cases in financial decision</p> <p>Asset management plans for major asset categories in place</p>	<p>100%</p> <p>100%</p> <p>100%</p> <p>100%</p>
OBJECTIVE 7 Grow the role and profile of our municipality and solidify Lantana City's image as a key regional city	<p>MEASURE</p> <p>No. of major events held in Lantana City Council that have clear economic and tourism impacts</p> <p>Social Media Marketing - Community Generated results</p>	<p>100%</p> <p>100%</p>

LANTANA CITY COUNCIL
141 COMMERCIAL ROAD HIDEWELL


PHONE: 1300 827 780

WEBSITE: www.lantana.qld.gov.au/council

EMAIL: lan@lantana.qld.gov.au

Facebook: [lantana](https://www.facebook.com/lantana)

This document was adopted in June 2017 by Lantana City Council. To obtain this information in languages other than English, or in other formats, please contact Lantana City Council on 1300 827 780.





COUNCIL PLAN

2017-2021

The Council Plan is supported by the Strategic Resource Plan and the Annual Action Plan. The Council Action Plan is developed and adopted alongside the annual budget and outlines the major initiatives to be undertaken each year.

For a copy of the current Strategic Resource Plan or the Annual Action Plan go to www.lantana.qld.gov.au or call 1300 827 780.

or understanding that Latrobe City's community is in significant economic and social transition.

Councillors are asked to think about and act on the core of debating on its responsibility for the wellbeing, prosperity and good governance of the municipality, the arts and resources of Council should form a common focus on employment, economic growth, livability, and a connected Latrobe City.

Whether these areas of endeavour will power and position the community to pursue its aspirations, be proactive in determining its collective future state, and reach our full potential as a regional city of integrity and excellence – based firmly in a shared understanding of the values, principles and aspirations of what we want to become.

01

MISSIONS
What the Council and Citizens do together to do.

02

STRATEGIES
The approach we should undertake where the Council focuses its resources to do so.

03

INDICATORS
What the Council will track and measure the achievement of its Strategic Objectives.



STRATEGIES

1. Pursue the funding and implementation of the strategic land transition projects.
2. Deliver Council's Business Development Strategy including:
 - Advocate to attract value adding, medium sized businesses to Latrobe City
 - Supporting small business.
3. Provide support for the established major industries in Latrobe City:
 - Developing Council's position on power stations and coal use
 - Explore economic opportunities in waste and recycling
 - Advocating for the innovative use of our local natural resources (timber, paper, brown coal, thermal, agriculture etc)
4. Advocate for the improved passenger and freight rail and bus transport services as well as for the delivery of the key infrastructure to support better rail services including improved car parking at railway stations.
5. Support improved education outcomes through direct delivery of early learning education services and advocacy with local education and training providers to provide education offerings that create a skills base aligned with our future economy.
6. Improve volunteer participation across the community incorporating a focus on youth volunteer opportunities.
7. Enhance Council's engagement with the community to better understand the community's priorities.
8. Develop projects that will enable the joining up of Latrobe City and realign our position as a regional city.
9. Implement a town planning regime which facilitates appropriate urban growth, industry diversification, feasibility and connectivity of Latrobe City.
10. Promote and attract Latrobe City to support economic growth through tourism, community and cultural events and recreation.
11. Improve the amenity and attractiveness of Latrobe City's town centres and public spaces to enhance community pride.
12. Provide amenity infrastructure that supports recreation and connectivity including sporting facilities, pathways and community gardens.
13. Develop Council's long-term financial plan and asset management plan to ensure that Council remains financially sustainable.

	Support job creation and industry diversification to enable economic growth in Latrobe City.	Encourage improved education & training outcomes in Latrobe City.	Improve the livability and connectivity of Latrobe City.	Improve the amenity and accessibility of Council services.	Provide a connected, engaged and safe community environment, which is improving the wellbeing of all Latrobe City citizens.	Ensure Council operates openly, transparently and responsibly.	Grow the civic pride of a municipality and solidify Latrobe City's image as a top regional city.
1. Pursue the funding and implementation of the strategic land transition projects.	✓		✓		✓		✓
2. Deliver Council's Business Development Strategy including: - Advocate to attract value adding, medium sized businesses to Latrobe City - Supporting small business.	✓	✓					
3. Provide support for the established major industries in Latrobe City: - Developing Council's position on power stations and coal use - Explore economic opportunities in waste and recycling - Advocating for the innovative use of our local natural resources (timber, paper, brown coal, thermal, agriculture etc)	✓		✓				
4. Advocate for the improved passenger and freight rail and bus transport services as well as for the delivery of the key infrastructure to support better rail services including improved car parking at railway stations.	✓	✓	✓		✓		✓
5. Support improved education outcomes through direct delivery of early learning education services and advocacy with local education and training providers to provide education offerings that create a skills base aligned with our future economy.	✓		✓		✓		
6. Improve volunteer participation across the community incorporating a focus on youth volunteer opportunities.			✓	✓	✓		
7. Enhance Council's engagement with the community to better understand the community's priorities.			✓	✓	✓	✓	✓
8. Develop projects that will enable the joining up of Latrobe City and realign our position as a regional city.	✓		✓	✓	✓		✓
9. Implement a town planning regime which facilitates appropriate urban growth, industry diversification, feasibility and connectivity of Latrobe City.	✓		✓	✓	✓		✓
10. Promote and attract Latrobe City to support economic growth through tourism, community and cultural events and recreation.	✓		✓	✓	✓		✓
11. Improve the amenity and attractiveness of Latrobe City's town centres and public spaces to enhance community pride.			✓	✓	✓		✓
12. Provide amenity infrastructure that supports recreation and connectivity including sporting facilities, pathways and community gardens.			✓	✓	✓		✓
13. Develop Council's long-term financial plan and asset management plan to ensure that Council remains financially sustainable.						✓	

LatrobeCity

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STRATEGIC RESOURCE PLAN

2017-2021



The Strategic Resource Plan identifies the resources that will be required by Latrobe City Council over the next four years for the implementation of the Council Plan 2017-2021.



Comprehensive Income Statement

For the four years ending 30 June 2021

	2017/18	2018/19	2019/20	2020/21
	\$'000	\$'000	\$'000	\$'000
Income				
Rates and charges	76,869	78,659	80,485	82,346
Grants - Operating	22,889	23,118	23,349	23,582
Grants - Capital	5,307	11,192	11,192	1,192
Statutory Fees & Fines	2,184	2,228	2,272	2,318
User Charges	14,566	14,857	15,154	15,458
Contributions - Monetary	510	92	94	96
Contributions - Non-Monetary	3,000	3,000	3,000	3,000
Net gain on disposal of property, infrastructure, plant & equip.	0	0	0	0
Other Income	3,688	3,762	3,837	3,914
Total income	129,013	136,908	139,383	131,906
Expenses				
Employee costs	55,453	57,393	59,403	61,482
Materials and services	34,500	35,190	35,894	36,612
Bad and doubtful debts	12	13	13	14
Depreciation and amortisation	24,969	25,284	25,772	26,269
Borrowing Costs	742	753	690	606
Other Expenditure	3,249	3,314	3,380	3,448
Total expenses	118,925	121,947	125,152	128,431
Surplus / (deficit) for the year	10,088	14,961	14,231	3,475
Other comprehensive income				
Net Asset Revaluation movement	23,468	23,899	24,737	25,518
Total comprehensive result	33,556	38,860	38,968	28,993

The Standard Income Statement shows what is expected to happen over the next four years in terms of revenues, expenses and other gains/losses.

The 'bottom line' shows the movement in Council's financial position during the next four years which is reflected in the movement in net assets/total equity in the Standard Balance Sheet.

Key Assumptions

- The wage rate rise each year is 3.00% p.a. as per the current Enterprise Bargaining Agreement, which was renewed in 2015/16. An additional allowance for banding increments of 0.5% is assumed.
- Overall rates and charges will increase by 2.35% in 2017/18 raising total rates of \$76.869 million, including \$0.300 million generated from supplementary rates. General rates and municipal charge increase by 2.0% or \$1.088 million while garbage charges increase by \$6.00 per service which equates to 1.90% or \$0.208 million. In addition the State Government imposed Landfill levy increases by 2.00%. In the following 3 years rates are projected to increase by 2.0% per annum based on the current rate cap under the Fair Go Rate System.
- User charges will increase by 2.0 percent annually in accordance with CPI.
- Recurrent operating grants and contributions are increased by 1.0 percent annually (CPI less 1%) except where actual funding is already known.
- Materials and consumables will increase by 2.0 percent annually.
- Finance costs vary according to Council's loan repayment schedules and for new borrowings, an interest rate of 5.0 percent is assumed.
- Projected increases in net surplus from operations will primarily be used to meet the requirements in capital renewal to address the projected infrastructure gap.

Balance Sheet

For the four years ending 30 June 2021

	2017/18	2018/19	2019/20	2020/21
	\$'000	\$'000	\$'000	\$'000
Assets				
Current assets				
Cash and cash equivalents	13,418	15,340	11,236	15,140
Trade and other receivables	7,191	7,763	7,865	7,422
Other financial assets	40,000	40,000	40,000	40,000
Financial Assets	2,244	2,244	2,244	2,244
Total current assets	62,853	65,347	61,345	64,806
Non-current assets				
Property, infrastructure, plant and equipment	1,204,092	1,240,413	1,275,113	1,303,295
Other financial assets	2	2	2	2
Intangible assets	1,275	375	1,175	275
Total non-current assets	1,205,369	1,240,790	1,276,290	1,303,572
Total assets	1,268,222	1,306,137	1,337,635	1,368,378
Liabilities				
Current liabilities				
Trade and other payables	6,510	6,581	6,706	6,871
Provisions	14,861	16,211	14,677	16,159
Interest bearing loans and borrowings	1,593	9,642	1,130	1,234
Trust funds & deposits	2,777	2,833	2,889	2,947
Total current liabilities	25,741	35,267	25,402	27,211
Non-current liabilities				
Provisions	19,124	13,295	14,169	12,346
Interest bearing loans and borrowings	15,038	10,397	11,917	13,683
Total non-current liabilities	34,162	23,692	26,086	26,029
Total liabilities	59,903	58,959	51,488	53,240
Net Assets	1,208,319	1,247,178	1,286,146	1,315,138
Equity				
Accumulated surplus	674,896	689,765	703,902	707,280
Asset revaluation reserve	530,034	553,932	578,669	604,187
Other Reserves	3,389	3,481	3,575	3,671
Total equity	1,208,319	1,247,178	1,286,146	1,315,138

The Standard Balance Sheet provides a snapshot of the Council's expected financial position at the end of each of the next four years. The 'bottom line' of this statement is net assets/total equity which is the net worth of Council.

The change in net assets/total equity is the result of the total comprehensive result shown in the Standard Income Statement.

Statement of Changes in Equity

For the four years ending 30 June 2021

	Total \$'000	Accumulate d Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2016/17				
Balance at beginning of the financial year	1,174,763	664,899	506,566	3,298
Surplus for the year	10,088	10,088	0	0
Net asset revaluation increment	23,468	0	23,468	0
Transfer to reserves	0	(90)	0	90
Transfer from reserves	0	0	0	0
Balance at end of the financial year	1,208,319	674,897	530,034	3,389
2017/18				
Balance at beginning of the financial year	1,208,319	674,896	530,034	3,389
Surplus for the year	14,961	14,961	0	0
Net asset revaluation increment	23,899	0	23,899	0
Transfer to reserves	0	(92)	0	92
Transfer from reserves	0	0	0	0
Balance at end of the financial year	1,247,178	689,765	553,933	3,481
2018/19				
Balance at beginning of the financial year	1,247,178	689,765	553,932	3,481
Surplus for the year	14,231	14,231	0	0
Net asset revaluation increment	24,737	0	24,737	0
Transfer to reserves	0	(94)	0	94
Transfer from reserves	0	0	0	0
Balance at end of the financial year	1,286,145	703,902	578,669	3,575
2019/20				
Balance at beginning of the financial year	1,286,146	703,902	578,669	3,575
Surplus for the year	3,475	3,475	0	0
Net asset revaluation increment	25,518	0	25,518	0
Transfer to reserves	0	(96)	0	96
Transfer from reserves	0	0	0	0
Balance at end of the financial year	1,315,139	707,281	604,187	3,671

Statement of Cash Flows

For the four years ending 30 June 2021

	2017/18	2018/19	2019/20	2020/21
	\$'000	\$'000	\$'000	\$'000
	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities				
Rates and charges	76,528	80,249	82,171	84,534
Grants - operating	22,888	23,585	23,838	24,209
Grants - capital	5,307	11,418	11,426	1,224
Statutory Fees & Fines	2,184	2,273	2,320	2,379
User Charges	14,766	15,158	15,472	15,868
Interest	1,448	1,477	1,507	1,537
Contributions - monetary	510	92	94	96
Other Receipts	2,240	2,333	2,381	2,443
Net GST refund/payment	0	3,968	4,170	3,553
Employee costs	(55,098)	(59,126)	(61,144)	(63,240)
Materials and services	(34,168)	(36,584)	(37,285)	(38,005)
Trust Funds and Deposits	(54)	56	57	58
Other Payments	(7,074)	(8,445)	(6,411)	(4,479)
Net cash from operating activities	29,477	36,454	38,596	30,177
Cash flows from investing activities				
Proceeds from property, plant and equipment	467	514	514	514
Proceeds from sale of investments	0	0	0	0
Payments for property, plant and equipment	(28,576)	(37,700)	(35,532)	(28,050)
Net cash used in investing activities	(28,109)	(37,186)	(35,018)	(27,536)
Cash flows from financing activities				
Finance costs	(742)	(753)	(690)	(607)
Proceeds from borrowings	2,350	5,000	2,650	3,000
Repayment of borrowings	(1,869)	(1,593)	(9,642)	(1,130)
Net cash provided by (used in) financing activities	(261)	2,654	(7,682)	1,263
Net increase/(decrease) in cash & cash equivalents	1,107	1,922	(4,104)	3,904
Cash & cash equivalents at beginning of year	12,311	13,418	15,340	11,236
Cash & cash equivalents at end of year	13,418	15,340	11,236	15,140

The Standard Cash Flow Statement shows the expected movement in cash over the next four years.

- The net cash flows from operating activities shows the expected cash available after providing services to the community. Surplus funds have been allocated to fund ongoing capital requirements.

- The increase in the 'cash held' forecast in 2017/18 is principally a result of funding generated to meet future obligations e.g. landfill development and rehabilitation and repayment of 'interest only' borrowings.

Statement of Capital Works

For the four years ending 30 June 2021

	2017/18	2018/19	2019/20	2020/21
	\$'000	\$'000	\$'000	\$'000
Property				
Land	0	0	0	0
Buildings	7,520	18,844	15,378	7,048
Heritage Buildings	196	0	0	0
Total Property	7,716	18,844	15,378	7,048
Plant and Equipment				
Plant, Machinery & Equipment	1,652	1,617	1,617	1,617
Fixtures, Fittings & Furniture	10	10	10	10
Computers & Telecommunications	469	600	600	600
Artworks	15	15	15	15
Total Plant and Equipment	2,146	2,242	2,242	2,242
Infrastructure				
Roads	10,415	9,975	9,975	9,975
Footpaths & Cycleways	5,000	1,637	1,637	1,637
Bridges & Culverts	940	300	650	300
Off Street Carparks	125	130	130	130
Drainage	725	700	700	700
Recreational, Leisure & Community Facilities	0	0	0	0
Parks, Open Space & Streetscapes	610	445	590	468
Waste Management	900	0	1,000	3,000
Other Infrastructure	0	0	0	0
Total Infrastructure	18,715	13,187	14,682	16,210
Total capital works expenditure	28,576	34,273	32,302	25,500
Represented by:				
New asset expenditure	7,432	15,572	13,255	3,623
Asset renewal expenditure	18,687	16,862	17,380	19,964
Asset expansion expenditure	525	762	762	762
Asset upgrade expenditure	1,932	1,077	905	1,151
Total capital works expenditure	28,576	34,273	32,302	25,500

Statement of Human Resources

For the four years ending 30 June 2021

	2017/18	2018/19	2019/20	2020/21
	\$'000	\$'000	\$'000	\$'000
Staff expenditure				
Employee costs - operating	55,453	57,393	59,403	61,482
Employee costs - capital	1,235	1,525	1,431	1,108
Total staff expenditure	56,688	58,918	60,834	62,590
	FTE	FTE	FTE	FTE
Staff numbers				
Employees	547.2	547.2	547.2	547.2
Total staff numbers	547.2	547.2	547.2	547.2

Other Information

For the four years ended 30 June 2021

1. Summary of planned capital works expenditure

	Asset Expenditure Types					Funding Sources				
	Total \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Total \$'000	Grants \$'000	Contributions \$'000	Council Cash \$'000	Borrowings \$'000
2017/18										
Property										
Land	0	0	0	0	0	0	0	0	0	0
Buildings	7,520	3,952	2,957	611	0	7,520	650	420	4,100	2,350
Building Improvements	0	0	0	0	0	0	0	0	0	0
Heritage Buildings	196	0	0	196	0	196	0	0	196	0
Total Property	7,716	3,952	2,957	807	0	7,716	650	420	4,296	2,350
Plant and Equipment										
Plant, Machinery & Equipment	1,652	0	1,652	0	0	1,652	0	0	1,652	0
Fixtures, Fittings & Furniture	10	0	10	0	0	10	0	0	10	0
Computers & Telecommunications	469	0	469	0	0	469	0	0	469	0
Artworks	15	15	0	0	0	15	0	0	15	0
Total Plant and Equipment	2,146	15	2,131	0	0	2,146	0	0	2,146	0
Infrastructure										
Roads	10,415	0	10,090	325	0	10,415	1,192	0	9,223	0
Footpaths & Cycleways	5,000	3,465	1,135	400	0	5,000	3,465	0	1,535	0
Bridges & Culverts	940	0	940	0	0	940	0	0	940	0
Off Street Carparks	125	0	50	75	0	125	0	0	125	0
Drainage	725	0	200	0	525	725	0	0	725	0
Recreational, Leisure & Community Facilities	0	0	0	0	0	0	0	0	0	0
Parks, Open Space & Streetscapes	610	0	285	325	0	610	0	0	610	0
Waste Management	900	0	900	0	0	900	0	0	900	0
Other Infrastructure	0	0	0	0	0	0	0	0	0	0
Total Infrastructure	18,715	3,465	13,600	1,125	525	18,715	4,657	0	14,058	0
Total capital works expenditure	28,576	7,432	18,687	1,932	525	28,576	5,307	420	20,500	2,350

1. Summary of planned capital works expenditure (continued)

	Asset Expenditure Types					Funding Sources				
	Total \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Total \$'000	Grants \$'000	Contributions \$'000	Council Cash \$'000	Borrowings \$'000
2018/19										
Property										
Land	0	0	0	0	0	0	0	0	0	0
Buildings	18,844	15,316	3,211	317	0	18,844	10,000	0	3,844	5,000
Building Improvements	0	0	0	0	0	0	0	0	0	0
Heritage Buildings	0	0	0	0	0	0	0	0	0	0
Total Property	18,844	15,316	3,211	317	0	18,844	10,000	0	3,844	5,000
Plant and Equipment										
Plant, Machinery & Equipment	1,617	0	1,617	0	0	1,617	0	0	1,617	0
Fixtures, Fittings & Furniture	10	0	10	0	0	10	0	0	10	0
Computers & Telecommunications	600	0	600	0	0	600	0	0	600	0
Artworks	15	15	0	0	0	15	0	0	15	0
Total Plant and Equipment	2,242	15	2,227	0	0	2,242	0	0	2,242	0
Infrastructure										
Roads	9,975	0	9,425	550	0	9,975	1,192	0	8,783	0
Footpaths & Cycleways	1,637	240	1,135	0	262	1,637	0	0	1,637	0
Bridges & Culverts	300	0	300	0	0	300	0	0	300	0
Off Street Carparks	130	0	130	0	0	130	0	0	130	0
Drainage	700	0	200	0	500	700	0	0	700	0
Recreational, Leisure & Community Facilities	0	0	0	0	0	0	0	0	0	0
Parks, Open Space & Streetscapes	445	0	235	210	0	445	0	0	445	0
Waste Management	0	0	0	0	0	0	0	0	0	0
Other Infrastructure	0	0	0	0	0	0	0	0	0	0
Total Infrastructure	13,187	240	11,425	760	762	13,187	1,192	0	11,995	0
Total capital works expenditure	34,273	15,572	16,862	1,077	762	34,273	11,192	0	18,081	5,000

1. Summary of planned capital works expenditure (continued)

	Asset Expenditure Types					Funding Sources				
	Total \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Total \$'000	Grants \$'000	Contributions \$'000	Council Cash \$'000	Borrowings \$'000
2019/20										
Property										
Land	0	0	0	0	0	0	0	0	0	0
Buildings	15,378	12,650	2,728	0	0	15,378	10,000	0	2,728	2,650
Building Improvements	0	0	0	0	0	0	0	0	0	0
Heritage Buildings	0	0	0	0	0	0	0	0	0	0
Total Property	15,378	12,650	2,728	0	0	15,378	10,000	0	2,728	2,650
Plant and Equipment										
Plant, Machinery & Equipment	1,617	0	1,617	0	0	1,617	0	0	1,617	0
Fixtures, Fittings & Furniture	10	0	10	0	0	10	0	0	10	0
Computers & Telecommunications	600	0	600	0	0	600	0	0	600	0
Artworks	15	15	0	0	0	15	0	0	15	0
Total Plant and Equipment	2,242	15	2,227	0	0	2,242	0	0	2,242	0
Infrastructure										
Roads	9,975	0	9,425	550	0	9,975	1,192	0	8,783	0
Footpaths & Cycleways	1,637	240	1,135	0	262	1,637	0	0	1,637	0
Bridges & Culverts	650	350	300	0	0	650	0	0	650	0
Off Street Carparks	130	0	130	0	0	130	0	0	130	0
Drainage	700	0	200	0	500	700	0	0	700	0
Recreational, Leisure & Community Facilities	0	0	0	0	0	0	0	0	0	0
Parks, Open Space & Streetscapes	590	0	235	355	0	590	0	0	590	0
Waste Management	1,000	0	1,000	0	0	1,000	0	0	1,000	0
Other Infrastructure	0	0	0	0	0	0	0	0	0	0
Total Infrastructure	14,682	590	12,425	905	762	14,682	1,192	0	13,490	0
Total capital works expenditure	32,302	13,255	17,380	905	762	32,302	11,192	0	18,460	2,650

1. Summary of planned capital works expenditure (continued)

	Asset Expenditure Types					Funding Sources				
	Total \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Total \$'000	Grants \$'000	Contributions \$'000	Council Cash \$'000	Borrowings \$'000
2020/21										
Property										
Land	0	0	0	0	0	0	0	0	0	0
Buildings	7,048	3,367	3,313	368	0	7,048	0	0	4,048	3,000
Building Improvements	0	0	0	0	0	0	0	0	0	0
Heritage Buildings	0	0	0	0	0	0	0	0	0	0
Total Property	7,048	3,367	3,313	368	0	7,048	0	0	4,048	3,000
Plant and Equipment										
Plant, Machinery & Equipment	1,617	0	1,617	0	0	1,617	0	0	1,617	0
Fixtures, Fittings & Furniture	10	0	10	0	0	10	0	0	10	0
Computers & Telecommunications	600	0	600	0	0	600	0	0	600	0
Artworks	15	15	0	0	0	15	0	0	15	0
Total Plant and Equipment	2,242	15	2,227	0	0	2,242	0	0	2,242	0
Infrastructure										
Roads	9,975	0	9,425	550	0	9,975	1,192	0	8,783	0
Footpaths & Cycleways	1,637	240	1,135	0	262	1,637	0	0	1,637	0
Bridges & Culverts	300	0	300	0	0	300	0	0	300	0
Off Street Carparks	130	0	130	0	0	130	0	0	130	0
Drainage	700	0	200	0	500	700	0	0	700	0
Recreational, Leisure & Community Facilities	0	0	0	0	0	0	0	0	0	0
Parks, Open Space & Streetscapes	468	0	235	233	0	468	0	0	468	0
Waste Management	3,000	0	3,000	0	0	3,000	0	0	3,000	0
Other Infrastructure	0	0	0	0	0	0	0	0	0	0
Total Infrastructure	16,210	240	14,425	783	762	16,210	1,192	0	15,018	0
Total capital works expenditure	25,500	3,623	19,964	1,151	762	25,500	1,192	0	21,308	3,000

Summary of planned human resources expenditure

	2017/18	2018/19	2019/20	2020/21
	\$'000	\$'000	\$'000	\$'000
Office of the Chief Executive				
- Permanent full time	703	728	753	780
- Permanent part time	0	0	0	0
Total Office of the Chief Executive	703	728	753	780
City Development				
- Permanent full time	6,549	6,778	7,016	7,261
- Permanent part time	1,653	1,711	1,771	1,833
Total City Development	8,203	8,490	8,787	9,094
Corporate Services				
- Permanent full time	6,449	6,675	6,909	7,150
- Permanent part time	840	869	899	931
Total Corporate Services	7,289	7,544	7,808	8,081
Infrastructure & Recreation				
- Permanent full time	10,784	11,161	11,552	11,956
- Permanent part time	2,129	2,203	2,280	2,360
Total Infrastructure & Recreation	12,913	13,365	13,832	14,317
Community Services				
- Permanent full time	8,712	9,017	9,333	9,659
- Permanent part time	10,825	11,204	11,596	12,002
Total Community Services	19,537	20,221	20,929	21,661
Waste & Landfill				
- Permanent full time	831	860	890	921
- Permanent part time	0	0	0	0
Total Waste & Landfill	831	860	890	921
Capital Works				
- Permanent full time	1,235	1,525	1,431	1,108
- Permanent part time	0	0	0	0
Total Capital Works	1,235	1,525	1,431	1,108
Total casuals and other	5,977	6,186	6,402	6,626
Total staff expenditure	56,687	58,918	60,833	62,589
	FTE	FTE	FTE	FTE
Office of the Chief Executive				
- Permanent full time	5.0	5.0	5.0	5.0
- Permanent part time	-	-	-	-
Total Office of the Chief Executive	5.0	5.0	5.0	5.0
City Development				
- Permanent full time	64.0	64.0	64.0	64.0
- Permanent part time	20.9	20.9	20.9	20.9
Total City Development	84.9	84.9	84.9	84.9
Corporate Services				
- Permanent full time	63.4	63.4	63.4	63.4
- Permanent part time	8.3	8.3	8.3	8.3
Total Corporate Services	71.7	71.7	71.7	71.7
Infrastructure & Recreation				
- Permanent full time	117.0	114.6	116.0	118.7
- Permanent part time	28.2	28.2	28.2	28.2
Total Infrastructure & Recreation	145.2	142.8	144.2	146.9
Community Services				
- Permanent full time	89.5	89.5	89.5	89.5
- Permanent part time	101.1	101.1	101.1	101.1
Total Community Services	190.6	190.6	190.6	190.6
Waste & Landfill				
- Permanent full time	8.8	8.8	8.8	8.8
- Permanent part time	-	-	-	-
Total Waste & Landfill	8.8	8.8	8.8	8.8
Capital Works				
- Permanent full time	12.4	14.8	13.4	10.7
- Permanent part time	-	-	-	-
Total Capital Works	12.4	14.8	13.4	10.7
Total casuals and other	28.7	28.7	28.7	28.7
Total staff FTE	547.3	547.3	547.3	547.3

Financial Performance Indicators

The following table highlights Council's current and projected performance across a range of key financial performance indicators. These indicators provide a useful analysis of Council's financial position and performance and should be used in the context of the organisation's objectives.

Indicator	Measure	Budget 2017/18	Strategic Resource Plan Projections			Trend +/-
			2018/19	2019/20	2020/21	
Operating Position						
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	2.0%	1.5%	0.9%	0.3%	-
Liquidity						
Working Capital	Current assets / current liabilities	244.2%	185.3%	241.5%	238.2%	o
Unrestricted Cash	Unrestricted cash / current liabilities	28.2%	25.6%	18.8%	31.3%	+
Obligations						
Loans & Borrowings	Interest bearing loans and borrowings / rate revenue	21.6%	25.5%	16.2%	18.1%	+
Loans & Borrowings	Interest and principal repayments / rate revenue	3.4%	3.0%	12.8%	2.1%	+
Indebtedness	Non-current liabilities / own source revenue	35.1%	23.8%	25.6%	25.0%	+
Asset renewal	Asset renewal expenditure / depreciation	78.4%	69.2%	69.9%	78.7%	o
Stability						
Rates concentration	Rate revenue / adjusted underlying revenue	63.1%	63.5%	63.7%	63.9%	o
Rates effort	Rate revenue / property values (CIV)	0.7%	0.7%	0.7%	0.7%	o
Efficiency						
Expenditure level	Total expenditure / no. of assessments	\$3,122	\$3,201	\$3,285	\$3,371	-
Revenue level	Residential rate revenue / No. of residential assessments	\$1,608	\$1,640	\$1,673	\$1,706	+
Workforce turnover	No. of resignations & terminations / average no. of staff	11.5%	11.5%	11.5%	11.5%	o

Key to Forecast Trend:

- + Forecast improvement in Council's financial performance/financial position indicator
- o Forecasts that Council's financial performance/financial position indicator will be steady
- Forecast deterioration in Council's financial performance/financial position indicator

LATROBE CITY COUNCIL
141 COMMERCIAL ROAD MORWELL
PO BOX 264
MORWELL VIC 3840

PHONE: 1300 367 700
WEB: www.latrobe.vic.gov.au/councilplan
EMAIL: latrobe@latrobe.vic.gov.au
FACSIMILE: (03) 5128 5672
Facebook: [latrobecity](https://www.facebook.com/latrobecity)

Information within this document was correct at time of print
and is subject to change without prior notice.

Morwell Corporate Headquarters
141 Commercial Road, Morwell

Moe Service Centre
1-29 George Street, Moe

Traralgon Service Centre
34/38 Kay Street, Traralgon

Churchill and District Community Hub
9/11 Philip Parade, Churchill

To obtain this information in languages other than English, or in
other formats (including audio, electronic, Braille or large print),
please contact Latrobe City on 1300 367 700.



Cr Alan McFarlane declared an indirect interest under Section 78 of *The Local Government Act 1989* in respect to the following item.

Cr Alan McFarlane left the meeting, the time being 06:38 pm

17.3 2017/18 Draft Budget (Including Fees & Charges)

General Manager

Corporate Services

For Decision

EXECUTIVE SUMMARY

This report seeks Council's approval to release for community comment the draft 2017/2018 Budget (the draft budget) and to exhibit the draft Rating Strategy alongside the budget.

This enables Council to meet its obligations under the *Local Government Act 1989 (the Act)* and the objectives of Council's Community Engagement Plan.

The draft budget has been prepared on the basis of a 2.0% plus growth increase in overall rates & charges (excluding payments made in lieu of rates) which is in accordance with the State Government's cap on rates. This provides for the continued delivery of services at current levels, whilst incorporating the proposed capital works program of \$37.347 million. New borrowings of \$2.35 million are proposed for the 2017/2018 financial year to undertake the detailed design of the Latrobe Creative Precinct.

The draft budget and rating strategy includes the addition of a new differential rate for derelict buildings which is proposed with the objective to promote the responsible management of land and buildings through the proper development and maintenance of such land and buildings so as not to pose a risk to public safety or adversely affect public amenity.

The draft budget document does not include projects associated with the funding recently announced by the State and Federal Governments, as accurate project timelines and operational impacts have not yet been established. It is proposed that Council will be kept informed of the proposed funding agreements through separate Council Reports once the detail of the project scopes and construction timelines have been accurately determined.

The draft budget has been developed in accordance with the Act, and it is recommended that the document be released for public submission, in line with the requirements of the Act.

MOTION

Moved: Cr Middlemiss

Seconded: Cr Clancey

That Council confirms the proposed Salaries and Wages in the Early Learning and Care service to be included within the 2017/2018 Budget.

CARRIED UNANIMOUSLY

Cr Alan McFarlane returned to the meeting, the time being 06:39 pm

MOTION

Moved: Cr Harriman

Seconded: Cr Law

That Council:

- 1. Confirms the proposed 2017/2018 Budget (including proposed fees and charges) annexed to this report as being the budget prepared by Council for the purposes of section 127 of the *Local Government Act 1989*;**
- 2. Authorises the Chief Executive Officer to:**
 - a. give public notice of the preparation of such budget in accordance with section 129 of the *Local Government Act 1989*;**
 - b. make such budget available for inspection at Council Headquarters, Service Centres and on Council's website;**
- 3. Exhibits the draft Rating Strategy alongside the draft budget**
- 4. Hears any submissions in relation to such budget made in accordance with section 129 of the *Local Government Act 1989* at the Ordinary Meeting of Council to be held on Monday 29 May 2017; and**
- 5. Gives notice of its intention to adopt such budget at the Ordinary Meeting of Council to be held on Monday 19 June 2017 at the Corporate Headquarters, Morwell.**

CARRIED UNANIMOUSLY

DECLARATION OF INTERESTS

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

DISCUSSION

In accordance with Section 127 of *the Act*, Council must prepare a budget for each financial year.

This report forms part of the statutory process for the adoption of the 2017/2018 Budget and complies with Section 129 of *the Act* which requires Council to give public notice that it has prepared a budget.

Furthermore *the Act* requires that copies of the proposed budget are made available for inspection for at least 28 days after the publication of the notice at the Council office and district offices and that it is also published on Council's website during this time.

Section 129 of *the Act* also states that a person has a right to make a submission under section 223 on any proposal contained in the proposed budget. Section 223 further requires that the public notice must specify the date that submissions will be received until, and state that any person making a submission is entitled to request in the submission that the person wishes to appear in person, or to be represented by a person specified in the submission, at a meeting to be heard in support of the submission.

The Local Government (Planning and Reporting) Regulations 2014 further require the public notice to contain the date on which Council will meet to adopt its budget. Under *the Act* this must be no later than 30 June of each year.

The draft budget proposes a 2.0% plus growth increase in general rates & charges. This is in accordance with the State Government imposed rate cap. Council previously resolved at the Ordinary Council Meeting on 5 December 2016 not to apply for a rate cap variation for the 2017/18 financial year.

The draft budget includes the addition of a new differential rate for derelict buildings which is proposed with the objective to promote the responsible management of land and buildings through the proper development and maintenance of such land and buildings so as not to pose a risk to public safety or adversely affect public amenity.

Council's Rating Strategy has also been updated to include the addition of the derelict building differential rate and it is proposed that this strategy will be adopted alongside the 2017/18 budget.

The draft budget provides for the continued delivery of services at current levels, whilst incorporating a capital works program of \$37.347 million.

With the state government cap on rates, together with the Federal Government's indexation freeze on Financial Assistance Grants and increasing pre-school and child care staffing ratio requirements over the past few years this has presented some significant challenges for Council to maintain its current services and a robust capital works program into the future. Additionally the closure of a electricity generation facility in the current year will likely provide financial challenges to the community and the Council over the coming years.

It should be noted council budgets must also take account of growth in service volumes, increases in wages, State and Commonwealth contributions that may be indexed below CPI, any expansion in the range of council responsibilities and changes in service standards and spending requirements for asset maintenance and renewal.

The draft budget proposes new borrowings of \$2.35 million to complete the design of the Latrobe Creative Precinct with further allowances for the construction phase in years two (\$5.0 million) and three (\$2.65 million) of the Strategic Resource Plan

2017-2021 (SRP). A further \$3.0 million of borrowings is projected in year four of the SRP to allow for future priority strategic capital projects e.g. Latrobe City Convention Centre or the Latrobe Regional Motorsports Complex. This level of borrowings will result in a decrease of \$1.234 million in Council borrowings over the four year period from the forecasted debt at the end of the 2016/2017 financial year mainly due to the scheduled repayment of a large interest only loan of \$8.2 million in 2019/20.

The draft budget document does not include projects associated with the funding recently announced by the State and Federal Governments, as accurate project timelines and operational impacts have not yet been established.

As these projects are fully funded they are unlikely to impact on Council's bottom line budget position during the construction phase, therefore it is proposed that Council will be kept informed of the proposed funding agreements through separate Council Reports once the detail of the project scopes and construction timelines have been accurately determined.

The proposed schedule of Fees and Charges have been prepared on the basis of estimated CPI increases (2.0%) and/or benchmark market rates and/or Victorian Government and statutory charges.

A significant number of Council's fees and charges require notice to be given to users. Undertaking community consultation over four weeks in April/May followed by adoption in early/mid-June, allows the required notice to be given for any changes to fees and charges in adequate time for implementation from 1 July 2017.

The full range of issues considered within the budget, are detailed in the attached budget document.

STAKEHOLDER CONSULTATION

Engagement to commence upon adoption of the reports recommendation.

FINANCIAL AND RESOURCES IMPLICATIONS

Costs associated with this statutory process are officers' time and resources in the preparation of Council reports and the cost of public notices in the Latrobe Valley Express inviting submissions.

RISK IMPLICATIONS

Non-compliance with financial framework or legislative requirements is identified as a risk. This report begins the process to ensure Council meets the requirements of *the Act*.

CONCLUSION

The draft 2017/2018 Budget (including proposed fees and charges) has been developed in accordance with *the Act*, and it is recommended that the document be released for public comment, as per the requirements of *the Act*.

Additionally, the draft Rating Strategy has been updated to incorporate the derelict properties differential rate, with this document to be exhibited alongside the budget document with the intension of it being adopted at the same meeting as the budget.

SUPPORTING DOCUMENTS

Nil

Attachments

- 1↓ . 2017/2018 Draft Budget
- 2↓ . Draft Rating Strategy

17.3

2017/18 Draft Budget (Including Fees & Charges)

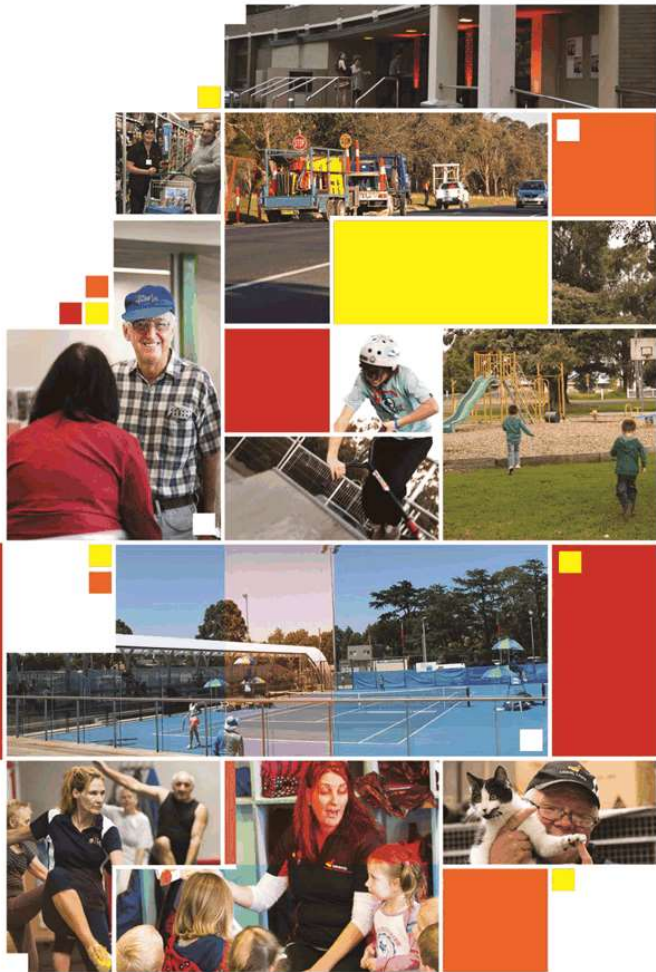
1	2017/2018 Draft Budget	249
2	Draft Rating Strategy	393

Latrobe City Council

DRAFT
**2017/2018
BUDGET**

This Budget Report has been prepared with reference to Chartered Accountants ANZ "Victorian City Council Model Budget 2017/2018" a best practice guide for reporting local government budgets in Victoria.

Adopted by Council: XXXXXXXXXX



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2017/18 Budget Executive Summary

Executive Summary

Under the Local Government Act 1989 ("The Act"), Council is required to prepare and adopt an annual budget. The budget is required to be adopted by 30 June each year.

This year represents the second year of a State Government imposed rate cap. The Minister for Local Government confirmed that rates are to be capped to 2.0% for the 2017/18 financial year in accordance with the new Fair Go Rates System (FGRS). The budget has been formulated in accordance with the directive of the Minister, with the general rate increase restricted to the nominated 2.0%.

A four year Strategic Resource Plan has been developed to assist Council in adopting a budget within a longer term prudent financial framework. The key objective of the Financial Plan is financial sustainability in the medium to long term, whilst still achieving the Council's strategic objectives as specified in the Council Plan and Latrobe 2026 Vision.

The 2017/18 budget presented in this report has been developed through a rigorous process of consultation and review with Council and Council officers. It is Council's opinion that the budget is financially responsible and contributes to the achievement of the Council Plan objectives and strategic directions included in the 2017-2021 Council Plan.

The 2017/18 Operating Budget predicts an operating surplus of \$10.088 million, after raising rates and charges of \$76.869 million and capital grants income of \$5.307 million. Excluding non recurrent capital funding and developer contributions, an underlying operating surplus of \$2.463 million is projected for 2017/18.

The budget includes a new differential rate for derelict buildings which is proposed with the objective to promote the responsible management of land and buildings through the proper development and maintenance of such land and buildings so as not to pose a risk to public safety or adversely affect public amenity.

It should be noted that the operating budget surplus shown is a result of non cash revenue (i.e. developer contributed assets) and income generated to fund expenditure items that are not recognised in the Income Statement (i.e. capital expenditure and the repayment of borrowings). On a cash basis Council budgets for a break even result therefore any cash remaining at the end of the budget period is the result of a number of factors such as government grant funds received in advance, funds required to be carried forward to complete unfinished projects and funds required to settle certain balance sheet liabilities e.g. Trade and other payables, Interest Bearing liabilities, Provisions and Trust funds and deposits.

Council operations are expected to be impacted by unavoidable increases in employee costs, electricity and gas prices. In addition revenue sources will be constrained by the capping of municipal rates at 2.0% as declared by the State Government. It is necessary to achieve income growth whilst containing costs in order to maintain a positive underlying operating position in 2017/18. Additionally the closure of a electricity generation facility in the current year will likely provide financial challenges to the community and the Council over the coming

2017/18 Budget Executive Summary

\$2.35M new borrowings are proposed in the 2017/18 budget year, whilst loan principal repayments for the year are expected to be \$1.869 million. As a result Council borrowings will increase from \$16.150 million to \$16.631 million at the end of the year.

The total capital expenditure program will be \$28.576 million, of which \$3.642 million relates to projects which will be carried forward from the 2016/17 year. Any further carried forward projects will be fully funded from the 2016/17 budget. Of the \$28.576 million of capital funding required, \$20.500 million will come from Council cash, \$2.350 million from borrowings and \$5.727 million from external grants and contributions.

The 2017/18 budget has been prepared on the basis of constraint, Council will continue to review all services and capital infrastructure to ensure it is positioned to best meet the needs of the community into the future.

At the time of preparing this draft budget the State & Federal governments have made significant funding announcements in relation to recreational projects within Latrobe City e.g. Gippsland Regional Aquatic Centre and the redevelopment of the Catterick Crescent Reserve Indoor Sports Stadium. At this time these projects have not been included in the draft budget and Strategic Resource Plan pending further details of the nature and timing of the funding. As the construction of these projects are expected to be fully funded by government grants there is no material effect expected to allocation of Council generated funds outlined in this document.

2017/18 Budget Budget Reports

Budget Reports

The following reports include all statutory disclosures of information and are supported by the analysis contained in sections 8 to 15 of this report.

This section includes the following reports and statements in accordance with the Local Government Act 1989 and the Local Government Model Financial Report.

- 1 Links to Council Plan
- 2 Services, initiatives & service performance indicators
- 3 Financial statements
- 4 Financial performance indicators
- 5 Grants and borrowings
- 6 Detailed list of capital works
- 7 Rates and charges

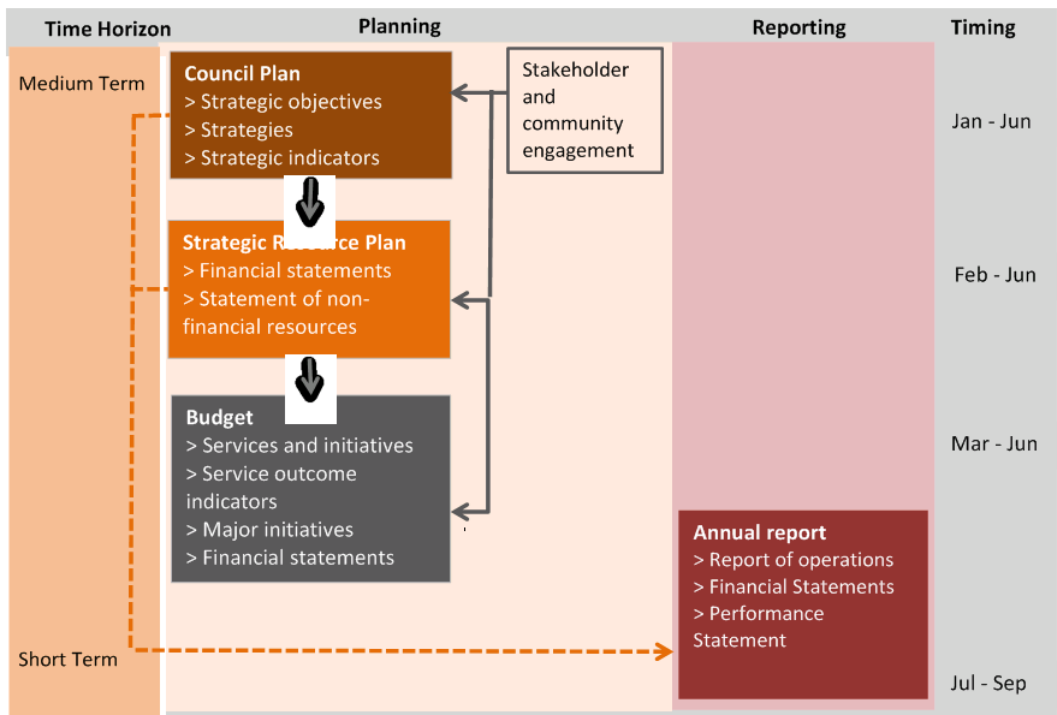
2017/18 Budget Link to the Council Plan

1. Link to the Council Plan

This section describes how the Annual Budget links to the achievement of the Council Plan within an overall planning framework. This framework guides the Council in identifying community needs and aspirations over the long term (Latrobe 2026), medium term (Council Plan) and short term (Annual Budget) then holding itself accountable (Audited Statements).

1.1 Planning and accountability framework

The Strategic Resource Plan which is a component of the Council Plan, summarises the financial and non-financial impacts of the objectives and strategies and determines the sustainability of these objectives and strategies. The Annual Budget is then framed within the Strategic Resource Plan, taking into account the services and initiatives included in the Annual Budget which contribute to achieving the strategic objectives specified in the Council Plan. The diagram below depicts the planning and accountability framework that applies to local government in Victoria.



Source: Department of Environment, Land, Water and Planning.

In addition to the above, Council has a long term plan (Latrobe 2026) which articulates a community vision, mission and values. The Council Plan is prepared with reference to Council's long term Community Plan.

The timing of each component of the planning framework is critical to the successful achievement of the planned outcomes. The Council Plan, including the Strategic Resource Plan, is required to be completed by 30 June and is reviewed each year as part of the commencement of the Annual Budget process.

2017/18 Budget Link to the Council Plan

1.2 Our purpose

The Community vision

“In 2026 the Latrobe Valley is a liveable and sustainable region with collaborative and inclusive community leadership.”

The community’s vision for the future development of the region builds on its strength as one of Victoria’s key regional economies and its position as the commercial centre of Gippsland with a focus on education, health and community services and facilities.

Other major aspirations are for a community that is both liveable and sustainable, with a continued focus on healthy lifestyles supported by high quality recreational and cultural facilities and a natural environment that is nurtured and respected.

The community has expressed its desire for a future in which people are united in a common purpose whilst respecting the diversity of their heritage and cultures. To enable the vision to become reality the community identified the need for effective and proactive leadership at all levels and expressed a willingness to connect with community leaders to enrich local decision making.

Our mission

To provide the best possible facilities, services, advocacy and leadership for Latrobe City, one of Victoria’s four major regional cities.

Our values

Latrobe City Council’s values describe how it is committed to achieving the Latrobe 2026 community vision through:

- Providing affordable people focused community services;
- Planning strategically and acting responsibly, in the best interests of the whole community;
- Accountability, transparency and honesty;
- Listening to and working with the community;
- Respect, fairness and equity;
- Open to and embracing new opportunities.

2017/18 Budget Link to the Council Plan

1.3 Key Themes

Council delivers activities and initiatives under 48 major service categories. Each contributes to the achievement of one of the five themes and objectives as set out in the Council Plan for the 2017-21 years. The following table lists the five themes as described in the Council Plan.

Strategic Objectives

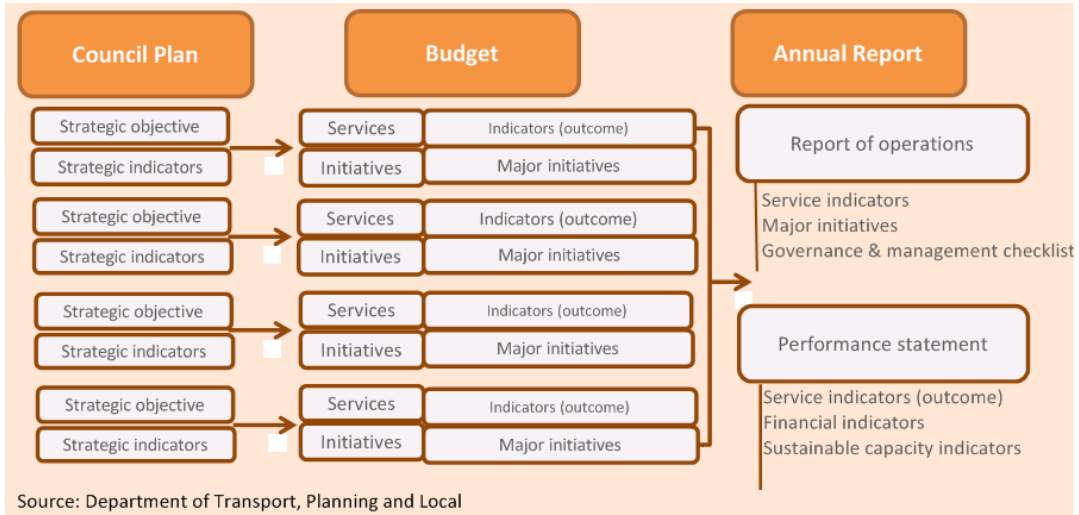
1. Support job creation and industry diversification to enable economic growth in Latrobe City.
2. Encourage improved education & training outcomes in Latrobe City.
3. Improve the liveability and connectedness of Latrobe City.
4. Improve the amenity and accessibility of Council services.
5. Provide a connected, engaged and safe community environment, which is improving the well-being of all Latrobe City citizens.
6. Ensure Council operates openly, transparently and responsibly.
7. Grow the civic pride of our municipality and solidify Latrobe City's image as a key regional city.

2017/18 Budget

Services & Service Performance Indicators

2. Services and service performance indicators

This section provides a description of the services and initiatives to be funded in the Budget for the 2017/18 year and how these will contribute to achieving the strategic objectives specified in the Council Plan as set out in Section 1. It also includes a number of initiatives, major initiatives and service performance indicators. The Strategic Resource Plan (SRP) is part of and prepared in conjunction with the Council Plan. The relationship between these components of the Budget and the Council Plan, along with the link to reporting in the Annual Report, is shown below.



2017/18 Budget Services & Service Performance Indicators

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

To achieve our objective to support job creation and industry diversification to enable economic growth in Latrobe City, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The services, initiatives, major initiatives and service performance indicators for each business area are described below.

Services

Business Area	Description of services provided	Expenditure
		(Revenue) Net Cost \$'000
Business Development	Provide business development advice, services and programs in accordance with the Latrobe City Council Economic Development Strategy 2016-2020.	759 0 759
Employment Development	Promote, coordinate and providing training and employment opportunities for aboriginal people.	432 (424) 8
Tourism	Implement recommendations from the Tourism Product Audit and Visitor Information Centre Review.	580 (13) 568
International Relations	Deliver International Relations services in accordance with the Latrobe City International Relations Plan.	151 0 151
Regional Partnerships	Provide regional leadership and facilitate a successful transition	184 0 184

Major Initiative

- 1) Implement the Economic Development Strategy
- 2) Advocate for the Gippsland Logistics Precinct
- 3) Engage an industry specialist to undertake specific research to determine (and quantify) the potential to attract/establish health technology businesses.
- 4) Implementation of an inclusive employment program to ensure our workforce demographic reflects that of the community in which we operate.
- 5) Commence a masterplan report for the Regional City Growth Corridor Stage 1 - Regional City Employment Precinct.

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Economic Development	Economic Activity	Change in number of businesses (Percentage change in the number of businesses with an ABN in the municipality)	[Number of businesses with an ABN in the municipality at the end of the financial year less the number of businesses at the start of the financial year / Number of businesses with an ABN in the municipality at the start

2017/18 Budget

Services & Service Performance Indicators

2.2 Objective 2: Encourage improved education & training outcomes in Latrobe City.

To achieve our objective to encourage improved education & training outcomes in Latrobe City, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The services, initiatives, major initiatives and service performance indicators for each business area are described below.

Services

Business Area	Description of services provided	Expenditure
		(Revenue)
		Net Cost
		\$'000
Library services	Deliver Library services and programs in accordance with the Library Plan 2011-2017.	1,549 <u>(541)</u> 1,008
Early Learning & Care	Deliver early Learning, Family Day Care, and Preschool services in accordance with Council adopted policies, and work with other providers to improve and integrate support services for all children in the municipality.	9,149 <u>(7,963)</u> 1,186

Major Initiative

- 6) Establish a centralised system for the engagement and recording of Volunteers/Labour Hire. In addition develop a policy and procedure position.
- 7) Deliver the Latrobe City Council internship program

2017/18 Budget

Services & Service Performance Indicators

2.3 Objective 3: Improve the liveability and connectedness of Latrobe City

To achieve our objective to Improve the liveability and connectedness of Latrobe City, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The services, initiatives, major initiatives and service performance indicators for each business area are described below.

Services

Business Area	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Latrobe Regional Airport	Maintain, develop and operate Latrobe Regional Airport in accordance with Civil Aviation Safety Authority regulations and the Latrobe Regional Airport Masterplan.	893 (479) 414
Arts	Deliver the Annual Latrobe Regional Gallery Exhibitions program and deliver Education and Public Participation programs across all arts facilities. Deliver the Annual Performing Arts Performances program. Manage and maintain Halls and Venues across the City.	2,724 (653) 2,071
Civil Works Projects	Deliver Civil works projects across Latrobe City in accordance with relevant legislation and guidelines.	6,361 0 6,361
Infrastructure Design	Design civil works projects in consultation with the Latrobe City community.	1,548 0 1,548
Waste Services	Deliver and manage contracts for waste services across the municipality, including kerbside collection, transfer stations, organic resource processing, hard waste services and co-mingled recycling processing in accordance with contract requirements, standards and best value principles.	6,051 (5) 6,046
Building Services	Provide building advice, statutory services and enforcement action in accordance with the Building Act.	548 (167) 380
Environment Sustainability	Provide Environmental planning, advice and services to internal and external stakeholders.	669 0 669
Landfill Services	Operate and maintain the Latrobe City Hyland Highway Municipal Landfill facility in accordance with Environment Protection Authority licence conditions.	5,027 (2,993) 2,034
Statutory Planning	Provide statutory planning services, advice and enforcement action in accordance with the Latrobe Planning Scheme and Planning and Environment Act.	1,620 (278) 1,342
Strategic Planning	Provide strategic planning services and advice in accordance with the Latrobe Planning Scheme and Planning and Environment Act.	630 0 630
Urban Growth	Develop, assess and coordinate the implementation of Development Plans and Development Contribution Plans for growth areas of Latrobe City.	389 0 389

2017/18 Budget

Services & Service Performance Indicators

Major Initiative

- 8) Continue to progress the Latrobe Creative Precinct project
- 9) Develop a feasibility study/business case for the Gippsland Region Motor Sports Complex.
- 10) Advocate for funding for the Moe Rail Precinct Revitalisation Project - Stage 2
- 11) Deliver Live Work Latrobe Stage 2
- 12) Implement the Lake Narracan Precinct Structure Plan

2.4 Objective 4: Improve the amenity and accessibility of Council services

To achieve our objective to Improve the amenity and accessibility of Council services, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The services, initiatives, major initiatives and service performance indicators for each business area are described below.

Services

Business Area	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Community Information	Deliver professional customer service at all Latrobe City Council service centres and libraries in accordance with the Customer Service Plan 2012-2016.	3,768 (67) 3,701
Aboriginal Liaison	Strengthen the relationship between the local Aboriginal Community and Latrobe City Council by delivering on the Statement of Commitment.	47 0 47
Communications	Provide communications, marketing and public relations services on behalf of Latrobe City Council.	1,061 0 1,061
Community Engagement	Provide community engagement support services to Latrobe City Council.	331 0 331
Disability Access and Inclusion	Develop and implement the Rural Access Plan and develop and implement the Disability Action Plan.	131 (137) (5)
Community Grants	Assist local community groups through the coordination and delivery of the annual Latrobe City community grants program.	425 0 425

Major Initiative

- 13) Instal a turf bench and 3 synthetic wickets at Traralgon West Sporting Complex.

2017/18 Budget Services & Service Performance Indicators

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

To achieve our objective to provide a connected, engaged and safe community environment, which is improving the well-being of all Latrobe City citizens, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The services, initiatives, major initiatives and service performance indicators for each business area are described below.

Services

Business Area	Description of services provided	Expenditure
		(Revenue) Net Cost \$'000
Aged and Disability Services	Deliver the Home and Community Care (HACC) program in accordance with Department of Health guidelines and Disability Service programs.	6,995 <u>(6,560)</u> 435
Early Childhood Health & Development	Deliver enhanced maternal and child health services in accordance with Council adopted policies.	2,799 <u>(1,201)</u> 1,598
Leisure Facilities	Maintain and operate Latrobe City leisure centres, outdoor pools and stadiums together with managing and maintaining caravan park and day visitor facilities.	6,489 <u>(4,255)</u> 2,235
Parks, Gardens and Playgrounds	Manage and maintain parks and gardens across Latrobe City and maintain and develop playgrounds in accordance with the Latrobe City Council Playground Strategy.	4,511 <u>(67)</u> 4,444
Recreation and Open Space Planning	Provide Recreation and Open Space Planning advice for Latrobe City.	1,709 <u>(220)</u> 1,489
Recreation Liaison	Manage and maintain sporting reserves and work with community groups across Latrobe City.	1,912 <u>(77)</u> 1,835
Social support	Deliver the Planned Activity Group and Meals on Wheels Programs to eligible clients.	384 <u>(108)</u> 275
Health Services	Minimise the incidence of food borne illness pursuant to the Food Act. Deliver an Immunisation program in accordance with the Public Health and Wellbeing Act.	957 <u>(513)</u> 444
Infrastructure Planning	Provide Traffic Management and Asset Management planning, advice and services for Latrobe City in accordance with statutory and regulatory timeframes.	2,889 <u>(327)</u> 2,563
Local Laws	Deliver customer focussed Local Law services across the municipality in accordance with Local Law No. 2 and other relevant legislation.	2,435 <u>(1,387)</u> 1,048
Property and Statutory	Administer property management, advice and services of Latrobe City Council.	699 <u>(229)</u> 470
Community Strengthening	Build community leadership, connectedness, inclusiveness and wellbeing by advocating on behalf of the community, and partnering with them to deliver and facilitate a range of projects, programs, strategies and action plans.	1,036 <u>0</u> 1,036
Emergency Management	Provide Emergency Management services including preparedness, planning, response and recovery.	492 <u>(145)</u> 347

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2017/18 Budget Services & Service Performance Indicators

Major Initiative

- 14) Construct the pavilion at Latrobe City Sports Hockey Field pavilion.
- 15) Progress Council's decision in respect to the delivery of the Gippsland Regional Aquatic Centre.
- 16) Progress the Catterick Crescent Sporting Precinct masterplan
- 17) Construction of a shared pathway between Morwell and Traralgon.
- 18) Establish the LV Leadership Program and advocate for joining funding from the Building Better Regions Fund.
- 19) Advocate for external funding for the Churchill East West Walking Path
- 20) Continue to advocate on behalf of the community in relation to the Morwell Mine Fire.
- 21) Administer the funding in relation to the Installation of a synthetic green at the Moe Bowling Green.
- 22) Installation of lighting to two (2) pitches at Harold Preston Reserve.
- 23) Upgrade of car parking and construction of a second entry/exit point at Harold Preston Reserve.
- 24) Progress the recommendations of the Play Space Implementation Plan
- 25) Progress the recommendations of the Tracks, Trails & Paths Strategy
- 26) Implement a Lighting Projects program
- 27) Construction of a local level play space at Maryvale Reserve to provide for residents of Heritage Boulevard.
- 28) Conduct a desktop analysis in investigate Year 2 Aspirational paths for the off-road path from Morwell to Churchill
- 29) Conduct a desktop analysis in investigate Year 2 Aspirational paths for the off-road path from Yallourn North Township to George Bates Reserve
- 30) Conduct a desktop analysis in investigate Year 2 Aspirational paths for the off-road path around the north side of Lake Narracan

2017/18 Budget Services & Service Performance Indicators

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Home and community care	Participation	Participation in HACC service (Percentage of the municipal target population that receive a HACC service)	[Number of people that received a HACC service / Municipal target population for HACC services] x100
Home and community care	Participation	Participation in HACC service by CALD people (Percentage of the municipal target population in relation to CALD people that receive a HACC service)	[Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100
Libraries	Participation	Active library members (Percentage of the municipal population that are active library members)	[Number of active library members / municipal population] x100
Maternal and child health	Participation	Participation in MCH key ages and stages visits (Percentage of children attending the MCH key ages and stages visits)	Number of actual MCH visits / Number of expected MCH visits] x100
Maternal and child health	Participation	Participation in MCH key ages and stages visits by Aboriginal children (Percentage of Aboriginal children attending the MCH key ages and stages visits)	[Number of actual MCH visits for Aboriginal children / Number of expected MCH visits for Aboriginal children] x100
Aquatic Facilities	Utilisation	Utilisation of aquatic facilities (The number of visits to pool facilities per head of municipal population)	Number of visits to aquatic facilities / Municipal population
Waste collection	Waste diversion	Kerbside collection waste diverted from landfill (Percentage of garbage, recyclables and green organics collected from kerbside bins that is diverted from landfill)	[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100

2017/18 Budget

Services & Service Performance Indicators

2.6 Objective 6 : Ensure Council operates openly, transparently and responsibly

To achieve our objective to ensure Council operates openly, transparently and responsibly, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The services, initiatives, major initiatives and service performance indicators for each business area are described below.

Services

Business Area	Description of services provided	Expenditure
		(Revenue) Net Cost \$'000
Performance & Innovation	Administer corporate planning and reporting of Latrobe City Council and implement Council's innovation and continuous improvement programs.	775
		0
		775
Mayoral & Council Support	Council Operations, provision of support services to Councillors, deliver civic functions and events across for Latrobe City Council.	641
		0
		641
Governance	Council meeting management, Freedom of Information, internal audit, committee management, statutory registers and legal support functions.	967
		(41)
		926
Financial Services	Administer financial management, advice and services of Latrobe City Council, administer procurement processes for goods and services within Latrobe City Council, administer payroll for Latrobe City Council staff and administer the database of properties within Latrobe City Council, including property valuation and municipal rate collection.	4,090
		(386)
		3,704
Information Services	Maintain the Latrobe City Council IT network infrastructure, assets, purchasing and licences and provide an effective secure environment for storage and disaster recovery. Develop and maintain a Geographical Information System (GIS) for broad use by the organisation. Maintain corporate information and Council documentation and information applications in accordance with regulatory guidelines.	4,577
		0
		4,577
Office of the CEO	Actively participate in the Gippsland Local Government Network.	618
		0
		618
People & Development	To provide advice, education and support to ensure the success of the organisation through effective leadership, resourcing and people management initiatives. To deliver a variety of learning initiatives and develop the knowledge, skills and confidence of our people.	1,312
		0
		1,312
Risk and Compliance	Provide Latrobe City Council with risk management support and advice, coordinate Occupational Health and Safety responsibilities and develop and implement a compliance framework. Administer Freedom of Information requests, Information Privacy requirements, maintain public registers, policies, audit activities and electoral functions for Latrobe City Council.	2,001
		(2)
		1,999

2017/18 Budget

Services & Service Performance Indicators

Major Initiative

- 31) Implement the recommendations of the CT Management Fees & Charges Review.
 32) Capture the necessary asset data to enable the development of Latrobe City Council's maintenance management system.
 33) Commence service reviews.

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Animal management	Health and safety	Animal management prosecutions (Number of successful animal management prosecutions)	Number of successful animal management prosecutions
Food safety	Health and safety	Critical and major non-compliance notifications (Percentage of critical and major non-compliance notifications that are followed up by Council)	[Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises]
Governance	Satisfaction	Satisfaction with Council decisions (Community satisfaction rating out of 100 with how Council has performed in making decisions in the interests of the community)	Community satisfaction rating out of 100 with how Council has performed in making decisions in the interests of the community
Roads	Satisfaction	Satisfaction with sealed local roads (Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads)	Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads.

2017/18 Budget

Services & Service Performance Indicators

2.7 Objectives 7: Grow the civic pride of our municipality and solidify Latrobe City's image as a key regional city.

To achieve our objective to grow the civic pride of our municipality and solidify Latrobe City's image as a key regional city., deliver and improve high quality, cost effective, accessible and responsive services. The services, initiatives, major initiatives and service performance indicators for each business area are described below.

Services

Business Area	Description of services provided	Expenditure
		(Revenue) Net Cost \$'000
Events	Facilitate the attraction of new events and support existing events across Latrobe City and deliver Latrobe City Council's annual Australia Day program as per the 2013-2017 Latrobe City Events Strategy and Action Plan.	946 <u>0</u> 946
Major Projects	Deliver major infrastructure projects from the Annual Capital Works Program.	1,987 <u>0</u> 1,987
Building Maintenance	This unit is to deliver the cyclic maintenance program on Latrobe City Council buildings.	5,766 <u>0</u> 5,766
Infrastructure Maintenance	This unit is to provide maintenance services for Latrobe City's road, drainage, signage, footpath and tree networks and to Deliver cleansing services across the municipality, including footpath and street sweeping, public toilets, bus shelters, barbeques, rotundas and picnic shelters in accordance with specified standards and schedules.	16,199 <u>(2,430)</u> 13,769

Major Initiative

34) Host two international exhibitions from Belgium and UK/South Africa at the updated Latrobe Regional Gallery.

2017/18 Budget

Services & Service Performance Indicators

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Statutory Planning	Decision making	Council planning decisions upheld at VCAT (Percentage of planning application decisions subject to review by VCAT and that were upheld in favour of the Council)	[Number of VCAT decisions that upheld Council's decision in relation to a planning application / Number of decisions in relation to planning applications subject to review by VCAT] x100

2.10 Performance statement

The service performance indicators detailed in the preceding pages will be reported on within the Performance Statement which is prepared at the end of the year as required by section 132 of the Act and included in the 2017/18 Annual Report. The Performance Statement will also include reporting on prescribed indicators of financial performance (outlined in section 4) and sustainable capacity, which are not included in this budget report. The full set of prescribed performance indicators are audited each year by the Victorian Auditor General who issues an audit opinion on the Performance Statement. The major initiatives detailed in the preceding pages will be reported in the Annual Report in the form of a statement of progress in the report of operations.

2.11 Reconciliation with budgeted operating result

	Net Cost (Revenue) \$'000	Expenditure \$'000	Revenue \$'000
Support job creation and industry diversification to enable economic growth in Latrobe City.	1,669	2,106	436
Encourage improved education & training outcomes in Latrobe City.	2,194	10,698	8,504
Improve the liveability and connectedness of Latrobe City	21,886	26,461	4,575
Improve the amenity and accessibility of Council services	5,560	5,764	204
Provide a connected, engaged and safe community environment, which is improving the the well-being of all	18,219	33,308	15,089
Ensure Council operates openly, transparently and responsibly	14,552	14,981	429
Grow the civic pride of our municipality and solidify Latrobe City's image as a key regional city.	22,467	24,897	2,430
Total activities & initiatives	86,548	118,216	31,668
Other non-attributable	(1,950)		
Deficit before funding	84,598		
Funding sources:			
Rates & charges	76,869		
Capital grants	5,727		
Grants Commission	9,000		
Developer Contributions	3,090		
Total funding sources	94,686		
Surplus for the year	10,088		

2017/18 Budget Financial Statements

3. Financial Statements

This section presents information in regard to the Financial Statements and Statement of Human Resources. The budget information for the years 2017/18 to 2020/21 has been extracted from the Strategic Resource Plan.

This section includes the following financial statements in accordance with the Local Government Act 1989 and the Local Government Model Financial Report.

- 3.1 Comprehensive Income Statement
- 3.2 Balance Sheet
- 3.3 Statement of Changes in Equity
- 3.4 Statement of Cash Flows
- 3.5 Statement of Capital Works
- 3.6 Statement of Human Resources

2017/18 Budget Financial Statements

3.1 Comprehensive Income Statement

For the four years ending 30 June 2021

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2016/17	2017/18	2018/19	2019/20	2020/21
	\$'000	\$'000	\$'000	\$'000	\$'000
Income					
Rates and charges	75,105	76,869	78,659	80,485	82,346
Grants - Operating	23,718	22,889	23,118	23,349	23,582
Grants - Capital	6,116	5,307	11,192	11,192	1,192
Statutory Fees & Fines	1,929	2,184	2,228	2,272	2,318
User Charges	14,257	14,566	14,857	15,154	15,458
Contributions - Monetary	372	510	92	94	96
Contributions - Non-Monetary	3,000	3,000	3,000	3,000	3,000
Net gain on disposal of property, infrastructure, plant & equipment	11	0	0	0	0
Other Income	4,025	3,688	3,762	3,837	3,914
Total income	<u>128,533</u>	<u>129,013</u>	<u>136,908</u>	<u>139,383</u>	<u>131,906</u>
Expenses					
Employee costs	55,205	55,453	57,393	59,403	61,482
Materials and services	41,491	34,500	35,190	35,894	36,612
Bad and doubtful debts	21	12	13	13	14
Depreciation and amortisation	24,657	24,969	25,284	25,772	26,269
Borrowing Costs	882	742	753	690	606
Other Expenditure	3,393	3,249	3,314	3,380	3,448
Total expenses	<u>125,649</u>	<u>118,925</u>	<u>121,947</u>	<u>125,152</u>	<u>128,431</u>
Surplus (deficit) for the year	<u>2,884</u>	<u>10,088</u>	<u>14,961</u>	<u>14,231</u>	<u>3,475</u>
Other comprehensive income					
Net Asset Revaluation movement	0	23,468	23,899	24,737	25,518
Total comprehensive result	<u>2,884</u>	<u>33,556</u>	<u>38,860</u>	<u>38,968</u>	<u>28,993</u>

2017/18 Budget Financial Statements

3.2 Balance Sheet

For the four years ending 30 June 2021

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2016/17	2017/18	2018/19	2019/20	2020/21
	\$'000	\$'000	\$'000	\$'000	\$'000
Current assets					
Cash and cash equivalents	12,311	13,418	15,340	11,236	15,140
Trade and other receivables	7,050	7,191	7,763	7,865	7,422
Other financial assets	40,000	40,000	40,000	40,000	40,000
Other Assets	2,200	2,244	2,244	2,244	2,244
Total current assets	61,561	62,853	65,347	61,345	64,806
Non-current assets					
Property, infrastructure, plant and equipment	1,173,364	1,204,092	1,240,413	1,275,113	1,303,295
Other financial assets	2	2	2	2	2
Intangible assets	696	1,275	375	1,175	275
Total non-current assets	1,174,062	1,205,369	1,240,790	1,276,290	1,303,572
Total assets	1,235,623	1,268,222	1,306,137	1,337,635	1,368,378
Current liabilities					
Trade and other payables	6,382	6,510	6,581	6,706	6,871
Provisions	16,251	14,861	16,211	14,677	16,159
Interest bearing loans & borrowings	1,869	1,593	9,642	1,130	1,234
Trust funds & deposits	2,722	2,777	2,833	2,889	2,947
Total current liabilities	27,224	25,741	35,267	25,402	27,211
Non-current liabilities					
Provisions	19,355	19,124	13,295	14,169	12,346
Interest bearing loans & borrowings	14,281	15,038	10,397	11,917	13,683
Total non-current liabilities	33,636	34,162	23,692	26,086	26,029
Total liabilities	60,860	59,903	58,959	51,488	53,240
Net assets	1,174,763	1,208,319	1,247,178	1,286,146	1,315,138
Equity					
Accumulated surplus	664,899	674,896	689,765	703,902	707,280
Asset revaluation reserve	506,566	530,034	553,932	578,669	604,187
Other Reserves	3,298	3,389	3,481	3,575	3,671
Total equity	1,174,763	1,208,319	1,247,178	1,286,146	1,315,138

2017/18 Budget Financial Statements

3.3 Statement of Changes in Equity

For the four years ending 30 June 2021

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2018				
Balance at beginning of the financial year	1,174,763	664,899	506,566	3,298
Surplus for the year	10,088	10,088	0	0
Net asset revaluation increment	23,468	0	23,468	0
Transfer to reserves	0	(90)	0	90
Transfer from reserves	0	0	0	0
Balance at end of the financial year	1,208,319	674,896	530,034	3,389
2019				
Balance at beginning of the financial year	1,208,319	674,896	530,034	3,389
Surplus for the year	14,961	14,961	0	0
Net asset revaluation increment	23,899	0	23,899	0
Transfer to reserves	0	(92)	0	92
Transfer from reserves	0	0	0	0
Balance at end of the financial year	1,247,178	689,765	553,932	3,481
2020				
Balance at beginning of the financial year	1,247,178	689,765	553,932	3,481
Surplus for the year	14,231	14,231	0	0
Net asset revaluation increment	24,737	0	24,737	0
Transfer to reserves	0	(94)	0	94
Transfer from reserves	0	0	0	0
Balance at end of the financial year	1,286,146	703,902	578,669	3,575
2021				
Balance at beginning of the financial year	1,286,146	703,902	578,669	3,575
Surplus for the year	3,475	3,475	0	0
Net asset revaluation increment	25,518	0	25,518	0
Transfer to reserves	0	(96)	0	96
Transfer from reserves	0	0	0	0
Balance at end of the financial year	1,315,138	707,280	604,187	3,671

2017/18 Budget Financial Statements

3.4 Statement of Cash Flows

For the four years ending 30 June 2021

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2016/17	2017/18	2018/19	2019/20	2020/21
	\$'000	\$'000	\$'000	\$'000	\$'000
	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities					
Rates and charges	75,067	76,528	80,249	82,171	84,534
Grants - operating	23,719	22,888	23,585	23,838	24,209
Grants - capital	6,116	5,307	11,418	11,426	1,224
Statutory Fees & Fines	1,929	2,184	2,273	2,320	2,379
User Charges	14,457	14,766	15,158	15,472	15,868
Interest	1,550	1,448	1,477	1,507	1,537
Contributions - monetary	372	510	92	94	96
Other Receipts	2,475	2,240	2,333	2,381	2,443
Net GST refund/payment	0	0	3,968	4,170	3,554
Employee costs	(54,707)	(55,098)	(59,126)	(61,144)	(63,240)
Materials and services	(41,346)	(34,168)	(36,584)	(37,285)	(38,005)
Trust Funds and Deposits	(10)	(54)	56	57	58
Other Payments	(5,556)	(7,074)	(8,445)	(6,411)	(4,479)
Net cash from operating activities	24,066	29,477	36,454	38,596	30,178
Cash flows from investing activities					
Proceeds from property, plant and equipment	1,159	467	514	514	514
Proceeds from sale of investments	12,884	0	0	0	0
Payments for property, plant and equipment	(31,712)	(28,576)	(37,700)	(35,532)	(28,050)
Net cash used in investing activities	(17,669)	(28,109)	(37,186)	(35,018)	(27,536)
Cash flows from financing activities					
Finance costs	(882)	(742)	(753)	(690)	(606)
Proceeds from borrowings	0	2,350	5,000	2,650	3,000
Repayment of borrowings	(1,884)	(1,869)	(1,593)	(9,642)	(1,130)
Net cash provided by (used in) financing activities	(2,766)	(261)	2,654	(7,682)	1,264
Net increase/(decrease) in cash & cash equivalents	3,631	1,107	1,922	(4,104)	3,906
Cash & cash equivalents at beginning of year	8,680	12,311	13,418	15,340	11,236
Cash & cash equivalents at end of year	12,311	13,418	15,340	11,236	15,142

2017/18 Budget Financial Statements

3.5 Statement of Capital Works

For the four years ending 30 June 2021

	Forecast	Budget 2017/18 \$'000	Strategic Resource Plan Projections		
	Actual 2016/17 \$'000		2018/19 \$'000	2019/20 \$'000	2020/21 \$'000
Property					
Land	458	0	0	0	0
Buildings	6,019	7,520	18,844	15,378	7,048
Heritage Buildings	14	196	0	0	0
Total property	6,491	7,716	18,844	15,378	7,048
Plant and Equipment					
Plant, Machinery & Equipment	2,427	1,652	1,617	1,617	1,617
Fixtures, Fittings & Furniture	9	10	10	10	10
Computers & Telecommunications	697	469	600	600	600
Artworks	15	15	15	15	15
Total Plant and Equipment	3,147	2,146	2,242	2,242	2,242
Infrastructure					
Roads	12,915	10,415	9,975	9,975	9,975
Footpaths & Cycleways	1,687	5,000	1,637	1,637	1,637
Bridges & Culverts	725	940	300	650	300
Off Street Carparks	186	125	130	130	130
Drainage	2,700	725	700	700	700
Recreational, Leisure & Community Facilities	1,913	0	0	0	0
Parks, Open Space & Streetscapes	645	610	445	590	468
Waste Management	1,273	900	0	1,000	3,000
Other Infrastructure	29	0	0	0	0
Total Infrastructure	22,073	18,715	13,187	14,682	16,210
Total capital works expenditure	31,712	28,576	34,273	32,302	25,500
Represented by:					
New asset expenditure	4,538	7,432	15,572	13,255	3,623
Asset renewal expenditure	22,215	18,687	16,862	17,380	19,964
Asset expansion expenditure	1,155	525	762	762	762
Asset upgrade expenditure	3,804	1,932	1,077	905	1,151
Total capital works expenditure	31,712	28,576	34,273	32,302	25,500

2017/18 Budget Financial Statements

3.6 Statement of Human Resources

For the four years ending 30 June 2021

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2016/17		2018/19	2019/20	2020/21
	\$'000	\$'000	\$'000	\$'000	\$'000
Staff expenditure					
Employee costs - operating	55,205	55,453	57,393	59,403	61,482
Employee costs - capital	1,451	1,235	1,525	1,431	1,108
Total staff expenditure	56,656	56,688	58,918	60,834	62,590
	FTE	FTE	FTE	FTE	FTE
Staff numbers					
Employees	547.2	547.3	547.3	547.3	547.3
Total staff numbers	547.2	547.3	547.3	547.3	547.3

A summary of human resources expenditure categorised according to the organisational structure of Council is included below:

Division	Budget	Comprises	
	2017/18	Full Time	Part Time
	\$'000	\$'000	\$'000
Office of the CEO	704	704	0
City Development	8,203	6,549	1,653
Corporate Services	7,289	6,449	840
Infrastructure & Recreation	12,913	10,784	2,129
Community Services	19,537	8,712	10,825
Waste & Landfill	831	831	0
Total	49,476	34,029	15,447
Casuals and other	5,977		
Total Operating Employee Costs	55,453		
Capitalised labour costs	1,235		
Total Employee Costs	56,688		

A summary of the number of full time equivalent (FTE) Council staff in relation to the above expenditure is included below:

Division		Full Time	Part Time
		FTE	FTE
Office of the CEO	5.0	5.0	0.0
City Development	84.9	64.0	20.9
Corporate Services	71.7	63.4	8.3
Infrastructure & Recreation	145.2	117.0	28.2
Community Services	190.6	89.5	101.1
Waste & Landfill	8.8	8.8	0.0
Total	506.2	347.7	158.5
Casuals and other	28.7		
Total Operating FTE	534.9		
Capitalised FTE	12.4		
Total FTE	547.3		

2017/18 Budget Financial Performance Indicators

4. Financial performance indicators

The following table highlights Council's current and projected performance across a range of key financial performance indicators. These indicators provide a useful analysis of Council's financial position and performance and should be used in the context of the organisation's objectives.

Indicator	Measure	Notes	Forecast		Budget 2017/18	Strategic Resource Plan Projections			Trend +/-
			Actual 2015/16	Actual 2016/17		2018/19	2019/20	2020/21	
Operating Position									
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	(3.9%)	(3.2%)	2.0%	1.5%	0.9%	0.3%	-
Liquidity									
Working Capital	Current assets / current liabilities	2	271.2%	226.1%	244.2%	185.3%	241.5%	238.2%	o
Unrestricted Cash	Unrestricted cash / current liabilities		147.2%	23.1%	28.2%	25.6%	18.8%	31.3%	+
Obligations									
Loans & Borrowings	Interest bearing loans and borrowings / rate revenue	3	24.9%	21.5%	21.6%	25.5%	16.2%	18.1%	+
Loans & Borrowings	Interest and principal repayments / rate revenue		9.3%	3.7%	3.4%	3.0%	12.8%	2.1%	+
Indebtedness	Non-current liabilities / own source revenue		42.9%	35.3%	35.1%	23.8%	25.6%	25.0%	+
Asset renewal	Asset renewal expenditure / depreciation	4	64.0%	93.6%	78.4%	69.2%	69.9%	78.7%	o
Stability									
Rates concentration	Rate revenue / adjusted underlying revenue	5	64.3%	61.5%	63.1%	63.5%	63.7%	63.9%	o
Rates effort	Rate revenue / property values (CIV)		0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	o

2017/18 Budget Financial Performance Indicators

Indicator	Measure	Notes	Actual 2015/16	Forecast Actual 2016/17	Budget 2017/18	Strategic Resource Plan Projections			Trend +/-
						2018/19	2019/20	2020/21	
Efficiency									
Expenditure level	Total expenditure / no. of assessments		\$3,118	\$3,298	\$3,122	\$3,201	\$3,285	\$3,371	-
Revenue level	Residential rate revenue / No. of residential assessments		\$1,535	\$1,582	\$1,608	\$1,640	\$1,673	\$1,706	+
Workforce turnover	No. of resignations & terminations / average no. of staff		15.0%	11.5%	11.5%	11.5%	11.5%	11.5%	o

Key to Forecast Trend:

- + Forecast improvement in Council's financial performance/financial position indicator
- o Forecasts that Council's financial performance/financial position indicator will be steady
- Forecast deterioration in Council's financial performance/financial position indicator

Notes to indicators

1 Adjusted underlying result – An indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. Decreasing underlying surpluses are forecast over the period, indicating that Council needs to continue to find expenditure savings and efficiencies within the rate capping environment in order to remain financially sustainable.

2 Working Capital – The proportion of current liabilities represented by current assets. Working capital is forecast to decrease significantly in 2018/19 year due to an interest only loan moving in to current liabilities.

3 Debt compared to rates - Trend indicates Council's reducing reliance on debt against its annual rate revenue through redemption of long term debt.

4 Asset renewal - This percentage indicates the extent of Council's renewals against its depreciation charge (an indication of the decline in value of its existing capital assets). A percentage greater than 100 indicates Council is maintaining its existing assets, while a percentage less than 100 means its assets are deteriorating faster than they are being renewed and future capital expenditure will be required to renew assets.

5 Rates concentration - Reflects extent of reliance on rate revenues to fund all of Council's on-going services. Trend indicates Council will become more reliant on rate revenue compared to all other revenue sources.

2017/18 Budget Other Budget Information

5. Other Budget Information

This section presents other budget related information required by the Regulations. The following statements and reports are included:

- 5.1.1 Grants operating
- 5.1.2 Grants capital
- 5.1.3 Statement of borrowings

2017/18 Budget Other Budget Information

5.1.1 Grants Operating (\$0.830 million decrease)

Operating grants and contributions include all monies received from State and Federal sources for the purposes of funding the delivery of Council's services to ratepayers. Overall, the level of grants and contributions is expected to decrease by (3%) or (\$0.830 million) compared to 2016/17. This decrease primarily relates to Disability services funding which will be administered under the National Disability Insurance Scheme (NDIS) in the future. Non-recurrent grant funding is expected to decrease as generally only funding confirmed at the time of budget preparation is included in operating budgets.

	Forecast 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
<i>Recurrent - Commonwealth Government</i>			
Aged & Disability Services	2,656	2,681	25
Employment Development	309	404	95
Family & Children Services	101	6	(96)
<i>Recurrent - State Government</i>			
Victorian Grants Commission General Purpose	8,946	9,000	54
Victorian Grants Commission Local Roads	2,416	2,430	14
Aged & Disability Services	2,404	1,948	(455)
Family & Children Services	5,110	4,837	(273)
Community Support	142	137	(6)
Libraries	503	512	9
Recreation, Parks and Gardens	16	20	4
Arts	155	155	0
Local Laws	92	88	(4)
Total Recurrent Grants	22,850	22,219	(632)
<i>Non Recurrent - Commonwealth Government</i>			
Recreation, Parks and Gardens	70	0	(70)
Arts	11	0	(11)
<i>Non Recurrent - State Government</i>			
Healthy Communities	15	0	(15)
Recreation, Parks and Gardens	178	220	42
Community Support	52	0	(52)
Aged & Disability Services	55	100	45
Arts	4	250	246
Economic Development & Planning	65	0	(65)
Emergency Management	405	100	(305)
Events & International Relations	10	0	(10)
Family & Children Services	3	0	(3)
Total Non-recurrent Grants	868	670	(198)
Total Operating Grants	23,718	22,889	(830)

2017/18 Budget Other Budget Information

5.1.2 Grants Capital (\$0.809 million decrease)

Capital grants include all monies received from State, Federal and community sources for the purposes of funding the capital works program. Overall the level of grants and contributions is expected to decrease by \$0.809 million compared to 2016/17 mainly associated with specific funding received in 2016/17 for Heavy Industrial Park Wetlands project and temporary higher Roads to Recovery allocation. Recent funding announcements by the State and Federal Government with regards to various Recreational facilities have not been incorporated into the budget due to a lack of details as to the timing of these projects and funding at the time of preparing this document. "Analysis of Capital Budget" includes a more detailed analysis of the grants and contributions expected to be received during the 2017/18 year.

	Forecast 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
<i>Recurrent - Commonwealth Government</i>			
Roads to Recovery	2,752	1,192	(1,560)
<i>Recurrent - State Government</i>			
Total Recurrent Grants	2,752	1,192	(1,560)
<i>Non Recurrent - Commonwealth Government</i>			
Footpaths & Cycleways	0	1,600	1,600
<i>Non Recurrent - State Government</i>			
Caravan Parks	0	0	0
Buildings	919	650	(269)
Roads	396	0	(396)
Footpaths & Cycleways	6	1,865	1,859
Recreation, Leisure & Community Facilities	527	0	(527)
Drainage	1,451	0	(1,451)
Carparks	53	0	(53)
Traffic Management	13	0	(13)
Total Non-recurrent grants	3,365	4,115	750
Total Capital grants	6,116	5,307	(809)

5.1.3 Statement of Borrowings

The table below shows information on borrowings specifically required by the Regulations.

	2016/17 \$'000	2017/18 \$'000
Total amount borrowed as at 30 June of the prior year	18,034	16,150
Total amount to be borrowed	0	2,350
Total amount projected to be redeemed	(1,884)	(1,869)
Total amount proposed to be borrowed as at 30 June	16,150	16,631

2017/18 Budget Capital Works Program

6. Capital works program

This section presents a listing of the capital works projects that will be undertaken for the 2017/18 year.

The capital works projects are grouped by class and include the following:

- New works for 2017/18
- Works carried forward from the 2015/16 year.

The capital works detailed report also includes a list of works that, although not classified as assets for accounting purposes, will be undertaken in conjunction with the capital works program. The funding for these works and associated expenditure forms part of the operating budget.

2017/18 Budget Capital Works Program

Capital works program

For the year ending 30 June 2017

6.1.1 New works

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contrib'ns \$'000	Council cash \$'000	Borrow's \$'000
PROPERTY									
Buildings									
Bus Shelter Removal & Replacement Program	30	0	30	0	0	0	0	30	0
Building Renewal Program	1,678	0	1,678	0	0	0	0	1,678	0
Kitchen Renewal at Community Buildings	100	0	100	0	0	0	0	100	0
Latrobe Creative Precinct project	2,350	2,350	0	0	0	0	0	0	2,350
Latrobe City Synthetic Sports field Pavilion	1,365	1,365	0	0	0	650	420	295	0
Roof Replacement Program	100	0	100	0	0	0	0	100	0
Install Solar panel system on Council Buildings	40	0	0	40	0	0	0	40	0
Latrobe Leisure Maintenance and Upgrade Program	651	0	651	0	0	0	0	651	0
Total Buildings	6,313	3,715	2,558	40	0	650	420	2,893	2,350
TOTAL PROPERTY	6,313	3,715	2,558	40	0	650	420	2,893	2,350

2017/18 Budget Capital Works Program

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources Council			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contrib'ns \$'000	cash \$'000	Borrow's \$'000
PLANT AND EQUIPMENT									
Plant, Machinery and Equipment									
Plant Replacement Program	738	0	738	0	0	0	0	738	0
Fleet Replacement Program	829	0	829	0	0	0	0	829	0
Latrobe Leisure Equipment Replacement Program	50	0	50	0	0	0	0	50	0
Replacement of Surveying Equipment	35	0	35	0	0	0	0	35	0
Total Plant, Machinery and Equipment	1,652	0	1,652	0	0	0	0	1,652	0
Fixtures, Fittings and Furniture									
Office Furniture & Equipment Replacement Program	10	0	10	0	0	0	0	10	0
Total Fixtures, Fittings and Furniture	10	0	10	0	0	0	0	10	0
Computers and Telecommunications									
IT Equipment Replacement Program	469	0	469	0	0	0	0	469	0
Total Computers and Telecommunications	469	0	469	0	0	0	0	469	0
Artworks									
Artwork Acquisitions	15	15	0	0	0	0	0	15	0
Total Artworks	15	15	0	0	0	0	0	15	0
TOTAL PLANT AND EQUIPMENT	2,146	15	2,131	0	0	0	0	2,146	0

2017/18 Budget Capital Works Program

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources Council			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contrib'n's \$'000	cash \$'000	Borrow's \$'000
INFRASTRUCTURE									
Roads									
Gravel Road Resheet Program	970	0	970	0	0	0	0	970	0
Local Road Reseal Program	5,315	0	5,315	0	0	0	0	5,315	0
Difficult to Maintain Pavements Program	50	0	0	50	0	0	0	50	0
Road Rehabilitation Program	3,095	0	3,095	0	0	1,192	0	1,903	0
Rural Gravel Road Sealing Program	200	0	0	200	0	0	0	200	0
Traffic & Pedestrian Safety Program	75	0	0	75	0	0	0	75	0
Total roads	9,705	0	9,380	325	0	1,192	0	8,513	0
Bridges									
Bridge and Major Culvert works	150	0	150	0	0	0	0	150	0
Construct Bridges	685	0	685	0	0	0	0	685	0
Total Bridges	835	0	835	0	0	0	0	835	0
Footpaths and Cycleways									
Footpath Replacement Program	1,105	0	1,105	0	0	0	0	1,105	0
Gravel Path Renewal Project	30	0	30	0	0	0	0	30	0
Traralgon to Morwell Shared Pathway	3,465	3,465	0	0	0	3,465	0	0	0
Tracks, Trails and Paths Program	400	0	0	400	0	0	0	400	0
Total Footpaths and Cycleways	5,000	3,465	1,135	400	0	3,465	0	1,535	0

2017/18 Budget Capital Works Program

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources Council			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contrib'ns \$'000	cash \$'000	Borrow's \$'000
Drainage									
Minor Pipe Systems Repairs	150	0	150	0	0	0	0	150	0
Stormwater Management/Outfall Repair Program	50	0	50	0	0	0	0	50	0
Total Drainage	200	0	200	0	0	0	0	200	0
Parks, Open Space and Streetscapes									
Play Space Implementation Plan Program	485	0	235	250	0	0	0	485	0
Retaining Wall Renewal Program	50	0	50	0	0	0	0	50	0
Risk management and safety works for medians	75	0	0	75	0	0	0	75	0
Total Parks, Open Space and Streetscapes	610	0	285	325	0	0	0	610	0
Off Street Car Parks									
Off Street Car Park Resealing Program	50	0	50	0	0	0	0	50	0
Upgrade of car parking and construction of a second entry/exit point at Harold Preston Reserve.	75	0	0	75	0	0	0	75	0
Total Off Street Car Parks	125	0	50	75	0	0	0	125	0
TOTAL INFRASTRUCTURE	16,475	3,465	11,885	1,125	0	4,657	0	11,818	0
TOTAL NEW CAPITAL WORKS FOR 2017/18	24,934	7,195	16,574	1,165	0	5,307	420	16,857	2,350

2017/18 Budget Capital Works Program

6.1.2 Works carried forward from the 2016/17 year

Capital Works Area	Asset expenditure type					Summary of funding sources			
	Project cost \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contrib'n's \$'000	Council cash \$'000	Borrow's \$'000
PROPERTY									
Buildings									
Latrobe Leisure Maintenance and Upgrade Program	110	0	110	0	0	0	0	110	0
Latrobe Regional Gallery Refurbishment & Lighting Upgrade	225	0	0	225	0	0	0	225	0
Building Renewal Program	289	0	289	0	0	0	0	289	0
Latrobe Creative Precinct project design	237	237	0	0	0	0	0	237	0
Latrobe Leisure Stadiums Evaporative Cooling	346	0	0	346	0	0	0	346	0
Total Buildings	1,207	237	399	571	0	0	0	1,207	0
Heritage buildings									
Traralgon Court House Upgrades	196	0	0	196	0	0	0	196	0
Total Heritage buildings	196	0	0	196	0	0	0	196	0
TOTAL PROPERTY	1,403	237	399	767	0	0	0	1,403	0
INFRASTRUCTURE									
Roads									
Road Rehabilitation Program	710	0	710	0	0	0	0	710	0
Total Roads	710	0	710	0	0	0	0	710	0
Bridges									
Bridge and Major Culvert works	105	0	105	0	0	0	0	105	0
TOTAL BRIDGES	105	0	105	0	0	0	0	105	0
Drainage									
Drainage Augmentation - Furlonger St to Nixon Ct Precinct	525	0	0	0	525	0	0	525	0
Total Drainage	525	0	0	0	525	0	0	525	0

2017/18 Budget Capital Works Program

	Project cost \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contrib'ns \$'000	Council cash \$'000	Borrow's \$'000
Waste Management									
Landfill Cell Construction	900	0	900	0	0	0	0	900	0
Total Waste Management	900	0	900	0	0	0	0	900	0
TOTAL INFRASTRUCTURE	2,240	0	1,715	0	525	0	0	2,240	0
TOTAL CARRIED FWD WORKS FROM 2016/17	3,642	237	2,113	767	525	0	0	3,642	0
TOTAL CAPITAL WORKS	28,576	7,432	18,687	1,932	525	5,307	420	20,500	2,350

6.2 CAPITAL WORKS (OPERATING)

(These projects are of a capital nature but do not meet the definition of capital expenditure due to them either not being on Council owned/or controlled assets or not relating to an asset class recognised by Council. Expenditure on these projects appears in the Budgeted Comprehensive Income Statement).

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contrib'ns \$'000	Council cash \$'000	Borrow's \$'000

6.2.1 NEW WORKS FOR 2017/18

PROPERTY

Buildings									
Demolition of Dilapidated Council Buildings	120	0	0	0	0	0	0	120	0
Total Buildings	120	0	0	0	0	0	0	120	0
TOTAL PROPERTY	120	0	0	0	0	0	0	120	0

2017/18 Budget Capital Works Program

	Project cost \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contrib'n's \$'000	Council cash \$'000	Borrow's \$'000
PLANT AND EQUIPMENT									
Computers and Telecommunications									
Transfer to IT Equipment Replacement Reserve	200	0	0	0	0	0	0	200	0
Total Computers and Telecommunications	200	0	0	0	0	0	0	200	0
TOTAL PLANT AND EQUIPMENT	200	0	0	0	0	0	0	200	0
INFRASTRUCTURE									
Drainage									
Transfer to Drainage Reserve	259	0	0	0	0	0	0	259	0
Total Drainage	259	0	0	0	0	0	0	259	0
Recreational, Leisure & Community Facilities									
Traralgon West Sporting Complex Cricket Pitch upgrades	55	0	0	0	0	20	0	35	0
Traralgon Tennis Centre Perimeter Fencing	10	0	0	0	0	0	0	10	0
Hard Court Bitumen Resurfacing Program	400	0	0	0	0	0	0	400	0
Harold Preston Reserve Pitch Lighting	415	0	0	0	0	100	0	315	0
Morwell Recreation Wall Retaining Wall	30	0	0	0	0	0	0	30	0
Ted Summerton Reserve Drainage Investigation	25	0	0	0	0	0	0	25	0
George Bates Reserve Oval Drainage Remediation	25	0	0	0	0	0	0	25	0
Ronald Reserve Oval Drainage Investigation	25	0	0	0	0	0	0	25	0
Recreation Reserve Lighting Projects	40	0	0	0	0	0	0	40	0
Moe Bowling Club Synthetic Green (<i>grant auspiced by LCC</i>)	100	0	0	0	0	100	0	0	0
Total Recreational, Leisure & Community Facilities	1,125	0	0	0	0	220	0	905	0

2017/18 Budget Capital Works Program

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources Council			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contrib'n's \$'000	cash \$'000	Borrow's \$'000
Public Lighting									
Public Lighting and Flag Pole Replacement Program	75	0	0	0	0	0	0	75	0
Total Public Lighting	75	0	0	0	0	0	0	75	0
Parks, Open Space and Streetscapes									
Unserviceable Street Furniture Replacement Program	50	0	0	0	0	0	0	50	0
Total Parks, Open Space and Streetscapes	50	0	0	0	0	0	0	50	0
Waste Management									
Transfer Station Upgrades	100	0	0	0	0	0	0	100	0
Landfill Rehabilitation	2,925	0	0	0	0	0	0	2,925	0
Transfer to Waste Reserve	2,045	0	0	0	0	0	0	2,045	0
Total Waste Management	5,070	0	0	0	0	0	0	5,070	0
Other Infrastructure									
Municipality and Town Entry Signage Replacement Program	100	0	0	0	0	0	0	100	0
Fire Hydrants	10	0	0	0	0	0	0	10	0
Total Other Infrastructure	110	0	0	0	0	0	0	110	0
Other									
Community grants program	360	0	0	0	0	0	0	360	0
Small Town Capital Works Program	70	0	0	0	0	0	0	70	0
Total Other	430	0	0	0	0	0	0	430	0
TOTAL INFRASTRUCTURE	7,119	0	0	0	0	220	0	6,899	0
TOTAL NEW CAPITAL WORKS (OPERATING) FOR 2017/18	7,439	0	0	0	0	220	0	7,219	0

2017/18 Budget Capital Works Program

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contrib'ns \$'000	Council cash \$'000	Borrow's \$'000
6.2.2 WORKS CARRIED FORWARD FROM 2016/17									
Land									
Dunbar Road Traralgon Site Rehabilitation	152	0	0	0	0	0	0	152	0
Total Buildings	152	0	0	0	0	0	0	152	0
Recreational, Leisure & Community Facilities									
Drainage Replacement - Ronald Reserve Soccer Pitch	36	0	0	0	0	0	0	36	0
Total Recreational, Leisure & Community Facilities	36	0	0	0	0	0	0	36	0
Public Lighting									
Public Lighting and Flag Pole Replacement Program	186	0	0	0	0	0	0	186	0
Lighting Improvement Project -Morwell Water Hole Path	59	0	0	0	0	0	0	59	0
Total Public Lighting	245	0	0	0	0	0	0	245	0
Waste Management									
Landfill Rehabilitation Program- Hyland Highway, Moe & Morwell	900	0	0	0	0	0	0	900	0
Total Waste Management	900	0	0	0	0	0	0	900	0
TOTAL CARRIED FWD WORKS (OPERATING) FROM 2015/16	1,332	0	0	0	0	0	0	1,332	0
TOTAL CAPITAL WORKS (OPERATING)	8,771	0	0	0	0	220	0	8,551	0
TOTAL CAPITAL WORKS PROGRAM FOR 2017/18	37,347	7,432	18,687	1,932	525	5,527	420	29,051	2,350

2017/18 Budget Rates & Charges

7. Rates and charges

This section presents information which the Act and the Regulations require to be disclosed in the Council's annual budget.

In developing the Strategic Resource Plan (referred to in Section 14.), rates and charges were identified as an important source of revenue, accounting for 59.3% of the total revenue received by Council annually. Planning for future rate increases has therefore been an important component of the Strategic Resource Planning process. The State Government have introduced the Fair Go Rates System (FGRS) which sets out the maximum amount councils may increase rates in a year. For 2017/18 the FGRS cap has been set at 2.0%. The cap applies to both general rates and municipal charges and is calculated on the basis of council's average rates and charges.

The level of required rates and charges has been considered in this context, with reference to Council's other sources of income and the planned expenditure on services and works to be undertaken for the Victorian community.

The 2017/18 operating position is impacted by wages growth and reductions in government funding. It will therefore be necessary to achieve future income growth whilst containing costs in order to achieve an underlying breakeven operating position by 2017/18 as set out in the Strategic Resource Plan. The contribution from operations toward capital investment of \$16.452 million for the 2017/18 year is less than the desired level and therefore, unless it can be increased in the future it will be difficult to maintain robust capital works programs.

In order to achieve these objectives whilst maintaining service levels and a robust capital expenditure program, overall rates and charges will increase by 2.35% in 2017/18 raising total rates of \$76.869 million, including \$0.300 million generated from supplementary rates. General rates and municipal charge increase by 2.0% or \$1.088 million while garbage charges increase by \$6.00 per service which equates to 1.93% or \$0.208 million. In addition the State Government imposed Landfill levy increases by 2.0% or \$0.014 million. Payments made in lieu of rates under the Electricity Act and rating agreements are tied to current year (March) CPI levels rather than forecasted levels. The March 2017 Melbourne All Groups CPI is forecasted to be 1.7%.

2017/18 Budget Rates & Charges

7.1 The rate in the dollar to be levied as general rates under section 158 of the Act for each type or class of land compared with the previous financial year

Type or class of land	2016/17 cents/\$CIV	2017/18 cents/\$CIV	Change
General rate for rateable residential properties	0.00466490	0.00475557	1.9%
General rate for rateable commercial properties	0.00466490	0.00475557	1.9%
General rate for rateable industrial properties	0.00466490	0.00475557	1.9%
General rate for rateable farm properties	0.00349867	0.00356668	1.9%
General rate for rateable derelict properties	n/a	0.01426672	n/a
Rate concession for rateable recreational properties	0.00233245	0.00237778	1.9%
Rate concession for rateable recreational properties with gaming facilities	0.00279894	0.00285334	1.9%

7.2 The estimated total amount to be raised by general rates in relation to each type or class of land, and the estimated total amount to be raised by general rates, compared with the previous financial year

Type or class of land	2016/17 \$	2017/18 \$	Change
General	45,909,923	47,740,952	4.0%
Farm	2,924,153	2,550,968	(12.8%)
Derelict properties	0	20,159	n/a
Recreational 1*	26,733	26,563	(0.6%)
Recreational 2	55,475	56,553	1.9%
Total amount to be raised by general rates	48,916,284	50,395,195	3.0%

*Includes additional rate rebates totalling \$23,686 to be applied to two Recreational 1 properties.

7.3 The number of assessments in relation to each type or class of land, and the total number of assessments, compared with the previous financial year

Type or class of land	2016/17	2017/18	Change
General	36,790	37,117	0.9%
Farm	1,290	1,094	(15.2%)
Derelict properties	0	2	n/a
Recreational 1	12	11	(8.3%)
Recreational 2	4	4	0.0%
Total number of assessments	38,096	38,228	0.3%

7.4 The basis of valuation to be used is the Capital Improved Value (CIV)

7.5 The estimated total value of each type or class of land, and the estimated total value of land, compared with the previous financial year

Type or class of land	2016/17 \$	2017/18 \$	Change
General	9,841,568,000	10,038,961,000	2.0%
Farm	835,790,000	715,222,000	(14.4%)
Derelict properties	n/a	1,413,000	n/a
Recreational 1	21,423,000	21,423,000	0.0%
Recreational 2	19,820,000	19,820,000	0.0%
Total	10,718,601,000	10,796,839,000	0.7%

2017/18 Budget Rates & Charges

7.6 The municipal charge under section 159 of the Act compared with the previous financial year

Type of Charge	Per Rateable Property 2016/17 \$	Per Rateable Property 2017/18 \$	Change
Municipal	131.00	134.00	2.3%

7.7 The estimated total amount to be raised by municipal charges compared with the previous financial year

Type of Charge	2016/17 \$	2017/18 \$	Change
Municipal	4,956,123	5,085,836	2.6%

7.8 The rate or unit amount to be levied for each type of service rate or charge under section 162 of the Act compared with the previous financial year

Type of Charge	Per Rateable Property 2016/17 \$	Per Rateable Property 2017/18 \$	Change
Garbage collection	311.00	317.00	1.9%
Landfill levy	20.00	20.40	2.0%

7.9 The estimated total amount to be raised by each type of service rate or charge, and the estimated total amount to be raised by service rates and charges, compared with the previous financial year

Type of Charge	2016/17 \$	2017/18 \$	Change
Garbage collection	10,639,961	10,963,563	3.0%
Landfill levy	684,858	705,758	3.1%

Where exemptions are granted, waste services will be charged for services utilized as follows:

Type of Charge	Per Rateable Property 2016/17 \$	Per Rateable Property 2017/18 \$	Change
Garbage 120L Bin	211.00	215.00	1.9%
Garbage 240L Bin	311.00	317.00	1.9%
Garbage 240L Bin - Special	240.00	245.00	2.1%
Recycling	53.00	54.00	1.9%
Organics/Green Waste	47.00	48.00	2.1%

2017/18 Budget Rates & Charges

7.10 The estimated total amount to be raised by all rates and charges compared with the previous financial year

	2016/17 \$	2017/18 \$	Change
General Rates	48,916,284	50,395,195	3.0%
Municipal Charges	4,956,123	5,085,836	2.6%
Garbage Charges	10,639,961	10,963,563	3.0%
Landfill Levy	684,858	705,758	3.1%
Payments in lieu of rates	9,261,534	9,418,319	1.7%
Supplementary rates and charges	109,240	300,329	174.9%
Total	71,900,000	76,869,000	6.9%

7.11 There are no known significant changes, which may affect the estimated amounts to be raised by rates and charges. However, the total amount to be raised by rates and charges may be affected by:

- The making of supplementary valuations;
- The variation of returned levels of value (e.g. valuation appeals);
- Changes of use of land such that rateable land becomes non-rateable land and vice versa; and
- Changes of use of land such that residential land becomes business land and vice versa.

7.12 Differential rates

Rates to be levied

The rate and amount of rates payable in relation to land in each category of differential are:

- A farm rate of 0.00356668 for all rateable farm properties.
- A derelict properties rate of 0.01426692 for all rateable derelict properties.

Each differential rate will be determined by multiplying the Capital Improved Value of each rateable land (categorised by the characteristics described below) by the relevant percentages indicated above.

Council considers that each differential rate will contribute to the equitable and efficient carrying out of Council functions. Details of the objectives of each differential rate, the types of classes of land, which are subject to each differential rate and the uses of each differential rate, are set out below.

2017/18 Budget Rates & Charges

Farm Land

Farm land is as defined in Section 2 of the Valuation of Land Act 1960, namely, any rateable land which is not less than 2 hectares in area and which is used primarily for carrying on one or more of the following businesses or industries:

- (i) grazing (including agistment)
- (ii) dairying
- (iii) pig farming
- (iv) poultry farming
- (v) fish farming
- (vi) tree farming
- (vii) bee keeping
- (viii) viticulture
- (ix) horticulture
- (x) fruit growing
- (xi) the growing of crops of any kind, and

that is used by a business:

- (i) that has a significant and substantial commercial purpose or character; and
- (ii) that seeks to make a profit on a continuous or repetitive basis from its activities on the land; and
- (iii) that is making a profit from its activities on the land, or that has a reasonable prospect of making a profit from its activities on the land if it continues to operate in the way it is operating.

The reasons for the use of this rate are that:

- (i) the types and classes of land to which the rate applies can be easily identified;
- (ii) it is appropriate to have a farm rate so as to fairly rate farm land;
- (iii) the level of the farm rate is appropriate having regard to all relevant matters including the use to which farm land is put and the amount to be raised by Council's Municipal charge;
- (iv) the level of the farm rate is appropriate to ensure that the burden of the payment of general rates is fairly apportioned across all rateable land within the Municipal district;

which objectives the Council considers are consistent with the economical and efficient carrying out of its functions.

2017/18 Budget Rates & Charges

Derelict Properties

Latrobe City Council proposes the introduction in the 2017/2018 Annual Budget of a differential rate relating to derelict properties across the municipality. The differential rate is proposed to be set at the maximum level, being 4 times the lowest differential rate, as allowed under Section 161 (5) of the Local Government Act 1989.

Objective

The objective of the differential rate for derelict properties is to promote the responsible management of land and buildings through incentivising the proper development and maintenance of such land and buildings so as not to pose a risk to public safety or adversely affect public amenity.

Definition/Characteristics

Properties will be considered derelict where 1 and 2 apply –

1. The property, which includes both buildings and/or land, is in such a state of disrepair that it is unfit for human habitation or other occupation, and has been in such a condition for a period of more than 3 months.

The definition of “unfit for human habitation or other occupation” is a property that is unsuitable for living or working in on a daily basis. The property is likely to lack, or have restricted access to, essential services or facilities including but not limited to water, and/or operational effluent discharge facilities, and the property is considered unsafe or unsuitable for use as a place of business or domestic inhabitation on a daily basis.

and

2. The property meets one or more of the following criteria -
 - (a) The property has become unsafe and poses a risk to public safety, including but not limited to:
 - the existence on the property of vermin, rubbish/litter, fire hazards, excess materials/goods, asbestos or other environmental hazards; or
 - the property is a partially built structure where there is no reasonable progress of the building permit
 - (b) The property adversely affects public amenity;
 - (c) The property provides an opportunity to be used in a manner that may cause a nuisance or become detrimental to the amenity of the immediate area;
 - (d) The condition of the property has a potential to adversely impact the value of other properties in the vicinity;
 - (e) The property affects the general amenity of adjoining land or the neighbourhood by the appearance of graffiti, any stored unregistered motor vehicles, machinery or parts thereof, scrap metal, second hand building materials, building debris, soil or similar materials, or other items of general waste or rubbish.

Types and Classes of land subject to the differential rate

Any land having the relevant characteristics described above.

Geographic Location

Wherever located within the boundaries of the municipality.

Use of Land

Any use permitted or described under the relevant planning scheme.

Planning Scheme Zoning

The zoning applicable to each rateable land parcels within this category, as determined by consulting maps referred to in the relevant Planning Scheme.

2017/18 Budget Rates & Charges

Types of Buildings

All buildings which are currently constructed on the land or which have been constructed during the current financial year.

Use and Level of Differential Rate

The differential rate will be used to fund some of those items of expenditure described in the budget adopted by Council.

The level of differential rate is the level which Council considers is necessary to achieve the objective specified above and is set at the maximum level, being 4 times the lowest differential rate, as allowed under Section 161 (5) of the Local Government Act 1989.

The actual amount of the differential rate for derelict properties will be four times the amount of the lowest differential rate, which is the Farm Rate, which is 75% of the General Rate. The rate in the dollar for the derelict properties will be 0.01426672 and will generate \$20,159, which represents 0.03% of total rates and charges revenue.

Recreational Land

Recreational land is defined in accordance with Section 4 of the Cultural & Recreational Lands Act 1963 (C&RL).

The Cultural & Recreational Lands Act 1963 requires councils to take into consideration the services provided by the municipal council in relation to such lands and the benefit to the community derived from the land when determining the quantum of the amount payable in lieu of rates.

Latrobe City Council has a two concession rates in relation to recreational land. Type 1 eligible lands include land which meets the definition of C&RL that do not provide gaming facilities. The rate concession for Type 1 land is set at 50% of the general rate. In addition, there are two recreational assessments which receive an additional rebate. These rebates are applied as a result of significant changes in the CIV valuations resulting from the rezoning of land and changes in valuation methodologies. It was considered that without applying a rebate the levied amounts would fail to take into consideration the requirements under the C&RL Act. Type 2 eligible lands include land which meets the definition of C&RL that provide gaming facilities. The rate concession for Type 2 land is set at 60% of the general rate.

General Rate

The General Rate is applied to any rateable land that is not defined as farm land or

The reasons for the use of that rate are that:-

- (i) the types and classes of land to which the rate applies can be easily identified;
- (ii) it is appropriate to have a general rate so as to fairly rate lands other than recreational and farm lands;
- (iii) the level of this rate is appropriate having regard to all relevant matters including the use to which farm land is put and the amount to be raised by Council's Municipal charge;

- (v) the level of the farm rate is appropriate to ensure that the burden of the payment of general rates is fairly apportioned across all rateable land within the Municipal district.

2017/18 Budget Budget Reports

Budget Analysis

The following reports provide detailed analysis to support and explain the budget reports in the previous section.

This section includes the following analysis and information.

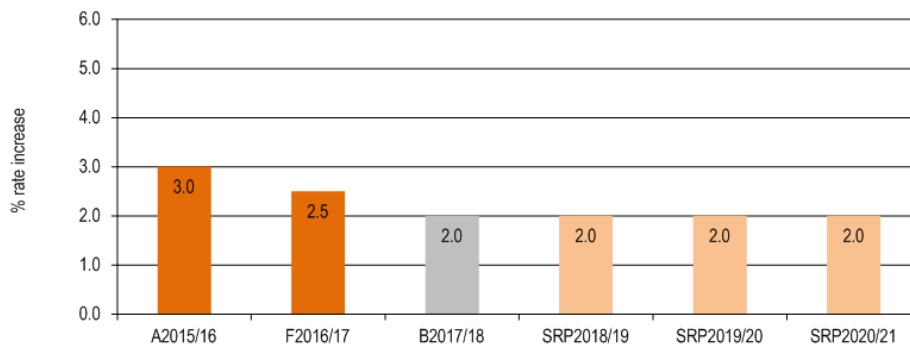
- 8 Summary of financial position
- 9 Budget influences
- 10 Analysis of operating budget
- 11 Analysis of budgeted cash position
- 12 Analysis of capital budget
- 13 Analysis of budgeted financial position

2017/18 Budget Summary of Financial Position

Summary of Financial Position

Council has prepared a Budget for the 2017/18 financial year which seeks to balance the demand for services and infrastructure with the community’s capacity to pay. Key budget information is provided below about the rate increase, operating result, services, cash and investments, capital works, financial position, financial sustainability and strategic activities of the Council.

8.1 Rates & Charges

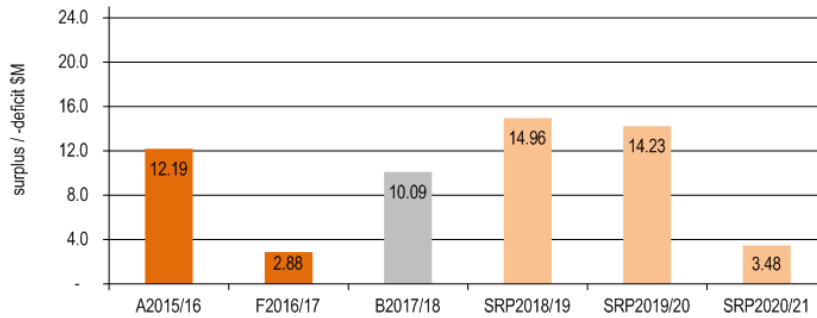


A = Actual F = Forecast B = Budget SRP = Strategic Resource Plan estimates

It is proposed that overall rates and charges increase by 2.35% for the 2017/18 year which includes a 2.0% increase in general rates, an estimated 1.7% increase in rating agreements in line with contractual and legislative requirements. Total rates of \$76.869 million are to be raised, including \$0.300 million generated from supplementary rates. General rates and municipal charge increase by 2.0% or \$1.088 million. Garbage Charges will increase by 1.90% or \$6.00 for the standard three bin service generating an additional \$0.208 million. The Landfill levy will increase by \$0.40 or 2.0% as a result of the State Government’s EPA landfill levy, at this time it is not certain what the levy on municipal waste will be for 2017/18 so the increase has been kept in line with Council's overall rates increase. In the interests of clarity the EPA levy component will again be disclosed separately from Council's garbage charge on the 2017/18 rates notice.

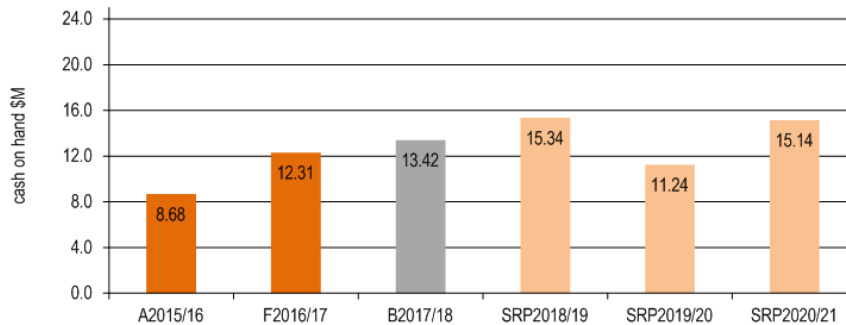
2017/18 Budget Summary of Financial Position

8.2 Operating result



The expected operating result for the 2017/18 year is a surplus of \$10.088 million, after capital grants and contributions, which is an increase of \$7.204 million from 2016/17. The improved operating result is mainly due to reduced budgeted expenditure on materials and services as a result of higher carry forward funding expenditure in the 2016/17 financial year. The adjusted underlying result, which excludes items such as non-recurrent capital grants and developer contributions is a surplus of \$2.463 million, which is an increase of \$6.315 million over 2016/17 mainly resulting from the carry forward of works from 2015/16 which were funded through accumulated surplus and reserves in 2016/17. (The forecast operating result for the 2016/17 year is a surplus of \$2.884 million with an underlying result of a \$3.852 million deficit).

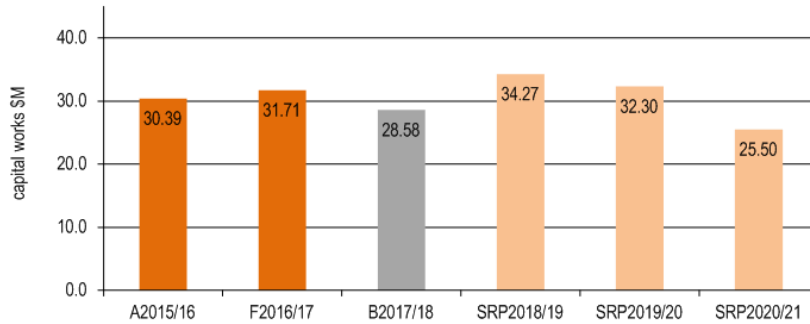
8.3 Cash and investments



Cash and investments are expected to increase by \$1.107 million during the year to \$13.418 million as at 30 June 2018. This is due mainly to funding generated that will be put into reserves to meet future commitments for landfill cell construction and rehabilitation and interest only loan repayments. The cash balance remaining is predominantly associated with liabilities for employee provisions and interest only borrowings together with landfill reserves to assist in funding future landfill cell constructions (Cash and investments are forecast to be \$12.311 million as at 30 June 2017).

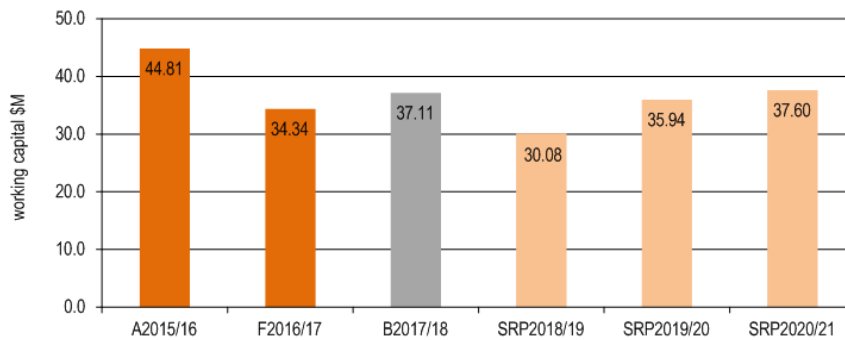
2017/18 Budget Summary of Financial Position

8.4 Capital works



The capital works program for the 2017/18 year is expected to be \$28.576 million of which \$3.642 million relates to projects which will be carried forward from the 2016/17 year. The carried forward component is funded from the 2016/17 budget with the exception of project management wages of \$0.131 million which will be funded from operations in 2017/18. Of the \$28.576 million of capital funding required, \$20.500 million will come from Council cash, \$2.350 million from borrowings and \$5.727 million from external grants. The Council cash includes asset sales (\$0.467 million) which is made up of fleet, plant & equipment sales and sale of property, cash held at the start of the year (\$6.249 million) and cash gained through Council Operations (\$16.452 million). The capital expenditure program has been set and prioritised based on a process of consultation that has enabled Council to assess needs and develop sound business cases as appropriate.

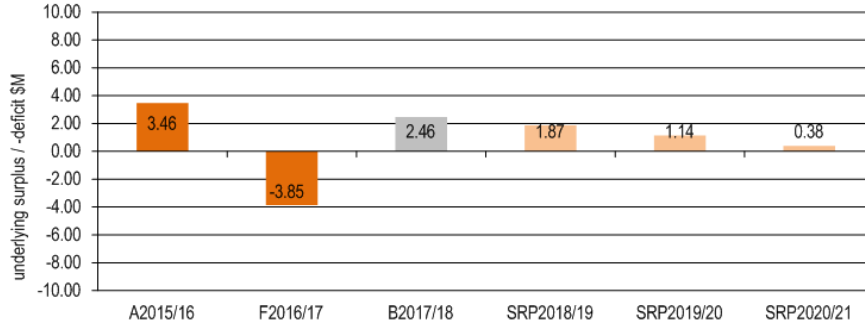
8.5 Financial position / Working Capital



The financial position is expected to improve with net assets (net worth) to increase by \$33.556 million to \$1,208.319 million. Net current assets (working capital) will increase by \$2.775 million to \$37.112 million as at 30 June 2018. This is mainly due to funds being put aside into notional reserves to fund future requirements such as landfill construction and rehabilitation and interest only loan repayments. (Total equity is forecast to be \$1,174.763 million as at 30 June 2017).

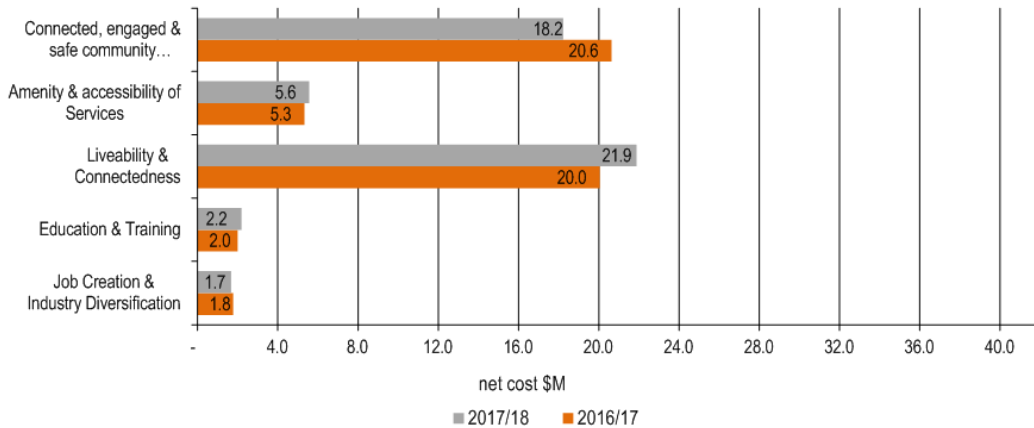
2017/18 Budget Summary of Financial Position

8.6 Financial sustainability



A high level Strategic Resource Plan for the years 2017/18 to 2020/21 has been developed to assist Council in adopting a budget within a longer term prudent financial framework. The key objective of the Plan is financial sustainability in the medium to long term, while still achieving the Council's strategic objectives as specified in the Council Plan. While the Plan projects that Council's operating result is positive for the duration of the Strategic Resource Plan, the underlying result which is a measure of financial sustainability, shows Council achieving a positive result from 2017/18 onwards. The difference between the surplus and underlying result is mainly due to substantial capital revenue forecast to be received during this period to fund a number of major capital works projects.

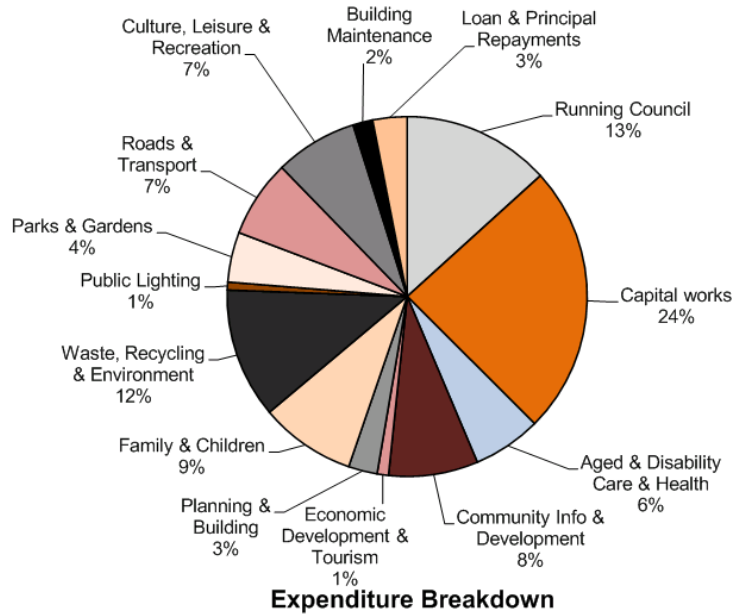
8.7 Strategic objectives



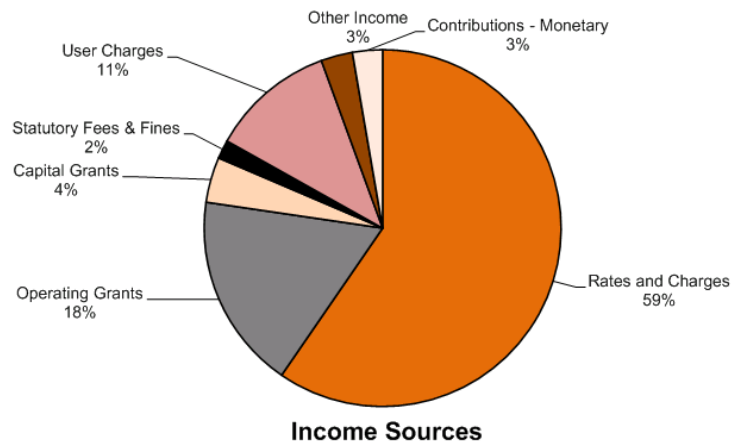
The Annual Budget includes a range of activities and initiatives to be funded that will contribute to achieving the strategic objectives specified in the Council Plan. The above graph shows the level of funding allocated in the budget to achieve the strategic objectives as set out in the Council Plan for the 2017/18 year.

2017/18 Budget Summary of Financial Position

8.8 Where rates are spent



The above chart provides an indication of how Council allocates its expenditure across the main services that it delivers.



The above chart provides an indication of where Council's income sources are derived.

This budget has been developed through a rigorous process of consultation and review, and management endorses it as financially responsible. More detailed budget information is available throughout this document.

2017/18 Budget Budget Influences

9. Budget influences

This section sets out the key budget influences arising from the internal and external environment within which the Council operates.

9.1 Snapshot of Latrobe City Council

Latrobe City is made up of four major urban centres: Churchill, Moe/Newborough, Morwell and Traralgon, with smaller townships of Boolarra, Glengarry, Toongabbie, Tyers, Traralgon South, Yallourn North, and Yinnar.

Latrobe Valley is located only 70 minutes from the outskirts of Melbourne with a population of over 73,000 residents. Latrobe City boasts all of the recreational and cultural facilities of a large diverse regional centre with the added benefit of being nestled amongst some of the best tourist attractions in the state.

Population

The population of Latrobe City has grown over the past 9 years from 70,536 people in 2006, to 73,548 in 2015 an increase of 4.3%. (Source: Regional Population Growth 2012-13, ABS).

9.2 External influences

In preparing the 2017/18 budget, a number of external influences have been taken into consideration, as they are likely to impact significantly on the services delivered by Council in the budget period. These include:

- The state government's cap on rates to CPI levels (2.0%).
- A wage rate rise of 3.00% p.a.; in line with Councils' current Collective Agreement effective from September 2015.
- Banding increases of approximately 0.5% p.a.
- Superannuation Guarantee of 9.5%.
- Consumer Price Index (CPI) increases on goods and services of 1.5% through the year to December quarter 2016 (ABS release 25 January 2017). State-wide CPI is forecast to be 2.0% for the 2017/18 year (Victorian Budget Papers 2016/17)
- Removal of the freeze on indexation of Victoria Grants Commission funding is anticipated.
- Increases in line with CPI in the levy payable to the State Government upon disposal of waste into landfill. The levy on municipal waste has increased from \$7 per tonne in 2009/10 to \$31.09 per tonne in 2016/17, no advice has yet been received on the fee levels for 2017/18 onwards.
- The Fire Services Property Levy will continue to be collected by Council on behalf of the State Government in line with the Fire Services Property Levy Act 2012.
- The closure of an electricity generator has the potential to impact on Council's ability to collect rates and maintain its current rate base.

2017/18 Budget Budget Influences

9.3 Internal influences

As well as external influences, there were also a number of internal influences arising from the 2016/17 year which have had a significant impact on the setting of the budget for 2017/18. The most significant of these is the funds received in 2016/17 that will be required to be carried forward for capital projects.

9.4 Budget principles

In response to these significant influences, guidelines were prepared and distributed to all Council officers with budget responsibilities. The guidelines set out the key budget principles upon which the officers were to prepare their draft budgets. The principles included:

- Existing fees and charges to be increased in line with CPI or market levels;
- Grants to be based on confirmed funding levels or estimated at a maximum increase of 1% less than CPI;
- Service levels to be maintained at 2016/17 levels with an aim to use less resources with an emphasis on innovation and efficiency;
- New initiatives or staff proposals to be justified through a business case;
- Contract labour to be minimised.
- On a cash basis Council budgets for a break even result, with any cash remaining at year end required to meet current and future liabilities together with current commitments.

9.5 Long term strategies

The budget includes consideration of a number of long term strategies and contextual information to assist Council to prepare the Budget in a proper financial management context. These include a Strategic Resource Plan for 2017/18 to 2020/21 (section 14), Rating Information (section 15) and Other Long Term Strategies (section 16) including borrowings, infrastructure and service delivery.

2017/18 Budget Analysis of Operating Budget

10. Analysis of operating budget

This section of the report analyses the operating budget including expected income and expenses of the Council for the 2017/18 year.

10.1 Budgeted income statement

	Ref	Forecast Actual 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
Total income	10.2	128,533	129,013	480
Total expenses	10.3	(125,649)	(118,925)	6,724
Surplus (deficit) for the year		2,884	10,088	7,204
Grants –non-recurrent capital	10.2.3	(3,365)	(4,115)	(750)
Contributions -non-monetary	10.2.7	(3,000)	(3,000)	0
Capital contributions -other	10.2.6	(372)	(510)	(138)
Underlying surplus (deficit)	10.1.1	(3,853)	2,463	6,316

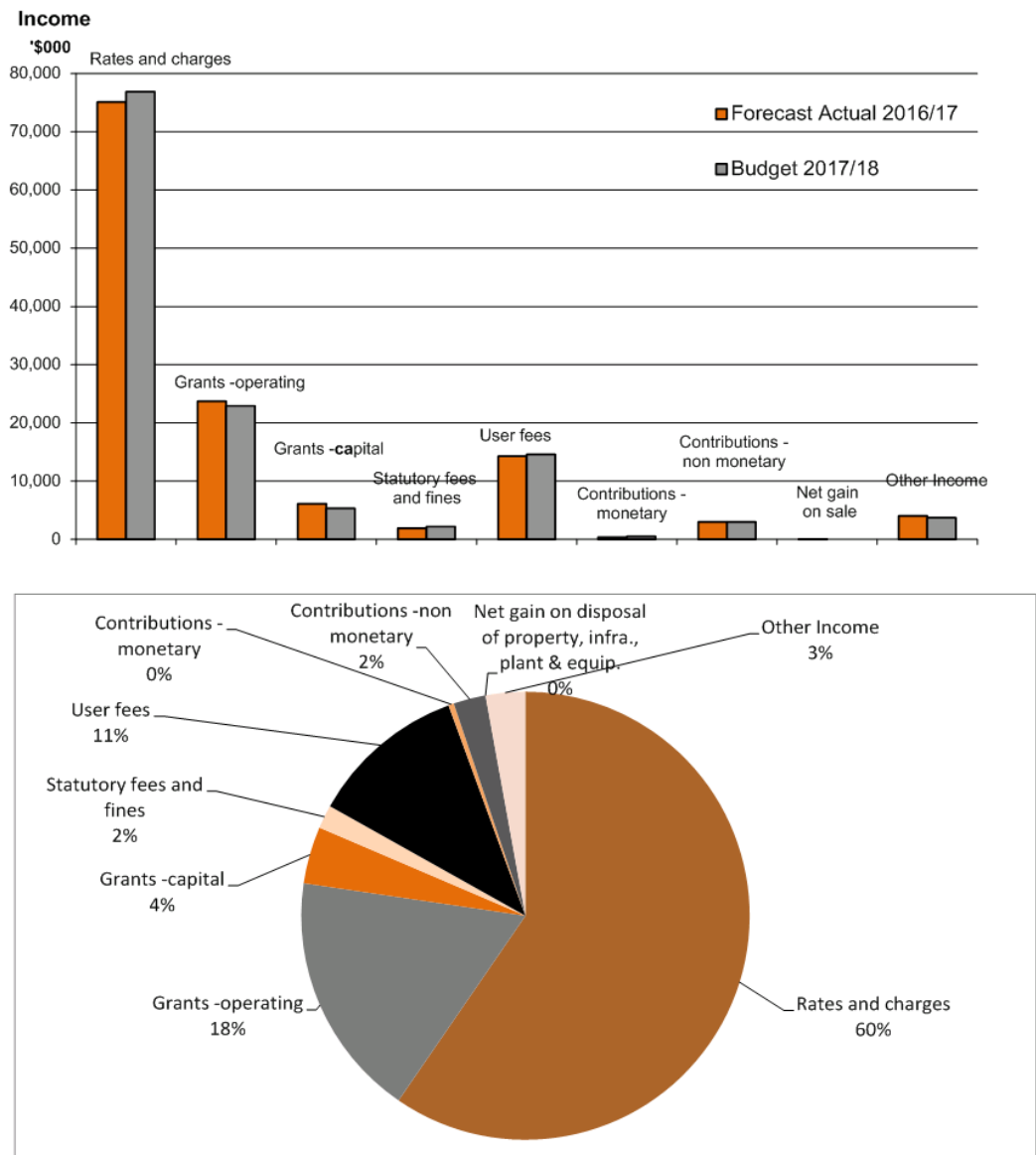
10.1.1 Adjusted underlying surplus (\$6.316 million increase)

The adjusted underlying result is the net surplus for the year adjusted for non-recurrent capital grants, non-monetary asset contributions, and capital contributions from other sources. It is a measure of financial sustainability and Council's ability to achieve its service delivery objectives as it is not impacted by capital income items which can often mask the operating result. The underlying result for the 2017/18 year is a surplus of \$2.463 million which is an increase of \$6.316 million over the 2016/17 year. The forecast underlying deficit in 2016/17 is the result of expenditure incurred relating to government grants and other funding generated in previous financial years which was carried forward in accumulated surplus and reserves. On a cash basis Council budgets for a break even result each year. In calculating the adjusted underlying result, Council has excluded grants received for capital purposes which are non-recurrent and capital contributions from other sources. Contributions of non-monetary assets are excluded as the value of assets assumed by Council is dependent on the level of development activity each year.

10.2 Income

Income Types	Ref	Forecast Actual 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
Rates and charges	10.2.1	75,105	76,869	1,764
Grants -operating	5.1.1	23,718	22,889	(829)
Grants -capital	5.1.2	6,116	5,307	(809)
Statutory fees and fines	10.2.2	1,929	2,184	255
User fees	10.2.3	14,257	14,566	309
Contributions -monetary	10.2.4	372	510	138
Contributions -non monetary	10.2.5	3,000	3,000	0
Net gain on disposal of property, infra., plant & equip.	10.2.6	11	0	(11)
Other Income	10.2.7	4,025	3,688	(337)
Total income		128,533	129,013	480

2017/18 Budget Analysis of Operating Budget



10.2.1 Rates and charges (\$1.764 million increase)

It is proposed that rates and charges income, excluding growth of \$0.300 million, will increase by a total of 2.3% or \$1.764 million over the total rate income for 2016/17, to \$76.869 million. Income generated from General rates and Municipal charges are proposed to increase by 2.0% in accordance with the State Government Rate Cap. Garbage Charges and EPA Levy are proposed to increase by a combined 1.9% excluding growth while payments in lieu of rates received under the Electricity Act and Rating Agreements (which are tied to the actual CPI rate at March each year) are expected to increase by 1.7% to \$9.418 million. Section 7. "Rating Information" includes a more detailed analysis of the rates and charges to be levied for 2017/18.

2017/18 Budget Analysis of Operating Budget

10.2.2 Statutory fees and fines (\$0.255 million increase)

Statutory fees and fines relate mainly to fees and fines levied in accordance with legislation and include animal registrations, Public Health and Wellbeing Act 2008 registrations and parking fines. Increases in statutory fees are made in accordance with legislative requirements. Statutory fees and fines are forecast to increase by 13.2% or \$0.255 million compared to 2016/17. The increase is due to additional revenue budgeted in Local Laws fines, Health Services, Planning and Fire Hazard Removal. A detailed listing of statutory fees is included in Appendix A.

10.2.3 User fees and charges (\$0.309 million increase)

User charges relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services. These include waste services, animal fees, use of leisure, entertainment and other community facilities and the provision of human services such as family day care and home care services. In setting the budget, the key principles for determining the level of user charges has been to ensure that increases do not exceed CPI increases and/or market levels. The increase of \$0.309 million in user fees and charges expected from 2016/17 to 2017/18 is in line with anticipated CPI rises of 2.0%. A detailed listing of fees and charges is set out in Appendix A.

10.2.4 Contributions - monetary (\$0.138 million increase)

Contributions relate to monies paid by developers in regard to public open space, drainage and other infrastructure in accordance with planning permits issued for property development together with non government contributions towards capital works projects. The 2017/18 budget is higher compared to 2016/17 due to receipt of contributions towards the Latrobe City Synthetic Sports Field Pavilion.

10.2.5 Contributed - non monetary (No change)

This item relates to expected infrastructure assets handed over to Council from developers of new subdivisions and occasionally may also include any other asset that is gifted to Council e.g. donated artworks. No change is anticipated in the 2017/18 budget.

10.2.6 Net gain on disposal of property, infrastructure, plant and equipment (\$0.011 million decrease)

Proceeds from the disposal of Council assets is forecast to be \$0.467 million for 2017/18, which is inline with the written down value of the assets to be sold therefore resulting in zero gain. Proceeds relate to the planned cyclical replacement of a portion of the plant and vehicle fleet (\$0.467 million). A minor gain on disposal of \$0.011 million is forecast in 2016/17.

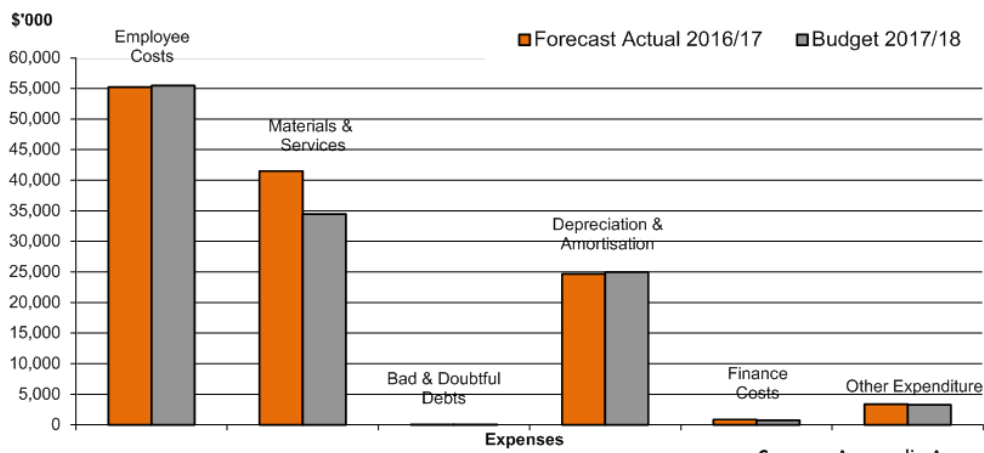
10.2.7 Other income (\$0.337 million decrease)

Other income relates to a range of items such as property rental/leases, private works, cost recoups and other miscellaneous income items. It also includes interest income on rate arrears and investments. It is projected that other income will decrease by \$0.337 million in 2017/18 mainly due to diminishing investment returns due to lower cash holdings as funds carried forward from previous years are expended and a reduction in reimbursements and local contributions that are generally one-off receipts.

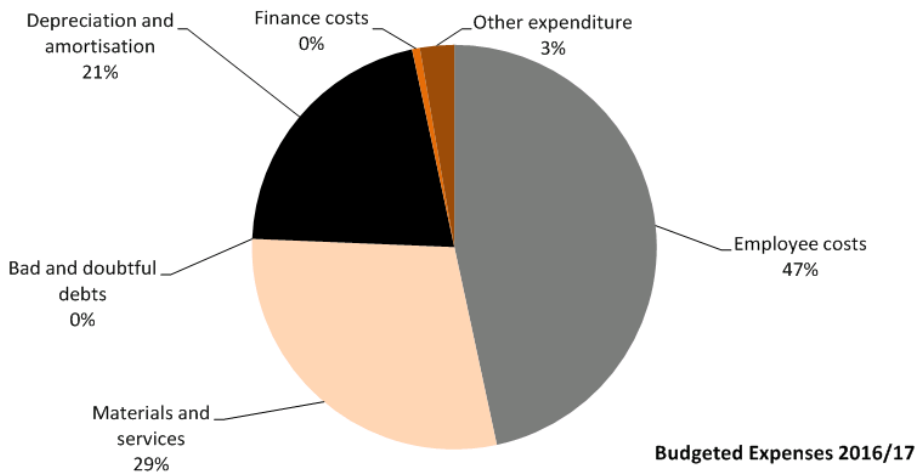
2017/18 Budget Analysis of Operating Budget

10.3 Expenses

Expense Types	Ref	Forecast Actual 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
Employee costs	10.3.1	55,205	55,453	248
Materials and services	10.3.2	41,491	34,500	(6,991)
Bad and doubtful debts	10.3.3	21	12	(9)
Depreciation and amortisation	10.3.4	24,657	24,969	312
Finance costs	10.3.5	882	742	(140)
Other expenditure	10.3.6	3,393	3,249	(144)
Total expenses		125,649	118,925	(6,724)



Source: Appendix A



2017/18 Budget Analysis of Operating Budget

10.3.1 Employee costs (\$0.248 million increase)

Employee costs include all labour related expenditure such as wages and salaries and on-costs such as allowances, leave entitlements, employer superannuation, WorkCover, etc.

Employee costs are forecast to increase by 0.4% or \$0.248 million compared to 2016/17 forecast. Salary and Wages have been budgeted in accordance with Council's Enterprise Bargaining Agreement and annual award increases for banded staff.

A summary of human resources expenditure categorised according to the organisational structure of Council is included below:

Division		Full Time \$'000	Part Time \$'000
Office of the CEO	704	704	0
City Development	8,203	6,549	1,653
Corporate Services	7,289	6,449	840
Infrastructure & Recreation	12,913	10,784	2,129
Community Services	19,537	8,712	10,825
Waste & Landfill	831	831	0
Total	49,476	34,029	15,447
Casuals and other	5,977		
Total Operating Employee Costs	55,453		
Capitalised labour costs	1,235		
Total Employee Costs	56,688		

A summary of the number of full time equivalent (FTE) Council staff in relation to the above expenditure is included below:

Division		Full Time FTE	Part Time FTE
Office of the CEO	5.0	5.0	0.0
City Development	84.9	64.0	20.9
Corporate Services	71.7	63.4	8.3
Infrastructure & Recreation	145.2	117.0	28.2
Community Services	190.6	89.5	101.1
Waste & Landfill	8.8	8.8	0.0
Total	506.2	347.7	158.5
Casuals and other	28.7		
Total Operating FTE	534.9		
Capitalised FTE	12.4		
Total FTE	547.3		

2017/18 Budget Analysis of Operating Budget

The most significant increases in employee costs by service unit are summarised below:

Division	Service Unit	Forecast	Actual	Budget	Variance
		2016/17	2016/17	2017/18	
		\$'000	\$'000	\$'000	\$'000
Infrastructure & Recreation	Infrastructure Operations	6,132		6,520	388
	Infrastructure Development	3,980		4,202	222
City Development	Arts & Events	2,130		2,473	343
	Municipal Services	3,082		3,332	250
	Planning Services	1,961		2,164	202

10.3.2 Materials and services (\$6.991 million decrease)

Materials and Services are forecast to decrease by 16.6% or \$6.991 million compared to 2016/17. This is made up of reductions across a number of areas including expenditure funded from operating grants and monies carried forward which are expected to be lower in 2017/18. In addition Council continues to strive to find efficiencies in such items of expenditure as contractors/contract staff, consultants and legal costs.

10.3.3 Bad and doubtful debts (\$0.009 million decrease)

Bad and doubtful debts are expected to have a slight decrease for the 2017/18 financial year.

10.3.4 Depreciation and amortisation (\$0.312 million increase)

Depreciation and amortisation is an accounting measure which attempts to allocate the value of an asset over its useful life for Council's property, plant and equipment including infrastructure assets such as roads and drains. The projected increase of \$0.312 million is mainly due to the completion of the 2016/17 capital works program and the full year effect of depreciation on the 2016/17 capital works program.

Refer to section 12. "Analysis of Capital Budget" for a more detailed analysis of Council's capital works program for the 2017/18 year.

10.3.5 Finance costs (\$0.140 million decrease)

Finance costs relate to interest charged by financial institutions on borrowed funds. The budgeted decrease in these costs is due to no new loans being taken up in 2016/17 while one loan reached full maturity.

10.3.6 Other Expenditure (\$0.144 million decrease)

Other expenditure relates to a range of unclassified items including contributions to community groups, audit costs, levies, lease and rent payments and other miscellaneous expenditure items. Other expenditure is expected to decrease by \$0.144 million in 2017/18 predominantly due to a forecast decrease in the amount of commercial waste being delivered to the landfill, resulting in an overall reduction in the amount of landfill levy fees payable to the State Government.

2017/18 Budget Analysis of Budgeted Cash Position

11. Analysis of budgeted cash position

This section analyses the expected cash flows from the operating, investing and financing activities of Council for the 2017/18 year. Budgeting cash flows for Council is a key factor in setting the level of rates and providing a guide to the level of capital expenditure that can be sustained with or without using existing cash reserves.

The analysis is based on three main categories of cash flows:

Operating activities - Refers to the cash generated or used in the normal service delivery functions of Council. Cash remaining after paying for the provision of services to the community may be available for investment in capital works, or repayment of debt.

Investing activities - Refers to cash generated or used in the enhancement or creation of infrastructure and other assets. These activities also include the acquisition and sale of other assets such as vehicles, property and equipment.

Financing activities - Refers to cash generated or used in the financing of Council functions and include borrowings from financial institutions and advancing of repayable loans to other organisations. These activities also include repayment of the principal component of loan repayments for the year.

2017/18 Budget Analysis of Budgeted Cash Position

11.1 Budgeted cash flow statement

	Ref	Forecast		Variance \$'000
		Actual 2015/16 \$'000	Budget 2017/18 \$'000	
Cash flows from operating activities	11.1.1			
<i>Receipts</i>				
Rates and charges		75,067	76,528	1,461
Grants - operating		23,719	22,888	(831)
Grants - capital		6,116	5,307	(809)
Statutory Fees & Fines		1,929	2,184	255
User Charges		14,457	14,766	309
Interest		1,550	1,448	(102)
Contributions - monetary		372	510	138
Other Receipts		2,475	2,240	(235)
		125,685	125,871	186
<i>Payments</i>				
Employee costs		(54,707)	(55,098)	(391)
Materials and services		(41,346)	(34,168)	7,178
Trust Funds and Deposits		(10)	(54)	(44)
Other Payments		(5,556)	(7,074)	(1,518)
		(101,619)	(96,394)	5,225
Net cash provided by operating activities		24,066	29,477	5,411
Cash flows from investing activities	11.1.2			
Proceeds from sales of property, plant & equipment		1,159	467	(692)
Proceeds from sales of other financial assets		12,884	0	(12,884)
Payments for property, plant & equipment		(31,712)	(28,576)	3,136
Net cash used in investing activities		(17,669)	(28,109)	(10,440)
Cash flows from financing activities	11.1.3			
Finance costs		(882)	(742)	140
Proceeds from borrowings		0	2,350	2,350
Repayment of borrowings		(1,884)	(1,869)	15
Net cash used in financing activities		(2,766)	(261)	2,505
Net increase (decrease) in cash held		3,631	1,107	(2,524)
Cash and cash equivalents at the beginning of the year		8,680	12,311	3,631
Cash and cash equivalents at the end of the year	11.1.4	12,311	13,418	(1,107)

2017/18 Budget Analysis of Budgeted Cash Position

11.1.1 Operating activities (\$5.411 million increased net inflow)

The increase in cash inflows from operating activities is due mainly to reductions in materials and services expenditure mainly as a result of higher expenditure in 2016/17 relating to funding carried over from previous years.

The net cash flows from operating activities does not equal the surplus (deficit) for the year as the expected revenues and expenses of the Council include non-cash items which have been excluded from the Cash Flow Statement. The budgeted operating result is reconciled to budgeted cash flows available from operating activities as set out in the following table.

	Forecast Actual 2015/16 \$'000	Budget 2017/18 \$'000	Variance \$'000
Surplus (deficit) for the year	2,884	10,088	7,204
Depreciation and amortisation	24,657	24,969	312
Loss (gain) on disposal of property, infrastructure, plant & equipment	(11)	0	11
Finance Costs	882	742	(140)
Developer contributed assets	(3,000)	(3,000)	0
Net movement in current assets and liabilities	(1,346)	(3,322)	(1,976)
Cash flows available from operating activities	24,066	29,477	5,411

11.1.2 Investing activities (\$10.440 million increased net outflow)

The increased outflow is largely a result of other financial assets (investments with a term of greater than 90 days) being expected to remain at the same level in 2017/18, compared to 2016/17 when \$12.884 million is forecasted to be returned to cash mainly in order to pay for capital works projects carried forward from prior financial years. Proceeds of sale of property plant and equipment is also expected to reduce mainly due to the sale of the ex Moe Early Learning Centre and other land in the 2016/2017 financial year. These decreased inflows are partially offset by lower outflows/payments for property, plant and equipment (Capital Works) due to less projects expected to be carried forward in the 2017/18 financial year.

11.1.3 Financing activities (\$2.505 million decreased net outflow)

New borrowings of \$2.35 million (Nil in 2016/17) are budgeted for 2017/18 thus creating an increase in cash inflows from the 2016/17 financial period. Council's existing loan profile also results in decreased outflows of finance costs (\$0.140 million) and principal repayments (\$0.015 million) compared to 2016/17.

11.1.4 Cash and cash equivalents at end of the year (\$1.107 million increase)

Total cash holdings are forecast to increase by \$1.107 million primarily due to funding to be generated that will be transferred to reserve to fund future landfill cell construction and rehabilitation together with the future repayments of interest only borrowings.

2017/18 Budget Analysis of Budgeted Cash Position

11.2 Restricted and unrestricted cash and investments

Cash and cash equivalents held by Council are restricted in part, and not fully available for Council's operations. The budgeted cash flow statement above indicates that Council is estimating at 30 June 2017 it will have cash and investments of \$13.418 million, which has been restricted as shown in the following table.

	Ref	Forecast		Variance
		Actual 2015/16 \$'000	Budget 2017/18 \$'000	
Total cash and investments		12,311	13,418	1,107
Restricted cash and investments				
- Statutory reserves	11.2.1	(3,298)	(3,389)	(91)
- Cash held to carry forward capital works	11.2.2	(3,512)	0	3,512
- Trust funds and deposits	11.2.3	(2,722)	(2,777)	(55)
Unrestricted cash and investments	11.2.4	2,779	7,252	4,473

11.2.1 Statutory reserves (\$3.389 million)

These funds must be applied for specified statutory purposes in accordance with various legislative requirements. While these funds earn interest revenues for Council, the funds are not available for other purposes. During the 2017/18 year \$0.091 million is budgeted to be transferred to Statutory Reserves with no planned transfers from reserve for capital projects. Statutory reserves include funds held by Council for specific development purposes including off street parking, road works, street lighting, drainage, playgrounds and public open space and tree planting development.

11.2.2 Cash held to fund carry forward capital works (\$0.0 million)

There is no amount shown as cash held to fund carry forward works at 30 June 2018, as it is expected that the capital works budget in the 2017/18 financial year will be fully completed. An amount of \$3.512 million is forecast to be held at 30 June 2017 to fund capital works budgeted but not completed in the 2016/17 financial year. Section 12.2 contains further details on capital works funding.

11.2.3 Trust funds and deposits (\$2.777 million)

These funds include security deposits, contract retention and other sundry deposits and bonds. These must be held and refunded in accordance with various legislative and contractual requirements. Whilst these funds earn interest income for Council, they are not available for other purposes.

11.2.4 Unrestricted cash and investments (\$7.252 million)

These funds are free of all specific Council commitments and represent funds available to meet daily cash flow requirements, unexpected short term needs and any budget commitments which will be expended in the following year such as grants and contributions. Council regards these funds as the minimum necessary to ensure that it can meet its commitments as and when they fall due without borrowing further funds. A high level of working capital is required as 60% of Council's rate income is not received until February and onwards each year. The cash balance remaining is predominantly associated with liabilities for employee provisions together with landfill reserves to assist in funding future landfill cell constructions.

2017/18 Budget Analysis of Capital Budget

12. Analysis of capital budget

This section of the report analyses the planned capital expenditure budget for the 2017/18 year and the sources of funding for the budget.

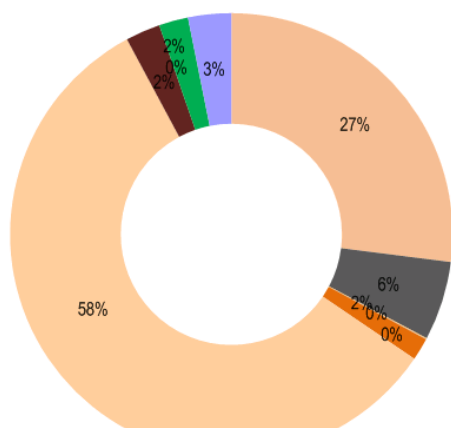
12.1 Capital works

Capital Works Areas	Ref	Forecast Actual 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
Works carried forward	12.1.1			
<i>Property</i>				
Total Land		0	0	0
Buildings		696	1,207	510
Building Improvements		0	0	0
Heritage Buildings		14	196	183
Total Buildings		710	1,403	693
Total Property		710	1,403	693
<i>Plant & Equipment</i>				
Plant, Machinery & Equipment		701	0	(701)
Fixtures, fittings and furniture		0	0	0
Computers & Telecommunications		0	0	0
Total Plant & Equipment		701	0	(701)
<i>Infrastructure</i>				
Roads		3,819	710	(3,110)
Footpaths & Cycleways		214	0	(214)
Bridges & Culverts		399	105	(294)
Off Street Carparks		81	0	(81)
Drainage		2,451	525	(1,926)
Parks, Open Space & Streetscapes Recreational, Leisure & Community Facilities		1,913	0	(1,913)
Aerodromes		0	0	0
Other Infrastructure		29	0	(29)
Waste Management		0	900	900
Total Infrastructure		9,036	2,240	(6,796)
Total works carried forward		10,446	3,642	(6,804)
New works				
<i>Property</i>				
Land	12.1.2	458	0	(458)
Total Land		458	0	(458)
Buildings		5,322	6,313	991
Building Improvements		0	0	0
Heritage Buildings		0	0	0
Total Buildings		5,322	6,313	991
Total Property		5,781	6,313	532
<i>Plant & Equipment</i>				
Plant, Machinery & Equipment	12.1.3	1,726	1,652	(74)
Fixtures, Fittings & Furniture		9	10	1
Computers & Telecommunications		697	469	(228)
Artworks		15	15	0
Total Plant & Equipment		2,447	2,146	(301)

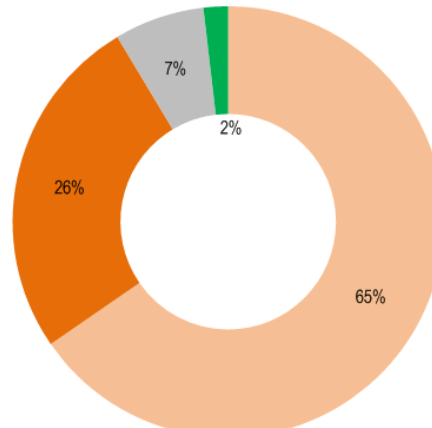
2017/18 Budget Analysis of Capital Budget

Infrastructure	12.1.4			
Roads		9,097	9,705	608
Footpaths & Cycleways		1,473	5,000	3,527
Bridges & Culverts		326	835	509
Off Street Carparks		105	125	20
Drainage		249	200	(49)
Parks, Open Space & Streetscapes		516	610	94
Waste Management		1,273	0	(1,273)
Total Infrastructure		13,039	16,475	3,436
Total new works		21,266	24,934	3,668
Total capital works		31,712	28,576	(3,136)
Represented by:				
Asset renewal expenditure	12.1.5	22,215	18,687	(3,528)
New asset expenditure	12.1.5	4,538	7,432	2,895
Asset upgrade expenditure	12.1.5	3,804	1,932	(1,872)
Asset expansion expenditure	12.1.5	1,155	525	(630)
Total capital works		31,712	28,576	(3,136)

Budgeted capital works 2016/17



Budgeted capital works 2016/17



- Land, Buildings & Improvements
- Plant, Machinery & Equipment
- Artworks
- Fixtures, Fittings & Furniture
- Computers & Telecommunications
- Roads/Paths/Bridges/Carparks
- Drainage
- Recreational, Leisure & Community Facilities
- Parks, Open Space & Streetscapes
- Waste Management

- Asset renewal expenditure
- New asset expenditure
- Asset upgrade expenditure
- Asset expansion expenditure

A more detailed listing of capital works is included in section 6.

2017/18 Budget Analysis of Capital Budget

12.1.1 Carried forward works (\$3.642 million)

At the end of each financial year there are projects which are either incomplete or not commenced due to planning issues, weather delays, extended consultation etc. For the 2016/17 year it is forecast that \$3.642 million of capital works will be incomplete and be carried forward into the 2017/18 year. There significant projects include the Landfill Cell 5 construction (\$0.900 million), Road Rehabilitation (\$0.675 million) and Drainage Augmentation projects (\$0.525 million).

12.1.2 Property (\$6.313 million)

Land, Buildings & Improvements includes community facilities, municipal offices, sports facilities, pavilions. For the 2017/18 year, \$6.313 million will be expended, the more significant projects include Latrobe Creative Precinct Design (\$2.350 million), Building Renewal program (\$1.678 million), Latrobe City Synthetic Sports field Pavilion (\$1.365 million) and the Latrobe Leisure Maintenance and Upgrade Program (\$0.651 million).

12.1.3 Plant & Equipment (\$2.146 million)

Plant and equipment includes plant, motor vehicles, machinery and equipment, office furniture & equipment, computers and telecommunications, leisure equipment and artworks. For the 2017/18 year, \$2.146 million will be expended on the ongoing cyclical replacement of plant, fleet, IT equipment, performing arts equipment, leisure equipment and office furniture & equipment, together with purchase of new artworks and a new surveying equipment.

12.1.4 Infrastructure (\$16.475 million)

Infrastructure includes roads, bridges, footpaths and cycleways, drainage, recreation, leisure, community facilities, parks, open space, streetscapes, waste management, off street car parks and other structures. For the 2017/18 year, \$16.475 million will be expended. The more significant projects include Local Roads Reseals (\$5.315 million), Traralgon to Morwell Shared Pathway (\$3.465 million), Road Rehabilitation (\$3.095 million), Gravel Road Resheet Program (\$0.970 million), Footpath Replacements (\$1.105 million), Playground Improvement Program (\$0.485 million) and Bridge Construction, repairs and Major Culvert Works (\$0.685 million).

12.1.5 Asset renewal (\$18.687 million), new assets (\$7.432 million), upgrade (\$1.932 million) and expansion (\$0.525 million)

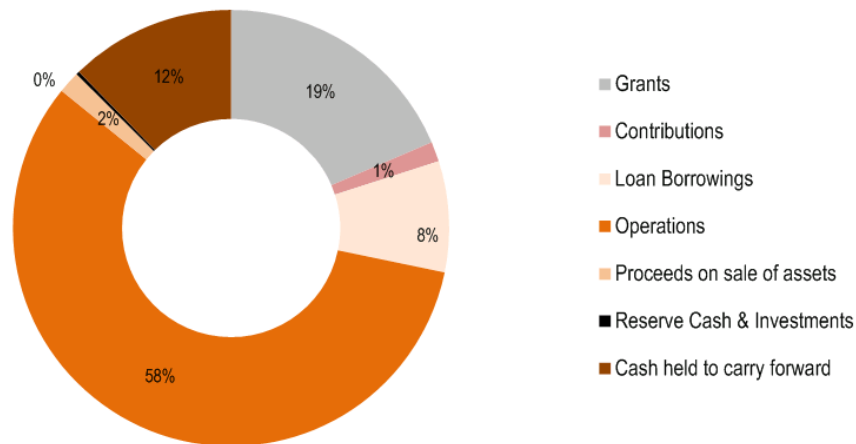
expansion. Expenditure on asset renewal is expenditure on an existing asset, or on replacing an existing asset that returns the service of the asset to its original capability. Expenditure on new assets does not have any element of expansion or upgrade of existing assets but will result in an additional burden for future operation, maintenance and capital renewal. The major projects included in the above categories, which constitute expenditure on new assets are Traralgon to Morwell Shared Pathway (\$3.465 million), Latrobe Creative Precinct (\$2.350 million) and the Latrobe City Synthetic Sports field Pavilion (\$1.365 million). The remaining capital expenditure represents renewals and upgrades/expansion of existing assets.

2017/18 Budget Analysis of Capital Budget

12.2 Funding sources

Sources of funding	Ref	Forecast Actual 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
Works carried forward				
Current year funding				
Grants		2,037	0	(2,037)
Contributions		0	0	0
Council cash				
- Operations		464	131	(333)
- Reserve Cash & Investments		0	0	0
- Cash held to carry forward		7,945	3,512	(4,434)
Total works carried forward	12.2.1	10,446	3,642	(6,804)
New works				
Current year funding				
Grants	12.2.2	4,079	5,307	1,228
Contributions	12.2.3	75	420	345
Loan Borrowings	12.2.4	0	2,350	2,350
Council cash				
- Operations	12.2.5	15,596	16,321	725
- Proceeds on sale of assets	12.2.6	525	467	(58)
- Reserve Cash & Investments	12.2.7	990	69	(921)
Total new works		21,266	24,934	3,668
Total funding sources		31,712	28,576	(3,136)

Budgeted total funding sources 2016/17



A more detailed listing of capital works is included in section 6.

2017/18 Budget Analysis of Capital Budget

12.2.1 Carried forward works (\$3.642 million)

A total of \$3.512 million of incomplete works during 2016/17 will be funded from the accumulated surplus. Project Management on these works of \$0.131 million will be funded from the 2017/18 operations.

12.2.2 Grants (\$5.307 million)

Capital grants include all monies received from State and Federal sources for the purposes of funding the capital works program. Significant grants are budgeted to be received for the Traralgon to Morwell Shared Pathway (\$3.465 million), Roads to Recovery program (\$1.192 million) and the Latrobe City Synthetic Sports field Pavilion (\$1.365 million).

12.2.3 Contributions (\$0.420 million)

Capital contributions include all monies received from community sources for the purposes of funding the capital works program. In 2017/18 \$0.420 million is budgeted for the Latrobe City Synthetic Sports field Pavilion project.

12.2.4 Loan borrowings (\$2.350 million)

New borrowings of \$2.350 million are proposed in 2017/18 to enable the completion of detailed design work for the Latrobe Creative Precinct. All other Capital Works are to be funded by Grants and Council cash.

12.2.5 Operations (\$16.321 million)

During the year Council generates cash from its operating activities, which is used as a funding source for the capital works program. It is forecast that \$16.321 million will be generated from operations to fund the 2017/18 capital works program. Refer section 11. "Budgeted Cash Position" for more information on funds from operations.

12.2.6 Proceeds from sale of assets (\$0.467 million)

Proceeds from sale of assets includes fleet, plant & equipment sales of \$0.467 million. These asset sales have been assumed to sell at the current book value.

12.2.7 Reserve Cash & Investments (\$0.069 million)

Reserve Cash is to be used in 2017/18 to fund Computers & Telecommunications replacement requirements.

2017/18 Budget Analysis of Budgeted Financial Position

13. Analysis of budgeted financial position

This section of the budget report analyses the movements in assets, liabilities and equity between 2015/16 and 2017/18. It also considers a number of key performance indicators.

13.1 Budgeted balance sheet

	Ref	Forecast Actual 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
Current assets	13.1.1			
Cash and cash equivalents		12,311	13,418	1,107
Trade and other receivables		7,050	7,191	141
Other Financial Assets		40,000	40,000	0
Other Assets		2,200	2,244	44
Total current assets		61,561	62,853	1,292
Non-current assets	13.1.2			
Trade and other receivables		0	0	0
Property, infrastructure, plant and equipment		1,173,364	1,204,092	30,728
Other Financial Assets		2	2	0
Intangible Assets		696	1,275	579
Total non-current assets		1,174,062	1,205,369	31,307
Total assets		1,235,623	1,268,222	32,599
Current liabilities	13.1.3			
Trade and other payables		6,382	6,510	128
Provisions		16,251	14,861	(1,390)
Interest bearing loans and borrowings		1,869	1,593	(276)
Other current liabilities		2,722	2,777	55
Total current liabilities		27,224	25,741	(1,483)
Non-current liabilities	13.1.4			
Provisions		19,355	19,124	(231)
Interest bearing loans and borrowings		14,281	15,038	757
Total non-current liabilities		33,636	34,162	526
Total liabilities		60,860	59,903	(957)
Net assets		1,174,763	1,208,319	33,556
Equity	13.1.5			
Accumulated surplus		664,899	674,896	9,997
Asset revaluation reserve		506,566	530,034	23,468
Other Reserves		3,298	3,389	91
Total equity		1,174,763	1,208,319	33,556

Source: Section 3

2017/18 Budget

Analysis of Budgeted Financial Position

13.1.1 Current assets (\$1.292 million increase)

The increase in current assets is mainly due to an increase in cash reserves associated with future landfill cell construction and rehabilitation and interest only loan repayment requirements. A more detailed analysis of this change is included in section 11. "Analysis of budgeted cash position".

13.1.2 Non current assets (\$31.307 million increase)

The increase in non-current assets is the net result of the capital works program, asset revaluation movements, the depreciation of non-current assets and the disposal through sale of property, plant and equipment. Intangible assets will decrease due to increased amortisation of rehabilitation costs associated with a new cell to be completed before 30 June 2018.

13.1.3 Current liabilities (\$1.483 million decrease)

The decrease in current liabilities (that is, obligations council must pay within the next year) is predominantly due to reduced landfill rehabilitation provision expenditure currently planned of \$1.825 million and reduced loan principal of \$0.310 million for the 2018/19 financial year. This is reduced by an increase in Trade and other payables of \$0.128 million based on the timing of planned payment schedule and an increase in accrued employee benefits of \$0.435 million.

13.1.4 Non current liabilities (\$0.526 million increase)

The increase in non current liabilities (that is, obligations council must pay beyond the next year) is predominantly a result of new borrowings planned for 2017/18. Provisions decrease by a net of \$0.231 million due to landfill rehabilitation works to be carried out partially offset by a marginal increase in employee benefits.

13.1.5 Equity (\$33.556 million increase)

Total equity always equals net assets and is made up of the following components:

- Asset revaluation reserve which represents the difference between the previously recorded value of assets and their current valuations. Asset valuations are predicted to increase by 2% or \$23.468 million.
- Other reserves that are funds that Council wishes to separately identify as being set aside to meet a specific purpose in the future and to which there is no existing liability. These amounts are transferred from the Accumulated Surplus of the Council to be separately disclosed.
- Accumulated surplus which is the value of all net assets less Reserves that have accumulated over time. The increase in accumulated surplus of \$10.088 million results directly from the surplus for the year together with the movement in statutory reserves.

2017/18 Budget

Analysis of Budgeted Financial Position

13.1.6 Working capital (\$2.775 million increase)

Working capital is the excess of current assets above current liabilities. This calculation recognises that although Council has current assets, some of those assets are already committed to the future settlement of liabilities in the following 12 months, and are therefore not available for discretionary spending.

Council has also committed further current assets to specific and restricted purposes, represented by reserves, which may not yet be represented as current liabilities at 30 June.

	Ref	Forecast		Variance
		Actual 2016/17 \$'000	Budget 2017/18 \$'000	
Current assets		61,561	62,853	1,292
Current liabilities		27,224	25,741	1,483
Working capital	13.1.6	34,337	37,112	2,775
Restricted cash and investment current assets				
- Statutory reserves		(3,298)	(3,389)	(91)
- Cash held to fund carry forward capital works		(3,512)	0	3,512
Unrestricted working capital		27,527	33,723	6,196

In addition to the restricted cash shown above, Council also holds amounts in accumulated surplus as notional discretionary reserves. Although not restricted by a statutory purpose, Council has made decisions regarding the future use of these funds and unless there is a Council resolution these funds should be used for those earmarked purposes. Examples of these purposes is future landfill cell construction and rehabilitation, and repayment of interest only borrowings when they fall due.

13.2 Key assumptions

In preparing the Budgeted Balance Sheet for the year ended 30 June 2017 it was necessary to make a number of assumptions about key assets, liabilities and equity balances. The key assumptions are as follows:

- A total of 97% of total rates and charges raised will be collected in the 2017/18 year (2016/17: 97% forecast actual).
- Trade creditors to be based on total capital and operating expenditure less written down value of assets sold, depreciation and employee costs. Payment term is 30 days.
- Other debtors and creditors to remain consistent with 2016/17 levels.
- Repayment of loan principal to be \$1.869 million.
- New borrowings of \$2.350 million in 2017/18.
- Total capital expenditure to be \$28.576 million.
- Employee entitlements to be increased by the Collective Agreement outcome offset by the impact of more active management of leave entitlements of staff.

2017/18 Budget Long Term Strategies

This section includes the following analysis and information.

- 14 Strategic resource plan
- 15 Rating information
- 16 Other long term strategies

2017/18 Budget Strategic Resource Plan

14. Strategic resource plan

This section includes an extract of the adopted Strategic Resource Plan to provide information on the long term financial projections of the Council.

14.1 Plan development

The Act requires a Strategic Resource Plan (SRP) to be prepared covering both financial and non-financial resources (including human resources) for at least the next four financial years to achieve the strategic objectives in the Council Plan. In preparing the SRP, Council must take into account all other plans and strategies in regard to services and initiatives which commit financial and non-financial resources for the period of the SRP.

Council has prepared a SRP for the four years 2017/18 to 2020/21 as part of Council's ongoing financial planning to assist in adopting a budget within a longer term framework. The SRP takes the strategic objectives and strategies as specified in the Council Plan and expresses them in financial terms for the next four years.

The key objective, which underlines the development of the SRP, is financial sustainability in the medium to long term, whilst still achieving Council's strategic objectives as specified in the Council Plan. The key financial objectives, which underpin the SRP, are:

- Maintain existing service levels
- Achieve a breakeven underlying operating result.
- Reduce the infrastructure gap
- Ensure borrowings are only used to fund new assets or lump sum funding calls by the Trustee of the Local Authorities Superannuation Fund (LASF).
- Achieve a balanced budget on a cash basis.

In preparing the SRP, Council has also been mindful of the need to comply with the following Principles of Sound Financial Management as contained in the Act:

- Prudently manage financial risks relating to debt, assets and liabilities
- Provide reasonable stability in the level of rate burden
- Consider the financial effects of Council decisions on future generations
- Provide full, accurate and timely disclosure of financial information.

14.2 Financial resources

The following table summaries the key financial results for the next four years as set out in the SRP for years 2017/18 to 2020/21. Section 3 includes a more detailed analysis of the financial resources to be used over the four year period.

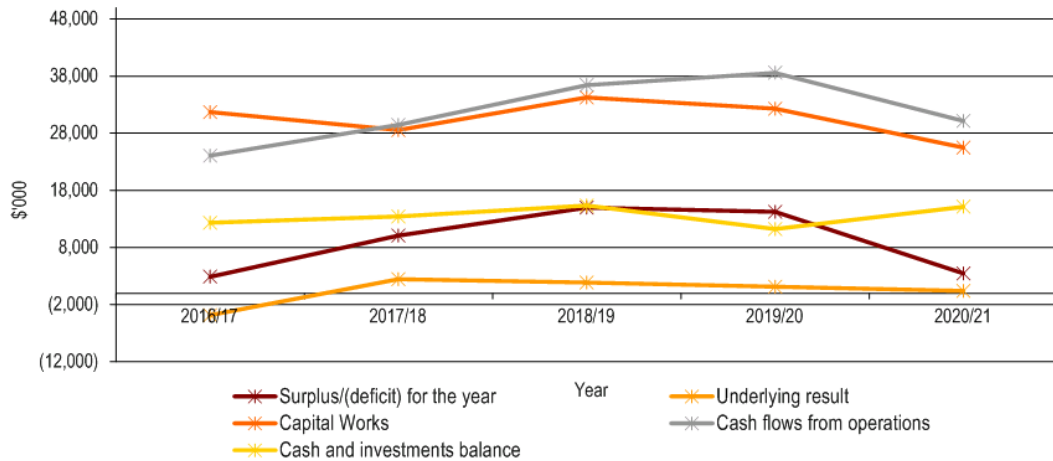
2017/18 Budget Strategic Resource Plan

	Forecast	Budget	Strategic Resource Plan			Trend
	Actual 2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	+/-
Surplus/(deficit) for the year	2,884	10,088	14,961	14,231	3,475	o
Adjusted underlying result	(3,853)	2,463	1,869	1,137	379	-
Cash and investments balance	12,311	13,418	15,340	11,236	15,140	o
Cash flows from operations	24,066	29,477	36,454	38,596	30,178	o
Capital works expenditure	31,712	28,576	34,273	32,302	25,500	-

Key to Forecast Trend:

- + Forecast improvement in Council's financial performance/financial position indicator
- o Forecasts that Council's financial performance/financial position indicator will be steady
- Forecast deterioration in Council's financial performance/financial position indicator

The following graph shows the general financial indicators over the four year period.



The key outcomes of the Plan are as follows:

- **Financial sustainability (section 11)** - Cash and investments is forecast to increase over the four year period from \$13.418 million to \$15.140 million. While the budget is primarily balanced on a cash basis each year there will always be variations as a result of funds received in one period that are carried over to meet future requirements e.g. capital works carry forwards, loan principal repayments on interest only borrowings, works funded from landfill reserve funds etc.
- **Rating strategy (section 15)** – Modest rate increases are forecast over the four years at an average of 2.00% which reflects the expected CPI levels for that time in accordance with the rate cap.

2017/18 Budget Strategic Resource Plan

- **Service delivery strategy (section 16)** – Service levels have been maintained throughout the four year period. Despite this, operating surpluses are forecast over the four year period as a result of significant capital grant revenue being received to fund the annual capital works program. In addition, excluding the effects of non-operating items such as capital contributions, the underlying result sees a surplus achieved in all of the four year period. The underlying result is a measure of financial sustainability and is an important measure as once-off items can often mask the operating result.
- **Borrowing strategy (section 16)** – Borrowings are forecast to decrease from \$16.631 million to \$14.156 million over the four year period. This includes new borrowings of \$2.35 million in 2017/18, \$5.0 million in 2018/19, \$2.65 million in 2019/20 and \$3.0 million in 2020/21.
- **Infrastructure strategy (section 16)** - Capital expenditure over the four year period will total \$120.651 million at an average of \$30.163 million.

2017/18 Budget Rating Information

15. Rating information

This section contains information on Council's past and foreshadowed rating levels along with Council's rating structure and the impact of changes in property valuation. This section should be read in conjunction with Council's Rating Strategy which is available on Council's website.

15.1 Rating Context

In developing the Strategic Resource Plan (referred to in Section 14), rates and charges were identified as an important source of income, accounting for approximately 59% of the total income received by Council annually. Planning for future rate increases has therefore been an important component of the Long Term Financial Planning process. The level of required rates and charges has been considered in this context, with reference to Council's other sources of income and the planned expenditure on services and works to be undertaken for the Latrobe community.

15.2 Future rate increases

The following table sets out future projected rate increases and total rates to be raised, based on the forecast financial position of Council as at 30 June 2016 and the long term financial plan.

Year	General Rate Increase %	Municipal Charge Increase %	Garbage Charge Increase %	Landfill Levy Increase %	Total Rates Raised \$'000
2016/17	2.5	2.6	2.3	2.6	75,105
2017/18	1.9	2.3	1.9	2.0	76,869
2018/19	2.0	2.0	2.0	2.0	78,659
2019/20	2.0	2.0	2.0	2.0	80,485
2020/21	2.0	2.0	2.0	2.0	82,346

2017/18 Budget Rating Information

15.3 Rating structure

Council has established a rating structure which is comprised of three key elements. These are:

- Property values, form the central basis of rating under the *Local Government Act 1989*.
- A user pays component to reflect usage of certain services provided by Council.
- A fixed municipal charge per property to cover some of other administrative costs of the Council.

Striking a proper balance between these elements provides equity in the distribution of the rate burden across residents.

Council makes a further distinction within the property value component of rates based on the purpose for which the property is used, that is, whether the property is used for residential, commercial, industrial or farm purposes.

Council has previously made a decision to apply a Capital Improved Value (CIV) basis to calculating individual property rates on the grounds that it provides the most equitable distribution of rates across the municipality. There are currently no plans to change this basis.

The rating structure comprises three differential rates (general, farm and derelict properties) and rate concessions for recreational land. These rates are structured in accordance with the requirements of section 161 "Differential Rates" of the Act. Under the Cultural and Recreational Lands Act 1963, provision is made for a Council to grant a rating concession to any "recreational lands" which meet the test of being "rateable land" under the Act. The farm rate is set at 75 % of the general rate and the derelict properties rate is set at the maximum being four times the farm rate. The rate concession for recreational land is set at 50% of the general rate with the exception of recreational land with gaming machines which will be set at 60% of the general rate. In addition, there are two recreational assessments which receive an additional rebate. These rebates are applied as a result of significant changes in the CIV valuations resulting from the rezoning of land and changes in valuation methodologies. It was considered that without applying a rebate the levied amounts would fail to take into consideration the requirement under the Cultural and Recreational Lands Act 1963 of the need for having regard to the services provided by Council in relation to such lands, and the benefit to the community derived from such recreational lands. Council re-affirmed its intention to maintain the existing rating relativities for farm rates in the 2017/18 Budget. Council also has a municipal charge, a garbage charge and the State Government Landfill Levy charges as allowed under the Act.

2017/18 Budget Rating Information

The following table summarises the rates to be determined for the 2017/18 year. A more detailed analysis of the rates to be raised is contained in section 7.

Rate type	How applied	2016/17	2017/18	Change
General Rates (Residential, Industrial & Commercial)	Cents/\$ CIV	0.00466490	0.00475557	1.9%
Farm Rates	Cents/\$ CIV	0.00349867	0.00356668	1.9%
Derelict Properties	Cents/\$ CIV	n/a	0.01426672	n/a
Recreational 1	Cents/\$ CIV	0.00233245	0.00237778	1.9%
Recreational 2	Cents/\$ CIV	0.00279894	0.00285334	1.9%
Municipal charge	\$/ property	\$131.00	\$134.00	2.3%
Garbage charge	\$/ property	\$311.00	\$317.00	1.9%
Landfill levy charge	\$/ property	\$20.00	\$20.40	2.0%

15.4 General revaluation of properties

The general valuation of all properties within the municipality is as at 1 January 2016 and will be first applied to the 2017/18 financial year.

Council will be maintaining the existing differential rate for the farming properties and discounts for cultural recreation land for the 2017/18 year and introducing a new differential rate for derelict properties. Therefore, in aggregate, total rates and charges will increase by 2.0% excluding supplementary rates and payments in lieu of rates compared to 2016/17.

2017/18 Budget Other Strategies

16. Other strategies

This section sets out the strategies that have been developed and incorporated into the Strategic Resource Plan including borrowings, infrastructure and service delivery.

16.1 Borrowings

In developing the Strategic Resource Plan (SRP) (see section 14), borrowings were identified as an important funding source for the capital works programs. In the past, Council has borrowed to finance specific infrastructure projects and significant unfunded defined benefits superannuation liability calls.

The SRP includes the results of an analysis of Council's debt position against the recommended ratios used by the Victorian State Government to assess the loan capacity of local governments. It also shows the results of the 'obligations' indicators that are part of the prescribed financial reporting indicators. The outcome of the analysis highlighted that a debt of \$16.631 million could be comfortably accommodated. Council's future borrowing requirements may be influenced by external government funding opportunities that require some contribution from council in order to finance major capital projects.

For the 2017/18 year, Council proposes new borrowings of \$2.350 million to undertake the detailed design of the new Latrobe Creative Precinct and after making loan repayments of \$1.869 million, total borrowings will increase to \$16.631 million as at 30 June 2018. Total new borrowings of \$10.0 million are forecast for the Latrobe Creative Precinct over the next three years with further borrowings of \$3.0 million forecast in year 2020/21 to allow Council to pursue another priority major strategic project e.g. Latrobe City Convention Centre, Gippsland Regional Aquatic Facility, Catterick Crescent Indoor Sports Stadium redevelopment or the Latrobe Regional Motorsports Complex. The following table sets out future proposed borrowings, based on the forecast financial position of Council as at 30 June 2017.

Year	New Borrowings \$'000	Principal Paid \$'000	Interest Paid \$'000	Balance 30 June \$'000
2016/17	0	1,884	882	16,150
2017/18	2,350	1,869	742	16,631
2018/19	5,000	1,593	753	20,038
2019/20	2,650	9,642	690	13,046
2020/21	3,000	1,130	606	14,916

The table below shows information on borrowings specifically required by the Regulations.

	2016/17 \$	2017/18 \$
Total amount borrowed as at 30 June of the prior year	18,034	16,150
Total amount to be borrowed	0	2,350
Total amount projected to be redeemed	(1,884)	(1,869)
Total amount proposed to be borrowed as at 30 June	16,150	16,631

2017/18 Budget Other Strategies

16.2 Infrastructure

The Council has developed an Asset Management Strategy and is currently reviewing and developing various Asset Management Plans, which sets out the capital expenditure requirements of the Council for the next 10 years by class of asset and project and is a key input to the long term financial plan. It predicts infrastructure consumption, renewal needs and considers infrastructure needs to meet future community service expectations. The Strategy development process includes a rigorous process of consultation and evaluation. The key aspects of the process are as follows:

- Long term capital planning process which integrates with the Council Plan, Strategic Resource Plan and Annual Budget processes.
- Listing of all known capital projects and adopted strategies and plans, prioritised within classes on the basis of evaluation criteria.
- Transparent process for evaluating and prioritising capital projects.
- Methodology for allocating annual funding to classes of capital projects.
- Standard templates for officers to document capital project submissions.

The capital planning process is undertaken annually and used to ensure that Asset Management Strategy represents the current capital expenditure requirements of the Council.

A key objective of the Asset Management Strategy is to maintain or renew Council's existing assets at desired condition levels. If sufficient funds are not allocated to asset renewal then Council's investment in those assets will reduce, along with the capacity to deliver services to the community. A measure of Council's performance in respect to infrastructure management is the sustainability index. This is the proportion of the total asset value consumed (equivalent to the annual depreciation charge), compared to the amount spent in preserving the asset (expenditure aimed at ensuring the asset reaches its intended useful life) on an annual basis. A value of 100% (or greater in the short term) is the desired target and the Long Term Financial Plan aims to maintain a sustainability index of 100%.

The following table summarises Council's forward outlook on capital expenditure including funding sources for the next four years.

Year	Total Capital			Council	
	Program \$'000	Grants \$'000	Contributions \$'000	Cash \$'000	Borrowings \$'000
2016/17	31,712	6,116	75	25,521	0
2017/18	28,576	5,307	420	20,500	2,350
2018/19	34,273	11,192	0	18,081	5,000
2019/20	32,302	11,192	0	18,460	2,650
2020/21	25,500	1,192	0	21,308	3,000

2017/18 Budget Other Strategies

In addition to using cash generated from its annual operations, borrowings and external contributions such as government grants, Council has cash or investment reserves that are also used to fund a variety of capital projects. These reserves are either 'statutory' or 'discretionary' cash reserves. Statutory reserves relate to cash and investments held by Council that must be expended on a specific purpose as directed by legislation or a funding body, and include contributions to car parking, drainage and public resort and recreation. Discretionary cash reserves relate to those cash and investment balances that have been set aside by Council and can be used at Council's discretion, even though they may be earmarked for a specific purpose.

16.3 Service delivery

This section of the report considers the Council's service delivery strategy including strategy development, key influences and service delivery outcomes. A number of service delivery strategies will be developed and/or reviewed during 2017/18 year. Latrobe 2026 and the Council Plan 2017-2021 identify key service area reviews and strategy development for service areas. The Rating Information (see section 15) also refers to modest rate increases into the future. With these key objectives as a basis, a number of internal and external influences have been identified through discussions with management which will have a significant impact on the scope and level of services to be provided over the next four years.

The general influences affecting all operating revenue and expenditure include the following:

	2017/18	2018/19	2019/20	2020/21
	%	%	%	%
Consumer Price Index	2.0	2.0	2.0	2.0
Rate increases	2.0	2.0	2.0	2.0
Property growth	0.7	0.7	0.7	0.7
Wages growth	3.5	3.5	3.5	3.5
Government funding (excl. Federal Assistance Grants)	1.0	1.0	1.0	1.0
Statutory fees	2.0	2.0	2.0	2.0
Investment return	2.8	2.8	2.8	2.8

The service delivery outcomes measured in financial terms are shown in the following table.

Year	Surplus (Deficit) for the year \$'000	Adjusted Underlying Surplus (Deficit) \$'000
2016/17	2,884	(3,853)
2017/18	10,088	2,463
2018/19	14,961	1,869
2019/20	14,231	1,137
2020/21	3,475	379

Service levels have been maintained throughout the four year period. The operating surplus forecast for 2016/17 year is primarily in line with the original budget forecast after taking into account the effect of capital income and funding that had been received in 2015/16 for programs/projects in 2016/17. Excluding the effects of non-operating income such as capital contributions, the underlying result predicts a surplus for 2017/18 and for the following four years.

**2017/18 Budget
Appendix A**

Appendix A**Fees and charges schedule**

The Fees and Charges adopted as part of the 2017/18 budget process are set out in the attached document, entitled "Latrobe City Fees and Charges 2017/18".

DRAFT FEES AND CHARGES 2017/18**COMMENTARY**

The 2017/18 fees and charges have been developed within the following parameters:

·Unless otherwise stated in the document, the following measures have been used to determine the 2017/18 fees and charges:

- o Consumer Price Index (CPI) (with a rounding factor)
- o Competitive market influences
- o The % increase in the previous financial year
- o The type of service

PROPOSED 2017/18 FEES AND CHARGES COMMENTARY BY DIVISION / SERVICE**COMMUNITY SERVICES (Pages 96-102)****Direct Care (Pages 96-97)**

Direct care services include home care, personal care, respite care, meals on wheels, home maintenance, planned activity groups and senior citizen centres. These services derive a significant component of their funding from the state government, with the balance being made up of fees set by Council and a contribution from rates revenue.

The fees charged for these services takes into account the CPI increase, any changes to government funding arrangements and the overall affordability of these services to eligible clients. Consideration has also been given to the level of fee increase over the past five years.

Meals on Wheels – The increase in subsidised and full cost meals is reflective of the increase in meal costs.

Planned Activity Group – Fees have been increased to reflect actual cost of programs. All programs include a meal.

DRAFT FEES AND CHARGES 2017/18**Public Libraries (Pages 98-99)**

recovery.

Photocopying fees have been consolidated to simplify the fee structure.

A decision has been made to remove fines for overdue items.

Children Services (Pages 100-101)

Family Day Care fees are set in conjunction with the contract providers and incorporate consideration of benchmarking results and actual increased costs associated with providing the service.

The Early Learning and Care Services have been reviewed in terms of proposed fees based on industry benchmarking information taking into consideration National Competition Policy requirements.

Family Health Service (Pages 102)

The proposed fees take into account the CPI increase, in addition the Flu Vaccine has been updated to include additional strains at a slightly

INFRASTRUCTURE & RECREATION (Pages 103-118)**Sports Stadiums, Grounds & Reserves (Pages 103-104)**

All fees have generally been reviewed in line with CPI.

DRAFT FEES AND CHARGES 2017/18**Indoor Sports Centres (Pages 105-108)**

A full review of all fees and charges was undertaken with consideration given to benchmarking against neighbouring Councils, changes in operational costs and community and business needs.

Hazelwood Traffic School (Pages 110)

All fees have generally been reviewed in line with CPI.

Hire of Portable Toilet (Pages 110)

All fees have generally been reviewed in line with CPI.

Caravan Parks (Pages 111)

nights

Asset Protection (Pages 112-115)

Non statutory fees have been increased in line with CPI.

Transfer Stations (Pages 116-117)

costs

Landfill Fees (Pages 118)

It is proposed that fees for 2017/18 increase to cover costs of operations, construction, rehabilitation and increased EPA landfill levy fees. Cost and conditions included for accepting non Latrobe City residential domestic asbestos.

DRAFT FEES AND CHARGES 2017/18**CITY DEVELOPMENT (Pages 119-139)****Health Services (Pages 119-120)**

The proposed fees take into account the CPI increase and level of fees increases over past years and changes to the relevant Acts.

Local Laws (Pages 122-124)

Parking and animal fees and other local laws permit fees have been reviewed taking into account CPI, benchmarking with other Councils and updated prescribed fees.

Building Services (Pages 125)

Statutory Fees can only be increased by the Minister for Planning. At the time of the budget preparation there was no indication of likely alteration to these statutory fees. Other fees set by Council have generally been reviewed in line with CPI.

Statutory Planning (Pages 126-129)

Statutory Fees can only be increased by the Minister for Planning. There have been major changes to the planning permit application fees which are incorporated in the fee schedule.

Planning Scheme Amendment (Pages 130)

Statutory Fees can only be increased by the Minister for Planning. There have been major changes to planning scheme amendment fees which are incorporated in the fee schedule.

DRAFT FEES AND CHARGES 2017/18**Latrobe Regional Gallery (Pages 131)**

All fees have generally been reviewed in line with CPI.

Performing Arts and Community Halls (Pages 132)

Policy

Latrobe Regional Airport (Pages 138)

Annual licence fees are proposed to increase by CPI. Current lease agreements at the airport allow for an annual CPI review.

Visitor Information Centre (Pages 139)

Benchmarking of fees and charges has been undertaken with charges updated in accordance these results. Fees associated with internet access have been removed

CORPORATE SERVICES (Page 140-141)**Freedom of Information (Pages 140)**

All fees are in accordance with regulations

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COMMUNITY SERVICES				
<i>Direct Care</i>				
SERVICE TYPE DIRECT CARE	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)	
Home Care/Personal Care	Single Low Income	<i>Per hour.</i>	6.70	6.80
	Couple Low Income	<i>Per hour.</i>	9.00	9.20
	Linkages Program	<i>Per Hour</i>	9.10	9.30
	Full Cost	<i>Per hour (Excluding Public Holidays)</i>	52.00	53.00
	Full Cost	<i>Per hour (Public Holidays)</i>	97.20	99.10
	Full Cost	<i>Overtime</i>	77.95	79.55
	Veterans	<i>Respite (fee as per agreement)</i>	42.65	43.55
	Veterans	<i>HCPC (fee as per agreement)</i>	47.70	48.70
Emergency Home Care	Single.	<i>Per hour</i>	11.90	12.10
	Couple.	<i>Per hour.</i>	16.90	17.20
	Full Cost	<i>Per hour (Excluding Public Holidays)</i>	52.00	53.00
	Full Cost	<i>Per hour (Public Holidays)</i>	97.20	99.10
Respite Care	Subsidised.	<i>Per hour</i>	4.30	4.40
	Linkages Program	<i>Per hour</i>	5.30	5.40
	Full Cost	<i>Per hour (Excluding Public Holidays)</i>	52.00	53.00
	Full Cost	<i>Per hour (Public Holidays)</i>	97.20	99.10
Overnight Respite	Full Cost	<i>Per hour</i>	193.80	197.70
	Full Cost	<i>24 hour care</i>	366.10	373.40
Meals on Wheels Service <i>(includes all costs of providing meals)</i>	Subsidised.	<i>Per meal</i>	8.90	9.10
	Full cost meals.	<i>Per meal.</i>	14.80	15.10
Home Maintenance	Single.	<i>Per hour</i>	10.30	10.60
	Couple.	<i>Per hour.</i>	12.40	12.60
	Full Cost	<i>Per hour (Mon - Fri)</i>	66.80	68.10
	Linkages Program	<i>Per hour</i>	19.90	20.30
	Landfill Fees.	<i>*refer waste disposal fees schedule.</i>		

COMMUNITY SERVICES			
<i>Direct Care</i>			
SERVICE TYPE DIRECT CARE	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Planned Activity Group (PAG)			
Subsidised with Meal (Centre Based)	Per session	10.60	11.00
Subsidised without Meal (Outing)	Per session	5.60	5.80
Morning Melodies (plus cost of event paid at entry)	Per session	10.60	10.80
Special Events (costs to be advertised with notification of the event)	Per session		
Full Cost (Level 1 & 2 Funding)	Per session	27.40	27.90
Full Cost (Level 3 & 4 Funding)	Per session	37.40	40.00
Residing in Supported Accommodation	Per session	90.00	90.00
Senior Citizens Centres Hire			
HACC eligible organisation/groups.		No Charge	No Charge
Community organisations/groups:			
Per hour.	<i>8am – 5pm.</i>	17.20	17.50
Evening.	<i>5pm – midnight.</i>	140.00	142.80
Full Day & Evening.	<i>8am – midnight.</i>	231.50	236.10
Commercial organisations			
Per hour	<i>8am – 5pm.</i>	29.10	29.70
Evening	<i>5pm – midnight.</i>	228.30	232.90
Full Day & Evening	<i>8am – midnight.</i>	377.00	384.50
Security Deposit:			
Without alcohol.		285.40	291.10
With alcohol.		516.90	527.20

COMMUNITY SERVICES			
<i>Public Libraries</i>			
SERVICE TYPE PUBLIC LIBRARIES	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Facsimile – within Australia only	<i>First page</i>	3.10	3.20
	<i>Each additional page</i>	1.00	1.00
Consumables	USB Drive – 2GB	9.20	9.40
	Individual Head Sets	6.20	6.30
Research Fee	Public Request.	13.80	14.10
	Commercial/Community Group Request.	27.70	28.30
Moe Library Meeting Room	Community and Not For Profit Groups.	No Charge	No Charge
	Commercial.	28.70	29.30
	Commercial.	140.40	143.20
Fees	Replacement Cards.	3.40	3.50
	Inter Library Loan	No Charge POA POA	No Charge POA POA
Damaged or Lost Items	Processing	7.40	7.50
	Beyond Repair Magazine	3.60	3.80

COMMUNITY SERVICES				
<i>Public Libraries</i>				
SERVICE TYPE		BASIS	2016/17	2017/18
PUBLIC LIBRARIES			\$ (GST Inc)	\$ (GST Inc)
Photocopying				
	Black & White A4	<i>Per sheet (single or double sided)</i>	0.40	0.50
	Black & White A3	<i>Per sheet</i>	0.65	0.75
	Colour Printing A4	<i>Per sheet.</i>	1.40	1.50
	Colour Printing A3	<i>Per sheet.</i>	1.60	2.00
Laminating				
	A4	<i>Per sheet.</i>	2.50	2.50
	A3	<i>Per sheet.</i>	3.50	3.50

COMMUNITY SERVICES			
<i>Children services</i>			
SERVICE TYPE CHILDRENS SERVICES	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Family Day Care			
Fees During Core Hours	<i>(8am–6pm weekdays)</i>	7.50	7.80
Fees Outside of Core Hours	<i>Per child/hour weekdays</i>	8.00	8.40
Fee for weekend care	<i>Per child/hour weekend</i>	8.70	9.40
Public Holidays	<i>Per child/hour.</i>	10.40	10.70
Administration Fee	<i>Per hour of care provided.</i>	0.90	1.00
Communication Fee		10.30	12.50
Induction Training	<i>New care providers pp.</i>	35.90	35.90
Travel Charges	<i>Per km</i>	0.95	1.20
Holding Fee	<i>% of fee per child per hour.</i>	100%	1.00
Meal Charges Per Child (Carers' home)			
Breakfast	<i>Each</i>	3.10	3.00
Lunch	<i>Each</i>	3.60	3.50
Dinner	<i>Each</i>	4.10	4.00
Snacks	<i>Each</i>	2.10	2.00
Early Learning Centre <i>(includes Carinya, Moe Place and Traralgon)</i>			
Full Time Care	<i>5 full days/child/week.</i>	400.00	440.00
Full Day Care	<i>Per day</i>	90.00	93.00
Half Day Care	<i>Per half day</i>	55.00	58.00
Holding Fee	<i>% Per place</i>	100%	100%
After Kinder Care	<i>Hourly</i>	15.00	15.00

COMMUNITY SERVICES			
<i>Children services</i>			
SERVICE TYPE CHILDRENS SERVICES	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Moe PLACE			
Moe Early Learning Centre			
Moe Vacation Care	<i>Full Day Care</i>	70.00	70.00
	<i>Excursion Levy -Local</i>	12.50	15.00
	<i>Excursion Levy - Out of Gippsland</i>	16.50	20.00
Basketball Stadium			
Court Hire - General	<i>Per hour</i>	46.00	48.00
Half Court Hire - General	<i>Per hour</i>	23.00	25.00
Court Hire - Schools	<i>Per hour</i>	37.00	39.00
Half Court Hire - Schools	<i>Per hour</i>	18.00	20.00
Court Hire	<i>Per Day (9am - 6pm)</i>	200.00	210.00
Community Kitchen			
Kitchen Hire	<i>Per hour</i>	14.00	14.00
Kitchen Hire	<i>Per day</i>	50.00	50.00
Meeting Rooms <i>(Moe Place, Churchill Hub)</i>			
Meeting Rooms			
Community and Not For Profit Groups.	<i>Per hour</i>	No Charge	No Charge
Commercial	<i>Per hour</i>	25.00	25.50
	<i>Per Day</i>	150.00	153.00
Preschools			
Enrolment administration fee	<i>3 & 4 year old programs</i>	30.00	30.00
Preschool – 4 yr old program	<i>Per Term (effective Jan 2018)</i>	250.00	265.00
Prekinder – 3 yr old program	<i>Per Term (effective Jan 2018)</i>	215.00	230.00

COMMUNITY SERVICES				
<i>Family Health Services</i>				
SERVICE TYPE FAMILY HEALTH SERVICES	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)	
Vaccinations Purchases	Hep B.	Per dose.	30.40	31.00
	Twinrix.	Per dose.	105.10	105.10
	Varivrix.	Per dose.	94.60	96.70
	Flu.	Per dose.	28.40	30.00
	Hep A.	Per dose.	94.60	94.60
	Boostrix.	Per dose.	49.40	50.00
Immunisation	History Application Fee	25.20	25.70	
Nurse	Attend Corporate Sessions	Per nurse per hour	60.00	

INFRASTRUCTURE & RECREATION					
<i>Sports Stadiums, Grounds & Reserves</i>					
SERVICE TYPE	BASIS	2016/17		2017/18	
		\$ (GST Inc)		\$ (GST Inc)	
Latrobe City Sports & Entertainment Stadium		* Peak	* Off Peak	* Peak	* Off Peak
Commercial Rate					
Event Hire (pitches, toilets, change rooms, ticket booths, stadium seating for 1800 & lighting) (Front row premium seats = 40)	Hourly Hire (8am - 5pm) per hour	290.00	188.10	296.00	192.00
	Hourly Hire (5pm - midnight) per hour	581.00	376.20	595.00	385.00
	Day Hire (8am to 5pm)	1,173.50	586.30	1,200.00	600.00
	Night Hire (5pm to midnight)	2,342.90	1,168.30	2,396.00	1,195.00
	All Day (8am to midnight)	3,511.20	1,755.60	3,590.00	1,795.00
Commission charges	Percentage of Gross Ticket Sales	10.0%	10.0%	10.0%	10.0%
	Percentage of gross merchandise sales	12.5%	12.5%	12.5%	12.5%
Ticketing service is available through Latrobe Performing Arts & Venues	Per ticket sold	4.00	4.00	4.10	4.10
	Per complimentary ticket issued	0.70	1.10	0.70	1.10
Community Rate					
Event Hire (pitches, toilets, change rooms, ticket booths, stadium seating for 1,800, lighting) (Front row premium seats = 40)	Hourly Hire (8am - 5pm) per hour	144.50	91.20	148.00	93.00
	Hourly Hire (5pm - midnight) per hour	291.10	183.50	298.00	188.00
	Day Hire (8am to 5pm)	573.00	291.10	586.00	298.00
	Night Hire (5pm to midnight)	1,140.80	573.00	1,167.00	586.00
	All Day (8am to midnight)	1,712.80	862.00	1,747.10	879.20
Sporting Use (includes pitches, toilets & change rooms only)		# Night	# Day	# Night	# Day
	Schools Per day or night session	117.90	58.90	120.00	60.00
	Latrobe City Clubs & Groups Per day or night session	230.60	118.90	236.00	121.00
	Non Latrobe City Clubs & Groups Per day or night session	346.50	173.20	354.00	177.00
Sundry Charges		Commercial	Community	Commercial	Community
	Kiosk Hire (2 available) Per kiosk per session	172.20	86.10	176.00	88.00
	External Public Address System Hire Per session	118.90	58.40	121.00	59.00
	^ Bar Hire (2 available) Per bar per session	346.50	173.20	354.00	177.00
Social Club Rooms (excluding bar and kitchen) is available for hire with the cost subject to use of the facility		-	-	-	-
Line marking costs, other than soccer, is at the hirers expense		-	-	-	-
Waste Management - Additional charges may apply dependant on size and type of event.		-	-	-	-

INFRASTRUCTURE & RECREATION						
Sports Stadiums, Grounds & Reserves						
SERVICE TYPE			BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)	
Latrobe City Synthetic Sports Facility (Churchill)						
Synthetic Field						
Whole Field	Hockey Association / Soccer Club		<i>Per season</i>	Seasonal Agreement	-	Seasonal Agreement
	Hockey Tournaments		<i>Per day</i>	294.20		301.00
	Primary Schools (1)		<i>Per annum</i>	572.00		585.00
	Secondary Schools (2)		<i>Per annum</i>	1,144.90		1,171.00
	Casual Users		<i>Per hour</i>	63.00		64.00
	Lights		<i>Per hour</i>	26.10		27.00
				-		
Half Field	Hockey Tournaments		<i>Per day</i>	147.10		150.00
	Casual Users		<i>Per hour</i>	29.40		30.00
	Lights		<i>Per hour</i>	21.00		21.40
Ted Summerton Reserve Pavilion Hire - Social and Community Activities						
	User Groups		<i>Per hour</i>	No Charge		No Charge
	Not for Profit Groups		<i>Per hour</i>	14.80		15.10
	Commercial Groups		<i>Per hour</i>	27.20		27.70
Gaskin Park Stadium						
	Stadium Hire		<i>Per hour.</i>	21.50		21.90
Grounds						
Seasonal Facility Charge (3) (Refer to Council Policy)						
Senior	Category A		<i>Per Six Month Allocation</i>	3,023.80		3,092.00
	Category B		<i>Per Six Month Allocation</i>	1,197.20		1,224.00
	Category C		<i>Per Six Month Allocation</i>	319.80		326.20
Junior	Category A		<i>Per Six Month Allocation</i>	1,507.80		1,542.00
	Category B		<i>Per Six Month Allocation</i>	724.70		740.00
	Category C		<i>Per Six Month Allocation</i>	193.80		198.00
Casual Use						
	Latrobe City Schools		<i>Per day</i>	No Charge		No Charge
	Latrobe City Sporting Clubs and Recreation/Community Groups		<i>+ additional bins, cleaning & utility costs</i>	36.70		37.00
	Non Latrobe City Sporting Clubs and Recreation/Community Groups			129.30		132.00
	For Profit Groups Businesses and Sporting Groups			482.80		494.00
Hard Court Surfaces						
	Via seasonal allocation program for netball and tennis courts		<i>Per court, per annum</i>	99.90		102.00
Personal Trainers/Boot Camps						
	All trainers/boot camp		<i>per month</i>			53.00

*Peak – Friday to Sunday plus Public Holidays / Off Peak – Monday to Thursday excluding Public Holidays

Night refers to the hours of 5:00pm to midnight / Day refers to the hours 8:00am to 5:00pm

^ Bar hire is subject to Liquor License and other conditions

(1) Primary schools can opt to pay either Casual User rates or an annual hire fee. The annual hire fee is a flat rate with unlimited hours of use subject to availability

(2) Secondary schools can opt to pay either Casual User rates or an annual hire fee. The annual hire fee is a flat rate with unlimited hours of use subject to availability

(3) Clubs/sporting groups utilising multiple venues will only be charged for one venue, that being the highest category venue.

INFRASTRUCTURE & RECREATION					
<i>Indoor Sports Centres</i>					
SERVICE TYPE INDOOR SPORTS CENTRES	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)		
Indoor Pool – Swims	Adult	16 years and over.	6.20	6.40	
	Child	Child 5–15 yrs & High School Student	4.40	4.50	
	Concession	Pension, Seniors & Health Care Card	4.70	4.80	
	Family*	*As listed on Medicare Card	16.70	17.00	
	Schools	Per child	3.70	3.80	
	Children	4 years and under with adult swim.	No Charge	No Charge	
Visit Pass Card – (Indoor pools) 12 Month expiry from date of issue	Adult	Multipass x 10 – 10% discount	55.80	57.60	
	Child	Multipass x 10 – 10% discount	39.60	40.50	
	Concession	Multipass x 10 – 10% discount	42.30	43.20	
	Family	Multipass x 10 – 10% discount	150.30	153.00	
Indoor Pool – Swim Sauna Spa	Adult	Each	10.30	10.50	
	Concession	Each	8.20	8.40	
	After Entry/Class	Each	5.20	5.30	
	Adult	Multipass x 10 – 10% discount	92.70	95.00	
	Concession	Multipass x 10 – 10% discount	73.80	75.30	
Indoor pool – swim sauna (CHURCHILL ONLY)	Adult	Each	8.90	9.10	
	Concession	Each	7.30	7.40	
	After Entry/class	Each	4.20	4.30	
Indoor Pool – Swim Lessons	Infants	Per class - Supervision 1:8	12.60	12.80	
	Preschool	Supervision 1:5	13.20	13.50	
	School Age	Per class	13.90	14.20	
	Adult	Per class	13.80	14.00	
	Transition/Lap It Up	Per class	8.40	8.60	
	Aust Swim Teacher	Per instructor per hour	55.40	56.60	
Indoor Pool – Swim Lessons - Concession (20% Discount)	Health Care Card	Infants	Per class - Supervision 1:8	10.10	10.20
	Health Care Card	Preschool	Supervision 1:5	10.60	10.80
	Health Care Card	School Age	Per class	11.10	11.40
	Health Care, Pension & Senior Card	Adult	Per class	11.10	11.20
Private Learn to Swim Lessons	1:1	Per half hour class per person	36.90	37.60	
	1:2	Per half hour class per person	27.70	28.30	
	1:3	Per half hour class per person	22.60	23.00	

INFRASTRUCTURE & RECREATION			
<i>Indoor Sports Centres</i>			
SERVICE TYPE INDOOR SPORTS CENTRES	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Private Learn to Swim Lessons - Concession (20% Discount)			
Concession – Health Care Card 1:1	<i>Per half hour class per person</i>	29.50	30.10
Concession – Health Care Card 1:2	<i>Per half hour class per person</i>	22.10	22.60
Concession – Health Care Card 1:3	<i>Per half hour class per person</i>	18.10	18.40
Other - Indoor Pools			
Lane Hire	<i>Per hour.</i>	45.00	45.90
Carnival Hire	<i>Per day 9am – 5pm</i>	916.00	937.00
School Carnival Hire	<i>Per day 9am - 3pm</i>	862.00	882.00
Wet Out of Hours – incl 1 Life Guard plus 1 Duty Manager	<i>Per hour plus entry fee</i>	79.00	81.00
Locker Hire	<i>Per locker per person</i>	1.00	1.00
Carnival Fee – incl 1 Life Guard plus 1 Duty Manager	<i>Per hour.</i>	190.00	194.00
Fitness Program			
Group Fitness.	<i>Per class</i>	12.30	12.60
Concession	<i>Pension, Seniors & Health Care Card</i>	9.70	10.00
Personal Training.	<i>1 hour.</i>	57.00	58.50
Personal Training.	<i>½ hour.</i>	35.00	36.00
Casual Gym.	<i>Per person</i>	15.20	15.50
Casual Concession Gym.	<i>Pension, Seniors & Health Care Card</i>	12.10	12.40
Youth Fit 5-12	<i>Class for specific ages</i>	5.90	6.00
Youth Fit 13-15		8.20	8.40
Life Fit Gym		6.20	6.30
Visit Pass Cards – Group Fitness (12 Months Expiry from date of issue)			
Adult.	<i>Multipass x 10. – 10% discount</i>	110.70	113.40
Concession.	<i>Multipass x 10. – 10% discount</i>	87.30	90.00
Youth Fit 5-12	<i>Multipass x 10. – 10% discount</i>	53.10	54.00
Youth Fit 13-15	<i>Multipass x 10. – 10% discount</i>	73.80	75.60
Personal Training	<i>Multipass x 10. – discount – 1 Hour</i>	513.00	526.50
Personal Training	<i>Multipass x 10. – discount – ½ Hour</i>	315.00	324.00
Visit Pass Cards - Gym (12 Months Expiry from date of issue)			
Adult	<i>Multipass x 10. – 10% discount</i>	136.80	139.50
Concession	<i>Multipass x 10. – 10% discount</i>	108.90	111.60

INFRASTRUCTURE & RECREATION					
<i>Indoor Sports Centres</i>					
SERVICE TYPE INDOOR SPORTS CENTRES	BASIS	2016/17 \$ (GST Inc)		2017/18 \$ (GST Inc)	
Stadium (1)	Spectators – Regular competition.	No Charge		No Charge	
	Adult Competition.	<i>Per player per game</i>		6.20	6.30
	Concession Competition.	<i>High School Students playing in Senior Competitions, Pension, Seniors & Health Care Card Holders</i>		4.80	5.00
	Junior Competition (during competition times only)	<i>Per player per game</i>		4.40	4.50
	Adult Training	<i>Per player per session #</i>		4.20	4.30
	Concession Training	<i>High School Students playing in Senior Competitions, Pension, Seniors & Health Care Card Holders</i>		3.50	3.60
	Junior Training (0-17 years)	<i>Per player per session #</i>		3.30	3.40
	Schools	<i>Per student</i>		3.30	3.40
	Court Hire - General	<i>Per court/hour.</i>		47.00	48.00
	Court Hire - Schools	<i>Per court/hour.</i>		38.00	39.00
	Tournament Fee*	<i>Per Court per Day (9am – 5pm)</i>		205.00	210.00
	* Local associations are eligible for a 30% discount to host their association tournaments at their local facility. Maximum 2 tournaments per year				
	Dry Out of Hours Fee	<i>Per hour (plus entry fee)</i>		57.00	58.00
	Meeting Room Hire	<i>Per hour</i>		27.70	28.30
	# Session is defined as 1 hour for Domestic basketball teams 2 hours for Squad & Representative basketball teams 2 hours for Badminton (in recognition of set up and pack up times)				
Visit Pass Cards - Stadium		x10 (10% discount)	X20 (15% discount)	x10 (10% discount)	X20 (15% discount)
12 Month expiry from date of issue (One pass per hour or game)	Adult Stadium Competition Multipass.	<i>Multipass – discount</i>	55.80	105.40	56.70
	Concession Competition Multipass.	<i>Multipass – discount</i>	43.30	81.60	45.00
	Junior Competition Multipass.	<i>Multipass – discount</i>	39.60	74.80	40.50
	Junior Training Multipass	<i>Multipass – discount</i>	N/A	59.00	N/A
				57.80	

INFRASTRUCTURE & RECREATION				
<i>Indoor Sports Centres</i>				
SERVICE TYPE INDOOR SPORTS CENTRES	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)	
Athletic and Cycling Track	Adult.	<i>Per participant</i>	4.40	4.50
	Concession.	<i>Per participant</i>	3.90	4.00
	Junior.	<i>Per participant</i>	2.90	3.00
	Adult	<i>Multipass x 10 – 10% discount</i>	39.60	40.50
	Concession.	<i>Multipass x 10 – 10% discount</i>	35.10	36.00
	Junior.	<i>Multipass x 10 – 10% discount</i>	26.00	27.00
	School.	<i>Per student</i>	2.90	3.00
	Club Hire.	<i>Per hour.</i>	44.00	44.90
	Other/Athletic Carnival.	<i>Full day 9am – 3pm.</i>	541.00	554.00
	Cycling Club Hire of Bike Track.	<i>Per annum.</i>	936.00	957.00
Squash Courts	Hire.	<i>Per hour.</i>	14.40	14.70
Fitness Room Hire	Hire.	<i>Per hour.</i>	46.00	47.00
Membership				
Membership Service Areas		<i>Gym Fitness - as per fitness timetable (including Aqua Aerobic Pool (including pool & sauna)</i>		
Membership Administration Fee (per membership)	Upon joining		66.60	68.00
Bronze Membership Any one (1) of the above Membership Service Areas	Non Concession	<i>Monthly</i>	46.10	47.00
	Concession *	<i>Monthly</i>	41.40	42.40
Silver Membership Any two (2) of the above Membership Service Areas	Non Concession	<i>Monthly</i>	56.40	57.50
	Concession *	<i>Monthly</i>	50.80	52.00
Gold Membership All three (3) of the above Membership Service Areas	Non Concession	<i>Monthly</i>	67.20	69.00
	Concession *	<i>Monthly</i>	60.50	62.00
Corporate (must have 4 new members to qualify)		<i>Discounts valid on full price memberships only. Not valid on concession memberships</i>		
	4-10 people	<i>Discounts off term memberships only</i>	10.00%	10.00%
	11-20 people	<i>Discounts off term memberships only</i>	12.50%	12.50%
	21+ people	<i>Discounts off term memberships only</i>	15.00%	15.00%

(1) Schools pay court hire fee or individual student admission.

*Concessions on direct debit and term memberships are offered only to customers on Aged Pension, Senior or Disability Support Pension.

Concessions are offered to valid health care card holders up to the expiry date of the health care card (must have minimum one month on card).

INFRASTRUCTURE & RECREATION				
		<i>Outdoor Pools</i>		
SERVICE TYPE OUTDOOR POOLS	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)	
Entry Fees	Adult.	<i>16 years and over.</i>	4.70	4.80
	Children/ Student.	<i>Child 5 – 15 yrs & High School Student</i>	3.60	3.70
	Concession.	<i>Pension, Seniors & Health Care Card</i>	3.80	3.90
	Family.	<i>As listed on Medicare Card.</i>	13.70	14.00
	Schools Children.	<i>Per child 4 years and under with adult swim.</i>	3.60 No Charge	3.70 No Charge
Season Tickets (Multi-venue)	Single Adult Tickets.	<i>16 years and over.</i>	94.80	97.00
	Children/ Student.	<i>Child 5 – 15 yrs & High School Student</i>	71.80	73.20
	Concession.	<i>Pension, Seniors & Health Care Card</i>	74.30	75.80
	Family.	<i>As listed on Medicare Card.</i>	231.00	236.00
Competitions – School Swim Carnival Hire	School Carnival Full Day (9am - 3pm)	<i>Includes 1 Duty Manager.</i>	444.00	452.90
	Other Carnival Full Day (9am - 5pm)	<i>Weekends or Public Holidays</i>	754.00	769.10
	School Carnival Half Day (9am-12pm / 12pm-3pm)	<i>Mon - Fri</i>	306.00	315.00
	Supervision Required at 1:100 ratio.	<i>Per hour.</i>	54.50	55.60
Out Of Advertised Operating Hours Hire	Includes 1 Life Guard plus 1 Duty Manager.	<i>Per hour + entry fee per person</i>	79.00	81.00
Learn To Swim	VIC Swim Programs.	<i>Normal Entry Fee</i>	<i>Normal Entry Fee</i>	<i>Normal Entry Fee</i>

INFRASTRUCTURE & RECREATION			
<i>Hazelwood Power Traffic Safety School</i>			
SERVICE TYPE	BASIS	2016/17	2017/18
HAZELWOOD POWER TRAFFIC SAFETY SCHOOL		\$ (GST Inc)	\$ (GST Inc)
Education Group : Playgroups, kindergartens, special school & school groups No Educator (Bond \$70)	<i>Per hour.</i>	39.00	40.00
Education Group : Playgroups, kindergartens, special school & school groups With Educator (No Bond)	<i>Per hour.</i>	65.50	66.80
Mobile Bike Education Trailer			
No Educator – Hire of bike trailer (Deposit \$200)	<i>Per day</i>	33.80	34.50
With Educator – Educator Services (No Deposit)	<i>Per hour</i>	30.80	31.40
Plus hire of bike trailer	<i>Per day</i>	33.80	34.50
Hire of Hand Cranked Tricycles			
With responsibility for repair or replacement of damaged unit	<i>Per bike/day.</i>	2.00	2.00
Private Groups			
No Educator (Deposit \$70)	<i>Per hour.</i>	62.50	64.00
With Educator (No Deposit)	<i>Per hour.</i>	123.00	126.00

INFRASTRUCTURE & RECREATION & RECREATION			
<i>Rental of Asset</i>			
SERVICE TYPE	BASIS	2016/17	2016/17
HIRE OF PORTABLE TOILET MODULE		\$ (GST Inc)	\$ (GST Inc)
Hire of portable toilet module	<i>Per Weekend</i>	232.00	237.00

INFRASTRUCTURE & RECREATION				
Caravan Parks				
SERVICE TYPE CARAVAN PARKS	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)	
Hazelwood & Narracan – Caravan & Camping				
Site Fee Schedule	Permanent On Site.	<i>Non powered per annum (includes 23 days/nights) prior to 2017/18 21 days/nights</i>	1,015.00	1,040.00
	Permanent On Site.	<i>Non powered per annum (includes 23 days/nights) prior to 2017/18 21 days/nights</i>	1,470.00	1,510.00
	Powered Site.	<i>Per night (Upto 4 people)</i>	38.00	39.00
	Powered Site.	<i>Weekly. (Upto 4 people)</i>	200.00	205.00
	Extra Person.	<i>Per night.</i>	15.20	15.50
	Unpowered Site.	<i>Per night - Family</i>	32.10	33.50
	Unpowered Site.	<i>Weekly - Family</i>	140.40	143.50
	Overnight.	<i>Per person.</i>	12.40	12.60
	Children.	<i>Aged 7 – 17 yrs.</i>	7.40	7.50
Aquatic Centre Hall Hire.	<i>6 hours.</i>	162.00	165.50	
Lake Narracan - Boat Launching				
Day Pass (8am - 6pm)	<i>Sat-Sun & Public Holidays*</i>	19.50	20.00	
Day Pass (8am - 6pm)	<i>Monday – Friday *</i>	17.50	18.00	
Half Day Pass (8am - 1pm or 1pm - 6pm)	<i>Sat-Sun & Public Holidays</i>	12.40	12.70	
Half Day Pass (8am - 1pm or 1pm - 6pm)	<i>Monday – Friday</i>	9.60	9.80	

*Latrobe City residents no charge Monday to Friday, excluding public holidays. Full fees are applicable on Saturday and Sundays

INFRASTRUCTURE & RECREATION					
SERVICE TYPE		BASIS	2016/17		2017/18
ASSET PROTECTION FEES			\$(GST Inc)		\$(GST Inc)
			Rural	Urban	
Asset Protection Fees					
	Road Openings.	<i>Provision of traffic management.</i>	180.00	180.00	184.00
	Road Openings.	<i>No traffic management required.</i>	90.00	90.00	92.00
	Occupation of Parking Bays.	<i>Per bay per day</i>	45.00	45.00	46.00
	Road Occupations.	<i>Provision of traffic management.</i>	180.00	180.00	184.00
	Road Occupations.	<i>No traffic management required.</i>	90.00	90.00	92.00
	Building Site Asset Inspections:				
	Cost of Works < \$15,000	<i>Excluding all Reblocking, Urban Front Fencing & Demolitions</i>	-	-	-
	Cost of Works > \$15,000	<i>Including all Reblocking, Urban Front Fencing & Demolitions</i>	95.00	180.00	97.00
Asset Protection Fees for Service Installations in Areas by Parties Other Than Utilities or Their Agents					
	Road Length less than 100m.		180.00	180.00	184.00
	Each Additional 100m of Road Length.		95.00	95.00	97.00
Asset Protection Fee for Vehicle Crossing Works					
			75.00	95.00	97.00
Asset Protection Fee for Drainage Tapping in Urban Areas at Drainage Easements and Nature Strips Including Provision of Legal Point of Discharge or Drainage Information					
			-	95.00	97.00
Security Deposit as Detailed in Clause 10 of the Vehicle Crossing Policy					
				1,500.00	1,500.00
Parking Headworks Charge as Defined in Clause 11 of the Vehicle Crossing Policy					
				3,500.00	3,500.00

INFRASTRUCTURE & RECREATION			
SERVICE TYPE		Asset protection	
ASSET PROTECTION FEES		2016/17	2017/18
		\$ (GST Inc)	\$ (GST Inc)
Security Bonds as Specified in Local Law No.3	Cost of Works < \$15,000:		
	<i>Rural, Residential, Industrial and Commercial Building Sites for Builders with a 12 month Satisfactory Performance Record: Excluding all Reblocking, Front Fencing & Demolitions:</i>	-	
	<i>Rural, Residential, Industrial and Commercial Building Sites for Builders with an Unsatisfactory Performance Record.</i>	500.00	500.00
	Cost of Works > \$15,000:		
	Rural Building Site:	500.00	500.00
	Residential Building Site: <i>No adjacent footpaths.</i>	500.00	500.00
	Residential Building Site: <i>With adjacent footpaths.</i>	1,000.00	1,000.00
	Residential Building Site: <i>Corner allotment, adjacent footpaths.</i>	1,500.00	1,500.00
	Residential Building Site: <i>Multiple units, adjacent footpaths.</i>	2,000.00	2,000.00
	Industrial Building Site:	2,500.00	2,500.00
	Commercial Building Site:	5,250.00	5,250.00
	Multiple Building Sites <i>Builders with a 12 month Satisfactory Performance Record</i>	10,500.00	10,500.00

INFRASTRUCTURE & RECREATION			
		<i>Asset protection</i>	
SERVICE TYPE ASSET PROTECTION FEES	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Enquiries - Legal Point of Discharge or Drainage Information Urban Areas	Per enquiry	32.00	32.75
Charge for Restoration of Road Openings in Urban and Rural Areas		Actual cost plus 10% of the actual cost to cover administration expenses	Actual cost plus 10% of the actual cost to cover administration expenses
Asset Protection Penalty for Infringement Notice as Specified in Section 19 of Local Law No.3	<i>Set by Statute (State Government)</i>	Penalty Units are defined by Section 5 of the Monetary Units Act 2004 147.61	Penalty Units are defined by Section 5 of the Monetary Units Act 2004 147.61
Fees for Utilities and Their Agents for Applications Under Schedule 7 to the Road Management Act 2004 for Municipal Roads on which the maximum speed limit for vehicles at any time is <u>more</u> than 50kms per hour	<i>Set by Statute (State Government)</i>	Fee Units are defined by Section 5 of the Monetary Units Act 2004 (as at 1/7/2013) 1 Fee Unit = 13.24	Fee Units are defined by Section 5 of the Monetary Units Act 2004 (as at 1/7/2013) 1 Fee Unit = 13.24
Works, other than minor works conducted on, or on any part of the roadway, shoulder or pathway.	<i>Set by Statute (State Government)</i>	45 -	45 -
Works, other than minor works not conducted on, or on any part of the roadway, shoulder or pathway.	<i>Set by Statute (State Government)</i>	25 -	25 -
Minor works conducted on, or on any part of the roadway, shoulder or pathway.	<i>Set by Statute (State Government)</i>	11 -	11 -
Minor works not conducted on, or on any part of the roadway, shoulder or pathway.	<i>Set by Statute (State Government)</i>	5 -	5 -

INFRASTRUCTURE & RECREATION			
		<i>Asset protection</i>	
SERVICE TYPE ASSET PROTECTION FEES	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Fees for Utilities and Their Agents for Applications Under Schedule 7 to the Road Management Act 2004 for Municipal Roads on which the maximum speed limit for vehicles at any time is <u>not more</u> than 50kms per hour.	<i>Set by Statute (State Government)</i>	Fee Units are defined by Section 5 of the Monetary Units Act 2004	Fee Units are defined by Section 5 of the Monetary Units Act 2004
Works, other than minor works conducted on, or on any part of the roadway, shoulder or pathway.	<i>Set by Statute (State Government)</i>	20	20 -
Works, other than minor works not conducted on, or on any part of the roadway, shoulder or pathway.	<i>Set by Statute (State Government)</i>	5	5 -
Minor works conducted on, or on any part of the roadway, shoulder or pathway.	<i>Set by Statute (State Government)</i>	11	11 -
Minor works not conducted on, or on any part of the roadway, shoulder or pathway.	<i>Set by Statute (State Government)</i>	5	5 -

INFRASTRUCTURE & RECREATION			
<i>Waste Management - Transfer Stations</i>			
SERVICE TYPE TRANSFER STATION FEES	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
		General Waste	General Waste
Sedan/Wagon	<i>Seat up.</i>	11.00	11.50
	<i>Seat down.</i>	15.00	15.50
Utilities	Water line up to 1.8m Long Tray.	15.00	17.00
	Water Line over 1.8m Long Tray.	26.00	27.00
	Heaped up to 1.8m Long Tray.	21.00	23.00
	Heaped over 1.8m Long Tray.	32.00	34.00
Single Axle Trailers	Water Line up to 1.8m Long.	20.00	22.00
	Water Line 1.8m to 2.75m Long.	28.00	30.00
	Heaped up to 1.8m Long.	28.00	30.00
	Heaped 1.8m to 2.75m Long.	41.00	45.00
	Boxed up to 1.8m Long.	41.00	45.00
	Boxed 1.8m to 2.75m Long.	65.00	70.00
Tandem Axle Trailers	Water Line up to 2.75m Long.	28.00	30.00
	Water Line 2.75m to 3.75m Long.	45.00	48.00
	Heaped up to 2.75m Long.	45.00	48.00
	Heaped 2.75m to 3.75m Long.	80.00	85.00
	Boxed up to 2.75m Long.	85.00	88.00
	Boxed 2.75m to 3.75m Long.	110.00	115.00
Small Items	Mobile Garbage Bin (wheelie bin).	5.50	5.60
	Kitchen / Dining Chairs.	5.50	6.00
	Stools.	5.50	6.00
E-Waste (Electrical Items)	All e-waste including Computers, monitors, TVs and peripherals	5.50	5.50
Mattresses	Single	15.00	17.00
	Double/Queen/King	21.00	24.00
Medium Items	Lounge Chairs.	12.50	14.00
	Small Cupboards.	12.50	14.00
	2 Seat Sofa.	12.50	14.00

INFRASTRUCTURE & RECREATION			
<i>Waste Management - Transfer Stations</i>			
SERVICE TYPE TRANSFER STATION FEES	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Large Items Large Cupboards. 3 Seat Sofa.	<i>HDL – 2.5m x 0.7m x 1.6m.</i>	22.00	23.00
		22.00	23.00
Tyres Car and Motor Cycle. Light Truck & 4WD.		5.50	5.60
		10.00	10.50
Tyres on Rims Car. Light Truck and Fork Lifts.		10.50	11.00
		20.50	22.00
Recyclable Goods – Free of Charge (1)		No Charge	No Charge
Other Waste Management Domestic Waste Card (2) Synthetic Mineral Fibre (SMF) Plastic Bags	<i>Per annum. Each</i>	185.00	190.00
		4.00	4.10

INFRASTRUCTURE & RECREATION			
<i>Waste Management - Landfill</i>			
SERVICE TYPE WASTE MANAGEMENT - LANDFILL (1)	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Clean Fill (1) Clean Fill – Only if required at Landfill.	Per tonne – including landfill levy.	42.25	43.00
Putrescible Waste & Inert Waste	Per tonne (excluding contractual arrangements) Minimum charge 1 tonne (Includes State Government Landfill Commercial Levy \$51.30 per tonne)	168.00	171.00
Dead Animals Less than 30kg, Ex Vets	Per animal Per bag (max 30kg)	13.40 13.40	13.50 13.50
Industrial Waste Synthetic Mineral Fibre Wrapped - Domestic Plastic Bags for Packaging	Per cubic metre (m3) Per bag	30.00	30.00 4.00
Hazardous Waste Asbestos – Domestic. Lalrobe City Residents Non-Lalrobe City Residents	Per m3 Per 20kg package (2) must be removed and deposited by the resident, otherwise prescribed waste rate.	50.00 50.00	50.00 50.00

(1) Dry clean fill can only be deposited by contractors by prior arrangement and will only be accepted if fill material is required. It will be charged at the rate of \$40 per tonne, which includes the increase in EPA Commercial levy. There is no public access to landfill.

(2) Maximum of 6 x 20kg packages correctly wrapped per customer.

CITY DEVELOPMENT				
		<i>Health Services</i>		
SERVICE TYPE HEALTH SERVICES	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)	
Septic Tanks – New Installations	All System Types Inspections.	<i>In excess of two.</i>	640.00	655.00
	Alteration – Major.		136.60	140.00
	Alteration – Minor.		394.00	405.00
	Search Fee.	<i>Maximum.</i>	172.30	180.00
	Conveyancing Enquiry.		63.00	65.00
	Extension to Septic Tank Application.	<i>More than two years old.</i>	212.30	220.00
		331.00	340.00	
			-	
Health Premises	New Premises Registration	<i>Commercial Hairdressing-Low</i>	505.00	520.00
	New Premises Registration	<i>Beauty Treatments-Medium</i>	505.00	520.00
	New Premises Registration	<i>Mobile Home Hair Dressing etc-Low</i>	230.00	235.00
	New Premises Registration	<i>Comm Skin Per/Colonic-High</i>	515.00	530.00
	New Premises Registration	<i>Ear-piercing Single Use-Medium</i>	285.00	290.00
	New Premises Registration	<i>Combination or 2 or more services</i>	515.00	515.00
	Renewal Premises Registration	<i>Commercial Hairdressing-Low</i>	390.00	390.00
	Renewal Premises Registration	<i>Beauty Treatments-Medium</i>	430.00	440.00
	Renewal Premises Registration	<i>Mobile Home Hair Dressing etc-Low</i>	180.00	180.00
	Renewal Premises Registration	<i>Comm Skin Per/Colonic-High</i>	505.00	520.00
	Renewal Premises Registration	<i>Ear-piercing Single Use-Medium</i>	170.00	175.00
	Renewal Premises Registration	<i>Combination or 2 or more services</i>	505.00	505.00
Commercial Accommodation	New Registration.	<i>Includes motels and hostels.</i>	590.00	605.00
	Annual Renewal.	<i>Includes motels and hostels.</i>	520.00	530.00
Caravan Parks and Movable Homes <i>(Statutory Fee)</i>	Statutory fees are unable to be amended by Council. This fee is set under the Residential Tenancies Act (Caravan Parks and Movable Dwellings)	<i>Triennium Fees:</i>		
		1-25 sites	TBA	TBA
		26-50 sites	TBA	TBA
		51-100 sites	TBA	TBA
		101-150 sites	TBA	TBA

CITY DEVELOPMENT			
		<i>Health Services</i>	
SERVICE TYPE HEALTH SERVICES	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Transfer of Registration	Food Process within 5 Days.	<i>Maximum.</i> 425.50	435.00
	Food Process within 10 Days.	<i>Maximum.</i> 367.80	380.00
	Health Process within 5 Days.	<i>Maximum.</i> 220.70	225.00
	Health Process within 10 Days.	<i>Maximum.</i> 165.00	170.00
Plan Approval Fee <i>(Non-compulsory establishment inspection fee)</i>	Food Premises.	<i>Per hour</i> 125.00	130.00
	Health Premises.	<i>Per hour</i> 100.00	105.00
Food & Water Sample Administration Fee	Sample administration fee	<i>2nd non compliant follow up.</i> 195.00	200.00
COMMERCIAL FOOD PREMISES			
Class 1 (Full Time)	New	<i>Hospitals / Nursing Homes</i> 715.00	730.00
	Renewal	650.00	665.00
Class 2A (Full Time)	New	<i>Restaurants, Fast Food, Deli's</i> 680.00	695.00
	Renewal	625.00	640.00
	New	<i>Supermarkets / Large Manufacturers</i> 1,335.00	1,365.00
	Renewal	1,080.00	1,100.00
Class 2B (Part Time)	New	<i>Minimal unpacked potential hazardous foods</i> 450.00	460.00
	Renewal	400.00	410.00
Class 3A (Full Time)	New	<i>Minimal unpacked potential hazardous foods</i> 390.00	400.00
	Renewal	345.00	350.00
	New	<i>Water Carters</i> 165.00	170.00
	Renewal	135.00	140.00
Class 3B (Part Time)	New	<i>Food is secondary activity (e.g. Movie Theatre)</i> 335.00	245.00
	Renewal	260.00	265.00
Class 4 Low Risk Packaged	New	<i>Liquor Outlets, Video Stores, Newsagents, Pharmacies etc.</i> Exempt	Exempt
	Renewal	Exempt	Exempt

CITY DEVELOPMENT			
<i>Health Services</i>			
SERVICE TYPE HEALTH SERVICES	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Additional Inspection Fee (non compliance after 2 visits)			
Class 1 (Full Time)	<i>Per Hour (Minimum)</i>	185.00	190.00
Class 2A (Full Time)	<i>Per Hour (Minimum)</i>	160.00	164.00
Class 2B (Part Time)	<i>Per Hour (Minimum)</i>	160.00	164.00
Class 3A (Full Time)	<i>Per Hour (Minimum)</i>	135.00	140.00
Class 3B (Part Time)	<i>Per Hour (Minimum)</i>	110.00	115.00

CITY DEVELOPMENT			
<i>Local Laws</i>			
SERVICE TYPE LOCAL LAWS	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Parking (In accordance with Road Safety Act 1986)	Parking Infringements. <i>Section 1</i> <i>Penalty Units are defined by Section 5 of the Monetary Units Act 2004</i>	78-155	TBC
Dog & Cat Registration Fees (In accordance with Domestic Animal Act 1994)	Full Registration Pensioner Concession Domestic Animal Business. Dangerous, Menacing or renewals only for Restricted Dog Breeds	<i>Per Animal</i> <i>Per Animal</i> Where <i>Microchipped and Desexed</i> or <i>Microchipped and Registered with applicable organisations as defined by the Domestic Animal Act 1994</i> <i>Per annum</i> <i>Full registration per animal</i>	39.00 40.00 20.00 - - - - - - - - 210.10 123.00
Dog & Cat Infringements (In accordance with Domestic Animal Act 1994)	<i>Section 1</i> <i>Penalty Units are defined by Section 5 of the Monetary Units Act 2004</i>	78-311	TBC
Pound Release Fees – Domestic Animals Dog or cat release (where owner is identifiable by Council) Dog or cat release (where owner is unidentifiable by Council)	<i>Per animal plus charges below</i> <i>Per animal plus charges below</i>	31.80 107.60	32.40 109.80
*In Addition to Release Fees – Where Applicable (In accordance with Domestic Animal Act 1994)	Subsequent Releases Food and keep fees Male dog desexing Female dog desexing Male cat desexing Female cat desexing Dog or cat microchipping Vaccination fee Vet Check fee	<i>Per animal</i> <i>Per animal per day</i> <i>Per animal</i> <i>Per animal</i> <i>Per animal</i> <i>Per animal</i> <i>Per animal</i> <i>Per animal</i> <i>Per animal</i>	115.80 16.00 195.00 314.00 105.00 189.00 58.00 70.00 50.00
Animal Sales (In accordance with Domestic Animal Act 1994)	Cat sale (including desexing fee) Dog sale (including desexing fee) Dog or cat sale (already desexed)	<i>Per animal</i> <i>Per animal</i> <i>Per animal</i>	205.00 358.80 158.90

CITY DEVELOPMENT			
<i>Local Laws</i>			
SERVICE TYPE		2016/17	2017/18
LOCAL LAWS	BASIS	\$ (GST Inc)	\$ (GST Inc)
Livestock			
Pound Release Large (horse, cow, bull, etc).	<i>Per animal</i>	169.10	173.00
Pound Release Small (sheep, pig, goat etc)	<i>Per animal</i>	92.30	94.00
Food and Keep Fees	<i>Per animal per day.</i>	25.60	26.00
Livestock Infringements	<i>Penalties will be applied as per the livestock act.</i>	311-622	TBC
Livestock attendance for VicRoads	<i>Per Attendance</i>	579.10	594.00
Other Fees/Infringements			
Disabled Parking First Permit.	<i>Each</i>	No Charge	No Charge
Disabled Parking Additional Permits.	<i>Each.</i>	5.10	5.00
Dog/Cat Replacements Tag.	<i>Each.</i>	3.10	3.20
Shopping Trolley Release Fee.	<i>Per trolley</i>	164.00	170.00
Release fee for vehicles impounded in accordance with Schedule 11 of the Local Government Act	<i>Per vehicle</i>	630.40	645.00
	<i>Plus tow fee per vehicle if applicable</i>	246.00	N/A
Release fee for vehicles impounded in accordance with Schedule 11 of the Local Government Act.	<i>Per vehicle</i>	333.10	340.00
	<i>Plus standard tow fee per vehicle</i>	153.80	157.00
	<i>Plus immediate tow fee per vehicle</i>	266.50	274.00
	<i>Plus daily storage fee</i>	12.30	15.00
School Crossing Flags.	<i>Per set.</i>	87.10	89.00
Fire Hazard Infringement.	<i>Set by Statute (State Government)</i>	1,555.00	TBA
	<i>Per penalty unit</i>	-	
	<i>Penalty Units are defined by Section 5 of the Monetary Units Act 2004</i>	-	
		-	
		-	

CITY DEVELOPMENT			
		<i>Local Laws</i>	
SERVICE TYPE		2016/17	2017/18
LOCAL LAWS	BASIS	\$ (GST Inc)	\$ (GST Inc)
Other Fees/Infringements			
Litter Infringement. (In accordance with the Environment Protection Act 1970)	<i>Set by Statute (State Government) Penalty Units are defined by Section 5 of the Monetary Units Act 2004</i>	311-1866	TBC
		-	-
Local Laws Permit.	<i>All Clauses otherwise specified</i>	51.30	53.00
Local Law Infringements. (Local Law No 2)	<i>Per penalty unit</i>	100.00	N/A
Temporary outdoor eating facilities	<i>Per annum fee (inclusive of permit application fee) Consisting of up to 4 tables and a maximum of 12 chairs.</i>	143.50	145.00
Temporary outdoor eating facilities over four tables and/or over 12 chairs.	<i>Per annum fee (inclusive of permit application fee) Consisting of over 4 tables and/or over 12 chairs.</i>	287.00	295.00
Roadside Trading Permit	<i>Clause 82 – Local Law No. 2.</i>	410.00	420.00
Caravans as Temporary Accommodation permit.	<i>Clause 142 – Local Law No. 2 – incorporates 6 month permit application for Health permit to reside in caravan.</i>	317.80	N/A
Administration Fee	<i>Administration Fee for the reconciliation and generation of an invoice to a property owner which has had force clear works completed by Council.</i>		50.00

CITY DEVELOPMENT			
<i>Building Developments</i>			
SERVICE TYPE BUILDING PERMITS/FEEES	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Permit time extensions and inspections for lapsed permits	<i>Minimum</i>	150.00	150.00
Preparation of Section 173 Agreements <i>For building over easements.</i>	<i>Per agreement</i>	410.00	420.00
Building File Search Fee	<i>Linked to statutory fee set by regulation 327</i>	50.00	52.50
Report and Consent	<i>Each</i>	250.00	260.00
<i>First</i>	<i>Each</i>	125.00	130.00
<i>Additional</i>			
<i>Temporary Structure Siting Approvals</i>	<i>Treated as a Report and Consent</i>	250.00	260.00
<i>Pepe – Occupancy Permits</i>	<i>Treated as a Report and Consent</i>	250.00	260.00

*NOTE Statutory Fees can only be increased by the Minister for Planning. At the time of the budget preparation there was no indication of likely alteration to these statutory fees.

CITY DEVELOPMENT			
<i>Statutory Planning</i>			
SERVICE TYPE PLANNING PERMITS	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Many of these fees are those prescribed under the Planning and Environment (Fees) Regulations 2016 and the Subdivision (Permit and Certification Fees) Regulations, but are not a complete representation of the Regulations. Reference should be made to the Regulations to obtain the complete wording of individual fee regulations (GST exempt). * NOTE – Statutory Fees are subject to change at the discretion of the Minister for Planning.			
Planning Permit Application - Use Only	<i>Statutory State Government Fees</i>	514.60	1,240.70
To develop land or to use and develop land for a single dwelling per lot, or to undertake development ancillary to the use of the land for a single dwelling per lot if the estimated cost of development included in the application is: Up to \$10,000 \$10,001 - \$100,000. \$100,001 - \$500,000 \$500,001 - \$1,000,000 \$1M to \$2M	<i>Statutory State Government Fees</i>	245.00	188.20
		502.30	592.50
		-	1,212.80
		-	1,310.40
		-	1,407.90
To develop land (other than for a single dwelling per lot) if the estimated cost of development included in the application is:	<i>Statutory State Government Fees</i>	Up to \$10,000 104.60	104.60
		\$10,001 to \$250,000 619.10	619.10
		\$250,001 to \$500,000 724.70	Up to \$100,000 1,080.40
		\$500,001 to \$1,000,000 835.40	\$100,001 to \$1,000,000 1,456.70
		\$1,000,001 to \$7,000,000 1,181.80	\$1,000,001 to \$5,000,000 3,213.20
		\$7,000,001 to \$10,000,000 4,957.90	\$5,000,001 to \$15,000,000 8,189.80
		\$10,000,001 to \$50,000,000 8,265.60	\$15,000,001 to \$50,000,000 24,151.10
		More Than \$50,000,000 16,533.30	More Than \$50,000,000 54,282.40
Subdivision To Subdivide an Existing Building. To Subdivide Land into Two Lots. To effect a realignment of a common boundary between lots Consolidate two or more lots. To Subdivide Land. To remove a restriction (within the meaning of the Subdivision Act 1988) over land if the land has been used or developed for more than 2 years before the date of the applications in a manner which would have been lawful under the Planning and Environment Act 1987 but for the existence of the restriction.	<i>Statutory State Government Fees</i>	395.70	1,240.70
		395.70	1,240.70
		395.70	1,240.70
		395.70	1,240.70
		800.50	1,240.40
		255.20	1,240.70

CITY DEVELOPMENT			
<i>Statutory Planning</i>			
SERVICE TYPE PLANNING PERMITS	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Subdivision			
To create, vary or remove a restriction within the meaning of the Subdivision Act 1988; or to create or remove a right of way.	<i>Statutory State Government Fees</i>	554.50	1,240.70
To create, vary or remove an easement other than a right of way; or to vary or remove a condition in the nature of an easement other than a right of way in a Crown grant.	<i>Statutory State Government Fees</i>	414.10	1,240.70
Supervision of Works.		2.5% of value of works	2.5% of value of works
Checking of Engineering Plans.		2.5% of value of works	2.5% of value of works
To Amend an Application			
To amend an application for a permit after notice of the application has been given under Section 52.	<i>Statutory State Government Fees</i>	104.60	102.00
To Amend a Permit			
To amend an application to amend a permit after late	<i>Statutory State Government Fees</i>	104.60	N/A
To amend a permit to use land if that amendment is to change the use for which the land may be used.	<i>Statutory State Government Fees</i>	502.00	N/A
To change a statement of what the permit allows;	<i>Statutory State Government Fees</i>	502.00	1,240.70
To change any of all of the conditions which apply to the permit;	<i>Statutory State Government Fees</i>	502.00	512.00
In any way not otherwise provided for in this regulation.	<i>Statutory State Government Fees</i>	502.00	1,240.70
To amend a permit to develop land or to use and develop land for a single dwelling per lot or to undertake development ancillary to the use of the land for a single dwelling per lot if the estimated cost of an additional development to be permitted by the amendment is:	<i>Statutory State Government Fees</i>	\$10,000 - \$100,000. 239.00	Up to \$100,000 592.50
		> \$100,000. 490.00	\$101,000 - \$1M 1,310.40
			\$1M to \$2M 1,407.90

CITY DEVELOPMENT						
<i>Statutory Planning</i>						
SERVICE TYPE		BASIS	2016/17		2017/18	
PLANNING PERMITS			\$ (GST Inc)		\$ (GST Inc)	
To Amend A Permit (Continued)						
	To amend a permit to develop land if the estimated cost of any additional development to be permitted by the amendment is:	<i>Statutory State Government Fees</i>	<\$10,000	102.00		102.00
			> \$10,001 to \$250,000	604.00	Up to \$100,000	1,080.40
			> \$250,001 to \$500,000	707.00	>\$100,001 to \$1M	1,456.70
			> \$500,001	815.00		815.00
	To amend a permit to: Subdivide an existing building; Subdivide land into two lots; Effect a realignment of a common boundary Consolidate two or more lots.	<i>Statutory State Government Fees</i>		386.00		1,240.70
Combined Permit Applications Certification						
	An application to certify a plan.	<i>Statutory State Government Fees</i>		100.00		164.50
		<i>Application fee plus amount per lot</i>		20.00		20.40
	Procedural.	<i>Exempt subdivisions, consolidations etc.</i>		100.00		164.50
	Recertification.			100.00		164.50
Certificates of Compliance						
	The fee for a certificate under Section 97N.	<i>Statutory State Government Fees</i>		147.00		306.70
Satisfaction Matters						
	The fee for determining a matter where a planning scheme specifies that the matter must be done to the satisfaction of a responsible authority or referral authority.	<i>Statutory State Government Fees</i>		102.00		306.70
Administration Charges						
	Extend the Expiry Date of a Permit.	<i>Per permit</i>		137.90	1st Request	150.00
					2nd Request	225.00
					3rd Request	300.00
	Search for and Provide a copy of a permit	<i>Per permit</i>		137.90		134.65
	Liquor Licence Applicant Information Requests	<i>Per application</i>		61.35		141.00
	Written response to planning queries	<i>Per response</i>		61.35		62.75
		<i>This figure is based on average of Council fees across Gippsland</i>				
	Secondary Consent	<i>Per permit</i>		107.15		300.00
	Public Notification on behalf of Applicant.	<i>Standard administration fee</i>		34.40		35.10

CITY DEVELOPMENT			
<i>Statutory Planning</i>			
SERVICE TYPE	BASIS	2016/17	2017/18
PLANNING PERMITS		\$ (GST Inc)	\$ (GST Inc)
Photocopying Charges on Behalf of Applicant	<i>Black & White A4 per sheet</i>	0.25	0.25
	<i>Colour A4 per sheet</i>	1.20	1.20
	<i>Black and White A3 per sheet</i>	0.50	0.50
	<i>Colour A3 per sheet</i>	1.55	1.55
	<i>Black & White AO1 per sheet</i>	8.60	8.80
	<i>Colour AO1 per sheet</i>	10.85	11.05
	<i>Black & White A1 per sheet</i>	7.05	7.15
	<i>Colour A1 per sheet</i>	8.60	8.80
	<i>Black & White A2 per sheet (plotter)</i>	5.35	5.45
	<i>Colour A2 per sheet (plotter)</i>	6.55	6.65

CITY DEVELOPMENT					
<i>Strategic Planning</i>					
SERVICE TYPE AMENDMENTS TO PLANNING SCHEMES	BASIS	2016/17 \$ (GST Inc)		2017/18 \$ (GST Inc)	
		Prior to 13 Oct 2016	After 13 Oct 2016	Prior to 13 Oct 2017	After 13 Oct 2017
Stage One Considering a request to amend the planning scheme; and Taking action required by Division 1 of Part 3 of the Planning and Environment Act 1987; and Considering any submissions which do not seek a change to the amendment; and If applicable, abandoning the amendment in accordance with Section 28.	<i>Statutory State Government Fees</i>	798.00	1,435.80	1435.8	2,871.60
Stage Two Considering submissions which seek a change to an amendment, and where necessary referring the submissions to a panel; and Providing assistance to a panel in accordance with Section 158; and Making a submission in accordance with Section 24(b); and Considering the report in accordance with Section 27; and After considering submissions and the report in accordance with Section 27, if applicable, abandoning the amendment in accordance with Section 28.	<i>Statutory State Government Fees</i> <i>1-10 submissions</i>	798.00	7,116.35	7116.35	14,232.70
	<i>11-20 submissions</i>	798.00	14,218.80	14218.80	28,437.60
	<i>21+ submissions</i>	798.00	19,007.20	19007.20	38,014.40
Stage Three Adopting the amendment or part of the amendment in accordance with Section 29; and Submitting the amendment for approval in accordance with Section 31.	<i>Statutory State Government Fees</i>	524.00	226.55	226.55	453.10
Stage Four Considering a request to approve an amendment in accordance with Section 35; and Giving notice of approval of an amendment in accordance with Section 36.	<i>Statutory State Government Fees</i>	798	226.55	226.55	453.10
Administration Charges General written advice of planning scheme amendment histories.			62.00		63.20
Costs and expenses for a Planning Panel to be appointed, hear and consider submissions, and prepare a report under Part 8 of the Planning and Environment Act 1987.	<i>Full fee recovery of government charges</i>		Various		Various

*NOTE Statutory Fees can only be increased by the Minister for Planning. At the time of the budget preparation there was no indication of likely alteration to these statutory fees.

CITY DEVELOPMENT				
<i>Latrobe Regional Gallery</i>				
SERVICE TYPE LATROBE REGIONAL GALLERY		BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Community Access Gallery	Rental	Per week	166.10	169.00
	Bond		189.60	193.00
Meeting Room : Room with board table	Commercial Rental	Half day	107.60	110.00
		Full day	189.60	193.00
	Community Rental	Half day	50.20	51.00
		Full day	95.30	97.00
Meeting Room 2 - Friends Room: Room with kitchen table and lounge	Commercial Rental	Half day	107.60	110.00
		Full day	189.60	193.00
	Community Rental	Half day	50.20	51.00
		Full day	95.30	97.00
Studio Workshop - Commercial	Rental	Half day	107.60	110.00
		Full day	229.60	234.00
		Evening	286.00	292.00
Studio Workshop - Community	Rental	Half day	50.20	51.00
		Full day	105.60	108.00
		Evening	145.60	148.00

CITY DEVELOPMENT			
<i>Performing Arts Centre</i>			
SERVICE TYPE PERFORMING ARTS CENTRE	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Performing Arts Centre - Standard Rate <i>(Performances and Rehearsals)</i>			
Town Hall	<i>Per performance 2nd performance same day Rehearsal rate - per hour</i>		1,000.00 500.00 75.00
Little Theatre	<i>Per performance 2nd performance same day Rehearsal rate - per hour</i>		850.00 425.00 60.00
Other Events Non Theatrical - Standard Rate <i>* Session extensions up to 3 hours charged pro rata at the session rate</i>			
Town Hall	<i>Per Session (Morning -8am-1pm, Afternoon - 1pm-6pm, or Evening 6pm -</i>		334.00
Little Theatre	<i>Per Session (Morning -8am-1pm, Afternoon - 1pm-6pm, or Evening 6pm -</i>		200.00
Performing Arts Centre - Community Rate <i>(Performances and Rehearsals)</i>			
Town Hall	<i>Per performance 2nd performance same day Rehearsal rate - per hour</i>		400.00 200.00 30.00
Little Theatre	<i>Per performance 2nd performance same day Rehearsal rate - per hour</i>		340.00 170.00 24.00
Other Events - Community Rate <i>* Session extensions up to 3 hours charged pro rata</i>			
Town Hall	<i>Per Session (Morning -8am-1pm, Afternoon - 1pm-6pm, or Evening 6pm - 11pm)</i>		335.00
Little Theatre	<i>Per Session (Morning -8am-1pm, Afternoon - 1pm-6pm, or Evening 6pm - 11pm)</i>		285.00

CITY DEVELOPMENT			
<i>Community Halls</i>			
SERVICE TYPE COMMUNITY HALLS	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Kernot Hall – Standard Rate*			
<i>* Session extensions up to 3 hours charged pro rata at the session rate</i>			
Hall 1	<i>Per Session (Morning -8am-1pm, Afternoon - 1pm-6pm, or Evening 6pm - 11pm)</i>		500.00
Hall 2	<i>Per Session (Morning -8am-1pm, Afternoon - 1pm-6pm, or Evening 6pm - 11pm)</i>		200.00
Whole Hall.	<i>Per Session (Morning -8am-1pm, Afternoon - 1pm-6pm, or Evening 6pm - 11pm)</i>		700.00
Foyer	<i>Per Session (Morning -8am-1pm, Afternoon - 1pm-6pm, or Evening 6pm - 11pm)</i>		300.00
Kitchen.	<i>Per Session (Morning -8am-1pm, Afternoon - 1pm-6pm, or Evening 6pm - 11pm)</i>		250.00
Kernot Hall – Community Rate			
Hall 1	<i>Per Session (Morning -8am-1pm, Afternoon - 1pm-6pm, or Evening 6pm - 11pm)</i>		200.00
Hall 2	<i>Per Session (Morning -8am-1pm, Afternoon - 1pm-6pm, or Evening 6pm - 11pm)</i>		80.00
Whole Hall.	<i>Per Session (Morning -8am-1pm, Afternoon - 1pm-6pm, or Evening 6pm - 11pm)</i>		280.00
Foyer	<i>Per Session (Morning -8am-1pm, Afternoon - 1pm-6pm, or Evening 6pm - 11pm)</i>		120.00
Kitchen.	<i>Per Session (Morning -8am-1pm, Afternoon - 1pm-6pm, or Evening 6pm - 11pm)</i>		100.00
Moe Town Hall - Standard			
Standard Rate.	<i>Per Session (5 Hours)</i>		405.00
Community Rate	<i>Per Session (5 Hours)</i>		162.00

CITY DEVELOPMENT				
<i>Community Halls</i>				
SERVICE TYPE COMMUNITY HALLS	BASIS	2016/17 \$ (GST Inc)		2017/18 \$ (GST Inc)
		* Peak	*Off Peak	
Newborough Public Hall Standard Rate <i>(Bazaars, Fetes, Stalls, Presentation Nights, School Concerts, Weddings,</i>	<i>8am – 5pm – daytime – per hour. 5pm –midnight –evening –per session.</i>			50.00
				350.00
Community Rate <i>(Bazaars, Fetes, Stalls, Presentation Nights, School Concerts, Weddings,</i>	<i>8am – 5pm – daytime – per hour. 5pm –midnight –evening –per session.</i>	31.80	18.50	20.00
		260.40	137.40	140.00
Ronald Reserve Hall – Community Rate <i>(Bazaars, Fetes, Stalls, Presentation, Nights, School Concerts, Weddings, Social Events and Meetings)</i>	<i>Per hour.</i>	18.50	18.50	20.00
Churchill Community Hall – Community Rate <i>(Bazaars, Fetes, Stalls, Presentation, Nights, School Concerts, Weddings, Social Events and Meetings)</i>	<i>Per hour.</i>	18.50	18.50	20.00
		-	-	
		-	-	
Traralgon Court House – Court Room	<i>Per day (8am - 5pm)</i>	* Peak	*Off Peak	
Commercial Rate	<i>Per day (8am - 5pm)</i>	88.20	N/A	90.00
Community Rate	<i>Per day (8am - 5pm)</i>	-	-	-
		57.40	29.70	36.00
Loy Yang Power Latrobe Community Sound Shell – Standard Rate	Hire		323.90	330.00
	<i>Plus clean up costs.</i>			
Loy Yang Power Latrobe Community Sound Shell - Community Rate	Daytime & Evening			No Charge
	<i>All Hours</i>			
Traralgon East Community Centre	Hall Hire.		18.50	20.00
	<i>Per hour.</i>			
Kath Teychenne Centre – Meeting Room	Community and Not For Profit Groups.		No Charge	No Charge
	Commercial.	<i>Per hour</i> <i>Per hour</i>	28.70	30.00

CITY DEVELOPMENT			
<i>Community Halls</i>			
SERVICE TYPE COMMUNITY HALLS	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Lighting			
Standard			
Kernot Hall I (Standard Rig Open White)	<i>Per event/performance</i>		200.00
Moe Town Hall (Standard Rig Open White)	<i>Per event/performance</i>		150.00
Performing Arts Centre (Standard Rig White/Colour-2 specials)	<i>Per event/performance</i>	205.00	225.00
Loy Yang Power Latrobe Community Sound Shell (Standard Rig)	<i>Per session plus production equipment/resources</i>	769.80	800.00
Other			
Technician Fees	<i>2 x Technicians per hour (min 3 hours)</i>	86.10	90.00
Portable 6 x 400 watt lights	<i>Per Day (Including 3 hours of Technician)</i>	248.10	250.00
Piano			
Within hire period	<i>First day (includes tuning) subsequent per day</i>		275.00 100.00
Technician			
All Hirers	<i>All hirers, min 3 hrs - Per technician per hour (plus applicable penalties)</i>		45.00
Front Of House			
Usher/Merchandise Seller	<i>All hirers - per hour (min 3 hrs) plus applicable penalties</i>		40.00
Front of House Manager	<i>All hirers - per hour (min 3 hrs) plus applicable penalties</i>		45.00

CITY DEVELOPMENT			
<i>Community Halls</i>			
SERVICE TYPE COMMUNITY HALLS	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Audio	Kernot Hall PA System	<i>Per performance / event</i>	160.00
	LPAC PA System	<i>Per performance / event</i>	160.00
Audio & Lighting Package	Kernot Hall	<i>Per performance / event</i>	-
	LPAC	<i>Per performance / event</i>	-
Miscellaneous	Venue Hire Penalty Rate	<i>After 11pm– per hour</i>	138.40
	Kiosk	<i>Per hour</i>	25.60
	Replacement salto disc	<i>Per item</i>	25.00
	Excess rubbish removal (> 3m ² per hire)	<i>each additional 3m²</i>	105.00
Equipment	Test and tag electrical equipment	<i>Per item</i>	8.70
	Rostra	<i>Per unit per performance/event</i>	20.00
	Follow Spot or Smoke Machine or Mirror Ball	<i>Per unit per performance/event</i>	60.00
	Rope, glue, gaffer tape, batteries and other consumables	<i>Per item</i>	Calculated based on Consumption
	Radio Microphones	<i>per unit/per performance/event</i>	70.00
	Folding tables – wooden	<i>Per item</i>	11.30
	Chairs – plastic	<i>Per item</i>	3.10
Hall Hirers Public/Products Liability Insurance \$10m cover with \$250 excess (subject to policy terms & conditions)	Per hire up to 52 times per year	16.40	20.00
Performers/Stall holders/Artists/Street stallholders/Buskers/Tutors and Instructors – Available to uninsured, non-high risk applicants, involved in Council event/program/facility/permit holders.	Per hire	35.90	36.00

CITY DEVELOPMENT			
<i>Community Halls</i>			
SERVICE TYPE COMMUNITY HALLS	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Ticketing All Hirers / All Venues <i>(Including Soundshell)</i>	Ticketing Fee per ticket <i>Ticket value less than \$25.00</i> <i>Ticket value between \$25 - \$49.99</i> <i>Ticket value greater than \$49.99</i> <i>Complimentary tickets issued</i> Fee per ticketing transaction <i>Tickets purchased via Telephone or Online</i> <i>Credit card transactions</i>		2.00 3.00 4.00 0.75 2.00 Bank Fee
Merchandise Commission	Commercial - All Venues	<i>Total Sales</i>	12.50%

CITY DEVELOPMENT			
<i>Latrobe Regional Airport</i>			
SERVICE TYPE LATROBE REGIONAL AIRPORT	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Airport Annual Licence Fees <div style="text-align: right; padding-right: 20px;"> Recreational Light Commercial Commercial </div>		145.90 727.20 1,456.70	149.00 742.00 1,486.00

These fees are set annually by the Latrobe Regional Airport Board and therefore the proposed 2015/16 fees may be subject to amendment following that process.

CITY DEVELOPMENT			
<i>Visitor Information Centre</i>			
SERVICE TYPE VISITORS INFORMATION CENTRE	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Brochure Racking Fee Operators within Gippsland region wishing to display their brochure in the visitor centre	<i>Annual</i>	87.00	89.00
Photocopying & Printing Black and White A4 Colour A4	<i>Per sheet (single or double sided)</i> <i>Per sheet (single or double sided)</i>	0.30 1.30	0.50 1.50

CORPORATE SERVICES			
<i>Governance</i>			
SERVICE TYPE GOVERNANCE	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Freedom of Information	Application Fee <i>Set by Freedom of Information (Access Charges) Regulations 2004</i>	* As per regulations	* As per regulations
	Access Charges <i>Set by Freedom of Information (Access Charges) Regulations 2004</i>	* As per regulations	* As per regulations

CORPORATE SERVICES			
<i>Property & Legal</i>			
SERVICE TYPE PROPERTY AND LEGAL	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Property and Legal			
Road Discontinuance/Closure & Sale of Land Application Fee.	<i>Per application</i>		150.00
Annual Lease/License Charge Non Commercial or Community & Non Profit Organisation.	<i>Per lease or licence per annum</i>	75.00	80.00
Off Street Car Parks			
Seymour Street Car Park (Traralgon)			
Car park space leases	<i>Per space per annum</i>	1,230.00	1,230.00
After Hours Call out Fee – Seymour Street Car Park	<i>Per callout</i>	Charged directly by Security Firm	Charged directly by Security Firm
Commercial Road Car Park (Morwell)			
Car park space leases	<i>Per space per annum</i>	828.90	830.00
Replacement Permit Stickers			
Replacement Permit Sticker	<i>First replacement in the financial year</i>		No Charge
	<i>Subsequent replacements in the same financial year</i>		21.00

2017/18 Budget Budget Process

Budget processes

This section lists the budget processes to be undertaken in order to adopt the Budget in accordance with the *Local Government Act 1989* ("The Act") and *Local Government (Planning and Reporting) Regulations 2014* (the Regulations).

Under the Act, Council is required to prepare and adopt an annual budget for each financial year. The budget is required to include certain information about the rates and charges that Council intends to levy as well as a range of other information required by the Regulations which support the Act.

The 2017/18 budget, which is included in this report, is for the year 1 July 2017 to 30 June 2018 and is prepared in accordance with the Act and Regulations. The budget includes financial statements being a budgeted Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows and Statement of Capital Works. These statements have been prepared for the year ended 30 June 2018 in accordance with the Act and Regulations, and consistent with the annual financial statements which are prepared in accordance with Australian Accounting Standards. The budget also includes information about the rates and charges to be levied, the capital works program to be undertaken, the human resources required, and other financial information Council requires in order to make an informed decision about the adoption of the budget.

In advance of preparing the budget, Officers firstly review and update Council's long term financial projections. Financial projections for at least four years are ultimately included in Council's Strategic Resource Plan, which is the key medium-term financial plan produced by Council on a rolling basis. The preparation of the budget, within this broader context, begins with Officers preparing the operating and capital components of the annual budget from November through to December. A draft consolidated budget is then prepared and various iterations are considered by Council at informal briefings during February. A proposed budget is prepared in accordance with the Act and submitted to Council in April for approval in principle. Council is then required to give public notice that it intends to adopt the budget. It must give 28 days notice of its intention to adopt the proposed budget and make the budget available for inspection at its offices and on its web site. A person has a right to make a submission on any proposal contained in the budget and any submission must be considered before adoption of the budget by Council.

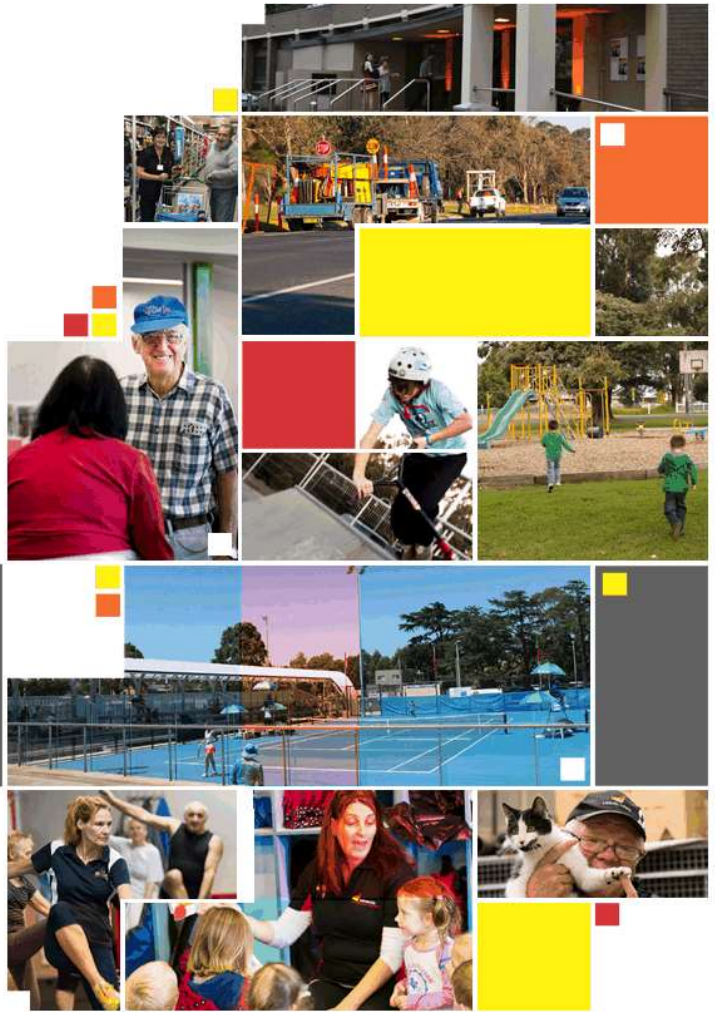
The final step is for Council to adopt the budget after receiving and considering any submissions from interested parties. The budget is required to be adopted by 30 June and a copy submitted to the Minister within 28 days after adoption. The key dates for the budget process are summarised on the following page:

2017/18 Budget Budget Process

Budget process	Timing
1. Officers update Council's long term financial projections	Sep - Nov
2. Officers prepare operating and capital budgets	Nov - Jan
3. Council considers draft budgets at informal briefings	Feb
4. Proposed budget submitted to Council for approval	Apr
5. Public notice advising intention to adopt budget	Apr
6. Council's Audit Committee review draft budget	Apr/May
7. Budget available for public inspection and comment	Apr/May
8. Submissions period closes (28 days)	May
9. Submissions considered by Council/Committee	May
10. Budget and submissions presented to Council for adoption	June
11. Copy of adopted budget submitted to the Minister	June

Latrobe City Council

DRAFT
**RATING
STRATEGY**
2017-18





LATROBE CITY COUNCIL

Rating Strategy 2017-2018

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Introduction

Under the *Local Government Act 1989 (Act)*, a primary objective of all Victorian Local Governments is to ensure the equitable imposition of rates and charges (section 3C(f)). The purpose of this Rating Strategy is to consider Council's rating options under the Act, and how Council's choices in applying these options contribute towards meeting an equitable rating strategy.

It is important to note from the outset that the focus of this strategy is very different to that which is discussed in the Annual Budget. In the Annual Budget the key concern is the quantum of rates required to be raised for Council to deliver the services and capital expenditure required. In this Strategy, the focus instead is on how this **quantum** will be **equitably distributed** amongst Council's ratepayers.

The Rating Strategy will canvass the limited range of rating options available to Council under the Act, including the following:

- a. the choice of which valuation base to be utilised (of the three available choices under the Act);
- b. the consideration of uniform rating versus the application of differential rating for various classes of property;
- c. the most equitable level of differential rating across the property classes;
- d. the application of a municipal charge
- e. consideration of the application of fixed service charges for the areas of waste collection and municipal administration;
- f. the application of special rates and charges;
- g. the application of other levies under the *Planning & Environment Act 1987*; and
- h. a review of the rate payment dates and options available to Council.

Executive Summary and Recommendations

The selection of rating philosophies and the choice between the limited rating options available under the Act is a challenge for all councils to develop. It is most likely that a perfect approach is almost impossible to achieve in any Local Government environment.

Three key platforms currently form the basis of the current approach to rating at Latrobe City Council that is recommended for continuation. They are that:

- a. rates will continue to be based principally on an ad-valorem basis (i.e. based on the valuation of the various properties);
- b. Council will continue to apply a service charge to fully recover the cost of the collection and disposal of waste;
- c. Council will continue to apply differential rating to ensure all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council; and
- d. Council continues to levy a Municipal charge.

This proposed strategy recommends that Council adopts the following approach to rating for 2017/18.

SECTION	STRATEGY RECOMMENDATIONS
Valuation Base	Council uses the Capital Improved Value (CIV) method of valuation
Rating System (Uniform or Differential)	Council continues to apply differential rating as its rating system.
Differential rates	Council applies the following differential rates: General Rate Farm Rate Derelict Properties In addition, assessments eligible under the <i>Cultural and Recreational Lands Act 1963</i> receive concessional rates
Residential Land	The General Rate will be applied to all residential properties
Commercial Land	The General Rate will be applied to all Commercial properties
Industrial Land	The General Rate will be applied to all Industrial properties
Farm Land	Farm land that meets the definition of Farm Land as defined in this document will be eligible for the Farm Rate Differential which is set at 75% of the General Rate
Vacant Land	The General Rate will apply to all Vacant Land
Derelict Properties	Derelict properties are defined under Section 6 below. The differential is set at the maximum level of 4 times the lowest differential rate.
Retirement Villages	The General Rate will apply to all Retirement Village properties
Cultural and Recreational Land	There are two types of rebate offered <ul style="list-style-type: none"> • Non- Gaming Venues • Gaming Venues Assessments must meet the definition of cultural and recreational land in accordance with the <i>Cultural and Recreational Lands Act 1963</i> . Non Gaming Venues will be eligible for a rate rebate of 50% of the general rate, and Gaming Venues will be eligible for a rate rebate of 40% of the general rate. Each application is assessed on a case by case basis in accordance with the requirements of the Act. Additional rebate amounts are provided to two golf course assessments where land values have been impacted due to past changes in land zoning
Municipal Charge	Council applies a Municipal Charge in accordance with the Local Government Act.
Service Rates and Charges	A service charge is applied to Council's kerbside waste collection service. The service consists of collection areas and a mandatory three bin system within these collection areas. It includes the collection and disposal of household waste, recyclables and green waste
EPA Levy	The State Government EPA Levy on waste delivered to landfill is charged in addition to the waste charge and applies to each garbage bin service and will continue to be separately disclosed on the rates notice
Special Rates	Special Rates and Charges will continue to apply where special benefit can be shown to exist to a group of individual land owners for defined capital projects (e.g. gravel road sealing, footpaths etc.).
Rate Rebate for Land with a Deed of Covenant for Conservation Purposes	A Rates Rebate equating to a fixed amount of \$100 per property plus \$5 per hectare, will be available for land with a Deed of Covenant for Conservation purposes.
Payment of Rates and Charges	Council offers the option to pay rates by either the mandatory rate instalments option or the lump sum option in accordance with the Local Government Act.
Eligible Pension Rebate	Council continues to manage the State Government Pension Rebate scheme. Council does not provide any additional council rebate for eligible pensioners.

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1

What is a Rating Strategy and why have one?

The purpose of this strategy is to ensure that Council considers rate revenue and how the burden can be most equitably distributed among the community.

What is a rating strategy?

A rating strategy is the method by which Council systematically considers factors of importance that informs its decisions about the rating system. The rating system determines how Council will raise money from properties within the municipality. It does not influence the total amount of money to be raised. Rather, it concerns the share of rate revenue contributed by each property. The rating system comprises the valuation base for each property and the actual rating instruments allowed under the Act to calculate property owners' liability for rates.

The importance of a rating strategy

Latrobe City Council currently receives in the order of 59% of its Total Revenue by way of property-based rates and waste charges. The development of strategies in respect of the rating base is therefore of critical importance to both Council and the community.

The principles of good governance further require Council to provide ongoing or periodic monitoring and review of the impact of major decisions. It is therefore essential for Council to evaluate on a regular basis, the legislative objectives to which it must have regard and those other objectives which Council believes are relevant.

Council's approach to the raising of rate revenue is in line with its goal of providing transparency and accountability in its decision-making.



Rating – the Legislative Framework

The purpose of this section is to outline the legislative framework within which Council operates its rating system and the various matters that Council must consider when making decisions on rating objectives.

2.1 LEGISLATIVE FRAMEWORK

The *Local Government Act 1989*, Part 1A, Section 3C stipulates that the primary objective of Council is to endeavour to achieve the best outcomes for the local community having regard to the long term and cumulative effects of its decision. In seeking to achieve its primary objective, Council must have regard to a number of facilitating, or supporting, objectives, set out in section 3C(2) of the Act, one of which is to ensure the equitable imposition of rates and charges.

The issue of equity must therefore be addressed in the rating strategy, and this strategy has paid careful attention to this aspect.

2.2 CONSIDERATION OF EQUITY

Having determined that Council must review its rating strategy in terms of the equitable imposition of rates and charges, the difficulty becomes how to define and determine what is in fact equitable in the view of Council.

In considering what rating approaches are equitable, some concepts that Council may take into account are:

Horizontal equity, which refers to justice or fairness in the treatment of like properties, in other words, that similar rates are paid by similar properties. On the proviso that Council valuations fairly reflect the true valuation of like properties, horizontal equity will be achieved.

Vertical equity, which refers to justice or fairness in the treatment of properties in different circumstances. (e.g. different property types –

Residential/ Commercial/ Industrial / Farming/ Vacant / Developed).

In the case of property rates, it may be considered equitable for one type of property to have to bear more or less of the rates burden than another type of property. In achieving vertical equity in its rating strategy, Council must consider the valuation base it chooses to adopt to apply property rates and the application of the various rating tools available to it under the Act (e.g. differential rates).

Linkage of property wealth to capacity to pay, which recognises that the valuation of property is an imperfect system in which to assess a resident's ability to pay annual rates but one which Council is restricted to under the Act. A frequently raised example is pensioners who live in their family home which carries a high value, but live on a pension. The equity question for consideration however is whether Council should support residents in this situation with lower rates that will eventually be to the financial benefit of estate beneficiaries, or whether the ability to defer rates (in all or in a part) represents a more equitable outcome for all ratepayers.

The Benefit principle, which concerns one of the more misunderstood elements of the rating system, being that residents seek to equate the level of rates paid with the amount of benefit they individually achieve. The reality is however that rates are a system of taxation not dissimilar to PAYG tax.

In paying a tax on salaries, it is rarely questioned what benefit is received with it being acknowledged that tax payments are required to pay for critical services (Health, Education, etc) across the nation. Local Government is no different, with Rates being required to subsidise the delivery of services and capital works that would otherwise be unaffordable if charged on a case by case basis.

It is a choice of Council to what degree it pursues a 'user pays' philosophy in relation to charging for individual services on a fee-for-service basis. Similarly,

LATROBE CITY

RATING – THE LEGISLATIVE FRAMEWORK
2.2 CONSIDERATION OF EQUITY
(Continued)

Council must make a rating decision in terms of whether to use a fixed waste charge to reflect the cost of waste collection and a fixed municipal charge to defray the administrative costs of Council. Both of these choices are discussed later in this Rating Strategy.

The recommended approaches in this Rating Strategy in terms of equity are discussed further under each section.

What Rates and Charges may a Council declare?

Section 155 of the Act provides that a Council may declare the following rates and charges on rateable land-

General Rates under section 158;

Municipal Charges under section 159;

Service Rates and Charges under section 162; and

Special Rates and Charges under section 163.

The recommended strategy in relation to municipal charges, service rates and charges and special rates and charges are discussed in sections 8, 9 and 10 of this Rating Strategy.

Valuation Methodology available to Council

In raising Council rates, Council is required to primarily use the valuation of the rateable property to levy rates.

Section 157(1) of the Act provides Council with three choices in terms of which valuation base to utilise. They are Site Valuation, Capital Improved Valuation and Net Annual Value. The advantages and disadvantages of the respective valuation basis are discussed in section 5 of this Rating Strategy.

Declaring Rates and Charges

Section 158 of the Act provides that Council must, at least once in respect of each financial year, declare by 30 June the following for that year: -

the amount which Council intends to raise by way of general rates, municipal charges, service rates and service charges;

whether the general rates will be raised by application of –

a uniform rate; or

differential rates (if Council is permitted to do so under section 161(1) of the Act; or

urban farm rates, farm rates or residential use rates (if Council is permitted to do so under Section 161A of the Act).

Council's approach to the application of differential rates is discussed in section 6 of this Rating Strategy.





Understanding the rating framework at Latrobe City Council

Latrobe City Council currently applies the Capital Improved Valuation method of valuation in order to levy its rates. Council applied two differential rating categories for 2016/17.

Council rates are calculated as follows:

Rate in the dollar X Property Value = Council rates

As an example the "rate in the dollar" for a residential occupied property valued at \$300,000 in 2016/17 would be \$1,427.05

(\$300,000 X 0.00475684 = \$1,427.05) plus municipal charge, waste charges and State Government charges

RATING CATEGORIES 2017/18 YEAR

2017/18 RATING CATEGORY	NO. OF RATING UNITS	CAPITAL IMPROVED VALUE	RATES REVENUE
Residential	34,454	\$8,392,277,000	\$39,920,685
Commercial	1,754	\$1,227,884,000	\$5,840,843
Industrial	910	\$420,213,000	\$1,998,884
Farm	1,094	\$715,222,000	\$2,551,647
Recreational – Non Gaming	11	\$21,133,000	\$26,570
Recreational - Gaming	4	\$19,820,000	\$56,568
Total Rateable Properties	38,227	\$10,796,549,000	\$50,395,198

In terms of the differential rates that Council applies, the below table sets out the existing differential rating structure.

RATING CATEGORY	2016/17 RATE IN \$	2016/17 RELATIVE TO GENERAL	2017/18 PROPOSED RATE IN \$	PROPOSED 2017/18 RELATIVE TO GENERAL
Residential	0.00466490	1.00	0.00475557	1.00
Commercial	0.00466490	1.00	0.00475557	1.00
Industrial	0.00466490	1.00	0.00475557	1.00
Farm	0.00349867	0.75	0.00356668	0.75
Derelict Properties	N/A	N/A	0.01426672	3.00
Recreational – Non Gaming	Various	Various	Various	Various
Recreational – Gaming	0.00279864	0.60	0.00285334	0.60

LATROBE CITY

UNDERSTANDING THE RATING FRAMEWORK AT LATROBE CITY COUNCIL
 RATING CATEGORIES 2017/18 YEAR
 (Continued)

Council currently utilises a service charge to fully recover the cost of fulfilling its waste collection and disposal function.

The following represents the waste charges. These charges are levied under section 162 of the Act.

CHARGE DESCRIPTION	NUMBER OF SERVICES	PROPOSED UNIT RATE 2017/18	ESTIMATED TOTAL INCOME 2017/18
Garbage Charge -120L	32,477	\$215.00	\$6,982,555
Garbage Charge -240L	1,124	\$317.00	\$356,308
Garbage Charge -240L Special	998	\$245.00	\$244,510
Recycle	34,621	\$54.00	\$1,869,534
Green Waste	31,472	\$48.00	\$1,510,656
Landfill Levy	34,596	\$20.40	\$705,758
TOTAL			\$16,755,157

Council currently applies a municipal charge for the purpose of defraying administration costs of Council.

CHARGE DESCRIPTION	NUMBER OF SERVICES	PROPOSED UNIT RATE 2017/18	ESTIMATED TOTAL INCOME 2017/18
Municipal Charge	37,954	\$134.00	\$5,085,836





Determining which valuation base to use

As outlined above, under the Act, Council has three options for the valuation base it elects to use.

They are:

- a. **Capital Improved Valuation (CIV)** – Value of land and improvements upon the land
- b. **Site Valuation (SV)** – Value of land only
- c. **Net Annual Value (NAV)** – Rental valuation based on CIV. For residential and farm properties, NAV is calculated at 5 per cent of the Capital Improved Value. For commercial and industrial properties NAV is calculated as the greater of the estimated annual rental value or 5 per cent of the CIV.

4.1 CAPITAL IMPROVED VALUE

CIV is the most commonly used valuation base by Victorian Local Government with over 70 Councils applying this methodology. Based on the value of both land and all improvements on the land, it is relatively easy to understand for ratepayers as it equates the market value of the property.

Section 161 of the Act provides that a Council may raise any general rates by the application of a differential rate if it –

- a. **uses the capital improved value system of valuing land; and**
- b. **considers that a differential rate will contribute to the equitable and efficient carrying out of its functions.**

Where a council does not utilise CIV, it may only apply limited differential rates in relation to farm land, urban farm land or residential use land.

Advantages of using CIV

- CIV includes all improvements, and hence is often supported on the basis that it more closely reflects “capacity to pay”. The CIV valuation method takes into account the full development value of the property and hence better meets the equity criteria than SV and NAV.
- With the increased frequency of valuations

(two year intervals), the market values are more predictable and this has reduced the level of objections resulting from valuations. The concept of the market value of property is far more easily understood with CIV rather than NAV or SV.

- Most councils in Victoria have now adopted CIV, which makes it easier to compare relative movements in rates and valuations across and between councils' municipal districts.
- The use of CIV allows councils to apply differential rates so as to equitably distribute the rating burden based on ability to afford rates. CIV allows Council to apply higher rating differentials to the commercial and industrial sector that offset residential rates.

Disadvantages of using CIV

- The main disadvantage with CIV is the fact that rates are based on the total property value, which may not necessarily reflect the income level of the property owner, as with pensioners and low income earners.

4.2 SITE VALUE

With valuations based simply on the valuation of land and with only very limited ability to apply differential rates, the implementation of SV would cause a shift in rate burden from the industrial/commercial sectors onto the residential sector.

In many ways, it is difficult to see an equity argument being served by the implementation of SV.

Advantages of Site Value

- There is a perception that, under SV, a uniform rate would promote development of land, particularly commercial and industrial developments. There is however little evidence to prove that this is the case.

Disadvantages in using Site Value

- Under SV, there would be a significant shift from the Industrial/Commercial sector onto the residential and farming sector of Council.

LATROBE CITY

DETERMINING WHICH VALUATION BASE TO USE
 4.2 SITE VALUE
 DISADVANTAGES IN USING SITE VALUE
 (Continued)

- SV is a major burden on property owners that have large areas of land. Some of these owners may have much smaller/older dwellings compared to those who have smaller land areas but well developed dwellings - but will pay more in rates. A typical example is flats, units and townhouses which will all pay low rates compared to traditional housing styles.
- The use of SV can place pressure on Council to give concessions to categories of landowners on whom the rating burden is seen to fall disproportionately (e.g. farm land, urban farm land and residential use properties). Large landowners, such as farmers for example, are disadvantaged by the use of SV.
- SV will reduce Council's rating flexibility and options to deal with any rating inequities due to the removal of the ability to levy differential rates.
- The rate-paying community has greater difficulty in understanding the SV valuation on their rate notices, as indicated by many inquiries from ratepayers on this issue handled by Council's Customer Service and Property Revenue staff each year.

4.3 NET ANNUAL VALUE

NAV, in concept, represents the annual rental value of a property. However, in practice, NAV is closely linked to CIV for Residential Land and Farm Land. Valuers derive the NAV directly as 5 per cent of CIV.

In contrast to the treatment of Residential Land and Farm Land, NAV for Commercial and Industrial Land is assessed with regard to actual market rental. This differing treatment of has led to some suggestions that all properties should be valued on a rental basis.

Overall, the use of NAV is not supported. For ratepayers in respect of Residential Land and Farm Land, actual rental values poses some problems. The artificial rental estimate used may not represent actual market value, and means the base is the same as CIV but is harder to understand.

In choosing a valuation base, councils must decide on whether they want to adopt a differential rating system (different rates in the dollar for different property categories) or a uniform rating system (same rate in the dollar). If a council was to choose the former, under the Act, it must adopt either of the CIV or NAV methods of rating.

4.4 SUMMARY

It is recommended that Council continues to apply CIV as the valuation base for the following reasons:

- CIV is considered to be the closest approximation to an equitable basis for distribution of the rating burden.
- CIV provides Council with the ability to levy a full range of differential rates. Only limited differential rating is available under the other valuation bases.
- It should be noted that an overwhelming majority of Victorian councils apply CIV as their valuation base and, as such, it has a wider community acceptance and understanding than the other rating bases.



5

Determining the Rating System - Uniform or Differential?

Council may apply a uniform rate or differential rates as a means of raising revenue. They are quite different in application and have different administrative and appeal mechanisms that need to be taken into account.

5.1 UNIFORM RATE

Section 160 of the Act stipulates that, if a council declares that general rates will be raised by the application of a uniform rate, the council must specify a percentage as the uniform rate. Rates will be determined by multiplying that percentage by the value of the relevant land.

Council has not adopted uniform rates. Since amalgamation, it has instead chosen to adopt a differential rating system.

5.2 DIFFERENTIAL RATES

Under the Act, Council is entitled to apply differential rates provided that it uses CIV as its basis for rating.

Council has since its inception adopted the differential rating system as it considers that this provides a greater ability to achieve equitable distribution of the rating burden, particularly considering the farming sector.

Differential rates in the dollar of CIV can be applied to different classes of property, which must be clearly differentiated and the setting of differentials must be used to improve equity and efficiency. There is no legislative limit on the number of differential rates that can be levied, however, the highest differential rate can be no more than four times the lowest differential rate.

Council, in striking the rate through the annual budget process sets the differential rate for set classes of properties at higher or lower amounts than the general rate. Currently there are only two different levels of rates being General and Farm rates.

Advantages of a differential rating system

The perceived advantages of utilising a differential rating system are:

- Greater flexibility to distribute the rate burden between all classes of property
- Allows Council to reflect the unique circumstances of some rating categories where the application of a uniform rate may create inequitable outcomes (eg Farming enterprises)
- Allows Council discretion in the imposition of rates to 'facilitate and encourage appropriate development of its municipal district in the best interest of the community.

Disadvantages of Differential Rating

The perceived disadvantages in applying differential rating are that:

- Justification of the differential rate can at times be difficult for the various rating groups to accept, giving rise to queries, objections and complaints where the differentials may seem excessive or unjustified.
- Differential rating involves a degree of administrative complexity as properties continually shift from one type to another (eg residential to farm, vacant to improved) requiring Council to update its records. Maintaining the accuracy/integrity of Council's database is critical in ensuring that properties are correctly classified into their differential categories.
- Council may not achieve the objectives it aims for through differential rating. For example, Council may set its differential rate objectives to levy a higher rate on vacant land, hoping to encourage development, however, it is uncertain whether a differential rate would achieve such objectives.



What differential rates should be applied?

6.1 GENERAL RATE

The general rate is the particular rate in the dollar that applies to all land which is not defined within a differential rate (a differential rate is currently only applied to farms), and includes residential, commercial and industrial properties, both vacant and improved..

The actual rating burden applying to general properties is an outcome determined by decisions to apply either higher or lower rates in the dollar to other classes of property, such as farm, commercial/ industrial or recreational land.

In the setting of differential rates, Council consciously considers their relativity to the general rate.

6.2 FARM RATE

Council currently has 1,094 farm assessments.

Historically a lower rate has been applied to farms, the basis for this decision being that, in general, farmers require larger landholdings in order to run efficiently, and this would effectively result in disproportionately high rates in relation to the income or surplus able to be generated from these properties.

Farm properties represent 2.9% of Council's assessments, contributing 5.1% of rate revenue. Council recognises their responsibility to ensure that the farm rate is enjoyed by deserving ratepayers. The problem arises in identifying "genuine" farms, as opposed to "hobby farms".

The *Valuation of Land Act 1960* sets out the definition of Farm Land for valuation purposes, and defines "farm land" as any rateable land:

- that is not less than 2 hectares in area and;
- that is used primarily for grazing (including agistment), dairying, pig farming, poultry farming, fish farming, tree farming, bee keeping, viticulture, horticulture, fruit growing

or the growing of crops of any kind or for any combination of those activities; and

- that is used by a business
 - that has a significant and substantial commercial purpose or character; and
 - that seeks to make a profit on a continuous or repetitive basis from its activities on the land; and
 - that is making a profit from its activities on the land, or that has a reasonable prospect of making a profit from its activities on the land if it continues to operate in the way that it is operating.

This definition of farm land is also used for rating purposes.

In summary, it is Council's opinion that:

- due to the large tracts of land required to meet the definition of Farm Land it is recognized that if a differential rate was not in place then farmers would be required to contribute a disproportional amount of Council's rates revenue.
- evidence shows that returns able to be realised by farming from the assets employed (including land) are lower than for other forms of land, so that its capacity to pay is lower;
- rate relief should continue to be provided to farming/agriculture because of its importance to the local economy

6.3 DERELICT PROPERTIES

Latrobe City Council proposes the introduction in the 2017/2018 Annual Budget of a differential rate relating to derelict properties across the municipality. The differential rate is proposed to be set at the maximum level, being 4 times the lowest differential rate, as allowed under Section 161 (5) of the Local Government Act 1989.

The objective of the differential rate is to promote the responsible management of land and buildings through incentivising the proper development and maintenance of such land and buildings so as not to pose a risk to public safety or adversely affect public amenity.

For the purposes of applying the differential rate, properties, which include both buildings and/or land, will be considered derelict where 1 and 2 apply –

1. The property is in such a state of disrepair that it is unfit for human habitation or other occupation, and has been in such a condition for a period of more than 3 months.
 - The definition of “unfit for human habitation or other occupation” is a property that is unsuitable for living or working in on a daily basis. The property is likely to lack, or have restricted access to, essential services or facilities including but not limited to water, and/or operational effluent discharge facilities, and the property is considered unsafe or unsuitable for use as a place of business or domestic inhabitation on a daily basis.

and

2. The property meets one or more of the following criteria –
 - a. The property has become unsafe and poses a risk to public safety, including but not limited to:
 - the existence on the property of vermin, rubbish/litter, fire hazards, excess materials/goods, asbestos or other environmental hazards; or
 - the property is a partially built structure where there is no reasonable progress of the building permit;

- b. The property adversely affects public amenity;
- c. The property provides an opportunity to be used in a manner that may cause a nuisance or become detrimental to the amenity of the immediate area;
- d. The condition of the property has a potential to adversely impact the value of other properties in the vicinity;
- e. The property affects the general amenity of adjoining land or the neighbourhood by the appearance of graffiti, any stored unregistered motor vehicles, machinery or parts thereof, scrap metal, second hand building materials, building debris, soil or similar materials, or other items of general waste or rubbish.

The assessment of properties will be determined by Council’s authorised officers.

6.4 RETIREMENT VILLAGES

Retirement village property is any property, which is defined as a Retirement Village under the *Retirement Villages Act 1986*. In accordance with the Ministerial Guidelines on Differential Rating, a Council must give consideration to reducing the rates burden through the use of a reduced differential rate for Retirement Village Land.

The determination of where a differential rate should apply should reflect the level of service provided and ensures that reasonable rate relativity is maintained between retirement village property and other classes of property.

Latrobe City Council has 9 registered retirement villages within the municipality.

The villages located within the municipality are largely non self-sufficient and continue to rely heavily on Council services. Therefore they are not seen to provide sufficient internal services to warrant the application of a differential rate. The introduction of a differential rate would result in a greater portion of the rates burden being shifted to other low income households and pensioners.

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Cultural & Recreational Land:

The *Cultural and Recreational Lands Act 1963 (CRL Act)* provides for a council to grant a rating concession in respect of any "recreational lands" which are rateable land under the Act.

The definition of "recreational lands" under section 2 of the CRL Act is lands which are:

- vested in or occupied by any body corporate or unincorporated body which exists for the purpose of providing or promoting cultural or sporting recreational or similar facilities or objectives and which applies its profits in promoting its objects and prohibits the payment of any dividend or amount to its members; and
- used for outdoor sporting recreational or cultural purposes or similar outdoor activities; or
- used primarily as agricultural showgrounds.

Section 169 of the Act, provides an opportunity for Council to grant a concession for properties described by definition as a sporting club under the CRL Act.

There are currently two levels of rebate provided based on the type of premises and include;

1. *Non-Gaming Premises (Rebate of 50% of the General Rate)*
Eligible assessments that do not have gaming/ gambling facilities at the premises
2. *Gaming Premises (Rebate of 40% of the General Rate)*
Eligible assessments that provide gaming/ gambling facilities on the premises

The division in rebates recognises that assessments with gaming facilities have a greater capacity to earn income, and therefore have a greater capacity to pay.

In addition to the standard rebate amounts there is also recognition that in 2010 the land associated with the Yallourn Golf Club was rezoned as part of a greater area rezoning initiated by an adjoining landowner. This resulted in a substantial increase in land valuation that would have ultimately resulted in a substantial increase in rates payable. It was recognised that the Golf Club would be unable to afford to continue operating should Council enforce the above calculation method so it was agreed to maintain the rates at the existing level prior to the rezoning plus annual indexation in line with the annual rate increase.

Similarly, an error in valuation at the Traralgon Golf Course associated with zoning was uncovered in 2012 which also resulted in a substantial increase in land valuation. The same methodology as Yallourn Golf Club was applied to the calculation of rates.

Both Traralgon and Yallourn Golf Clubs therefore received a rebate in excess of the 50% outlined above.

The rebate system is reassessed annually as part of the budget process.





Special Rates & Charges

Special rates and charges are covered under Section 163 of the Act, which enables Council to declare a special rate or charge or combination of both for the purposes of:

- Defraying any expenses, or
- Repaying with interest any advance made or debt incurred or loan raised by Council

In relation to the performance of a function or the exercise of a power of the Council, if the Council considers that the performance of the function or the exercise of the power is or will be of special benefit to the persons required to pay the special rate or special charge.

Section 185 of the Act provides appeal rights to the Victorian Civil and Administrative Tribunal (VCAT) in relation to the imposition of a special rate or charge. VCAT has wide powers, which could affect the viability of the special rate or special charge.

Council currently utilises Special Charges to recover the costs of sealing urban residential streets, where the benefit can be attributed to the residents of those streets. Council is mindful of the issue of proving that special benefit exists to those that are levied the rate or charge.



Municipal Charge

Another principle rating option available to Councils is the application of a municipal charge. Under Section 159 of the Act, Council may declare a municipal charge to cover some of its administrative costs. The legislation is not definitive on what comprises administrative costs and does not require Council to specify what is covered by the charge. A Council's total revenue from a municipal charge in a financial year must not exceed 20 per cent of the combined sum total of the Council's total revenue from the municipal charge and the revenue from general rates.

The arguments in favour of a municipal charge are similar to waste charges. They apply equally to all properties and are based upon the recovery of a fixed cost of providing administrative services irrespective of valuation. The same contribution amount per assessment to cover a portion of Council's administrative costs can be seen as an equitable method of recovering these costs.

The argument against a municipal charge is that this charge is regressive in nature and would result in lower valued properties paying higher overall rates and charges than they do at present. The equity objective in levying rates against property values is lost in a municipal charge as it is levied uniformly across all assessments.

Council's current position is that all assessments should equally contribute to the administrative costs of running Council and therefore a Municipal Charge is currently applied.



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Service Rates and Charges

Section 162 of the Act provides Council with the opportunity to raise service rates and charges for any of the following services:

- a. the provision of a water supply;
- b. the collection and disposal of refuse;
- c. the provision of sewerage services;
- d. any other prescribed service.

Council currently applies a Service Charge for the collection and disposal of refuse on properties that fall within the collection area. Council's waste collection service consists of a three bin system which includes Garbage collected on a weekly basis and Recycle and Green Waste which is collected fortnightly on alternative weeks. Council retains the objective of setting the Waste Service Charge for waste at a level that fully recovers the cost of fulfilling the waste collection and disposal function.

The advantage of the Waste Service Charge is that it is readily understood and accepted by residents as a fee for a direct service that they receive. It further provides equity in the rating system as those residents who do not live in a collection area are not required to contribute to the cost of the service through general rates.

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EPA Levy Charge

The Victorian Government through the Environment Protection Authority (EPA) levies all landfill sites with a landfill levy which is based on the amount of waste entering landfills on an annual basis.

In 2010/11, Council decided to separately disclose the EPA Levy on the rates notice after the State Government substantially increased the annual charge.

This separate cost is shown on Rates Notices in the interests of greater transparency. The cost of the levy is influenced by two drivers – one is the volume of waste going into landfill, and the second is the price per tonne levied by the EPA.

Council estimates the average annual garbage waste to landfill per property at 0.65 tonnes.



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Rate Payment Options

There are only two options available under the Act for Council to set due dates for payment of rates. The first is an option of a lump sum payment on a fixed date (which is set as 15 February of each year) and the second is a mandatory instalment approach where quarterly payments are required at the end of September, November, February and May. Under this second approach, residents can elect to pay instalments in advance at any point.

Council has elected to maintain the options offered within the Act of both instalments and an annual payment option.

The current profile of rate payments shows a reasonably steady history over the last four years of approximately 60% of councils 38,603 ratepayers paying by the traditional means of instalments or annual payments with the balance being either agreed payment arrangements or other non-agreed payment arrangements.

36% (14,047) of ratepayers currently utilise the instalment program as their preferred method while 24% (9,265) pay in full by the 15 February under the lump sum option.

A future consideration of Council will need to be whether the full payment option should be retained. Council has experience a significant increase in the number of ratepayers seeking payment assistance through alternative payment arrangements and ratepayers defaulting on payments. The current annual payment option effectively restricts council from engaging ratepayers until after the full payment due date.

There are a number of advantages to consider regarding the removal of the option to pay by lump sum in February each year. These include;

Council has the ability to identify struggling payers much earlier in the process, which provides the ratepayer with additional time to implement payment arrangements than would be the case if Council does not become aware of the issue until February.

It provides improved cash flow. Council operates under a 1 July to 30 June financial year, and issues annual rates notices in August of each year. Under the lump sum payment arrangement Council needs to self-fund all expenditure through to February. During this time, Council is required to continue to provide operational services and capital works which will place considerable strain on council's cash flow as the impact of rate capping is realised.

It brings Council into closer alignment with virtually every other utility service provider.

Finally, it is the experience of Council that ratepayers are better able to manage and plan their household finances for four instalments, rather than the single, significant payment required under the lump sum payment option, which, falling mid-February, follows on the heels of the expense of Christmas.

Council considers its options annually as part of the budget process, any change to the current arrangement will require community consultation and a reasonable lead time to enable ratepayers to adjust.

Latrobe City Council

Information within this document was correct at time of print and is subject to change without prior notice.

PO Box 264
MORWELL VIC 3840

Telephone 1300 367 700
Facsimile (03) 5128 5672
Email latrobe@latrobe.vic.gov.au
Internet www.latrobe.vic.gov.au

Morwell Corporate Headquarters
141 Commercial Road, Morwell

Moe Service Centre
1-29 George Street, Moe

Traralgon Service Centre
34/38 Kay Street, Traralgon

Churchill and District Community Hub
9/11 Philip Parade, Churchill

To obtain this information in languages other than English, or in other formats (including audio, electronic, Braille or large print), please contact Latrobe City on 1300 367 700.



17.4 Review of the Mayoral Sponsorship Committee

General Manager

Corporate Services

For Decision

EXECUTIVE SUMMARY

An internal review of Council Committees is currently being undertaken which has included an analysis of purpose, function, the extent of powers required, delegation and continued viability of committees.

This report addresses the Mayoral Sponsorship Special Committee (the Committee) for Council's consideration. The Committee operates under delegated authority from Council.

Following their November 2016 meeting, the Committee put the meetings on hold until a review of the committee had been undertaken.

The Instrument of Delegation outlines the duties of the Committee in administering the Mayoral Sponsorship Fund. On 18 November 2015, new section 195A of the Local Government Act 1989 (the Act) came into operation. This section of the Act prohibits the use of Councillor discretionary funds.

As an alternative to administering discretionary funding a revised approach for the consideration of requests has been developed to assess and approve proposals submitted to Council.

MOTION

Moved: Cr Gibson
Seconded: Cr Clancey

That Council:

- 1. Having considered the requirements of section 195A of *the Local Government Act 1989*, that the Mayoral Sponsorship Special Committee be abolished, effective 18 April 2017;**
- 2. Rescinds all delegations to this Committee, effective 18 April 2017;**
- 3. Updates the Latrobe City Council, 2016-2010 Councillor Delegates to Committees List accordingly;**
- 4. Advise the Latrobe City Trust no future payments will be made to this fund on behalf of Council and that previous financial contributions made to the Latrobe City Trust for the purpose of maintaining the Athletes Assistance Fund can be used to continue to maintain the Athletes Assistance fund or be transferred to an existing trust fund at the discretion of trustees; and**
- 5. Endorses the process of approving management panel recommendations at an ordinary Council meeting for Sporting Sponsorship requests.**

CARRIED UNANIMOUSLY

DECLARATION OF INTERESTS

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

DISCUSSION

The Committee operates under an Instrument of Delegation created in March 2015. The Instrument of Delegation provides committees with delegated powers on behalf of Council under section 86 of the Act.

The Instrument of Delegation prescribes the duties of the Committee as administering all matters connected with the following funding programs:

- The Mayoral Sponsorship Fund - Considers requests for funding that are not within the scope of the funding programs administered by Latrobe City Council.
- The Sporting Sponsorship Fund – Sponsorship agreements available for annual allocations between specified organisations including the Gippsland Sports Academy, Latrobe City Energy, Moe Racing Club and Latrobe Valley Racing Club.
- The Athletes Assistance Fund – The Committee undertakes the assessment and provides funding allocations on behalf of the Latrobe City Trust (the Trust). An annual allocation of \$3,000 is made to the Trust to support continuation of

the fund. Funding is available for athletes residing in Latrobe City who are under 25 years of age.

On 18 November 2015, new section 195A of the Act came into operation. This section prohibits the use of Councillor discretionary funds. It states:

“A council must not adopt or implement a Policy under which a Councillor is allocated a fixed or other amount of funds for the purpose of enabling the Councillor to nominate:

- a) A particular person, body or organisation to whom the funds are to be paid; or
- b) A particular fund in respect of which the funds are to be supplied.”

The intention of the amending legislation is to ensure that Councillors do not have capacity to allocate funds in their own right.

It is recommended that Council abolish the Instrument of Delegation, enabling funds to be processed in accordance with the Grants and Sponsorship Framework and the removal of the Mayoral Sponsorship Funds.

It is proposed to substitute the current approach with a much more robust, consistent system through the revised grants program. The following processes will be implemented for the connected funds.

- **Mayoral Sponsorship Fund** – The Mayoral Sponsorship fund will cease to exist. The remaining \$31,967.00 budget will be consolidated into Councils grant budget. Financial requests for support that fall outside of the scope of our existing programs will be referred to our available funding programs if eligible or advised that council doesn't have discretionary funding available.
- **Sporting Sponsorship Fund** – Financial support for recipients who are under a current agreement or who have previously received funding through the sporting sponsorship fund will continue to be considered. Applications received for this funding will be assessed by staff at a management level with recommendations passed onto Council for consideration. In future financial years, applicants may be asked to submit a proposal for consideration with the annual budget. There is \$20,000 remaining in Sporting Sponsorship Funds for the 2016/17 financial year.
- **Athletes Assistance Fund** – Council currently provides \$3,000 to the Latrobe City Trust and supports the assessment process by providing assessment recommendation that are then ratified at the following trust meeting. . Council will pass complete ownership of the Athletes Assistance Fund back to the Latrobe City Trust to manage decision making processes. The Latrobe City Trust will be advised that no future payments will be made to this fund on behalf of Council with the 2016/17 financial year payment being the final contribution to this fund. There is approximately \$2,000 remaining in the Trust fund for the 2016/17 financial year. The Trust will be given the option to continue to maintain the Athletes Assistance fund or role over the contribution into an alternative existing fund.

As part of Latrobe City Councils grant program, a fund to support individuals will be presented to Council for consideration for implementation in the 2017/18 financial

year. This fund is proposed to support individuals who are experiencing barriers to participation or demonstrating innovation or excellence in their chosen field.

The above changes will align current practice with the Grants and Sponsorship Framework which achieves best practice in grants and sponsorship administration. The seven management processes in the framework ensure that applications are assessed competitively and appropriate reporting is in place to ensure transparency and appropriate risk mitigation practices.

STAKEHOLDER CONSULTATION

Consultation with the Trust began on 6 February 2017, at their Planning Day, where concerns were raised regarding administration of the Athletes Assistance Fund. Opportunities for improvement were identified to strengthen the role of the trust in administering funding. Stakeholder consultation is yet to comment with the Trust to be advised that no future payments will be made to this fund on behalf of Council with the 2016/17 financial year payment being the final contribution to this fund.

Ongoing communication will advise that financial requests for support that fall outside of the scope of our existing programs will be referred to our available funding programs if eligible or advised that council doesn't have discretionary funding available.

FINANCIAL AND RESOURCES IMPLICATIONS

The Mayoral Sponsorship fund will cease to exist and the remaining \$31,967.00 budget will be consolidated into Council's grant budget.

Council will no longer make an annual financial contribution of \$3,000 towards the Athletes Assistance Fund, paid to the Latrobe City Trust with the allocation to be consolidated into Council's grant budget.

Ongoing sponsorship arrangements will be considered as part of the annual budget process and included in the Latrobe City Council Budget.

RISK IMPLICATIONS

There is a risk of breaching section 195A of the Act if Council continues to administer Councillor discretionary funds.

A change to communication about funding availability has the potential to impact community organisations and individuals.

CONCLUSION

With the proposed removal of discretionary funding Council staff will develop a grant program that allows support for individuals to enable participation. The objectives of this program will be presented to Council for consideration prior to the planned implementation in the 2017/18 financial year.

The alternative processes for the connected funds will be implemented in line for the Grants and Sponsorship Framework. This will include processing of outstanding requests for funding and sponsorship.

The Latrobe City Trust will be advised of changes to the existing arrangement for management of the Athletes Assistance Fund.

SUPPORTING DOCUMENTS

Instrument of delegation, Mayoral Sponsorship Committee
Grants and Sponsorship Framework

Attachments
Nil

17.5 Presentation of the Audit and Risk Committee Charter for adoption

General Manager

Corporate Services

For Decision

EXECUTIVE SUMMARY

As part of the requirements of the current Audit and Risk Committee Charter (Charter) a review has been completed.

The Audit and Risk Committee, as well as Councillors and management, have provided feedback and suggested improvements for the Charter. This feedback has been considered, and a new proposed Charter has been developed.

Benchmarking has also occurred within the local government sector, as well as utilising the Victorian Auditor-General's Report, '*Audit Committee Governance*' (August 2016) and the Australian National Audit Office '*Public Sector Audit Committees, Independent Assurance and Advice for Accountable Authorities*' (March 2015) to inform the review.

The proposed Charter (attachment two) changes include:

- Utilisation of Council's template for advisory committee terms of reference has been used to ensure consistency with other advisory committee requirements.
- Inclusion of a contents page and improved formatting
- Additional Definitions and clauses to ensure consistency with other Council Committees, and relevance to the audit function
- Simplified clauses and sections
- Publishing of Committee details on Council's website and in the Council's Annual Report

The proposed Charter is now presented to Council for adoption.

MOTION

Moved: Cr McFarlane

Seconded: Cr Harriman

That Council:

- 1. Adopts the Charter for the Audit and Risk Committee with an effective date of 18 April 2017;**
- 2. Notes that with the adoption of this Charter, that any previous versions, are now rescinded; and**
- 3. Notifies the Committee members accordingly.**

CARRIED UNANIMOUSLY

DECLARATION OF INTERESTS

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

DISCUSSION

The Charter was adopted by Council in March 2015, and is now due for review. It is a requirement for the Committee to review and assess the adequacy of the Audit Committee Charter annually.

It was initially drafted to align with the Ministerial guidelines '*Audit Committees – A Guide to Good Practice for Local Government*'. These guidelines are still valid at this point in time.

The current Charter was required to be reviewed as part of the Committee's workplan. The following table outlines in detail, the proposed changes:

Proposed Change	Comment
General Changes	
New Template	<p>Officers have utilised the standard terms of reference template for advisory committees as the basis for this Committee. This is in accordance with the Council Committee's Policy.</p> <p>The audit and risk Committee is considered an advisory committee; however it is also a requirement of the <i>Local Government Act 1989</i>, so is considered a statutory requirement of Council.</p>
Inclusion of a Contents Page, headers and consistent formatting and numbering	<p>To improve the layout and usability of the Charter, a contents page has been added, as well as consistent formatting and numbering.</p> <p>In addition, new sections have been created (which most are from the template utilised) and headers provided to improve readability.</p> <p>Clauses from the original Charter have been moved to relevant sections to ensure that there is alignment between the clauses and the sections.</p>

Proposed Change	Comment
Section 2 – Definitions	
Additional definitions and consistent wording with other Council documents	<p>Eight new definitions are proposed to assist with the understanding of the Charter</p> <p>In addition two definitions, have been edited to ensure consistency with other Council Committee definitions and terminology, as well as the removal of a surplus definition that is not required for the proposed Charter</p>
Section 3 – Purpose	
Clauses further clarified as to the purpose of the Committee	<p>Through benchmarking and the guidelines, it was identified that the language in the current Charter needed to clarify the purpose of the Committee more specifically.</p> <p>Clause 3.2 is proposed to be deleted as it is now duplicated at clause 1.1.</p>
Section 4 - Authority	
Clauses further clarified as to the scope of authority	<p>The additional words proposed in clauses 4.1 – 4.4 are to help clarify the authority afforded the Committee.</p> <p>A number of minor deletions are proposed from this section.</p> <p>These are either wording changes to ensure clarity of authority, or clauses which are no longer relevant.</p>
Section 5 - Composition	
Clauses further clarified in relation to the composition of the Committee and their terms.	<p>The clauses relating to the composition of the Committee have been reviewed and simplified.</p> <p>Clauses have been amended or additional ones added to ensure that Council is able to have the best possible membership in this area.</p>

Proposed Change	Comment
	<p>Duplicated clauses have also been proposed to be deleted.</p> <p>In addition, new clauses in relation to the resignation of a member (standard clause from the template), as well as the role of the Chair have been included.</p>
Section 6 - Meeting Procedures	
<p>New clauses added and clarification on usage of teleconference facilities</p>	<p>The majority of the proposed new clauses added come from the standard terms of reference.</p> <p>In addition, the ability to teleconference/video conference for a meeting is to only occur if exceptional circumstances apply.</p>
Section 7 – Duties and Responsibilities of the Committee	
<p>Clauses further clarified and simplified for each area of responsibility.</p>	<p>The clauses have been rewritten to simplify and clarify the scope of the Committee’s function.</p> <p>Financial Reporting, as well as internal audit requirements, have been extended out in the proposal to be in line with guidance material and benchmarking undertaken.</p>
Section 8 – Reporting	
<p>Simplified reporting requirements</p>	<p>This section has been rewritten to ensure that clauses are not duplicated, and current practices of evaluation and reporting to an Assembly of Councillors are continued.</p> <p>In addition, it is proposed that the Charter as well as details of its members is published on Council’s website.</p> <p>An additional clause also provides for the following information to be published in the Council’s Annual Report:</p>

Proposed Change	Comment
	<ul style="list-style-type: none"> • the makeup of the Committee • number of meetings held and attended by Committee members • audit processes • details of any remuneration paid to independent members during the reporting period • a summary of work completed by the Internal and External Auditor during the year
Section 9 – Other responsibilities and Requirements	
Clarification of clauses	Clauses have been rewritten to specify the sections of the <i>Local Government Act 1989</i> that are applicable to the Committee, particularly under Conflict of Interest.

The review of the *Local Government Act 1989* (Act for the Future) being undertaken at present by the State government will impact the way Audit Committees operate. As yet, these reforms are not in place; however, it will require that the Charter is reviewed at that time to incorporate any changes. Therefore the review of the Charter is recommended to remain on an annual review cycle.

STAKEHOLDER CONSULTATION

Engagement has occurred with management representatives, Audit and Risk Committee members as well as Councillors. The final Charter (attached) is the outcome of this engagement.

FINANCIAL AND RESOURCES IMPLICATIONS

The proposed Charter can be managed and supported within current budget provisions.

RISK IMPLICATIONS

If Council was to not adopt the proposed Charter, there would be considered minor reputational and service delivery risks.

There are no known risks with the adoption of the proposed Charter.

CONCLUSION

A review of the Charter has been conducted with the Audit and Risk Committee, and a new Charter has been proposed. This is now presented to Councillors for discussion. It is envisaged that a report will be presented to Council to adopt the proposed Charter, incorporating any further feedback from Councillors, at an upcoming Council meeting.

SUPPORTING DOCUMENTS

Proposed Audit and Risk Committee Charter (marked up)

Attachments

- 1↓ . Current Audit and Risk Committee Charter
- 2↓ . Proposed Audit and Risk Committee Charter (non marked up)

17.5

Presentation of the Audit and Risk Committee Charter for adoption

1	Current Audit and Risk Committee Charter.....	425
2	Proposed Audit and Risk Committee Charter (non marked up)	435



Audit and Risk Committee Charter

The Audit and Risk Committee is an Advisory Committee of Council and is accountable to and reports directly to Council.

Throughout this document the following terms are defined as:

- “Council” : the elected representatives for the Latrobe City Council.*
- “the council” : the organisation of Latrobe City Council.*
- “Committee” : the advisory committee for the Elected Latrobe City Council.*
- “Auditor General” : the Victorian State Auditor General; Department; Office; or representative.*
- “CEO” : the Chief Executive Officer for Latrobe City Council.*

1. Purpose

- 1.1 The Audit and Risk Committee’s purpose is to assist the council in the discharge of its oversight and corporate governance responsibilities, to oversee and monitor the integrity of Latrobe City Council’s financial and risk reporting, processes to manage risks to Council’s operations and for compliance with applicable legal, ethical and regulatory requirements.
- 1.2 The Committee’s work is to be in accordance with Section 139 of the Local Government Act 1989 and best practice in audit, risk and governance principles and processes.

2. Authority

- 2.1 The Committee is an advisory committee and does not exercise executive powers, but is entitled to receive whatever information, presentations by Officers or explanations it considers necessary to fulfil its purpose.



- 2.2 The Committee maintains a functional reporting line directly with the Internal and External Auditors.
- 2.3 The Committee has the authority to:
 - 2.3.1 seek resolution on any disagreements between management and the external auditors on financial and risk reporting;
 - 2.3.2 review all auditing, risk management, planning and outcomes;
 - 2.3.3 seek any information it requires from Council members and the council staff via the CEO and external parties;
 - 2.3.4 formally meet with the council staff, internal and external auditors as necessary.
- 2.4 The Chair has no executive authority on behalf of Council but can be consulted as required, as a sounding board by the CEO or General Manager Corporate Services on matters that arise regarding audit, risk management or governance related issues.

3. Management Responsibility

- 3.1 It is the responsibility of management to:
 - 3.1.1 keep the Committee informed regarding financial reporting, regulatory compliance, risk management and risk exposures of the organisation;
 - 3.1.2 keep the Committee informed of the findings of any examinations by regulatory agencies, and any auditor (internal or external) observations in order that the Committee may monitor management's response to these findings;
 - 3.1.3 facilitate, through the CEO, the operation of the Committee by providing secretariat services and officer advice in respect of matters before the Committee.
 - 3.1.4 provide a comprehensive induction for all newly appointed Committee members including all necessary and relevant information regarding the Committee's responsibilities and the council's operations and background to enable them to understand the council and their duties and responsibilities.



4. Composition

- 4.1 The Council will appoint as members of the Committee:
 - 4.1.1 two Councillors and one alternate; and
 - 4.1.2 three (3) external members, one of whom will be appointed by Council as Chair of the Committee.
- 4.2 The external members will be selected from the broader community after having invited applications by public advertisement.
- 4.3 At least one of the external members of the Committee will be members of CPA Australia (CPA status), the Institute of Chartered Accountants Australia (CA status), a graduate of the Australian Institute of Company Directors and/or the Institute of Internal Auditors.
- 4.4 External members will be reasonably familiar with Government operations, including reporting requirements, financial management systems and controls, risk management and corporate governance.
- 4.5 External members will be appointed for a three (3) year term, renewable to a maximum of one (1) additional term, with the terms of appointment being staggered one year apart.
- 4.6 Membership shall expire upon completion of a term of appointment or via a resolution of Council
- 4.7 Where a Councillor member does not have the requisite expertise upon initial appointment, financial literacy should be attained within a reasonable period of time after his or her appointment and the council resources made available for this purpose.
- 4.8 External members shall be appointed by a resolution of Council stipulating a term of one, two or three years. Members may be reappointed for a second term at Council's discretion but may not exceed a membership of more than six consecutive years in total. For second or subsequent terms appointments shall be staggered so as to ensure an orderly rotation of membership within the Committee.
- 4.9 Non delegated Councillors, the CEO and other executive officers shall be invited to attend meetings but are not members of the Audit and Risk Committee and therefore do not have any entitlement to vote.



5. Professional Fees

- 5.1 External members receive payment as set by the Council.
- 5.2 Remuneration is set at \$1,500 per meeting for the Chair and \$1,000 per meeting for the other external members and subject to review upon completion of a term of appointment.

6. Quorum

- 6.1 The quorum for a meeting will be a majority, including at least one (1) Councillor.
- 6.2 The Chair shall have a casting vote in the event of an inconclusive vote.
- 6.3 Should the Chair not be in attendance at a meeting, the Committee may appoint another external member to chair the meeting temporarily.

7. Meetings

- 7.1 The Committee will meet at least four times per year, with authority to convene additional meetings, as circumstances require.
- 7.2 All Committee members are expected to attend each meeting in person or through teleconference.
- 7.3 The CEO will facilitate the meetings of the Committee and, in consultation with the Chair of the Committee, invite members of management, auditors or others to attend meetings to provide pertinent information, as necessary.
- 7.4 Meeting agendas will be prepared and provided at least one week in advance to members, along with appropriate briefing materials.
- 7.5 Minutes will be drafted and circulated within 14 days and ratified at the following meeting.
- 7.6 Barring a leave of absence, Committee members must attend at least 75% of the Committee meetings annually, before commencing a procedure to terminate the absent member.



8 Confidentiality

- 8.1 Committee members will have access to confidential information presented to them in the performance of their duties on the Committee. "Confidential Information" means all data and information in oral, written, graphic, recorded or any other form which is disclosed to the member either directly or indirectly by the Latrobe City Council or its stakeholders in connection with the organisation's performance.
- 8.2 All Confidential Information which comes into the possession of Committee members is received by them on behalf of Latrobe City Council and for the sole purpose of enabling the Committee to provide advice to the Council. Both during and after the term of a member's appointment to the Committee, members are required to:
- 8.2.1 hold in confidence and treat as confidential all Confidential Information;
 - 8.2.2 use Confidential Information only as required to enable members to perform their duties on the Committee;
 - 8.2.3 not request or seek to obtain any Confidential Information, except to the extent that members require such Confidential Information to perform their duties;
 - 8.2.4 not to disclose, directly or indirectly, to any person, entity, or organisation any Confidential Information;
 - 8.2.5 take all reasonable precautions to protect the Confidential Information from theft, loss and any other unauthorized access, use or disclosure; and
 - 8.2.6 upon the termination of the member's appointment to the Committee, destroy or return to the Chairperson or CEO all materials containing Confidential Information in whatever media or form and not make or retain any copies of the Confidential Information.

9. Responsibilities

The Committee will carry out the following responsibilities:

9.1 Financial Report

- 9.1.1 Review significant accounting and reporting issues, including complex or unusual transactions and highly judgemental areas, and recent accounting, professional and regulatory pronouncements and legislative changes, and understand their effect on the financial report.



- 9.1.2 Review with management and the external auditors the results of the audit, including any difficulties encountered.
- 9.1.3 Receive attestation from management to the effectiveness and response to audit recommendations in certifying the financial report.
- 9.1.4 Review the annual financial report, and consider whether it is complete, consistent with information known to Committee members, reflects appropriate accounting principles and recommend their signing by Council.
- 9.1.5 Review with management and the external auditors all matters required to be communicated to the Committee under the Australian Auditing Standards.

9.2 Internal control

- 9.2.1 Understand the scope of internal and external auditors' review of internal controls over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses.
- 9.2.2 Evaluate whether management is setting the appropriate "control culture" by communicating the importance of internal control and the management of risk, so that all employees have an understanding of their roles and responsibilities in respect of internal control and risk management.
- 9.2.3 Regularly review policies and procedures supporting the existing internal control framework.
- 9.2.4 Consider the effectiveness of internal controls for the security of information technology systems and applications.

9.3 Risk management

- 9.3.1 Monitor the systems and process via the council's risk profile and appetite.
- 9.3.2 Monitor the process of review of the council's risk profile and appetite.
- 9.3.3 Review Latrobe City Council's risk profile annually and ensure significant risks are regularly reported to the Council.



- 9.3.4 Consider the adequacy of actions taken to ensure that the material risks from council's risk framework have been dealt with in a timely manner to mitigate exposures to the Council.
- 9.3.5 Identify and refer specific projects or investigations deemed necessary through the Chief Executive Officer, the internal auditor and the Council.
- 9.3.6 Be informed of any subsequent investigation, including the investigation of any suspected cases of fraud or misconduct.

9.4 Business Continuity

- 9.4.1 Monitor processes and practices to ensure effective business continuity plans are in place.

9.5 Internal audit

- 9.5.1 Review with management and the Internal Auditor the charter, activities, staffing, and organisational structure of the internal audit function.
- 9.5.2 Shall ensure attendance at all Audit and Risk Committee meetings in person or via teleconference by a Partner or Senior Auditor.
- 9.5.3 Annually review and approve the Audit Plan against which Internal Audit is to prepare audit reports for the Committee's consideration. These audit reports are to also include, where applicable, management responses, accountabilities and timelines for corrective actions.
- 9.5.4 Consider internal audit findings and review management's responses in terms of content, and commitment and timelines to implement the recommendations.
- 9.5.5 Monitor processes and practices to ensure that the independence of audit function is maintained.
- 9.5.6 As part of the Committee's annual assessment of performance,



determine the level of satisfaction with the internal audit function having consideration of the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing.

- 9.5.7 Monitor the internal auditor's annual plan linkage with, and coverage of, the material risks.
- 9.5.8 Provide an opportunity for the Committee to meet with the internal auditor(s) to discuss any matters that the Committee or internal auditor believes should be discussed privately.
- 9.5.9 The Audit and Risk Committee will be responsible for recommending to Council the appointment of and if required, the termination of internal auditors and any issues surrounding the Internal Audit.

9.6 External audit

- 9.6.1 Note the external auditor's proposed audit scope and approach, including any reliance on internal auditor activity.
- 9.6.2 Provide an opportunity for the Committee to meet with the external auditors, to discuss any matters that the Committee or the external auditors believe should be discussed privately.
- 9.6.3 The external auditors shall attend meetings at which the external audit strategy and external audit closing reports are tabled.

9.7 Compliance

- 9.7.1 Review the systems and processes to monitor effectiveness of the system for monitoring compliance with legislation and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of non-compliance.
- 9.7.2 Keep informed of the findings of any examinations by regulatory agencies, and any auditor (internal or external) observations and monitor management's response to these findings.
- 9.7.3 Obtain regular updates from management about compliance matters.



9.7.4 Review whether Council and senior management has taken steps to embed a culture which is committed to ethical and lawful behaviour, adding to the credibility of Council through adherence with ethical standards

10. Reporting responsibilities

- 10.1 Report regularly to Council about Committee activities, issues, and related recommendations through circulation of Minutes and an annual report. Additional updates may be appropriate should issues of concern arise.
- 10.2 Monitor that open communication between the internal auditor, the external auditors, and the council occurs.
- 10.3 Report annually, describing the Committee's composition, responsibilities and how they were discharged, and any other information required by regulation, including approval of non-audit services. Confirm that all responsibilities outlined in this charter have been carried out.
- 10.4 Consider the findings and recommendations of relevant Performance Audits undertaken by the Victorian Auditor-General and to ensure the council implements relevant recommendations.
- 10.5 The Chair shall attend a Council meeting annually in August (approximately) and present on the operations of the Committee of the previous year.

11. Other responsibilities

- 11.1 Perform other activities related to this charter as requested by the council.
- 11.2 Review and assess the adequacy of the Committee's charter biennially, requesting Council approval for proposed changes, and ensure appropriate disclosure as might be required by legislation or regulation.



12. Performance Evaluation

- 12.1 The Committee will evaluate its own performance, both of individual members and collectively on an annual basis using a Self-Assessment tool which will be reviewed, adopted and completed by the Committee.
- 12.2 Perform an assessment of Internal Audit annually based on a tool that is to be adopted.

13. Ordinary Returns

- 13.1 Committee members must lodge Primary and Ordinary Returns to council as required.

14. Conflicts of Interest

In accordance with Section 79 of the local Government Act 1989, members of the Committee will be required to disclose all conflicts of interest.

- 14.1. Members of the Committee must be fully aware of their responsibilities with regard to the management of interests in relation to the discharge of their duties as a member of the Committee. Management of interests includes the proper disclosure of any conflicts of interest as and when they may arise.
- 14.2. Members of the Committee must also be fully aware of the statutory definitions of direct and indirect interests which may give rise to a conflict of interest. These are set out in sections 77A, 77B, 78, 78A, 78B, 78C and 78D of the Act.
- 14.3. Failure to comply with the provisions of the Act with regard to conflicts of interest may result in the member's appointment being terminated.

Adopted: 2 March 2015, Ordinary Council Meeting

Draft Audit and Risk Committee Charter



March 2017
DRAFT





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-



1. Establishment of the Committee

- 1.1. The Audit and Risk Committee is a formally appointed Advisory Committee of Latrobe City Council under Section 139 of the *Local Government Act 1989* (Act).
- 1.2. The membership of this Committee and this Charter will be adopted by resolution of Latrobe City Council at an Ordinary Council Meeting.

2. Definitions

- 2.1. Throughout this document, the following terms are defined as:

Act	The <i>Local Government Act 1989</i>
Auditor General	The Victorian State Auditor General; Department; Office; or representative
CEO	The Chief Executive Officer for Latrobe City Council
Committee	The Audit and Risk Committee
Committee Members	The appointed members of the Audit and Risk Committee
Council	The Latrobe City Council
Council Officers	All staff of Latrobe City Council, excluding the CEO of Latrobe City Council
Councillors	The nine elected officials of Latrobe City Council
External Auditor	The auditor appointed by the Auditor General
Internal Auditor	The auditor appointed by Latrobe City Council
Management	The CEO, General Managers, and Managers of Latrobe City Council
Senior Management	The CEO and General Managers of Latrobe City Council

3. Purpose

- 3.1. The Audit and Risk Committee's purpose is to assist the Council in discharging its responsibilities to oversee:



- 3.1.1. corporate reporting processes, including financial reporting processes and internal control;
- 3.1.2. risk management;
- 3.1.3. external audit;
- 3.1.4. internal audit; and
- 3.1.5. compliance with laws, regulations, internal policies and industry standards.

4. Authority

- 4.1. The Committee is an advisory committee and has no executive powers, nor does it have any delegated decision making or financial authority.
- 4.2. The Committee maintains a functional reporting line directly with the Internal and External Auditors.
- 4.3. The Council authorises the Committee, within its scope of responsibilities, to:
 - 4.3.1. Perform the activities identified in this Charter
 - 4.3.2. Seek resolution on any disagreements between the Council and the internal or external auditors on financial and risk reporting;
 - 4.3.3. seek any information it requires from Councillors, Council Officers, Internal or External Auditors via the CEO;
 - 4.3.4. formally meet with the CEO, council officers, internal and/or external auditors as necessary.
- 4.4. The Chair has no executive authority on behalf of Council but can be consulted as required, as a sounding board by the CEO or General Manager Corporate Services on matters that arise regarding audit, risk management or governance related issues.

5. Composition

- 5.1. The Council will appoint as members of the Committee:
 - 5.1.1. two Councillors and one alternate; and
 - 5.1.2. three (3) external independent members, one of whom will be appointed by Council as Chair of the Committee.



- 5.2. The committee, as a whole, should have a mix and balance of relevant skills, knowledge and experience.

External Independent Members

- 5.3. The external independent members will be selected from the broader community after having invited applications by public advertisement.
- 5.4. At least one of the external independent members of the Committee must have significant financial expertise with preference given to formal financial management or business qualifications.
- 5.5. External independent members will be reasonably familiar with public sector operations, including reporting requirements, financial management systems and controls, risk management and corporate governance.
- 5.6. Membership shall expire upon completion of a term of appointment or via a resolution of Council.
- 5.7. External independent members shall be appointed by a resolution of Council stipulating a term of one, two or three years to ensure that appointments to the Committee are staggered.
- 5.8. Members may be reappointed for a second term at Council's discretion but may not exceed a membership of more than six consecutive years in total.

Councillor Members

- 5.9. Where a Councillor member does not have the requisite expertise upon initial appointment, financial literacy should be attained within a reasonable period of time after his or her appointment and council resources made available for this purpose.

Other Attendees

- 5.10. Non-delegated Councillors shall be invited to attend meetings but are not members of the Audit and Risk Committee and therefore do not have any entitlement to vote.
- 5.11. The CEO will facilitate the meetings of the Committee and, in consultation with the Chair of the Committee, invite council officers, auditors or others to attend meetings to provide pertinent information, as necessary.

Resignations

- 5.12. Any resignation from a member of the Committee is to be submitted in writing to the Chief Executive Officer, Latrobe City Council, PO Box 264, Morwell VIC 3840.



Role of the Chair

5.13. The Chair will carry out the following responsibilities:

5.13.1. Promote effective communications between the Committee, Council, the CEO, Council officers and the external auditors

5.13.2. Ensure that meetings of the Committee:

5.13.2.1. run smoothly

5.13.2.2. that the views of all Committee members are heard

5.13.2.3. that adequate time is allowed for discussion of each issue and

5.13.2.4. that the agenda and meeting papers properly reflect proceedings.

5.13.3. Participate in the selection process of the internal auditor as required.

6. Meeting Procedures

General Requirements

6.1. The Committee will meet at least four times per year, with authority to convene additional meetings, as circumstances require.

6.2. All Committee members are expected to attend each meeting in person (or may through teleconference/video conference only if exceptional circumstances apply).

6.3. Meetings will follow standard meeting procedures as established in any applicable guidance material available and outlined in this Charter.

6.4. All Committee meetings and records are considered confidential and may be designated as confidential in accordance with Section 77 of the Act.

6.5. All recommendations, proposals and advice must be directed through the Chair.

Meeting agendas

6.6. Meeting agendas will be prepared and provided at least one week in advance to members, along with appropriate briefing materials.

Quorum

6.7. The quorum for a meeting of committee members will be a majority, including at least one (1) Councillor.



- 6.8. Should the Chair not be in attendance at a meeting, the Committee may appoint another external independent member to chair the meeting temporarily.
- 6.9. If at any Committee meeting a quorum is not present within 30 minutes after the time appointed for the meeting, the meeting shall be deemed adjourned to either a later time on the same day, or rescheduled to another day.
- 6.10. A member who misses two consecutive meetings without a formal apology may at the discretion of Latrobe City Council have their term of office revoked.
- 6.11. A member who is unable to attend the majority of meetings during the year may at the discretion of Latrobe City Council have their term of office revoked.

Voting

- 6.12. There will be no official voting process, although all members shall have equal voting rights. Majority and minority opinions will be reflected in Committee minutes.
- 6.13. The Chair shall have a casting vote in the event of an inconclusive vote.

Meeting Minutes

- 6.14. A Council Officer authorised by the CEO shall take the minutes of each Committee meeting.
- 6.15. The minutes shall include a record of those present, apologies for absence, adoption of previous minutes and a list of adopted actions and resolutions of the Committee.
- 6.16. Minutes will be drafted and circulated to all Committee members and attendees within 14 days and ratified at the following meeting.
- 6.17. The minutes shall be stored in the Latrobe City Council corporate filing system (currently LCMS electronic document and records management system).

7. Duties and Responsibilities of the Committee

The duties and responsibilities of the Committee include:

7.1. Financial Reporting

- 7.1.1. Oversee the periodic financial reporting process implemented by management and review the interim financial statements.
- 7.1.2. Review the financial statement and provide advice to the Council (including recommending their signing by the Council). In particular, the committee will review:



- 7.1.2.1. Councils compliance with accounting standards
- 7.1.2.2. The appropriateness of accounting policies and disclosures, including any significant changes to accounting policies
- 7.1.2.3. Areas of significant judgement and financial statement balances that require estimation
- 7.1.2.4. Significant or unusual transactions
- 7.1.2.5. Sign off by management in relation to quality of the financial statements
- 7.1.2.6. The auditor's judgements about the adequacy of the Council's accounting policies and the quality of the Councils processes for the preparation of the Councils financial statements, through discussions with the external auditor
- 7.1.2.7. Whether appropriate management action has been taken in response to any issues raised by the external auditor, including financial statement adjustments or revised disclosures.
- 7.1.2.8. Gain an understanding of the current areas of greatest financial risk and how they are managed.
- 7.1.3. Receive attestation from the organisation to the effectiveness and response to audit recommendations in certifying the financial report.
- 7.1.4. With t management and the external auditor,s review all matters required to be communicated to the Committee under the Australian Auditing Standards.

7.2. Internal control

- 7.2.1. Understand the scope of internal and external auditors' review of internal controls, and obtain reports on significant findings and recommendations, together with the management responses.
- 7.2.2. Evaluate whether the management is setting the appropriate "control culture" by communicating the importance of internal control and the management of risk, so that all employees have an understanding of their roles and responsibilities in respect of internal control and risk management.
- 7.2.3. Regularly review policies and procedures supporting the existing internal control framework.



- 7.2.4. Consider the effectiveness of internal controls for the security of information technology systems and applications.

7.3. Risk management

- 7.3.1. Monitor whether the Council has appropriate processes for:
 - 7.3.1.1. identifying, assessing and responding to risks in a manner that is in accordance with the Council's risk appetite, and
 - 7.3.1.2. that those processes are operating effectively.
- 7.3.2. Ensure that material business risks, including operational, financial, legal, fraud and compliance risks are appropriately reflected in the risk profile.
- 7.3.3. Consider the adequacy of actions taken to ensure that the material risks from council's risk framework have been dealt with in a timely manner to mitigate exposures to the Council.
- 7.3.4. Identify and refer specific projects or investigations deemed necessary through the Chief Executive Officer, the internal auditor and the Council.
- 7.3.5. Review management's anti-fraud strategies and programs.
- 7.3.6. Be informed of any subsequent investigation, including the investigation of any suspected cases of fraud or misconduct in accordance with the Fraud and Corruption Policy.

7.4. Business Continuity

- 7.4.1. Monitor processes and practices to ensure effective business continuity plans are in place.

7.5. Internal audit

- 7.5.1. Review the internal audit plan to assess whether it addresses the material business risks of the Council and that there is appropriate coordination with the external auditor.
- 7.5.2. Review and approve the scope of the Internal Audit Plan and work program.
- 7.5.3. Monitor the progress of the internal audit plan and work program, and the implementation of findings and recommendations of the internal audit activity



- 7.5.4. Consider the processes implemented by management for monitoring and assessing the effectiveness of the internal audit activity
- 7.5.5. Annually review and approve the Internal Audit Plan against which Internal Audit is to prepare audit reports for the Committee's consideration.
- 7.5.6. Consider internal audit findings and review management's responses in terms of content, and commitment and timelines to implement the recommendations.
- 7.5.7. Monitor processes and practices to ensure that the independence of audit function is maintained.
- 7.5.8. Monitor the internal auditor's annual plan linkage with, and coverage of, the material risks.
- 7.5.9. Provide an opportunity for the Committee to meet with the internal auditor(s) to discuss any matters that the Committee or internal auditor believes should be discussed privately.
- 7.5.10. Review the performance of the internal auditor annually having consideration of the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing, and make appropriate recommendations to Council about the extension or cessation of the internal audit contract.
- 7.5.11. Remain informed in relation to the tender process for the selection of the internal audit function (when required). In accordance with clause 5.14.3, if the Chair is unavailable, the Chair may nominate another independent member to participate in the selection process of the internal auditor.

7.6. External audit

- 7.6.1. Receive and note the external auditor's proposed audit scope and approach, including any reliance on internal auditor activity.
- 7.6.2. Provide an opportunity for the Committee to meet with the external auditors, to discuss any matters that the Committee or the external auditors believe should be discussed privately.
- 7.6.3. The external auditors shall attend meetings at which the external audit strategy and external audit closing reports are tabled.



7.7. Compliance

- 7.7.1. Review the effectiveness of systems for monitoring compliance with legislation, and regulations, internal policies and industry standards, and the results of management's investigation and follow-up (including disciplinary action) of any instances of non-compliance.
- 7.7.2. Keep informed of the findings of any examinations by regulatory agencies, and any auditor (internal or external) observations and monitor management's response to these findings.
- 7.7.3. Obtain regular updates from management about compliance matters that may have a material impact on the Council's financial statements, strategy, operations or reputation, including material breaches of laws, regulations, standards and Council policies.
- 7.7.4. Review whether Council and senior management has taken steps to embed a culture which is committed to ethical and lawful behaviour, adding to the credibility of Council through adherence with ethical standards

8. Reporting

- 8.1. The Committee may report to Council on any matter of significance as determined by the Committee.
- 8.2. The Committee will report regularly to Council about Committee activities, issues, and related recommendations through the circulation of minutes
- 8.3. Monitor, through clauses 7.5.12 and 7.6.2 that open communication between the internal auditor, the external auditors, and the Council occurs.
- 8.4. Consider the findings and recommendations of relevant Performance Audits undertaken by the Victorian Auditor-General and to ensure the council implements relevant recommendations.
- 8.5. The Committee Chair shall attend a meeting of an Assembly of Councillors annually (but not later than the following April) to present on the operations of the Committee of the previous (calendar) year.
- 8.6. The Committee Charter and details of its members will be published on Council's website.
- 8.7. Council's Annual Report will contain information on the makeup of the Committee, number of meetings held and attended by Committee members, audit processes, details of any remuneration paid to independent members



during the reporting period and a summary of work completed by the Internal and External Auditor during the year.

Performance Evaluation

- 8.8. The Committee will evaluate its own performance, on an annual basis using a Self- Assessment tool which will be reviewed, adopted and completed by the Committee.
- 8.9. The Committee may seek feedback from the Council, the CEO, all Committee members, management and any other stakeholders, (as determined by the Committee) in the review process.
- 8.10. The review must consider:
 - 8.10.1. The Committee's achievements in the period
 - 8.10.2. The Committee's performance against the requirements of this Charter in the period
 - 8.10.3. Any other relevant matter.

9. Other responsibilities and requirements

- 9.1. Perform other activities related to this charter as requested by the Council.
- 9.2. Review and assess the adequacy of the Committee's charter biennially, requesting Council approval for proposed changes, and ensure appropriate disclosure as might be required by legislation or regulation.

Confidentiality

- 9.3. Committee members will have access to confidential information presented to them in the performance of their duties on the Committee. "Confidential Information" means all data and information in oral, written, graphic, recorded or any other form which is disclosed to the member either directly or indirectly by the Latrobe City Council or its stakeholders in connection with the Council's performance.
- 9.4. All Confidential Information which comes into the possession of Committee members is received by them on behalf of Latrobe City Council and for the sole purpose of enabling the Committee to provide advice to the Council. Both during and after the term of a member's appointment to the Committee, members are required to:
 - 9.4.1. hold in confidence and treat as confidential all Confidential Information;



- 9.4.2. use Confidential Information only as required to enable members to perform their duties on the Committee;
- 9.4.3. not request or seek to obtain any Confidential Information, except to the extent that members require such Confidential Information to perform their duties;
- 9.4.4. not to disclose, directly or indirectly, to any person, entity, or organisation any Confidential Information;
- 9.4.5. take all reasonable precautions to protect the Confidential Information from theft, loss and any other unauthorized access, use or disclosure; and
- 9.4.6. upon the termination of the member's appointment to the Committee, destroy or return to the Chairperson or CEO all materials containing Confidential Information in whatever media or form and not make or retain any copies of the Confidential Information.

Conflicts of Interest

- 9.5. Committee Members are required to comply with Sections 76D, 79, 79B and 81 of the Act which includes, amongst other things, the following requirements:
 - 9.5.1. Submit six monthly interest returns on the form specified by Council in accordance with the Act; and
 - 9.5.2. Declare and manage any conflicts of interest which arise in accordance with the Act.
- 9.6. Committee members must be fully aware of their responsibilities with regard to the management of interests in relation to the discharge of their duties as a member of the Committee. Management of interests includes the proper disclosure of any conflicts of interest as and when they may arise.
- 9.7. Committee members must also be fully aware of the statutory definitions of direct and indirect interests which may give rise to a conflict of interest. These are set out in sections 77A, 77B, 78, 78A, 78B, 78C and 78D of the Act.
- 9.8. Failure to comply with the provisions of the Act with regard to conflicts of interest may result in the member's appointment being terminated.

Professional Fees for External Independent Members

- 9.9. External independent members receive payment as set by the Council.
- 9.10. Remuneration is set at \$1,500 per meeting for the Chair and \$1,000 per meeting for the other external members and subject to the review of Council.



Management Responsibility

9.11. It is the responsibility of the management to:

- 9.11.1. keep the Committee informed regarding financial reporting, regulatory compliance, risk management and risk exposures of the Council;
- 9.11.2. keep the Committee informed of the findings of any examinations by regulatory agencies, and any auditor (internal or external) observations in order that the Committee may monitor the management's response to these findings;
- 9.11.3. provide a comprehensive induction for all newly appointed Committee members including all necessary and relevant information regarding the Committee's responsibilities and the Council's operations and background to enable them to understand the Council and their duties and responsibilities.

17.6 Proposed Lease - The Star Hotel, Peterkin Street, Traralgon

General Manager

Corporate Services

For Decision

EXECUTIVE SUMMARY

Council, at its meeting held on 6 March 2017, resolved to give public notice of its intention to enter into direct negotiations with the current tenant of the Star Hotel, Brother Nature Holdings Pty Ltd, and invite comment on the proposal. The tenant has subsequently advised that they do not wish to go through this process, choosing instead to continue with the current lease and to participate in a wider expression of interest process that would be undertaken by Council in the future.

The building is currently leased to Brother Nature Holdings Pty Ltd, trading as Café Stellina, pursuant to Section 17D of the *Crown Land (Reserves) Act 1978*. The current lease is due to expire on 31 December 2017 and the tenant has previously requested that they be granted a new lease prior to this date to ensure security of tenure for their business moving forward.

As the Star Hotel is on Crown land, Council is obligated to adhere to the leasing requirements of the Department of Environment, Land, Water and Planning (DELWP). One of these requirements is that Council give public notice of its intention to negotiate with a tenant directly. This notice is to provide the community with an opportunity for comment on the proposal if a wider public expression of interest (EOI) process is not to be undertaken.

MOTION

Moved: Cr Harriman

Seconded: Cr Howe

That Council:

- 1. Rescind the motion adopted at the Ordinary Council meeting held on Monday 6 March 2017 *“That Council 1. Authorises the Chief Executive Officer to give public notice of its intention to commence direct negotiations with Brother Nature Holdings Pty Ltd for the lease of the Star Hotel at 17 Peterkin Street, Traralgon, and invite comment from the community.”*;**
- 2. Undertake an expression of interest process for the Star Hotel at 17 Peterkin Street, Traralgon, to identify a tenant prior to the expiration of the current lease on 31 December 2017,**
- 3. Concurrently gives public notice and invite written submissions to in accordance with sections 190 and 223 of the *Local Government Act 1989* and section 17D of the *Crown Land (Reserves) Act 1978* and the *State Government Leasing Policy for Crown Land in Victoria 2010* to lease the Star Hotel at 17 Peterkin Street, Traralgon for a period of five years with a provision for a further of 5 year, and**
- 4. In accordance with sections 223 (1) (b) (ii) of the *Local Government Act 1989* authorises the Chief Executive Officer to fix the day, time and place of the Council meeting to consider submissions received.**

CARRIED UNANIMOUSLY

DECLARATION OF INTERESTS

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

DISCUSSION

The Star Hotel is situated on Crown land, described as part of Crown Allotment 22, Section 18 in the Township of Traralgon, being land permanently reserved for public purposes for which Latrobe City Council is the appointed Committee of Management.

Constructed in 1875, the Star Hotel is one of the oldest surviving buildings in Traralgon and was relocated to its current location in 1990 through the efforts of the former City of Traralgon with the support of the Traralgon & District Historical Society. The building is listed in the Latrobe City Heritage Study as being of local historic and social significance to Latrobe City as one of the oldest buildings in Central Gippsland.

In 2012 Council entered into a lease agreement for the Star Hotel with a term of five years commencing on 1 January 2013. This lease was subsequently assigned to another tenant on 1 August 2013 and to the current tenant, Brother Nature Holdings Pty Ltd, on 4 July 2014.

The current tenant, wishing to ensure that they have security of tenure prior to investing further in their business, Café Stellina, requested that a new lease be entered into prior to the expiration of the current agreement on 31 December 2017.

As the Star Hotel is on Crown land, Council must adhere to the leasing requirements of the Department of Environment, Land, Water and Planning (DELWP) and the provisions of the *Crown Land (Reserves) Act 1978*.

While it is preferred that tenures of public land are subject to an open and transparent process wherever possible, there are circumstances where this may not be appropriate or guarantee the best outcome. In such cases it is possible for Council to enter into direct negotiations with the incumbent tenant for a new lease subject to certain requirements.

If Council intends to negotiate a new lease agreement with the current tenant rather than undertake a public process and seek EOIs to lease the Star Hotel, it must first give public notice of its intention to negotiate directly and provide an opportunity for the community to comment.

Council must then consider any responses from the community prior to requesting “approval in principle” from DELWP to enter into a new lease, part of which will require providing evidence of the public notification process. Once this approval has been received Council can negotiate the terms and conditions of the proposed lease.

The final decision to allocate a new lease through a direct negotiation process instead of a competitive EOI allocation process rests with the Minister for Energy, Environment, Climate Change and Suburban Development, or their delegate, who will consider it at the time of granting “approval in principle”.

The “approval in principle” process provides the Minister with the ability to properly review a lease proposal before the parties commit to a lease and assess if the proposal aligns with the principles of leasing Crown land.

At the Ordinary Council meeting held on 6 March 2017 it was resolved that Council:

1. *Authorises the Chief Executive Officer to give public notice of its intention to commence direct negotiations with Brother Nature Holdings Pty Ltd for the lease of the Star Hotel at 17 Peterkin Street, Traralgon, and invite comment from the community;*
2. *If submissions are received, delegates the Chief Executive Officer to:*
 - (a) *fix the date of the Ordinary Council Meeting to consider submissions;*
and
 - (b) *notify submitters of the date and time of the Ordinary Council Meeting at which submissions will be considered; or*
3. *If no submissions are received, delegates the Chief Executive Officer authority to :*
 - (a) *obtain “approval in principal” from the Department of Environment, Land, Water and Planning for the direct negotiation of a retail lease with Brother Nature Holdings Pty Ltd pursuant to Section 17D of the Crown Land (Reserves) Act 1978;*

- (b) *negotiate the terms and conditions of a retail lease pursuant to Section 17D of the Crown Land (Reserves) Act 1978 for a five year lease term with provision for a further term of five years;*
- (c) *arrange for signing of all documentation associated with the lease.*

4. *Notifies Brother Nature Holdings Pty Ltd of Council's decision.*

Council officers have recently been advised by the tenant that they no longer wish to enter into direct negotiations for a new lease and have chosen to continue with the current lease agreement. It is now their intention to submit an expression of interest for consideration as part of a wider public process that will need to be undertaken by Council prior to the expiration of the current lease.

STAKEHOLDER CONSULTATION

Following the Council meeting held on 6 March 2017, officers met with the tenant to discuss the resolution, the process that would need to be followed and concerns that they had expressed regarding their tenure. A representative of DELWP also attended this meeting to clarify their requirements regarding the direct negotiation process.

Given the tenant's decision to not proceed with this process no public notices were published regarding Council's intentions to enter into direct negotiation of a new lease.

FINANCIAL AND RESOURCES IMPLICATIONS

The costs associated with running the direct negotiation or expression of interest processes would be minimal, being the cost of public notices in the Latrobe Valley Express as well as officer resources in the preparation of reports. Indirect costs would involve officer time in considering any submissions / expressions of interest that were received, negotiating the lease terms and obtaining the relevant consents from DELWP.

In light of the investment in the Star Hotel that has been made by both Council and the tenant to improve the building and surrounds it has become a far better venue and this may result in wider interest from prospective tenants when expressions of interest are sought. These improvements would also likely result in an increase in the rental payable under any new lease which would be based upon an independent valuation obtained by Council.

RISK IMPLICATIONS

The decision of the tenant to not proceed with the process to enable the direct negotiation of a new lease does not expose Council to any risk, the ability to undertake an open and transparent process to select the tenant can be viewed as a better outcome and is more consistent with the leasing policy of DELWP.

Alternatively, if no additional expressions of interest were to be received Council can proceed with negotiating a new lease with the current tenant, Brother Nature Holdings Pty Ltd, having complied with the requirements of DELWP.

The greater risk lies with the tenant as Council is unable to offer any guarantee that they would be successful in obtaining a new lease at the end of an expression of

interest process and would therefore not be able to sell their business without tenure for the property.

The tenant is aware of this possibility and has made the decision to not proceed with direct negotiation of a new lease of their volition though their track record during their occupation of the property would be taken into consideration.

CONCLUSION

The tenant of the Star Hotel, Brother Nature Holdings Pty Ltd, has previously requested that they be provided with a new lease for the property prior to the expiration of the current agreement on 31 December 2017 to ensure that they would have security of tenure moving forward.

To obtain “approval in principle” from the Department of Environment, Land, Water and Planning and commence negotiations as to the terms and conditions of a new lease it would have been necessary for public notice to be given advising of Councils intention to negotiate directly with the current tenant and seek community comment.

Council resolved to give public notice of its intention to enter into direct negotiations at its meeting held on 6 March 2017 however the tenant has subsequently advised that they no longer wish to go through this process and now intend to participate in a wider expression of interest process that will be undertaken by Council.

As this would be consistent with the requirements of DELWP as it would offer the opportunity to grant a new lease for the Star Hotel through a transparent process there are no issues with agreeing to this request. It would therefore be appropriate for the previous resolution to be rescinded with a view to undertaking an expression of interest process to identify a tenant prior to the expiration of the current lease.

SUPPORTING DOCUMENTS

Nil

Attachments
Nil

17.7 Assemblies of Councillors

General Manager

Corporate Services

For Information

EXECUTIVE SUMMARY

Section 80(A)2 of the *Local Government Act 1989* requires:

The Chief Executive Officer must ensure that the written record of an assembly of Councillors is, as soon as practicable - (a) reported at an ordinary meeting of the Council; and (b) incorporated in the minutes of that Council meeting.

Since the Ordinary Council Meeting on 27 March 2017, the following Assembly of Councillor records have been submitted to be presented to Council:

Date	Assembly Details	In Attendance	Confidential	Declarations of Interest
14 March 2017	Traralgon CBD Safety Committee	Councillors Cr Howe Officers Andrew Legge	Not confidential	Nil
20 March 2017	Councillor Briefing	Councillors Cr McFarlane, Cr Middlemiss, Cr Harriman, Cr O’Callaghan, Cr Howe, Cr Clancey, Cr Law, Cr Gibson Officers Gary Van Driel, Phil Stone, Sara Rhodes-Ward, Steve Piasente, Jodie Pitkin, Amy Phillips, Sarah Cumming, Michael Bloyce	Confidential under section 89(2)(e) proposed developments (h) any other matter which the Council or Special Committee considers would prejudice the Council or any person	Cr Harriman

MOTION

Moved: Cr Harriman

Seconded: Cr Gibson

That Council receives and notes the Assemblies of Councillors records submitted which have been held within the period 14 – 20 March 2017.

CARRIED UNANIMOUSLY

DECLARATION OF INTERESTS

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

Attachments

- 1↓ . Traralgon CBD Safety Committee 14 March 2017
- 2↓ . Councillor Briefing 20 March 2017

17.7

Assemblies of Councillors

- | | | |
|----------|---|------------|
| 1 | Traralgon CBD Safety Committee 14 March 2017 | 457 |
| 2 | Councillor Briefing 20 March 2017 | 459 |



Assembly of Councillors Record

This form must be completed by the attending Council officer and returned to the Governance Team for processing as soon as possible.

Assembly details:	Traralgon CBD Safety Committee
Date:	Tuesday 14 March 2017
Time:	11.00 am - 12.00 pm
Assembly Location:	Grand Junction Hotel Traralgon

In Attendance

Councillors: Arrival / Departure Time:	<input type="checkbox"/> Cr Alan McFarlane	<input type="checkbox"/> Cr Graeme Middlemiss	<input type="checkbox"/> Cr Darrell White
	<input type="checkbox"/> Cr Dale Harriman	<input type="checkbox"/> Cr Kellie O'Callaghan	<input checked="" type="checkbox"/> Cr Darren Howe 11.00 am - 12.00 pm
	<input type="checkbox"/> Cr Dan Clancey	<input type="checkbox"/> Cr Bradley Law	<input type="checkbox"/> Cr Sharon Gibson
Officer/s:	Andrew Legge		
Matters discussed:	<ol style="list-style-type: none"> 1. Traralgon Multilevel Carpark Cleaning Issues 2. Traralgon, Morwell and Moe CBD Crime Statistics 3. Latrobe Valley Bus Lines Report 4. Latrobe City Liquor Accord Update 5. V/Line Report 6. Victoira Police Report 7. Late Night Venues Update 		
<p>Are any of the matters discussed, considered confidential under the <i>Local Government Act 1989</i>?</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please list the confidentiality reasoning next to the matter discussed, as per the example in the guidance notes.</p>			

**Conflict Of Interest Disclosures:**

Councillor / Officer making disclosure	Left Meeting: Yes / No

Record Completed by: Andrew Legge 28/03/2017



Assembly of Councillors Record

This form must be completed by the attending Council officer and returned to the Governance Team for processing as soon as possible.

Assembly details:	Councillor Briefing
Date:	20 March 2017
Time:	5:15pm - 9:09pm
Assembly Location:	Nambur Wariga, Corporate Headquarters, 141 Commercial Road, Morwell

In Attendance

Councillors: Arrival / Departure Time:	<input checked="" type="checkbox"/> Cr Alan McFarlane	<input checked="" type="checkbox"/> Cr Graeme Middlemiss	<input type="checkbox"/> Cr Darrell White
	<input checked="" type="checkbox"/> Cr Dale Harriman	<input checked="" type="checkbox"/> Cr Kellie O'Callaghan	<input checked="" type="checkbox"/> Cr Darren Howe
	<input checked="" type="checkbox"/> Cr Dan Clancey	<input checked="" type="checkbox"/> Cr Brad Law	<input checked="" type="checkbox"/> Cr Sharon Gibson until 7:44pm
Officer/s:	Gary Van Driel, Phil Stone, Sara Rhodes-Ward, Steve Piasente, Jodie Pitkin, Amy Phillips, Sarah Cumming (from 5:28pm), Michael Bloyce (from 7:50pm - 8:40pm)		
Matters discussed:	<p>Tonight's Presentations - confidential under section 89(2)(e) proposed developments</p> <p>Future Presentations</p> <p>Transition Briefing - confidential under section 89(2) (h) a matter which the Council or special committee considers would prejudice the Council or any person</p> <p>Notice of Motion Requests</p> <p>Points of Clarification</p> <p>Alternative Motion Requests</p> <p>Latrobe City Trust</p> <p>Council Meeting Security</p> <p>Traralgon Court House Update</p> <p>Community Amenity Local Law No.2 2016 - Clause 94 Dilapidated Buildings</p> <p>Provision of Facilities for Recreational Vehicles</p> <p>Latrobe Regional Airport Marketing and Business Strategy</p>		



	<p>Nomination of Local Baton bearer for 2018 Commonwealth Games Baton Relay</p> <p>Extension of Hyland Highway Landfill - confidential under section 89(2) (h) a matter which the Council or special committee considers would prejudice the Council or any person.</p> <p>Moe Town Centre - Conflict With Trees on Parking Lines</p> <p>Future Morwell Urban Revitalisation Plan - confidential under section 89(2)(d) contractual matters, and (e) proposed developments</p> <p>Fees and Charges Review and Pricing Policy</p> <p>Review of the Mayoral And Sponsorship Special Committee</p> <p>Outstanding Issues - confidential under section 89(2) (h) a matter which the Council or special committee considers would prejudice the Council or any person.</p> <p>Strategic Issues for Future Briefings - confidential under section 89(2) (h) a matter which the Council or special committee considers would prejudice the Council or any person.</p>
<p>Are any of the matters discussed, considered confidential under the <i>Local Government Act 1989</i>?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please list the confidentiality reasoning next to the matter discussed, as per the example in the guidance notes.</p>	

Conflict Of Interest Disclosures:

Councillor / Officer making disclosure	Left Meeting: Yes / No
Cr Kellie O'Callaghan (Interest declaration only)	No
Cr Dale Harriman	Yes
Cr Dan Clancey (interest declaration only)	No
Cr Darren Howe (interest declaration only)	No

Record Completed by: Amy Phillips, Coordinator Governance

URGENT BUSINESS

18. URGENT BUSINESS

Nil reports

MEETING CLOSED TO THE PUBLIC

19. MEETING CLOSED TO THE PUBLIC

Section 89(2) of the *Local Government Act 1989* enables the Council to close the meeting to the public if the meeting is discussing any of the following:

- (a) Personnel matters;
- (b) The personal hardship of any resident or ratepayer;
- (c) Industrial matters;
- (d) Contractual matters;
- (e) Proposed developments;
- (f) Legal advice;
- (g) Matters affecting the security of Council property;
- (h) Any other matter which the Council or Special Committee considers would prejudice the Council or any person;
- (i) A resolution to close the meeting to members of the public.

MOTION

Moved: Cr Middlemiss

Seconded: Cr Gibson

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

19.1 PRESENTATION OF THE AUDIT AND RISK COMMITTEE MINUTES

Agenda item 19.1 *Presentation of the Audit and Risk Committee 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)

19.2 BAD DEBTS REPORT - FEBRUARY 2017

Agenda item 19.2 *Bad Debts Report - February 2017* is designated as confidential as it relates to personal hardship of any resident or ratepayer (s89 2b)

19.3 GIPPSLAND LOGISTICS PRECINCT; POTENTIAL BUSINESS OPPORTUNITY

Agenda item 19.3 *Gippsland Logistics Precinct; Potential Business Opportunity* is designated as confidential as it relates to contractual matters (s89 2d) and proposed developments (s89 2e)

CARRIED UNANIMOUSLY

The meeting closed to the public at 7.02 pm.

The meeting re-opened to the public at 7.12 pm.

There being no further business the meeting was declared closed at 7.12 pm.

I certify that these minutes have been confirmed.

Mayor: _____

Date: _____