

Agenda



Monday, 9 August 2021 7.00pm

Ordinary Meeting of Council

Acknowledgement of the Traditional Custodians

“Our meeting is being held on the Traditional Land of the Wurundjeri Woi-wurrung people and, on behalf of Banyule City Council, I wish to acknowledge them as the Traditional Custodians. I would also like to pay my respects to the Wurundjeri Woi-wurrung Elders, past, present and emerging, and to acknowledge other Aboriginal and Torres Strait Elders joining us today.”

Diversity Statement

“Banyule is a diverse community, made up of people from different cultures, beliefs, abilities, bodies, ages, sexualities, genders and identities. Council is committed to inclusion, access and equity for everyone. These principles foster cohesiveness, empower people and improve the wellbeing of the Banyule Community.”

Apologies and Leave of Absence

Confirmation of Minutes

Ordinary Meeting of Council held 19 July 2021

Disclosure of Interests

1. Urgent Business

REPORTS:

2. Petitions

Nil

3. People – Community Strengthening and Support

3.1 Banyule Scouts Grants Program- Year 1 report 5

4. Planet – Environmental Sustainability

Nil

5. Place – Sustainable Amenity and Built Environment

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5.2 Northern Region Transport Strategy - Final Report..... 17

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5.4 COVID-19 Response - Business Support Package and Economic Development and Recovery Plan 2022-2025..... 28

5.5 Proposed Declaration of a Special Charge - Heidelberg Central Shopping Precinct..... 35

5.6 Mother of God Church, Ivanhoe East - Interim Heritage Overlay Request 41

6. Participation – Community Involvement in Community Life

6.1 Victorian Government Sport and Recreation Funding Outcomes 45

6.2 Banyule 2041 Stage 3 - Public Exhibition of Council Plan 2021-2025 and Financial Plan 2021- 2031..... 49

7. Performance - Use Our Resources Wisely

7.1 2 Clausen Street, Heidelberg Heights - Proposed discontinuance and sale of adjacent land 55

7.2 Banyule Investment Strategy 59

7.3 Financial Management Report - Preliminary June 2021 Performance 66

7.4 Record of Councillor Meetings 89

8. Sealing of Documents

Nil

9. Notices of Motion

9.1 Christmas Day Gathering for Isolated or Underprivileged People 93

10. General Business

Matters Discussed in Camera

That all confidential matters and reports related to the above items remain confidential unless otherwise specified.

Closure of Meeting

Live Streaming of Council Meeting

Please note that the Council Meeting will be livestreamed to ensure compliance with the Government's COVID -19 restrictions.

The livestream will be available on Council's Facebook and website

www.banyule.vic.gov.au

The next Ordinary Meeting of Council will be held on Monday, 30 August 2021.

3.1 BANYULE SCOUTS GRANTS PROGRAM- YEAR 1 REPORT

Author: Karen Molinaro - Community Liaison & Support Officer, Community Programs

SUMMARY

1. At the Ordinary Meeting of the 17th August 2020, Council approved the establishment of the Banyule Scouts Grants Program which allocated \$100,000 per annum for capital works projects over the next 4 years.
2. In 2020/21, the first year of the program, the grant round occurred between December 2020 and May 2021.
3. Through a coordinated approach with Scouts Victoria and the Banyule District Scouts Groups, 3 grant applications totalling \$100,000 were prioritised and submitted for approval.
4. Grants were approved and distributed to Watsonia Scout Group, 1st/2nd Greensborough Scout Group and Heidelberg Scout Group.
5. Evaluation of the first year's program has identified opportunities for improvement in future years.
6. Accordingly, three options have been developed for years 2 to 4 of the Program for Council considerations.

RECOMMENDATION

That Council:

1. Notes the scout grant allocation for 2020/2021 financial year to
 - a. Watsonia Scout Group \$50,000;
 - b. 1st/2nd Greensborough Scout Group \$15,000;
 - c. Heidelberg Scout Group \$35,000
2. Notes the collaborative and coordinating role the District Commissioner (DC) for Banyule scouts has taken in supporting the grant program
3. Adopt option 3 to distribute \$100,000 per annum for the next 3 years to Scouts Victoria aligned to a formal funding agreement.
4. Notes a program evaluation of the 4 year program will be undertaken and the findings presented to Council

COUNCIL PLAN

- This report is in line with Banyule's Council Plan key direction to "Support a connected, inclusive and involved community".

BANYULE SCOUTS GRANTS PROGRAM- YEAR 1 REPORT cont'd

BACKGROUND

- Banyule currently has 13 scout groups operating across the municipality:
 - 10 in Scouts' owned buildings situated on council land
 - 1 Council owned land and building
 - 1 on Vic Track Land, and
 - 1 Scouts Victoria owned land and building
- The Banyule Scouts groups operate in buildings that generally require ongoing maintenance and a financial injection of capital works. Scouts Victoria, as the legal auspice of the local scout groups, does not contribute to their operating costs. Banyule Scout groups can apply to Scouts Victoria for upgrades of facilities if the works are deemed essential.
- On 17th August 2020, Council resolved to establish a 4-year grants program of \$100,000 per annum that supported capital works projects for the buildings the Banyule Scout Groups occupy
- The Banyule Scout groups were invited to apply for either a Minor Capital Works Grant up to \$20,000 or a Major Capital Works Grant up to \$50,000 for a range of projects inclusive of external construction works, building works, renovations or modifications to existing structures or equipment installation
- An evaluation of the 4 year program will be undertaken, and the findings presented to Council.

Overview of year 1

- The Banyule Scouts Grants Program was well received by the local scout groups and Scouts Victoria and the first grant round opened in December 2020 and closed in March 2021 with grant allocations been made in May 2021.
- The District Commissioner (DC) for Banyule, after consultation and collaboration with local scout groups negotiated with Council officers to take a coordinated approach to determine agreed priorities across the municipality rather than participating in a competitive grants program. As a result, only 3 applications were submitted totalling \$100,000.

Grant allocations

The following allocations were made for the 2020/2021 financial year:

- **Watsonia Scout Group**

\$50,000 allocated for the "Bathroom refurbishment" project which will include the demolition of existing toilets and replacement with a disability friendly toilet and shower and 2 unisex toilets.

- **1st/ 2nd Greensborough Scout Group**

\$15,000 allocated to address water damage and drainage issues which are a result of poor external drainage, damage to gutters and a deteriorating roof.

BANYULE SCOUTS GRANTS PROGRAM- YEAR 1 REPORT cont'd

This has resulted in early signs of rotting foundations and significant rising damp in the hall.

- **Heidelberg Scout Group**

\$35,000 allocated for restumping and replacement of cladding.

- Acquittals for the grants are due in July 2022.

Evaluation outcomes

- Following an evaluation of Year 1 of the program it was revealed that:
 - The decision to allocate funding for scouting groups through a grants program was appropriate at the time, however it has become evident through Year 1 that a competitive process such as a grants round is not required.
 - The process driven by the DC has worked well and demonstrated that the local Scouts district can cooperate in prioritising projects for funding. They have indeed already earmarked projects for the 2021/22 budget.
 - The collaboration demonstrated by the local scouts groups as led by the DC can be further enhanced in Years 2 to 4 through an annual Funding Agreement between Council and Scouts Victoria (as the auspice) together with the local scouts groups. The development of a Banyule Scouts Funding Agreement formalises the process of negotiations, nominations of key priorities, agreement on key deliverables and accountability to Council.

BANYULE SCOUTS GRANTS PROGRAM- YEAR 1 REPORT cont'd

Future options

- Following a review and evaluation of the first year's program, opportunities for improvement were identified and 3 options were developed as follows:

Option	Responsibility	Benefits
<p>Option 1 Maintain the current grants program with additional collaboration with key stakeholders</p>	<p>Continue with a grants program and include:</p> <ul style="list-style-type: none"> • The continued collaborative approach developed in Year 1 with District Scouts Commissioner, local scout groups and Scouts Victoria to ensure a non-competitive model 	<p>Negotiations and agreement reached by and with local scout groups to prioritise projects as they deem appropriate as a group</p>
<p>Option 2 Establish a 3-year Capital Works Program with an annual schedule of works managed by Council.</p>	<p>Council Officers to facilitate a collaborative process with the DC, local scout groups and Scouts Victoria to finalise an annual schedule of works.</p> <p>Council officers to oversee the projects in partnership with the relevant scout groups. This will be undertaken jointly by Capital Works team and the Sport and Leisure team.</p>	<p>Builds on the current collaborative partnerships between the Sport and Leisure team and Capital Works team with other key projects particularly in sporting clubs</p> <p>Sport and Leisure currently manage the local scouts groups' licence agreements and have built knowledge, expertise and understanding of them.</p>
<p>Option 3 Distribute \$100,000 per annum for the next 3 years to Scouts Victoria aligned to a formal funding agreement.</p>	<p>An annual schedule of Capital Works projects negotiated and agreed in consultation with the DC, the local Scout Groups and Scouts Victoria.</p> <p>Develop an annual Funding Agreement with Scouts Victoria as the auspice which includes clear roles and responsibilities of all parties.</p> <p>The Funding agreement will include key deliverables:</p> <ul style="list-style-type: none"> ○ Demonstrated agreement between the Banyule Scout 	<p>Ensures defined parameters for identified local priority projects through a formal funding agreement</p> <p>Distributes annual funds to Scouts Victoria as the auspice</p> <p>Promotes and strengthens a collaborative decision-making process in partnership with Council</p> <p>Creates greater efficiency for Council officer time.</p> <p>Sport and Leisure currently manage the</p>

BANYULE SCOUTS GRANTS PROGRAM- YEAR 1 REPORT cont'd

Option	Responsibility	Benefits
	groups and Scouts Victoria of the priority projects; <ul style="list-style-type: none">○ Quarterly project updates○ Financial acquittal at the end of each project.	local scouts groups' licence agreements and have built knowledge, expertise and understanding of them.

SUPPORTING REPORT DETAILS

Legal Consideration

- There are no direct legal implications arising from the recommendation contained in this report.

Human Rights Charter

- In developing this report to Council, the subject matter has been considered in accordance with the requirements of the *Charter of Human Rights and Responsibilities Act 2006*.
- It is considered that the subject matter does not raise any human rights issues.

Sustainable Procurement Outcomes

- There are no sustainable procurement activities arising from the recommendation contained in this report.

Financial Implications

- There are no financial implication arising from the recommendation contained in this report.

Officer Declaration of Conflict of Interest

- The *Local Government Act 2020* requires members of Council staff, and persons engaged under contract to provide advice to Council, to disclose any direct or indirect interest in a matter to which the advice relates.
- Council officers involved in the preparation of this report have no conflict of interest in this matter.

ATTACHMENTS

Nil

5.1 LOCAL PARKS PROGRAM - WATERDALE ROAD

Author: Rod Spivey - Senior Open Space Planner, Assets & City Services

Ward: Chelsworth

Previous Items

Council on 7 September 2020 (Item 5.3 - Consideration of Submissions - Waterdale Road, Ivanhoe - Proposal to Place Permanent Barriers)

Council on 21 September 2020 (Item 5.2 - Waterdale Road, Ivanhoe - Proposal to place permanent barriers)

SUMMARY

1. The Waterdale Road shared zone and pocket parks is a grant-funded project from the Victorian State Government through the Department of Environment, Land, Water and Planning (DELWP) via the Local Parks Program.
2. The aim of the Waterdale Road project is to design and deliver a green urban space for passive recreation and socialising in a built-up urban area in Ivanhoe.
3. The grant funding is for:
 - The road closure at the northern end of Waterdale Road and the creation of a pocket park in proximity to the Upper Heidelberg Road shops;
 - The conversion of the balance of Waterdale Road between the pocket park (adjacent Upper Heidelberg Road) and Norman Street into a shared pedestrian – vehicle zone;
 - The conversion of undeveloped land in the road reserve to the south of Norman Street into a pocket park.
4. At the Meeting of 21 September 2020 Council considered the proposal to place permanent barriers across Waterdale Road in Ivanhoe to the south of Upper Heidelberg Road (Resolution CO2020/187).
5. Resolution CO2020/187 included the requirement that a concept design for a pocket park within the closed section of Waterdale Road be prepared in consultation with the community and a report be presented on the final design at a future Council meeting. If the final design does not require the closure of the Road, then the decision to place permanent barriers will not proceed.
6. A draft concept plan was prepared, community consultation has occurred, and a revised concept plan adjusted with due regard to feedback.

RECOMMENDATION

That Council:

1. Endorse the Concept Plan for the Waterdale Road shared zone and pocket parks inclusive of the placement of permanent barriers across Waterdale Road to the south of Upper Heidelberg Road, Ivanhoe.

LOCAL PARKS PROGRAM - WATERDALE ROAD cont'd

COUNCIL PLAN

- This report is in line with Banyule's Council Plan key direction to "Provide great public and open spaces".

BACKGROUND

- A briefing paper was circulated to Council on 24 October 2019 that provided information with respect to the Local Parks Program and the intent to submit a project nomination application for a new pocket park in the Ivanhoe electoral area to DELWP. The briefing included a high-level concept for the Waterdale Road shared zone and pocket parks.
- Council was successful in obtaining a grant valued at \$1.3 million for the project and a Victorian Common Funding Agreement was executed on 15 April 2020. A briefing paper was circulated to Council on 28 May 2020 informing Council of the grant.
- A report was subsequently prepared and considered at the 7 September 2020 Council meeting. The intent of the report was to enable Council to formally consider the written submissions received regarding the proposed placement of permanent barriers on Waterdale Road to the south of Upper Heidelberg Road. (Resolution CO2020/165).
- In line with Council Resolution CO2020/165 an additional report was prepared and considered at the 21 September 2020 meeting to assist Council in making a final decision on the proposed placement of permanent barriers on Waterdale Road. At this meeting, Council resolved that concept designs for a pocket park within the closed section of Waterdale Road, be prepared in consultation with the community and a report be presented on the final design at a future Council meeting. If the final pocket park design does not require the closure of the road, then the decision to place permanent barriers will not proceed (Resolution CO2020/187).

KEY ISSUES

- The feedback obtained as a result of the consultation demonstrated general support for the project. The Shaping Banyule survey identified that 67% of participants supported the concept, 12% were neutral and 21% were unsupportive. The social media quick poll demonstrated 76% support and the on-site quick poll demonstrated 88% support.
- The updated concept plan has been prepared for the Waterdale Road shared zone and pocket parks in consultation with the community. A copy of the concept plan is included in **Attachment 1**.
- An extensive analysis of the feedback was undertaken. A summary of the reoccurring concerns and the corresponding change to the concept plan is summarised in **Attachment 2**.
- The concept demonstrates the need to permanently close Waterdale Road on Upper Heidelberg Road. More specifically, if the road closure was not to proceed there would be insufficient space to develop the northern pocket park.
- To enable detailed design to commence, Council endorsement is required.

LOCAL PARKS PROGRAM - WATERDALE ROAD cont'd

SUPPORTING REPORT DETAILS

Legal Consideration

- There are no direct legal implications arising from the recommendation contained in this report.

Human Rights Charter

- In developing this report to Council, the subject matter has been considered in accordance with the requirements of the *Charter of Human Rights and Responsibilities Act 2006*.
- It is considered that the subject matter does not raise any human rights issues.

Sustainable Procurement Outcomes

- There are no sustainable procurement activities arising from the recommendation contained in this report.
- Sustainable procurement outcomes will be pursued as a function of the detailed design should Council resolve to endorse the concept plan.

Financial Implications

- The Local Parks Program vision is to create new parks and to revitalise existing local parks to provide much-needed recreation space and to green suburbs in built up urban areas of metropolitan Melbourne. This program includes a \$35 million investment towards creating 25 new pocket parks. This investment is part of the Victorian Government's broader commitment to creating a new ring of parklands in growing suburbs.
- As part of the Local Parks Program, Council has been successful in obtaining a grant valued at \$1.3 million to progress the Waterdale Road shared zone and pocket parks project and a Victorian Common Funding Agreement was executed in April 2020.
- In accordance with the Victorian Common Funding Agreement, it is anticipated that \$1.135 million will be spent on project construction with the balance of \$165,000 being spent on planning, design, contingencies, escalations and allowances.

Community Engagement

- Community engagement ran for a five-week period between 31 March and 5 May 2021 and comprised:
 - Councillors and EMT presentation/briefing;
 - Meeting with Ward Councillor, CEO and Manager Parks and Open Space to discuss design;
 - Referral and meeting with internal Council stakeholders;
 - Shaping Banyule page (plans, perspectives, background report, strategic documents, survey);
 - Two signs installed on site;

LOCAL PARKS PROGRAM - WATERDALE ROAD cont'd

- Three social media posts using a combination of Facebook, Instagram and Twitter inclusive of one quick poll;
- Letter drop to properties within 400 metres of site;
- Two site pop-up sessions inclusive of one quick poll;
- Postcards distributed at pop-up sessions;
- Copies of the letter drop correspondence made available at the Ivanhoe service desk;
- Information provided to the Ivanhoe Traders Association and meeting;
- Information provided to Ivanhoe Grammar, Ivanhoe Girls Grammar and Mary Immaculate Primary School;
- Information provided to the Department of Transport, Telstra, VicTrack, Metro, Yarra Valley Water, APA and Jemena;
- Opportunity for written submissions to be submitted;
- Update provided to DELWP;
- Meeting with Ward Councillor, Director Assets and City Services and Manager Parks and Open Space post consultation to discuss design outcomes.
- Key consultation metrics are listed below:
 - Approximately 1,250 letters (inclusive of plan) were distributed;
 - The project received 970-page views on Shaping Banyule;
 - The project received 566-engagements as a result of social media (comments, likes, shares);
 - A total of 68 surveys were completed;
 - A total of 118 people contributed towards the two quick poll surveys;
 - A total of 34 written submissions were received;
 - A total of 13 internal teams were consulted.
- The 34 written submissions were received from 11 separate parties. These included:
 - One from The Ivanhoe Traders Association (with nine different responses);
 - One from Ivanhoe Uniting Church (a collective response with a range of issues raised);
 - Nine other parties/people including a mix of local businesses and community members;
 - Of the 34 responses obtained 24 were submitted by one individual opposed to the project.

LOCAL PARKS PROGRAM - WATERDALE ROAD cont'd

- The written feedback obtained from nine of the members of the Ivanhoe Traders Association Committee suggests that the Committee was not united in opinion regarding the project with three members being supportive, three members being neutral and three members being unsupportive.
- The main concerns raised throughout the consultation process included:
 - The impact of the proposal on road safety (pedestrian and vehicular), parking and traffic flow in the area;
 - Questions around the rationality and need of the project;
 - Issues pertaining to process, priorities and consultation.
- A road safety audit on the detailed design will be conducted to ensure that the new road environment is safe and functional for motorists, cyclist and pedestrians.
- Post consultation the concept plan was adjusted in line with more specific feedback; including:
 - Reconfiguration of car parking arrangements around the project site;
 - Deletion of the public art/sculpture in the southern pocket park;
 - Substitution of the lawn in the northern pocket park with a timber deck;
 - Inclusion of street furniture such as handrails, a drinking fountain and a bike repair station; and a three-phase power connection to allow for events to occur in the area;
 - A revised design for the southern pocket park which is to comprise a copse of indigenous canopy trees, understory planting, feature paving and concrete and timber seating;

Collaboration

- Information inclusive of a link to Shaping Banyule and the concept plan was provided to the Department of Transport, Telstra, VicTrack, Metro, Yarra Valley Water, APA and Jemena.
- No comments were submitted by the authorities apart from the Department of Transport.
- The Department of Transport offered no objection to the concept. The detailed design drawings will be submitted to the Department of Transport for approval.

Key Considerations

- The subject site is nominated in the *Ivanhoe Structure Plan (2014)* for investigation as a landscaped public square. The pocket parks will act as welcoming meeting places and focal points for social interactions, artistic, recreational and cultural activity for the community.
- The project is consistent with the *Public Open Space Plan (2016 – 2031)* and the intent to improve access to public open space for an area that is not within easy walking distance of a park.

LOCAL PARKS PROGRAM - WATERDALE ROAD cont'd

- In accordance with the Victorian Common Funding Agreement, delivery of the project is required by 30 June 2022.

Officer Declaration of Conflict of Interest

- The *Local Government Act 2020* requires members of Council staff, and persons engaged under contract to provide advice to Council, to disclose any direct or indirect interest in a matter to which the advice relates.
- Council officers involved in the preparation of this report have no conflict of interest in this matter.

ATTACHMENTS

No.	Title	Page
1	Concept Plan	
2	Summary of Feedback	

5.2 NORTHERN REGION TRANSPORT STRATEGY - FINAL REPORT

Author: Michelle Herbert - Senior Transport Engineer, City Development

SUMMARY

1. This report has been prepared to present Council with the final report titled: *The Northern Region Transport Strategy* (Transport Strategy) prepared by GTA Consultants on behalf of the Northern Councils Alliance (NCA) and funded by the Department of Jobs, Precincts and Regions via the Northern Metropolitan Partnership.
2. The purpose of the Transport Strategy (*Attachment 1*) is to provide a regional perspective and understanding of how the transport network is operating and identify cross regional desire lines.
3. Whilst each Council within the Northern Councils Alliance has existing transport strategies, the Transport Strategy was designed to not reinvent these, but to consider them across the region and establish a high-level regional view that will assist in ongoing prioritisation and advocacy.
4. The Transport Strategy has identified priority actions across the seven municipalities of the Northern Councils Alliance - Cities of Banyule, Darebin, Moreland, Nillumbik, Hume, Whittlesea and Mitchell Shire - at a Federal and State level and it may be used to support regional advocacy efforts. These priority actions relate to:
 - Supporting growth while managing impacts
 - Creating a network of strategic places
 - Enabling travel choice to jobs and activity
5. Among many items the report discussed the challenges of:
 - population growth and the need to access jobs;
 - high car use;
 - the limitations of the current public transport system;
 - difficulty of access to services particularly people living in the rural and suburban areas to centres and hubs; and
 - the lag of infrastructure and services to many housing and industrial developments.
 - creating a network of strategic places
6. The report is presented for Council consideration and endorsement.

NORTHERN REGION TRANSPORT STRATEGY - FINAL REPORT cont'd

RECOMMENDATION

That Council:

1. Endorse the Northern Council Alliance *Northern Region Transport Strategy (2021)* final report.
2. Note the report will be utilised by the Northern Councils Alliance for regional advocacy purposes with the strategy being utilised by the Northern Councils Alliance transport working group to inform the advocacy work of the Northern Councils Alliance.

COUNCIL PLAN

- This report is in line with Banyule's Council Plan key direction to "Support sustainable transport".

BACKGROUND

- The Northern Alliance Region consists of seven Local Government Areas (Banyule, Darebin, Moreland, Nillumbik, Hume, Whittlesea and Mitchell). The region is home to 20% of Melbourne's population and 12% of jobs.
- There are key growth areas in the region, as well as important existing and future activity and industry centres.
- It is vital that the regional transport system can support growth, jobs, and the economy, whilst safeguarding and improving livelihood and liveability, and supporting the climate emergency goals of each Council.
- The Northern Region Transport Strategy has been developed to bring together Federal and State Government, and local Government to focus actions and coordinate efforts.

KEY ISSUES

- The key issues for the region agreed between State Government, local Government and key stakeholders include:
 - Access to jobs and activity through connectivity – access to Melbourne CBD, sub-regional centres, especially along the east-west alignment.
 - Growth and capacity for travel needs – need to support land-use plans.
 - Neighbourhood and places – creating a network of strategic places that best support people's livelihoods and areas' liveability.
 - Freight and associated job impacts – supporting existing and future developments.
 - Safety and Security – improving transport networks with emphasis on public transport.
- To address each issue, the Strategy includes three priority action packages:
 - *Support growth whilst managing impacts.* Opportunities here include state investments in Metro Tunnel and new rail projects; managing impacts of

NORTHERN REGION TRANSPORT STRATEGY - FINAL REPORT cont'd

North East Link and Suburban Rail Loop; and use of Movement and Place to manage networks and road space allocation

- Create a network of strategic places. Opportunities include creating and linking Metropolitan Activity Centres, City Deal Hubs and the La Trobe NEIC; improving east-west public transport connectivity; and creating a network of cycling connections – implementing the Northern Regional Trails Strategy.
- *Enable travel choice to jobs and activity.* Opportunities include exploring solutions to connect low-public transport areas to jobs, maximising opportunity from rail corridor and station upgrades, and build cycling as a viable choice in inner areas.

KEY CONSIDERATIONS – NEXT STEPS

- The strategy takes existing strategic and high-level plans as the starting point and translates these long-term goals into short-term practical solutions, which then guide the development of projects.
- The report has considered the priorities of Council which is reflected in the identified short-term practical solutions –
 - Linking north south public transport spines to create transport hubs at Heidelberg and La Trobe NEIC.
 - Business case to fund Movement and Place studies across the activity centres in the municipality.
 - Secure funding to create a key east-west public transport connection, building momentum for the Suburban Rail Loop.
 - Secure funding to enable DOT to review bus services to La Trobe University.
 - Continuing to deliver the Northern Regional Trails Strategy to resolve missing links and priority trails.
 - Publishing updated Strategic Cycling Corridors.
- It is considered that the Strategy and priorities identified are aligned with Council's strategic direction and the priorities are reflective of the needs of the region.

SUPPORTING REPORT DETAILS

Legal Consideration

- There are no direct legal implications arising from the recommendation contained in this report.

Human Rights Charter

- In developing this report to Council, the subject matter has been considered in accordance with the requirements of the *Charter of Human Rights and Responsibilities Act 2006*.
- It is considered that the subject matter does not raise any human rights issues.

NORTHERN REGION TRANSPORT STRATEGY - FINAL REPORT cont'd

Sustainable Procurement Outcomes

- Actions from the Strategy will be pursued in line with each Council's sustainable procurement and climate change policies and strategies.

Financial Implications

- The Strategy has been funded by the Department of Jobs, Precincts and Regions via the Northern Metropolitan Partnership
- Actions from the Strategy will be the subject of advocacy and funding applications to the State and Federal Government.

Community Engagement

- The Strategy has been developed using a consensus-based approach with governments and stakeholders agreeing on objectives, issues, strategic responses and actions.
- This approach was supported by workshops and public consultation leading to concept solutions.

Collaboration

- The Northern Region Transport Strategy was prepared in collaboration with the the Northern Councils Alliance (NCA), State Government, La Trobe University, Melbourne Airport, NORTH Link, and the Northern Metropolitan Partnership.

Officer Declaration of Conflict of Interest

- The *Local Government Act 2020* requires members of Council staff, and persons engaged under contract to provide advice to Council, to disclose any direct or indirect interest in a matter to which the advice relates.
- Council officers involved in the preparation of this report have no conflict of interest in this matter.

ATTACHMENTS

No.	Title	Page
1	Northern Region Transport Strategy - Final Report	

5.3 PLANNING AND BUILDING ACTIVITIES REPORT JANUARY - JUNE 2021

Author: David Moon - Development Planning Coordinator, City Development

Previous Items

Council on 7 September 2020 (Item 5.1 - Development Planning and Building Activities Report (January - June 2020))

Council on 01 Mar 2021 7.00pm (Item 5.2 - Planning and Building Activities Report (July - December 2020))

EXECUTIVE SUMMARY

1. This report presents and provides commentary on the January to June 2021 activities of Development Planning and Building with key highlights from the review period.

Development Planning

2. The number of planning applications and requests received increased by 5.5% in the 2020-21 financial year as compared to the previous financial year.
3. The average number of 'Live' (current) planning applications and requests increased by 33 per month as compared to the previous review period.
4. The percentage of applications determined within the statutory timeframes reached a high in June with 81% of planning application determined in 60 days. In January, 100% of VicSmart applications were determined within 10 business days.
5. Applications for multi dwelling development increased in the six-month review period by 29% from 121 in the previous review period to 156. This is the highest number of multi dwelling applications received in a six-month review period since the July to December 2016 period. Typically, the first half to the calendar year sees less than the latter.
6. There has been a decrease in the number of Council decisions overturned by the Victorian Civil and Administrative Tribunal throughout the review period with 35% of applications for review set aside by the Tribunal. This is an improvement compared to 50% overturned in the previous six months.
7. One 'out of time' appeal was received in the review period.

Building Services and Banyule BPI

8. The financial position for Banyule BPI for the 20/21 financial year is a net return of \$371,014 (excluding corporate overheads), a 37% increase on the last full financial year result.
9. There were 475 permits issued between Jan and Jun 21, compared to 537 in the same period in 2020 (decrease of 11%).
10. The number of active investigations was consistent over the 6-month period with a slight decrease to 157 total in the period.
11. A total of 4,104 residents with properties containing swimming pools or spas have registered with Council to date – including 113 between January and June 21.
12. Council was successful in obtaining a State Government grant through the *Women in Building Surveying* program. This will provide for a two year cadetship.

PLANNING AND BUILDING ACTIVITIES REPORT JANUARY - JUNE 2021 cont'd

13. Council continues to work closely with Cladding Safety Victoria to reduce the number of buildings identified as containing combustible cladding. Council closed out 10 of the 26 outstanding building orders administered by Banyule with the Victorian Building Authority taking on a further 13 high risk sites from Banyule.

RECOMMENDATION

That Council note the Development Planning and Building Activities Report for the period January to June 2021.

COUNCIL PLAN

- The activities considered in this report relate to Banyule’s Council Plan key direction to “Preserve and improve Banyule as a great place to live, work and play”.

BACKGROUND

- On 13 September 2010, Council received the first of a number of ongoing reports regarding town planning activity at VCAT affecting Banyule City Council. That report outlined the types of appeals, the number of appeals lodged, the number of decisions received, as well as the types of decisions. Subsequent reports have presented six monthly or yearly data from 2010 to date but with an expanded range of key performance indicators and data sets across Development Planning and Building Approvals and Enforcement.

PLANNING AND BUILDING ACTIVITIES REPORT JANUARY - JUNE 2021 cont'd

KEY HIGHLIGHTS

Development Planning

- Detailed metrics, previous year trends and commentary is set out for Development Planning in Attachment 1.

Planning applications and related requests

- In the 2020-21 financial year, 2543 planning applications (planning permits, section 72 Amendments, VicSmart and subdivision applications) and related requests (Secondary Consent, Extension of Time, Development Plan Approval, variations to a section 173 legal agreement, requests to endorsed 'condition 1' plans) were received compared to a total of 2410 in the 2019-20 financial year, resulting in an increase of 133 (5.5%) requests.

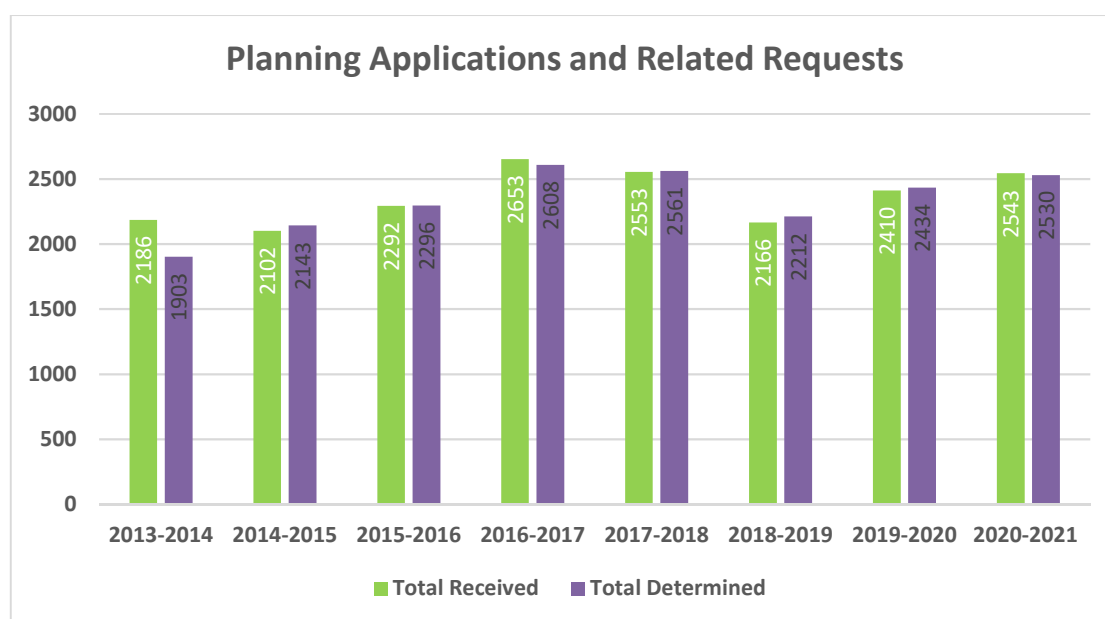


Figure 1 – Comparison with previous years

- The total number of requests determined over the financial year was 13 less than the number received with a total of 2530 determinations. The number of determinations in the 2020-21 exceeded the number of determinations in 2019-20 by 96 (3.9%).
- During the review period the number of 'live' (current) applications and requests has remained reasonably steady around the live target of 400, with a low of 394 applications in January and a high of 412 in April.
- The average number of live planning applications and requests increased by 33 per month as compared to the previous review period.

PLANNING AND BUILDING ACTIVITIES REPORT JANUARY - JUNE 2021 cont'd

Processing Timeframes

- On average for the six-month review period, 74% of planning applications were determined within the 60 statutory days and 89% of VicSmart applications were determined within the 10 business day statutory timeframe.
- The month of January was notable for VicSmart determinations with 100% determined within the 10 business day timeframe. January and June were notable months for planning applications with 79% and 81% determined in the 60 day timeframe respectively.
- The average gross days for a determination during the review period was less than the previous review period indicating improved processing times despite the increase in live applications.

Applications by Proposal

- The number of applications for tree removal and pruning continued to be high with 365 applications received. The number of live tree applications remained under the target of 25 throughout the financial year.
- Applications for multi dwelling development increased in the six-month review period by 29% from 121 in the previous review period to 156. This is the highest number of multi dwelling applications received in a six-month review period since the July to December 2016 period. Typically, the first half to the calendar year sees less than the latter.
- Comparing the 2020-21 financial year to the previous, there has been a 38.5% increase in multi dwelling applications. These applications represent the greatest demand on all administration and technical resources within the Development Planning team and the many teams across the organisation who provide referral advice.

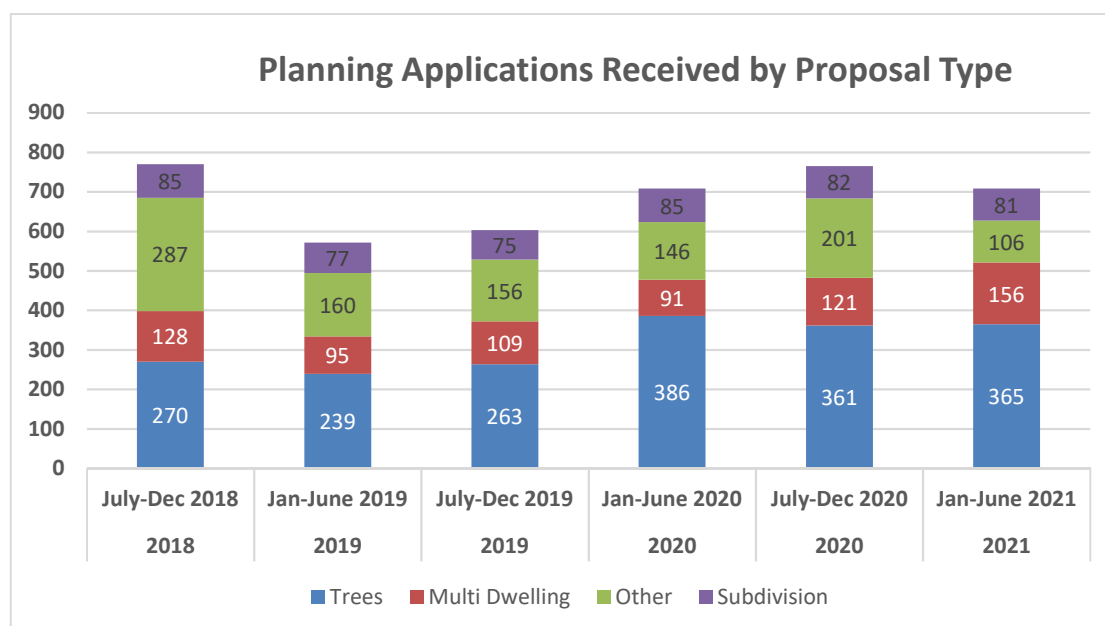


Figure 2 - Planning permit applications received by proposal

- The number of Other Applications (single dwellings, dwelling additions and change of use) decreased by 47% from 201 to 106.

PLANNING AND BUILDING ACTIVITIES REPORT JANUARY - JUNE 2021 cont'd

Investigations

- An average of 18 breaches of Planning Permits and the Planning Scheme were brought to the attention of the Development Planning team each month in the six-month review period. These breaches relate to built form (such as development, overlooking and signage), land use and vegetation removal.
- The total number of investigations instigated in the review period increased by 4 from 101 to 105. The number of investigations finalised exceeded those received by 6 with 111 investigations closed.
- One investigation into a Planning Scheme breach in relation to unauthorised tree removal was heard at the Magistrates Court resulting in a \$7500.00 fine for the accused in addition to payment of Council's costs of \$4259.30. This was an excellent result against a second time offender.

VCAT Appeals

- There were 20 reviews lodged with the Victorian Civil and Administrative Tribunal (VCAT) in the six-month review period, which is the lowest number of reviews lodged since 2017 and eight less than the previous review period.
- The majority of reviews lodged continue to be by permit applicants with 13 reviews lodged against refusals to issue a permit during the review period. This is three less than the previous review period and continues a decline in reviews lodged against refusals since 2018. The number of reviews lodged by objectors halved to three in the review period.
- In the six-month review period, one review was lodged against Council not making a decision within the statutory timeframe (i.e. 'out of time'). This is the first out of time appeal lodged since the January to June 2019 review period.
- There has been a decrease in the number of decisions which have been overturned by the Tribunal in the review period:
 - 35% of applications for review were set aside by the Tribunal.
 - This is an improved outcome for Council compared to 50% of decisions being overturned in the previous six months.
- Otherwise, 48% of Council's decisions were upheld and 17% of reviews varied.

Banyule BPi and Building Control

Detailed metrics, previous year trends and commentary is set out for Building in Attachment 2.

Financial Performance

- The financial performance for Banyule BPi for 2000-21 is a net return of \$371,014 (excluding corporate overheads). This is a 37% increase on the last full financial year result. This is a strong result considering less predictability in the construction sector in the period.
- Council has recruited a Cadet Building Surveyor funded by the State Government *Women in Building Surveying* program. The two year cadetship will allow for on the job training with the building team whilst undertaking study to establish a clear pathway to encourage women within the Building Surveying profession.

PLANNING AND BUILDING ACTIVITIES REPORT JANUARY - JUNE 2021 cont'd

Swimming Pool Registrations

- A total of 4,104 residents with properties containing swimming pools or spas have now registered with Council in accordance with new legislation. Further communication and enforcement with property owners yet to register will take place in coming months.

Investigations

There were an average of 13 new investigations received per month between January and June 21, with the number of total active investigations remaining constant at approximately 150. Both the number of active and new investigations received remains consistent with the previous 6 month period.

Combustible Cladding enforcement

- Council continue to work closely with Cladding safety Victoria and the Victorian Building Authority to reduce the number of buildings identified as containing combustible cladding. Council closed 10 of the 26 outstanding orders administered by Banyule with 16 remaining active sites. The Victorian Building Authority have taken on a further 13 high risk sites from Banyule with the VBA enforcing remediation.

SUPPORTING REPORT DETAILS

Legal Consideration

- There are no direct legal implications arising from the recommendation contained in this report.

Human Rights Charter

- In developing this report to Council, the subject matter has been considered in accordance with the requirements of the *Charter of Human Rights and Responsibilities Act 2006*.
- It is considered that the subject matter does not raise any human rights issues.

Sustainable Procurement Outcomes

- There are no sustainable procurement activities arising from the recommendation contained in this report.

Financial Implications

- There are no financial implication arising from the recommendation contained in this report.

Officer Declaration of Conflict of Interest

- The *Local Government Act 2020* requires members of Council staff, and persons engaged under contract to provide advice to Council, to disclose any direct or indirect interest in a matter to which the advice relates.

PLANNING AND BUILDING ACTIVITIES REPORT JANUARY - JUNE 2021 cont'd

- Council officers involved in the preparation of this report have no conflict of interest in this matter.

ATTACHMENTS

No.	Title	Page
1	Development Planning Activities January to June 2021	
2	Buidling Activities Jan - Jun 2021	

5.4 COVID-19 RESPONSE - BUSINESS SUPPORT PACKAGE AND ECONOMIC DEVELOPMENT AND RECOVERY PLAN 2022-2025

Author: Michelle Isherwood - Economic Development Officer, City Development

Previous Items

Council on 6 April 2020 (Item 3.1 - Banyule City Council's Response to COVID-19)

Council on 6 July 2020 (Item 5.3 - COVID - 19 Response - Community and Business Support Package 2020-2021)

Council on 14 Dec 2020 7.00pm (Item 3.3 - COVID-19 Response - Banyule's Economic Support Package - Status Update (Ratepayers, Business and Community))

SUMMARY

1. On 16 March 2020, a State of Emergency was declared in Victoria in relation to the COVID-19 pandemic. In response, Council confirmed Banyule's Economic Support Package of \$10.5m to support rate payers, local businesses and community groups to complement both the Federal and Victorian Government's support packages.
2. Council has provided significant assistance to business since the beginning of the COVID-19 Pandemic including committing \$2.6m to support business recovery.
3. This report provides an update in relation to the outputs achieved to date, to assist businesses in Banyule to respond and emerge from the global pandemic.

RECOMMENDATION

That Council:

1. Note the extensive efforts undertaken to support local economy, businesses and jobs in response to the economic impacts of COVID-19.
2. Commence the development and delivery of the Economic Development Strategy and Recovery Plan 2022 to 2025 that responds to the opportunities and needs of the business community and identifies actions to aid business recovery from the COVID-19 pandemic.

COUNCIL PLAN

- This report is in line with Banyule's Council Plan key direction to "Invest in and support activity centres and employment precincts".

COVID-19 RESPONSE - BUSINESS SUPPORT PACKAGE AND ECONOMIC DEVELOPMENT AND RECOVERY PLAN 2022-2025 cont'd

BACKGROUND

- Banyule Council's five-year Economic Development Plan spanning from 2015 to 2020 has expired. The five year strategy delivered economic activity and growth that reflected the principal priorities within Banyule under four strategic objectives:
 - Vibrant precincts
 - Business support
 - Investment and attraction
 - Leadership and partnerships
- The existing Economic Development Plan that was developed in 2015 was in the context of the prevailing economic conditions and Council priorities at the time.
- On 6 April 2020 Council introduced a five-point plan in response to COVID-19 that included support for the local economy. This support took the form of special rate and charge contributions; extended grants programs and other business initiative programs.
- Gross Domestic Product (GDP) figures released from the Australian Bureau of Statistics (ABS) in March 2021 show that Australia's economy rose 1.8 per cent in the March quarter reflecting the continued easing of COVID-19 restrictions and the recovery in the labour market.
- Household expenditure rose 1.2 per cent this quarter but remained 1.5 per cent below December quarter 2019 pre-pandemic levels.
- Spending on services (+2.4%) drove the quarterly rise. Hotels, cafes and restaurants, recreation and culture and transport services continued to rebound as movement and trading restrictions eased. Spending on services remains down on pre-pandemic levels, particularly those impacted by the closure of international borders.
- Spending on goods declined 0.5 per cent this quarter but remained at elevated levels. Expenditure on both food (-1.4%) and alcoholic beverages (-3.9%) fell, reflecting a shift towards dining out as restrictions eased.
- Gross disposable income rose 1.0 per cent in the quarter. Compensation of employees rose 1.5 per cent, reflecting increases in employment and hours worked as economic activity continued to recover. This was partly offset by a decline in benefit payments as additional COVID-19 support wound back.

Business Support

Special Rate and Charge Schemes Contribution

- A State of Emergency was declared in Victoria on 16 March 2020, in relation to the COVID-19 pandemic. In recognition of the COVID related impacts, Council extended its support for businesses, by providing additional funding for the Special Rate and Charge Schemes across 11 Trader Associations covering the 4th instalment of 2019/20 and the full years' instalment for 2020/2021 to the value of \$789,290.

COVID-19 RESPONSE - BUSINESS SUPPORT PACKAGE AND ECONOMIC DEVELOPMENT AND RECOVERY PLAN 2022-2025 cont'd

Rediscover Local Campaign

- The Rediscover Local Campaign was formed to boost the local economy by motivating residents and businesses to shop locally for their goods and services and has been well received by business and the community.
- So far, the campaign has delivered;
 - Campaign website: A Banyule Business Directory of over 1100 business, Little Book of Banyule offers and sequence of 38 Spotlight on Small Business videos
 - Social Media presence: Instagram and Facebook pages promoting over 325 Banyule businesses
 - Advertising: print and digital advertising and direct mail out to resident and businesses, bus shelter advertising at 10 key locations, posters, gift cards and videos
 - Shop front and place activation: Branded in-store collateral and activation of vacant shopfronts, parklets with café barriers and a branded pop up park
- The campaign has reinvested over \$100,000 into the local economy by partnering with Banyule businesses and a further \$10,000 was invested in businesses in Melbourne's north supporting, contributing to sustaining local jobs.
- A Rediscover Local Campaign Review and Results Report for the last 11 months is included as **Attachment 1**.

Grants

- The COVID-19 Business Grants program has received a total of 367 applications since its inception in April 2020, attracting over 520 enquiries from local businesses.
- The program has been successful in supporting existing businesses impacted by COVID-19 and new start-ups finding opportunity in the changed environment.
- Banyule Council has expended \$540,000 dollars to 165 (45% of total submitted) Banyule based businesses in Rounds 1 to 5.
- Based on 86 acquittals, the grant program has had the following impact on businesses:
 - 91% said their project improved their financial resilience
 - 18.1 FTE created as a direct result of the grants
 - 176 employees were kept in jobs
 - 70% reported an increase in total net profits
- A Business Grants Outcomes Report for Rounds 1 to 5 is included as **Attachment 2**.

COVID-19 RESPONSE - BUSINESS SUPPORT PACKAGE AND ECONOMIC DEVELOPMENT AND RECOVERY PLAN 2022-2025 cont'd

Training and Development

- The business training and events program delivered 32 online events impacting over 500 participants aimed at supporting business throughout the pandemic. Business training and events included:
 - Free Business Mentoring
 - Virtual Business Networking
 - Grant writing opportunities
 - Social Media workshops including Facebook advertising, engage followers on Instagram, designing in Canva and digital business trends.
 - Building a website, get found on Google and Search Engine Optimisation

Business Investment Fund and Major Development Permit Applications

- Councils Business Investment Fund financially assisted individual enterprises through the Council application process by covering the planning permit application fees (including advertising) for small businesses to the value of \$27,596, with a further \$32,990 allocated to Fast-Track and expedite major development applications.

Small Business Permit Assistance

- Through Council's Business Concierge Officer, the Small Business Permit Assist Program has received a total of 102 applications providing tailored preliminary information to start up and existing businesses.
- The program aims to provide businesses with;
 - Guidance on the types of permits and registration you may need
 - details on the documentation and supporting information needed to lodge complete permit and registration applications
 - an indication of the aspects of your business idea that generally align with policy or could introduce complexity if you do apply for permits and registration
 - business planning or support services
- Since its inception in January 2021, 102 business applications have been lodged which attribute to 83% Start-up and 19% expanding their existing businesses. The breakdown between start-up and expanding businesses is;
 - Home based business 49%
 - Commercial business 47%
 - Mobile business 6%
- Small Business Permit Assists applicants were invited to participate in a survey. The key findings of this survey identified that 68% of businesses found the service to be helpful and specific to their needs with 79% stating that they would recommend this service to other businesses.

COVID-19 RESPONSE - BUSINESS SUPPORT PACKAGE AND ECONOMIC DEVELOPMENT AND RECOVERY PLAN 2022-2025 cont'd

Outdoor Dining

- Banyule Council supported over 50 hospitality businesses to temporarily extend their outdoor dining through extended footpath trading. Additionally, seven parklets (temporary dining areas that used car-parks directly in front of businesses) were established in key activity strips in Banyule.
- Council will undertake community engagement in early 2022 to further increase Council's understanding of the impact parklets are having on its shopping centre precincts.

KEY ISSUES

- Council has continued to respond to local business needs and provided programs, initiatives and monetary contributions to support businesses in a time of constant change and uncertainty.
- Snap lockdowns will continue to significantly impact local businesses.
- Local businesses are at the forefront of Victoria's recovery and will be crucial in getting our economy back on track.
- The COVID – 19 economic recovery depends on the success of the stimulus packages being provided by all levels of government.
- The Economic Development Strategy and Recovery Plan 2022 -2025 will consider the economic and demographic trends that are impacting the local economy. The plan will highlight the issues that should be addressed and the opportunities that could be achieved for Banyule's economy and business community.

SUPPORTING REPORT DETAILS

Legal Consideration

- There are no direct legal implications arising from the recommendation contained in this report.

Human Rights Charter

- In developing this report to Council, the subject matter has been considered in accordance with the requirements of the *Charter of Human Rights and Responsibilities Act 2006*.
- Section 13 of The Charter of Human Rights and Responsibilities enshrines the Right to privacy and reputation. In assessing the degree of hardship being suffered by businesses, there is a requirement to request more information than is usually provided to Council in the normal course of interactions between business and Council.
- As part of the Business Support Grants Council may request information and supporting documentation relating to financial and business-related documents. This information will be used only for the purposes of assessing hardship and will have administrative controls to ensure this information is restricted to those assessing or reviewing business grant applications.

COVID-19 RESPONSE - BUSINESS SUPPORT PACKAGE AND ECONOMIC DEVELOPMENT AND RECOVERY PLAN 2022-2025 cont'd

Sustainable Procurement Outcomes

- There are no sustainable procurement activities arising from the recommendation contained in this report.

Financial Implications

- There are no specific identified financial implication arising from the recommendation contained in this report at this stage.

Community Engagement

- Banyule Businesses were invited to participate in a third business survey. The first business impact survey was run in May 2020 and 125 businesses responded. The second survey opened on Monday 26 October and closed on Sunday 8 November 2020 and 135 businesses participated in the survey. The third business pulse survey opened in June and closed on 4 July. In total 98 businesses responded to the survey.
- Overall the survey identifies that businesses are still struggling to work back towards their pre COVID trading figures.

Key Findings:

- 86% of business responded they had been negatively affected by the impacts of COVID-19 and 44% reported they are operating at less than 50% of pre COVID figures
- The top three initiatives of the economic support package in terms of benefit were Banyule Business grants, rates partial waiver and the Rediscover Local campaign
- 50% of businesses also highlighted that with continued lockdowns and restrictions their business will not be viable in three months' time, while 13% identifying that their business could easily adapt in the current climate

Key Considerations

- Excluding the Business Investment Fund and Major Development Permit Applications fund, all initiatives included in this report will continue throughout the 2021/22 financial year.
- Further work and planning is required to address the ongoing economic impacts of COVID along with the future needs of businesses.
- The development of the new Economic Development Strategy and Recovery Plan 2022–2025 will be comprehensive and is aimed at linking strongly with the Banyule Community Vision 2041 under the strategic objective “Our Thriving Local Economy”.
- Based on the new vision, the plan aims to consider:
 - Economic and demographic trends that are impacting the local economy
 - Changing external forces including significant regional development projects which will present a range of business development and investment challenges and opportunities
 - The impacts on the local economy resulting from the COVID-19 pandemic

COVID-19 RESPONSE - BUSINESS SUPPORT PACKAGE AND ECONOMIC DEVELOPMENT AND RECOVERY PLAN 2022-2025 cont'd

- An integrated place-based approach to improve the quality of its places
- Local investment and employment opportunities, including supporting a diverse range of businesses
- The development of the Economic Development Strategy and Recovery Plan 2022 to 2025, provides an opportunity for Council to respond to the opportunities and needs of the business community and identifies actions to aid business recovery from the COVID-19 pandemic

Officer Declaration of Conflict of Interest

- The *Local Government Act 2020* requires members of Council staff, and persons engaged under contract to provide advice to Council, to disclose any direct or indirect interest in a matter to which the advice relates.
- Council officers involved in the preparation of this report have no conflict of interest in this matter.

ATTACHMENTS

No.	Title	Page
1	Rediscover Local Campaign Review and Results	
2	Business Grants Outcomes Report Round 1-5	

5.5 PROPOSED DECLARATION OF A SPECIAL CHARGE - HEIDELBERG CENTRAL SHOPPING PRECINCT

Author: Daniela Ahimastos - Economic Development Officer, City Development

Ward: Griffin

Previous Items

Council on 12 Apr 2021 7.00pm (Item 5.7 - Notice of Intention to Declare a Special Charge - Heidelberg Central Shopping Precinct)

Council on 28 Jun 2021 7.00pm (Item 5.3 - Consideration of Submissions and Objections - Heidelberg Central Shopping Precinct Special Charge)

SUMMARY

1. Following the Ordinary Council Meeting held on 12 April 2021, and in accordance with the statutory process under the *Local Government Act 1989* (“**Act**”) for the declaration of a Special Charge (“Special Charge” and “Scheme” and “Proposed Declaration”), a statutory public notice of Council’s intention to declare the Special Charge for Heidelberg Central Shopping Precinct was advertised in the “*The Herald Sun*” newspaper on 20 April 2021, and placed on Council’s website.
2. Separate letters, advising of Council’s intention to declare the Special Charge were mailed by ordinary post, on 22 April 2021 to all owners and occupiers of the properties included in the proposed Scheme, with a copy of the public notice.
3. The public notice advised that any person may make a written submission under sections 163A and 223 of the Act. The public notice further advised that any person who would be required to pay the Special Charge (whether an owner or an occupier of a property included in the Scheme) had a right to object to the Proposed Declaration and could make a written objection to the Council under section 163B of the Act.
4. The closing date for submissions and objections was 21 May 2021. Council received by this date a total of nine written submissions in support of the proposed Scheme and two objections, representing 14 rateable properties, opposing the proposed Scheme.
5. Council formally considered the written submissions at its ordinary meeting held on 28 June 2021, and heard two speakers in support of the scheme and resolved to proceed to make a final decision in relation to the Scheme at its ordinary meeting to be held on 9 August 2021.

PROPOSED DECLARATION OF A SPECIAL CHARGE - HEIDELBERG CENTRAL SHOPPING PRECINCT cont'd

RECOMMENDATION

That:

1. Council, having considered all submissions received under section 223 of the *Local Government Act* 1989 (“Act”) and having complied with the requirements of sections 163A, 163B and 223 of the Act, and otherwise according to law, hereby declares a Special Charge under section 163(1) of the Act for the purposes of defraying expenses to be incurred by Council in providing funds to the Heidelberg Central Traders Association (“*Traders Association*”), for the purposes of:
 - (a) Collective marketing and promotion of the precinct as a whole, which will assist in raising the profile of the area, including what it has to offer to the community and its customers,
 - (b) A resourced and supported Traders Association that coordinates the daily management of activities and drives the overall strategic direction of the precinct with the support of Council, and
 - (c) Enhanced property values and improved use, enjoyment and occupation of properties and overall business goodwill within the Shopping Precinct.
2. The period for which the Special Charge is declared and will remain in force is a period of 5 years commencing on 1 July 2021 and ending on 30 June 2026.
3. Based on the 262 rateable assessments included in the Scheme, an amount of \$97,856 per annum will be raised for a period of five years. This amount will be supplemented by Council’s contribution of a further \$88,797 per annum to provide a total annual budget to \$186,653.
4. The area for which the Special Charge is declared is the land referred to as The Heidelberg Central Shopping Precinct, as identified in [Attachment 1](#).
5. The land in relation to which the Special Charge is declared is all that rateable land described in the listing of rateable properties set out in [Attachment 2](#).
6. The Special Charge will be levied by Council sending a notice of levy (“Notice”) in the prescribed form annually to the person who is liable to pay the Special Charge, which will require that the Special Charge be paid in the following manner –
 - by one annual payment to be paid in full by the due date fixed by Council in the notice, which will be a date not less than 30 days after the date of issue of the notice; or
 - by four instalments, to be paid by the dates which are fixed by Council in the Notice.
7. Council will consider cases of financial and other hardship, and it may reconsider other payment options for the Special Charge. No incentives will

PROPOSED DECLARATION OF A SPECIAL CHARGE - HEIDELBERG CENTRAL SHOPPING PRECINCT cont'd

be given for payment of the Special Charge before the due date for payment in the Notice.

8. Subject to paragraph 9 of this proposed Declaration, the Traders' Association be authorised on behalf of the Council, administratively only and subject always to the supervision, direction and control of the Council, to administer the proceeds of the Special Charge on the express condition that the Traders' Association first enter into a funding agreement with the Council for the period of the Special Charge (Funding Agreement)."
9. The Funding Agreement must be approved by the Chief Executive Officer of Council, and without limitation, it must contain a condition which replaces Condition 6 of the funding agreement previously entered into between the Council and the Traders' Association for the previous Special Charge (New Condition 6).

The New Condition 6 must –

- (a) give the Council the legal right, in its absolute and unfettered discretion (and without first requiring any recourse to the Traders' Association), to unconditionally terminate the Funding Agreement for any reason which the Council considers to be relevant and appropriate by way of the Council first giving the Traders' Association 7 days' written notice of the Council's decision to terminate the Funding Agreement; and
 - (b) following such termination, allow the Council, by utilising the Council's own staff or any contracted third party, to assume ongoing responsibility for the administration of the Special Charge."
10. Notice be given to all owners and occupiers of properties included in the Scheme and all persons who have lodged a written submission of the decision of Council to declare and levy the Special Charge commencing on 1 July 2021, and the reasons for the decision.
 11. The Traders' Association be notified of the matters specified in paragraphs 1 and 10 of this resolution.

COUNCIL PLAN

- This report is in line with Banyule's Council Plan key direction to "Invest in and support activity centres and employment precincts".

PROPOSED DECLARATION OF A SPECIAL CHARGE - HEIDELBERG CENTRAL SHOPPING PRECINCT cont'd

BACKGROUND

- The process to declare the Special Charge for Heidelberg Central Shopping Precinct began with a pre-statutory phase of consultation and review in early 2021. Both the Traders' Association and Council were committed to a review of the performance of the current Scheme in order to accommodate future improvements and to assist with setting new directions should the Scheme be renewed. The consultation outcomes indicated a good level of positivity and optimism for the Scheme to continue. Hence, and as previously notified to Council, the Traders' Association made a formal request for Council to commence the statutory process to declare, by way of renewal, a new Special Charge Scheme.

KEY ISSUES

- The economic impact of COVID-19 on our retail centres has been significant. The Special Charge Scheme will proactively encourage commerce and business activity within Heidelberg Central Shopping Precinct at a time when businesses recover from COVID – 19 impacts and will need the support to do so.
- The Heidelberg Central Traders Association and Council believe that the scheme will assist the entire shopping precinct to attract visitation back to the shopping precinct as well as support business through the transition via joint promotion, marketing and business development activities. A Special Charge can play a critical role in helping to fund these activities.
- Council received a copy of each submission and objection per verbatim at the Council Meeting on 28 June 2021. The fact that there were only two objections to the proposed Scheme is considered to be a very positive reflection on the past performance and success, as well as an indicator of the need for marketing support.

SUPPORTING REPORT DETAILS

Legal Consideration

- Council requires Heidelberg Central Traders' Association to have a high level of financial and management accountability of funds.
- This includes certain requirements identified in Council's standard funding agreement ("Funding Agreement") and other documentation that must be regularly submitted to Council for approval, including quarterly reports, a budget and an audited financial report at the conclusion of each financial year. Council will ensure that, under the Funding Agreement, the proceeds of the Special Charge are expended by the Traders' Association on behalf of Council, administratively only.
- As part of the process for preparing this report Council sort legal advice in relation to the Funding Agreement. The advice recommended the inclusion of a new clause (new condition 6) be ensure Council has adequate flexibility should the agreement need to be terminated.
- Council is, and remains, legally responsible for approving, directing and controlling the expenditure of the proceeds of the Special Charge in accordance with its obligations under the *Local Government Act 2020* and the *Local Government Act 1989*.

PROPOSED DECLARATION OF A SPECIAL CHARGE - HEIDELBERG CENTRAL SHOPPING PRECINCT cont'd

- In accordance with section 185 of the Act, a person who is aggrieved by Council's decision to impose a Special Charge may apply to the Victorian Civil and Administrative Tribunal ("VCAT") for a review of the decision. Any application must be made within 30 days of the Notice levying the Special Charge. Further, in accordance with section 185AA of the Act, any person may apply to VCAT for a declaration concerning the validity of Council's decision.

Human Rights Charter

- In developing this report to Council, the subject matter has been considered in accordance with the requirements of the *Charter of Human Rights and Responsibilities Act 2006*.
- It is considered that the subject matter does not raise any human rights issues.

Sustainable Procurement Outcomes

- There are no sustainable procurement activities arising from the recommendation contained in this report.

Financial Implications

- The Traders' Association has requested and it is otherwise being recommended to Council that the proposed Scheme raise an amount of \$97,856 per annum.
- This amount will be supported by Council's contribution of \$88,797 in order to provide a total budget of \$186,653 per annum.

Community Engagement

- Consultation and engagement for this Scheme proposal has been extensive throughout the various stages of both the pre-statutory and statutory processes. Council's commitment to supporting a thorough review and consultation process, and also in adopting best practice approaches for its special charge and rate renewals, supports a clear, open and transparent process.
- This fairly and openly allows for all owners and occupiers and other stakeholders to be informed of Council's intentions for the Scheme, their respective rights and obligations, and also the opportunity for them to provide comment and formal feedback through each stage of the proposal.
- Following this Report, and if Council proceeds with the Declaration all owners and occupiers will be advised of Council's decision to declare the Special Charge for Heidelberg Central Shopping Precinct and the reasons for doing so.
- With respect to statutory consultation, the closing date for submissions and objections was on 21 May 2021. Council received by this date a total of nine written submissions in support of the proposed Scheme and two objections, representing 14 rateable properties, opposing the proposed Scheme.
- Council formally considered the submissions at its Ordinary Meeting on 28 June 2021 and resolved that, following a consideration of submissions, to make a final decision in relation to the Scheme at its ordinary meeting to be held on 9 August 2021.

PROPOSED DECLARATION OF A SPECIAL CHARGE - HEIDELBERG CENTRAL SHOPPING PRECINCT cont'd

Key Considerations

- The submissions in support of the Scheme have highlighted the ongoing value and benefit of the Special Charge program to Heidelberg Central Shopping Precinct over a number of years, particularly during a time of economic uncertainty brought on by the impacts of COVID-19.
- The fact that there were only two objections to the proposed Scheme is considered to be a very positive reflection on the past performance and success, as well as an indicator of the need for marketing support during a period of economic downturn.

TIMELINES

The key developments in the statutory process for the declaration of a Special Charge to date have been as follows:

- 12 April – Council report – Notice of Intention to Declare a Special Rate;
- 20 April – Public Notice of Proposed Declaration advertised in newspaper and on Council's website;
- 22 April – A copy of the public notice with separate letter sent to all owners and occupiers advising of proposed Special Charge amount payable;
- 21 May – Submissions and Objections due;
- 28 June – Council report – Consideration of Submissions and Objection; and
- 9 August– Council report – Recommendation that decision be resolved.

Officer Declaration of Conflict of Interest

- The *Local Government Act 2020* requires members of Council staff, and persons engaged under contract to provide advice to Council, to disclose any direct or indirect interest in a matter to which the advice relates.
- Council officers involved in the preparation of this report have no conflict of interest in this matter.

ATTACHMENTS

No.	Title	Page
1	Map of Participating Properties	
2	List of Participating Properties and Annual Charge	

5.6 MOTHER OF GOD CHURCH, IVANHOE EAST - INTERIM HERITAGE OVERLAY REQUEST

Author: Nicola Rooks - Strategic Planner, City Development

Ward: Griffin

Previous Items

Council on 07 Jun 2021 7.00pm (Item 5.3 - Mother of God Church, Ivanhoe East - Interim Heritage Protection)

SUMMARY

1. The purpose of this report is to satisfy an administrative requirement requested by the Department of Environment, Land, Water and Planning (DELWP) to support the progression of an interim Heritage Overlay (HO) to the Mother of God Church (Ivanhoe East).
2. On the 7 June 2021, Council considered a report to prevent the potential demolition of the Mother of God Church (Church) at 56 Wilfred Road Ivanhoe East. Council resolved to request an interim HO if the demolition application that had been received was not withdrawn.
3. On the 10 June 2021, Council requested the Minister for Planning to apply an interim HO in the Banyule Planning Scheme to 56 Wilfred Road, Ivanhoe East.
4. DELWP have since advised it cannot progress the request until Council adopts the Statement of Significance (SoS) for the Church and resolves to seek authorisation for an amendment to apply the HO to the site on a permanent basis.
5. The Church is included in Council's current municipal wide heritage study which is nearing completion and is expected to be presented to Council for adoption in September 2021. As DELWP has requested Council to adopt the SoS for the Church by the end of August, the matter needs to be addressed ahead of the heritage study. Permanent controls for the Church can still be included in a broader amendment that captures all heritage properties in September to avoid duplication of process.
6. Adopting the SoS for the Church and resolving to seek an amendment to apply the HO on a permanent basis will meet the administrative requirements of DELWP and allow the request for the interim HO to be progressed without further delay.

RECOMMENDATION

That Council:

1. Adopts the Statement of Significance included in the Heritage Citation for the Mother of God Church, Ivanhoe East provided in Attachment 1.
2. Agrees to pursue permanent controls for the Mother of God Church at 56 Wilfred Road, Ivanhoe East noting that the future planning scheme amendment process will be subject to Council's consideration of the municipal-wide Heritage Study in September 2021.

MOTHER OF GOD CHURCH, IVANHOE EAST - INTERIM HERITAGE OVERLAY REQUEST cont'd

COUNCIL PLAN

- This report is in line with Banyule's Council Plan key direction to "Preserve and improve Banyule as a great place to live, work and play".

BACKGROUND

- Council is currently progressing a municipal wide heritage study that aims to identify and assess the heritage value of places that are not yet covered by the HO. The study is nearing completion and is expected to be presented to Council in September 2021. The Mother of God Church is one of a number of properties that will be recommended for inclusion on the HO as an outcome of the study.
- The Mother of God Church, built in 1957, is an early modernist church designed by Mockridge, Stahle & Mitchell. The church has been subject to a detailed heritage assessment by expert heritage consultants who have concluded the church is of historical and aesthetic significance to Banyule City Council. The heritage citation for the Church which includes the statement of significance is included at **Attachment 1**.
- In response to a demolition application for the Church, Council resolved to seek an interim HO to protect the Church while the study is being completed. The request for interim HO (Amendment C163) was made on the 10 June 2021.

KEY ISSUES

- DELWP notified Council on the 5 July 2021 that:

DELWP cannot progress this request for an interim heritage control until your council has either:

- *Adopted the relevant Municipal Wide Heritage Study including the Statement of Significance for The Mother of God Church and resolved to seek authorisation for an amendment applying the heritage overlay to the site on a permanent basis, or*
- *Adopted or endorsed the Statement of Significance for The Mother of God Church and resolved to consider the matter at its September meeting when it will make a decision about adopting the relevant Municipal Wide Heritage Study and seek authorisation for an amendment to apply the heritage overlay to the site on a permanent basis.*

This should be done by the end of August 2020 at the latest to ensure this matter is progressed in an appropriate timeframe. On receipt of this documentation, a decision on Amendment C163bany will be made as soon as possible.

A copy of the letter is available at **Attachment 2**. Whilst it refers to August 2020, this is clearly an error and is intended to be August 2021.

- Council was not advised of the requirement to adopt a Statement of Significance before an interim HO request could be considered, until after the amendment request had been submitted. To meet this obligation, it is considered Council should now adopt the SoS for the Church and resolve to seek permanent controls. This will allow the interim request to be progressed.

**MOTHER OF GOD CHURCH, IVANHOE EAST - INTERIM HERITAGE OVERLAY
REQUEST cont'd**

SUPPORTING REPORT DETAILS

Legal Consideration

- The *Planning and Environment Act 1987* governs the Planning Scheme Amendment process. The request for the interim HO was made utilising section 20(4) which enables the Minister for Planning to amend a planning scheme, with exemption from notice requirements.

Human Rights Charter

- It is considered that the subject matter does not raise any human rights issues.

Sustainable Procurement Outcomes

- There are no sustainable procurement activities arising from the recommendation contained in this report.

Financial Implications

- There are no financial implication arising from the recommendation contained in this report.

Officer Declaration of Conflict of Interest

- Council officers involved in the preparation of this report have no conflict of interest in this matter.

ATTACHMENTS

No.	Title	Page
1	Heritage Citation - Mother of God Church	
2	Letter from DELWP requesting more information	

6.1 VICTORIAN GOVERNMENT SPORT AND RECREATION FUNDING OUTCOMES

Author: Melinda Ramsay - Leisure & Cultural Services Coordinator, Community Programs

Previous Items

Council on 01 Mar 2021 7.00pm (Item 6.1 - State Government Funding Applications - Sport and Leisure)

SUMMARY

1. The 2021/2022 Local Sports Infrastructure Fund (LSIF) and World Games Fund are Victorian Government initiatives that provide State Government funding to support high-quality and accessible community sport and recreation facilities.
2. At its meeting 1 March 2021, Council resolved that the following four projects would be submitted as applications to these programs:
 - Beverley Road Oval Surface Full Renovation (LSIF)
 - Macleod Park Pavilion upgrade (LSIF)
 - Partingtons Flat Female Friendly Change rooms (World Games)
 - Chelsworth Park Sport Field lighting (World Games)
3. Council has recently been advised that two of these applications are successful and will receive the following grant contributions:
 - Macleod Park Pavilion upgrade - \$320,000
 - Partingtons Flat Change rooms upgrade - \$250,000
4. These two successful projects will deliver a total \$1,770,000 of community sports asset and infrastructure. Banyule City Councils contribution funded by the existing capital works program will be a total of \$1,200,000 across the two projects. The remaining \$570,000 will be funded by the LSIF grant of \$320,000 and World Games Fund grant of \$250,000.
5. The 2021/2022 budget allocation of \$800,000 for the Macleod Park Pavilion upgrade will be deferred to 2022/2023 to enable an effective redefined scope of works, detailed design, planning permit requirements and construction in consultation with all tenants of the pavilion.

**VICTORIAN GOVERNMENT SPORT AND RECREATION FUNDING OUTCOMES
cont'd**

RECOMMENDATION

That Council:

1. Acknowledges the \$320,000 from the Victorian Government Local Sports Infrastructure Fund (LSIF), and \$250,000 from World Games Fund for the delivery of the Macleod Park Pavilion upgrade and Partington Flats Change rooms upgrade.
2. Informs stakeholders regarding the outcome of the funding applications and proceeds with the implementation of both projects.
3. Notes the budget allocation for Macleod Park Pavilion in 2021/2022 is to be deferred to 2022/2023 to enable effective construction and delivery and reduce impacts on tenant clubs.

COUNCIL PLAN

- This report is in line with Banyule's Council Plan key direction to "Support and promote health and wellbeing".

BACKGROUND

- The Local Sports Infrastructure Fund (LSIF) provides grants for planning, building new, and improving existing facilities where communities conduct, organise and participate in sport and recreation. The outcomes are focused on delivery of high-quality and accessible community sport and recreation facilities. There are a number of streams, Female Friendly being one of these.
- The World Game Facilities fund promotes partnerships between the Victorian Government, Local Government Authorities, football leagues and associations and local sporting clubs to deliver on upgrading existing and constructing new football (soccer) facilities including lighting
- Projects submitted under the above streams were as follows:
 - Macleod Park Pavilion Upgrade (LSIF Female Friendly)
 - Partingtons Flat Female Friendly Change rooms (World Games)
 - Chelsworth Park –Sport Field lighting Ivanhoe Soccer (World Games)
- The Beverley Road Oval full renovation was withdrawn as the project criteria required Melbourne Water approval due to the location of the sports field near Warringal wetlands. This approval could not be obtained in the specified application time frame. The project is now included within councils adopted budget for 2021/2022.

**VICTORIAN GOVERNMENT SPORT AND RECREATION FUNDING OUTCOMES
cont'd**

- Chelsworth Park Sports field lighting construction – Old Ivanhoe Soccer was not successful in its application to the World Games Fund on this occasion. Council has allocated \$330,000 in the 2021/2022 budget to deliver this project and will commence scope and consultation shortly.
- Council has recently been advised that the following two projects have been successful for funding. Details of the successful projects are as follows:

Partington Flats - Upgrade pavilion to female friendly

Banyule City Council	:	\$400,000
World Games Fund:		\$250,000
Total project cost estimate:		\$650,000

- Partingtons Flat is home to Diamond Valley City Soccer Club and comprises senior male and female teams and junior male and female teams. The Club is very supportive of the project and has been working with Council officers on the needs and concepts to deliver the best outcomes

Macleod Park Pavilion Upgrade

Banyule City Council		\$ 800,000
LSIF Grant:		\$ 320,000
Total project cost estimate:		\$1,120,000

- Macleod Park is home to Macleod Junior Football club and Macleod Cricket Club. The football club comprises of both male and female junior teams. The Cricket Club has senior male teams, and male and female junior teams.
- All tenant clubs are supportive of the project and have been in consultation with Council on needs, timing, options and scope.

KEY ISSUES

- Following recent design investigation and stakeholder consultation undertaken for Macleod Park Pavilion, this project will now be moved from delivery in this financial year to delivery in 2022/2023 to allow sufficient time for a re-defined scope of works, detailed design, planning permit requirements and construction.
- This change also avoids having both the cricket and football clubs displaced and having to relocate to another facility. This decision has been made in consultation with the Clubs who are supportive of this approach to achieve a better outcome that has far less impact on the club's operations.
- A variation report to Sport and Recreation Victoria reflecting the LSIF funding expenditure move to 2022/2023 year has been discussed with SRV who are supportive of this change.

SUPPORTING REPORT DETAILS

Legal Consideration

- There are no direct legal implications arising from the recommendation contained in this report.

**VICTORIAN GOVERNMENT SPORT AND RECREATION FUNDING OUTCOMES
cont'd**

Human Rights Charter

- It is considered that the subject matter does not raise any human rights issues.

Sustainable Procurement Outcomes

- There are no sustainable procurement activities arising from the recommendation contained in this report.

Financial Implications

- The total amount of grant funding received for these two projects is \$570,000
- Councils contribution of \$1,200,000 across both projects is allocated as part of the 2021/2022 Capital Works budget
- The budget breakdown for each project is as follows:

Partingtons Flat - Upgrade pavilion to female friendly

Council Contribution (2021/2022 Capital Works Budget)	\$400,000
SRV (World Games Fund)	\$250,000
Total project cost estimate:	\$650,000

Macleod Park – Pavilion Upgrade

Council Contribution (21/22 Capital Works Budget)	\$ 800,000
SRV (LSIF grant)	\$ 320,000
Total project cost estimate:	\$1,120,000*

*This budget allocation to be moved to 22/23

Officer Declaration of Conflict of Interest

- The *Local Government Act 2020* requires members of Council staff, and persons engaged under contract to provide advice to Council, to disclose any direct or indirect interest in a matter to which the advice relates.
- Council officers involved in the preparation of this report have no conflict of interest in this matter.

ATTACHMENTS

Nil

6.2 BANYULE 2041 STAGE 3 - PUBLIC EXHIBITION OF COUNCIL PLAN 2021-2025 AND FINANCIAL PLAN 2021- 2031

Author: Kamal Singh - Integrated Planning Project Manager, Corporate Services

SUMMARY

1. The *Local Government Act 2020* (the Act) requires councils to undertake deliberative engagement to inform the development of the Community Vision, Council Plan, long-term Financial Plan and Asset Plan.
2. To fulfil the requirements of the Act and to continue Banyule's long and strong history of working collaboratively with the community, Banyule 2041 Shaping Our Future Project (the Project) was endorsed on 7 September 2020.
3. To date, the follow several stages of the Project have been delivered:
 - o **Stage 1** - key findings report was endorsed at the Ordinary Council Meeting on 22 March 2021
 - o **Stage 2** – representatives of the Banyule community joined the Banyule 2041 Community Working Group (CWG) to ensure the community had a voice and platform to shape the future of Banyule. The Community Working Group Journey Report and the Banyule Community Vision 2041 were endorsed at the Ordinary Council Meeting on 19 July 2021.
4. Findings from both stages of community engagement and the existing organisational plan have been utilised to develop the draft Council Plan 2021-2025 and draft Financial Plan 2021-2031.
5. Stage 3 of the project is to provide the public with the opportunity to provide feedback on the draft Council Plan 2021-2025 and draft Financial Plan 2021-2031 via a public exhibition process from 10 August to 7 September.
6. Community engagement feedback will be further utilised to refine the draft Council Plan 2021- 2025 and draft Financial Plan 2021 -2031.
7. The draft Council Plan 2021-25 and draft Financial Plan 2021-2031 will be considered for adoption at the Ordinary Council Meeting on 25 October 2021.

RECOMMENDATION

That Council endorse:

1. The Banyule 2041 Stage 3 Engagement Plan and;
2. The draft Council Plan 2021-25 and draft Financial Plan 2021-31 for the Banyule 2041 Stage 3 engagement activities.

BANYULE 2041 STAGE 3 - PUBLIC EXHIBITION OF COUNCIL PLAN 2021-2025 AND FINANCIAL PLAN 2021- 2031 cont'd

COUNCIL PLAN

- This report is in line with Banyule's Council Plan key direction to "Engage meaningfully with our community and encourage participation".

BACKGROUND

- Banyule 2041- Shaping Our Future Project (the Project) is being undertaken to strengthen Banyule's approach to integrated planning and to fulfil strategic and financial planning requirements specified within the Act.
- There are numerous stages of engagement activities undertaken through the duration of the project that are designed to maintain continual conversation and input from the community.

Banyule 2041 - Stage 1 Engagement - COMPLETE

- Stage 1 engagement of the project started on 30 November 2020 with a range of engagement opportunities such as workshops, online survey, written survey, and telephone surveys being offered throughout the period.
- Over 1,300 responses were received from members of the community on the things they value in Banyule, and their long-term aspirations for the municipality that they hope to live, work and play in.
- The Stage 1 key findings report was endorsed at the Ordinary Council Meeting on 22 March 2021. The report was shared with participants and the wider community through Council's website and Shaping Banyule.

Banyule 2041 - Stage 2 Community Working Group – COMPLETE

- As part of Council's deliberative engagement process and to ensure that the community had a voice and platform to shape the future of Banyule, a Community Working Group (CWG) was formed. The CWG was made up of approximately 55 representatives of the Banyule community from a range of diversities, genders, ages, abilities and backgrounds. This group represented a 'Mini – Banyule' and was a true reflection of the community.
- CWG members attended four (4) workshops between April and May 2021. During the workshops the CWG members co-authored the Community Vision statement and identified community priority themes to focus on for the next 20 years. This has provided the strategic direction for Council to develop its Council Plan and Financial Plan to support the achievement and delivery of the Community Vision.
- The Stage 2 Community Working Group Journey Report and the Banyule Community Vision 2041 was endorsed at the Ordinary Council Meeting on 19 July 2021.

Development of draft Council Plan 2021-2025

- During the workshops the CWG developed community priority themes, and a series of outcomes which provides Council with the strategic framework to work towards achieving the Banyule Community Vision 2041 (the Vision).

BANYULE 2041 STAGE 3 - PUBLIC EXHIBITION OF COUNCIL PLAN 2021-2025 AND FINANCIAL PLAN 2021- 2031 cont'd

- The Vision themes will become the strategic objectives of the next 4-year Council Plan ensuring that there is a direct link between the community's future vision for Banyule and the strategic direction of Council over the life of the Council Plan.
- The six Vision themes are:
 1. Our inclusive and connected community.
 2. Our sustainable environment.
 3. Our well-built City.
 4. Our valued community assets and facilities.
 5. Our thriving local economy.
 6. Our trusted and responsive leadership.
- Since the conclusion of the CWG, the organisation has utilised community feedback from Stage 1 along with recommendations from CWG, existing organisational plans, frameworks and priorities to develop Banyule's draft Council Plan 2021-2025.
- In the draft Council Plan 2021-2025 includes strategic objective set by the CWG, a range of prioritised strategies, strategic indicators and annual actions for 2021-2022. Refer to Attachment 1 – draft Council Plan 2021-2025.

Development of draft Financial Plan 2021 – 2031

- The 10 Year Financial Plan identifies Council's current and projected financial capacity to continue delivering high quality services, facilities and infrastructure while identifying critical new capital investment to respond to future conditions and challenges.
- Developing a Financial Plan is dependent and relies upon several key assumptions. Over time, assumptions will change based on the evolving internal and external environment. The 10 Year Financial Plan will be actively monitored with regular revision to reflect changes.
- This is the first ever 10 - year Financial Plan. The 2021-2025 Budget is the base year of the Financial Plan with subsequent versions enhanced as our approach to long term planning and modelling matures with more sophisticated data and information.
- In this Financial Plan the major revenue and expense categories are explained and include annual percentage escalations for the next ten years comprising the major line items included to the ten-year Comprehensive Income Statement and the estimated annual CPI increases.
- A range of financial indicators are used to demonstrate the financial sustainability of the Financial Plan to gain a better understanding of key measures such as indebtedness and liquidity.

BANYULE 2041 STAGE 3 - PUBLIC EXHIBITION OF COUNCIL PLAN 2021-2025 AND FINANCIAL PLAN 2021- 2031 cont'd

Stage 3 Engagement – Public Exhibition of draft Council Plan 2021-2025 and draft Financial Plan 2021-2031

- Stage 3 of Banyule 2041 – Shaping Our Future Project is planned to take place from 10 August to 7 September. During this period a number of community drop-in sessions and online engagement opportunities will be provided to seek community feedback and views on the draft plans.
- Stage 3 engagement findings will be further utilised to refine the draft Council Plan 2021-25 and draft Financial Plan 2021-2031.
- The draft Council Plan 2021-25 and draft Financial Plan 2021-2031 will be considered for adoption at the Ordinary Council Meeting on 25 October 2021.

SUPPORTING REPORT DETAILS

Legal Consideration

- Section 90 of the Local Government Act 2020 outlines the requirements for councils to develop and adopt a Council Plan. The Council Plan must include:
 1. the strategic direction of the Council;
 2. strategic objectives for achieving the strategic direction;
 3. strategies for achieving the objectives for a period of at least the next 4 financial years;
 4. strategic indicators for monitoring the achievement of the objectives;
 5. a description of the Council's initiatives and priorities for services, infrastructure and amenity;
 6. any other matters prescribed by the regulations.
- Section 91 of the Local Government Act 2020 outlines the requirements for councils to develop and adopt a Financial Plan. The Financial Plan must include:
 1. The scope of a Financial Plan is a period of at least the next 10 financial years.
 2. A Financial Plan must include the following in the manner and form prescribed by the regulations—
 - (a) statements describing the financial resources required to give effect to the Council Plan and other strategic plans of the Council;
 - (b) information about the decisions and assumptions that underpin the forecasts in the statements specified in paragraph (a);
 - (c) statements describing any other resource requirements that the Council considers appropriate to include in the Financial Plan;
 - (d) any other matters prescribed by the regulations.

BANYULE 2041 STAGE 3 - PUBLIC EXHIBITION OF COUNCIL PLAN 2021-2025 AND FINANCIAL PLAN 2021- 2031 cont'd

Human Rights Charter

- In developing this briefing report to Council, the subject matter has been considered in accordance with the requirements of the Victorian Charter of Human Rights and Responsibilities 2006.
- The proposed engagement approach seeks to provide meaningful and accessible engagement opportunities and enable the rights of people to participate in public life and decision making that affects them.

Sustainable Procurement Outcomes

- There are no sustainable procurement activities arising from the next steps contained in this report.

Community Engagement

- Banyule 2041 Stage 1 has now been completed. During this stage of engagement over 1,300 people actively participated in the Project. Stage 1 engagement findings report was shared the with participants and with wider community through Council's website and Shaping Banyule.
- Banyule 2041 Stage 2 has also been completed with formation and delivery of the Community Working Group. During this stage the CWG deliberated over 4 workshops to develop a co – authored Vision statement and provided recommendations to better deliver on Council Plan and Financial Plan.
- Next steps for community engagement include:

Stage	Timeline	Engagement Focus
Stage 3 – Public Exhibition	10 Aug – 07 Sep 2021	Public Exhibition of draft Council Plan and Long-Term Financial Plan
Stage 4 – Adoption	Oct 2021	Council consider Council Plan and Financial Plan for adoption

Officer Declaration of Conflict of Interest

- The Local Government Act 2020 requires members of Council staff, and persons engaged under contract to provide advice to Council, to disclose any direct or indirect interest in a matter to which the advice relates.
- Council officers involved in the preparation of this report have no conflict of interest in this matter.

ATTACHMENTS

No.	Title	Page
1	Draft Council Plan 2021-25 (<i>Under Separate Cover</i>)	
2	Draft Financial Plan 2021-31	

7.1 2 CLAUSCEN STREET, HEIDELBERG HEIGHTS - PROPOSED DISCONTINUANCE AND SALE OF ADJACENT LAND

Author: Amanda Allen - Property Coordinator, City Development

Ward: Olympia

SUMMARY

1. The owners of 2 Clauscent Street, Heidelberg Heights (the Applicant) approached Council to purchase part of the right of way adjacent to their property.
2. Public notice was given in the *Herald Sun* on 8 June 2021, with submissions on the proposal invited in accordance with section 223 of the *Local Government Act 1989* ("Act"). The submission period closed at 5pm on 7 July 2021 with no submissions being received.
3. The purpose of this report is for Council to consider whether or not to proceed with the discontinuance and sale of part of the 'road' or to retain for municipal purposes.

RECOMMENDATION

That Council:

1. In accordance with sections 207A(a) and 223 of the Local Government Act 1989:
 - a. by giving public notice in the *Herald Sun* on 8 June 2021; and
 - b. by noting that no submissions were received in response to the public notice,forms the view that the section of 'road' adjacent to 2 Clauscen Street, Heidelberg Heights (the Land) is no longer reasonably required for general public use for the following reasons:
 - the proposal will not impact on the movement of pedestrians or vehicles within the vicinity of the 'road';
 - there are no impacts on service authority or Council assets;
 - the discontinuance of the section of 'road' will not affect neighbouring properties as it is not currently used by neighbouring properties.
2. Authorises the publication of its resolution in the Victoria Government Gazette.
3. Acknowledges that upon publication of the resolution in the Victoria Government Gazette the section of 'road' is discontinued and the land will be sold to the owner of 2 Clauscen Street, Heidelberg Heights.
4. Authorises the amendment of Council's Road Register to reflect the discontinuation of the section of 'road', following publication of the resolution in the Victoria Government Gazette.

2 CLAUSCEN STREET, HEIDELBERG HEIGHTS - PROPOSED DISCONTINUANCE AND SALE OF ADJACENT LAND cont'd

5. Writes to the owner of 2 Clauscen Street, Heidelberg Heights, advising them of the decision and the reason for that decision.
6. Authorises the signing of the necessary documentation at the appropriate time.

COUNCIL PLAN

- This report is in line with Banyule's Council Plan key direction to "Provide responsible financial management and business planning".

BACKGROUND

- The section of unconstructed 'road' known as RW161 abuts the side of properties 2 Clauscen Street and 6 Clauscen Street, Heidelberg Heights, and has an area of approximately 52m², see Figure 1.
- The owner of 2 Clauscen Street, Heidelberg Heights has approached Council to purchase the land for the purpose of extending their carport and backyard.
- The land is intended to be sold at market value with the applicant to cover any additional costs relating to the discontinuance and sale.

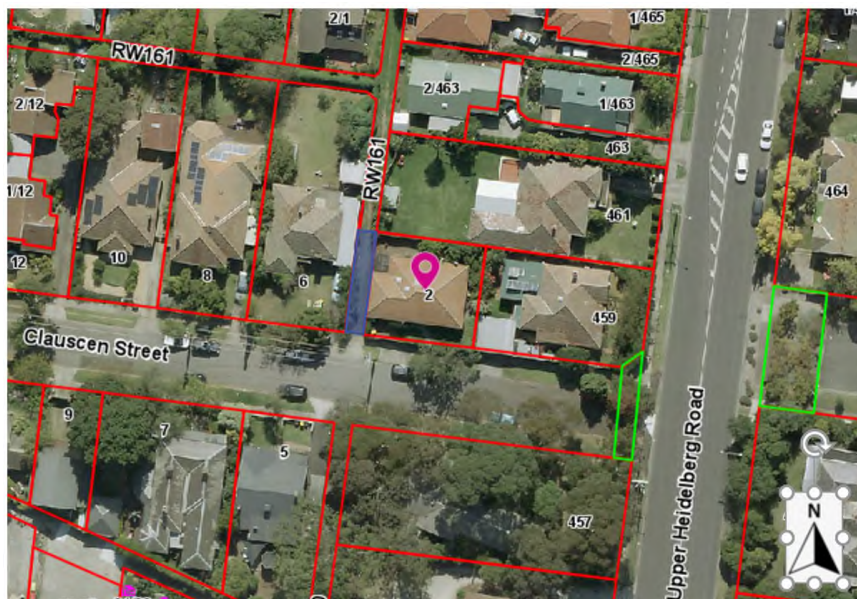


Figure 1; Proposed area of discontinuance shown in blue

2 CLAUSCEN STREET, HEIDELBERG HEIGHTS - PROPOSED DISCONTINUANCE AND SALE OF ADJACENT LAND cont'd

KEY ISSUES

- Having concluded the public advertising of Council's proposal to discontinue and sell the section of road adjacent to 2 Clauscen Street, Heidelberg Heights, and having received no submissions, it is now appropriate that Council makes a decision on whether or not to discontinue the highlighted section of road and sell to the abutting owner.

Engineering Considerations

- Council's drainage engineers advise that there are no drainage assets contained within the 'road'.

Service Authority Considerations

- Consultation with the relevant service authorities reveals that there are no service assets contained within or surrounding the 'road'.

Planning Considerations

- The Banyule Planning Scheme governs the use and development within the municipality and Banyule City Council is the responsible authority administering the scheme. Under the Planning Scheme, the 'road' is included in the General Residential Zone - Schedule 2 (GRZ2).
- The 'road' is also affected by Vegetation Protection Overlay – Schedule 5 (VPO5), Parking Overlay (PO) and Development Contributions Plan Overlay (DCPO) controls.
- Banyule's Residential Neighbourhood Character Policy at Clause 22.02 of the Banyule Planning Scheme includes the area within its Garden Suburban Precinct (GS2).

SUPPORTING REPORT DETAILS

Legal Consideration

- The power to discontinue or remove 'road' status and sell the resultant land is conferred on Council pursuant to Section 206 and Schedule 10 Clause 3 of the Act.
- Public notice of the proposal was given in the "*Herald Sun*" on 8 June 2021, with submissions on the proposal invited in accordance with section 223 of the Act. The public notice was also available for viewing on Council's webpage.
- The submission period closed at 5pm on 7 July 2021 with no submission being received.
- Section 328(1) of the *Local Government Act 2020* provides that where Council has commenced a public notice prior to 30 June 2021, it may be continued as though the relevant section has not been repealed.

Human Rights Charter

- In developing this report to Council, the subject matter has been considered in accordance with the requirements of the *Charter of Human Rights and Responsibilities Act 2006*.
- It is considered that the subject matter does not raise any human rights issues.

2 CLAUSCEN STREET, HEIDELBERG HEIGHTS - PROPOSED DISCONTINUANCE AND SALE OF ADJACENT LAND cont'd

Sustainable Procurement Outcomes

- There are no sustainable procurement activities arising from the recommendation contained in this report.

Financial Implications

- In principle terms and conditions of sale have been accepted by the Applicant. The proposal is subject to the completion of the necessary statutory procedures and Council resolving to discontinue the section of 'road' and sell the resultant land to the abutting owner.
- The Land is intended to be sold at market value with the applicant to cover any additional costs relating to the discontinuance and sale.

Community Engagement

- A public notice appeared in the "*Herald Sun*" and ran 8 June to 7 July 2021; no submissions were received.

Key Considerations

- Consultation with the relevant service authorities and internal Council departments reveals that there are no Service Authority or Council assets contained within the land.
- Having concluded the public advertising of Council's proposal to discontinue the section of road adjacent to 2 Clauscen Street, Heidelberg Heights and sell the resultant land to that owner, it now appropriate for Council to make a decision on the proposal.

Officer Declaration of Conflict of Interest

- The *Local Government Act 2020* requires members of Council staff, and persons engaged under contract to provide advice to Council, to disclose any direct or indirect interest in a matter to which the advice relates.
- Council officers involved in the preparation of this report have no conflict of interest in this matter.

ATTACHMENTS

Nil

7.2 **BANYULE INVESTMENT STRATEGY**

Author: Marc Giglio - Director Corporate Services, Corporate Services

SUMMARY

1. An Investment Strategy has been developed to address Council's need to pursue an investment framework that is fit-for-purpose and focuses on our vision, objectives, risk management and asset allocation that can help to enhance our investment returns.
2. The main objective of the Investment Strategy is to achieve a strong financial return for the benefit of the council and the wider community within an appropriate risk and investment framework.
3. The Investment Strategy will assist Banyule to invest its investment capital (funds and capital) in a manner which meets the Council requirements.
4. The strategy is part of Banyule's overall governance and planning framework and specifically addresses the following:
 - Linkage to the Financial Sustainability Strategy
 - Sound financial management governance and principles
 - Current and projected level and use of capital
 - Council's risk appetite
 - Investment opportunities
 - The legislative framework.
5. The Council's risk appetite is considered medium based on the collated feedback provided by the Councillors and the Executive Management Team.
6. Based on Banyule's risk appetite it is suggested that the Council's Investment Portfolio is structured to include; Cash Enhanced, Property and the establishment of a Business Development Fund

RECOMMENDATION

That Council:

1. Note that the Investment Strategy:
 - a. Outlines Council's main objective to achieve a strong financial return for the benefit of the council and the wider community
 - b. Aims to provide clarity around governance structures to support any investment framework investment decisions and funding pool distribution principles.
 - c. Provides options and associated risks to deliver investment performance and is aligned to Council objectives; risk appetite and investment return expectations.
 - d. Outlines a recommended investment portfolio to achieve higher returns.

BANYULE INVESTMENT STRATEGY cont'd

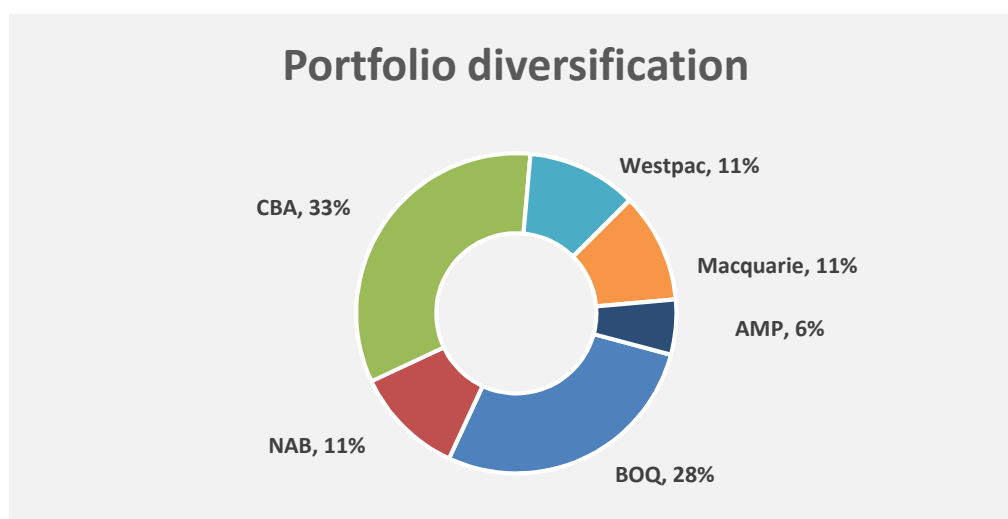
2. Adopt Banyule's Investment Strategy

COUNCIL PLAN

- This report is in line with Banyule's Council Plan key direction to "Provide responsible financial management and business planning".

BACKGROUND

- Council has most of its cash reserves in term deposits. The current weighted average return has been in decline and is currently at 0.51%. The RBA cash rate has remained unchanged at 0.10% since November 2020.
- The portfolio diversification of investments as at 31 May 2021 is outlined below. All cash investments are directly invested by Council in Australian financial institutions in accordance with our investment policy, using the Standard & Poors (S&P) short term credit rating with maturities of between 4 to 9 months.



- The investment landscape is becoming increasingly challenging, competitive and complex and there are a variety of investment opportunities that could lead to better returns to Council than the current conventional portfolio of banking institutions.
- Council needs an investment framework that is fit-for-purpose and focuses on our vision, objectives, risk management and asset allocation that can help to enhance our investment returns. To do this an investment strategy and accompanying investment policy is required that will provide a series of investment options.
- The Investment Strategy aims to provide clarity around governance structures to support any investment framework, investment decisions and funding pool distribution principles in line with best practice principles and education.
- The implementation of both the Investment Strategy and the Investment Policy into operations and reporting and monitoring is imperative to realising the investment returns and ensuring compliance.

BANYULE INVESTMENT STRATEGY cont'd

KEY ISSUES

Investment Strategy Outcomes & Objectives

- Council have developed an Investment Strategy that will assist in considering investment opportunities and allow our current and future assets to provide an enhanced return on investment and capital growth.

“To leverage current and future investment opportunities and improve the financial return, capital growth and investment in community facilities and environmental outcomes”.

KPMG, a specialist in investment strategies was engaged to develop the Investment Strategy tailored specific to Council needs and current environment. • The Investment Strategy provide options and associated risks to deliver investment performance and solutions that are attuned to the market and is aligned to Council objectives; risk appetite and investment return expectations. The asset allocation options are clearly outlined and detail how a higher rate of return and capital growth.

- The investment portfolio will be invested in a range of investments based on the risk profile sought (and the legislative requirements). The potential investments are categorised as being either defensive (cash based) or growth assets (property based).
- The Investment Strategy identifies Risk Bands 1 to 4 as providing returns in the range of CPI, over a rolling 1-year period, to CPI plus 2.5%, over rolling 5 year periods.

Table 1: Investment Risk appetite table

Risk Band	Risk Label	Estimated no. of negative annual returns over any 20 year period	Indicative asset allocation	Investment performance benchmark	Minimum suggested holding period
1	Very low	Less than 0.5	Cash	CPI over rolling 1 year periods	1 year
2	Low	0.5 to less than 1	Secure – growth assets 20%, defensive assets 80%	CPI plus 1% over rolling 3 year periods	2 years
3	Low to medium	1 to less than 2	Capital Stable – growth assets 30%, defensive assets 70%	CPI plus 1.5% over rolling 3 year periods	3 years
4	Medium	2 to less than 3	Conservative Balanced – growth assets 50%, defensive assets 50%	CPI plus 2.5% over rolling 5 year periods	5 years
5	Medium to high	3 to less than 4	Balanced – growth assets 65%, defensive assets 35%	CPI plus 3% over rolling 7 year periods	7 years
6	High	4 to less than 6	Growth – growth assets 85%, defensive assets 15%	CPI plus 4% over rolling 8 year periods	8 years
7	Very high	6 or greater	High Growth – growth assets 95%, defensive assets 5%	CPI plus 4.5% over rolling 10 year periods	10 years

Table developed by the Financial Services Council and Association of Superannuation Funds of Australia

- Determination of the appropriate rules around the distribution of cash reserves / funding pools are considered to ensure adequate timeframes upon which to build reserves and ring fencing for allocated future spending. • Banyule will seek to reinvest the returns from its investment portfolio, however, this approach will be adopted on a case by case basis.

BANYULE INVESTMENT STRATEGY cont'd

Investment portfolio structure

- The investment portfolio structure is set to meet the maturity profile of the capital needs, as defined by the minimum suggested holding period column of the Investment Risk Appetite Table. For example, if capital is required for a council project in two years' time, those funds will be allocated to risk Band 2. However, if funds are not required in the next 5 years, they will still be allocated to risk Band 4 given this is the highest level of risk appetite the council will accept.

Current portfolio

- Banyule's current portfolio is composed of defensive assets (cash / term deposits) and growth assets (property).

Term Deposits

- Banyule utilises Term Deposits as short-term fixed interest with a maturity date generally less than one year. This type of investment offers a low risk of loss but generally lower returns than most other asset classes which is the situation.

Property

- Council has made a deliberate decision to diversify its income sources through investment in property assets that have the capacity to provide a return on investment. This includes investment in both commercial and residential properties.

Suggested portfolio

Term Deposits (Operating Cash)

- Banyule will continue to utilise Term Deposits as short-term fixed interest with a maturity date generally less than one year.

Cash Enhanced (Defensive)

- Term deposits are not ideal investments for maturities beyond 1 year as they are not a liquid investment. For example, floating rate notes maturing in three years provide an improved return and market liquidity (should a sale be required). Floating rate notes could be acquired and generate a higher return when current 12-month term deposit rates.
- Other options may include managed investment funds. A managed fund pools together investors' money into a professionally managed investment portfolio that is built and run by a specialist fund manager.

Property (Growth)

- Property investments need to be viewed as being available to generate a market linked return for the Council. Their ongoing holding should not be critical for the ongoing operation of the Council's business i.e. the property can be readily sold, and the council business can be moved to a different location.

Business Development Fund

- Given the decline in returns available in the investment markets, there is an opportunity to invest in Banyule's business operations through the development of an internal Business Development Fund.

BANYULE INVESTMENT STRATEGY cont'd

- The main purpose of establishing this fund will be to support the continuous improvement of strategies, systems and processes which:
 1. drive incremental and sustainable change to the Council and
 2. increase the operational efficiency. i.e. through
 - a. improving the quality of service (returns must be measurable in dollar terms), and
 - b. reducing cost of service for the Council.
- Reinvesting into the Council operation can support Banyule's ongoing success.

SUPPORTING REPORT DETAILS

Legal Consideration

- In accordance with Section 103 of the *Local Government Act 2020*
- A Council may invest any money:
 - (a) in Government securities of the Commonwealth; and
 - (b) in securities guaranteed by the Government of Victoria; and
 - (c) with an ADI; and
 - (d) with any financial institution guaranteed by the Government of Victoria; and
 - (e) on deposit with an eligible money market dealer within the meaning of the Corporations Act; and
 - (f) in any other manner approved by the Minister, either generally or specifically, to be an authorised manner of investment for the purposes of this section.
- Under Section 177 of the *Local Government Act 2020* a Council can apply for an exemption via an application for compliance exemption and Section 178 of the *Local Government Act 2020* the Minister may grant the compliance exemption.

Human Rights Charter

- In developing this report to Council, the subject matter has been considered in accordance with the requirements of the *Charter of Human Rights and Responsibilities Act 2006*.
- It is considered that the subject matter does not raise any human rights issues.

Sustainable Procurement Outcomes

- There are no sustainable procurement activities arising from the recommendation contained in this report.

Financial Implications

- When taking into consideration Councils risk appetite and the suggested portfolio, the allocation of funds across defensive and growth assets will be required to be reallocated to achieve a high growth objective.
- The portfolio is initially considered over a four year period to align with Council's adopted Budget 2021-2025.

BANYULE INVESTMENT STRATEGY cont'd

- The required change is outlined in the flowing table:

Option	Defensive		Growth	Total
	Cash	Cash enhanced	Property	
Current	\$101,800,000	\$0	\$33,000,000	\$134,800,000
High Growth	\$54,900,000	\$39,000,000	\$40,000,000	\$133,900,000

- Cash is not considered as part of the investment portfolio, however, is available for short to medium term investment in Term Deposits.
- The total recommended investment portfolio is outlined in the following table:

Defensive	Growth	Total Investment Portfolio
Cash enhanced	Property	
\$39,000,000	\$40,000,000	\$79,000,000

Stakeholder Consultation

- Consultation was undertaken by the specialist KPMG with Councillors and the Executive Management Team to obtain their thoughts and ideas to assist in achieving the specific objectives, understanding the boundaries and influencing the outcomes of the Investment Strategy.
- Incorporated into the Investment Strategy are the outcomes from both the internal and external analysis.
- The internal analysis considered:
 - Council Priorities and alignment with the Investment objectives
 - Current Financial strategies, Plan and Cash Position
 - Strategic Property considerations
 - Environmental Projects, Capital Works and Initiatives programs
 - Barriers that prevent investment and solutions to overcome these barriers
 - How current efforts can be directed to support better investment outcomes
- The external analysis considered best practice Investment Strategies and Policies, including Council's risk appetite, returns and portfolio options against which to guide strategic investment decisions and to appropriately manage, measure and report against these.

BANYULE INVESTMENT STRATEGY cont'd

Key Considerations

- Banyule's Investment Policy will need to be updated to meet the Investment Strategy objectives. This will include the inclusion of cash enhanced options and investment diversification limitations such as investment duration.
- Management will implement the recommendations from the Investment Strategy, compliant with the Investment Policy and ensure regular monitoring and reporting to Executive Management Team and Council. Resources will need to be allocated.
- The Investment Strategy will be reviewed each year with specific reference to the Council's Strategic Plans and Long-Term Financial Plan. This will reaffirm the allocation of the investment portfolio to the risk bands and the split between defensive and growth assets.
- Banyule City Council also need to continue to build substantial reserves in order to be able to invest in its strategic objectives, reinvest in core infrastructure and be in a strong and sustainable financial position.

Officer Declaration of Conflict of Interest

- The *Local Government Act 2020* requires members of Council staff, and persons engaged under contract to provide advice to Council, to disclose any direct or indirect interest in a matter to which the advice relates.
- Council officers involved in the preparation of this report have no conflict of interest in this matter.

ATTACHMENTS

No.	Title	Page
1	Banyule City Council Investment Strategy - Summary	
2	Banyule Investment Strategy Discussion Paper - KPMG - CONFIDENTIAL	

7.3 FINANCIAL MANAGEMENT REPORT - PRELIMINARY JUNE 2021 PERFORMANCE

Author: Michael Fan - Financial Performance & Planning Coordinator, Corporate Services

SUMMARY

1. The Quarterly Financial Management Report - Preliminary June 2021 Performance is the actual unaudited financial results for June 2021 against the adopted budget 2020/21.
2. This financial result is preliminary and is subject to change pending finalisation of year-end adjustments including assessment of:
 - a) Accruals and prepayments
 - b) EOFY Unearned income review
 - c) Share valuation adjustment
 - d) Capital works completion
 - e) Capitalisation of expenditure
 - f) Depreciation and amortisation
 - g) Asset disposals
3. The Chief Executive Officer, as required by Section 97(3) of the *Local Government Act 2020* is of the opinion a revised budget is not required.
4. The Audited Financial Report for the year ended 30 June 2021 will be presented to Audit and Risk Committee on 17 September 2021 and will include a note on the performance against budget (income, expenditure and capital works).
5. The Adopted Budget 2020/21 deficit is \$1.351m. The preliminary June 2021 Actual Operating Surplus for the year is \$4.195m and compares favourably to budget by \$5.546m.
6. The variance to budget is primarily related to:
 - Higher Public Open Space contributions,
 - Lower than anticipated rate waiver applications, and
 - Partially offset by reduced fees and charges income.
7. The 2020/21 underlying operating deficit is \$4.984m and compares favourably to the budgeted underlying operating deficit of \$8.484m. This underlying result is determined after adjusting for non-recurrent capital grants and capital contributions.
8. Capital works expenditure is \$49.059m (adopted budget: \$63.550m).

**FINANCIAL MANAGEMENT REPORT - PRELIMINARY JUNE 2021
PERFORMANCE cont'd**

9. The amount of capital works expenditure to be carried forward to the 2021/22 financial year will be determined once the financial statements have been completed, including all accruals and prepayments.

RECOMMENDATION

That Council note:

1. The Financial Management Report – Preliminary Performance for the period 30 June 2021
2. The preliminary operating surplus of \$4.195m against the adopted deficit budget of \$1.351m for the year ended 30 June 2021
3. The financial impact of \$11.512m loss of revenue (budget: \$8.683m) and the \$8.043m (budget: \$5.323m) operational expenditure savings for the financial year due to COVID-19.
4. The audited Financial Statements for the period ended 30 June 2021 will be presented to Audit and Risk Committee on 17 September 2021.
5. The audited Financial Statements for the period ended 30 June 2021 will be considered for in principle approval by Council on 20 September 2021.

COUNCIL PLAN

- This report is in line with Banyule's Council Plan key direction to "Provide responsible financial management and business planning".

BACKGROUND

- The 30 June 2021 Financial Preliminary Management report comprises a review of the full year budget and full year actual, and other key financial information.
- Note: material variances are explained – refer notes (variances greater than \$0.300m are considered material).

**FINANCIAL MANAGEMENT REPORT - PRELIMINARY JUNE 2021
PERFORMANCE cont'd**

KEY ISSUES

Financial Sustainability

- The current assessment of the Financial Sustainability of the Organisation is measured against the VAGO indicators.

June 2021	Net Results	Adjusted Underlying Results	Liquidity	Internal Financing	Indebtedness	Capital Replacement	Renewal Gap
Estimation	3.36%	(2.57%)	2.22	62.97%	18.19%	2.21	1.87

Note: The 2020/21 Economic Support Package and COVID business impact has significantly impacted on the adjusted underlying results.

- The Adjusted Underlying Results measures an entity's ability to generate surplus in the ordinary course of business.
- The Internal Financing for 2020/21 measures Banyule's ability to finance capital works using cash generated by operating cash flows. The capital works expenditure that is estimated to be funded from operating cash flow is 62.97 for 2020/21.
- The 'red' Adjusted Underlying Results and Internal Financing ratios are isolated to the current year and will be managed through continuing to maintain the operational returns and maximising revenue from commercial activities and property sales over the next few years. In a normal year, Council aims for 5% or greater and 100% or greater respectively against the ratio.
- The adjusted underlying result measures an entities ability to generate surpluses in the ordinary course of business. It is calculated as (*Adjusted underlying surplus or deficit*) / (*Adjusted underlying revenue*). It specifically excludes non-recurrent capital grants, other contributions to capital expenditure (including Open Space Contributions) and non-monetary asset contributions (Banyule receives none).
- With the COVID-19 and Economic Support Package, Banyule's cash flow, Net Results, Adjusted Underlying Results and Internal Financing have been impacted throughout the year.

**FINANCIAL MANAGEMENT REPORT - PRELIMINARY JUNE 2021
PERFORMANCE cont'd**
TABLE 1 - Income Statement

	Annual Actual \$000	Annual Budget \$000	Annual Variance \$000	Notes
Income				
Rates and charges	105,916	99,005	6,911	1
Grants - Operating	14,734	13,185	1,549	2
Grants - Capital	2,742	5,339	(2,597)	3
Statutory fees and fines	7,562	7,634	(72)	
User fees and charges	14,063	18,670	(4,607)	4
Contributions	8,011	3,625	4,386	5
Interest	744	1,000	(256)	
Rental	2,395	2,461	(66)	
Net gain/(loss) on disposal of assets	284	162	122	
Other income	1,523	587	936	6
Total income	157,684	151,668	6,016	
Expenses				
Employee costs	69,744	68,705	(1,039)	7
Materials and services	43,651	44,476	825	8
Utility charges	4,025	4,314	289	
Depreciation	22,201	22,201	-	
Amortisation – intangible asset	288	288	-	
Amortisation – right of use assets	543	540	(3)	
Borrowing costs	2,344	2,339	(5)	
Finance cost - leases	34	72	38	
Donations expenditure	1,418	1,371	(47)	
Contribution expense	7,010	6,818	(192)	
Other expenses	2,231	1,895	(336)	9
Total expenses	153,489	153,019	(470)	
Surplus for the year	4,195	(1,351)	5,546	
Grants – Non-recurrent Capital	1,762	3,758	(1,996)	10
Capital Contributions – Other Sources	7,417	3,375	4,042	11
Adjusted Underlying Deficit	(4,984)	(8,484)	3,500	

**FINANCIAL MANAGEMENT REPORT - PRELIMINARY JUNE 2021
PERFORMANCE cont'd**

NOTES: Full Year Major Variances

The operating surplus for the year ended 30 June 2021 is \$4.195m. This is favourable to the budget by \$5.546m.

The significant contributions to the full year variance are:

1. **Rates and charges** are \$6.911m higher than Annual budget based on the Rate Waiver applications, additional supplementary rate revenue received of \$0.358m, and additional interest income on rates of \$0.198m.
 - The full provision of the rate waivers of \$7.343m has not been realised with \$0.975m expended against the rate waiver provision.
 - The administration of penalty interest charged on all arrears and outstanding rates resumed after the 3rd instalment date of 2021 (excludes rates deferred).
2. **Grants: Operating** \$1.549m favourable to budget, mainly driven by additional grants received.
 - Various COVID-19 Support grants have been received across Home Care (\$0.312m).
 - Unearned grants from 2019/20 (\$0.272m) now realised to comply with the new accounting standard (AASB1058).
 - The early childhood services have received additional grants (\$0.621m), 68% of this increase relates to the long day care and preschools COVID-19 transitional support during COVID-19 restrictions, the balance is based on the attendance and children Centrelink entitlements.
 - The stage one of State Government Grant (\$0.500m) for the Outdoor Eating & Entertainment Package (COVID-19) has been received. Another \$0.150m for stage two will be realised after the EOFY unearned grants assessment is completed.
 - The Victorian Grants Commission is \$0.200m lower than budget. \$1.541m of the \$2.755m (the 2020/21 General Purposed Grant) had been paid and recognised at the end of May 2020. The 2021/22 brought-forward grant is only \$1.310m.
3. **Grants – Capital** is \$2.597m unfavourable to budget due to:
 - The 2020/21 (R2R3) Roads to Recovery grant has been postponed, which is now expected to be received next financial year (\$0.618m).
 - As a part of EOFY process, approximately \$8m of unearned capital grant incomes are being assessed based on the progression of the projects. The results will increase this year's surplus (2021/2022), but not underlying result. The significant projects are:
 - De Winton Reserve Reconstruction
 - Olympic Park Master Plan Stage 3 and 4
 - De Winton Park female friendly & pavilion upgrade
 - Montmorency South P.S Parking & Traffic Management Stage 1A&B

**FINANCIAL MANAGEMENT REPORT - PRELIMINARY JUNE 2021
PERFORMANCE cont'd**

- Montmorency South Pavilion - Lower Plenty Upgrade
 - Warringal Park and Yulong Reserve Lighting construction
 - Yulong Reserve West Change Rooms
 - Greensborough Preschool Expansion & Improvement
 - Various Capital grants carried forward/unearned from 2019/20, \$0.830m in total (including Olympic Park Masterplan \$0.806m from SRV) partially offset the above unfavourable variance.
 - Additional \$0.236m has been received for the Olympic Park Masterplan project as part of the \$1.700m project; \$0.137m for Community Centre Development (Bellfield) as part of \$2.0m State Government Grant.
4. **User fees and charges** income is \$4.607m unfavourable mainly due to the budget assumption that 50% operating business income (for COVID-19 impacted operations) would be received in the 1st Quarter of 2020/21, 70%, 85% and 100% for the 2nd, 3rd and 4th quarter respectively. However, with extended stage 4 restrictions and two weeks of lockdown in May and June, the reality is now:
- The closure of Council's leisure centres including WaterMarc have resulted in minimal direct income generation for the financial year to date, resulting in \$3.231m unfavourable YTD variance to the budget. The budget assumption was to achieve 70% of operational capacity and although the centres were reopened early December, income commenced to stabilise in March with minimum restrictions in place until 28 May when the recent lock-down commenced.
 - The Waste Recovery Centre continues experiencing a significant reduction in demand on commercial activities resulting in a \$0.886m unfavourable variance to the YTD budget.
 - Parking fees income is \$0.150m lower than budget. Due to the COVID-19 restrictions, the demand of using parking facilities continue to be low since the commencement of the financial year.
 - Early Childhood Services income is lower than budget by \$0.118m mainly related to less parent fee income being received across the five centres. This is as a result of the Federal Government's COVID-19 childcare reforms to help generate economic stimulus by providing 'free child care' until mid-July. In addition, the Stage 4 restrictions only allowed kids from essential worker families to attend centres.
5. **Contributions income** is \$4.386m favourable to budget. This variance is mainly driven by Public-Open-Space and Development Contributions in Heidelberg, Ivanhoe and Montmorency. Real estate business activities continue to be more active and have had less of a COVID-19 impact than anticipated when preparing the budget.

Main unbudgeted contributions, including:

- \$0.495m redevelopment grant contribution for the additional facility in Kalparrin Rotary Early Years Centre.
- \$0.232m from North East Link and Montmorency Cricket Club to Montmorency Park north oval surface renovation.

**FINANCIAL MANAGEMENT REPORT - PRELIMINARY JUNE 2021
PERFORMANCE cont'd**

6. **Other income** is \$0.936m favourable to budget, mainly driven by unbudgeted insurance and WorkCover reimbursements, related to the replacement for the chlorine generator at WaterMarc (broken down and replaced in the 2019/20 financial year) and current year incidents at the Parks and Operations Depots respectively.
7. **Employee costs** is \$1.039m unfavourable to budget mainly due to:
- The total savings from vacant positions are estimated to be \$3.516m. The closure of the Leisure Centres since the beginning of the financial year until the 8 December 2020 resulted in a \$1.520m saving. Some vacant positions are being backfilled using agency staff as appropriate. The savings from these positions is offset through a corresponding additional agency cost (\$1.606m) during the year.
 - The savings has been fully offset by the below:
 - **Funded programs (\$1.274m):**
 - Carry forwards of the Inclusive Employment Program Initiative and unexpended grants (\$0.185m)
 - Unbudgeted Working for Victoria \$0.249m staff costs, fully funded by a corresponding government grant.
 - Continue increase of unbudgeted Workcover cost \$0.840m (77% offset via reimbursement income, refer Note 7)
 - **Unfunded and one-off cost (\$3.281m):**
 - Redundancy costs have been revised to be approximately \$1.986m as a result of the Home and Aged Care (HACC) reform (resolved by Council in 2019).
 - Additional unbudgeted positions to support the People & Culture team (\$0.253m) to enhance safety management, and Customer Service (\$0.245m) to support the needs of the municipality during the uncertainty of COVID-19.
 - Provided \$0.170m to continue two positions required in supporting the Council's Economic Support Package.
 - Lower labour capitalisation (\$0.306m) allocated to Capital Works Projects than anticipated.
 - COVID-19 additional leave granted to support the staff who had to quarantine \$0.098m
 - Allowance backpay to Parks & Open Space \$0.264m, correction of on-call allowance paid as opposed to the stand by allowance applicable under the EA.

Note: As a part of the EOFY process, RDO and leave purchase are pending review.

**FINANCIAL MANAGEMENT REPORT - PRELIMINARY JUNE 2021
PERFORMANCE cont'd**

Resourcing Table – Employee Costs and Agency Costs – 30 June 2021:

June 2021	Annual Actual \$m	Annual Budget \$m	Variance \$m
Employee Costs *	69.744	68.705	1.039
Agency - Operations	2.904	1.298	(1.606)
Agency - Initiatives	0.989	0.749	(0.240)
TOTAL	73.637	70.752	(0.807)

*Note the annual actual includes the Home and Aged Care reform (redundancy costs \$1.986m) unbudgeted in the financial year.

8. **Materials and Services** \$0.825m favourable to budget, driven by:

Variance Table - 30 June 2021:

June 2021	Annual Actual \$m	Annual Budget \$m	Variance \$m
Agency (Operations)	2.904	1.298	(1.606)
Consultancy (Operations)	1.137	1.467	0.330
Contractor (Operations)	14.081	12.863	(1.218)
Initiatives Expenditure	4.659	4.061	(0.598)
Other Materials and services	20.870	24.787	3.917
Total	43.651	44.476	0.825

- **Agency** - the agency cost variance is \$1.606m unfavourable. Agency is used to cover short term vacancies in staff which are not separately budgeted for.
- **Consultancy** - the consultant favourable variance \$0.330m is mainly driven by the timing of the consultancy cost across various operating projects, with some projects postponed to the next financial year.
- **Contractor** - the contractor costs unfavourable variance \$1.218m is mainly due to the unbudgeted running costs of the leisure centres while they remained closed during lock-down and additional maintenance required (\$0.552m), unscheduled assets repairs (\$0.314m) and tree care expenditure (\$0.526m) required to action reactive tree works and additional tree maintenance cost. \$0.469m of IT licenses, which are partially offset by savings generated across various operational departments.
- **Initiative** – the initiative cost variance is \$0.468m unfavourable to budget mainly driven by:
 - Unbudgeted COVID-19 Hygiene Supplies (\$0.301m),
 - Fully funded Grant programs (\$0.629m) Outdoor Eating & Entertainment project, Watsonia Village Town Square Development and Waste Recovery Centre - Sheds & Bins.

**FINANCIAL MANAGEMENT REPORT - PRELIMINARY JUNE 2021
PERFORMANCE cont'd**

- Expensed IT Application Digital transformation cost (\$0.917m) after assessing the capitalisation criteria.
- Tree Audit & Revision of Urban Forest Strategy (\$0.159m) additional funding approved by Council resolution.
- Partially offset by savings from the projects which have been completed and rescheduled to next financial year (\$0.974m)
- **Other Materials and services** – the YTD favourable variance of \$3.917m is detailed below.
 - Leisure Recreation & Cultural service (\$0.528m) due to delay or cancelation of programs due to COVID as well as the reduction of materials and consumables directly driven by closure of the centres in the first half of the year.
 - Delivery Meals consumables (\$0.259m) due to the new contract which does not require quarterly invoices to be paid in advance and the removal of the minimum spending criteria (was an obligation to Council).
 - Transfer Station disposal cost (\$0.351m), Waste Management (\$0.447m), Hard Waste Collection (\$0.140m) and waste disposal recycling cost (\$0.103m) directly impacted by a reduction of demand.
 - Vehicle Running costs (\$0.280m) is due to reduction of motor vehicles usage during COVID, savings have been generated.
 - Planning cost reductions (\$0.169m) are due to reduced volume of planning and buildings disputes.
 - Cleaning Contract spend (\$0.105m) has reduced, mainly driven by reduction in cleaning required during COVID restrictions in the first half of the year at closed locations.
 - Transport Engineering costs (\$0.090m) including Parking Management, have reduced due to fewer parking tickets and traffic works under the COVID environment.
 - Corporate Services costs (\$0.764m) based on prioritisation and adjustment of business plans. These costs cover bank charges, legal fees, service reviews, continuous improvement, customer experience program cost, external communication, postage and timing of IT and Digital Transformation cost.
 - Various Youth and Family service programs (\$0.158m) are delayed to deliver due to COVID restriction.
- 9. **Other Expenses** is \$0.336 higher than budget due to additional parking infringement collection provision (\$0.318m) based on recent historical data.

Underlying Surplus adjustment

- 10. **Grants – Non-recurrent Capital** is \$1.996m under budget due to the pending unearned income review. Refer Note 3.
- 11. **Capital Contributions (from other sources)** is \$4.042m above budget as a result of significant Public Open Space contributions. Refer Note 5.

**FINANCIAL MANAGEMENT REPORT - PRELIMINARY JUNE 2021
PERFORMANCE cont'd**

Council Resolutions: impact on financial performance

The table below lists 2020/21 resolutions carried by Council as at 30 June 2021 which had an impact on the financial statements.

Resolution	Description	EFT	Annual Impact	\$'000
CO2020/143	Banyule Scouts Grants Program		Materials & services	0.050
CO2020/145	Transport Advocacy – NEL		Materials & services	0.200
CO2020/93	Tree Audit & Revision of Urban Forest Strategy		Materials & services	0.150
CO2020/211	Libraries After Dark program		Materials & services	0.041
Amount included in income statement - Table 1		-	Total Operating	0.441
CO2020/162	The Eaglemont Tennis Club: Construction of a timber viewing deck, access ramps and landscaping works.		Buildings	0.153
Amount included in Capital works statement - Table 3		-	Total Capital Works	0.153

COVID-19 impact

- The COVID-19 pandemic has significantly impacted the economy, businesses, ratepayers and communities within Banyule.
- The June 2021 preliminary report has been updated for any significant financial impact expected as a result of the recent lock-down restrictions announced (from 28 May for 14 days) with 26 active cases at this time.
- The Budget 2020/21 has included a net COVID-19 impact of \$3.6m (\$8.683m unfavourable impact on income and \$5.323m favourable impact on expenditure) The expectation was for a severe financial downturn from the first quarter and gradually recovering throughout the remainder of the year.
- Due to the COVID-19 second wave in Victoria (extension of the Stage 4 restrictions) a further financial impact was estimated for the period to 30 June 2021.
- In summary, the Banyule business impact from COVID-19 this year is estimated to be \$11.512m loss of revenue (budgeted \$8.683m and unbudgeted \$2.829m), and \$8.043m operating expenditure saving (budgeted \$5.323m and unbudgeted \$2.720m) when comparing to pre-COVID conditions.

**FINANCIAL MANAGEMENT REPORT - PRELIMINARY JUNE 2021
PERFORMANCE cont'd**

As of 30 June 2021, the specific areas estimated to be impacted include:

Business units	Gross impact income favourable/ (unfavourable)	Gross impact expenditure favourable/ (unfavourable)	Net financial impact net saving / (net cost)
Recreation Centres	(1,230,914)	(187,771)	(1,418,685)
Transport Engineering	(1,548,063)	269,182	(1,278,881)
Leisure Centres-BLFM	(1,975,725)	1,650,011	(325,714)
Transfer Station	(740,007)	573,449	(166,558)
Municipal Laws	(135,002)	40,875	(94,127)
Economic Development - Cap Works	500,000	(564,320)	(64,320)
Home & Community Care Programs	(82,986)	19,640	(63,346)
Property Services	(48,995)	0	(48,995)
Social Enterprise & Local Jobs	0	(38,768)	(38,768)
People & Culture	0	(38,485)	(38,485)
Halls	(77,040)	44,245	(32,795)
Finance & Procurement	3,013	(10,000)	(6,987)
Maternal & Child Health	0	1,716	1,716
Environment	0	8,043	8,043
Health Mgt - Environmental Health	0	9,000	9,000
Functions Centre	(51,249)	73,071	21,822
Sports Pavilions	0	22,024	22,024
Councillors	0	24,000	24,000
Leisure & Recreation Programs	0	34,550	34,550
Continuous Improvement	0	37,275	37,275
Customer Experience Operations	0	42,986	42,986
Leisure Recreation & Culture	0	50,000	50,000
Records & Information Management	0	50,000	50,000
Youth Services	(9,304)	60,869	51,565
Social Enterprise & Local Jobs-New Works	0	51,660	51,660
Economic Development	(21,000)	81,000	60,000
Early Childhood Services	72,978	(2,486)	70,492
Cultural & Heritage Development	(42,434)	140,645	98,211
Operations Infrastructure	0	120,000	120,000
Major Facilities	(14,435)	159,409	144,974
Building Services (BPi)	742,203	0	742,203
Development Planning	1,829,132	(2,000)	1,827,132
Grand Total	(2,829,828)	2,719,821	(110,007)

- The main Banyule activities affected are:
 - **Recreation Centres** including WaterMarc, Macleod YMCA Leisure Centre and Watsonia Pool have been significantly impacted by the COVID-19 Stage 4 restriction and have been closed from the beginning on the financial year until the 8 December 2020 when they were partially opened and were fully opened from January 2021.
 - Revenue impact \$1.230m or 20% of the total budgeted aquatic and leisure centre fees and charges is calculated based on no revenue raised in the first 4 months, and 9% of the budgeted revenue in the remaining 8 months. This is offset by the recent recognition of WaterMarc income based on the service provider's three quarters financial performance (surplus position as of March 2021) as per the contract, which states that Council will raise the revenue based on the service provider's fixed income, but also compensate service provider based on the actual income.

**FINANCIAL MANAGEMENT REPORT - PRELIMINARY JUNE 2021
PERFORMANCE cont'd**

- Expenditure impact \$0.187m. The annual actual reflects the additional expenditure to cover the base maintenance costs to maintain WaterMarc Recreation Centre and Macleod Leisure Centre. These costs are offset by lower utilities cost while the facilities were closed due to COVID-19 restrictions.
- **Transport Engineering** has been heavily impacted by the COVID-19 Stage 4 restrictions by reducing the volume of parking fees and infringements.
 - Loss of Parking infringement revenue \$1.336m (41% of the total budgeted Local Laws infringements and fines income). The annual actual reflects the reduction of enforcement activities until end of January 2021, and gradually recovering in 2021. The Parking fees are estimated to reduce by \$0.150m (12% of the Local Laws council fee income) driven by a lower demand on parking facilities during Stage 4 restrictions.
 - Savings on expenses is \$0.269m; the loss of income does not directly drive associated pro-rata expenditure savings as most of the contract expenditure is fixed. The variable portion of the expenditure has been assessed in May based on the number of infringements issued.
 - **Leisure and Aquatic Centres** (Nets Stadium, Olympic and Ivanhoe aquatic centres) have also been significantly impacted by the restrictions and closed from the beginning of the financial year until the 8 December 2020. The centres were fully opened from January 2021 but closed early February during the 5 days lockdown and again at the end of May for 21 days. The actual also includes the reduction of income of 14 days in June.
 - Impacted income (\$1.975m or 48% of the total budgeted aquatic and leisure centre fees and charges) has been estimated for June 2021, which is higher than the forecast assumptions of 30% reduction of revenue however it has been slightly offset by the loss of revenue for 14 days due to the recent lockdown.
 - Expenditure savings is estimated to be \$1.650m, which is mainly derived from labour savings in the first six months of the year and some vacancies to be filled in the first quarter of 2021. Although the centre will not be run to full capacity in second half of the year, a fixed cost is inevitable, and the minimum staff is legislatively required. During the 14 days lockdown in May-June, the employees were paid as per their planned rosters.
- **Economic Development** was granted Government funding of \$0.500m and received \$0.150m for stage two for the Outdoor Eating & Entertainment Package (COVID-19) to support businesses to adapt to outdoor dining and entertainment, helping move the indoor dining and cafe experiences outdoors. The additional grant income is entirely offset by additional contractor costs.
- **Transfer Station** is experiencing a reduction in demand on commercial activities due to Stage 4 restrictions to business. The savings (\$0.574m) partially offsetting entirely the loss of income of \$0.740m (15% of total budgeted transfer station tipping fees). The estimation has taken the consideration the potential business impact continuing into quarter 4 of 2020/21.

**FINANCIAL MANAGEMENT REPORT - PRELIMINARY JUNE 2021
PERFORMANCE cont'd**

- **Building Services (BPI)** – is facing a higher market demand than anticipated, and \$0.742m of additional income is estimated when compared to the adjusted budget. The net result is \$0.050m lower than Pre-COVID expectations.
- **Development Planning** is experiencing higher business activities in Open Space Contributions and Planning Permit applications than anticipated during COVID restrictions period and have revised favourably the net income impact since the October forecast.
 - The real estate business activities are more active than presumed, and additional POS contribution income is anticipated. Refer Note 6.
 - Additional income from Planning Permit fees and Property Enquiry fees income, \$0.504m more than adjusted budget which is set to be \$0.708m less than pre-COVID condition.

COVID-19 – Economic Support Package

- The adopted Council Plan 2017-2021 (Year 4) and Budget 2020/21 have addressed budgetary considerations to accommodate COVID-19 financial impacts, including a \$10.5m Economic Support Package. In the Package, ratepayers encountering financial hardship were able to defer rates payments until to 30 June 2021. Rates can also be waived up to \$500 in accordance with the Council adopted Financial Hardship Assistance Policy. (Refer to the section of Rates Outstanding).
- On the 21 September 2020, the Council approved to continue supporting our community groups for a further 6-month period, commencing 1 October 2020 through to 31 March 2021. The relief includes fees for ground use, pavilion hire and utilities during this time.
- On the 14 December 2020, the Council approved to:
 - Pay the Special Rates and Charges business contribution for Q3 and Q4 of 2020/21.
 - Extend the Business Support Officer for an additional six months
 - Postpone the administration of penalty interest charged on all arrears and outstanding balances to 28 Feb 2021
 - Expand the Business Support Grants and the Rates Hardship Officer resource to the 2021/22 budget process
 - Continues to freeze the non-statutory fees and charges at 2019/20 prices until 30 June 2021
 - Defer Women in Business Lunch and the Best Biz Awards to 2021/22.
 - Allocate \$0.070m to seven neighbourhood houses for digital enablement projects.

**FINANCIAL MANAGEMENT REPORT - PRELIMINARY JUNE 2021
PERFORMANCE cont'd**

- Based on the above resolutions, additional funding was re-allocated within the 2020/21 Economic Support Package and reflected in the estimation as below:

Business units	Expenditure	Income	TOTAL
Culture & Heritage Development	(80,000)		(80,000)
Maternal & Child Health	(347)	(833)	(1,180)
Community Groups/ Partnership	(60,000)	(120,398)	(180,398)
Finance and Procurement	(40,487)	(200,000)	(240,487)
Economic Development	(369,052)		(369,052)
Waste Management	(21,436)		(21,436)
Halls		(111,506)	(111,506)
Leisure & Recreation Programs		(15,375)	(15,375)
Recreation Centres		(43,200)	(43,200)
Sports Pavilions	(51,057)	(87,690)	(138,747)
Early Childhood Services		(2,771)	(2,771)
Property Services		(950)	(950)
TOTAL	(622,379)	(582,723)	(1,205,102)

- As of 30 June 2021, \$4.487m of the Economic Support Package has been expended including both forgone income and increased expenditure as follows.

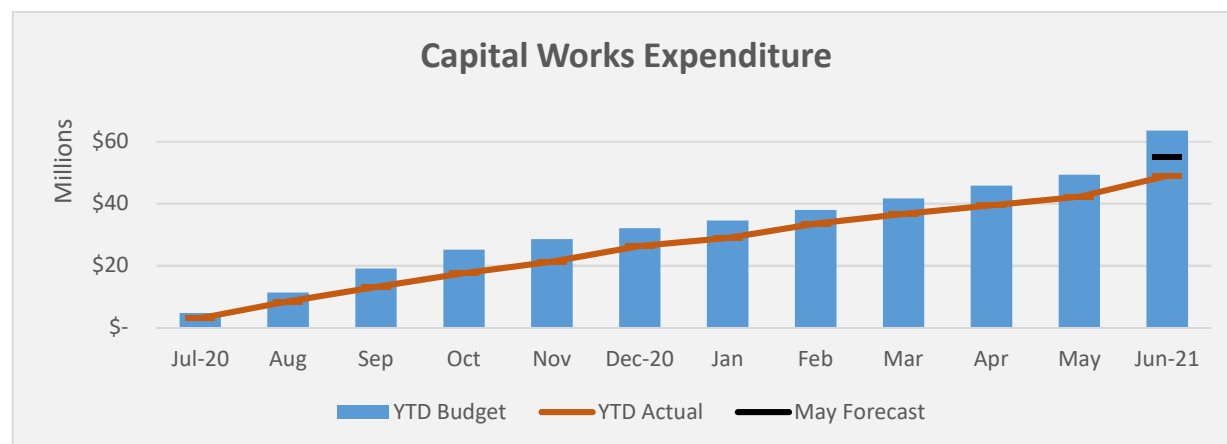
Summary	YTD actual
Defer rates for ratepayers experiencing financial hardship up to 15 months	122,400
Refund street trader permits fees paid in advance for the April – June 2020 and waive the permits for 2020/21 (whole year).	91,030
Provide rent relief 1st quarter 2020/21	83,720
Waive Health Act Registration Fees for 2020/21	590,231
Provide additional funding for the special rates and charges scheme, 1st and 2nd quarter in 2020/21	325,373
Waive fees, charges and rent 6 months from 1 July 2020	193,980
A Business Concierge Officer for 12 months to assist new start-up businesses navigate the permit application and various approvals processes within Council	167,735
Business Support Grant package over four stages - \$460,000	519,540
Rediscover Local Initiative six-month campaign	124,860
Rates Hardship	975,308
Waiver of commercial bins on non-rateable fees	25,403
Banyule Support and Information Centre Inc (BANSIC)	20,000
Diamond Valley Community Support (DVCS)	20,000
Additional resourcing in the Development (Statutory) Planning area to fast track major development permit applications	27,450
Building Connection and Celebrating Initiative	70,000
COVID-19 Community Grants program	10,000
The establishment of a Business Investment Fund to allow Council to financially assist individual enterprises through the application process such as 50% contribution to planning fees for not-for-profits wishing to redevelop or relocate to Banyule	35,060
Special rates and charges scheme by paying the business contribution for quarter 3 and quarter 4 of 2020/21.	631,662
Fees, charges and rent (where applicable for Council tenants) for all local community groups have been waived until 31 March 2021	383,247
One-off payment of \$10,000 for each of the (7) neighbourhood houses for digital enablement projects	70,000
Total	4,487,000

**FINANCIAL MANAGEMENT REPORT - PRELIMINARY JUNE 2021
PERFORMANCE cont'd**

- Banyule through this package aims to achieve the best possible direct support to those in financial hardship within the municipality (Banyule's ratepayers, communities, and business owners). After assessing the number of rate waivers applications, the June 2021 was revised for the lower take-up of rate waivers (adjusted by \$6.368m including the \$1.205m of funding reallocation).

Capital Works expenditure - Preliminary results

- As at 30 June 2021 a total of \$49.059m has been spent on capital works. The adopted 2020/21 capital budget is \$63.550m.
- The EOFY Capitalisation process and accrual are being undertaken, which will significantly impact on final Capital Works Expenditure (expected to increase)

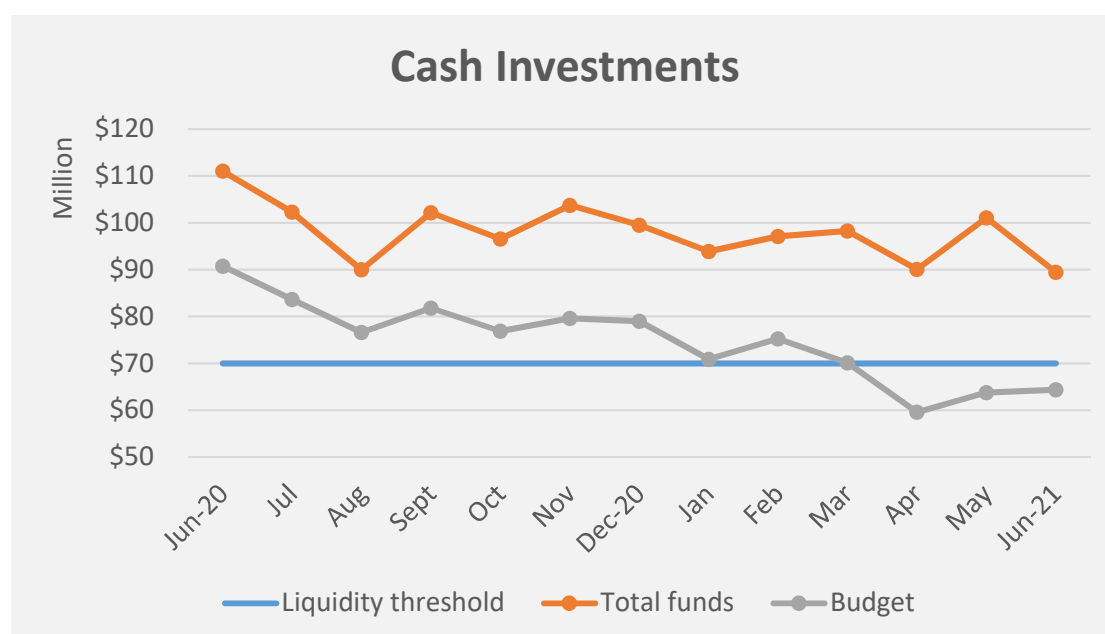


	Annual Actual \$000	Annual Budget \$000	Variance \$000
Infrastructure			
Roads, streets and bridges	6,831	8,088	1,257
Drainage	490	1,649	1,158
Parks and gardens	10,612	7,177	(3,435)
Playgrounds	959	650	(309)
Total infrastructure	18,892	17,564	(1,329)
Property			
Freehold land	608	0	(608)
Freehold buildings	24,250	40,140	4,105
Total property	24,858	40,140	15,283
Plant and equipment			
Motor vehicles	3,854	2,971	(883)
Plant and equipment	919	740	(179)
Furniture and fittings	329	235	(94)
Total plant and equipment	5,102	3,946	(1,156)
Other assets			
Intangible assets	195	1,770	1,575
Art collection	12	130	118
Total capital works expenditure	49,059	63,550	14,491

**FINANCIAL MANAGEMENT REPORT - PRELIMINARY JUNE 2021
PERFORMANCE cont'd**

Investment Activity

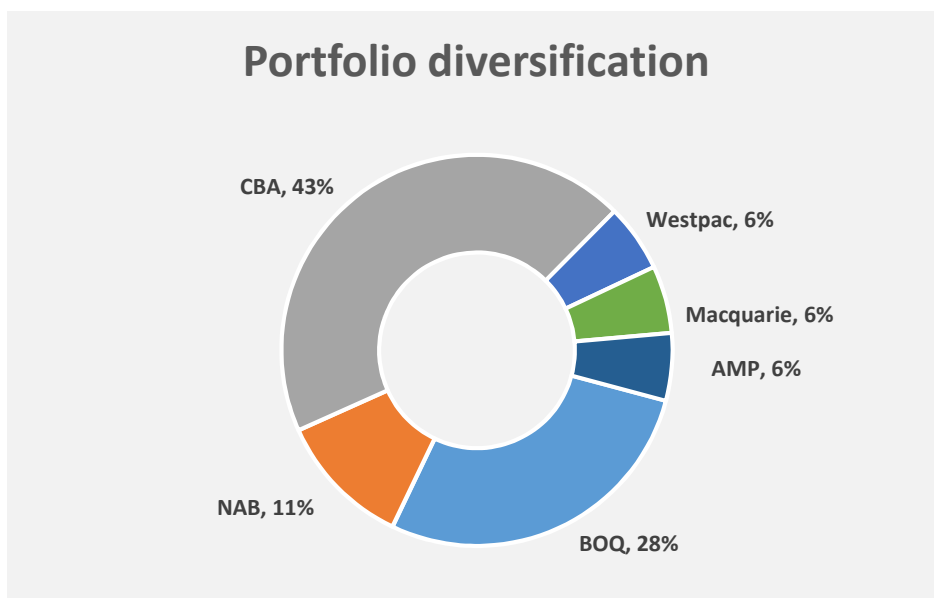
- The current short-term term deposit interest rates held by Council are in the range of 0.39% to 0.75%. The current weighted average return, 0.49%, is expected to decrease in the future as a reflection of the November 2020 RBA cash rate cuts by 0.15% to 0.10%.
- The linear gap between budget and actual cash balance depicted in the graph below is the result of a higher cash opening balance than budget projections as at 30 June 2020. Most of this variance comprises:
 - Significant lower rate waiver applications than predicated in adopted budget
 - Favourable Capital Works expenditure annual variance
 - Unbudgeted Capital works grants (the unearned income assessment is being undertaken)
- The duration of the term deposits range between 5 to 12 months. Banyule City Council aim to spread maturities throughout the year to match cash outflows. Income from rates will supplement other inflows from which to pay staff salaries and supplier invoices during the year.
- All cash investments are directly invested by Council in Australian financial institutions in accordance with our investment policy, using the Standard & Poor's (S&P) short term credit rating.
- Rate instalment payment dates are in September, December, February & May. The usual trend of higher cash receipts in these months has been varied as DHHS paid their rates in full on September and ratepayers, via a hardship application, have the option to defer payment without penalty until 30 June 2020.



Note: Liquidity threshold represents the liquidity position 2:1 to cover budgeted short-term liabilities for the year end 30 June 2021.

**FINANCIAL MANAGEMENT REPORT - PRELIMINARY JUNE 2021
PERFORMANCE cont'd**

The portfolio diversification of investments is outlined in the chart below:



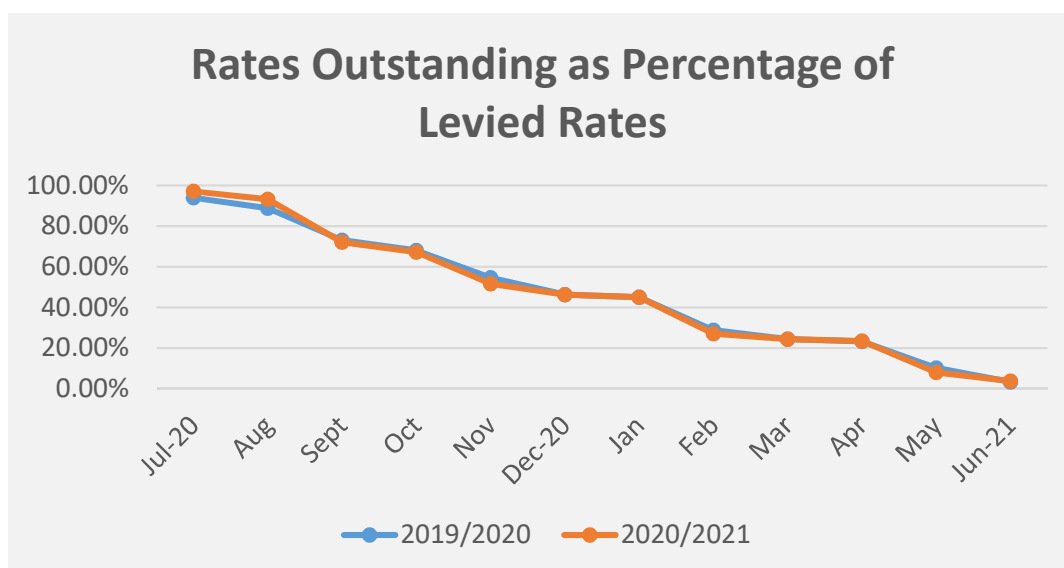
S&P rating	Banks	Investment portfolio	Maximum % holding in a single Financial Institution	Maximum % holding in a single credit rating level
A 1 +	CBA	43%	50%	
	NAB	11%	50%	
	Westpac	6%	50%	
Total A1+		60%		100%
A 1	Macquarie	6%	50%	
Total A1		6%		100%
A 2	BOQ	28%	30%	
	AMP	6%	30%	
Total A 2		34%		50%

- The table above supports Council investments and follows Council's current investment policy.
- In addition, a new investment strategy has been developed to aid Council to achieve better investment outcomes under this low-rate financial environment.

**FINANCIAL MANAGEMENT REPORT - PRELIMINARY JUNE 2021
PERFORMANCE cont'd**

Rates Outstanding

- For the 2020/21 financial year, Banyule City Council has levied in total \$108.19m in rates revenue (includes waste charges from the schedule of fees and charges and excludes the fire services property levy and the provision for rate waivers).
- The total outstanding balance as at 30 June 2021 is \$4.103m, 3.79% (June 2020: 3.37%) of the current year levied rate income is outstanding.
- The impact from COVID is not as significant as initially anticipated.

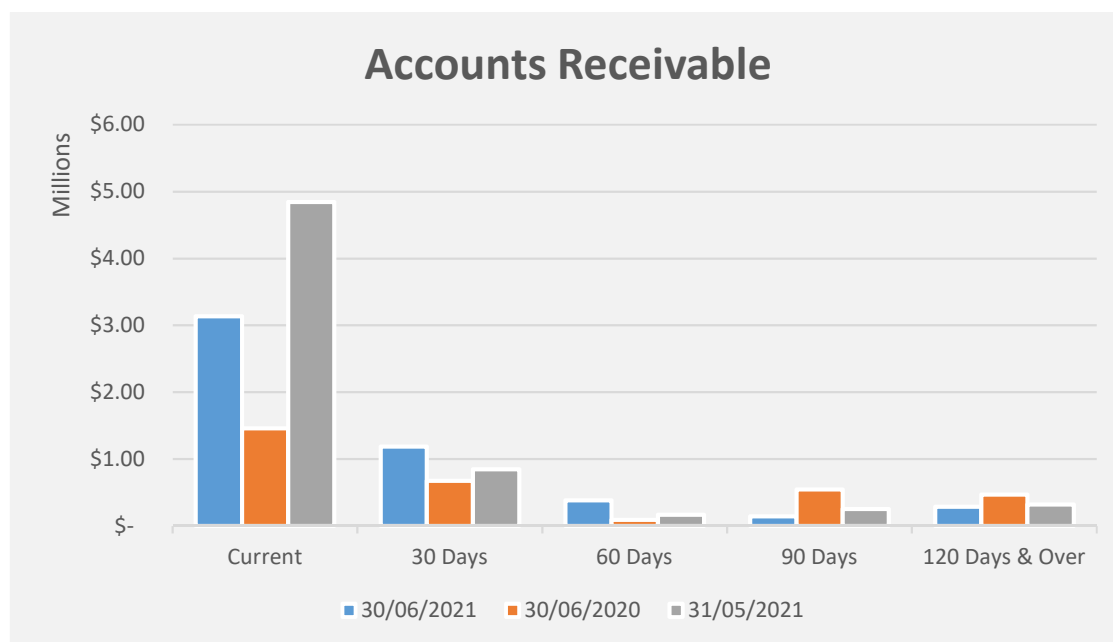


- Council endorsed the waiver of a proportion of 2020/21 general rates due to COVID-19 financial hardship. Ratepayers and Businesses are eligible to a partial-waiver between \$250 and \$500 for the 2020/21 rate year and/or a payment deferral up to 15 months, ending on 30 June 2021.
- As of 30 June 2021, rates deferral has ceased, and \$0.975m rates had been waived as part of Council's COVID-19 economic support package.
- Council has resolved to charge interest from the last date interest was charged for those ratepayers in arrears (excluding those on deferral or under a direct debit arrangement) resulting in a total interest charge of \$0.498m as at end of June 2021. Ratepayers, since March 2020, could apply (and can still apply) for a rate deferral under financial hardship.

**FINANCIAL MANAGEMENT REPORT - PRELIMINARY JUNE 2021
PERFORMANCE cont'd**

Accounts Receivable

- The accounts receivable function of Council raises revenue and collects payments for Children's centres, Aged & Disability services, Health Department, Leisure bookings, Banyule BPI and sundry accounts. (This function does not include revenue for the Planning Department, Animal Registrations and Parking Infringements as these are currently decentralised).



- As at 30 June 2021, the total outstanding debtors balance was \$5.136m (May 2021: \$6.437m), outstanding balance is mainly driven by:
 - the fixed contribution invoice (\$1.602m) issued to the WaterMarc service provider in accordance with the contract. The income has been adjusted by including a provision of loss of income based on their financial performance.
 - A grant contribution invoice (\$0.495m) for the Kalparrin Rotary additional facility early years, and
 - The Quarter 4 of rates pension rebate (\$0.494m)
- Several debtor invoices for 2020/21 have been waived and/or refunded as part of the Economic Support Package limiting the ability to compare prior year trends in the current and 30 days outstanding category. In addition, Council officers will not be actively chasing outstanding debt, whilst there are high levels of COVID-19 financial support required throughout the community.

**FINANCIAL MANAGEMENT REPORT - PRELIMINARY JUNE 2021
PERFORMANCE cont'd**

Financial Statements

Table 4 - Balance Sheet

	2020/21 30-Jun-21 \$'000	2020/21 31-May-21 \$'000
Assets		
Current assets		
Cash and cash equivalents	6,475	18,098
Trade and other receivables	12,706	16,978
Other financial assets	83,000	83,000
Inventories	37	37
Assets held for sale	2,650	2,650
Other assets	1,633	1,633
Total current assets	106,501	122,396
Non-current assets		
Trade and other receivables	215	215
Investments in associates and joint ventures	3,187	3,187
Property, infrastructure, plant and equipment	1,687,652	1,678,956
Right-of-use assets	1,541	1,541
Intangible assets	929	665
Investment Property	33,034	33,034
Total non-current assets	1,726,558	1,717,598
Total assets	1,833,059	1,839,994
Liabilities		
Current liabilities		
Trade and other payables	6,799	12,805
Provisions	15,560	16,551
Interest-bearing loans and borrowings	10,257	1,575
Trust funds and deposits	3,510	3,510
Lease Liabilities	478	478
Unearned Income	12,374	2,574
Total current liabilities	48,978	37,493
Non-current liabilities		
Provisions	1,379	1,379
Interest-bearing loans and borrowings	20,810	29,641
Trust funds and deposits	1,007	1,007
Lease Liabilities	1,105	1,105
Total non-current liabilities	24,301	33,132
Total liabilities	73,279	70,625
Net assets	1,759,780	1,769,369
Equity		
Accumulated surplus	516,250	525,839
Reserves	1,243,530	1,243,530
Total equity	1,759,780	1,769,369

**FINANCIAL MANAGEMENT REPORT - PRELIMINARY JUNE 2021
PERFORMANCE cont'd**

* The balance of 'cash and cash equivalents' and 'other financial assets' is \$89.475m (June 2020: \$110.926m).

Table 5 - Statement of Cash Flows

	2020/21 30-Jun-21 \$'000	2020/21 31-May-21 \$'000
	Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities		
Receipts:		
Rates and charges	105,916	101,854
Grants - operating	14,731	12,827
Grants - capital	2,718	2,247
Statutory fees and fines	8,705	6,137
User fees and charges	14,063	13,178
Contributions - monetary	7,748	7,247
Interest received	744	745
Rental income	2,395	2,146
Other receipts	1,523	1,442
Payments:		
Employee costs	(69,744)	(60,495)
Materials and services	(43,651)	(41,411)
Utility charges	(4,025)	(3,685)
Other payments	(10,147)	(9,320)
Net cash provided by operating activities	30,976	32,912
Cash flows from investing activities		
Payments for property, infrastructure, plant and equipment	(49,057)	(42,345)
Proceeds from sale of property, plant and equipment	680	3,707
Net (purchases)/redemption of financial assets	14,000	14,000
Net cash (used in) investing activities	(34,377)	(24,638)
Cash flows from financing activities		
Borrowing costs - interest	(2,344)	(2,147)
Repayment of borrowings	(1,194)	(1,523)
Interest paid - lease liabilities	(34)	(30)
Repayment of lease liabilities	(478)	(402)
Net cash (used in) financing activities	(4,050)	(4,102)
Net increase/(decrease) in cash and cash equivalents	(7,451)	4,172
Cash and cash equivalents at the beginning of the financial year	13,926	13,926
Cash and cash equivalents at the end of the month	6,475	18,098

FINANCIAL MANAGEMENT REPORT - PRELIMINARY JUNE 2021 PERFORMANCE cont'd

SUPPORTING REPORT DETAILS

Legal Consideration

- Section 97 of the *Local Government Act 2020* requires a quarterly budget report to Council as soon as practical after the end of each quarter. A quarterly budget report must include a comparison of the actual and budgeted results to date, an explanation of any material variations, any other matters prescribed by the regulations.

Human Rights Charter

- In developing this report to Council, the subject matter has been considered in accordance with the requirements of the *Charter of Human Rights and Responsibilities Act 2006*.
- It is considered that the subject matter does not raise any human rights issues.

Sustainable Procurement Outcomes

- There are no sustainable procurement activities arising from the recommendation contained in this report.

Financial Implications

- This Quarterly Financial Management Report is for the period ended 30 June 2021 and provides assessment of the following:
 - key income and expenditure actual operating results against budget
 - capital Works financial performance
 - COVID-19 financial impact
 - other key financial indicators
- The preliminary June 2021 operating surplus is \$4.195m and compares favourably to the budgeted operating deficit of \$1.351m. (a \$5.546m favourable movement).
- The preliminary June 2021 underlying operating deficit is \$4.984m and compares favourably to the budgeted underlying operating deficit of \$8.484m (a \$3.500m favourable movement).
- As of 30 June 2021, a total of \$49.059m has been spent on capital works (adopted budget is \$63.550m).
- The economic disruption caused by COVID-19 is anticipated to have had an additional \$0.110m net financial cost impact on Council's businesses than anticipated in the adopted budget.
- \$4.487m of Council's \$10.5m Economic Support Package has been expended. Current rate waiver applications applied for were \$0.975m (budget \$7.343m).

Officer Declaration of Conflict of Interest

- The *Local Government Act 2020* requires members of Council staff, and persons engaged under contract to provide advice to Council, to disclose any direct or indirect interest in a matter to which the advice relates.

**FINANCIAL MANAGEMENT REPORT - PRELIMINARY JUNE 2021
PERFORMANCE cont'd**

- Council officers involved in the preparation of this report have no conflict of interest in this matter.

ATTACHMENTS

Nil

7.4 RECORD OF COUNCILLOR MEETINGS

Author: Sam Moore - Council Business Officer, Corporate Services

SUMMARY

The *Local Government Act 1989* previously required that Assembly of Councillors (meetings of Councillors held outside of the formal Council Meeting program) were to be reported to the next available Council meeting, this section has now been repealed.

In accordance with the *Local Government Act 2020*, Council at its meeting on 17 August 2020 adopted the Banyule Governance Rules which include the requirement to report to Council on Councillor attendance at Briefings and Advisory Committees.

Record of Meetings

1	Date of Meeting:	12 July 2021 – 6.30pm
	Type of Meeting:	Councillor Briefing Session
	Matters Considered:	
	<ul style="list-style-type: none"> • Diversity and Intersectional Disadvantage • Fleet Roadmap to Carbon Neutrality • Directors Efficiencies 	
	Councillors Present:	
	Peter Castaldo Alison Champion Mark Di Pasquale Rick Garotti Alida McKern Tom Melican Fiona Mitsinikos Elizabeth Nealy	
	Staff Present:	
Allison Beckwith - <i>Chief Executive Officer</i> Darren Bennett – <i>Director Assets & City Services</i> Marc Giglio – <i>Director Corporate Services</i> Scott Walker – <i>Director City Development</i> Kath Brackett – <i>Director Community Programs</i> Kerry Woods – <i>Executive & Councillors Team Leader</i> Myfan Jordan – <i>Community & Social Planner</i> Kathy Hynes – <i>Manager Operations</i>		
Others Present:		
Phoebe Tocco - Cultural Synergies		
Conflict of Interest:	Nil	

RECORD OF COUNCILLOR MEETINGS cont'd

2	Date of Meeting:	19 July 2021 – 5.38pm
	Type of Meeting:	Council Meeting Pre-Briefing
	Matters Considered:	
	Items listed on the agenda for Council Meeting 19 July 2021 as below:	
	<p>3.1 COVID-19 Support for Seasonal Sportclubs - Reduction of Winter Sport Allocation Fees</p> <p>5.1 Rosanna Library Project - Consultation Update and Next Steps</p> <p>5.2 10 The Boulevard, Ivanhoe (Sparks Reserve) - Proposed Granting of Easement</p> <p>6.1 Banyule Community Vision 2041</p> <p>6.2 Council Advisory Committees 2021-23 - Proposed Nominations</p> <p>7.1 Cartmell Street, Heidelberg - Proposed Multi-Deck Carpark and Mixed-Use Development - Project Update</p> <p>7.2 Banyule's Revised Strategic Risks</p> <p>7.3 Property Transactions Report - for 6 month period ending 30 June 2021</p> <p>7.4 Record of Councillor Meetings</p>	
	Councillors Present:	
<p>Peter Castaldo</p> <p>Alison Champion</p> <p>Peter Dimarelos</p> <p>Mark Di Pasquale</p> <p>Rick Garotti</p> <p>Alida McKern</p> <p>Tom Melican</p> <p>Fiona Mitsinikos</p> <p>Elizabeth Nealy</p>		
Staff Present:		
<p>Allison Beckwith - <i>Chief Executive Officer</i></p> <p>Darren Bennett – <i>Director Assets & City Services</i></p> <p>Marc Giglio – <i>Director Corporate Services</i></p> <p>Scott Walker – <i>Director City Development</i></p> <p>Kath Brackett – <i>Director Community Programs</i></p> <p>Vivien Ferlaino – <i>Governance Coordinator</i></p> <p>Emily Outlaw – <i>Council Business Team Leader</i></p> <p>Samuel Moore – <i>Council Business Officer</i></p> <p>Jay Mifsud – <i>Youth Program Officer</i></p> <p>Duncan Stephen – <i>Jets Sound Engineer/Program Assistant</i></p> <p>David Pascolo – <i>Technical Analyst</i></p>		
Others Present:		
Nil		
Conflict of Interest:	Nil	

RECORD OF COUNCILLOR MEETINGS cont'd

3	Date of Meeting:	26 July 2021 – 6.30pm
	Type of Meeting:	Councillor Briefing
	Matters Considered:	
	<ul style="list-style-type: none"> • Shop 48 • RSL Trust Deeds • Council Plan • Montmorency Community Hub 	
	Councillors Present:	
	Peter Castaldo Alison Champion Peter Dimarelos Mark Di Pasquale Rick Garotti Alida McKern Tom Melican Fiona Mitsinikos Elizabeth Nealy	
Staff Present:		
Allison Beckwith - <i>Chief Executive Officer</i> Darren Bennett – <i>Director Assets & City Services</i> Marc Giglio – <i>Director Corporate Services</i> Scott Walker – <i>Director City Development</i> Kath Brackett – <i>Director Community Programs</i> Kerryn Woods – <i>Executive & Councillors Team Leader</i> Frances Gianiotti - <i>Youth & Community Partnerships Coordinator</i> Roberta Colosimo – <i>Manager Youth & Family</i> Kamal Singh - <i>Integrated Planning Project Manager</i>		
Others Present:		
Nil		
Conflict of Interest:	Nil	

RECOMMENDATION

That the Record of Councillor meetings report be received.

ATTACHMENTS

Nil

9.1 CHRISTMAS DAY GATHERING FOR ISOLATED OR UNDERPRIVILEGED PEOPLE

Author: Cr Fiona Mitsinikos

TAKE NOTICE that it is my intention to move:

That a report be presented to Council on the feasibility of a Council-run or Council supported community Christmas lunch for socially isolated or disadvantaged community members.

Explanation

- Many older residents, people living with complex mental health issues, separated families and people with a disability are isolated at Christmas time with no immediate friends or family to celebrate this event with.
- According to research, in Australia, it is clear this festive time can not only increase feelings of pressure, anxiety and loneliness, it can also exacerbate family tension and stress, leading to conflict. Christmas is considered as one of the six most stressful life events, along with divorce, moving to a new house and changing jobs. Evidence identifies the Christmas period as the most likely time of the year for many people to experience anxiety and depression, particularly those who are divorced, have experienced a death in the family or are socially isolated.
- In the past various church and community groups have run Christmas day lunches successfully. The exploration of current community initiatives and potential opportunities to contribute to and/or expand current initiatives, or partner with existing community groups to support their delivery of a Christmas lunch could be considered as part of the report.
- In 2020 it was identified that 23,325 residents in the municipality were aged 65+ years, with 16,843 residents aged over 80. This equates to 17.4% of the population. The percentage of residents 65+ years is expected to reach 18.2% by 2025 meaning that there are likely many isolated older people at Christmas in Banyule.

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ATTACHMENTS

Nil