

Agenda of Ordinary Meeting of Council - Monday, 14 November 2022

commencing at 7:00pm

Nellie Ibbott Chambers, Ivanhoe Library and Cultural Hub, 275 Upper
Heidelberg Road, Ivanhoe 3079



FREEDOM OF INFORMATION STATUS EXEMPT (SECTION 38)

RELATING TO ITEMS IN RESPECT OF WHICH THE
MEETING MAY BE CLOSED TO MEMBERS OF THE PUBLIC

Acknowledgement of the Traditional Custodians

“Banyule City Council is proud to acknowledge the Wurundjeri Woi-wurrung people as traditional custodians of the land and we pay respect to all Aboriginal and Torres Strait Elders, past, present and emerging, who have resided in the area and have been an integral part of the region’s history.”

Inclusive Banyule Statement

“Our community is made up of diverse cultures, beliefs, abilities, bodies, sexualities, ages and genders. We are committed to access, equity, participation and rights for everyone: principles which empower, foster harmony and increase the wellbeing of an inclusive community.”

Apologies and Leave of Absence

Confirmation of Minutes

Ordinary Meeting of Council held 17 October 2022

Special Meeting of Council held 7 November 2022

Disclosure of Interests

Presentations

1. Highly Commended Award for Economic Development Strategic Thinking from Economic Development Australia.

1. *Urgent Business*

2. *Petitions*

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REPORTS:

3. *Our Inclusive and Connected Community*

Nil

4. *Our Sustainable Environment*

Nil

5. *Our Well-Built City*

Nil

6. *Our Valued Community Assets and Facilities*

Nil

7. *Our Thriving Local Economy*

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8. *Our Trusted and Responsive Leadership*

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9. *Sealing of Documents*

Nil

10. *Notices of Motion*

Nil

11. *General Business*

Public Question Time

Closure of Meeting to the Public

That in accordance with Section 66(2)(a) of the *Local Government Act 2020*, Council close the Meeting to members of the public and adjourn for five minutes to allow the public to leave the Chamber prior to considering the following confidential matters:

12. *Confidential Matters*

12.1 Belgravia Lesiure – Contract No. 08342015

This matter has been designated as confidential pursuant to section 3(1)(a) (g) of the *Local Government Act 2020*. The specific designations and rationale is listed below:

12.1 Belgravia Lesiure – Contract No. 08342015 – this report has been designated as confidential pursuant to s 3(1)(a) of the *Local Government Act 2020* as information within the report relates Council business information being information would prejudice the Council's position in commercial negotiations if prematurely released and s 3(1) (g) of the *Local Government Act 2020* as the information within the report contains information relating to commercial information, being information provided by a business commercial or financial undertaking and relates to either trade secrets and if released prematurely, could unreasonably expose the business, commercial or financial undertaking to disadvantage.

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, .

2.1 PETITION - REQUEST TO SEAL STEPHENS STREET, MONTMORENCY

Author: Amy Woollcombe - Council Business Officer, Executive

SUMMARY

1. A petition with the title 'Stephens Street, Montmorency' was received and signed by 14 signatories in support of the petition.
2. All 14 signatories were from the suburb of Montmorency.
3. The petition request is summarised as per below:

"We, the undersigned, petition or request Council to begin the process to seal our Street – Stephens Street, Montmorency 3094. We request that the Level Crossing Removal Project (LXRP) as well as the abutting property owners contribute to the construction cost.

The LXRP have used our street to gain access to the rail corridor as part of the Hurstbridge Rail Upgrade. The use of heavy vehicles, machinery and excess traffic have led to the degradation of the road."

RECOMMENDATION

That Council:

1. Receives and notes the petition.
2. Refers the petition to the Delivery and Assets Department in the Assets and City Services Directorate for consideration and response to the primary petitioner accordingly; and
3. Advise the primary petitioner of this resolution.

DISCUSSION

- Stephens Street, Montmorency is an unsealed road that runs parallel to the Hurstbridge rail line.
- It is a dead-end street, providing vehicle access to 13 residential properties.
- Discussions with the LXRP are continuing with regard to their obligations for reinstatement of Council assets during and at the end of their project.
- The petition was submitted to Council advocating to commence the sealing of Stephen Street, Monmorency and request that the that the Level Crossing Removal Project (LXRP) as well as the abutting property owners contribute to the construction cost. The petitioners are of the view that the use of heavy vehickes, machinery and excess traffic has resulted in the degradation of the road.

PETITION - REQUEST TO SEAL STEPHENS STREET, MONTMORENCY cont'd

Council are required to adhere to the Governance Rules and the Petition Guidelines when receiving and considering petitions.

OFFICER DECLARATION OF CONFLICT OF INTEREST

- The *Local Government Act 2020* requires members of Council staff, and persons engaged under contract who 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

7.1 INCLUSIVE LOCAL JOBS STRATEGY/ACTION PLAN YEAR TWO UPDATE

Author: Mizzi Walker - Strategic Development Officer, Community Wellbeing

Previous Items

Council on 21 September 2020 (Item 3.2 - Adoption of Inclusive Local Jobs Strategy & Action Plan 2020-2025)

Council on 7 February 2022 (Item 3.1 - Inclusive Local Jobs Strategy 2020-2025 Annual Update)

The SUMMARY

1. A review of year two of Council's Inclusive Local Jobs Strategy and Action Plan 2020-2025 has been completed (**Attachment 1**).
2. Within the 2021/22 financial year, key initiatives implemented as part of this Strategy and Action Plan have led to the creation of 72 local job outcomes for local people facing barriers to employment.
3. Together with the Social Enterprise Strategy and Action Plan, a total of 204 job outcomes were created in the 2021/22 financial year.
4. This is the second year of the strategy implementation and Council has made significant progress toward the target of '1000 local jobs for people facing barriers to employment by 2025'. A total of 393 job outcomes have been created across both strategies since adopted.
5. Council has commenced the third year of the Local Jobs Strategy and Action Plan (**Attachment 2**).

RECOMMENDATION

That Council:

1. Notes the achievements of year two of the Inclusive Local Jobs Strategy and Action Plan 2020-2025.
2. Receive an annual report with an update regarding year three achievements of the Inclusive Local Jobs Strategy and Action Plan 2020-2025.

COUNCIL PLAN

- This report is in line with Banyule's Council Plan strategy to "Partner with local employers, agencies and other organisations to create inclusive jobs".

BACKGROUND

- Council adopted the Inclusive Local Jobs Strategy & Action Plan 2020-2025 in September 2020. The Strategy & Action Plan embeds and builds on the momentum and strategic leadership of Council's existing efforts to innovatively

**INCLUSIVE LOCAL JOBS STRATEGY/ACTION PLAN YEAR TWO UPDATE
cont'd**

address inequalities of access to employment and stimulate local job outcomes for local people experiencing barriers to employment.

- Collectively, the Inclusive Local Jobs Strategy and Social Enterprise Strategy, pioneer a new model for place-based community and economic development led by the local government sector, and set a new aspirational target of achieving 1000 local job outcomes for local people experiencing barriers to employment by 2025.

KEY ISSUES

- A review of year two of Council's Inclusive Local Jobs Strategy & Action Plan 2020-2025 has been completed. This report highlights the key achievements of the Inclusive Local Jobs Strategy & Action Plan in the 2021/22 financial year (**Attachment 1**).
- This is the second year of the strategy implementation and Council has made significant progress toward the target of '1000 local jobs for people facing barriers to employment by 2025'.
- Within the 2021/22 financial year, key initiatives implemented as part of this Strategy and Action Plan have led to the creation of 72 local job outcomes for local people facing barriers to employment.
- Together with the Social Enterprise Strategy & Action Plan, a total of 204 job outcomes were created in the 2021/22 financial year. Since strategy adoption, a total of 393 job outcomes have been created across both strategies.
- Despite Covid-19 impacts to the implementation of the Strategy and Action Plan in its second year, 17 out of 19 initiatives planned for delivery in the 2021/22 financial year were successfully delivered.
- Some key deliverables and outcomes achieved were:
 - Council's Inclusive Employment Program was successfully delivered in the 2021/22 financial year; with 27 local job outcomes achieved. Due to impacts of Covid-19 to the previous program's delivery the 2020/21 financial year had a delayed start and therefore 15 additional job outcomes were carried into 2021-22 financial year.
 - Council developed and commenced piloting the Inclusive Jobs Service; with 19 local job outcomes achieved. Three partnerships with employers were established with Open House, Spark Consortium and Lower Plenty Hotel.
 - Two events were held to create awareness around inclusive jobs and its benefits. One was a recruitment event at Lower Plenty Hotel which promoted inclusive job opportunities and resulted in 1 job outcome. The second was an Inclusive Jobs Roundtable event which brought together 30 individuals from Council and community organisations to discuss inclusive jobs.
 - Banyule's grant program provided three grants to social enterprises which support vulnerable individuals into employment.
 - Social and sustainable procurement targets were developed, and Council adopted the revised procurement policy and guidelines.

**INCLUSIVE LOCAL JOBS STRATEGY/ACTION PLAN YEAR TWO UPDATE
cont'd**

- Council supported the Northern Council Alliance to develop and lead an Inclusive Employment Program advocacy initiative. If successful, 336+ inclusive local job outcomes will be realised.
- Council successfully partnered with State Government as a delivery partner of the Jobs Victoria Advocate Program. The outcomes of this program have not been included in this annual reporting as this program was not identified within the Strategy and Action Plan at the time of Council endorsement. Within the 2021/22 financial year, 1506 interactions were achieved.
- Council has commenced the third year of the Strategy and Action Plan (**Attachment 2**).
- Council's commitment to the Inclusive Local Jobs Strategy and Action Plan continues to be critical, particularly as part of supporting economic recovery and access to employment across Banyule's community. As part of Council's ongoing evaluation of the Inclusive Local Jobs Strategy & Action Plan, Council commits to conducting an annual review of the achievements of this strategy.

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*.
- This report has considered the rights of those individuals in community facing barriers to employment, which in Banyule includes young people, people with a disability, Aboriginal & Torres Strait Islander people, those from culturally and linguistically diverse backgrounds, older individuals, and LBGTQIA+ people.

Sustainable Procurement Outcomes

- Items procured by Council for any of the key initiatives in the implementation of the Inclusive Local Jobs Strategy and Action Plan will be sought from social benefit and or local suppliers where possible.

Financial Implications

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

Innovation and Continuous Improvement

- Banyule's Inclusive Local Jobs Strategy and Action plan demonstrates an innovative approach to supporting local jobs for people experiencing barriers to employment and the meaningful impact local government can have in this space. Key initiatives within the Action Plan are approached with a continuous improvement model; adjusting to the needs of community, taking learnings, and

**INCLUSIVE LOCAL JOBS STRATEGY/ACTION PLAN YEAR TWO UPDATE
cont'd**

building on success from previous years; with key initiatives adapted as required year-by-year.

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	Inclusive Local Jobs Strategy and Action Plan Year 2 Annual Report 2021-2022 financial year	
2	Inclusive Local Jobs Action Plan 2020-2025 Year 3 Final	

7.2 SOCIAL ENTERPRISE STRATEGY/ACTION PLAN YEAR TWO UPDATE

Author: Mizzi Walker - Strategic Development Officer, Community Wellbeing

Previous Items

Council on 21 September 2020 (Item 3.1 - Adoption of Social Enterprise Strategy & Action Plan 2020-2025)

Council on 7 February 2022 (Item 3.2 - Social Enterprise Strategy 2020-2025 Annual Update)

SUMMARY

1. A review of year two of Council's Social Enterprise Strategy and Action Plan 2020-2025 has been completed (**Attachment 1**).
2. Within the 2021/22 financial year, key initiatives implemented as part of this Strategy and Action Plan have led to the creation of 132 local job outcomes for local people facing barriers to employment.
3. Together with the Inclusive Local Jobs Strategy and Action Plan, a total of 204 job outcomes were created in the 2021/22 financial year.
4. This is the second year of the strategy implementation and Council has made significant progress toward the target of '1000 local jobs for people facing barriers to employment by 2025'. A total of 393 job outcomes have been created across both strategies since adopted.
5. Council has commenced the third year of the Strategy and Action Plan (**Attachment 2**).

RECOMMENDATION

That Council:

1. Notes the achievements of year two of the Social Enterprise Strategy and Action Plan 2020-2025.
2. Receive an annual report with an update regarding year three achievements of the Social Enterprise Strategy and Action Plan 2020-2025.

COUNCIL PLAN

- This report is in line with Banyule's Council Plan strategy to "Lead as a social enterprise capital of Victoria by encouraging innovative social enterprises to set-up their operations and offices within the City of Banyule".

BACKGROUND

- Council adopted the Social Enterprise Strategy & Action Plan 2020-2025 in September 2020. The Strategy & Action Plan represent an innovative approach to ensure Banyule's inclusive growth is supported by thriving and sustainable

SOCIAL ENTERPRISE STRATEGY/ACTION PLAN YEAR TWO UPDATE cont'd

social enterprises, through stronger partnerships between Banyule Council, the social enterprise sector and the broader business sector.

- Collectively, the Social Enterprise Strategy and Inclusive Local Jobs Strategy, pioneer a community based and individualised support model for people facing barriers to employment, and set a new aspirational target of achieving 1000 local job outcomes for local people experiencing barriers to employment by 2025.

KEY ISSUES

- A review of year two of Council's Social Enterprise Strategy & Action Plan 2020-2025 has been completed. This report highlights the key achievements of the Social Enterprise Strategy & Action Plan in the 2021/22 financial year (**Attachment 1**).
- This is the second year of the strategy implementation and Council has made significant progress toward the target of '1000 local jobs for people facing barriers to employment by 2025'.
- Within the 2021/22 financial year, key initiatives implemented as part of this Strategy and Action Plan have led to the creation of 132 local job outcomes for local people facing barriers to employment, and three new social enterprises were supported in Banyule.
- Together with the Inclusive Local Jobs Strategy and Action Plan, a total of 204 job outcomes were created in the 2021/22 financial year. Since strategy adoption, a total of 393 job outcomes have been created across both strategies.
- Despite Covid-19 impacts to the implementation of the Strategy and Action Plan in its second year, 13 out of 17 initiatives planned for delivery in the 2021/22 financial year were successfully delivered.
- Some key deliverables and outcomes achieved were:
 - Council's Social Enterprise Support Service conducted 35 support appointments and advice was provided to 11 individuals and businesses.
 - A new partnership was developed with For Change Co in Bellfield to establish a social enterprise café in the newly constructed community hub, facilitating the creation of 132 job outcomes for local people over the five-year partnership period.
 - The Little Social in Rosanna and Chancez Café in Greensborough continued to operate and provide local opportunities to vulnerable people. Both were supported through the Social Enterprise Partnership Program.
 - Council successfully supported the establishment of the northern region network with the Social Enterprise Network of Victoria (SENVIC) to provide professional development and capacity building opportunities to inclusive and social enterprises in the Banyule region.
 - Council's website was updated to increase awareness of local social enterprises, enhance the promotion of social enterprise resources and communicate information and opportunities for existing and emerging social enterprises.
 - Sustainable procurement targets were incorporated into Banyule's procurement policy and a KPI framework matrix has been developed. This will help Banyule staff engage social enterprises and connect social enterprises in the community with buyers.

SOCIAL ENTERPRISE STRATEGY/ACTION PLAN YEAR TWO UPDATE cont'd

- Additionally, there were also some implementation challenges, that highlight some opportunities for improvement and action:
 - Covid-19 impacted the implementation of a number of key initiatives, particularly new construction projects and events. Overall, most projects and programs were able to pivot and adapt to alternative ways of running, however, the launch of the Bellfield Community Hub Café experienced delays.
 - Sustainable procurement targets have now been adopted into Banyule's Procurement Policy and there is now an opportunity to improve staff accessibility and visibility of sustainable suppliers. A clear understanding of suppliers which generate social and economic outcomes, will enable staff to use their purchasing power to generate sustainable impact.
- Council has commenced the third year of the Strategy and Action Plan (**Attachment 2**).
- Council's commitment to the Social Enterprise Strategy and Action Plan continues to be critical, particularly as part of supporting economic recovery across Banyule's community. As part of Council's ongoing evaluation of the Social Enterprise Strategy & Action Plan, an annual review of the third year of its implementation will be completed following the 2022/23 financial year.

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*.
- This report has considered the rights of those individuals in community facing barriers to employment, which in Banyule includes young people, people with a disability, Aboriginal & Torres Strait Islander people, those from culturally and linguistically diverse backgrounds, older individuals, and LGBTQIA+ people.

Sustainable Procurement Outcomes

- Items procured by Council for any of the key initiatives in the implementation of the Social Enterprise Strategy and Action Plan will be sought from social benefit and or local suppliers where possible.

Financial Implications

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

Innovation and Continuous Improvement

- Key initiatives of the Social Enterprise Strategy and Action Plan are innovative in their approach of supporting local social enterprises to create economic

SOCIAL ENTERPRISE STRATEGY/ACTION PLAN YEAR TWO UPDATE cont'd

opportunities for local people facing barriers to work. Banyule Council works in strong partnership with the local community through an evidenced based approach. In implementing this Strategy and Action Plan, work is continually reviewed to enable continuous improvement and best practice; this includes adapting the annual action plan year-by-year as required in response to community needs, emerging opportunities and challenges. For example, some timeframes have been adjusted to incorporate delays due to Covid-19 and changes within teams.

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	Social Enterprise Strategy and Action Plan Annual Report	
2	Social Enterprise Action Plan 2020-2025 Year 3 Final	

8.1 **PROPOSED ADOPTION OF BANYULE CITY COUNCIL GOVERNANCE RULES**

Author: Krysten Forte - Governance Coordinator, Executive

SUMMARY

1. Banyule City Council's Governance Rules (including the Election Period Policy) were prepared and adopted on 17 August 2020 as required under s 60 of the *Local Government Act 2020* (the LG Act 2020), after a period of public exhibition and community consultation was undertaken.
2. The requirement of developing and keeping in force Governance Rules for local councils was a new requirement under *Local Government Act 2020*.
3. Council operates to the Banyule City Council Governance Rules and have done so since the adoption date of 17 August 2020. The Rules provide guidance on the meeting procedure for Council meetings and advice relating to election / caretaker period conventions.
4. The Governance Rules were in place throughout the COVID-19 pandemic where Council had the temporary legislative ability to conduct meetings virtually without having to amend or make adjustments to their respective Governance Rules.
5. On 30 November 2021, the *Regulatory Legislation Amendment (Reform) Bill 2021* was introduced into Parliament, foreshadowing a change to the *Local Government Act 2020* that would require all councils to alter their Governance Rules by the end of August 2022 to include processes for conducting Council meetings by electronic means of communication.
6. On the 5 September 2022 Council endorsed the Banyule City Council Draft Governance Rules (Including the Election Period Policy) for community consultation and to seek feedback on the proposed amendments to the Rules as drafted, which included provisions for virtual council meetings and minor amendments to other sections and sub rules.
7. The community consultation process was undertaken from 6 September 2022 to 27 September 2022 (3 weeks) where a dedicated Shaping Banyule page was established, and community were asked to provide feedback on the proposed changes.
8. Consultation information was collated and assessed, and genuinely considered in the context of the legislation, meeting procedure and governance requirements relating to formally constituted council meetings and associated processes.
9. Details of the feedback obtained are included in **Attachment 1**.
10. The proposed Governance Rules are attached to this report at **Attachment 2**.

**PROPOSED ADOPTION OF BANYULE CITY COUNCIL GOVERNANCE RULES
cont'd**

RECOMMENDATION

That Council:

1. Acknowledges the submissions received throughout the community consultation process for the review of the Governance Rules that was undertaken in accordance with s 60(3) of the *Local Government Act 2020*, and extends thanks to the submitters for their feedback;
2. Adopts the Banyule City Council Governance Rules and Election Period Policy (at Chapter 7) in accordance with s 60(1) of the *Local Government Act 2020*;
3. Notes that the Banyule City Council and Election Period Policy (at Chapter 7) will come into effect on 15 November 2022 and provide meeting procedure for the Council (special and ordinary) meetings after this date;
4. Note that Part 2 of the Governance Rules Review which will include a targeted review of community and public participation in Council meetings will commence in 2023 and did not form part of this review;
5. Note that the Governance Rules and Election Period Policy will be available on Council's website.

COUNCIL PLAN

- This report is in line with Banyule's Council Plan strategy to "Provide good governance, be accountable and make informed decisions based on sound evidence".

BACKGROUND

Background and context

- Banyule City Council's Governance Rules (including the Election Period Policy) were prepared and adopted on 17 August 2020 as required under the *Local Government Act 2020* (the LG Act 2020), after a period of public exhibition and community consultation was undertaken.
- On 30 November 2021, the *Regulatory Legislation Amendment (Reform) Bill 2021* was introduced into Parliament, foreshadowing a change to the *Local Government Act 2020* that would require all councils to alter their Governance Rules by the end of August 2022 to include processes for conducting Council meetings by electronic means of communication.
- It is important to note that Council has the ability under Chapter, 2, Division 15 part 61 in the current Governance Rules to be able to undertake electronic meetings: 'Meetings conducted remotely'. However, with any adopted Council position, rule or policy it is important to remain contemporary and reflect industry standards and best practice that meets the needs for Banyule Council, as well as take learnings from the last two (2) years where the organisation and Council have facilitated a mix of wholly in person, wholly remote or partially in person and partially electronic (hybrid) Council meetings.

**PROPOSED ADOPTION OF BANYULE CITY COUNCIL GOVERNANCE RULES
cont'd**

- In recognition of the requirement to amend Council's Governance Rules (including the requirement to undertake a community engagement process as part of the process to engage on proposed changes), together with the opportunity to reflect on the first 18 months of operation of the Rules, Officers have commenced the review of the Rules accordingly.

KEY ISSUES

- In response to Council's community engagement, 21 persons provided feedback. There were two (2) sections where only 20 people provided a vote or feedback on.
- 2 people provided feedback on gender neutral pronouns.
- Where the feedback did not relate to any of the draft changes proposed, it was not included or referred to.
- **Attachment 1** provides a summary in relation to the submissions and community engagement data.
- Governance Officers have assessed each and provided a response to the submissions.
- Due to the overall support for the changes, there are no further changes or revisions that Officers propose be made to the Rules.
- Various small amendments have been made throughout the Rules such as grammar, formatting and other edits to text. These changes do not constitute material and substantial changes.
- The changes listed below in **bold** are the most material and significant changes.

Inclusion of a Statement of Commitment to Good Governance

- This refers to the governance principles set out in section 9 of the *Local Government Act 2020* that details the obligations of governance principles that Council must adhere to
- Enshrining the principles and an overarching commitment to each further reiterates that Council meetings are to uphold these principles

Election of the Mayor and Deputy Mayor

- Clear and revised process and removes ambiguity at election
- In line with Maddock Law Firm's Model Rules
- In line with industry standards

Insertion of provision for general business

- Enshrines the current process Council follows when raising general business items
- Currently omitted in the Rules
- Steps out examples as a reference
- Includes speaking time of there (3) minutes

Updates to terminology in the Election Period Policy

**PROPOSED ADOPTION OF BANYULE CITY COUNCIL GOVERNANCE RULES
cont'd**

- Updates to the October 2024 Election Date
- Updates to references to terminology (definitions)
- Expansion on some of the provisions to provide more guidance to officers, councillors, candidates, and the Governance Team in interpreting and applying the Election Period Policy
- Enables greater guidance for staff, Councillors and Councillor- candidates in application and interpretation of the Policy

Change to speaking times

- Updates the councillor speaking times on motions to reflect
 - 3 minutes for the mover
 - 2 minutes for other speakers
 - 1 minute for the right of reply

Other minor changes

- Update of the Procedural Motions table
- Change of terminology from scheduled meetings to special meetings
- Formatting, grammar, amendments to lay out and structure
- Gender neutral pronouns utilised to support Banyule Gender Equality Action Plan (GEAP)
- Clarity and guidance around when the mayor can participate in debate

Physical and Remote Attendance

- The most substantial insertion and change to the Governance Rules is the provision for either in person or remote attendance at council meetings.
- The provision allows for a request from a Councillor to seek to participate in the Council meeting electronically
- It sets a timeframe for the request to be received – 10am on the day of the Council Meeting
- This is supported by the infrastructure and service available for electronic meetings to occur and through engagement from Jets
- The provision is in line with Maddocks model rules template which is being used by most councils.
- It is important to note that the provisions in this section relate to Councillors only, who together when meeting establish a formally constituted Council Meeting, and who have individual voting rights.

**PROPOSED ADOPTION OF BANYULE CITY COUNCIL GOVERNANCE RULES
cont'd**

SUPPORTING REPORT DETAILS

Legal Consideration

- The review of the Governance Rules meets Council's obligations to comply with sections 60(3) and 60(4) of the *Local Government Act 2020*.
- Council cannot delegate the power to the Chief Executive Officer to adopt Governance Rules and must adopt and keep in force Governance Rules at a formally constituted council meeting.
- There are no further direct legal implications arising from the issues 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.

Financial Implications

- The preparation, compilation and review of the Governance Rules did not require any further budgetary considerations and is absorbed in Council's operating budget.
- There are no financial implication arising from the recommendation contained in this report.

Community Engagement

- Pursuant to s 60(3) of the *Local Government Act 2020* a community engagement process was undertaken as Officers embarked on the Governance Rules Review.
- Community engagement and understanding the views of the community on how Council undertake Council (special and ordinary) meetings, and the governance arrangement and meeting procedure associated with the Rules is not only a legislative requirement under the 2020 Act, but very important in understanding genuine and meaningful views from the community for consideration.
- Council meetings are a way to engage with the community on the decision-making framework which Council operates within, allowing the community to understand the strategic thinking and consideration given to items that impact the financial stability, planning, and civic life for residents in a fair and open manner.
- Community engagement commenced via advertisement in the Banyule Banner in the August 2022 edition, directing community to the information regarding the upcoming review, and a QR code to the Shaping Banyule page with more information about the Rules and the review process.
- The Shaping Banyule page was developed, and community engagement went 'live' from 6 September 2022 to 27 September 2022.

**PROPOSED ADOPTION OF BANYULE CITY COUNCIL GOVERNANCE RULES
cont'd**

- A snapshot of the summary of the quantitative feedback is as follows:
- 17/21 respondents (81%) were in favour of supporting the inclusion of the Statement of Good Governance, with 4/21 (19%) not supportive.

12/21 respondents (57%) were in favour of the clarity provided in the Election of the Mayor and Deputy Mayor process, with 3/21 (14%) not supportive and 6/21 (28%) said they didn't either agree or disagree (neutral) with the changes.

14/20 respondents (70%) were in favour of the inclusion of general business, 3/20 (15%) were not supportive and 3/20 (15%) said they didn't agree or disagree (neutral) with the changes.
- 13/21 respondents (62%) were in favour of the changes made to the Councillor speaking times, 5/21 (24%) were not supportive and 3/21 (14%) said they didn't either agree or disagree (neutral) with the changes.
- 14/21 respondents (67%) were in favour of the insertion of Division 15 – Physical and Remote Attendance, with 3/21 (14%) not supportive and 4/21 (19%) said that they didn't either agree or disagree (neutral) with the changes.
- 12/20 (60%) respondents were in favour of the amendments made to the Election Period Policy – Chapter 7, 3/20 (15%) did not support the changes, and 6/20 (30%) said that they didn't either agree or disagree (neutral) with the changes.
- In the main, there was overall support for the changes and Officers propose that the Rules as presented as Draft to the community and Council on 5 September 2022 be adopted.

Officer Declaration of Conflict of Interest

- The *Local Government Act 2020* requires members of Council staff, and persons engaged under contract who 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	Summary of Feedback - Community Engagement Data	
2	Proposed Governance Rules - November 2022	

8.2 **DEBT COLLECTION POLICY 2022-2026**

Author: Philip Ryan - Revenue Services Coordinator, Corporate Services

SUMMARY

1. Officers are currently undertaking debt collection relating to rates, charges and other Council debt based on an internally approved debt collection policy. A revised Debt Collection Policy has been drafted and is proposed to be made publicly available after Council considers the Policy for adoption.
2. Recent changes in legislation have changed the framework around when Council can initiate legal action to recover unpaid rates and charges. While this legislation has received royal assent, it has not yet come into force. The revised Debt Collection Policy ensures that Council's policy and debt collection practices will comply with the new legislated framework around debt collection.
3. The Debt Collection Policy complements Council's adopted Rates Hardship Assistance Policy and is designed that so that if hardship is only disclosed during the debt collection process, that action under this policy, is dis-continued and ratepayers are assessed and assisted through Council's hardship provisions.
4. Adopting the Debt Collection Policy will allow officers to engage more actively with overdue ratepayers and to refer on to debt collection agencies and possible legal action if no response to Council is provided by ratepayers and other Council debtors.
5. It will also provide the community with a clear approach that Council may take and the processes available to Banyule City Council.

RECOMMENDATION

That Council:

1. Adopts the Debt Collection Policy.
2. Notes that the Debt Collection Policy incorporates the measures outlined in the *Local Government Legislation Amendment (Rating and Other Matters) Act 2022*.
3. Notes the Debt Collection Policy will be reviewed every 4 years or where there are major amendments required.

COUNCIL PLAN

- This report is in line with Banyule's Council Plan key direction to "Provide responsible management of resources to ensure the financial sustainability of Banyule Council".

DEBT COLLECTION POLICY 2022-2026 cont'd

BACKGROUND

- Rates, charges, and user-fees are a vital part of the funding of Council programs and services.
- Officers are currently undertaking debt collection relating to rates, charges and other Council debt based on an internal policy, approved several years ago. A revised Debt Collection Policy has been drafted for consideration by Council to adopt at this ordinary meeting of Council.
- Recently, Council's debt collection activities have been limited given the focus on hardship assistance and are undertaken by officers in-house.
- Over recent years, the percentage of rate arrears at the end of each year has increased particularly during the COVID pandemic years:

Year	Arrears as a Percentage of Rates Levied on 1 July
2015-2016	2.08%
2016-2017	2.39%
2017-2018	2.99%
2018-2019	3.58%
2019-2020	3.94%
2020-2021	4.77%
2021-2022	5.75%
2023-2023	6.13%

- As at 30 June 2022, the amount of rates and charges outstanding was \$7,766,614 of which \$4,049,215 or 52.14% was arrears and interest from prior financial years.
- Owners of properties are required to pay rates in four instalments as specified in the *Local Government Act 1989*. Several ratepayers have long-outstanding debt. Other debtor categories have not increased as significantly as Council has directly aided organisations and individuals through discounting user-fees throughout the pandemic.
- Internal collection activities have been undertaken but Council has not employed the services of a debt collection agency to collect rates or undertaken legal action for several years.
- The *Local Government Act 1989* includes the power for councils to recover overdue rates and charges. Once adopted, the Debt Collection Policy will guide officers in the recovery of overdue rates and charges.

KEY ISSUES

- The collection of overdue rates, charges and other Council debt is required to ensure that Council can continue to fund programs and services and to manage cash flow throughout the year.
- The percentage of rate arrears as a percentage of rates levied on 1 July has increased over the previous six years. It is necessary to conduct additional and consistent collection activities to reduce the number of unpaid rates.

DEBT COLLECTION POLICY 2022-2026 cont'd

- A Debt Collection Policy is required to conduct additional collection activities including the referral of ratepayers to external debt collection and legal action to recover overdue rates once internal collection avenues have been exhausted.
- The Debt Collection Policy is designed to work in conjunction with Council's Rates Financial Hardship Assistance Policy 2022/23. The Policy is sensitive to the hardship that may exist in some circumstances and to ensure that ratepayers, who may be in hardship, are given every opportunity to apply for hardship assistance and to enter a payment plan or arrangement.
- The recent passing of the *Local Government Legislation Amendment (Rating and Other Matters) Act 2022* will require Council's to have additional measures in place before commencing legal action to collect unpaid rates. The Policy incorporates these additional measures.
- The *Local Government Legislation Amendment (Rating and Other Matters) Act 2022* also stipulates that the Minister may publish debt collection guidelines and if they are published, Council must follow the guidelines. It is not known if or when guidelines will be issued – it may be the case that Council needs to revise its Debt Collection Policy and if this is the case, a revised Policy will be presented to Council when appropriate.
- Other changes relate to the introduction of Council-defined Payment Plans. These Plans bring into existence arrangements which have been included in Banyule's Revenue and Rating Plan for several years, namely arrangements offered via periodical direct debit. The Payment Plans are complex to administer as monitoring arrangement including defaults and resulting penalty interest is a manual process. Council's software system is unable to administer automatically.
- The Act also contains additional restrictions on Council taking legal action to recover unpaid rates, namely that a period of two years has elapsed since the last payment was made or since a ratepayer was informed of the ability to access a Payment Plan.

SUPPORTING REPORT DETAILS

Legal Consideration

- Legal action under section 180 of the *Local Government Act 1989* is included in the Policy. This will involve Council seeking judgement through the Magistrates Court. A judgement can have an impact on a ratepayer's credit rating. Council will only be seeking judgement where a satisfactory payment plan or arrangement cannot be reached with a ratepayer or another Council debtor.
- Section 181 of the *Local Government Act 1989* allows Council to sell property to recover unpaid rates, where a judgement has been granted and where there has been no payment over a period of three years. This avenue of collection is included in the Policy. Any action under this section will require a resolution of Council in each case. Council has not exercised this option on an owner-occupied property in the past.

DEBT COLLECTION POLICY 2022-2026 cont'd

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*.

- The Debt Collection Policy makes special provision for removal from the legal action process for those suffering from mental illness, disability, or family violence where legal action would significantly impact mental health or wellbeing.
- The right to privacy and reputation is impacted in any legal action where a ratepayer's financial situation is discussed in court. A record of judgements entered is also public, meaning that a ratepayer's delinquency is publicly available. The impact on this right is unable to be reduced when legal action is undertaken. However, legal action is not the first option under this Policy and is only undertaken when a satisfactory arrangement cannot be reached.

Sustainable Procurement Outcomes

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

Financial Implications

- It is anticipated that Council may incur additional administration and legal costs through the implementation of the Debt Collection policy. Interest charges on overdue debt will also decline.
- Where Council, through its debt collection agency, undertakes legal action, legal costs will be payable in line with the Magistrates Court Scale of Costs. These costs will be recoverable against the ratepayer but must initially be paid by Council. Therefore, there will be recoverable costs that are initially paid by Council.
- Should Council subsequently decide to waive the right to recover legal costs as part of a hardship application, this waiver will result in a net-cost to Council.
- The community benefits obtained will far outweigh the net costs likely to be incurred through the adoption of the Debt Collection Policy.

Innovation and Continuous Improvement

- Council is taking more pro-active steps to ensure ratepayers that may be suffering hardship are quickly identified and that debt is reduced as ratepayers are being encouraged to enter payment arrangements.

Key Considerations

- Council will be able to commence collections once the Policy is adopted confidently and actively. This activity will create increased contact with ratepayers and additional hardship applications are likely to be generated. The Rates Debt Collection Policy is designed to complement Council's Rates Financial Hardship Assistance Policy 2022/23.
- The Debt Collection Policy makes special provision for removal from the legal action process for those suffering from mental illness, disability, or family violence where legal action would significantly impact mental health or wellbeing.

DEBT COLLECTION POLICY 2022-2026 cont'd

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	Debt Collection Policy	

8.3 AWARD OF CONTRACT 1220-2022 CONSTRUCTION OF MONTMORENCY BOWLING CLUB PAVILION

Author: Matthew Theuma - Project Engineer, Assets & City Services

SUMMARY

1. This report is to consider the awarding of Contract No. 1200-2022 - Construction of Montmorency Bowling Club Pavilion.
2. As part of the 2022/23 and 2023/24 financial year Capital Works programs, Council is proposing to renovate and extend the existing Montmorency Bowling Club Pavilion. The works generally comprise of amenity and access improvements while increasing the floor space of the building.
3. Tenders were invited and received from five (5) contractors however one was non-compliant.
4. The Tender Evaluation Panel (TEP) has recommended awarding the contract to Notion Partners in accordance with the tender and conditions as determined by Council.
5. The contract will commence upon award of the contract.

RECOMMENDATION

That Council:

1. Award Contract No. 1200-2022 - Construction of Montmorency Bowling Club Pavilion to Notion Partners for the lump sum price of \$1,356,220.00 (ex. G.S.T).
2. Authorise the Director of Assets & City Services to sign the contract and any other associated documents.

COUNCIL PLAN

This report is in line with Banyule's Council Plan 2021-2025 strategy to "*Deliver well designed places and spaces that enable stronger connections and liveability to meet the diverse needs of our current and future community*".

TENDER DETAILS

Contract Period	November 2022 to July 2023
Contract Type	Lump Sum Contract
Advertising Period	13 August 2022 to 7 September 2022 in The Age
Tenders Closed	7 September 2022
Works/Project	The scope of works includes but is not limited to the construction activities involving: <ul style="list-style-type: none">• Demolition works• Extension to the existing building footprint• Upgrade to all internal rooms and amenities

AWARD OF CONTRACT 1220-2022 CONSTRUCTION OF MONTMORENCY BOWLING CLUB PAVILION cont'd

	<ul style="list-style-type: none"> • Construction of a parking bay • Upgrade of the outdoor area and landscaping • Site clean-up
No. of tender documents downloaded	Nineteen (19)
Tender Evaluation Panel	<ul style="list-style-type: none"> • Coordinator Capital Works • Team Leader Building • Project Engineer • Procurement Officer
Tender Evaluation Criteria	<ul style="list-style-type: none"> • Tendered price; • Qualifications and experience of nominated staff including experience of nominated sub-contractors and CV's; • Site Visit by main tendering contractor (non-mandatory); • Previous performance, experience and reliability in the provision of similar types of projects and previous performance in delivery of contracts or purchase orders directly with Banyule City Council (if applicable), including referee feedback (Note that advice may be sought from any other person beyond that given by the nominated referees); and • Sustainable Procurement Questionnaire.

TENDER/QUOTATION EVALUATION

- Prior to receiving the tenders, the tender evaluation panel convened to set the weightings for each of the evaluation criteria and establish how the tenders would be evaluated using the weighted evaluation matrix. A tender evaluation plan was developed and signed by all panel members.
- The tender submission includes a requirement for the contractor to complete a questionnaire which seeks clarifications on how they have included/considered sustainable procurement aspects of the contract which covers, Environmental, Economic and Social Sustainability. The TEP assesses this information as part of the weighted score for each tenderer and this forms part of the overall evaluation and recommendation for awarding of the contract.
- The TEP individually scored the tenders and then a tender evaluation panel meeting was held to agree on the consensus scores. The weighted score for the tender was:

Table 1 – Tenders received and weighted scores	
Contractor	Weighted Score
Tenderer A	77.55
Tenderer B	64.17
Notion Partners	85.50
Tenderer D	65.39
Tenderer E	Non-Conforming

AWARD OF CONTRACT 1220-2022 CONSTRUCTION OF MONTMORENCY BOWLING CLUB PAVILION cont'd

- Council undertook an independent financial and reference checks on the Notion Partners to confirm their capacity and capabilities.
- It is evident from the above weighted scores that Notion Partners has obtained the highest score and will deliver best value for money to Council.

NON-CONFORMING TENDER

- Tenderer E was deemed to be non-conforming because they only submitted a quote for Tactiles only.

SUPPORTING REPORT DETAILS

Legal Consideration

- Section 109(1) of the *Local Government Act 2020* requires councils to comply with their Procurement Policy, which stipulates a public tender process is required for the procurement of goods, services or works where once-off or ongoing cumulative spend over the life of the contract is expected to exceed \$300,000 (including GST).
- The awarding of this contract complies with the tendering provisions of Section 109(1) of the *Local Government Act 2020*.

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

- The tender submission includes a requirement for the contractor to complete a questionnaire which seeks clarifications on how they have included/considered sustainable procurement aspects of the contract which covers, Environmental, Economic and Social Sustainability.
- There are no sustainable procurement activities arising from the recommendation contained in this report however Notion Partners tendered positively to the majority of the Sustainable Procurement Questionnaire, were the highest scored tender, are 3rd party accredited environmentally and are located in the Northern Region. They have committed to using 80-90% of local content and purchase PPE from an indigenous business.

Financial Implications

- Council has allocated \$1,096,603.00 in its 2022/23 Capital Works budget for the project which includes a carry forward from previous years.
- Council has also allocated \$700,000.00 in its 2023/24 Capital Works budget for the project.
- Notion Partners are the highest scored and lowest priced tenderer which provide best value for money. There is sufficient budget to award this tender to Notion Partners.

AWARD OF CONTRACT 1220-2022 CONSTRUCTION OF MONTMORENCY BOWLING CLUB PAVILION cont'd

Additional information

- Attachment 1, as circulated in the confidential section of the agenda attachments. The information is designated as Confidential Information in accordance with Section 66(2)(a) of the *Local Government Act 2020* (as amended); as it contains confidential information relating to private commercial information being information provided by a business, commercial or financial undertaking that if released, would unreasonably expose the business, commercial or financial undertaking to disadvantage.
- This item has been included in the public agenda to facilitate transparency and accountability in Council's decision making.

Banyule Procurement Policy

- Council's Procurement Policy is made under *Section 108 of the Local Government Act 2020*. *The Local Government Act 2020* and Councils Procurement Policy are the primary reference points for how all procurement should be performed.
- The Policy specifies the principles, processes and procedures applying in respect of the purchase of goods and services by the Council.
- The process for inviting quotations and evaluation was undertaken in accordance with the Policy.

Officer Declaration of Conflict of Interest

- The *Local Government Act 2020* requires members of Council staff, and persons engaged under contract who 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.
- In undertaking the assessment, all members of the TEP completed and signed the Conflict of Interest and confidentiality declaration, and no conflicts were declared.

ATTACHMENTS

No.	Title	Page
1	Analysis of RFT 1220-2022 - Construction of Montmorency Bowling Club Pavilion - CONFIDENTIAL	

8.4 AUDIT & RISK COMMITTEE MINUTES 21 SEPTEMBER 2022 & 6 OCTOBER 2022

Author: Paul Wilson - Risk & Assurance Officer, Corporate Services

SUMMARY

1. The Audit & Risk Committee is an Advisory Committee of Council, and its role is determined by the *Local Government Act 2020*. The responsibilities and terms of reference of the Audit & Risk Committee are defined in the Committee's Charter.
2. The *Audit & Risk Committee Charter* states the minutes of each meeting of the Audit & Risk Committee are required to be reported to an Ordinary Council Meeting.
3. Consequently, the Minutes of the meeting held on the 21 September 2022 and subsequent meeting held on 6 October 2022 are being circulated for noting by Council.
4. The minutes are subject to confirmation by the Audit & Risk Committee at its next meeting, scheduled for 9 December 2022.

RECOMMENDATION

That Council:

1. Note the unconfirmed Minutes of the Audit & Risk Committee meeting held on 21 September 2022 and subsequent meeting held on 6 October 2022.
2. Note Dr Irene Irvine was re-elected as Chairperson of the Audit & Risk Committee for a further 12 Months concluding on 30 September 2023.

COUNCIL PLAN

- This report is in line with Banyule's Council Plan strategy to "Promote community awareness and support a diverse, connected, and inclusive community that respects and celebrates different cultures, beliefs, abilities, bodies, ages, sexualities, genders and identities".

BACKGROUND

- As part of Council's governance obligations to its community, Council has constituted an Audit & Risk Committee to facilitate:
 - The enhancement of the credibility and objectivity of internal and external financial reporting
 - Effective management of Council's strategic risks and protection and control of Council assets
 - Monitoring of Council's Business Continuity Plans and processes
 - The efficiency and effectiveness of significant Council programmes

**AUDIT & RISK COMMITTEE MINUTES 21 SEPTEMBER 2022 & 6 OCTOBER 2022
cont'd**

- Compliance with laws and regulations as well as use of Best Practice Guidelines
- The effectiveness of the audit functions.
- The Committee meets at least four times annually, with authority to convene additional meetings, as circumstances require.
- The Audit & Risk Committee meeting scheduled for 22 September 2022 needed to be rescheduled due to impromptu public holiday called for a day of mourning following the passing of her Majesty Queen Elizabeth on the same day.
- To meet legislation requirements, the Committee meeting was scheduled for an after-hours meeting on 21 September 2022 to table the financial reports prior to the 26 September Council meeting. This meeting was then adjourned to 6 October 2022 to table the remaining agenda items.
- During the 6 October 2022 meeting, Dr Irene Irvine was re-elected as Chairperson of the Audit & Risk Committee for a further 12 Months concluding on 30 September 2023.
- Minutes are prepared for all meetings and provided to the Chair prior to being presented to Council as unconfirmed minutes and then submitted to the subsequent Committee meeting for confirmation.

SUPPORTING REPORT DETAILS

Legal Consideration

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

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

- The *Local Government Act 2020* requires members of Council staff, and persons engaged under contract who 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.

**AUDIT & RISK COMMITTEE MINUTES 21 SEPTEMBER 2022 & 6 OCTOBER 2022
cont'd**

ATTACHMENTS

No.	Title	Page
1	Unconfirmed Minutes Audit & Risk Committee 21 September 2022	

8.5 IBAC INVESTIGATION – OPERATION WATTS – CLOSE OUT OF BANYULE ACTIONS

Author: Gina Burden - Manager Corporate Governance & Communication, Executive

SUMMARY

1. In 2021 the Independent Broad-based Anti-corruption Commission (IBAC) conducted an investigation named Operation Watts relating to allegations that Members of Parliament misused public resources, in the form of electorate officers and ministerial staff, to further party political objectives.
2. Operation Watts also investigated the provision of grants to community-based organisations with links to certain factions within the Australian Labor Party. These community-based associations included the Somali Australia Council of Victoria (SACOV).
3. Banyule City Council was included in the investigation in relation to grants made to SACOV and was required to produce documents and provide details of grants awarded to SACOV in the past.
4. In December 2021, following the public hearings held by IBAC into Operation Watts, the then Minister for Local Government, Shaun Leane, wrote to Council requesting that Council conduct a review of its community grants allocation and acquittal processes, and that the review findings be reported to Council's Audit and Risk Committee, and to report back to the Minister on Council's progress.
5. Subsequently, Council's Independent Auditors, Crowe Australasia, were engaged to undertake an Internal Audit and review all payments made to SACOV since 2011 and to confirm the adequacy of internal controls and governance practices associated with these transactions.
6. The report was tabled at the Audit and Risk Committee meeting held on 18 June 2022 and concluded that no matters came to the auditors' attention to suggest inappropriate dealings between Council and SACOV or associated organisations included in the review.
7. On 20 July 2022 IBAC publicly released their report on Operation Watts. Though Banyule City Council was mentioned in numerous sections related to grant transactions with SACOV, no adverse findings were made against Banyule.
8. The IBAC report noted and acknowledged the actions Council had taken to audit and review its grants management processes to date, IBAC recommended that state and local government funders of community organisations continue to improve their policies and processes to manage grants, in accordance with evolving best practice, and make sure that monitoring and reporting practices are risk-informed and sufficiently prioritised to be implemented effectively.
9. The purpose of this Council report is to advise on the actions taken by Council to review its grants management and acquittal processes, and any findings that have been made regarding the Operation Watts investigation.

IBAC INVESTIGATION – OPERATION WATTS – CLOSE OUT OF BANYULE ACTIONS cont'd

RECOMMENDATION

That Council:

1. Note the action taken to review funding provided to the Somali Australian Council of Victoria (SACOV) in response to the Independent Broad-based Anti-corruption Commission's (IBAC) Operation Watts Report
2. Note there were no adverse findings of inappropriate dealings between Council and SACOV made by either IBAC or Council's independent auditors; and
3. Continue to implement improvement opportunities identified by both IBAC and the independent auditors to further strengthen the management process and governance frameworks related to grants and funding management to third parties.

COUNCIL PLAN

- This report is in line with Banyule's Council Plan strategy to "Provide good governance, be accountable and make informed decisions based on sound evidence".

BACKGROUND

Operation Watts

- In 2021 the Independent Broad-based Anti-corruption Commission (IBAC) conducted an investigation named Operation Watts relating to allegations that Members of Parliament misused public resources, in the form of electorate officers and ministerial staff, to further party political objectives.
- Operation Watts also investigated the provision of grants to community-based organisations with links to certain factions within the Australian Labor Party. These community-based associations included the Somali Australia Council of Victoria (SACOV).
- Banyule City Council was included in the investigation in relation to grants made to SACOV and was required to produce documents and provide details of grants awarded to SACOV in the past.

Grants Process Review

- In December 2021, following the public hearings held by IBAC into Operation Watts, the then Minister for Local Government, Shaun Leane, wrote to Council seeking assurances that Council is taking steps to ensure Council has appropriate internal controls in place to meet the Council's financial management obligations under the *Local Government Act 2020* and the community's expectations around how community grants are awarded and acquitted.
- The Minister requested that Council conduct a review of its community grants allocation and acquittal processes, and that the review findings be reported to Council's Audit and Risk Committee, and to report back to the Minister on Council progress

IBAC INVESTIGATION – OPERATION WATTS – CLOSE OUT OF BANYULE ACTIONS cont'd

- Subsequently, Council's Independent Auditors, Crowe Australasia, undertook an Internal Audit and reviewed all payments made to SACOV since 2011 to confirm the adequacy of internal controls and governance practices associated with these transactions.
- The report was tabled at the Committee meeting held on 18 June 2022 and concluded that no matters came to the auditors' attention to suggest inappropriate dealings between Council and SACOV and associated organisations included in the review.
- Prior to this engagement, a number of internal audits have been completed since 2020 covering topics such as Management of Conflict of Interest, Outgoing Grants Management & Service Level Agreements and Management of Leases and Licences. A number of processes had already been improved and strengthened in relation to grant acquittals on the back of these audits prior to the Operation Watts investigation and hearings.
- In February 2022, the Minister again wrote to Council noting the progress Council had made in undertaking internal audits on its grants management processes and in reviewing all transactions with SACOV dating back to 2011. The Minister asked to receive a further update by 30 June 2022.
- Accordingly, Council provided a further update to the Minister, advising of Crowe's audit findings and noting that any recommendations made would be fully implemented by 30 June 2022.

KEY ISSUES

Audit and Risk Committee Review

- The findings of Crowe's audit review and investigation of funding provided by Council to SACOV, and associated entities, since 2011 was presented to the Audit and Risk Committee in early October 2022. Crowe's report concluded that:
 1. Council has matured its operating framework relating to service level agreements, partnerships, and grants since 2011
 2. Prior to this engagement, a number of internal audits have been completed since 2020 covering topics such as management of conflict of interest, outgoing grants management and management of leases and licences
 3. While gaps in process for the transactions reviewed were identified, no further matters came to our attention to suggest inappropriate dealings between Council and SACOV and associated organisations subject to this review.
- A list of improvement opportunities to further strengthen the management processes and governance frameworks for service level agreements and partnership agreements was attached to the audit report.
- All except for one action has been completed with the final action to be completed in January 2023.
- Additionally, Council conducted a self-assessment of the Victorian Auditor General's (VAGO) performance audit 'Fraud Control Over Local Government Grants' completed in May 2022. Council's processes and internal controls were assessed as being aligned with the VAGO recommendations.

IBAC INVESTIGATION – OPERATION WATTS – CLOSE OUT OF BANYULE ACTIONS cont'd

IBAC Report and Findings

- The conclusions and finding of IBAC's Operation Watts report as it relates to Banyule Council included the following:
 - Many of the funders who provided funds to the identified organisations, including Banyule City Council, have reviewed either their specific funding of those organisations or the programs under which they were funded.
 - Grant funders should manage risk more proactively, to identify organisations with weak accountability arrangements.
 - We note that many grant funders either withhold a final payment or refuse to accept further grant proposals from organisations if full acquittals of grants to that organisation have not been completed. We support this approach as a prudent policy for grants administration.
- Recommendation (21) from the Report states:

That state and local government funders of community organisations continue to improve their policies and processes to manage grants, in accordance with evolving best practice, and make sure that monitoring and reporting practices are risk-informed and sufficiently prioritised to be implemented effectively. In particular, they should consider:

 - a. requiring copies of receipts with all expenditure acquittals, and checking them against grant applications
 - b. requiring payment of salaries to be accounted for, especially if existing office holders are being funded from non-recurring grant monies
 - c. vetting applicant organisations' competence to undertake specific-purpose projects
 - d. requiring grant recipients to certify that items of expenditure have not been claimed against other organisational revenues or grants, to prevent the use of the same receipt to acquit different reporting obligations to different grant providers
 - e. adopting proactive risk-management practices to identify organisations that might have weak accountability arrangements
 - f. withholding final grant payments or refusing to accept new grant applications from an applicant who has not completed a full grant acquittal report.
- All of the above recommendations have been considered and incorporated as part of the audit review undertaken.

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*.

**IBAC INVESTIGATION – OPERATION WATTS – CLOSE OUT OF BANYULE
ACTIONS cont'd**

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

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 who 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

8.6 **QUARTERLY FINANCIAL MANAGEMENT REPORT - SEPTEMBER 2022**

Author: Tony Wu - Financial Data Analyst, Corporate Services

SUMMARY

1. This Quarterly Financial Management Report is for the period ended 30 September 2022 and provides assessment of the following:
 - Financial Performance - key income and expenditure actual operating results against budget.
 - Capital Works Expenditure – summary of actual spend, budget and forecast.
 - Investment activity – compliance against the current Investment Policy
 - Other key financial indicators – Rates Outstanding, Accounts Receivable, Balance Sheet and Cash Flow statements

Financial Performance

2. Year-to-Date: As of 30 September 2022, the year-to-date operating deficit is unfavourable to budget due mainly to unearned grants income postponed aligning with the deferred delivery of specific capital works projects (or carried forward into 2023/24). There is also an increase in cost of materials (expenditure) relating to Waste Disposal and Fuel prices.
3. Forecast: The 30 September 2022 forecast is projected to be an operating surplus of \$11.391m compared to the adopted budget surplus of \$15.110m (\$3.719m unfavourable movement).
4. Underlying Deficit: The 2022/23 underlying operating deficit is forecasted to be \$6.736m compared to a budgeted underlying deficit result of \$4.096m (\$2.640m unfavourable). The underlying result is determined after adjusting for non-recurrent capital grants and capital contributions.

Capital Works Performance

5. As of 30 September 2022, a total YTD of \$4.283m has been spent on capital works. The capital works expenditure is forecast to be \$53.510 (the adopted capital budget is \$61.549m).
6. There are Twenty (20) projects that have been deferred or not proceeding this financial year. Other projects have been deferred to 2023/24 (in part or full) due to project complexities or revised project timing. (Refer attachment 1 of the main report Section 3 capital works expenditure for the key variances).

<h3>RECOMMENDATION</h3>

<p>That Council note:</p>

QUARTERLY FINANCIAL MANAGEMENT REPORT - SEPTEMBER 2022 cont'd

1. The Quarterly Financial Management Report for the period 30 September 2022.
2. The September 2022 forecast is for Council to deliver an operating surplus of \$11.391m against the adopted budget surplus of \$15.110m for the year ended 30 June 2023.
3. The underlying operating deficit of \$6.736m is after adjusting for non-recurrent capital grants and capital contributions of \$18.127m.
4. Council officers are regularly monitoring and restricting discretionary expenditure to minimise expenditure to maintain a healthy financial sustainability.

COUNCIL PLAN

- This report is in line with Banyule’s Council Plan strategy to "Provide responsible management of resources to ensure the financial sustainability of Banyule Council".

BACKGROUND

- The 30 September 2022 Financial Management report comprises a review of the current performance against year to date budget, full year budget and full year forecast, and other key financial information.
- Material variances are explained in the attachment – refer notes (variances greater than \$0.500m are considered material).

KEY ISSUES

Financial Sustainability

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

September 2022	Net Results	Underlying Results	Liquidity	Internal Financing	Indebtedness	Capital Replacement	Renewal Gap
Forecast	6.27%	(4.12%)	2.52	102.90%	17.54%	2.23	1.99

- The Adjusted Underlying Results measures an entity's ability to generate surplus in the ordinary course of business.
- The 'red' Adjusted Underlying Results 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 against the ratio.

QUARTERLY FINANCIAL MANAGEMENT REPORT - SEPTEMBER 2022 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 September 2022 and provides assessment of the following:
 - Key income and expenditure actual operating results against budget
 - Capital Works financial performance
 - Other key financial indicators
- The September forecast is projected to be a \$11.391m surplus compared to the adopted budget surplus of \$15.110m (a \$3.719m unfavourable movement).
- The 2022/23 underlying operating deficit is forecast to be \$6.736m compared to a budgeted underlying deficit result of \$4.096m (a \$2.640m unfavourable movement).
- As of 30 September 2022, a total of \$4.283m has been spent on capital works.
- The capital works expenditure is forecast to be \$53.510m (the adopted capital budget is \$61.549m).

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.

QUARTERLY FINANCIAL MANAGEMENT REPORT - SEPTEMBER 2022 cont'd

ATTACHMENTS

No.	Title	Page
1	Quarterly Financial Management Report - September 2022 - Council Report	
2	September 2022 Capital Works Project Delivery Monthly Update	

8.7 RECORD OF COUNCILLOR MEETINGS

Author: Amy Woolcombe - Council Business Officer, Executive

SUMMARY

In accordance with section 60 of *the Local Government Act 2020*, Council at its meeting on 17 August 2020 adopted the Banyule Governance Rules. The Governance Rules, Chapter 6 Miscellaneous requires the Chief Executive Officer to ensure that a summary of the matters that are discussed, meet the following definition:

If there is a meeting of Councillors that:

1. Is scheduled or planned for the purposes of discussing the business of Council or briefing Councillors;
2. Is attended by at least one member of Council staff; and
3. Is not a Council meeting, Delegated Committee Meeting or a Community Asset Committee Meeting

Are tabled at the next convenient Council Meeting and are recorded in the meeting minutes of that Council meeting.

Record of Meetings

1	Date of Meeting:	17/10/2022
	Type of Meeting:	Pre-Council Briefing
	Matters Considered:	
<ul style="list-style-type: none"> • Rent relief for Shop 48 tenants • Watsonia After Dark- Annual Report 2021-22 • Draft Sporting Facilities User Guide & Allocation Policy and • Draft Sporting Facilities Capital Works Policy - release for community consultation • James Reserve - Response and Recommendations to Petition • Development Planning - Update on Environmentally Sustainable Development • Amendment C165 - Updated Heritage Overlay - Panel Report • Mountain View Road, MONTMORENCY - Montmorency Bowling Club Extension (P823/2022) • 307-325 Waterdale Road, Bellfield - Operations Depot - Proposed Visy Lease • Unsuccessful World Games Funding - Yallambie Park Pavilion • Award of Contract 1163-2022 Construction of Waterdale Road Pocket Park and Streetscape • Annual Report 2021/2022 • Record of Councillor Meetings 		

RECORD OF COUNCILLOR MEETINGS cont'd

Councillors Present:	
Mayor Cr Elizabeth Nealy Cr Peter Castaldo Cr Mark Di Pasquale Cr Rick Garotti Cr Alida McKern Cr Tom Melican Cr Fiona Mitsinikos	
Staff Present:	
Allison Beckwith - <i>Chief Executive Officer</i> Darren Bennett – <i>Director Assets & City Services</i> Marc Giglio – <i>Director Corporate Services</i> Natasha Swan – <i>Director City Development</i> Kath Brackett – <i>Director Community Wellbeing</i> Gina Burden – <i>Manager Corporate Governance & Communication</i> Krysten Forte – <i>Governance Coordinator</i> Linda Chapple – <i>Governance & Council Business Specialist</i> Amy Woollcombe – <i>Council Business Officer</i>	
Others Present:	
Nil	
Conflict of Interest:	Nil

2	Date of Meeting:	19/10/2022
	Type of Meeting:	Multicultural Committee Meeting
	Matters Considered:	
	<ul style="list-style-type: none"> • Population Committee Updates • Inclusive Banyule Advisory Committee • Inclusive Banyule – workplan and key projects • Urban Food Strategy • ICAN 	
	Councillors Present:	
Cr Fiona Mitsinikos		
Staff Present:		
Jo Wilson – <i>Manager Resilient & Connected Communities</i> Sherryn Prinzi – <i>Coordinator Community Impact</i> Laura Mannix – <i>Social Policy & Planning Team Leader</i>		
Others Present:		
<ul style="list-style-type: none"> • Jeyarajah Ramanathan 		

RECORD OF COUNCILLOR MEETINGS cont'd

	<ul style="list-style-type: none">• Louisa Ong• Baljit Singh• Susan Zhou• Albert Fatileh
	Conflict of Interest: Nil

RECOMMENDATION

That Council receives and notes the Record of Councillor Meetings report.

ATTACHMENTS

Nil