

Special Meeting of Council

held at the Civic Centre, Civic Drive, Greensborough on Tuesday 14 June 2016.

Minutes

Stuart Burdack
Chief Executive Officer

Wednesday 15 June 2016

Distribution: Public

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Domin je ka

Nillumbik Shire Council

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Nillumbik Shire Council

Minutes of the Special Meeting of Nillumbik Shire Council held Tuesday 14 June 2016. The meeting commenced at 7pm.

Councillors present:

Cr Bronnie Hattam	Swipers Gully Ward (Mayor)
Cr Meralyn Klein	Blue Lake Ward
Cr Anika Van Hulsen	Bunjil Ward
Cr Michael Young	Edendale Ward
Cr Ken King	Sugarloaf Ward
Cr Helen Coleman	Wingrove Ward

Officers in attendance:

Stuart Burdack	Chief Executive Officer
Pauline Gordon	General Manager Community and Leisure
Andrew Port	General Manager Corporate Services
Ransce Salan	General Manager Environment and Planning
Lisa Pittle	Acting General Manager Infrastructure Services
Allison Watt	Manager Governance and Communications
Robert Malignaggi	Acting Manager Finance

Welcome

1. Reconciliation statement

The reconciliation statement was read by the Mayor, Cr Bronnie Hattam.

2. Governance pledge

The good governance pledge was read by Cr Ken King.

3. Apologies

An apology was received from Cr Peter Perkins.

Motion

**Cr Michael Young
Cr Meralyn Klein**

That the apology from Cr Peter Perkins be accepted.

CARRIED

4. Disclosure of conflicts of interest

Nil

5. Reports of Special Committees

Policy and Services Committee

PS.019/16 Consideration of submissions - draft Budget 2016-2017

File: 20/25/001

Distribution: Public

Manager: Andrew Port, General Manager Corporate Services

Author: Vince Lombardi, Manager Finance

Robert Malignaggi, Management Accountant

Summary

This report outlines submissions received from the public regarding the draft Budget 2016-2017 for Council consideration.

Council adopted the draft Budget 2016-2017 at the Ordinary Council meeting on 26 April 2016 for the purpose of community consultation. The draft Budget was made available to the public for a period of 28 days. Seven submissions were received.

The Policy and Services Committee considered the seven submissions as well as verbal presentations from submitters and the community at its meeting on 7 June 2016.

The following people addressed the Committee with respect to the draft Budget 2016-2017:

1. Helen Legg
2. Darren Callahan on behalf of Plenty Valley Cricket Club
3. Brian Murray on behalf on Nillumbik Ratepayers Association

After considering the submissions and presentations, the Committee resolved that this report be presented to Council.

Motion

Cr Helen Coleman
Cr Anika Van Hulsen

That Council:

1. **Notes that seven submissions on the draft Budget 2016-2017 were received, and the submissions were considered and submitters were provided with the opportunity to be heard by the Policy and Services Committee on 7 June 2016.**
2. **Considers the matters contained in the submissions and the Committee's report during finalisation of the Budget 2016-2017.**

CARRIED

6. Officers' reports

OCM.091/16 Adoption of Budget 2016-2017, declaration of Rates and Charges

File: 20/25/001

Distribution: Public

Manager: Andrew Port, General Manager Corporate Services

Author: Vince Lombardi, Manager Finance

Robert Malignaggi, Management Accountant

Summary

This report recommends that Council formally adopt the Budget and declare the rates and charges for the 2016-2017 financial year.

Council commenced preparation of the 2016-2017 Budget in late 2015 in order that it could then be exhibited for public consultation, and finally adopted prior to 30 June. Issues considered in the preparation of the budget have included Council's Major Projects Plan, the Financial Sustainability Plan and compliance with rate capping legislation.

The draft Budget was exhibited and the community invited to comment on it. Written submissions were received and considered by a meeting of the Policy and Services Committee on 7 June 2016. A separate report from the Committee to Council regarding the submissions is included in this agenda.

Rates and charges for 2016-2017

The Budget has been prepared in compliance with the rate capping legislation introduced by the Victorian Government.

The draft Budget proposes an average 2.5 per cent increase in rates and charges per property, which is reflective of the rate cap set by the Minister for Local Government.

A general revaluation has been conducted as required by law, and will apply for 2016-2017. This means that individual properties will experience movements in their rates and charges which will be different to the shire-wide average increase of 2.5 per cent.

Council previously resolved in January 2016 that the Budget would be prepared within the rate cap. Council's decision reflected the outcomes of community consultation during 2015, including a community panel which made recommendations to Council, and the results of two community surveys. The panel process and the two surveys showed that the community preference was that rates be kept within the rate cap. This Budget achieves that result.

Key Budget Impacts

The implications of rate capping have been significant however Council has maintained a balanced Budget through prudent financial stewardship. Council has reviewed operating budgets and identified cost savings of \$620,000. This has assisted Council to maintain a balanced budget despite some external impacts which have included:

- Reduction in revenue from General Purpose and Local Roads Grants \$239,000
- Increased net costs for leisure facility contracts \$563,000
- Increased cost for library contribution \$232,000

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The Budget proposes a number of significant capital works projects that have been identified through planning and community consultation, including:

Capital Works

- Eltham Leisure Centre aquatics redevelopment \$11,950,000 (Year 2 of 3)
- Diamond Creek Trail extension \$2,000,000
- Plenty Landfill site rehabilitation \$1,745,800
- Eltham North Reserve pavilion works \$800,000
- Edendale Farm site improvements \$500,000
- Diamond Creek Trail – path connection to new footbridge \$250,000
- Solar panels for Community Bank stadium, Diamond Creek \$200,000
- Kangaroo Ground War Memorial Tower access road \$170,000
- Research Park sports pavilion works \$150,000
- Research shopping centre public toilet upgrade \$100,000
- Diamond Creek town centre streetscape works \$80,000

In addition to the major items listed above, the Budget continues to provide significant resources to maintain and develop infrastructure, including:

- Roads \$1,967,000
- Footpaths \$815,000
- Bridges \$1,000,000
- Drainage \$500,000
- Sports-grounds and pavilions \$392,000
- Major leisure centres and community halls \$745,000
- Recreation trails \$440,000
- Other Council buildings \$1,209,000
- Disability access works \$120,000
- Public open space and playgrounds \$395,000

Policy, planning and services initiatives

Apart from capital works, the Budget also includes resources for a range of new initiatives regarding policy, planning and services which include:

- Green waste drop-off days \$75,000
- Liveable Nillumbik (Lot 1 Hurstbridge) \$95,000
- Yarrambat Township Plan \$60,000
- Heritage investigations \$30,000

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- Health and Wellbeing Plan \$45,000
- Community health and medical transport \$112,875
- Community Hub activation \$82,550
- Positive Ageing strategy \$20,000
- Economic Development Strategy \$40,000
- Tourism campaigns and services \$32,000
- Cultural Plan \$45,000
- Diamond Valley Sports and Fitness Centre masterplan \$35,000
- Diamond Creek trail planning \$25,000
- Diamond Creek Gateway signage and landscaping \$15,000
- Hurstbridge Streetscape design \$15,000
- Urban design for activity centres \$30,000
- 2016 Council election \$310,000

Strategic Resource Plan

As part of the budget process, the Strategic Resource Plan has also been reviewed and updated. Council is required to adopt the Strategic Resource Plan by 30 June each year, and this is done as part of the Budget process.

The update of the Strategic Resource Plan is based on the assumption that average increases in rates and charges will be capped each year at 2.5 per cent per property, and that growth in rates revenue from new development and subdivision will add a further 0.6 per cent each year beyond 2016-2017. A range of other assumptions are included in the Strategic Resource Plan, including the continuation of existing grants provided to Council, and no further cost shifting by State and Commonwealth Governments.

The Strategic Resource Plan shows that Council can maintain a balanced budget within the rate cap, provided that the assumptions in the plan are met. The updated Strategic Resource Plan is included as part of the draft Budget document.

Motion

**Cr Michael Young
Cr Ken King**

That:

- 1. Council, having considered the submissions received, adopts the proposed Budget 2016-2017 (Attachment 2).**
- 2. The Chief Executive Officer be authorised to give public notice of the decision to adopt the Budget, and to submit a copy of the adopted Budget to the Minister for Local Government.**

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3. The amount of rates and charges intended to be raised are:

- a) an amount of \$61,908,207 (or such greater amount as is lawfully levied as a consequence of this Recommendation being adopted) be declared as the amount which Council intends to raise by general rates, municipal charge and annual service charge (described later in this recommendation). The amount declared is calculated as follows:

General Rates	\$51,506,794
Municipal Charge	\$2,217,296
Annual Service Charge	\$8,184,117

4. General rates

- a) That general rates be declared in respect of the 2016-2017 Financial Year
- b) It be further declared that the general rates be raised by the application of differential rates.
- c) A differential rate be respectively declared for rateable land having the respective characteristics specified below, which characteristics will form the criteria for each differential rate so declared.

- Farm Land

Any land which is 'farm land' within the meaning of section 2(1) of the *Valuation of Land Act 1960*.

- Commercial/Industrial Land

Any land which is used or adapted to be used primarily for commercial or industrial purposes.

- Vacant Land – General Residential/Residential Growth/Neighbourhood Residential zone and Specified Low Density Residential Zones

Any land located in a General Residential/Residential Growth/Neighbourhood Residential zone, or in the Low Density Residential zone (LDRZ) to which DPO4 applies, on which no habitable dwelling is erected, excluding lots greater than 8,000 square metres in the Plenty LDRZ.

- Other Land

Any land which is not:

- Farm Land
- Commercial/Industrial Land or
- Vacant Land – General Residential/ Residential Growth/ Neighbourhood Residential zone and Specified Low Density Residential Zones.

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- d) The quantum of rates payable in respect of each rateable land will be determined by multiplying the Capital Improved Value of such land (categorised by the characteristics described in paragraph 4(c) above) by the relevant rates indicated in the following table:

Category	Rate in Dollar
Farm Land	0.002711 (or 0.2711 cents in the dollar of Capital Improved Value)
Commercial/ Industrial Land	0.003692 (or 0.3692 cents in the dollar of Capital Improved Value)
Vacant land – General Residential / Residential Growth / Neighbourhood Residential zone and Specified Low Density Residential Zones	0.006378 (or 0.6378 cents in the dollar of Capital Improved Value)
Other Land	0.003190 (or 0.3190 cents in the dollar of Capital Improved Value)

- e) It be recorded that Council considers that each differential rate will contribute to the equitable and efficient carrying out of Council functions, and that the:
- respective objectives, uses and levels of each differential rate be those specified in Schedule A (see Attachment 1)
 - respective types or classes of land which are subject to each differential rate be those defined in part 4(d) above.
- f) It be confirmed that no amount is fixed as the minimum amount payable by way of general rate in respect of each rateable land within the municipal district.
- g) In accordance with section 4(4) of the *Cultural and Recreational Lands Act 1963*, the amount of rates payable in respect of each of the rateable lands to which that Act applies be determined by multiplying the Capital Improved Value of that rateable land by 0.001230 (or 0.1230 cents in the dollar of Capital Improved Value).

5. Municipal Charge

- a) A municipal charge of \$95.84 per assessment be declared in respect of the 2016-2017 Financial Year.
- b) The municipal charge be declared for the purposes of recovering some of

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Council's administrative costs.

6. Annual service charge

- a) An annual service charge be declared in respect of the 2016-2017 Financial Year.
- b) The annual service charge be declared for the collection and disposal of residential refuse and other waste.
- c) Except in the case of elderly persons units, the amount of the annual service charge so declared is dependent upon the option chosen by the resident of the land. The options are:

Option 1: \$380.36 per service in respect of the following three bins:

- 120 litre organic waste bin
- 240 litre recyclables bin
- 120 litre 'other' waste bin

Option 2: \$346.23 per service in respect of the following three bins:

- 120 litre organic waste bin
- 240 litre recyclables bin
- 80 litre 'other' waste bin

Option 3: \$532.24 per service in respect of the following four bins:

- 120 litre organic waste bin
- 240 litre recyclables bin
- 2 x 120 litre 'other' waste bins

- d) The amount of the annual service charge so declared in respect of elderly persons units, being units occupied by elderly persons or persons with a disability where the applicable form of declaration has been received by Council, is \$101.12.
- e) For each rateable land or non-rateable land in respect of which an annual service charge may be levied, the annual service charge will apply irrespective of whether the owner or occupier of the land avails himself, herself or itself of the service.
- f) The annual service charge is not declared in respect of, and is not be levied on, any land on which no habitable dwelling is erected.

7. Rebates – Sustainable Agricultural Land

- a) It be recorded that subject to paragraph 4c) of this Recommendation, Council may grant a rebate to each owner (or, where applicable, occupier) of land which:

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- i) is not less than 30 hectares in area
- ii) is otherwise 'farm land' under section 2(1) of the *Valuation of Land Act 1960*.

The rebate be granted to:

- i) assist the proper development of the municipal district
- ii) preserve places within the municipal district which are of environmental interest
- iii) restore or maintain places of environmental importance within the municipal district
- iv) more generally achieve the objectives outlined in the Sustainable Agricultural Rebate (SAR) Guidelines.

b) The grant of the rebate be:

- i) subject to the criteria detailed in the SAR Guidelines.
- ii) set at a level based on the following two components:
 - Component A - a single fixed amount of \$100 per eligible property (or per single aggregate of 'continuous' properties, as defined in section 13 DC (6) of the *Valuation of Land Act 1960*)
 - Component B - \$15 per hectare of 'productive agricultural land' across each eligible property. The area of productive agricultural land is calculated for each property by subtracting the apparent area of bushland and domestic use from the total property area. Landowners will be given a single opportunity to challenge this area calculation, after which that figure will be set and documented within the relevant Property Management Plan. Any future change in bushland area will not change the set figure for productive agricultural land.
- iii) subject to development of an approved Property Management Plan (PMP) for each eligible property. The development of a PMP (and subsequent three-yearly reviews) will replace the need for an annual SAR application form, yet each Plan must satisfy the following conditions:
 - PMP Condition A - The PMP must be submitted for approval to the Sustainability and Environment Planning Unit of Council. The approval date for each ratified PMP will be noted and a copy of the document will be retained for Council records.
 - PMP Condition B - A separate PMP will be required for each property or aggregate of properties where the owner receives the \$100 fixed payment component of the SAR.
 - PMP Condition C - Landowners who have previously received the SAR must return their PMP by the date indicated in

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correspondence that has been sent to the recipient (further detail regarding this point can be obtained from the Sustainability and Environment Planning Unit of Council).

- **PMP Condition D - All SAR applicants who have not previously received the SAR will require an approved PMP prior to being eligible for the rebate.**
- **PMP Condition E - All PMP's will need to be revised by the owner and re-submitted for re-approval every three years. The Sustainability and Environment Planning Unit will give landholders ample notification and assistance to facilitate this process.**

8. Rebates – House construction on Vacant Residential Land

- a) **It be recorded that Council may also grant a rebate to each owner (or, where applicable, occupier) of land on which a habitable dwelling is erected during the course of the 2016-2017 Financial Year.**
- b) **The rebate be granted to assist the proper development of the municipal district.**
- c) **The rebate be granted:**
 - i) **if a dwelling is created on what has been Vacant Land – Residential and Specified Low Density Residential Zones**
 - ii) **upon an occupancy permit being issued in respect of the dwelling.**
- d) **The rebate be in an amount of 50 per cent of the general rates payable during the 12 months immediately preceding the date of the supplementary valuation made after the occupancy permit was issued.**

9. Payment

- a) **In accordance with section 167 of the *Local Government Act 1989*, Council determines that rates and charges may be paid by four equal quarterly instalments due on:**
 - 30 September 2016**
 - 30 November 2016**
 - 28 February 2017**
 - 31 May 2017.**

10. Consequential further actions:

- a) **The General Manager Corporate Services be authorised to levy and recover the general rates, municipal charge and annual service charge in accordance with the *Local Government Act 1989*.**
- b) **Pursuant to section 172(1) of the *Local Government Act 1989*, Council records that it will require the payment of interest on any amounts of rates and charges which have not been paid by the date specified under section**

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167 of the said Act for their payment.

11. Council writes to all those who have made a submission on the 2016-2017 Budget under section 223 of the *Local Government Act 1989* thanking them for their input and advising them of Council's decision and reasons for the decision.

CARRIED

Special Meeting of Council minutes

14 June 2016

The meeting closed at 7.32pm.

Confirmed: _____
Cr Bronnie Hattam, Mayor