



GLEN EIRA CITY COUNCIL
ORDINARY COUNCIL MEETING
TUESDAY 26 SEPTEMBER 2023

AGENDA

**Meeting to be held in the Council Chambers,
Corner Hawthorn and Glen Eira Roads, Caulfield
at 7.30pm**

*"The role of a Council is to provide good governance
in its municipal district for the benefit and
wellbeing of the municipal community."*

- S8(1) Local Government Act 2020

Councillors: The Mayor, Councillor Jim Magee
Councillor Tony Athanasopoulos
Councillor Anne-Marie Cade
Councillor Margaret Esakoff
Councillor Sam Parasol
Councillor Sue Pennicuik
Councillor Li Zhang
Councillor Simone Zmood
Councillor David Zyngier

Chief Executive Officer: Rebecca McKenzie

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1. ACKNOWLEDGEMENT

Glen Eira City Council Acknowledges the peoples of the Kulin Nation as Traditional Owners and Custodians, and pay our respect to their Elders past, present and emerging. We Acknowledge and uphold their continuing relationship to land and waterways. Council extends its respect to all Aboriginal and Torres Strait Islander peoples.

2. APOLOGIES

3. REMINDER TO DECLARE ANY CONFLICTS OF INTEREST IN ANY ITEMS ON THE AGENDA

Councillors are reminded of the requirement for disclosure of conflicts of interest in relation to items listed for consideration on the Agenda, or which are considered at this meeting, in accordance with Section 130(2) of the *Local Government Act 2020* and Rule 60(3) of the Glen Eira City Council Governance Rules. Councillors are now invited to indicate any such conflict of interest.

PROCEDURAL MOTION

That Council:

1. where meetings are held in-person, can continue the meeting if the livestream of the meeting fails as stated in the governance rules;
2. considers the meeting to be adjourned for 10 minutes from the commencement of any technical problem where a Councillor is participating virtually; and
3. where a Councillor is participating virtually and the meeting cannot be resumed within 30 minutes from the commencement of the technical problem, the meeting is to be reconvened on Wednesday 27 September 2023 at 7.30pm.

4. CONFIRMATION OF MINUTES OF PREVIOUS COUNCIL MEETING OR MEETINGS

Copies of Minutes previously circulated.

RECOMMENDATION

That the minutes of the Ordinary Council Meeting held on 5 September 2023 and the Special Council Meeting held on 19 September 2023 be confirmed.

5. RECEPTION AND READING OF PETITIONS AND JOINT LETTERS

6. REPORTS BY DELEGATES APPOINTED BY COUNCIL TO VARIOUS ORGANISATIONS

7. REPORTS FROM COMMITTEES AND RECORDS OF ASSEMBLY

7.1 Advisory Committees

Nil

7.2 Records of Assembly**7.2.1 RECORDS OF ASSEMBLIES OF COUNCILLORS**

Author: *Karling Colomiere, Coordinator Councillor Business*

Director: *Kellie Vise, Director Customer and Community Experience*

Trim No: *23/1228121*

Attachments: 1. *22 August 2023 Assembly* [↓](#)
2. *29 August 2023 Assembly* [↓](#)
3. *5 September 2023 Pre-meeting* [↓](#)

RECOMMENDATION

That the Records of Assemblies as shown below be received and noted.

1. 22 August 2023 Assembly;
2. 29 August 2023 Assembly; and
3. 5 September 2023 Pre-meeting.

Assembly of Councillors - Minutes
22 August 2023
Assembly commenced at 6.46pm

Councillors Present:

Cr Anne-Marie Cade (Deputy Mayor)
Cr Margaret Esakoff
Cr Athanasopoulos
Cr Sam Parasol
Cr Sue Pennicuik
Cr Li Zhang
Cr Simone Zmood
Cr David Zyngier

Officers Present:

Rebecca McKenzie (CEO)
Niall McDonagh
Mark Saunders
Ron Torres
Kellie Vise
Mick Jaensch
Karling Colomiere
Deidre Pellizzer
Matt Barbetta
Jade McBurnie
Paul Wood

Matters Considered:

1. **Apologies:** Cr Jim Magee (Mayor)
2. **Alma Village Pop-Up Park Proposal – Community Engagement Feedback**
3. **Community for All Abilities Program Update**
4. **Councillor/ CEO only time**
 - Governance Discussion

Break (15 mins)

5. General Business:

- Cr Zmood – Road Speed Signage
- Cr Athanasopoulos – Crossings
- Director Community Wellbeing – Property Report
- Director Customer & Community Experience – Email Update
- Coordinator Councillor Business – Annual Report
- Cr Pennicuik – Dangerous Roads
- Cr Parasol – Rates Discussion

Assembly concluded at 9.48pm

**Assembly of Councillors Minutes
29 August 2023**

Assembly due to commence at 6.45pm

Councillors Present:

Cr Anne-Marie Cade (Chair)
Cr Margaret Esakoff
Cr Sam Parasol
Cr Li Zhang
Cr Simone Zmood
Cr David Zyngier

Officers Present:

Rebecca McKenzie (CEO)
Niall McDonagh
Mark Saunders
Ron Torres
Kellie Vise
Mick Jaensch
Karling Colomiere
Deidre Pellizzer
Paul Wood
John Vastianos
Alex Leamy
Kate Jackson
Rosie Mullaly
Angela Morcos
Matthew Barbetta

Matters Considered:

1. Apologies: Cr Jim Magee (Mayor), Cr Sue Pennicuik, Cr Tony Athanasopoulos
2. Community Engagement for Financial Sustainability Plan
3. Property Report
4. Childcare Project

Break

5. General Business:
 - Director Planning and Place – VCAT
 - CEO – Citizenship Ceremony
 - CEO – Council Visit
6. Pre-OCM Check-in
7. Councillor / CEO only time (Cr Parasol)
 - Meeting Debrief

Assembly concluded at 9.25pm

**Pre-Meeting Minutes
Tuesday 5 September 2023**

Pre-meeting due to commence at 6.46pm

Present

Councillors:

Cr Jim Magee (Mayor)
Cr Anne-Marie Cade (Deputy Mayor)
Cr Tony Athanasopoulos
Cr Margaret Esakoff
Cr Sam Parasol
Cr Sue Pennicuik
Cr Li Zhang
Cr Simone Zmood
Cr David Zyngier

Officers:

Rebecca McKenzie
Mark Saunders
Niall McDonagh
Kellie Vise
Paul Wood
Mick Jaensch
Deidre Pellizzer
Karling Colomiere
Alex Fry

Matters Considered:

1. Apologies: Nil
2. Disclosure of Conflicts of Interest:
 - Cr Parasol – Item Number 8.4 – 271 Kooyong Road Elsternwick
 - Cr Parasol – Item Number 8.9 – Community Grant Recommendations 2023-2024
 - Cr Zmood – Item Number 8.9 – Community Grant Recommendations 2023-2024
 - Cr Zyngier – Item Number 8.9 – Community Grant Recommendations 2023-2024
3. Procedural Motions
4. Written Public Questions to Council – 16 questions – 5 September 2023 OCM
5. Item 10.3 – Notice of Motion
6. Item 10.1 Requests for reports from a member of Council staff
7. Confidential Item – 11.1 – Property Report

8. General Business:

- Cr Zmood – Youth Violence
- Cr Athanasopoulos – Level Crossing Discussion
- Coordinator Councillor Business – Governance Matters
- Cr Parasol – Landscaping works around Level Crossing Removal
- Cr Parasol – Adopt a Tree
- Mayor, Cr Magee - Development Discussion

End of Pre-Meeting 7.09pm

8. OFFICER REPORTS (AS LISTED)

8.1 FINANCIAL MANAGEMENT REPORT (31 AUGUST 2023)

Author: Alon Milstein, Financial Accountant

Director: Mick Jaensch, Director Corporate Services

Trim No: 23/1230168

Attachments: 1. August 2023 Financial Mgt Report [↓](#)

EXECUTIVE SUMMARY

Council provides a huge range of services and facilities for our community, all contributing to ensuring this is a healthy, well-connected and liveable place for all.

Like many councils and other businesses across Victoria and Australia, it's becoming tougher to operate in the same way as we have in the past. We aren't immune to the impacts of rapid inflation and the rising costs of delivering projects and services. For example, our revenue is shrinking due to rate capping at the same time as our projects and services cost more due to inflation. Community expectations of us remain high, yet the State Government continues shifting more costs to Council. The economic environment and ambitious program of works result in increasing risk to our financial sustainability.

Council continues to focus on using ratepayer revenue responsibly and generating additional income where possible to invest in community services, infrastructure, and facilities. We aim to maintain and improve our services, infrastructure, and facilities, especially in terms of access, equity, and environmental sustainability. Our long-term financial strategy confirms this approach.

The purpose of this report is to provide Council with the Financial Management Report for the period ending 31 August 2023. The report is designed to identify and explain major variances at an organisational level and is provided in Attachment 1.

The forecast result expected for the financial year is a surplus of \$1.84m. This compares favourably against the original adopted 2023-24 Budget surplus of \$1.04m.

The current monthly forecast movement shows an increase in operating revenue of \$201k and a decrease in operating expenditure of \$618k made up of movements across several cost categories including Contractor Payments \$259k, Maintenance \$244k, Utility Services \$132k and Materials and Consumables \$131k. These are offset by an increase in Other Expenses \$116k and Insurances \$77k.

Council is continuing to be a prudent financial manager in order to acquit its responsibilities to Community.

RECOMMENDATION

That Council notes the Financial Management Report for the period ending 31 August 2023.

BACKGROUND

The report includes a comparison of year-to-date actual income and expenditure with budgeted year-to-date and forecast to June 2024 and other information for the current financial year.

This report also provides a review of the Capital Works Program, Cash Flow, Rate Debtors and Victorian Auditor-General's Office Financial Sustainability Indicators.

ISSUES AND DISCUSSION

(a) Key Highlights - Current Financial Position

The forecast result expected for the financial year is a surplus of \$1.84m. Key highlights for the period ending 31 August 2023 include:

Key Highlights	July 2023 \$ 000's	August 2023 \$ 000's	Movement \$ 000's	Comments
Forecast Surplus / (Deficit)	1,041	1,841	800	Increase of \$800k. Refer to the Financial Management Report for details.
Forecast Cash Holdings	45,381	45,658	277	Forecast cash holdings are anticipated to be higher than budget due to higher inflows during August 2023.
Forecast Liquidity	107.66%	108.99%	1.33%	Forecast liquidity is anticipated to be higher than budget due to higher inflows during August 2023.
Forecast Capital Works	75,022	75,022	-	No forecast movement for August 2023.

(b) Open Space

Council collects a Public Open Space contribution in many circumstances when land is subdivided within the municipality. The balance of the Open Space Reserve as at 31 August 2023 is as follows:

Description	2023-24 Current Month	2023-24 Year to Date
Opening Balance as at 1 July 2023		\$18,959,138
Open Space Contributions Received	\$655,900	\$876,050
Open Space Capital Expenditure	\$0	\$0
Closing Balance Open Space Reserve		\$19,835,188
Committed Open Space Purchases		(\$4,150,000)
Available Open Space Reserve Funds		\$15,685,188

Please note that the open space reserve is not held in a separate cash reserve.

CLIMATE EMERGENCY RESPONSE STRATEGY IMPLICATIONS

The Financial Management Report takes into consideration Council's initiatives and strategies that respond to the climate emergency, work towards emissions reduction targets and increase awareness of sustainability issues.

In this context, Council continues to prioritise initiatives that contribute to our overall goal of net zero corporate emissions by 2025 and net zero community emissions by 2030. This includes investment in open space, tree canopy and other greening initiatives, circular economy, energy efficiency, and environmentally sustainable design.

FINANCIAL, RESOURCE, RISK AND ASSET MANAGEMENT IMPLICATIONS

The key financial objectives for Council are:

- **Rates** – maintain rate increases in line with the constraints set by the State Government’s Rate Cap.
- **Liquidity** – establishing a budget that sets Council’s liquidity level at no less than 85 per cent.
- **Fees** – set fee increases that are manageable and sustainable, in line with the consumer price index and reasonable benchmarking.
- **Waste Charges** – to be set on a cost recovery basis.
- **Risk Management** – mitigate major risks through targeted investment in critical areas, including a focus on maintenance and renewal within the Capital Works Program.
- **Service Level** – maintain essential services at not less than current levels.
- **Retain capacity to invest in long term sustainability** – support initiatives that build long-term financial sustainability and organisational capability.
- **Retain our efficiency position** – keep day-to-day costs manageable and rates below our peers.
- **Community Engagement** – ensure that priorities reflect feedback from, and engagement with, the community.

POLICY AND LEGISLATIVE IMPLICATIONS

- *Glen Eira Council Long-Term Financial Plan 2022–23 to 2031–32*
- *Glen Eira Council Revenue and Rating Plan 2022-23 to 2025-26*
- *Glen Eira Council Plan 2021-25*
- *Glen Eira Council Integrated Planning and Reporting Framework*
- *Local Government Act 2020*
 - Division 2 — Budget Process
 - Part 4 — Planning and Financial Management — Section 97
- *Local Government (Planning and Reporting) Regulations 2020*
 - Part 3 — Budget

COMMUNICATION AND ENGAGEMENT

Council officers, in preparing the Financial Management Report, consider other plans and strategies regarding services and initiatives which commit financial and non-financial resources for the current financial year.

LINK TO COUNCIL PLAN

Strategic Direction 1: Well informed, transparent decisions and highly valued services. We build trust through engaging with our community, delivering quality services and making evidence-based decisions.

OFFICER DECLARATION OF CONFLICT OF INTEREST

No officers involved in the preparation of this report have any general or material conflicts of interest in this matter.

CONCLUSION

Council continues to carefully manage its finances in order to deliver the outcomes for Community. Council is proactively identifying and mitigating the risks arising from the dynamic and unpredictable economic environment and the implications for Council's financial sustainability.

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ATTACHMENT 1:

Financial Management Report for the period ending 31 August 2023

1. Contents

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Executive Summary**for the period ending 31 August 2023****a) Current Month Budget Result**

At the end of August, the year-to-date performance against budget from ordinary activities showed higher than anticipated income of \$840k and a favourable variance in operating expenditure of \$1.27m.

Please note that a large amount of the current variances is due to timing differences (i.e. between the scheduling of budgets and timing of actual results). The next few months should reflect whether these variances (particularly the expenditure variances) become more permanent for the 2023-24 financial year.

b) Current Month Forecast Result

The forecast result expected for the financial year is a surplus of \$1.84m. This compares favourably against the original adopted 2023-24 Budget surplus of \$1.04m.

The current monthly forecast movement shows an increase in operating revenue of \$201k and a decrease in operating expenditure of \$618k made up of movements across several cost categories including Contractor Payments \$259k, Maintenance \$244k, Utility Services \$132k and Materials and Consumables \$131k. These are offset by an increase in Other Expenses \$116k and Insurances \$77k.

c) Open Space

Council collects a Public Open Space contribution in many circumstances when land is subdivided within the municipality. The requirement for this is in the Glen Eira Planning Scheme at clause 53.01.

As part of applicable subdivisions, a landowner is required to make a contribution based on the site value, which Council uses to either purchase land to create new open spaces such as public parks, playgrounds and reserves, or to make improvements within our existing open space areas. Our open space planning is informed by the City of Glen Eira Open Space Strategy.

There are different contribution rates that apply in different parts of the municipality. These include:

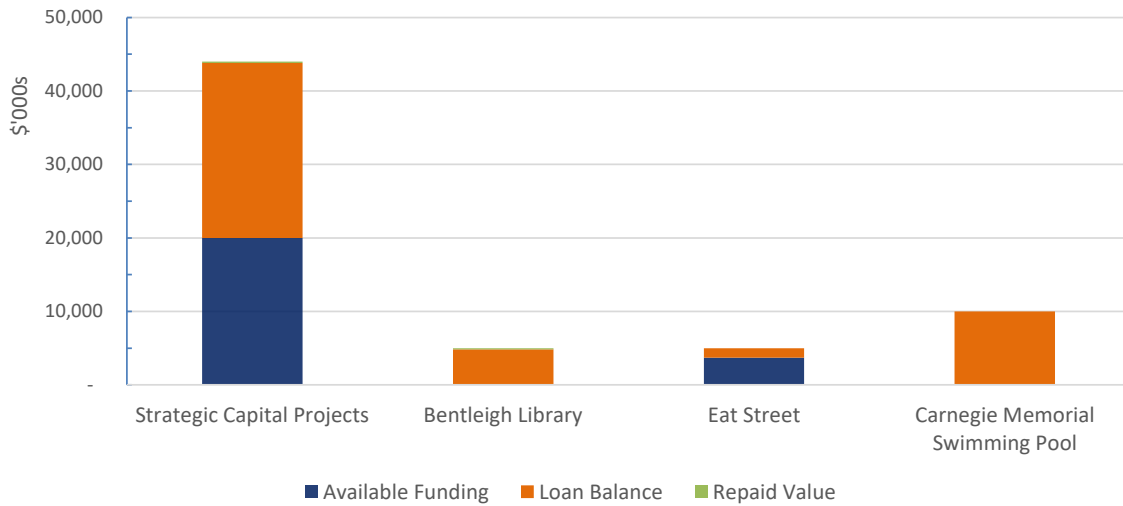
- In the area known as Caulfield Village, 5% of the site value of the land which is contained within the Mixed-Use Precinct and the Smith Street Precinct, and 4% of the site value of the land which is contained within the Residential Precinct.
- In the area known as East Village, in accordance with the East Village Comprehensive Development Plan, May 2020 and East Village Development Contributions Plan, May 2020.
- All other land, 8.3% of the site value of the land effective March 2023.

Since 2021-22, Council has spent and committed \$23m of funds for open space acquisitions.

The balance of the Open Space Reserve as at 31 August 2023 is as follows:

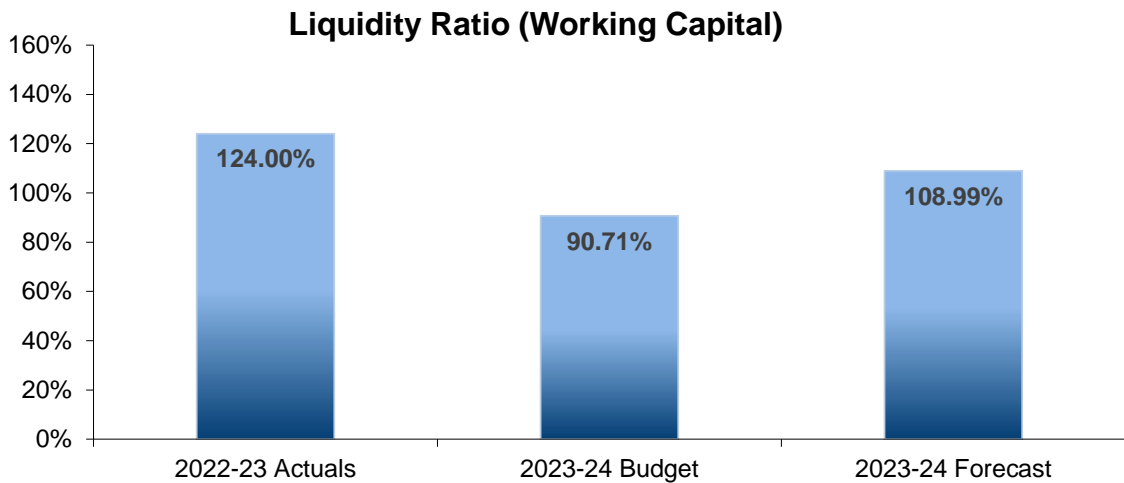
Description	2023-24 Current Month	2023-24 Year to Date
Opening Balance as at 1 July 2023		\$18,959,138
Open Space Contributions Received	\$655,900	\$876,050
Open Space Capital Expenditure	\$0	\$0
Closing Balance Open Space Reserve		\$19,835,188
Committed Open Space Purchases		(\$4,150,000)
Available Open Space Reserve Funds		\$15,685,188

d) Loan borrowings



Council has entered into a loan facilities relationship with Treasury Corporation Victoria (TCV) to borrow funds for its strategic capital program, from which \$24m in variable loans have been drawn down since August 2022. Council has also been able to secure discounted interest rates from State Government for three capital projects: \$5m for the construction of the Bentleigh Library and Youth Hub redevelopment project and \$5m for Eat Street Community Space Project under the Community Infrastructure Loan Scheme and \$10m for the Carnegie Memorial Swimming Pool under the Community Sports Infrastructure Loan Scheme. These loans are administered by TCV and to date \$16.3m has been drawn from the discounted facilities.

e) Liquidity



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Working capital is the excess of current assets above current liabilities. This calculation recognises that although Council has current assets, some of those assets are already committed to the future settlement of liabilities in the following twelve months and are therefore not available for discretionary spending.

Council is required to hold sufficient cash to cover ‘Restricted Assets’ such as: Residential Aged Care Deposits, Public Open Space Reserve, Contract Deposits and *Fire Services Property Levy*.

Refer to page 18 for a summary of Financial Sustainability risk indicators.

f) Superannuation – Defined Benefits Scheme

Vested Benefits Index (VBI)

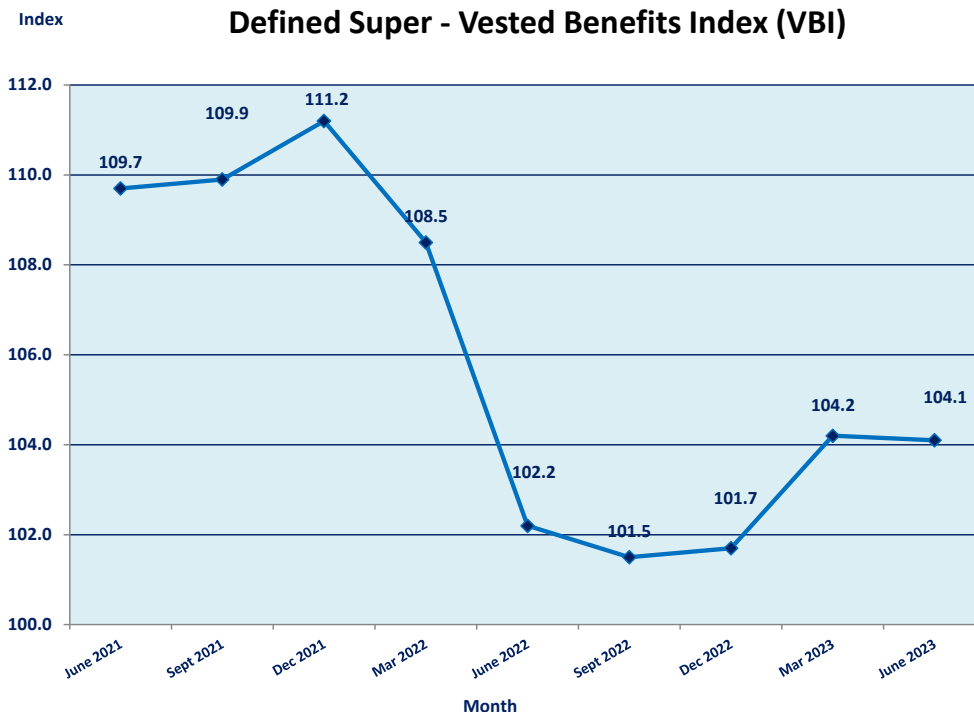
Defined benefit plans are required by law to have an actuarial investigation at least once every three years. Vision Super monitors the vested benefit position of the defined benefits plan on a quarterly basis.

The VBI is the key index that the super fund regulator, APRA, considers when assessing the financial position of the Defined Benefit Plan. In simple terms this measures whether there would be enough assets to meet the liabilities of the Defined Benefit Plan if it became necessary to pay all members their total entitlements on a particular day.

Under the superannuation prudential standards, VBI's must generally be kept above a fund's nominated shortfall threshold, currently 97%. The higher the index the less chance of a future call.

For the Plan to be in a satisfactory financial position requires a VBI of 100% or more. In the event the VBI falls below the nominated shortfall threshold (i.e., 97%), an interim investigation is required to be carried out by the Fund Actuary, unless the next scheduled investigation is due within six months.

Below is the estimated VBI updated to 30 June 2023.



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Income Statement

This Statement outlines our income sources for the reporting period under headings such as general rates and garbage charges, and the day-to-day expenses incurred to run Council. These expenses do not include capital expenditure, but they do include depreciation and amortisation of assets. Expenses include labour costs, materials and supplies, and utility and insurance costs.

The bottom line is the result for the reporting period. This figure equals total income minus total expenses, which indicates whether we've operated at a surplus or a deficit (a figure inside brackets is a deficit).

Positive variance movements relate to an increase in revenue and a decrease in expenditure. Negative figures (in brackets), relate to a decrease in revenue or an increase in expenditure.

No forecast adjustments for August 2023.

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Income Statement*for the period ending 31 August 2023*

	2023-24 Year to Date Actual	2023-24 Year to Date Budget	2023-24 Year to Date Variance	2023-24 Year to Date Variance	2023-24 Last Month Forecast	2023-24 Current Month Forecast	2023-24 Current Month Forecast Movement \$ 000's	2023-24 Annual Budget	2023-24 Budget Forecast Variance
	\$ 000's	\$ 000's	\$ 000's	(%)	\$ 000's	\$ 000's		\$ 000's	(%)
Income from Ordinary Activities									
General Rates	108,685	108,923	(238)	(0.2%)	109,423	109,422	(0)	109,423	(0.0%)
Supplementary Rates	841	600	241	0.0%	600	841	241	600	40.1%
Waste & Recycling Charges	25,908	25,821	88	0.3%	25,847	25,948	101	25,847	0.4%
Grants (Operating & Capital)	3,210	2,940	270	9.2%	27,074	26,997	(76)	27,074	(0.3%)
Interest Received	376	174	202	116.4%	1,043	1,152	109	1,043	10.5%
User Fees	4,071	3,961	110	2.8%	24,482	24,579	96	24,482	0.4%
Statutory Fees & Fines	1,485	1,535	(50)	(3.3%)	9,637	9,499	(138)	9,637	(1.4%)
Contributions (Monetary)	876	667	209	31.4%	4,000	3,887	(113)	4,000	(2.8%)
Other Income	226	217	10	4.4%	1,886	1,867	(19)	1,886	(1.0%)
Total Income from Ordinary Activities	145,678	144,836	840	0.58%	203,992	204,193	201	203,992	0.1%
Expenses from Ordinary Activities									
Employee Costs	15,506	15,952	445	2.8%	93,772	93,753	18	93,772	0.0%
Materials & Consumables	767	807	40	4.9%	4,898	4,767	131	4,898	2.7%
Contractor Payments	8,159	8,237	78	0.9%	51,090	50,831	259	51,090	0.5%
Maintenance	793	1,277	484	37.9%	7,832	7,588	244	7,832	3.1%
Utility Services	699	839	140	16.7%	5,076	4,944	132	5,076	2.6%
Insurances	1,132	1,156	24	2.1%	1,787	1,864	(77)	1,787	(4.3%)
Other Expenses	1,427	1,361	(66)	(4.8%)	6,744	6,860	(116)	6,754	(1.6%)
Grants & Subsidies	106	152	46	30.4%	1,491	1,476	16	1,491	1.0%
Borrowing Costs	196	270	74	27.6%	1,630	1,619	11	1,620	0.0%
Total Expenses from Ordinary Activities	28,784	30,051	1,267	4.2%	174,319	173,702	618	174,319	0.4%
Surplus/(deficit) before non operational activities	116,893	114,785	2,107	1.8%	29,673	30,491	819	29,673	2.8%
Non-operational Activities									
Proceeds from Sale of Property, Infrastructure, Plant and Equipment	248	78	170	220.0%	465	449	(16)	465	(3.4%)
Written Down Value of Assets Sold/Disposed	289	8	(281)	0.0%	1,674	1,677	(3)	1,674	(0.2%)
Depreciation & Amortisation	4,574	4,570	(4)	(0.1%)	27,423	27,423	0	27,423	0.0%
Surplus/(deficit) for the period	112,278	110,285	1,993	1.8%	1,041	1,841	800	1,041	76.9%

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Balance Sheet**for the period ending 31 August 2023**

This Statement is a snapshot of our financial position. It outlines what we own (assets) and what we owe (liabilities). Our net worth (net assets or equity) equals total assets minus total liabilities — the larger the net equity, the stronger the financial position.

	Actuals 2022-23	Annual Budget 2023-24	Annual Forecast 2023-24	Year to Date Actual 2023-24	Previous Month's Actuals
	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's
Assets					
Current Assets					
Cash and Cash Equivalents	61,331	37,101	45,658	54,428	44,458
Trade and Other Receivables	21,907	19,222	21,907	153,477	167,453
Other Assets	3,006	1,900	3,006	2,038	173
Total Current Assets	86,244	58,223	70,571	209,943	212,085
Non-Current Assets					
Property, Infrastructure, Plant and Equipment	2,792,520	2,840,699	2,838,891	2,794,593	2,791,765
Right-of-use-assets	2,208	901	901	2,208	2,208
Intangible Assets	1,725	1,383	1,725	1,513	1,619
Investments in Joint Operations	272	136	272	272	272
Other Financial Assets	5	5	5	5	5
Total Non-Current Assets	2,796,730	2,843,125	2,841,794	2,798,591	2,795,869
TOTAL ASSETS	2,882,974	2,901,348	2,912,365	3,008,534	3,007,954
Liabilities					
Current Liabilities					
Trade and Other Payables	25,256	18,401	25,078	16,502	15,062
Trust Funds and Deposits	21,088	21,692	17,088	37,754	37,148
Unearned Income	4,340	4,734	4,340	-	-
Provisions	15,160	15,773	15,160	14,992	14,910
Interest-Bearing Liabilities	2,728	3,218	2,718	2,728	2,728
Lease Liabilities	878	368	368	878	878
Total Current Liabilities	69,450	64,185	64,752	72,854	70,727
Non-Current Liabilities					
Provisions	1,003	974	1,003	1,003	1,003
Interest-Bearing Liabilities	27,326	58,624	58,624	37,210	27,326
Lease Liabilities	1,677	626	626	1,677	1,677
Other Liabilities - Joint Operations	4,370	3,755	4,370	4,800	4,370
Total Non-Current Liabilities	34,376	63,979	64,623	44,689	34,376
Total Liabilities	103,826	128,164	129,375	117,543	105,103
Net Assets	2,779,150	2,773,183	2,782,990	2,890,991	2,902,851
Equity					
Accumulated Surplus	1,003,682	1,000,746	1,005,523	1,114,650	1,127,166
Asset Revaluation Reserve	1,756,508	1,756,508	1,756,508	1,756,506	1,756,506
Public Open Space Reserve	18,959	15,929	20,959	19,835	19,179
Total Equity	2,779,150	2,773,183	2,782,990	2,890,991	2,902,851

Capital Works Program

for the period ending 31 August 2023

This represents our portfolio of capital projects that have been adopted and formally approved by Council in June as part of the 2023-24 budget process. These projects involve the planning and construction of new assets, renewal, upgrade and expansions for existing infrastructure, plant and equipment and property assets. Included in the program are strategic projects, transformation and technology projects, roadworks, footpaths and drainage, upgrades of open space and recreational areas and community facilities.

Positive variance movements relate to savings in capital expenditure. Negative figures (in brackets) relate to an increase to the current year’s budget allocation.

As at the end of August 2023, total capital works expenditure forecast for 2023-24 is expected to be \$75.02m, represented by:

- New capital works projects as per the adopted 2023-24 Budget \$63.45m
- Carry forward projects from 2022-23 \$11.57m

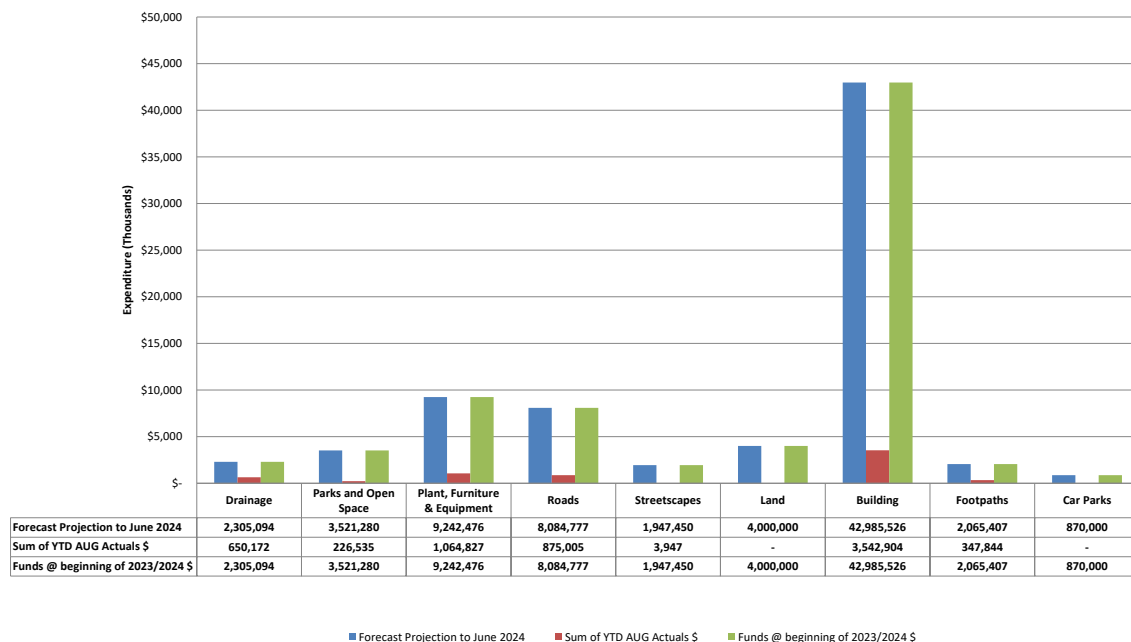
This represents a 18% variation to the adopted 2023-24 budget.

There were no forecast adjustments for August.

Capital Works Performance Graphs

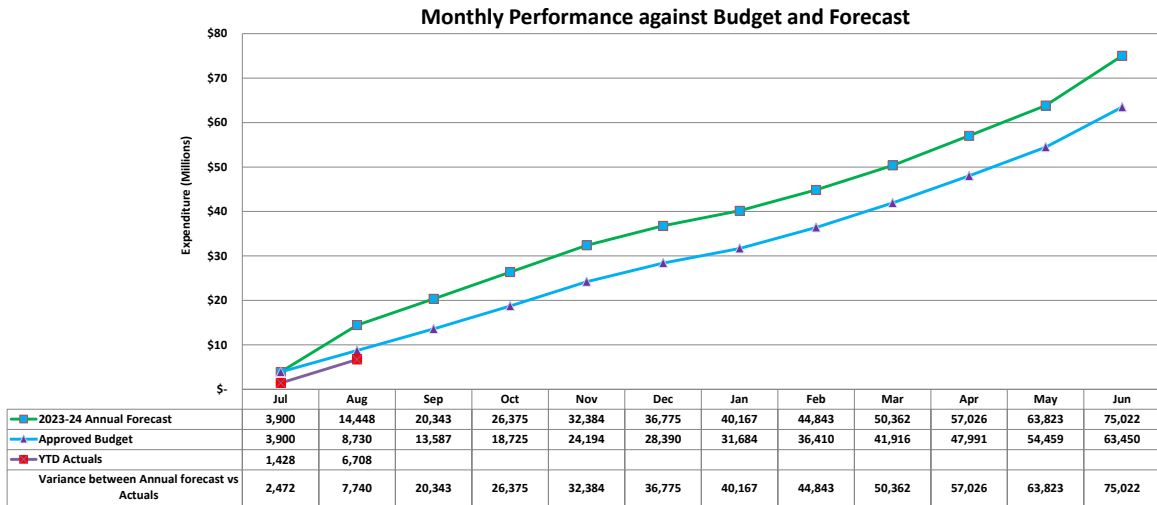
The below graphs reflect the 2023-24 budget allocations for the main asset category and performance against budget and forecast.

Capital Spend by Asset Category



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Council’s capital expenditure is behind forecast by \$7.74m as of August 2023 mainly due to the timing of the progress payments for the Carnegie Memorial Swimming Pool \$4.4m, Transformation and Technology programs \$1.2m, and Community Facilities projects \$771k.

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Capital Works Program Expenditure for period ending 31 August 2023								
Description	2023-24 Adopted Capital Budget	2023-24 Carry Forwards from 2022-23	2023-24 Budget Plus Carry Forwards	2023-24 Adjustments	2023-24 Annual Forecast	2023-24 Year To Date Actual Expenditure	2023-24 Year To Date Forecast	2023-24 Year To Date Variance
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
<u>STRATEGIC PROJECTS</u>								
CYCLING ACTION PLAN	250,000	-	250,000	-	250,000	2,992	10,000	(7,008)
ELSTERNWICK SOUTH NEW LATMs	-	499,000	499,000	-	499,000	3,010	499,000	(495,990)
SHOPPING/ACTIVITY CENTRE IMPROVEMENTS	423,694	53,769	477,463	-	477,463	(19,453)	53,769	(73,222)
STRUCTURE PLAN - BENTLEIGH	-	1,469,987	1,469,987	-	1,469,987	(2,782)	-	(2,782)
STRUCTURE PLAN - ELSTERNWICK	-	-	-	-	-	13,753	-	13,753
TOTAL STRATEGIC PROJECTS	673,694	2,022,756	2,696,450	-	2,696,450	(2,480)	562,769	(565,249)
<u>TRANSFORMATION & TECHNOLOGY</u>								
INNOVATION & CONTINUOUS IMPROVEMENTS	422,000	473,351	895,351	-	895,351	7,355	540,017	(532,662)
INFORMATION SYSTEMS	1,915,000	854,585	2,769,585	-	2,769,585	180,828	822,188	(641,360)
RESIDENTIAL AGED CARE MINOR IMPROVEMENTS	-	65,000	65,000	-	65,000	-	65,000	(65,000)
TOTAL TRANSFORMATION & TECHNOLOGY	2,337,000	1,392,936	3,729,936	-	3,729,936	188,183	1,427,205	(1,239,022)
<u>RECREATION AND OPENSACE</u>								
OPEN SPACE STRATEGY INITIATIVES	4,820,000	57,795	4,877,795	-	4,877,795	4,600	67,795	(63,195)
RECREATION - CAPITAL WORKS	655,000	236,306	891,306	-	891,306	45,594	45,600	(6)
BIN ENCLOSURE IN PARKS	-	4,634	4,634	-	4,634	6,660	4,634	2,026
PUBLIC TOILETS	-	21,770	21,770	-	21,770	8,669	8,700	(31)
TOTAL RECREATION AND OPENSACE	5,475,000	320,505	5,795,505	-	5,795,505	65,523	126,729	(61,206)
<u>COMMUNITY FACILITIES</u>								
BUILDING IMPROVEMENTS	442,000	-	442,000	-	442,000	18,585	400,000	(381,415)
PARK PAVILION UPGRADE	50,000	440,154	490,154	-	490,154	12,596	402,554	(389,958)
STRUCTURE PLAN - BENTLEIGH	-	50,000	50,000	-	50,000	15,698	650	15,048
OPEN SPACE STRATEGY INITIATIVES	-	467,085	467,085	-	467,085	33,977	34,000	(23)
CARNEGIE MEMORIAL SWIMMING POOL	39,000,000	862,322	39,862,322	-	39,862,322	3,461,129	7,862,322	(4,401,193)
TOTAL COMMUNITY FACILITIES	39,492,000	1,819,561	41,311,561	-	41,311,561	3,541,985	8,699,526	(5,157,541)
<u>SUSTAINABILITY</u>								
SUSTAINABILITY INITIATIVES	300,000	-	300,000	-	300,000	-	-	-
SOLAR POWER PANEL	303,000	-	303,000	-	303,000	32,881	-	32,881
WASTE - CAPITAL PURCHASES	250,000	-	250,000	-	250,000	-	41,666	(41,666)
OPEN SPACE STRATEGY INITIATIVES	350,000	197,266	547,266	-	547,266	100,000	100,000	-
TOTAL SUSTAINABILITY	1,203,000	197,266	1,400,266	-	1,400,266	132,881	141,666	(8,785)
<u>COMMUNITY SAFETY</u>								
TRANSPORT PLANNING	500,000	408,248	908,248	-	908,248	28,005	408,248	(380,243)
LOCAL AREA TRAFFIC MANAGEMENT	61,320	-	61,320	-	61,320	-	-	-
TOTAL COMMUNITY SAFETY	561,320	408,248	969,568	-	969,568	28,005	408,248	(380,243)

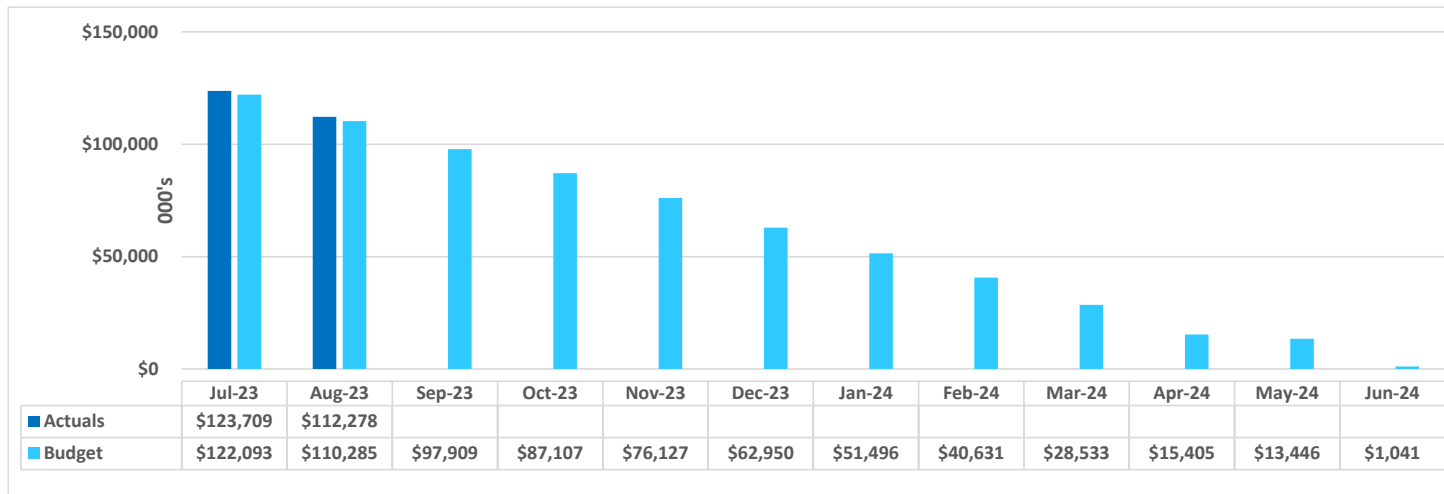
ORDINARY COUNCIL MEETING

26 SEPTEMBER 2023

Capital Works Program Expenditure for period ending 31 August 2023 (continued)								
Description	2023-24 Adopted Capital Budget	2023-24 Carry Forwards from 2022-23	2023-24 Budget Plus Carry Forwards	2023-24 Adjustments	2023-24 Annual Forecast	2023-24 Year To Date Actual Expenditure	2023-24 Year To Date Forecast	2023-24 Year To Date Variance
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
RENEWALS								
FURNITURE AND FITTINGS	-	59,302	59,302	-	59,302	-	59,302	(59,302)
INFORMATION SYSTEMS	1,065,000	289,000	1,354,000	-	1,354,000	173,578	466,500	(292,923)
VEHICLE REPLACEMENT	1,100,000	1,000,000	2,100,000	-	2,100,000	275,619	383,334	(107,715)
FIRE COMPONENT RENEWAL	200,000	-	200,000	-	200,000	-	-	-
ELECTRICAL COMPONENT RENEWAL	30,000	-	30,000	-	30,000	-	-	-
BUILDING IMPROVEMENTS	706,800	-	706,800	-	706,800	2,016	2,218	(202)
FLOOR COVERINGS	130,000	-	130,000	-	130,000	-	-	-
ROOF REPLACEMENT PROGRAM	50,000	-	50,000	-	50,000	-	-	-
STRUCTURAL RENEWALS	200,000	-	200,000	-	200,000	-	-	-
SHOPPING/ACTIVITY CENTRE IMPROVM	-	57,764	57,764	-	57,764	34,558	57,764	(23,206)
SECURITY ENHANCEMENTS	80,000	-	80,000	-	80,000	-	-	-
LIBRARY BOOKS	946,888	-	946,888	-	946,888	373,278	215,750	157,528
FOOTPATH PROGRAM	1,924,740	-	1,924,740	-	1,924,740	297,928	192,510	105,418
KERB & CHANNEL REPLACEMENT PROGRAM	216,487	-	216,487	-	216,487	8,944	21,649	(12,705)
ROAD REHABILITATION-CAPITAL	488,000	2,558,963	3,046,963	-	3,046,963	742,790	898,400	(155,610)
DRAINAGE IMPROVEMENTS	1,100,000	1,205,094	2,305,094	-	2,305,094	650,172	496,600	153,572
GLENWORKS CAPITAL	1,615,336	-	1,615,336	-	1,615,336	-	-	-
RIGHT OF WAY IMPROVEMENTS	677,280	134,546	811,826	-	811,826	65,209	134,546	(69,337)
LOCAL AREA TRAFFIC MANAGEMENT	210,000	76,500	286,500	-	286,500	47,975	-	47,975
CAR PARKS	830,000	-	830,000	-	830,000	-	-	-
ROADS TO RECOVERY	512,000	-	512,000	-	512,000	-	-	-
RECREATION - CAPITAL WORKS	200,000	30,000	230,000	-	230,000	1,148	-	1,148
AQUATIC CENTRE REDEVELOPMENT	672,350	-	672,350	-	672,350	49,793	125,000	(75,207)
PARKS MINOR CAPITAL WORKS	431,424	-	431,424	-	431,424	26,971	-	26,971
SHADE STRUCTURES	50,000	-	50,000	-	50,000	-	-	-
FITTINGS/FINISHES COMPONENT	101,250	-	101,250	-	101,250	-	-	-
RESIDENTIAL AGED CARE MINOR IMPROVEMENTS	170,000	-	170,000	-	170,000	4,376	28,334	(23,958)
TOTAL RENEWALS	13,707,555	5,411,169	19,118,724	-	19,118,724	2,754,355	3,081,907	(327,553)
TOTAL CAPITAL WORKS EXPENDITURE	63,449,569	11,572,441	75,022,010	-	75,022,010	6,708,452	14,448,050	(7,739,599)

Performance Graphs

**Financial Performance
for the period ending 31 August 2023**

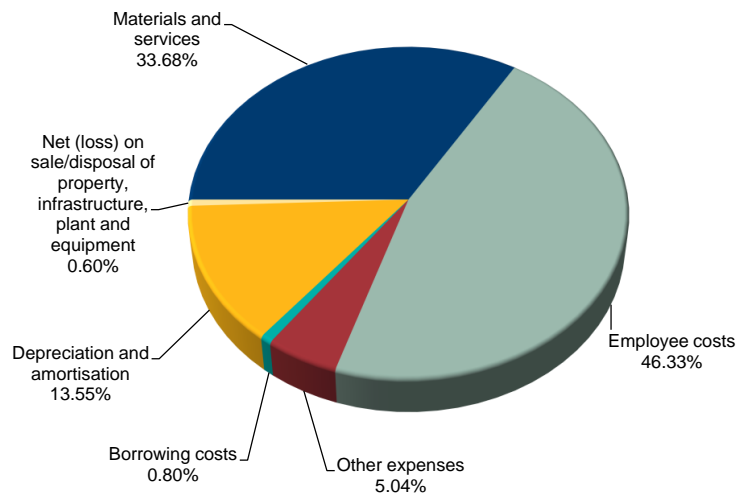


The August 2023 year to date financial performance was \$1.99m higher than the year-to-date budget mainly due to:

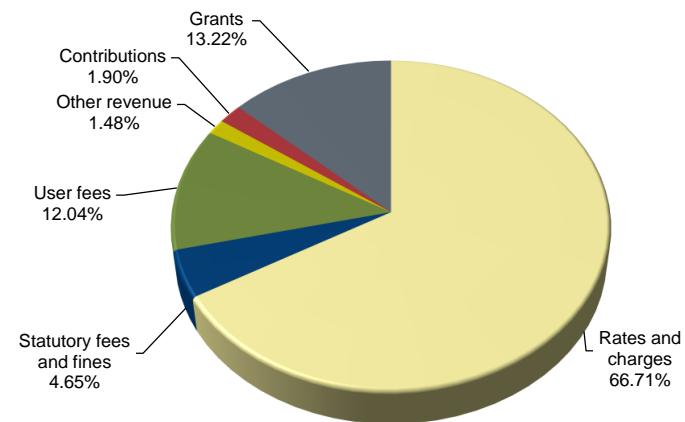
- Better than anticipated income received for Grants \$270k, Supplementary Rates \$241k, Contributions (Monetary) \$209k, Interest Received \$202k and User Fees \$110k. These are slightly offset by a decrease in General Rates \$238k and Statutory Fees and Fines \$50k.
- Favourable variances in expenditure items including Maintenance \$484k, Employee Costs \$445k, Utilities \$140k, Contractor Payments \$78k and Borrowing Costs \$74k. These are slightly offset by an increase in Other Expenses \$66k.

**Financial Performance
for the period ending 31 August 2023**

2023-24 Forecast categories of expenditure



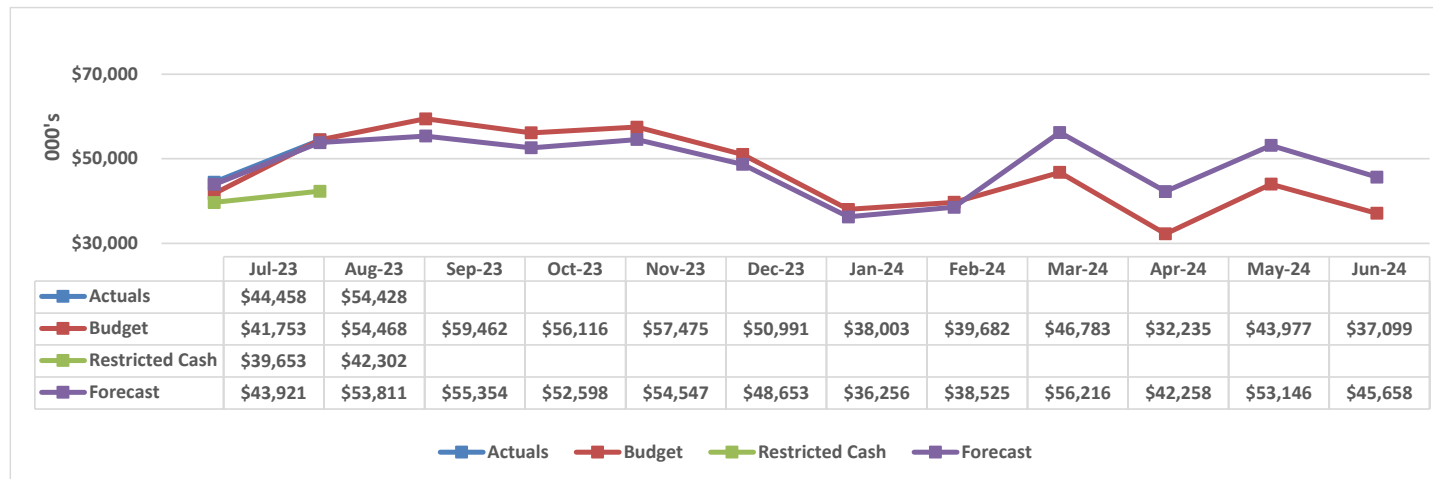
2023-24 Forecast sources of income



ORDINARY COUNCIL MEETING

26 SEPTEMBER 2023

**Cash and Investments
for the period ending 31 August 2023**



- **Cash Balance** – Council’s year to date cash balance of \$54.43m is below budget for the current month. Council’s forecast position to June 2024 of \$45.66m has been adjusted to reflect the movements in Council’s Income Statement and Capital Works Program forecast adjustments.
- **Restricted Cash** – Council has cash assets that are subject to restrictions. Restricted funds as at 31 August 2023 in total is \$42.30m, this includes: residential aged care deposits of \$13.56m, trust funds and deposits of \$6.71m (including asset protection permits), open space reserve of \$19.84m and fire services property levy of \$2.2m. Noting that the open space (\$19.84m) is not held in cash reserve.
- **Return on Investments** – Council has achieved an average return on investments of 4.1% for the month of August 2023.

ORDINARY COUNCIL MEETING

26 SEPTEMBER 2023

Rates Income and Debtors
for the period ending 31 August 2023

Rate Income – is an important source of revenue, accounting for approximately 56 per cent of the total revenue received by Council annually.

Rate Capping – The Victorian Government's *Fair Go Rates System* (FGRS) limits the maximum increase in Councils' average rates. The amount is calculated by dividing total revenue from general rates by the total number of rateable properties in the municipality.

Each year the Minister for Local Government sets the average rate cap increase for Councils.

The cap for 2023-24 was set at forecast CPI of 3.5% (1.75% for 2022-23).

Rate Payments – Rates are paid in four instalments during the year: February, May, September and November. Council's cash flow is impacted by the timing of rate payments. The following table reflects the rate debtors balance as at 31 August 2023.

Rate Debtors	2023-2024 Year to date
	\$'000
Arrears Brought Forward	15,087
Credits Brought Forward	(1,326)
2023-24 Rates & Garbage Generated	134,660
2023-24 Fire Services Property Levy	15,297
Total Rates & Charges	163,718
Payments/Adjustments:	
Glen Eira Pension Rebate	(103)
State Government Rebate	(1,536)
Fire Services Property Levy Rebate	(307)
Receipts	(16,822)
Interest	1
Supplementary Valuations	1,020
Adjustments	(14)
Total Payments/Adjustments	(17,761)
Rates & Charges Balance at Month End	145,957

ORDINARY COUNCIL MEETING
2023

26 SEPTEMBER

Financial Strategy

Each year, the Auditor-General of Victoria performs an audit of the Local Government sector and produces a report to Parliament of the results of those audits. As part of this process, the Auditor-General assesses the financial sustainability of Councils. In 2021-22 the Auditor-General assessed the financial sustainability risk at an individual Council level. The following pages explain and present the Auditor-General's financial sustainability risks and criteria and page 18 provides indicators for Glen Eira City Council.

Financial sustainability risk indicator

Indicator	Formula	Description
Net result margin (%)	Net result/Total revenue	<p>A positive result indicates a surplus, and the larger the percentage, the stronger the result.</p> <p>A negative result indicates a deficit. Operating deficits cannot be sustained in the long term.</p> <p>The net result and total revenue are obtained from the comprehensive operating statement.</p>
Adjusted underlying surplus (or deficit)/result (%)	Adjusted underlying surplus (or deficit)/Adjusted underlying revenue	<p>This measures an entity's ability to generate surplus in the ordinary course of business—excluding non-recurrent capital grants, non-monetary asset contributions, and other contributions to fund capital expenditure from net result.</p> <p>A surplus or increasing surplus suggests an improvement in the operating position.</p>
Liquidity (ratio)	Current assets/Current liabilities	<p>This measures the ability to pay existing liabilities in the next 12 months.</p> <p>A ratio of one or more means that there are more cash and liquid assets than short-term liabilities.</p>
Internal financing (%)	Net operating cashflow/Net capital expenditure	<p>This measures the ability of an entity to finance capital works from generated cashflow.</p> <p>The higher the percentage, the greater the ability for the entity to finance capital works from their own funds.</p> <p>Net operating cashflows and net capital expenditure are obtained from the cashflow statement.</p> <p>Note: The internal financing ratio cannot be less than zero. Where a calculation has produced a negative result, this has been rounded up to 0 per cent.</p>
Indebtedness (%)	Non-current liabilities/Own-sourced revenue	<p>This assesses an entity's ability to pay the principal and interest on borrowings, as and when they fall due, from the funds it generates.</p> <p>The lower the ratio, the less revenue the entity is required to use to repay its total debt.</p> <p>Own-sourced revenue is used, rather than total revenue, because it does not include grants or contributions.</p>
Capital replacement (ratio)	Cash outflows for the addition of new infrastructure, property, plant and equipment/Depreciation	<p>Comparison of the rate of spending on new infrastructure, property, plant and equipment with its depreciation. Ratios higher than 1:1 indicate that spending is faster than the depreciating rate.</p> <p>This is a long-term indicator, as capital expenditure can be deferred in the short term if there are insufficient funds available from operations and borrowing is not an option. Cash outflows for infrastructure are taken from the cashflow statement. Depreciation is taken from the comprehensive operating statement.</p>
Renewal gap (ratio)	Renewal and upgrade expenditure/Depreciation	<p>This compares the rate of spending on existing assets through renewing, restoring, and replacing existing assets with depreciation.</p> <p>Ratios higher than 1.0 indicate that spending on existing assets is faster than the depreciation rate.</p>

ORDINARY COUNCIL MEETING
2023

26 SEPTEMBER

Financial Strategy (continued)

Financial sustainability risk assessment criteria

The financial sustainability risk of each local council is assessed using the criteria outlined below:

Risk	Net result	Adjusted underlying result	Liquidity	Internal financing	Indebtedness	Capital replacement	Renewal gap
High	Less than negative 10% Insufficient revenue is being generated to fund operations and asset renewal.	Less than 0% Insufficient surplus being generated to fund operations	Less than 0.75 Immediate sustainability issues with insufficient current assets to cover liabilities.	Less than 75% Limited cash generated from operations to fund new assets and asset renewal.	More than 60% Potentially long-term concern over ability to repay debt levels from own-source revenue.	Less than 1.0 Spending on capital works has not kept pace with consumption of assets.	Less than 0.5 Spending on existing assets has not kept pace with consumption of these assets.
Medium	Negative 10%–0% A risk of long-term run down to cash reserves and inability to fund asset renewals.	0%–5% Surplus being generated to fund operations	0.75–1.0 Need for caution with cashflow, as issues could arise with meeting obligations as they fall due.	75–100% May not be generating sufficient cash from operations to fund new assets.	40–60% Some concern over the ability to repay debt from own-source revenue.	1.0–1.5 May indicate spending on asset renewal is insufficient.	0.5–1.0 May indicate insufficient spending on renewal of existing assets.
Low	More than 0% Generating surpluses consistently.	More than 5% Generating strong surpluses to fund operations	More than 1.0 No immediate issues with repaying short-term liabilities as they fall due.	More than 100% Generating enough cash from operations to fund new assets.	40% or less No concern over the ability to repay debt from own-source revenue.	More than 1.5 Low risk of insufficient spending on asset renewal.	More than 1.0 Low risk of insufficient spending on asset base.

Source: VAGO.

ORDINARY COUNCIL MEETING

26 SEPTEMBER 2023

Financial Strategy (continued)

Monthly Report Relative to Financial Strategy

Financial Sustainability Risk Indicators	Objective	Unaudited 2022-2023 Actuals	Unaudited Risk 2022-2023	2023-2024 Annual Budget as at 30 June 2024	2023-2024 Annual Forecast as at 30 June 2024	2023-2024 Risk based on Annual Forecast as at 30 June 2024	Comment
(1) Net Result	To generate surpluses consistently greater than 0%.	7.73%	Low	0.51%	0.90%	Low	Council is generating surpluses.
(2) Underlying Result (%)	Ability to generate surplus in the ordinary course of business, excluding non-recurrent capital grants and non-monetary asset contributions to fund capital expenditure from net result. Low risk indicator to be more than 5%.	5.42%	Low	-3.85%	-3.44%	High	Council anticipates a low underlying result during 2023-24.
(3) Liquidity	To measure Council's ability to repay short-term liabilities as they fall due. Low risk - indicator is to be greater than 1.0.	1.24	Low	0.91	1.09	Low	Council's forecast to 30 June 2024 indicates a Liquidity Ratio above 1.0.
(4) Internal Financing	Generating enough cash from operations to fund new assets. Low risk indicator is to be greater than 100%.	89%	Medium	39%	41%	High	Council is restricted in generating cash to fund new assets.
(5) Indebtedness	Lower than 40% relates to the ability to repay debt from own-source revenue.	20.86%	Low	37.00%	37.29%	Low	Council is operating at a ratio of lower than 40%, therefore has the ability to repay debt from own-source revenue.
(6) Capital Replacement	To ascertain the level of risk of insufficient spending on asset renewal. Low risk indicator is to be more than 1.5.	1.88	Low	3.11	2.74	Low	Council operates at a low level of risk with respect to capital replacement.
(7) Renewal Gap	To ensure there is sufficient spending on Council's asset base. Low risk indicator is to be greater than 1.0.	1.67	Low	2.70	2.70	Low	Council spends sufficient funds on its asset base.

8.2 AUDIT & RISK COMMITTEE MINUTES

Author: John Vastianos, Chief Financial Officer

Director: Mick Jaensch, Director Corporate Services

Trim No: 23/1155116

Attachments: 1. *Committee Minutes - 1 September 2023* [↓](#)

EXECUTIVE SUMMARY

Council is required under the *Local Government Act 2020* and the Audit and Risk Committee Charter, that minutes will be provided to Council at the first available opportunity after clearance by the Committee Chairperson.

The purpose of this report is to present to Council for approval the Audit and Risk Committee minutes from the meeting held on 1 September 2023.

At the meeting held on 1 September 2023, the key topics considered included:

- Business continuity, disaster recovery and associated risks.
- Fraud Control Framework.
- Compliance Management – Corporate Governance and Gifts, Benefits and Hospitality.
- Chief Information Officer’s Report (Cyber Security, Information Management and Technology and Digital Strategy).
- Internal Audit Scopes – Occupational Health, Safety and Wellbeing and Asset Management.
- Risk Review – Recreation and Open Space.
- Performance Evaluation Questionnaires for Internal Auditors and Committee Members.
- Sector updates from Council’s Internal and External Auditors.

RECOMMENDATION

That the minutes of the Audit and Risk Committee meeting held on 1 September 2023 as shown in Attachment 1 to the report be approved.

BACKGROUND

The City of Glen Eira has established an Audit and Risk Committee (the Committee) pursuant to Section 53 of the *Local Government Act 2020* to support Council in discharging its oversight responsibilities related to financial and performance reporting, risk management, fraud prevention systems and control, Council’s performance with regard to compliance with its policies and legislative and regulatory requirements, maintenance of a sound internal control environment, and assurance activities including internal and external audit. It acts in this capacity by monitoring, reviewing, endorsing, and advising on the above matters as set out in its Charter.

The Committee has no executive authority and no delegated financial responsibilities and is therefore independent of management.

The Committee is not a delegated committee but is directly responsible to Council for discharging its responsibilities as set out in the Charter. The Committee has no delegated authority from Council unless specifically provided by Council from time to time and any such authority shall be temporary and may only relate to specific matters as directed by Council.

ISSUES AND DISCUSSION

In accordance with the Committee's Charter (section 4.6) and sections 53 and 54 of the *Local Government Act 2020*, minutes will be prepared for all meetings and provided to Council at the first available opportunity after clearance by the Committee Chairperson. The draft minutes will be formally tabled and confirmed by the Committee at the following Committee meeting.

CLIMATE EMERGENCY RESPONSE STRATEGY IMPLICATIONS

Not applicable.

FINANCIAL, RESOURCE, RISK AND ASSET MANAGEMENT IMPLICATIONS

The Committee meets five times per year.

POLICY AND LEGISLATIVE IMPLICATIONS

1. Local Government Act 2020:
 - Division 8—Audit and Risk Committee
 - Section 53: Council must establish an Audit and Risk Committee
 - Section 54: Audit and Risk Committee Charter
2. Glen Eira City Council Audit & Risk Committee Charter (endorsed 11 August 2020).

COMMUNICATION AND ENGAGEMENT

Not applicable.

LINK TO COUNCIL PLAN

Strategic Direction 1: Well informed, transparent decisions and highly valued services. We build trust through engaging with our community, delivering quality services and making evidence-based decisions.

OFFICER DECLARATION OF CONFLICT OF INTEREST

No officers involved in the preparation of this report have any general or material conflicts of interest in this matter.

CONCLUSION

The Audit and Risk Committee is an important part of Council's commitment to good governance and probity. The actions outlined in this report ensure that Council's approach remains consistent with legislation and leading practice.



GLEN EIRA
CITY COUNCIL

GLEN EIRA CITY COUNCIL AUDIT AND RISK COMMITTEE

Minutes of Friday, 1 September 2023

Yarra Yarra Room

8am In-camera Session, 8:30am for Officers

Committee Attendees:

Committee Members

Independent Members

- Craig Geddes, Chairperson
- Lisa Tripodi, Independent Member
- Menchi Schneier, Independent Member

Councillors

- Cr Sue Pennicuik, Committee Member
- Cr Simone Zmood (Substitute Committee Member)

Internal Auditors (HLB Mann Judd Advisory & Accounting)

- Kapil Kukreja, Senior Manager Risk, Assurance & Advisory

Council Officers

- Andrew Barden, (Acting) Manager Parks Services
- Diana Vaynrib, Coordinator Risk Management
- John Vastianos, Chief Financial Officer
- Kornel Stewart, Corporate Counsel
- Louay Ghashash, Director and Chief Information Security Officer, Spartans Security (external)
- Matt Barbeta, (Acting) Manager Recreation and Open Space
- Mick Jaensch, Interim Director Corporate Services
- Paul Barrett, Chief Information Officer
- Rebecca McKenzie, Chief Executive Officer

Apologies

- Cr Jim Magee, Committee Member
- Jung Yau, Manager Financial Audit (VAGO)
- Mark Holloway, Partner, Audit & Assurance
- Travis Derricott, Sector Director, Financial Audit (VAGO)

Minutes

- Alon Milstein, Financial Accountant

The Committee met at 8am in-camera in discussion of broad issues facing Council and the risk elements thereof. Ms McKenzie joined the in-camera discussion at 8:15am.

AUDIT AND RISK COMMITTEE MEETING MINUTES

1 SEPTEMBER 2023

AUDIT AND RISK COMMITTEE
Friday, 1 September 2023
8am (Yarra Yarra Room)
MINUTES

1. ACKNOWLEDGEMENT OF COUNTRY, WELCOME AND APOLOGIES

At 8:30am, the Chairperson opened the meeting with an Acknowledgement of Country. The Chairman noted apologies from Cr Magee, Mr Holloway, Mr Derricott and Mr Yau.

2. DISCLOSURE OF INTERESTS, CONFLICTS, BREACHES OF ANY ACT

The Chairperson asked if there were any further updates to the register to be declared and whether any person present was aware of any breaches of any *Local Government Act 2020*, or any other irregularity or matters which should be brought before the Committee.

No breaches, irregularities or matters were reported.

The Committee noted the Register of Interests of independent members, and that the table will be updated in future to address any specific *Local Government Act 2020* guidance.

3. CONFIRMATION OF AGENDA

The Committee noted the following agenda items be taken as read and recommendations accepted as recorded:

- 8.1.2 – Business Unit Risk Timetable
- 10.2 – Performance Audit and Other Integrity Agencies (VAGO)
- 12.4 – Status of Internal Audit Actions
- 13.1 – Status of External Audit Actions
- 14.1 – 2023 Committee Work Plan

4. MINUTES OF PREVIOUS MEETING 11 AUGUST 2023

The minutes of the previous Audit Committee meeting held on 11 August 2023 were confirmed.

5. PROBITY DECLARATION**5.1 PROBITY DECLARATION REPORT**

The Committee noted the Probity Declaration Report.

AUDIT AND RISK COMMITTEE MEETING MINUTES**1 SEPTEMBER 2023**

6. ACTION ITEMS ARISING FROM MINUTES**6.1 ACTION ITEMS ARISING FROM MINUTES**

The Committee approved items that have been actioned to be removed from the list and any outstanding issues carried over to the Committee meeting. The CFO stated that several of the action items remaining are scheduled to be completed by the November Committee meeting.

7. FINANCIAL AND PERFORMANCE REPORTING

Nil

8. RISK MANAGEMENT**8.1. ORGANISATIONAL RISKS****8.1.1 BUSINESS CONTINUITY & DISASTER RECOVERY**

The Chairperson welcomed Mr Stewart and Ms Vaynrib to the meeting at 8:30am.

Ms Vaynrib provided an update on the significant progress that has been made in the development of Council's new suite of Crisis Management and Business Continuity Plan (BCP) documents since the beginning of the review during the pandemic, including undertaking Business Impact Analysis, conducting training workshops and running desktop-based scenario tests.

In addition, Ms Vaynrib stated that Information Services conducted the biannual BCP testing in March 2023 with no significant issues identified. The testing included core applications, verifying the results with key business and system owners. Laptop and Desktop hardware set aside for disaster planning was also reviewed and replaced as required during this exercise.

The Committee noted Council's update on crisis management and business continuity and associated risks and provided feedback as to the reporting format / template for future tests.

Action

The Committee requested that a Crisis Management checklist be created with the top few risks and actions, to assist Council staff understand the BCP.

The Committee considered the draft BCP exercise reporting template, and requested that a report be provided to the Committee on learnings from BCP exercises in the future which includes the scenario, outcomes and actions.

8.1.2 BUSINESS UNIT RISK TIMETABLE *

The Committee noted the schedule and timing of the Rolling Risk Program and noted that the next risk review scheduled relates to the Works Depot.

AUDIT AND RISK COMMITTEE MEETING MINUTES**1 SEPTEMBER 2023**

8.1.3 RECREATION & OPEN SPACE RISK REVIEW

The Chairperson welcomed Mr Barden and Mr Barbetta to the meeting at 8:55am.

Mr Barbetta presented an overview of the Recreation and Open Space business unit in terms of its objectives in providing a diverse range of sport and recreational opportunities to meet the health and wellbeing needs of the community.

The main areas of risk discussed included:

- Council's liability for actions of contractors and consultants
- Sportsground / Facility Use – allocation and conflict of use
- Clarification of the high risk rating relating to staff accepting inducement from a supplier of goods and services in light of management comments. Management advised this risk rating would be updated.

Mr Barbetta stated that the team aim to mitigate the key risks associated with the delivery of our projects and management of facilities through working collaboratively across the organisation, engaging regularly with our stakeholders, communicating transparently and implementing appropriate corporate project management, engagement and change management methodologies.

The Committee noted the Risk Report for the Recreation and Open Space business area.

Mr Barden and Mr Barbetta left the meeting at 9:10am.

8.2. KEY STRATEGIC RISK FOCUS AREAS**8.2.1 CHIEF INFORMATION OFFICER'S REPORT**

The Chairperson welcomed Mr Barrett and Mr Ghashash to the meeting at 9:10am.

Mr Barrett provided an update on Cyber Security including:

- the appointment of a new Cyber Security lead.
- Council's endorsement to the uplift of Microsoft licensing which will enable officers to continue with a number of enhancements that were initially delayed due to capacity and licensing limitations.
- Controls to mitigate third party risk.

Mr Ghashash (Council's vCISO) provided a presentation to the Committee on the Cyber Security Roadmap and progress of activity to date. The presentation included:

- Priority of establishing risk management, security framework and security roadmap.
- The importance of cyber awareness training, roles and responsibilities.
- Priority areas during 2022-23 which included establishing a budget for security and creating a roadmap of security initiatives, establishment of Information Security Risk Management function, establishing a strong patch and vulnerability management practices including end of life asset retirement, enrolling users in regular cyber awareness training and phishing simulations, establishing an incident response process and test and uplifting of tools and process around Microsoft E5 capabilities.

Mr Ghashash left the meeting at 9:35am.

Mr Barrett also provided an update to the Committee on Information Management and the status of the Technology and Digital Strategy. The Committee discussed whether the CIO report could build on the IT Strategy and previous KPMG work on Council's IT Systems that was presented to Committee in 2022. In addition, Mr Schneier provided suggestions and feedback for management to take on board in relation to future IT updates:

AUDIT AND RISK COMMITTEE MEETING MINUTES**1 SEPTEMBER 2023**

- IT risks and controls.
- Highest and most significant data / information that council owns (top 5).
- Feedback against audit actions and recommendations.
- KPMG actions arising from the draft IT / Digital Strategy.
- Phishing exercise and results.
- Penetration scope and results.
- Disaster Recovery Plan testing and results.
- Priorities for the next two years and the work plan.
- Updates on future program of work and initiatives.
- Potential IT work program for ARC (noting that not all these items would be brought to a single ARC meeting).
- Schedule and timing of action items back to the ARC.

The Committee noted the update from the Chief Information Officer covering the current work in progress.

Mr Barrett left the meeting at 9:50am.

8.2.2 FINANCIAL SUSTAINABILITY

The CFO provided an update of Council's financial sustainability framework including various workshops held with Councillors regarding key levers to improve the financial position in the next few years. The interventions relate to increasing revenue and reducing expenditure such as, breath of service provision, level of future capital investment and reduction of the asset portfolio.

The CFO explained that officers are currently working on an amended Long-Term Financial Plan and will be presenting this to Councillors in upcoming months. In addition, the CFO advised the Committee that Council will commence a conversation with the community about how we can continue to build a financially sustainable future for Glen Eira. The campaign '*Our Priorities, Our Future*' will include a deliberative panel regarding key priorities.

The Committee noted the progress on Council's financial sustainability framework project to date.

Action

The Committee recommended that the CFO provide an update on the Long-Term Financial Plan at the next Committee meeting reflecting the work undertaken on financial sustainability including the efficiency review.

9. FRAUD PREVENTION SYSTEMS AND CONTROLS**9.1 FRAUD CONTROL FRAMEWORK**

Ms Vaynrib provided an update on Council's Fraud Control Framework including Fraud and Corruption E-Learning Module and the new Fraud and Corruption Policy and Procedure.

Ms Vaynrib explained that the new Fraud and Corruption Policy and Procedure has been reviewed and re-drafted to ensure compliance with the new Fraud and Corruption Control Australian Standard 8001:2021, the new Local Government Act and for consistency with Council's Risk Management Framework and Policy.

Once approved by Council, officers will commence implementation which will include updating and further developing training material, designing pressure tests, and reviewing and developing a new Fraud Risk Register.

AUDIT AND RISK COMMITTEE MEETING MINUTES**1 SEPTEMBER 2023**

The Committee noted the update on Council's Fraud Control Framework and provide d feedback that the Policy should be reduced to ensure that it is succinct, with the detail included in procedure documents, appendices or in a format such as tables or diagrams. This will assist in making the policy easier to read and complied with.

The Fraud and Corruption Procedure, whilst the content is reasonable, could also be reduced to make it more easier to understand and be implemented.

Action

The Committee requested that a high-level summary report on fraud incidents be provided to the Committee by the end of the financial year. This could be combined and provided as part of an overall Corporate Governance Report.

10. COMPLIANCE MANAGEMENT**10.1 ANNUAL COMPLIANCE - CORPORATE GOVERNANCE**

Mr Stewart provided an update on Council's Corporate Governance. Areas discussed included: statutory compliance, strategic and operational risk management, policy framework and policy development, complaints handling, management of legal claims, reviews of key governance committee's terms of reference and operations.

The Committee noted the activities and proposed timelines in relation to Council's Corporate Governance Framework and provided feedback / comments on the Framework.

Action

A Corporate Governance Report be developed with key metrics on corporate governance compliance such as fraud incidents, OH&S incidents and misses. Ms Tripodi offered to provide the names of other Councils that had already developed such a report. Council agreed to commence developing this report with a first draft to come to the November 2023 ARC meeting.

10.2 PERFORMANCE AUDIT & OTHER INTEGRITY AGENCIES (VAGO)*

The Committee noted updates from the Victorian Auditor-General's Office relating to performance audits and other integrity agencies.

10.3 ANNUAL COMPLIANCE - GIFTS, BENEFITS & HOSPITALITY

Mr Stewart provided an update on Council's compliance to gifts, benefits and hospitality to cover Council Officers and Councillors and the relevant key controls in place. Mr Stewart stated that Council's volume of gifts, benefits and hospitality is minimal.

The Committee noted Council's compliance and governance arrangements, key controls and processes regarding the management of gifts, benefits and hospitality.

Action

The committee suggested that the Gifts Benefits and Hospitality register could be presented at a future ARC meeting.

Mr Stewart and Ms Vaynrib left the meeting at 10:30am.

The Committee took a break from 10:30am – 10:40am.

AUDIT AND RISK COMMITTEE MEETING MINUTES**1 SEPTEMBER 2023**

11. INTERNAL CONTROL ENVIRONMENT**11.1 SECTOR REPORT (INTERNAL AUDITOR)**

Mr Kukreja presented the recent reports and publications in the local government sector.

Ms Tripodi queried the IBAC review of 'Operation Sandon' which revealed allegations of corrupt conduct involving councillors and property developers in Melbourne's south-east, and what self-assessment Council has been undertaken and any impact.

Ms McKenzie stated that officers have undertaken a preliminary review of the 34 recommendations and have provided some initial commentary to Councillors. This was a preliminary view and may change as further information becomes available. Officers will continue to review and consider the implications for Glen Eira and update the Committee and Councillors accordingly.

The Committee noted the sector report prepared by the Internal Auditor.

Action

The Committee requested that an update be provided at a future Committee meeting detailing the recommendations from the IBAC review of Operation Sandon and the impacts on Council.

12. INTERNAL AUDIT**12.1 REVIEW OF OCCUPATIONAL HEALTH, SAFETY & WELLBEING (DRAFT SCOPE)**

The Committee reviewed and recommended the proposed scope for the review of Council's Occupational Health, Safety and Wellbeing, subject to any amendments discussed.

12.2 REVIEW OF ASSETS MANAGEMENT (DRAFT SCOPE)

The Committee reviewed and recommended the proposed scope for the review of Council's Asset Management, subject to any amendments discussed.

12.3 INTERNAL AUDIT REVIEW - FOLLOW-UP REVIEW

Mr Kukreja presented the Follow-up Review which was to assess the actions reported as completed by the Council to the Committee for the period 1 June 2022 to 30 May 2023. The purpose of the review was to assess that all actions marked as completed during this period were reviewed, including High, Medium, and a sample of Low rated findings, providing assurance to management and the Committee that the recommendations contained in the internal audit reports were adequately implemented and reported.

Mr Kukreja stated that there were 44 items reviewed and overall the audit revealed there had been good progress in actions taken by the Council to address the audit findings contained in the previous internal audit reports.

The Committee noted the Follow-up Review.

AUDIT AND RISK COMMITTEE MEETING MINUTES**1 SEPTEMBER 2023****12.4 STATUS OF INTERNAL AUDIT ACTIONS ***

The Committee noted the progress and status of internal audit action items from the internal audit program.

12.5 INTERNAL AUDIT ACTIVITY REPORT

Mr Kukreja presented the Internal Audit Activity Report which provided the Committee with an update on the Internal Audit activities in accordance with the 2022-23 and 2023-24 Internal Audit Plan.

Mr Kukreja stated that audit reviews for 2022-23 and 2023-24 are progressing well.

The Committee noted the progress and status of the Internal Audit Report in accordance with the 2023-24 Strategic Internal Audit Plan.

12.6 INTERNAL AUDIT PERFORMANCE QUESTIONNAIRE

The CFO presented the draft internal audit performance questionnaire for review. The purpose of the questionnaire attached was to assess the effectiveness of the Internal Auditors and provide feedback to the Internal Auditors. The questionnaire is scheduled for discussion at the November meeting.

The Committee noted the Internal Audit Performance Assessment Questionnaire, subject to any amendments by the Committee, for discussion at the November Committee meeting.

12.7 ACTION ITEM - INTERNAL AUDIT (IN-YEAR REVIEW)

Mr Kukreja, presented an overview of the key observations that were noted by the internal audit for the 2022-23 financial year. Mr Kukreja discussed the trend analysis and identified the following key insights:

- All reviews conducted within the period highlighted the need to either develop / update / enhance relevant policies, procedures, guidelines and associated documents to provide assistance to the staff in discharging their responsibilities effectively.
- Council had reasonably good systems / applications in place where we have reviewed and performed walkthroughs during internal audits. The systems are bound by robust security and access controls with periodic reviews undertaken to ensure that only authorised staff have access.
- The majority of the reviews identified that Council should enhance the existing reporting and monitoring practices for effective decision making.
- Overall Council's control environment is very good but with the large number of activities in IT, financial sustainability, operations and risk management, change management and ongoing training of staff is going to be important to ensure Council maintains this strong control environment.

The Committee noted the Internal Auditors year of review for the 2022-23 financial year.

AUDIT AND RISK COMMITTEE MEETING MINUTES**1 SEPTEMBER 2023**

13. EXTERNAL AUDIT**13.1 STATUS OF EXTERNAL AUDIT ACTIONS ***

The Committee noted the progress and status of external audit actions from the VAGO.

14. AUDIT AND RISK COMMITTEE ITEMS**14.1 2023 COMMITTEE WORK PLAN ***

The Committee noted the Committee's Work Plan for the 2023 calendar year subject to any amendments.

14.2 COMMITTEE PERFORMANCE EVALUATION

The CFO presented the draft questionnaire for the Audit and Risk Committee to complete in relation to their evaluation of their performance. The CFO explained that the questions were designed to obtain feedback on improvement areas, including the Committee Charter and Timetable / Work Plan in preparation for the 2024 year. The self-assessment was to evaluate the Committee against its Charter and against Audit and Risk Committee experience by members from other organisations.

A summary of the results will be tabled at the November Committee meeting.

The Committee noted their performance evaluation questionnaire, subject to any amendments by the Committee, for discussion at the November Committee meeting.

15. INFORMATION & UPDATE ON ITEMS (INFORMATION ONLY, NOT ACTION)**15.1 ACTION ITEM - STAFF TURNOVER & RECRUITMENT**

The Committee noted information on Council's staff turnover and recruitment information.

15.2 ACTION ITEM - CLAYTON LANDFILL

The Committee noted the update on the governance internal review arrangements of the Joint Venture.

16. GENERAL BUSINESS**16.1 GENERAL BUSINESS**

The Committee noted General Business Agenda Items and noted the next meeting for the 2023 calendar year is scheduled for Friday, 24 November 2023.

The Committee noted that it was Mr Jaensch's last Audit and Risk Committee meeting and acknowledged and thanked him for his contribution as Interim Director Corporate Services.

AUDIT AND RISK COMMITTEE MEETING MINUTES

1 SEPTEMBER 2023

17. AUDIT AND RISK COMMITTEE (MEMBERS ONLY)

Nil

18. CLOSURE OF MEETING

The meeting concluded at 11:25am.

8.3 COMMUNITY FOR ALL ABILITIES PROGRAM REPORT

Author: Sharon Sykes, Manager Community Development

Director: Mark Saunders, Director Community Wellbeing

Trim No: 23/1190549

Attachments: Nil

EXECUTIVE SUMMARY

The *Community for All Abilities Program* was established following Council's decision in June 2017 not to become a provider under the National Disability Insurance Scheme and to strengthen its role in disability planning, inclusion and advocacy.

In 2018, Council completed a community engagement process to identify how the community, particularly residents with a lived experience of disability, might be supported by Council to maximise participation in community life.

In response to the community feedback, Council resolved in 2019 to commence planning and implementation of disability projects that would run over a three-year period.

The projects established as part this initiative are set out below:

1. EmployAbility Glen Eira Program - local employment initiative for people of any age with disability and vulnerable young people up to the age of 25 years.
2. GROW Glen Eira Program - established to support people aged from 15-35 years with disability to work in horticulture.
3. Carer Support Program - established for people who care for a person with disability.
4. Inclusive Communities Program - developed to increase accessibility of local businesses for people with disability.
5. Inclusive Volunteering Program – developed to support increased volunteering opportunities for people with disability.

Council entered into two three-year contracts for the delivery of the EmployAbility Glen Eira Program with the Career Ahead Group being appointed and the GROW Glen Eira Program with Kevin Heinz Grow being appointed. Both contracts will conclude in February 2024.

In December 2021, the mid-point evaluation was completed. This evaluation recognised that while progress had been made for each of the projects, the significant impact of the COVID-19 pandemic on the delivery of activities had presented a barrier to all elements of the *Community for All Abilities Program*.

This report recognises achievements of the program delivery to date and proposes Council continue the program, including proceeding to a tender process for another two years of contracted services for the EmployAbility Glen Eira and Glen Eira GROW.

RECOMMENDATION

1. That Council:
 - a) approves proceeding to tender for the 'Provision of All Abilities Career Advisor' contract for two years up to a total cost of \$230,000, open to people with disability of any age.

- b) approves proceeding to tender for the 'Provision of All Abilities Horticulture Training' contract for two years up to a total cost of \$274,000, open to people with disability aged 15-35 years.
- c) notes the achievements of the *Community for All Abilities Program* since it began in early 2020.

BACKGROUND

With Council's decision on 13 June 2017 to not become a National Disability Insurance Scheme provider, it was decided to look at the best ways of redirecting funds towards inclusion and disability support services and initiatives, building on commitments already included in Council's *Disability Action Plan 2017-2021*.

Council supported an approach which would engage the community in deciding how to allocate and spend funds to strengthen disability support in the municipality.

The outcomes of consultation completed in 2018 led to the development of the *Community for All Abilities Program*, which was endorsed by Council on 13 August 2019.

Council entered into two three-year contracts for the delivery of the EmployAbility Glen Eira Program and the GROW Glen Eira Program:

- Career Ahead Group was appointed to deliver the EmployAbility program. The key deliverables under the contract included 20+ participants in long-term or permanent employment at the end of the contract. This contract has had a total cost to Council over three years of \$333,000.
- Kevin Heinz Grow was appointed to deliver the GROW Glen Eira Program. The key deliverables under the contract included a total of 15 participants having successfully completed a 12-month training program in an area of horticulture that interests them and a work placement, with 50-60 per cent engaged in employment pathways by the end of the contract. This contract has had a total cost to Council over three years of \$374,556.

Remaining components of the program are delivered by Council through partnerships, capacity building and direct service delivery activities. These have included:

- Inclusive Volunteering: a project to support individuals with disability to find meaningful volunteering opportunities.
- Carers Support Services: a project engaging, connecting and supporting unpaid carers, including carers of people with disability through programs and activities.
- A school disability awareness program where Council employs local people on a casual basis, with lived experience of disability, to provide community education and raise awareness of experiences of people with disability through school visits.
- A social inclusion program called *Chat n Chuckle* designed to support people with Acquired Brain Injury to come together and connect.
- Coordination of Council's Disability Reference Group with the aim of providing advice and guidance to Council from the perspective of providers, people with lived experience of disability, their carers and family members.

ISSUES AND DISCUSSION

Like many Council programs, the implementation of the *Community for All Abilities Program* was significantly impacted by the COVID-19 pandemic and its associated public health orders, through closures of key settings for the programs such as schools and businesses, as well as having a profound impact on the lives of people living with disability. These effects

are still very prevalent within society today with many schools and businesses struggling to prioritise additional programs, and people with disability suffering long-term social anxiety, mental health conditions and a general fear of re-engaging within their community.

Council and contractors pivoted to maintain program delivery despite these challenges, identifying a need to be adaptable and flexible within the program's parameters during the pandemic.

In its delivery to date, the *Community for All Abilities Program* has achieved the following:

- The EmployAbility Program delivered by Career Ahead Group was established, program and promotional resources developed, and 24 participants (as of April 2023) were engaged through the program, eight of whom have secured ongoing employment.
- Grow Glen Eira delivered by Kevin Heinz GROW engaged 10 participants in the program (as of April 2023) who were provided with approximately 12 months of learning and work experience in horticulture, four of whom have secured ongoing employment and one having entered a formal study pathway.
- The Inclusive Volunteering project, managed directly by Council, focused on systemic improvements to enable ongoing inclusive volunteering across the municipality through the establishment of a network, working group, review of policies and procedures, as well as developing resources to promote inclusive volunteering.
- The Carers Support Services managed directly by Council enabled ongoing support for approximately 120 carers across the municipality and delivered ongoing free weekly activities tailored to the needs of carers.
- The Inclusive Communities Project managed directly by Council commenced with the development of an Inclusive Communities information booklet and audit tool and engaged two businesses interested in being recognised as '*Inclusive Businesses*'.

There is an opportunity to expand the EmployAbility Program to people with disability of any age (not restricting the program to under 25 years), and this will be incorporated into future specifications for the program.

There is also an opportunity to strengthen the links between contracted programs for employment and training pathways with those delivered directly by Council. For example, to match individuals who are engaged through the contracted services with existing volunteers and volunteering opportunities would provide ongoing mentoring, support and work experience.

CLIMATE EMERGENCY RESPONSE STRATEGY IMPLICATIONS

The *Community for All Abilities Program* contributes to Goal Four of the Climate Emergency Response Strategy working to 'support residents and business to insulate themselves against climate change impacts', through supporting the most vulnerable in the community.

FINANCIAL, RESOURCE, RISK AND ASSET MANAGEMENT IMPLICATIONS

The delivery of the *Community for All Abilities Program* is accommodated within the existing annual recurrent operational budget. Part of this annual operational budget includes \$252,000 which is proposed to be allocated through a tender process to providers of the disability employment contracts.

POLICY AND LEGISLATIVE IMPLICATIONS

The *Community for All Abilities Program* is delivered under Council's Wellbeing Plan, which meets Council's obligations under the Disability Act (2006) to 'prepare and implement a

Disability Action Plan' through its integration of both the Disability Action Plan and the Municipal Public Health and Wellbeing Plan.

The preparation and development of the next *Community Wellbeing Plan 2025-2029* will require a Gender Impact Assessment under the Gender Equality Act (2020).

COMMUNICATION AND ENGAGEMENT

The voices of people with a lived experience of disability have informed all stages of the *Community for All Abilities Program*, from the initial consultation process in 2018 through to the design and delivery of all elements of the program.

An initial community engagement process took place between 12 February and 9 March 2018 to obtain feedback from the community on how Council could deliver community inclusion for people with disability. Findings were then analysed, and key areas of focus were presented back to the community in a second engagement phase from 15 October to 23 November 2018.

The outcome of the second phase of consultation was the identification of key priorities which informed the initiatives that make up the current *Community for All Abilities Program*.

The ongoing delivery of the *Community for All Abilities Program* will be shared with the community via Council's website, social media channels, Glen Eira News, Council settings and facilities, and Council networks (i.e., Economic Development Networks, Recreation Networks).

The community will be engaged to inform the development of the next *Community Wellbeing Plan 2025-2029*, ensuring that Council meets its obligations under the *Disability Act 2006* and this engagement will include a review of the *Community for All Abilities Program* and the future role that Council can play in supporting people with disability.

LINK TO COUNCIL PLAN

Strategic Direction 5: A healthy, inclusive and resilient community

We support our residents to be healthy, strong and resilient and will embrace and celebrate our diverse community.

OFFICER DECLARATION OF CONFLICT OF INTEREST

No officers involved in the preparation of this report have any general or material conflict of interest in this matter.

CONCLUSION

Given the impacts of the COVID-19 pandemic on people with disability, including their access to education pathways, secure employment and their social and emotional wellbeing, tailored support is integral. The *Community for All Abilities Program* is well placed to address these key needs with its continued delivery over the next two years and beyond.

It is proposed that Council proceed to tender for the 'Provision of All Abilities Career Advisor' and 'Provision of All Abilities Horticulture Training' contract for two years at a total cost of up to \$504,000.

8.4 SALE OF LAND AND BUILDINGS POLICY

Author: John Vastianos, Chief Financial Officer

Director: Mick Jaensch, Director Corporate Services

Trim No: 23/1223870

Attachments: 1. *Sale of Council Land and Buildings Policy* [↓](#)

EXECUTIVE SUMMARY

One way Council delivers its range of services to the community is through effective use of its assets. Council assets include roads, footpaths, drains, libraries and learning centres, town hall, parks, sporting and recreational centres, and other community facilities. Council controls and manages approximately \$2.8 billion in assets for its community.

Council's existing *Property Strategy* establishes the framework for Council to regularly review the performance of its assets and whether those assets are continuing to deliver community benefit. In some cases, where an asset is low performing and there are opportunities for Council to consider the use of resources from this asset to create greater benefit, an asset may be considered by Council to be surplus to current needs.

The objective of the '*Sale of Land and Buildings Policy*' (the Policy) is to identify the applicable rules to determine when Council's land or buildings should be sold and how the proceeds of any sale will be applied. It is important to note at the outset that no funds from the sale of Council land or buildings will be applied to general revenue and all funds will be directed to the future acquisition of higher performing assets.

Any potential surplus Council land or buildings will be subject to a report to Council outlining the reasons for the recommended sale, a formal valuation, the proposed method of sale and community consultation plan and outcomes.

RECOMMENDATION

That Council adopts the '*Sale of Land and Buildings Policy*' in Attachment 1 to the report.

BACKGROUND

Council has a diverse property portfolio consisting mainly of two types of land: Council-owned land, and land where it is the appointed Committee of Management of Crown land known as Council-managed land. Council property is used for a range of purposes as follows:

- Parks, footpaths and roads used by the public.
- Council's facilities such as offices, libraries, recreation facilities and depots.
- Land or buildings leased or licensed to a third party.

The Policy (and the existing *Property Strategy*) guides the way in which Council reviews the status of these assets and determine if they can be repurposed or are surplus to requirement, Council's asset requirements may change over time. Council land or buildings should be reviewed regularly to ensure that they continue to have meaningful community value, and if not, whether a sale would assist Council to move from a low performing asset in terms of community value to an asset with a higher community outcome.

ISSUES AND DISCUSSION

The Policy provides Council with a consistent, equitable and transparent process for identifying and proceeding with the disposal or sale of Council owned land and buildings. It also seeks to assist Council with strategically managing its property portfolio for the long-term best interests of the Glen Eira community.

The intention of the Policy is to also endorse the approach that proceeds from any sale of Council land or buildings be directly used in the acquisition of new assets or the enhancement of existing assets; and that asset sale proceeds may not be utilised for recurrent/operational purposes.

The Policy highlights that any proceeds from a sale will be used to purchase other land or land and buildings.

The Policy also provides that where Council acquires strategic open space assets using debt funding, any future asset sales linked to this acquisition may be applied to associated debt redemption.

The Policy has also been developed to comply with existing government legislation and regulations as outlined in the 'Policy and Legislative Implications' section below.

This Policy operates in conjunction with our *Property Strategy 2021*. The *Property Strategy* notes that all Council property will be periodically evaluated using an assessment and decision-making framework. Where assets are identified as being low performing, they will be further assessed and where land is determined as being potentially surplus to the Council's requirements, they will be considered for disposal.

In identifying any potential surplus Council owned property assets, a report shall be presented to Council providing all relevant information regarding the asset identified for potential sale including environmental and planning issues and shall include a proposed process for undertaking both consultative and / or statutory processes under the *Local Government Act 2020*, including provisions for Council to hear submissions from the community related to the proposed sale.

CLIMATE EMERGENCY RESPONSE STRATEGY IMPLICATIONS

There are no *Climate Emergency Response Strategy* implications.

FINANCIAL, RESOURCE, RISK AND ASSET MANAGEMENT IMPLICATIONS

There are no costs to Council associated with the implementation of the review of this policy.

POLICY AND LEGISLATIVE IMPLICATIONS

There are many laws and regulations that apply to the way in which Council disposes of its land holdings. The sale of Council land or buildings should be in accordance with the *Local Government Act* and any subordinate legislation (regulations).

- *Legislation*
 - *Local Government Act 2020*
 - *Subdivision Act 1988*
- *Council*
 - *Property Strategy 2021*
 - *Road and Reserves Discontinuance and Sale Policy*
 - *Community Engagement Policy*
 - *Glen Eira Council Public Transparency Policy*

COMMUNICATION AND ENGAGEMENT

Council activities are guided by policies, which are approved by Council resolution or in writing by the Chief Executive Officer.

All Council policies are to become publicly available on Council's website in accordance with Council's *Public Transparency Policy*.

LINK TO COUNCIL PLAN

Strategic Direction 1: Well informed, transparent decisions and highly valued services
We build trust through engaging with our community, delivering quality services and making evidence-based decisions.

OFFICER DECLARATION OF CONFLICT OF INTEREST

No officers involved in the preparation of this report have any general or material conflicts of interest in this matter.

CONCLUSION

The *Sale of Council Land and Buildings Policy* plays a critical role to ensure Council land and building assets are being held for a specific purpose or identified as potential land holdings for disposal.

Sale of Council Land & Buildings

Date first adopted:	26 September 2023
Dates amended:	Not Applicable
Next review date:	26 September 2028
Position title of responsible business unit Manager:	Director Corporate Services
Approved by:	Council
Internal external or both:	Both

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1. SALE OF COUNCIL LAND AND BUILDINGS

2. OBJECTIVE

Glen Eira City Council holds a wide range of property assets (land and buildings) that allow it to deliver services and public amenity to its residents. Council's starting premise is that it will not dispose of land or buildings unless these assets have either ceased to have any meaningful community value and the sale will assist Council to move from a low performing asset in terms of community value to an asset with a higher community outcome.

The objective of this policy is to:

- define a consistent, equitable and transparent process for identifying and proceeding with the disposal or sale of Council owned land or buildings;
- strategically manage Council's property portfolio for the long-term best interests of Council's community;
- endorse the approach that the proceeds from any sale of Council land or buildings should be directly used in the acquisition of new assets or the enhancement of existing assets; and that asset sale proceeds may not be utilised for recurrent / operational purposes; and
- establish guidelines for the application of proceeds for the various classes of major assets.

3. DEFINITIONS AND ABBREVIATIONS

Term	Meaning
<i>Carrying value</i>	The asset carrying value (also known as written down value) is the asset value (cost or fair value) less any accumulated depreciation and accumulated impairment loss.
<i>Council</i>	City of Glen Eira
<i>Council-owned land or buildings</i>	Includes vacant land or Council owned buildings.
<i>Open space planning, development and improvements reserve</i>	Is a reserve set aside for any funds received from the sale of public open space which includes any land set aside in a plan or land in a plan zoned or reserved under a planning scheme for public recreation or public resort; or as parklands; or for similar purposes as defined in the <i>Subdivision Act 1988</i> .
<i>Strategic Asset Development Reserve</i>	Is a reserve to be established for the net sale proceeds of any Council owned land or buildings to be transferred to pending consideration by Council of the application of these funds.

4. POLICY

Under the LGA, Council is able to acquire, hold, deal with or dispose of property (including land) for the purposes of performing its function and exercising its powers.

This policy operates in conjunction with Glen Eira City Council's *Property Strategy 2021*. It should be noted that this policy does not apply to the disposal of roads and reserves under the *Council's Roads and Reserves Discontinuance Policy*.

The principles outlined in that Strategy are as follows:

- Council will prioritise the provision of essential facilities at a standard that meets (but not exceeds) community needs based on established standards, data and community consultation.
- Council will prioritise acquisitions and disposals in accordance with its Property Strategy.
- Funds generated through disposal will be allocated to the acquisition of new assets or the enhancement of existing assets and not to general operating revenue.
- Council will maintain our facilities to a standard that meets, at a minimum, our statutory and legislative requirements.

The Property Strategy notes that all Council property will be periodically evaluated using an assessment and decision-making framework. Where assets are identified as being low performing, they will be further assessed and where land is determined as being potentially surplus to the Council's requirements, it will be considered for disposal.

In identifying any potential surplus Council owned property assets, a report shall be presented to Council providing all relevant information regarding the asset identified for potential sale including environmental and planning issues and shall include a proposed process for undertaking both consultative and/or statutory processes under the *Local Government Act 2020*, including provisions for Council to hear submissions from the community related to the proposed sale.

The report will further highlight whether a stronger community outcome can be achieved through the disposal of property assets.

Sale Process and Community Engagement

All sales, exchanges and transfers of land or buildings are required to comply with the provisions of the *Local Government Act 2020* (LGA 2020). Sales are to be conducted through a public process (i.e., public auction, public tender or by registration of expressions of interest) unless circumstances exist that justify an alternative method of sale (for example the sale or exchange of land by private treaty).

Section 116 of the LGA 2020 states that Council can transfer, exchange or lease any land with or without consideration to the Crown, a Minister, any public body, trustees appointed under any Act to be held on trust for public or municipal purposes or a public hospital within the meaning of the *Health Services Act 1988* or other not-for-profit hospital.

Where section 116 is not applicable, section 114 of the LGA 2020 requires Council to:

- At least 4 weeks prior to selling or exchanging the land, publish notice of intention to do so on the Council's internet site and in any other manner prescribed by the regulations.
- Undertake a community engagement process in accordance with its community engagement policy; and
- Obtain a valuation of the land which is not more than 6 months prior to the sale or exchange, by an appropriately qualified person as per section 13DA(2) of the *Valuation of Land Act 1960*.

The intent of the legislative requirements is to ensure that Council:

- consults with the community on any proposal to sell or exchange land; and
- provides the community with the opportunity to have their views heard; and
- obtains a current valuation for the land that is proposed for sale or exchange.

Community consultation will further be in accordance with the Council's *Community Engagement Policy*.

Ideally all sales and exchanges of land should occur at not less than the market value assessed by Council's contract valuer.

Land or buildings will not be sold for less than the market value, unless there are some alternate community benefits derived by the sale of the land. Any proposal to sell the land at a reduced sale price must be reported to the Council for consideration, providing commentary on the alternate benefits derived by a sale at a reduced sale price.

The purchase price may be set at a lower amount, if it is considered that the benefits accruing to the community would not be reasonably obtained unless a lower price is charged. In this instance a resolution of the Council to sell, transfer or exchange land at less than its market value is required.

Open Space Land

In addition to the requirements under the LGA 2020, Council is required to comply with section 20 of the *Subdivision Act 1988* when selling public open space.

Application of Sale Proceeds

Asset Type	Application of Sale Proceeds
Council-owned Land or Buildings	<p>To be transferred to the Strategic Asset Development Reserve for Council consideration for allocation to future new asset creation / or major asset refurbishment.</p> <p>The Policy highlights that any proceeds from a sale will be used to purchase other land or land and buildings.</p> <p>Where Council purchases priority land acquisition projects using debt funding, future asset sales linked to this acquisition may be used to retire this debt.</p> <p>Priority will be given to establishing/ acquiring assets that deliver on Tier 1 Council strategic directions.</p> <p>The proceeds transferred to Reserve will be net of all expenditure including advertising, agent's fees, legal costs and other sale costs.</p>
Public Open Space Council-owned Land	<p>Where the land is Public Open Space, the proceeds are required to be used in accordance with the Subdivision and Planning Environment Acts and must be allocated to Council's Open Space Planning and Development Reserve.</p> <p>Section 20 of the <i>Subdivision Act 1988</i> requires that the proceeds from the sale of public open space land be used to:</p> <ul style="list-style-type: none"> • buy land for use for public recreation or public resort, as parklands or for similar purposes; or • improve land already set aside, zoned or reserved (by the council, the Crown, a planning scheme or otherwise) for use for public recreation or public resort, as parklands or for similar purposes; or • with the approval of the Minister administering the LG Act, improve land (whether set aside on a plan or not) used for public recreation or public resort, as parklands or for similar purposes.

Allocation of asset sale proceeds to an appropriate capital project can only occur via either an Annual Budget process or Mid-Year Budget process where the highest and best use of funds can be determined in reference to all potential capital projects. Any allocation of Reserve funds must be by Council resolution.

Proceeds from the sale of assets must be received by Council prior to the expenditure allocation being determined.

5. HUMAN RIGHTS CHARTER COMPATIBILITY

This Policy has been assessed as being compatible with the *Charter of Human Rights and Responsibilities Act 2006 (Vic)*.

6. ASSOCIATED INTERNAL DOCUMENTS

- *Property Strategy 2021*
- *Road and Reserves Discontinuance and Sale Policy*
- *Community Engagement Policy*

7. EXTERNAL REFERENCES/RESOURCES

- *Local Government Act 2020*
- *Subdivision Act 1988*

8.5 INCLUSION OF 4 TREES IN THE CLASSIFIED TREE REGISTER

Author: Christian Renaud, Arborist (Vegetation Assessment Officer)

Director: Niall McDonagh, Director Sustainability, Assets and Leisure

Trim No: 23/1219932

- Attachments:**
1. Council Tree Report for CTR Inclusion Liquidambar - 19 Hoddle St, Elsternwick 277CTR2021 [↓](#)
 2. Council Tree Report for CTR Inclusion Red Flowering Gum - 18 Fallon St, Caulfield 466CTR2022 [↓](#)
 3. Council Tree Report for CTR Inclusion Manna Gum - 38 Downshire Rd, Elsternwick 476CTR2023 [↓](#)
 4. Council Tree Report for CTR Inclusion Narrow-leaved Black Peppermint - Gardenvale Park, Gardenvale 493CTR2023 [↓](#)

EXECUTIVE SUMMARY

The purpose of this report is to seek Council's endorsement for the inclusion of 4 trees in the Classified Tree Register.

The details of each tree and the assessment completed is provided in the 4 separate tree assessment reports attached.

RECOMMENDATION

That Council:

1. includes the following trees in the Classified Tree Register:
 - a) Liquidambar (*Liquidambar styraciflua*) located at 19 Hoddle St, Elsternwick – 277/CTR/2021;
 - b) Red Flowering Gum (*Corymbia ficifolia*) located at 18 Fallon St, Caulfield – 466/CTR/2022;
 - c) Manna Gum (*Eucalyptus viminalis*) located at 38 Downshire Rd, Elsternwick – 476/CTR/2023;
 - d) Narrow-leaved Black Peppermint (*Eucalyptus nicholii*) located Gardenvale Park, Gardenvale – 493/CTR/2023;
2. notifies each person who nominated a tree detailed in this report;
3. notifies all relevant landholders of the trees detailed in this report; and
4. authorises a notice to be published in the Victorian Government Gazette of the decision to include the trees outlined in this report in the Classified Tree Register.

BACKGROUND

The Classified Tree Register continues to steadily grow, with new trees on both public and private lands being added each month. There are now 227 trees included across the municipality.

Most trees located on private lands have been nominated by third party members of the public, appreciating the value that these mature canopy trees provide to the wider community.

ISSUES AND DISCUSSION

The inspection and assessment process has been completed for another 4 individual trees. Three of the trees are located on private lands, with 1 tree located in a small Council reserve, Gardenvale Park. All of the trees have been nominated by residents of Glen Eira.

The assessments of these 4 eligible trees were all undertaken in accordance with Council's Classified Tree Local Law and Classified Tree Policy, with all the trees listed in part 1 of the recommendation.

Each assessment is conducted to determine if the relevant tree satisfies one or more of the Categories of Significance contained within the Policy, with consideration also given to the relevance of the negative criteria applicable to each tree. The assessment of each tree therefore considered the following:

- value; uniqueness; rarity; age; size; aesthetic value; growth habit; history; Aboriginal culture and habitat.

Each tree recommended for inclusion in the Register satisfies at least 1 criteria of the Categories of Significance to be deemed eligible, with 3 of the trees satisfying multiple Categories.

Following the preliminary assessment of each tree that was located on private lands, notification was provided to all the relevant landholders, giving them the opportunity to make a submission regarding the assessment. There were no submissions received objecting to any of the assessments.

The tree assessed in Gardenvale Park did not impact any private lands, and therefore no public opinions were sought, however this tree is a popular and iconic feature with visitors to the park, especially parents with their young children. The tree is a unique and unusual specimen growing on its side, immediately next to the playground and is used by children as another piece of play equipment for climbing and exploring.

CLIMATE EMERGENCY RESPONSE STRATEGY IMPLICATIONS

The protection of significant trees across the municipality aligns with Glen Eira City Council's adopted 'Our Climate Emergency Response Strategy 2021-25'. Specifically, regarding Principle 4 and Action 3.2, which both seek to maximise and diversify our green and natural spaces.

The Classified Tree Register fits in with Council's Urban Forest Strategy (UFS) in recognising the benefit mature trees provide the community and assist in combating the impacts of climate change. By retaining mature trees within the urban environment, the canopy coverage offered by these trees helps to mitigate the negative environmental impacts of city living.

FINANCIAL, RESOURCE, RISK AND ASSET MANAGEMENT IMPLICATIONS

The cost of including the 4 trees in the Classified Tree Register, conducting inspections and engaging any additional resources will be accommodated within the existing operating budget of Parks Services.

COMMUNICATION AND ENGAGEMENT

The assessment of the trees nominated for inclusion in the Classified Tree Register was managed and conducted in accordance with Council's Classified Tree Policy and Classified Tree Local Law.

All relevant landholders were advised of the outcome of the Council Arborist's preliminary assessment between 12 May 2023 and 26 June 2023.

Relevant landholders were informed that inclusion of a tree in the Classified Tree Register may result in future management, financial and development constraints because of the tree being in the Classified Tree Register.

All relevant landholders and nominators will be notified of the decision regarding each tree.

LINK TO COUNCIL PLAN

Strategic Direction 4: A green and sustainable community. Our actions and priorities aim to protect our community from the worst impacts of climate change.

OFFICER DECLARATION OF CONFLICT OF INTEREST

No officers involved in the preparation of this report have any general or material conflicts of interest in this matter.

CONCLUSION

The inclusion of trees in the Classified Tree Register, and the protection that provides, especially for those trees on private land is a small first step in ensuring this municipality meets its targets under the Urban Forest Strategy. Protecting mature trees on private land is necessary if Council is going to meet its Canopy Coverage commitments.

Established, healthy trees are essential in maintaining Glen Eira as an attractive and pleasant place to live and work and the Classified Tree Register serves to educate and engage the community, encouraging the public to consider the importance of trees. They help to mitigate the impacts of city living and provide much needed greenery in the face of increasing urban densification.

Glen Eira Classified Tree Register

TREE REPORT



Tree number: 227/CTR/2021

Date of Assessment: 12/05/2023

Assessing Officer: Christian Renaud

Tree Owner: Private Tree

Address: 19 Hoddle St, Elsternwick

Location: Private Open Space

Record type: Single Specimen Tree

Number of trees: 01

Botanical name: *Liquidambar styraciflua*

Common name: Liquidambar

Structural Root Zone (SRZ): 3.3m

Approximate age: 80+ years

Diameter at breast height: 87cm

Tree Protection Zone (TPZ): 10.4m

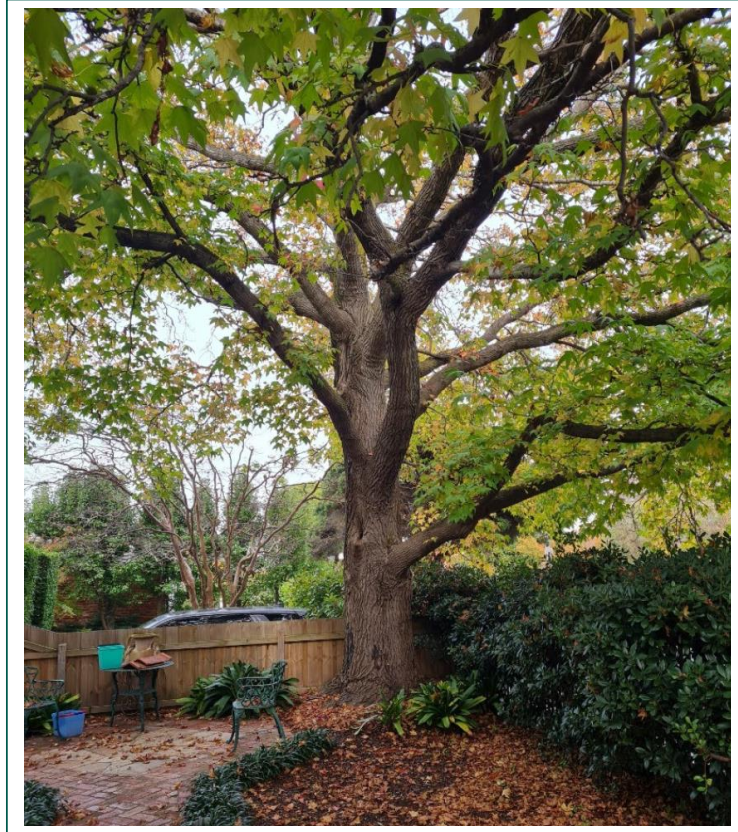
Tree height: 20m

Tree canopy width: 23m

Easting: 325257.6

Northing: 5804834.5

Glen Eira Asset ID: N/A



Statement of significance:

This tree fulfils the criteria of:

- Aesthetic value

This is a large, healthy and mature private tree located along the front boundary of the private property. It has a high degree of visual presence from the public realm, being a significant feature of the streetscape.

The tree is well-formed and striking within its setting, contributing to the neighbourhood character and improving the local landscape. It provides substantial canopy coverage over public lands, especially paved surfaces which provides amenity to the wider community.

Glen Eira Classified Tree Register

TREE REPORT



GLEN EIRA
CITY COUNCIL

Tree number: 466/CTR/2022

Date of Assessment: 23/06/2023

Assessing Officer: Christian Renaud

Tree Owner: Private Tree

Address: 18 Fallon St, Caulfield

Location: Private Open Space

Record type: Single Specimen Tree

Number of trees: 01

Botanical name: *Corymbia ficifolia*

Common name: Red Flowering Gum

Structural Root Zone (SRZ): 2.9m

Approximate age: 80+ years

Diameter at breast height: 68cm

Tree Protection Zone (TPZ): 7.4m

Tree height: 7m

Tree canopy width: 12m

Easting: 326873.2

Northing: 5804934.4

Glen Eira Asset ID: N/A



Statement of significance:

This tree fulfils the criteria of:

- Particularly old example of the species
- Aesthetic value
- Outstanding habitat and biodiversity value

This mature Red Flowering Gum is a particularly old example of the species to be found within the entire municipality despite its small stature. Reportedly planted early last century and estimated to be over 80 years old, the tree has been enjoyed by several generations of the same family that has owned the property where the tree is located.

The tree sits centrally within the front yard of the oldest dwelling within the street and is a prominent feature of the local landscape, particularly when in bloom. This tree is a prolific flowering example that makes a major aesthetic contribution to the neighbourhood character and provides a vital food resource to a wide array of bird and animal life.



GLEN EIRA
CITY COUNCIL

Glen Eira Classified Tree Register TREE REPORT

Tree number: 476/CTR/2023

Date of Assessment: 12/05/2023

Assessing Officer: Christian Renaud

Tree Owner: Private Tree

Address: 38 Downshire Rd, Elsternwick

Location: Private Open Space

Record type: Single Specimen Tree

Number of trees: 01

Botanical name: *Eucalyptus viminalis*

Common name: Manna Gum

Structural Root Zone (SRZ): 4.2m

Approximate age: 70+ years

Diameter at breast height: 110cm

Tree Protection Zone (TPZ): 13.2m

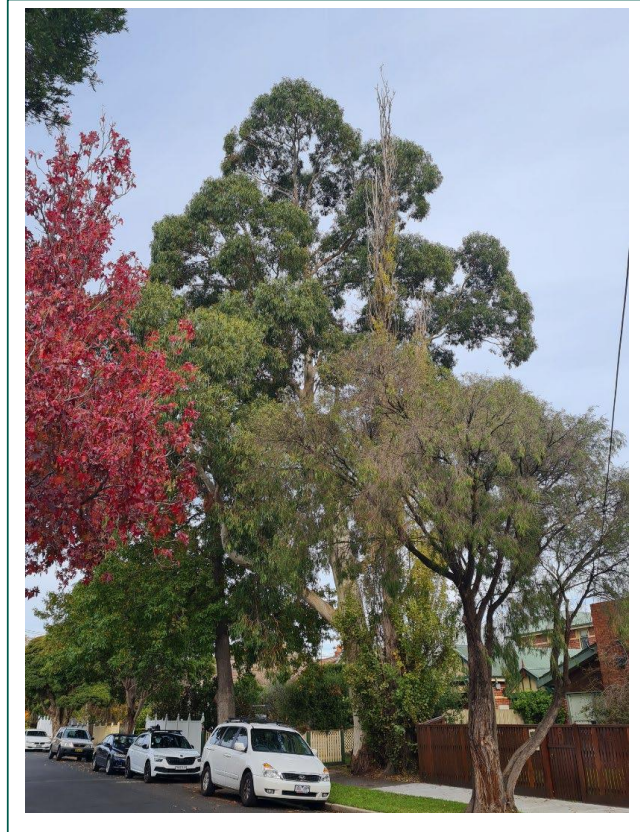
Tree height: 31m

Tree canopy width: 20m

Easting: 324724.9

Northing: 5804730.4

Glen Eira Asset ID: N/A



Statement of significance:

This tree fulfils the criteria of:

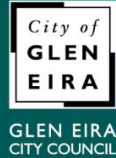
- Outstanding size (girth height spread)
- Aesthetic value

This mature Manna Gum is an impressive and iconic tree for the streetscape due to its outstanding height, reaching over 30m tall and standing above all other vegetation in the vicinity. It is a prominent tree located on the front boundary of a private property with high visibility in all directions and serves as a landmark for the area.

The tree has significant presence within the public realm, making a major contribution to the local landscape and benefiting the neighbourhood character. The loss of this tree would represent a substantial loss of amenity for the wider community.

Glen Eira Classified Tree Register

TREE REPORT



Tree number: 493/CTR/2023

Date of Assessment: 26/07/2023

Assessing Officer: Christian Renaud

Tree Owner: Council Tree

Address: Gardenvale Park, Gardenvale

Location: Public Open Space

Record type: Single Specimen Tree

Number of trees: 01

Botanical name: *Eucalyptus nicholii*

Common name: Narrow-leaved
Black Peppermint

Structural Root Zone (SRZ): 3.2m

Approximate age: 40+ years

Diameter at breast height: 76cm

Tree Protection Zone (TPZ): 9.1m

Tree height: 9m

Tree canopy width: 17m

Easting: 324988.7

Northing: 5803809.1

Glen Eira Asset ID: TP109559



Statement of significance:

This tree fulfils the criteria of:

- Aesthetic value
- Curious growth habit

This Narrow-leaved Black Peppermint gum tree is a key feature of Gardenvale Park due to its unique structure and curious growth habit. The tree has grown and developed entirely on its side, likely as a result of a structural problem when first planted. This results in a trunk growing along the ground and the limbs and branches arching upward, making this iconic tree a very interesting specimen for the entire region.

Although growing on its side, the tree is well-formed and structurally sound, providing significant aesthetic appeal to the park and contributing to the wider neighbourhood character. It is a striking specimen that is also a much enjoyed climbing feature of the nearby children's playground,



8.6 LEASE TO WATTLE TENNIS CLUB INC.

Author: Amanda Mills, Coordinator Property Management

Director: Paul Wood, Interim Director Planning and Place

Trim No: 23/1222856

Attachments: 1. Existing conditions - Bentleigh Reserve [↓](#)
2. Future conditions - Bentleigh Reserve [↓](#)

EXECUTIVE SUMMARY

The purpose of this report is to seek Council approval to execute a lease with Wattle Tennis Club Inc. for new premises within Bentleigh Reserve, Bentleigh.

RECOMMENDATION

That Council:

1. Authorises officers to enter into and finalise a Lease with Wattle Tennis Club Inc. (A0016964K) for their occupation of Council freehold land at Bentleigh Reserve, Bentleigh for an initial term of five years, plus one further option of four years.
2. Executes the Lease with Wattle Tennis Club Inc. (A0016964K) in an appropriate manner by affixing the common seal of Council.

BACKGROUND

Wattle Tennis Club Inc. (Wattle Tennis Club) has occupied freehold land at the rear of Bentleigh Reserve since at least the mid-1990s. To date, the Wattle Tennis Club occupies two clay (en tout cas) courts and a small clubhouse (Attachment 1).

During their tenure, the Wattle Tennis Club has fulfilled all obligations under the terms of its various leases with Council, including community use and access, as well as investment in club infrastructure. The current membership of the Wattle Tennis Club is 83.

ISSUES AND DISCUSSION

Bentleigh Recreation Tennis Club Inc. previously occupied six courts and a clubhouse at Bentleigh Reserve, however this club ceased in December last year.

Following negotiations with the Wattle Tennis Club committee, officers intend to relocate it to the premises vacated by Bentleigh Recreation Tennis Club Inc., excluding courts five and six which are proposed to be managed by Council for community use.

The Wattle Tennis Club is well governed and has demonstrated its alignment with the Glen Eira Tennis Strategy. Officers are confident that additional courts and improved clubhouse facilities will allow the Wattle Tennis Club to continue to thrive into the future.

The area that the Wattle Tennis Club will vacate, will be used for further recreation uses and to be determined at a future date.

The key terms of the new lease to the Wattle Tennis Club include:

Premises: courts 1-4 only and club rooms within Bentleigh Reserve Pavilion (Attachment 2)

Tenure: an initial term of five years, plus one further option of four years

- Rental: \$104.00 plus GST for the first year of the lease, increasing by CPI on each anniversary (this is in line with Council's *Leasing and Licensing Policy 2019* and the Wattle Tennis Club's classification as a not-for-profit tenant)
- Outgoings: all repairs, maintenance and capital investment in the Premises

CLIMATE EMERGENCY RESPONSE STRATEGY IMPLICATIONS

All new leases include a new Climate Emergency clause. This clause notes that Council has declared a Climate Emergency and as part of *Our Climate Emergency Response Strategy 2021-2025 Policy*. A tenant must endeavour to reduce their environmental impact by conducting activities such as waste disposal, energy efficiency and improvement works in a sustainable manner.

In terms of any refurbishments of their premises by the Wattle Tennis Club, Council's property team will make sure to include these requirements as part of our landlord consent documentation.

FINANCIAL, RESOURCE, RISK AND ASSET MANAGEMENT IMPLICATIONS

Council will receive rental income of \$104.00 plus GST for the first year of the new tenure which will increase by CPI annually thereafter. This is in line with Council's *Leasing and Licensing Policy 2019* and the Wattle Tennis Club's classification as a not-for-profit tenant.

The Club will be responsible for all maintenance, repairs and capital improvements to the courts, fencing and club rooms.

POLICY AND LEGISLATIVE IMPLICATIONS

Council's Leasing and Licensing Policy 2019 provides that clubs with exclusive occupation of Council property must have a current lease.

COMMUNICATION AND ENGAGEMENT

No community engagement or public notice is required to offer a new lease to the Wattle Tennis Club.

LINK TO COUNCIL PLAN

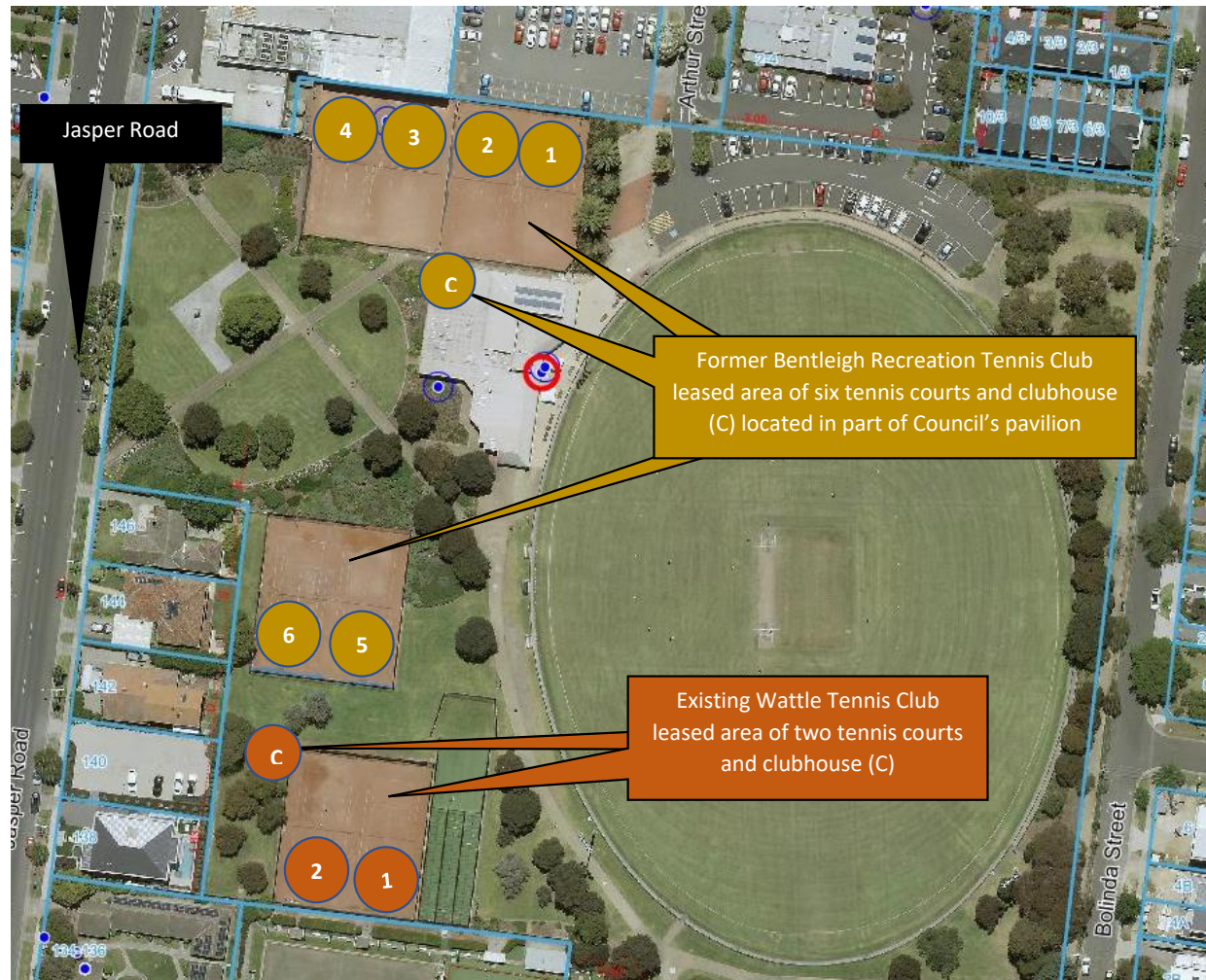
Strategic Direction 2: Well designed and maintained open spaces and places
Our public open spaces and places support a healthy and connected community and contribute to a more sustainable and vibrant city.

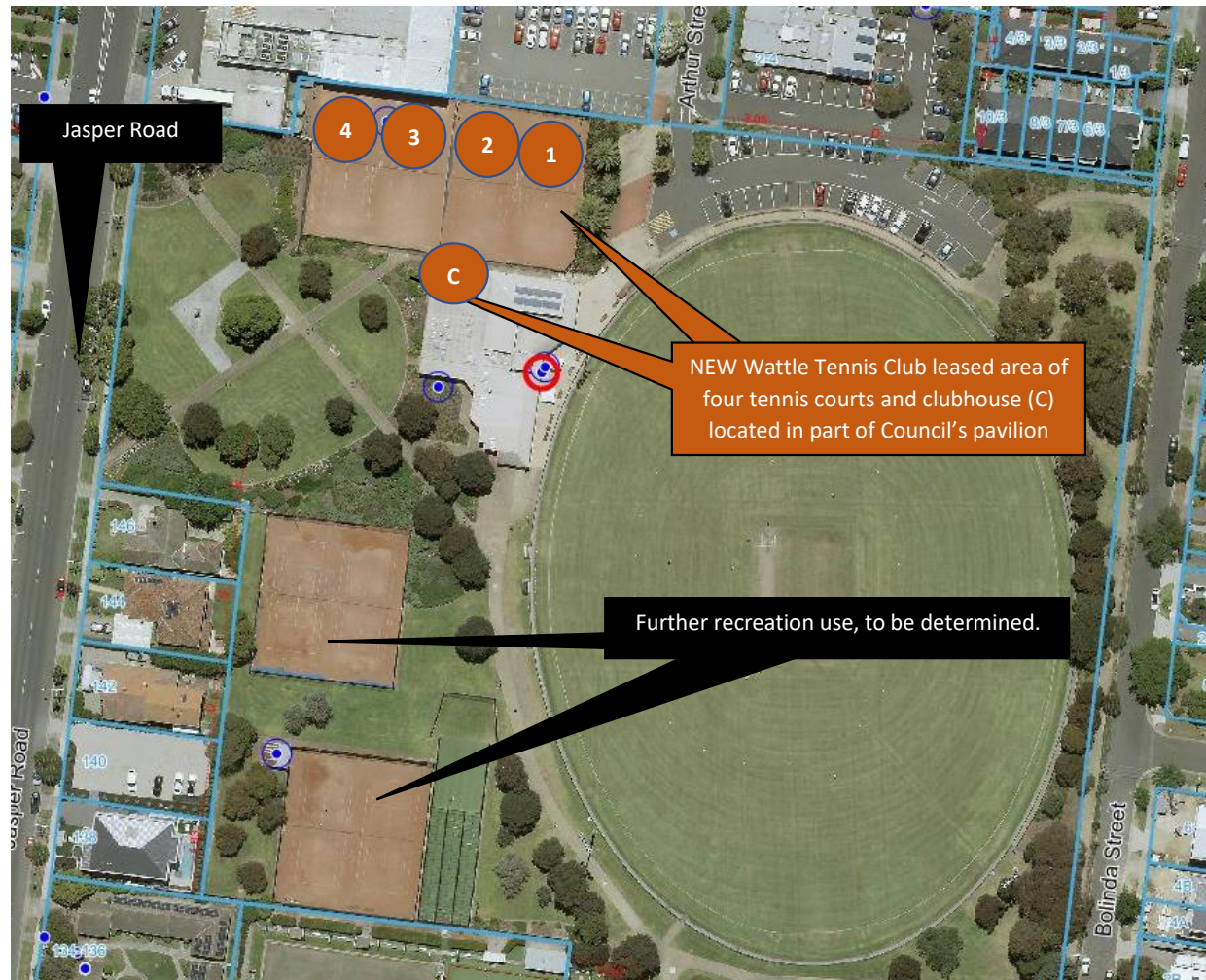
OFFICER DECLARATION OF CONFLICT OF INTEREST

No officers involved in the preparation of this report have any general or material conflicts of interest in this matter.

CONCLUSION

Wattle Tennis Club has been a compliant tenant having fulfilled all its obligations during the terms of the existing lease for its current premises. Officers are supportive of offering a new lease in the new location for a term of five years, with a further option of four years, to ensure the continued use of an important community space.





8.7 TENDER 2023.11 PROVISION OF BUILDING CLEANING SERVICES

Author: David Zappulla, Co-ordinator Buildings Operations

Trim No: 23/1213481

Attachments: 1. 2023.11 Building Cleaning Services_Report on conclusion of Tender Evaluation Panel (CONFIDENTIAL)

EXECUTIVE SUMMARY

The purpose of this report is to recommend a contractor be appointed to undertake the works/services tendered in Tender number 2023.11 Provision of Building Cleaning Services.

RECOMMENDATION

That Council having reviewed and considered the confidential Tender Evaluation report (attachment 1 to this report):

1. appoints **O S Group Australia Pty Ltd A.C.N. 600 786 427 as the contractor under Tender number 2023.115** for an amount in accordance with the Schedule of Rates submitted;
2. prepares the contracts in accordance with the Conditions of Contract included in the tender;
3. authorises the CEO to execute the contract on Council's behalf;
4. notes the attachments to the report remain confidential in accordance with section 3(1)(g) and section 66(5) of the *Local Government Act 2020* or until Council resolves otherwise; and
5. authorises Council officers to disclose any confidential information in relation to this item, but only to the extent necessary to give effect to the resolution.

BACKGROUND

Reason for Tender

The cleaning of Council's buildings is performed by a contracted service. The current contract reaches the end of its final term in December 2023, which provided Council with an opportunity to review the existing services as part of continuous improvement. A new tender was then prepared which captures a cleaning program to further enhance the high standards of well-maintained buildings to meet the needs of our building user groups.

Proposed Contract Period

The proposed term of the contract is three years with options on the part of Council to extend for a further two terms of two years each.

Contract Rates will be fixed for first year of the initial contract term. Contract Rates may be adjusted upon completion of the first year of the initial contract term, and at the end of every subsequent twelve month period (including options if exercised by Council), in accordance with the most recent Consumer Price Index (CPI) Melbourne Number for the previous twelve

month period issued by the Australian Bureau of Statistics at the anniversary of the commencement date.

TENDER PROCESS

Advertising

An invitation to submit tenders for the contract as described in the preceding section was advertised on Saturday 10 June 2023 in *The Age* newspaper Saturday edition (and Council's eTendering Portal on 13 June 2023) and closed on Monday 17 July 2023.

Tenders Collected/Received

Sixty-one tender documents were requested.

Twenty submissions were received by the closing date.

EVALUATION PROCESS

Evaluation Criteria

All conforming tenders were evaluated against the following criteria:

CRITERIA	INDICATORS
1. Ability to provide the specified works/services.	<ul style="list-style-type: none"> • <u>Experience & Methodology</u> <ul style="list-style-type: none"> – Similar cleaning of council or other similar public buildings. – Knowledge in the industry. – Methodology of providing the service. • <u>Capability</u> <ul style="list-style-type: none"> – Experience and qualified Staff. – Staff resources. – Hours allocation per site. – Equipment and tools. • <u>Quality and Management Systems</u> <ul style="list-style-type: none"> – Supervision and monitoring of quality. – Management systems and reporting. – Contingency Plan. – Transition Plan. – Continuous Improvement Program.
2. Cost to Council.	<ul style="list-style-type: none"> • <u>Comparative cost I (GST exclusive).</u>
3. Ability to undertake works as specified.	<ul style="list-style-type: none"> • <u>Relevant, substantiated experience in completing similar projects and the ability to perform.</u>

CRITERIA	INDICATORS
	<ul style="list-style-type: none"> • <u>Present capability to complete the Works to an acceptable standard and within Council’s timeframe, as indicated by management, quality and systems in place, and operating.</u>
<p>4. Sustainability - Economic, Environmental and Social.</p>	<ul style="list-style-type: none"> • <u>Commitment to sustainability initiatives.</u>
<p>5. Ability to provide a safe workplace.</p>	<ul style="list-style-type: none"> • <u>Demonstrated commitment to and ability to achieve a safe work place.</u>

ISSUES AND DISCUSSION

Not applicable.

CLIMATE EMERGENCY RESPONSE STRATEGY IMPLICATIONS

This contract is aligned with Council's 'Our Climate Emergency Response Strategy 2021-2025', Goal/s 1 and 3 and the following objectives:

Goal 1 : We embed climate change action in everything that we do. (Principle 5)

Objective 1.1: All staff to embed climate action into their work.
Objective 1.2: Make climate change action a priority consideration in every strategy, plan and policy.
Objective 1.3: Leverage financial, administrative and reporting systems to drive climate action.
Objective 1.4: Advocate for stronger climate change action by other levels of government.

Goal 3 : Council-owned buildings and infrastructure are resilient and safe for our staff and community.

Objective 3.1: Ensure new and existing buildings and infrastructure are resilient to climate change impacts.
Objective 3.2: Increase and diversify public green space across the Municipality, ensuring equal access for all.

Project Sustainability Summary

This project addresses sustainability through the following:

- Ensuring the usage of environmentally safe chemicals;
- Use of environmentally friendly products whether it is tools/equipment or energy consuming implements.
- Use of local suppliers as much as possible; and
- Ensuring to implement corporate social responsibility/social initiatives.

The preferred tenderer has demonstrated that is has a number of environmental initiatives in place by addressing the following actions: Water, Waste, Energy, Washroom Consumables, Cleaning Agents, Management and Pollution Prevention.

FINANCIAL, RESOURCE AND ASSET MANAGEMENT IMPLICATIONS

Budget

The budget for this project/contract is \$1.3 million per annum GST exclusive (based on the 2023/24 financial year). The amount will be subject to annual CPI adjustments after year 1 of the contract.

POLICY AND LEGISLATIVE IMPLICATIONS

This report is in accordance with the Procurement Policy and the *Local Government Act 2020*.

COMMUNICATION AND ENGAGEMENT

Not applicable.

LINK TO COUNCIL PLAN

Strategic Direction 2: Well designed and maintained open spaces and places
Our public open spaces and places support a healthy and connected community and contribute to a more sustainable and vibrant city.

OFFICER DECLARATION OF CONFLICT OF INTEREST

No officers involved in the preparation of this report or the evaluation of the tenders have any direct or indirect interest in this matter.

CONCLUSION

The Tender Evaluation Panel appointed by the Director Planning and Place reached the conclusion that when assessed against the evaluation criteria, the tender of **O S Group Australia Pty Ltd A.C.N. 600 786 427** represented the best quality and value for money for the community.

The report of the Tender Evaluation Panel is attached. This attachment concerns confidential information within the meaning of that term in the *Local Government Act 2020* (the Act) being private commercial information, being information provided by a business, commercial or financial undertaking that—


- (i) relates to trade secrets; or
- (ii) if released, would unreasonably expose the business, commercial or financial undertaking to disadvantage;

and the meeting will be closed to the public (under section 66(2) of the Act) should such information need to be considered and discussed and all documents containing such information shall remain confidential.

8.8 VCAT WATCH

Author: Kristian Cook, Co-ordinator Urban Planning

Trim No: 23/1221674

Attachments: 1. [VCAT Watch - Attachment - 26 September 2023](#) 

EXECUTIVE SUMMARY

To report to Council regarding applications currently before, and any recent decisions of the Victorian Civil and Administrative Tribunal (VCAT).

RECOMMENDATION

That Council notes the update on Victorian Civil and Administrative Tribunal matters.

BACKGROUND

The VCAT process is an integral part of the planning permit process and provides an opportunity for an independent review of planning decisions. VCAT is required to take into consideration any relevant planning policy when reviewing a decision.

ISSUES AND DISCUSSION

This report includes an attachment that provides an overview of all applications currently before VCAT. The attachment table is broken down into 'New Appeals lodged with VCAT' and 'Current matters before VCAT' (including upcoming hearings or where Council is waiting for a decision after the hearing has taken place) and 'Recent decisions of VCAT'.

Since the previous report two new appeals have been lodged and one new decision received which was a withdrawn appeal.

CLIMATE EMERGENCY RESPONSE STRATEGY IMPLICATIONS

There are no climate emergency response strategy implications associated with this report.

FINANCIAL, RESOURCE AND ASSET MANAGEMENT IMPLICATIONS

There are no financial, resource or asset management implications associated with this report.

POLICY AND LEGISLATIVE IMPLICATIONS

There are no policy or legislative implications associated with this report.

LINK TO COUNCIL PLAN

Strategic Direction 3: A liveable and well planned City
Our planning aims to balance population growth with enhancing the unique character and heritage of our City

OFFICER DECLARATION OF CONFLICT OF INTEREST

No officers involved in the preparation of this report have any general or material conflict of interest in this matter.

CONCLUSION

The report provides an update of the applications before VCAT.

APPLICATIONS BEFORE AND RECENT DECISIONS OF THE VICTORIAN CIVIL AND ADMINISTRATIVE TRIBUNAL

NEW APPEALS LODGED WITH THE VICTORIAN CIVIL AND ADMINISTRATIVE TRIBUNAL

Address	VCAT Reference	Description of proposal	Type of appeal	Zone	Council decision	Decision delegate	Hearing date
78 Patterson Road, Bentleigh	P959/2023	Waiver of the carparking requirement in association with a medical centre (Myotherapy)	s87 (Cancel)	C1Z	Permit	Officer	9/11/2023
32-46 Huntley Road, Bentleigh	P955/2023	Construction of 35 double storey dwellings and demolition and buildings and works in a Heritage Overlay	s77 (Refusal)	NRZ	Refusal	Officer	29/01/2024 (4 days)

MATTERS BEFORE THE VICTORIAN CIVIL AND ADMINISTRATIVE TRIBUNAL (*INCLUDING APPEALS AWAITING A DECISION)

Address	VCAT Reference	Description of proposal	Type of appeal	Zone	Council decision	Decision delegate	Hearing date
109 Leila Road, Ormond	P436/2023	Construction of two double storey dwellings on a lot	s77 (Refusal)	NRZ	Refusal	Officer	*
44 Deakin Street, Bentleigh East	P16/2023	Construction of two double storey dwellings on a lot	s77 (Refusal)	NRZ	Refusal	Officer	5/10/2023
117 Brady Road, Bentleigh East	P766/2023	Construction of two double storey dwellings on a lot	s80 (Conditions)	NRZ	Permit	Officer	9/10/2023
15 Dalny Road, Murrumbeena	P921/2023	Construction of buildings and works for a front fence, driveway and car spaces in a Heritage Overlay	s80 (Conditions)	NRZ	Permit	Officer	17/10/2023
20 Hillside Avenue, Caulfield	P920/2023	Extension of time request for a permit that allows: 2 lot subdivision (plan under section 32 of the Subdivision Act 1988)	s81 (Extension of time)	NRZ	Refusal	Officer	18/10/2023
1019-1021 Centre Road, Bentleigh East	P303/2023	Construction and display of electronic major promotional sky sign	s77 (Refusal)	C2Z	Refusal	Officer	1/11/2023 (2 days)
78 Patterson Road, Bentleigh	P959/2023	Waiver of the carparking requirement in association with a medical centre (Myotherapy)	s87 (Cancel)	C1Z	Permit	Officer	9/11/2023
147 Koomang Road, Carnegie	P696/2023	Use of the land for the purpose of a service station, construction of buildings and works for the service station, alteration of an accessway to land in a Transport Zone 2 and construction and display of signs.	s77 (Refusal)	C1Z	Refusal	Officer	14/11/2023 (4 days)
12 Service Street, Caulfield North	P472/2023	Construction of two dwellings on a lot	s82 (NOD)	NRZ	NOD	Officer	20/11/2023
36 Cadby Avenue, Ormond	P169/2023	Construction of seven double storey dwellings on a lot and a 1.8m high front fence	s77 (Refusal)	GRZ	Refusal	Officer	25/01/2024
32-46 Huntley Road, Bentleigh	P955/2023	Construction of 35 double storey dwellings and demolition and buildings and works in a Heritage Overlay	s77 (Refusal)	NRZ	Refusal	Officer	29/01/2024 (4 days)
35 Graham Avenue, McKinnon	P679/2023	Construction of three double storey dwellings on a lot affected by the Special Building Overlay	s77 (Refusal)	GRZ	NOD	Officer	6/02/2024 (2 days)
25 York Street, Bentleigh East	P807/2023	Construction of two double storey dwellings on a lot	s82 (NOD)	NRZ	NOD	Officer	16/02/2024

RECENT DECISIONS OF THE VICTORIAN CIVIL AND ADMINISTRATIVE TRIBUNAL

Address	VCAT Reference	Description of proposal	Type of appeal	Zone	Council decision	Decision delegate	Appeal outcome	Date of VCAT decision	VCAT effect on Council decision
Unit 1, 30 Manuka Street, Bentleigh East	P829/2023	Construction of a front fence and an extension to the existing dwelling on a lot less than 300sqm	s82 (NOD)	NRZ	NOD	Officer	Withdrawn	18/08/2023	Permit

9. URGENT BUSINESS

10. ORDINARY BUSINESS

10.1 Requests for reports from a member of Council staff

10.2 Right of reply

10.3 Notice of Motion

10.4 Councillor questions

10.5 Written public questions to Council

11. CONFIDENTIAL ITEMS**RECOMMENDATION**

That pursuant to Section 66(1) and 66(2)(a) of the Local Government Act 2020, the Council resolves that so much of this meeting be closed to members of the public, as is required for Council to consider the following matters that are confidential in accordance with Section 3(1) of the Act:

11.1 Employment Matter

This agenda item is confidential information for the purposes of section 3(1) of the Local Government Act 2020:

- because it is personal information, being information which if released would result in the unreasonable disclosure of information about any person or their personal affairs (section 3(1)(f)); and
- relates to a personnel matter

12. CLOSURE OF MEETING