

SPM(6) – 16 JUNE 2020

Special Council Meeting

Agenda

Notice is hereby given that the next **Special Council Meeting** of the **Alpine Shire Council** will be held in the Council Chambers, Great Alpine Road, Bright on **16 June 2020** commencing at **4:00pm**.

Agenda

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1. Recording and livestreaming of Council meetings

The CEO will read the following statement:

All council meetings are filmed with both video and audio being recorded.

Video is focused on a specific area however audio from the entire room is captured.

The reasoning behind recording council meetings is of course to hold us more accountable and improve transparency of council's decision making to our community.

The full meeting is being streamed live on Council's YouTube channel which is "Alpine Shire Council" and will also be available on the YouTube channel shortly after this meeting.

2. Acknowledgement of traditional custodians, and recognition of all people

The CEO will read the following statement:

The Alpine Shire Council acknowledges the traditional owners of the land we are now on.

We also acknowledge those people who have contributed to the rich fabric of our community and strive to make wise decisions that will improve the quality of life for all.

3. Apologies

4. Declarations by Councillors of conflict of interest

5. Presentation of reports by officers

5.1 DIRECTOR CORPORATE – NATHALIE COOKE

5.1.1 Submissions to the Draft 2020/21 Budget

File Number: 2020/21 Budget

INTRODUCTION

The purpose of this report is to respond to the submissions received under section 223 of the *Local Government Act 1989* relating to the draft Budget 2020/21 for the Alpine Shire Council.

RECOMMENDATION

That:

- 1. Written and verbal submissions received pursuant to Sections 129, 130 and 223 of the Local Government Act 1989 be considered in relation to the Alpine Shire Council Budget 2020/21.***
- 2. The following amendments be made to the Alpine Shire Council Budget 2020/21:***

<i>Reference</i>	<i>Budget Section</i>	<i>Submission / Amendment</i>	<i>Value in Draft Budget</i>	<i>Amount to be Adopted</i>
<i>Carry forward expenditure for the following 2019/20 capital projects:</i>				
<i>Submission 1</i>	<i>5.4.1</i>	<i>Barwidgee Creek Rail Trail Bridge Renewal</i>	<i>\$-</i>	<i>\$12,000</i>
		<i>Bright Railway Museum Renewal</i>	<i>\$-</i>	<i>\$43,000</i>
		<i>Buckland Bridge</i>	<i>\$200,000</i>	<i>\$1,165,000</i>
		<i>Riverside Park Barbeque Shelter Renewal</i>	<i>\$-</i>	<i>\$30,000</i>
		<i>Bright Car Parking Improvements - Stage 1</i>	<i>\$50,000</i>	<i>\$66,000</i>
		<i>Datacom Capital Expenditure</i>	<i>\$137,500</i>	<i>\$269,000</i>
<i>Carry forward grant income for the following 2019/20 capital projects:</i>				

Reference	Budget Section	Submission / Amendment	Value in Draft Budget	Amount to be Adopted
Submission 1	5.2.2	Buckland Bridge Income	\$-	\$1,165,000
Allocate budget to the following capital projects:				
Submission 1	5.4.1	Event Waste Management Equipment - Bushfire Recovery	\$-	\$42,500
		Pioneer Park BMX Track	\$-	\$80,000
		Bright Depot Fuel Tank Renewal	\$-	\$30,000
		Bright Sports Centre Structural Repairs	\$-	\$100,000
		Mountain Mist Drive Renewal	\$-	\$50,000
		Safe Roof Access	\$-	\$45,000
		Nil Gully Flood Mitigation	\$-	\$325,591
		L2P Vehicle Renewal	\$-	\$50,000
		McCullough Drainage Road Design	\$-	\$50,000
		Porepunkah Drainage Strategy	\$-	\$70,000
		Porepunkah Transfer Station Office Relocation	\$-	\$30,000
Submission 2	5.4.1	Bright Railway Museum Exhibits	\$-	\$20,000
Submission 3	5.4.1	Myrtleford Soccer Facility Upgrade - Design	\$-	\$20,000
Include grant funding for the following capital projects:				
Submission 1	5.2.2	L2P Vehicle Renewal Income	\$-	\$43,000

<i>Reference</i>	<i>Budget Section</i>	<i>Submission / Amendment</i>	<i>Value in Draft Budget</i>	<i>Amount to be Adopted</i>
		<i>December 2018 Flood Damage Remediation Income</i>	<i>\$-</i>	<i>\$118,000</i>
<i>Amend grant funding for the following capital projects:</i>				
<i>Submission 1</i>	<i>5.2.2</i>	<i>Resealing</i>	<i>\$360,000</i>	<i>\$310,000</i>
		<i>Dinner Plain Activation</i>	<i>\$320,000</i>	<i>\$370,000</i>
<i>Carry forward expenditure for the following operational items:</i>				
<i>Submission 1</i>	<i>4.1</i>	<i>ICT Professional Services</i>	<i>\$45,000</i>	<i>\$60,000</i>
		<i>FReeZa</i>	<i>\$24,500</i>	<i>\$34,500</i>
<i>Amend expenditure related to the following operational items:</i>				
<i>Submission 1</i>	<i>4.1</i>	<i>Drainage Maintenance</i>	<i>\$100,000</i>	<i>\$50,000</i>
		<i>Sealed Road Maintenance</i>	<i>\$120,000</i>	<i>\$70,000</i>
		<i>Tree Maintenance</i>	<i>\$180,000</i>	<i>\$120,000</i>
		<i>Corporate Business Systems</i>	<i>\$70,500</i>	<i>\$42,000</i>
		<i>Corporate Infrastructure Services</i>	<i>\$45,000</i>	<i>\$-</i>
		<i>Workforce - Operating (Non Road Maintenance)</i>	<i>\$7,768,005</i>	<i>\$7,779,883</i>
		<i>Economic Development Strategy</i>	<i>\$50,000</i>	<i>\$93,000</i>
		<i>Ride Like A Local</i>	<i>\$-</i>	<i>\$15,000</i>
		<i>Alpine Fitness Centre Lease</i>	<i>\$-</i>	<i>\$1,500</i>
		<i>Alpine Visitor Information Centre</i>	<i>\$86,000</i>	<i>\$66,500</i>
		<i>Mount Beauty Transfer Station</i>	<i>\$200,000</i>	<i>\$205,000</i>

Reference	Budget Section	Submission / Amendment	Value in Draft Budget	Amount to be Adopted
		Mount Beauty Visitor Information Centre	\$30,500	\$24,125
		Myrtleford Transfer Station	\$549,780	\$597,780
		Myrtleford Visitor Information Centre	\$45,000	\$33,300
		Porepunkah Transfer Station	\$271,000	\$306,000
		Land Development Strategy	\$80,000	\$120,000
Allocate budget to the following operational items:				
Submission 1	4.1	ICT Professional Services	\$-	\$45,000
		Economic Development Strategy - Bushfire Recovery	\$-	\$30,000
		New - FOGO Market Assessment	\$-	\$15,000
		Sustainability	\$-	\$36,570
Amend income related to the following operational items:				
Submission 1	4.1	Dinner Plain Bus	\$95,000	\$-
		Visitor Information Centre Income	\$207,500	\$155,625
		Mount Beauty Transfer Station Income	\$100,000	\$110,000
Include income for the following operational items:				
Submission 1	4.1	Ride Like A Local	\$-	\$15,000
		Alpine Fitness Centre Lease Income	\$-	\$10,845
Amend the following rates and charges:				

Reference	Budget Section	Submission / Amendment	Value in Draft Budget	Amount to be Adopted
Submission 1	5.1	Dinner Plain Special Rate Income	\$182,580	\$176,486
		General Rates Income	\$15,049,315	\$15,226,532

3 The following submissions may be further assessed or managed by the Alpine Shire Council as per comment detail, however do not result in Changes to the Alpine Shire Council Budget 2020/21 for the stated reasons:

Reference	Submission Proposal	Value	Rationale and Approach
Submission 4	Bright and Porepunkah Town Signage	\$20,000	Concept needs further development. To be included in Project Pipeline with indicative implementation in 2021/22.
Submission 5	Mount Beauty Swimming Pool Opening Hours	\$35,000	Mixed feedback received from other users in relation to desired opening hours. Current season is longer than most north east councils. Will continue to review based on community needs.
Submission 6	Harrietville Green Waste Facility Funding	\$3,000	Propose that the Facility consider increasing customer fees to recover costs, which is consistent with the user pays approach for other waste management facilities in the Shire.
Submission 7	Into Our Hands Community Foundation Funding	\$30,000	Council would encourage this submitter to resubmit to the Community Grants process
Submission 8	Bright and District Chamber of Commerce – Questions Relating to the Budget	n/a	Council provided answers to the submitter's questions during the Submission Hearing and will also provide a formal response

<i>Reference</i>	<i>Submission Proposal</i>	<i>Value</i>	<i>Rationale and Approach</i>
<i>Submission 9</i>	<i>Mount Beauty Scout Hall Dual Flush Toilets</i>	<i>Not estimated</i>	<i>Budget impact likely to be minimal, to be addressed using annual building maintenance budget</i>
<i>Submission 10</i>	<i>Myrtleford Chamber of Commerce and Industry – Questions Relating to the Budget</i>	<i>n/a</i>	<i>Council will provide a formal response to answer this submitter’s questions</i>

BACKGROUND

Budget Overview

Council has prepared a Budget for 2020/21 which is aligned to the vision in the Council Plan 2017-21. The Budget provides a prudent financial position enabling Council to target the services and initiatives which support our community's resilience and vibrancy, which is particularly critical given the challenges faced by our community in 2020.

Key budget information is provided in the Budget 2020/21 including details of the rate increase, the strategic objectives of the Council, the operating result, ongoing service provision, capital works projects and the Council's financial position.

Submission Process

Council adopts a rigorous process to ensure that the Budget is comprehensive, realistic, sustainable, prioritised and reflects our community's needs. As part of the process, Council publishes a draft Budget and asks for community submissions which are considered prior to adoption. Budget submissions are an important and valuable step in ensuring that Council has received and considered community feedback. Submissions are considered in the context of the overall Budget and submitters are invited to attend a hearing where they may speak in support of their submission.

Council Officers also have the opportunity to make an internal submission. The purpose of an internal submission is to ensure that relevant information arising after the Budget has been placed on exhibition for public comment is considered by Council for inclusion in the final Budget. Internal submissions must be endorsed by Council under the same process as external submissions.

POLICY IMPLICATIONS

The Budget is prepared in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*. The following requirements are set out:

Local Government Act 1989

Section 127 – Council must prepare a budget

Section 129 – Public notice

Section 130 - Adoption of budget

Section 223 – Right to make a submission

Local Government (Planning and Reporting) Regulations 2014

Regulation 9 – The financial statements

Regulation 10 – Other information to be included

Regulation 11 – Public notice of proposed budget or revised budget

It is noted that under the *Local Government Act 2020* the basis for preparing budgets will change. Budgets will need to be prepared each year for the following four financial years and consultation will be subject to Council's own community engagement policy. The relevant provisions will come into effect from 24 October 2020 and therefore will apply to Council's Budget 2021/22. This first budget under the *Local Government Act 2020* may be prepared in accordance with the *Local Government Act 1989* section 223 submission requirements if Council has not yet adopted its own community engagement policy.

The recommendation is in accordance with the following Strategic Objective of the Council Plan 2017-2021:

- A responsible and sustainable organisation

FINANCIAL AND RESOURCE IMPLICATIONS

The net impact of the submissions which are recommended for incorporation into the Budget 2020/21 is as follows:

- Carried forward capital works - \$1,197k
- New capital works - \$913k
- Additional operating expenditure - \$80k
- Carried forward grant income - \$1,165k
- New grant income - \$161k
- Additional rates, charges and other income - \$60k

Overall the projected surplus is \$2.3m compared to the draft Budget surplus of \$1.2m.

CONSULTATION

Council is required to provide an opportunity for the public to make submissions regarding any proposal contained within the draft Budget. This is conducted through a formal process in accordance with s223 of the *Local Government Act 1989*, which includes a 28-day period where the public can provide Budget submissions and can request to be heard by a committee of Councillors in support of their submission.

The draft Budget 2020/21 was released for public comment following the April Ordinary Council Meeting. Public submissions formally closed on Thursday 14 May.

Those that formally requested to be heard in support of their written submission attended a committee of Council on Tuesday the 26 May which was formed according to Section 223(1)(b) of the *Local Government Act 1989*.

CONCLUSION

All submissions received have been considered by Council. This report reflects the Officers' recommendations to Council following a review of the cost and scope of each submission, and overall deliverability of the full scope of 2020/21 work.

DECLARATION OF CONFLICT OF INTEREST

Under Section 80C of the *Local Government Act 1989*, the following officers declare that they have no interests to disclose in providing this report.

- Chief Executive Officer
- Director Corporate
- Director Assets
- Manager Corporate
- Governance Officer

ATTACHMENT(S)

Nil

5.1.2 Declaration of the Dinner Plain Special Rate (2020/21)

File Number: 600.03

INTRODUCTION

A Council may declare a special rate for the purpose of defraying the expenses of performing a function that is of special benefit to the persons required to pay the special rate. The declaration of a special rate is a requirement of the *Local Government Act 1989*, Section 163.

The purpose of this report is to declare a Special Rate for the Dinner Plain village (the "Dinner Plain Special Rate") applicable to Commercial / Industrial land only for the period 1 July 2020 to 30 June 2021.

RECOMMENDATION

That:

- 1. Council note that six submissions were received regarding the proposed declaration of the Dinner Plain Special Rate (2020/21);***
- 2. The Dinner Plain Special Rate (2020/2021) be declared for the period 1 July 2020 to 30 June 2021 as follows:***
 - a. A special rate (the Dinner Plain Special Rate) be declared for the purpose of defraying any expenses in relation to the provision of services of special benefit to the owners of Commercial / Industrial land within the Dinner Plain village;***
 - b. The total cost of the performance of this function is estimated to be \$701,000 over one year, based on inclusion of the following services:***
 - i. The Dinner Plain to Hotham winter bus service***
 - ii. Roadways snow clearing***
 - iii. Cross country snow grooming***
 - iv. Marketing and events support specific to Dinner Plain***
 - v. Cable Television Maintenance;***
- 3. The Dinner Plain Special Rate will apply to Commercial / Industrial land within the Dinner Plain village as defined in the attached map;***
- 4. The definition of Commercial / Industrial land is the definition provided in the Alpine Shire Council draft Budget Report 2020/21;***
- 5. The basis of the calculation of the Dinner Plain Special Rate for the 2020/21 financial year be 43% of the rate in the dollar levied as general rates for rateable residential properties, as specified in the Alpine Shire Council Budget 2020/21, multiplied by the Capital Improved Value of each parcel of Commercial / Industrial land;***
- 6. The amount of the Dinner Plain Special Rate to be levied is estimated to be \$176,486 over one year, or such other amount as is lawfully raised as a consequence of this Resolution;***

- 7. The amount of the Special Rate will be the amount shown as due and payable in any notice sent to a person required to pay the Dinner Plain Special Rate; and**
- 8. Each person liable to pay the Dinner Plain Special Rate is to pay by instalments in line with Council's general rate payment requirements each year.**

BACKGROUND

The Dinner Plain village has for some time been subject to a Special Rate to defray the expenses associated with services of special benefit to Dinner Plain ratepayers. Within the Alpine Shire Council's Budget 2020/21, this includes the Dinner Plain to Hotham winter bus service (\$270,000, an increase of \$108,000 due a likely loss of income subsidies from organisations who usually support the Bus, an anticipated CPI increase in the service contract and a moderation of income from ticket sales); roadways snow clearing (\$160,000); cross country snow grooming (\$66,000); marketing and events support specific to Dinner Plain (\$190,000); and Cable Television Maintenance (\$15,000, an increase of \$13,000 to enable extensive component replacement).

ISSUES

Proposed Rating Approach

A declared Special Rate for Dinner Plain reduced from 80.7% in 2015/16, to 65% in 2016/17, to 43% in 2017/18. In 2018/19, the Special Rate was aligned to the differential rate for Commercial / Industrial Land in the rest of the shire and was only paid by ratepayers who own Commercial / Industrial land in the Dinner Plain village (including holiday lets). This approach was continued in 2019/20, and it is proposed that it be maintained for the declaration of a Special Rate in 2020/21.

Submissions Received

At the April 2020 Ordinary Council Meeting, Council resolved to give notice of its intention to declare a special rate for the provision of services of special benefit to the Dinner Plain village for the period 1 July 2020 to 30 June 2021. Six submissions were received throughout the public exhibition period as summarised below:

Submission	Summary Description
Submitter 1	<ul style="list-style-type: none"> Concerns regarding the charging of rates given COVID-19 shutdown restrictions Concerns regarding the utility and quality of Special Rate services
Submitter 2	<ul style="list-style-type: none"> Concerns regarding the charging of rates given recent bushfires and COVID-19 shutdown restrictions
Submitter 3	<ul style="list-style-type: none"> Request to negotiate reduction to Dinner Plain Services to enable a reduction in the Special Rate given COVID-19 restrictions

Submitter 4	<ul style="list-style-type: none"> • Feedback on Council's communications regarding non-essential travel bans • Concerns regarding the charging of the Special Rate given prospective low bookings • Request for Council to state 'Plan B' for the Special Rate if there is no ski season or a substantially reduced capacity season
Submitter 5	<ul style="list-style-type: none"> • Concerns regarding the return on Special Rate funding • Concerns regarding the application of a Special Rate to Dinner Plain only, as many other Shire properties receive specific services • Concerns regarding the charging of the Special Rate given COVID-19 restrictions
Submitter 6	<ul style="list-style-type: none"> • Request for exemption from the Special Rate on the basis of COVID-19 restrictions and lack of allowed access to cross country trails for private use

It is acknowledged that Dinner Plain commercial and industrial ratepayers have been heavily impacted by bushfires and COVID-19 restrictions as have many other commercial and industrial ratepayers across this Shire. To this end one quarter of the rates applicable to commercial and industrial ratepayers in Dinner Plain for 2019/20 have been waived, which has been fully funded by the Victorian Government's Council Assistance Fund. In addition, the due date for payment of the fourth rates instalment has been extended from the 31 May to the 30 June.

Since these submissions were received, the Victorian Government has announced easing of COVID-19 restrictions meaning that the ski season may proceed from 22 June 2020. It is therefore anticipated that commercial activity will return to Dinner Plain. It is noted that should there be a change in COVID -19 restrictions that impacts negatively on the commercial snow season, Council retains the flexibility to waive a portion of the Special Rate as appropriate to the situation.

It is noted that the estimated cost of the Special Rate services is \$701,000 for 2020/21 which is considerably more than the Special Rate raises (estimated at \$176,486 for 2020/21). At the same time the Special Rate is aligned to the rate paid by Commercial / Industrial ratepayers in the rest of the Shire. The Special Rate does not penalise Dinner Plain ratepayers compared to other ratepayers in the Shire.

Feedback regarding the utility of Special Rate services is appreciated and Council continues to consult regularly with the Dinner Plain community regarding the best application of Council funds.

Council will provide formal individual responses to each submitter.

Dinner Plain Financial Commitments

It is noted that the Dinner Plain village operates on a total cost recovery basis. If there is a deficit or surplus based on the difference between

- a) all general and Special income attributable to Dinner Plain and
- b) all general and Special costs attributable to Dinner Plain,

this is allocated to a reserve, namely the 'Dinner Plain Reserve'. This is inclusive of all relevant income and costs, including, for example, the general rates paid by Dinner Plain ratepayers; an apportionment of general Council grants; an apportionment of Council services relevant to Dinner Plain; an apportionment of Council overheads; all Special Rate costs; and all capital works expenditure in Dinner Plain. Based on current forecasts, Dinner Plain expenditure will continue to exceed income in 2020/21.

Council is committed to delivery of a pipeline of \$1.5m new and upgrade capital works within Dinner Plain by 2027. It is anticipated that by the end of 2020/21, \$1,075,000 of this pipeline will have been delivered, including:

2017/18 Works

- Toboggan Run Access Improvements - \$19,000
- Dinner Plain Mountain Bike Trails - \$187,000
- Dinner Plain Village Green - \$32,000

2018/19 Works

- Toboggan and Ski Run Safety Improvements - \$24,000
- Dinner Plain Mountain Bike Trails Stage 2 - \$70,000 (\$187,000 total cost, \$117,000 grant funded)
- Dinner Plain Tracks and Trails Signage - \$43,000
- Dinner Plain Village Detailed Designs - \$48,000
- Dinner Plain Tube Slide - \$4,000

2019/20 Works (Forecast)

- Toboggan and Ski Run Safety Improvements - \$60,000
- Dinner Plain Snowmaking Options Analysis - \$37,000 (\$56,000 total cost, \$19,000 grant funded)
- Dinner Plain Mountain Bike Trails Stage 2 - \$3,000 (\$16,000 total cost, \$13,000 grant funded)
- Dinner Plain Village Detailed Designs - \$17,000
- Dinner Plain Tube Slide - \$1,000

2020/21 Works (Proposed)

- Dinner Plain Activation - \$530,000 (\$900,000 total cost, \$370,000 grant funded)

POLICY IMPLICATIONS

There is currently transition occurring between the *Local Government Act 1989 (LGA 1989)* and the *Local Government Act 2020 (LGA 2020)*, some provisions within *LGA 1989*

are still in effect and are yet to be repealed and replaced by *LGA 2020*, and some provisions within *LGA 2020* have yet come into effect and the corresponding provisions in *LGA 1989* have been repealed. Within this paper reference has been made to the Act which is in effect as relevant to the given provision.

The preparation of the Dinner Plain Special Rate (2020/21) is in accordance with the:

- Special Rates and Charges, Ministerial Guidelines, September 2004
- *Local Government Act 1989*
- *Local Government Act 2020*
- Alpine Shire Rating Strategy
- Strategic Resource Plan
- Council Plan 2017-2021 objective to provide a Responsible and Sustainable Organisation.

The recommendation is in accordance with the following Strategic Objective of the Council Plan 2017-2021:

- A responsible and sustainable organisation

FINANCIAL AND RESOURCE IMPLICATIONS

Based on current property valuations across the Alpine Shire, the Dinner Plain Special Rate for 2020/21 is proposing to raise an estimated \$176,486 over a 12-month period. This is significantly less revenue than the cost to Council of the Special Rate services which are estimated to cost \$701,000 over the same period.

Analysis indicates that Dinner Plain expenditure will exceed income into the foreseeable future. This deficit will be covered by the Dinner Plain Reserve in as much as it has a positive balance.

The Dinner Plain reserve is forecast to be \$669,000 as at 30 June 2020.

CONSULTATION

Under Section 163 of the *Local Government Act 1989*, Council must give public notice of its intention to make a special rate declaration. This is conducted through a formal process in accordance with s223 of the *Local Government Act 1989*, which includes a 28-day period where the public can provide submissions regarding the proposed declaration, and can request to be heard by a committee of Councillors in support of their submission.

The Dinner Plain Special Rate 2020/21 was released for public comment following the April Ordinary Council Meeting. Public submissions formally closed on Thursday 14 May, six submissions were received. No submitters requested to be heard by a committee of Councillors.

CONCLUSION

Council is now in a position to declare the Dinner Plain Special Rate (2020/21) in line with the requirements of the *Local Government Act 1989*.

DECLARATION OF CONFLICT OF INTEREST

Under Section 80C of the *Local Government Act 1989*, the following officers declare that they have no interests to disclose in providing this report.

- Chief Executive Officer
- Director Corporate
- Director Assets
- Manager Corporate
- Rates Coordinator

ATTACHMENT(S)

5.1.2 Dinner Plain Village Map

5.1.3 Adoption of the 2020/21 Budget

File Number: Budget 2020/21

INTRODUCTION

The purpose of this report is to adopt the Budget 2020/21, incorporating the Strategic Resource Plan and rates and charges for the 2020/21 financial year.

RECOMMENDATION

That:

- 1. Rates and charges of \$18,604,957 be raised in the 2020/21 financial year based on setting the 'rate in the dollar' and 'charges' as follows:**
 - a. General (residential) rate (0.004038)***
 - b. General (residential) rate Dinner Plain (0.004038)***
 - c. Commercial/Industrial differential rate (0.005774)***
 - d. Farm differential rate (0.002947)***
 - e. Special rate for rateable Dinner Plain properties (0.001736)***
 - f. Waste – 80 litre bin (weekly) \$222.06***
 - g. Waste – 240 litre bin (weekly) \$492.35***
 - h. Waste – 240 litre bin (fortnightly) \$222.06***
 - i. Recycling – 140 litre bin (fortnightly) \$91.13***
 - j. Recycling – 240 litre bin (fortnightly) \$91.13***
 - k. Recycling – 360 litre bin (fortnightly) \$91.13***
 - l. Recycling – 240 litre bin (weekly) \$182.38***
 - m. Recycling – 360 litre bin (weekly) \$182.38***
 - n. Dinner Plain standard waste service \$682.24***
 - o. Dinner Plain commercial waste service \$1500.48***
 - p. General waste charge \$80.00***
- 2. The Alpine Shire Council Budget 2020/21 including the Strategic Resource Plan and incorporating the amendments adopted by Council in the submissions report (agenda item 5.1.1 of this Special Council Meeting) be adopted.**
- 3. Rates and charges must be paid by four instalments on or before 30 September 2020, 30 November 2020, 28 February 2020 and 31 May 2020 in accordance with Section 167 of the Local Government Act 1989.**
- 4. The Chief Executive Officer be authorised to give public notice of adoption of the Budget 2020/21 and forward a copy to the Minister in accordance with section 130 of the Local Government Act 1989.**

BACKGROUND

There is currently transition occurring between the *Local Government Act 1989 (LGA 1989)* and the *Local Government Act 2020 (LGA 2020)*, some provisions within *LGA 1989* are still in effect and are yet to be repealed and replaced by *LGA 2020*, and some provisions within *LGA 2020* have yet come into effect and the corresponding provisions in *LGA 1989* have been repealed. For the remainder of the paper reference is made to the Act which is in effect as relevant to the given provision.

Based on ongoing community consultation, Council has prepared a Budget for 2020/21 which is aligned to the vision in the Council Plan 2017-21. Following a challenging beginning to the year, the Budget 2020/21 provides a prudent financial position enabling Council to target critical services and initiatives to support our community's resilience and vibrancy.

ISSUES

The budget projects a surplus of \$2.3m which is influenced by:

- a) A Rate increase of 2%, in line with the Fair Go Rates System which caps Victorian Council rate increases in line with inflation;
- b) A capital works program totalling \$8.7m in FY20/21, reflecting a strong pipeline of asset renewal, upgrades and new assets;
- c) A flat underlying materials and services budget, due to continued diligent cost management and strong procurement practices which seek to provide value for money for our ratepayers;
- d) Over \$1m in Bushfire Recovery spending to underpin the strengthen the resilience of our community, residents and businesses;
- e) An increase in staffing levels in response to changing service requirements, including support for Bushfire Recovery initiatives, as well as an increased focus in sustainability projects in relation to waste management and climate change action.

Council has also updated its pipeline of initiatives to align budgeted activities to the strategic objectives outlined in the Council Plan 2017-21.

A full review of Council fees and charges has been conducted. The general waste charge is proposed to reduce from \$89.20 to \$80 per premise. A number of other fees have either been increased or decreased in line with movements in the actual costs to provide various services.

Further detail can be found within the attached report.

It is noted that in accordance with sections 170 and 171 of the *Local Government Act 1989*, there are financial hardship options for ratepayers who are having difficulty paying their rates. In this instance, ratepayers are encouraged to contact Council to have a confidential discussion regarding their situation and putting in place an appropriate hardship plan.

POLICY IMPLICATIONS

The Budget is prepared in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*. The following requirements are set out:

Local Government Act 1989

Section 126 - Strategic Resource Plan

Section 127 – Council must prepare a budget

Section 129 – Public notice

Section 130 - Adoption of budget

Section 158 – Declaring rates and charges

Section 161 – Differential rates

Section 162 – Service rate and service charge

Section 163 – Special rate and special charge

Section 223 – Right to make a submission

Local Government (Planning and Reporting) Regulations 2014

Regulation 9 – The financial statements

Regulation 10 – Other information to be included

Regulation 11 – Public notice of proposed budget or revised budget

It is noted that under the *Local Government Act 2020* the basis for preparing budgets will change. Budgets will need to be prepared each year for the following four financial years and consultation will be subject to Council's own community engagement policy. The relevant provisions will come into effect from 24 October 2020 and therefore will apply to Council's Budget 2021/22. This first budget under the *Local Government Act 2020* may be prepared in accordance with the *Local Government Act 1989* section 223 submission requirements if Council has not yet adopted its own community engagement policy.

The recommendation is in accordance with the following Strategic Objective of the Council Plan 2017-2021:

- A responsible and sustainable organisation

FINANCIAL AND RESOURCE IMPLICATIONS

Council prepares its Budgets with the objective of balancing long-term financial sustainability and prioritised delivery against community needs. The Budget 2020-21 proposes to raise \$18,604,957 in rates and charges based on proposed rates in the dollar and waste charges, or \$19,267,957 inclusive of estimates for rates in lieu, rates interest and additional income due to forecast supplementary development in the Shire. The Budget forecasts an operating surplus of \$2.3m and a working capital ratio of 4.4.

Materials and services expenditure has remained flat. Departmental budgets have largely remained flat or been reduced, the operations of the departments able to offset increases in electricity, insurance and technology licensing costs.

CONSULTATION

Council is required to provide an opportunity for the public to make submissions regarding any proposal contained within the draft Budget. This is conducted through a formal process in accordance with s223 of the *Local Government Act 1989*, which includes a 28-day period where the public can provide Budget submissions to Council and can request to be heard by a committee of Councillors in support of their submission.

The draft Budget 2020/21 was released for public comment following the April Ordinary Council Meeting. Public submissions formally closed on Thursday 14 May.

Those that formally requested to be heard in support of their written submission attended a committee of Council on Tuesday the 26 May which was formed according to Section 223(1)(b) of the *Local Government Act 1989*.

CONCLUSION

All submissions received have been considered by Council. This report reflects the Officers' recommendations to Council following a review of the cost and scope of each submission, and overall deliverability of the full scope of 2020/21 work.

DECLARATION OF CONFLICT OF INTEREST

Under Section 80C of the *Local Government Act 1989*, the following officers declare that they have no interests to disclose in providing this report.

- Chief Executive Officer
- Director Corporate
- Director Assets
- Manager Corporate
- Governance Officer

ATTACHMENT(S)

5.1.3 Alpine Shire Council Budget 2020/21

5.1.4 Adoption of the Council Plan (Review 2020)

File Number: 600.03

INTRODUCTION

An annual review of the Council Plan and Municipal Public Health and Wellbeing Plan are requirements of the *Local Government Act 1989* and *Public Health and Wellbeing Act 2008* respectively. This report ensures that Council is meeting requirements of both Acts.

RECOMMENDATION

That:

- 1. Council note that the review of the Alpine Shire Council Plan 2017-2021 (incorporating the Municipal Public Health and Wellbeing Plan), has resulted in following updates in the Alpine Shire Council Plan 2017-2021 (review 2020):***
 - a. Update the Strategic Resource Plan to be consistent with the 2020/21 Budget (as adopted in item 5.1.3 of this meeting); and***
 - b. Minor administrative updates to include current Mayor (photograph and introductory message), and a new front page for the current year.***
- 2. The Alpine Shire Council Plan 2017-2021 (review 2020), incorporating the Municipal Public Health and Wellbeing Plan, and the Strategic Resource Plan 2021-2024 be adopted.***
- 3. The Chief Executive Officer be authorised to forward a copy of the adjustments made to the Council Plan to the Minister for Local Government within 30 days, in accordance with s125(10) of the Local Government Act 1989.***

BACKGROUND

The Council Plan is a key document required under Local Government legislation and includes the strategic objectives of the Council; strategies for achieving the objectives; strategic indicators for monitoring achievement; a Strategic Resource Plan; and projects / services intended to span the lifetime of the Plan.

The 2017-2021 Alpine Shire Council Plan was developed following the 2016 election and was adopted in June 2017. This was the first time that Council elected to incorporate the Municipal Public Health and Wellbeing Plan (MPHWP) as part of the Council Plan. This means that Council must be mindful of both s125(7) of the *Local Government Act 1989* (LG Act) and s26(4) and s27(2)(b) of the *Public Health and Wellbeing Act 2008 (PHW Act)* when undertaking any reviews of the Council Plan.

This review will be the final version of the current Council Plan. Given that Council elections are due to be held in October 2020, it is prudent to continue with the current direction of the Council Plan, and not make any changes to strategic direction or content at this time. The newly elected Council will be required to develop a new Council Plan outlining the Council's strategic direction for the new four-year term. The new Council Plan will be developed under the guidance of the *Local Government Act*.

ISSUES

Council Plan amendments

The Council Plan was reviewed in April 2020, with no changes proposed to the strategic content of the document. Administrative updates to the 2020 document have included a new front cover to signify the current year, and a brief update to reflect the current Mayor. The Strategic Resource Plan (SRP) 2021-2024 is updated to reflect the Long Term Financial Plan in the 2020/21 Budget.

Municipal Public Health and Wellbeing Plan

There have been no changes to the strategic direction or content of the Municipal Public Health and Wellbeing Plan.

Requirement for Public Submissions

Section 125(9) of the *Local Government Act 1989* only requires a public submission process to occur where there are proposed changes to the strategic objectives, strategies or strategic indicators within the Council Plan. As there were no proposed changes to these items, the Council Plan did not need to be re-released for public submissions this year. This was endorsed at the April 2020 Council meeting.

POLICY IMPLICATIONS

The Council Plan is a key strategic document, required under section 125 of the *Local Government Act 1989*.

The MPHWP (as part of the Council Plan) is required under sections 26 and 27 of the *Public Health and Wellbeing Act 2008*.

The recommendation is in accordance with the following Strategic Objective of the Council Plan 2017-2021:

- A high performing organisation

FINANCIAL AND RESOURCE IMPLICATIONS

A small cost will be required to update the Strategic Resource Plan and the front page of the designed Council Plan document. This has been accounted for in Council's annual budget.

CONSULTATION

Consultation has occurred with Council officers and councillors. No consultation with the community is required, as there are no intended modifications to the strategic objectives, strategies or strategic indicators within the Council Plan.

CONCLUSION

The 2020 review of the Alpine Shire Council Plan 2017-2021 ensures that Council is compliant with its legislative framework.

DECLARATION OF CONFLICT OF INTEREST

Under Section 80C of the *Local Government Act 1989*, the following officers declare that they have no interests to disclose in providing this report.

- Director Corporate
- Manager Corporate
- Governance Officer

ATTACHMENT(S)

- 5.1.4 Alpine Shire Council Plan 2017-2021 (review 2020), incorporating the Municipal Public Health and Wellbeing Plan.

5.1.5 Signing and Sealing of the High Country Library Network Shared Service Agreement

File Number: High Country Library Network File

INTRODUCTION

The purpose of this report is to present the High Country Library Network Shared Service Agreement for the period from 1 July 2020 to 30 June 2023.

RECOMMENDATION

That Council endorses the Chief Executive Officer the sign and seal the High Country Library Network Shared Service Agreement (“the Agreement”) for an initial period of three (3) years from 1 July 2020 to 30 June 2023 (plus options for two further terms of 3 years).

BACKGROUND

Alpine Shire Council has provided a library processing shared service to Mansfield Shire Council, Benalla Rural City Council, the Rural City of Wangaratta and to its own library branches since 1 August 2016. To date the service has been governed by two High Country Library Network Shared Service Agreements, the first covering the initial 12-month period, and the second covering the period 1 October 2017 to 30 June 2020.

The shared service has to date provided services including:

- Ordering and purchasing of books and materials;
- Cataloguing of books and materials;
- Processing of books and materials to shelf ready standards;
- Maintenance of magazine subscriptions and online resources;
- Management of courier services to transfer books and materials between branches;
- Maintenance of inter library loans and broader Victorian library processes;
- Maintenance of policy procedures for managing the regional collection;
- Provision of secretariat and reporting functions in support of the Library Management Group, consisting managers representing each of the four Councils in the Network.

Objectives of the service have included supporting the members to:

- Encourage and promote optimal use by the community of library services;
- Develop and maintain customer service standards comparable to the best in Australia; and
- Develop and maintain a diverse collection which meets the need of the community.

ISSUES

The four Councils party to this shared service have agreed to a continuation of the arrangement and have drafted an updated Agreement. The major tenets of the

Agreement remain unchanged except for the inclusion of two options to extend for an additional three years.

In March 2020, a best value analysis was undertaken by the Rural City of Wangaratta to scrutinise the Agreement to ensure that it continues to be the most effective model for the delivery of library services to member Councils. The analysis concluded that the network arrangement ensures that the Councils have achieved best value.

Minor modifications to the Agreement include the following:

- Clarification of what constitutes a “member” of the Library Management Group and who can vote;
- A provision for future associate members to be incorporated into the network to partake of a subset of the shared library services;
- Clarification of the responsibilities of the processing centre (known as “the Hub”) and the expected service level to be provided to members.

POLICY IMPLICATIONS

Under sub-section 186(1) of the *Local Government Act 1989* the value of the proposed Agreement exceeds the limits over which a Council must invite tender for services. Therefore, the three member councils Benalla Rural City Council, Mansfield Shire Council and the Rural City of Wangaratta have sought and received approval for a Ministerial Policy Exemption under section 186(5)c.

Alpine Shire Council has been advised by the Department of Environment, Land, Water and Planning that as the provider of the shared service arrangement a Ministerial Policy Exemption is not required in order to partake of the Agreement.

The recommendation is consistent with the following Strategic Objective of the Council Plan 2017-2021:

- A responsible and sustainable organisation

There is currently transition occurring between the *Local Government Act 1989 (LGA 1989)* and the *Local Government Act 2020 (LGA 2020)*, some provisions within *LGA 1989* are still in effect and are yet to be repealed and replaced by *LGA 2020*, and some provisions within *LGA 2020* have yet come into effect and the corresponding provisions in *LGA 1989* have been repealed. Within this paper reference has been made to the Act which is in effect as relevant to the given provision.

FINANCIAL AND RESOURCE IMPLICATIONS

Alpine Shire Council’s total contribution over the initial term of the proposed Agreement is expected to be \$450,000. The total value of the contract is estimated at \$2.3m. Alpine Shire Council will develop an annual budget for the Agreement in line with the recommendations of the Library Management Group and subject to normal budgetary approvals from each Member Council.

The Agreement shall operate on a total cost recovery basis, including the cost of all physical and online collection items, relevant library systems, operational costs, freight

costs, management overheads and payroll costs. The Hub currently funds three employees to operate the shared service and it is expected that this shall continue.

CONSULTATION

The Library Management Group and associated officers have been consulted throughout the development of the proposed Agreement.

CONCLUSION

On the basis that the current shared service agreement offers best value to its Members, it is recommended that the Alpine Shire Council enter into a new High Country Library Network Shared Service Agreement until 30 June 2023 with two further options to extend for three (3) years.

DECLARATION OF CONFLICT OF INTEREST

Under Section 80C of the *Local Government Act 1989*, the following officers declare that they have no interests to disclose in providing this report.

- Director Corporate
- Manager Corporate

ATTACHMENT(S)

5.1.5 High Country Library Network Shared Service Agreement

6. Confidential Matter

RECOMMENDATION

That, in accordance with the provisions of s66(2)(a) of the Local Government Act 2020, the meeting be closed to the public for consideration of personal information, being information which if released would result in the unreasonable disclosure of information about any person or their personal affairs; which is defined as confidential information by s3 of the Local Government Act 2020.

There being no further business the Chairperson declared the meeting closed at _____p.m.

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Chairperson