



GREATER  
DANDENONG  
*City of Opportunity*

# MINUTES

**ORDINARY COUNCIL MEETING**

**MONDAY 12 SEPTEMBER 2016**

Commencing at 7:00 PM

**COUNCIL CHAMBERS**

225 Lonsdale Street, Dandenong VIC 3175



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## **1 MEETING OPENING**

### **1.1 ATTENDANCE**

#### **Apologies**

Nil.

#### **Councillors Present**

Cr Heang Tak (Chairperson)

Cr Roz Blades AM, Cr Peter Brown, Cr Youhorn Chea, Cr John Kelly, Cr Matthew Kirwan, Cr Angela Long, Cr Jim Memeti, Cr Sean O'Reilly, Cr Maria Sampey, Cr Loi Truong

#### **Officers Present**

John Bennie PSM, Chief Executive Officer; Jody Bosman, Director City Planning, Design and Amenity; Mark Doubleday, Director Community Services; Mick Jaensch, Director Corporate Services; Kevin Van Boxtel, Acting Group Manager Greater Dandenong Business; Oliver Vido, Acting Director Engineering Services

### **1.2 OFFERING OF PRAYER**

All present remained standing as Roz Blades AM from the Jewish Community, a member of the Greater Dandenong Interfaith Network, read the opening prayer:

"Grant us peace our most precious gift. Give us the will to send this message to all people. Bless our Council of Greater Dandenong that it may always be a stronghold for peace and for tolerance. May contentment reign within our borders and in the health and happiness of our residents. Strengthen the bonds of friendship among all who live here and may love inhabit every home and every heart. Blessed is the eternal bringer of Peace".

### **1.3 CONFIRMATION OF MINUTES OF PREVIOUS MEETING**

Ordinary Meeting of Council held 22 August 2016.

#### **Recommendation**

**That the minutes of the Ordinary Meeting of Council held 22 August 2016 be confirmed.**



**MINUTE 1507**

Moved by: Cr Roz Blades AM

Seconded by: Cr Loi Truong

**That the minutes of the Ordinary Meeting of Council held 22 August 2016 be confirmed.**

**CARRIED**

**1.4 ASSEMBLIES OF COUNCIL**

The following assemblies of Council occurred in the period 18 August to 7 September 2016:

<b>Date</b>	<b>Meeting Type</b>	<b>Councillors Attending</b>	<b>Topics Discussed &amp; Disclosures of Conflict of Interest</b>
22/08/16	Councillor Briefing Session	Roz Blades, Youhorn Chea, John Kelly, Matthew Kirwan, Angela Long, Jim Memeti, Sean O'Reilly, Maria Sampey, Heang Tak, Loi Truong	<ul style="list-style-type: none"> <li>- Recent Abbot's Road level crossing business liaison meeting held with the Level Crossing Removal Authority.</li> <li>- Council's next round of Community Response Grants.</li> <li>- Agenda items for the Council meeting of 22 August 2016.</li> </ul>
25/08/16	Positive Ageing Advisory Committee	Matthew Kirwan, Maria Sampey	<ul style="list-style-type: none"> <li>- Positive Ageing Advisory Committee Meeting</li> </ul>
02/09/16	Audit Advisory Committee	Heang Tak	<ul style="list-style-type: none"> <li>- Audit Advisory Committee Meeting</li> </ul>
05/09/16	Councillor Briefing Session	Peter Brown, Youhorn Chea, John Kelly, Matthew Kirwan, Angela	<ul style="list-style-type: none"> <li>- Dandenong Market Pty Ltd (DMPL) Annual Report presented by DMPL Chair and General Manager (Conflict of Interest disclosed by Cr Jim Memeti).</li> <li>- Audit Advisory Committee (AAC) Annual Report presented by AAC Chair.</li> <li>- 2015-2016 financial and capital improvement project outcomes.</li> <li>- Ownership (now Council) of the Dandenong Masonic Hall.</li> <li>- Opening of the upgraded Coomoora Reserve Sports Pavilion.</li> <li>- Recent damage to Ross Reserve, Noble Park.</li> </ul>



- |  |   |
|--|---|
| Long, Jim Memeti, Sean<br>O'Reilly, Maria Sampey<br>(part), Heang Tak, Loi<br>Truong | - Tree planting at Lois Twohig Reserve.<br>- Machinery movements along Memorial Drive<br>and Corrigan Road by the Level Crossing<br>Removal Authority.<br>- Current review being undertaken of<br>community facilities management.<br>- Agenda items for the Council meeting of 12<br>September 2016. |
|--|---|

### **Recommendation**

**That the assemblies of Council listed above be noted.**

### **MINUTE 1508**

Moved by: Cr Roz Blades AM  
Seconded by: Cr Youhorn Chea

**That the assemblies of Council listed above be noted.**

**CARRIED**

### **1.5 DISCLOSURES OF INTEREST**

Nil.



## **2 OFFICERS' REPORTS**

### **2.1 DOCUMENTS FOR SEALING**

#### **2.1.1 Documents for Sealing**

File Id:

Responsible Officer:

Director Corporate Services

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#### **Report Summary**

Under the Victorian Local Government Act, each Council is a body corporate and a legal entity in its own right. Each Council must therefore have a common seal (like any corporate entity) that is an official sanction of that Council.

Sealing a document makes it an official document of Council as a corporate body. Documents that require sealing include agreements, contracts, leases or any other contractual or legally binding document that binds Council to another party.

#### **Recommendation Summary**

This report recommends that the listed documents be signed and sealed.



**2.1.1 Documents for Sealing (Cont.)****Item Summary**

There are twenty three [23] items being presented to Council's meeting of 12 September 2016 for signing and sealing as follows:

1. A Section 173 Agreement of the Planning and Environment Act 1987 between the Greater Dandenong City Council and John Tuong Le for subdivision to require building to comply with the development permit for a property in View Road, Springvale
2. A Section 173 Agreement of the Planning and Environment Act 1987 between the Greater Dandenong City Council and Sunitha Mercy and Jeyapaulraj Jeevarathinam to ensure the development is completed in accordance with the plans approved under Planning Permit No. PLN14/0700 and to give effect to Condition 2.2 of the Subdivision Permit PLN16/0274 to allow for the issuance of a Statement of Compliance for a property in Edward Avenue, Dandenong
3. A Section 173 Agreement of the Planning and Environment Act 1987 between the Greater Dandenong City Council and Abbotcrest Pty Ltd pertaining to Maintenance Levy for Open Space – Stage 45 Somerfield Estate, for a property in Perry Road Keysborough
4. A letter of recognition to B Haining, Corporate Services, for 10 years of service to the City of Greater Dandenong
5. A letter of recognition to B Morphett, Corporate Services, for 10 years of service to the City of Greater Dandenong
6. A letter of recognition to S McKellar, Community Services, for 10 years of service to the City of Greater Dandenong
7. A letter of recognition to C Rush, Community Services, for 10 years of service to the City of Greater Dandenong
8. A letter of recognition to R Diffey, Community Services, for 10 years of service to the City of Greater Dandenong
9. A letter of recognition to K Savahl, Community Services, for 10 years of service to the City of Greater Dandenong
10. A letter of recognition to R Milojevic, Community Services, for 10 years of service to the City of Greater Dandenong
11. A letter of recognition to M Sanchez, Community Services, for 10 years of service to the City of Greater Dandenong
12. A letter of recognition to S Thomson, Community Services, for 10 years of service to the City of Greater Dandenong
13. A letter of recognition to R Coleman, Community Services, for 10 years of service to the City of Greater Dandenong



**2.1.1 Documents for Sealing (Cont.)**

14. A letter of recognition to N Saunders, Community Services, for 10 years of service to the City of Greater Dandenong
15. A letter of recognition to P Peters, Community Services, for 20 years of service to the City of Greater Dandenong
16. A letter of recognition to C Frichitthavong, Community Services, for 20 years of service to the City of Greater Dandenong
17. A letter of recognition to G Selwyn, Community Services, for 20 years of service to the City of Greater Dandenong
18. A letter of recognition to H Selvarajoo, Community Services, for 20 years of service to the City of Greater Dandenong
19. A letter of recognition to L Harris, Community Services, for 20 years of service to the City of Greater Dandenong
20. A letter of recognition to P Marcuccio, Community Services, for 20 years of service to the City of Greater Dandenong
21. A letter of recognition to R Tiberi, Community Services, for 20 years of service to the City of Greater Dandenong
22. A letter of recognition to N Brown, Community Services, for 20 years of service to the City of Greater Dandenong; and
23. A letter of recognition to S Spillard, Community Services, for 20 years of service to the City of Greater Dandenong

**Recommendation**

**That the listed documents be signed and sealed.**

**MINUTE 1509**

Moved by: Cr Roz Blades AM

Seconded by: Cr Loi Truong

**That the listed documents be signed and sealed.**

**CARRIED**



## **2.2 DOCUMENTS FOR TABLING**

### **2.2.1 Receipt of Petitions and Joint Letters**

File Id: qA228025

Responsible Officer: Director Corporate Services

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#### **Report Summary**

Council receives a number of petitions and joint letters on a regular basis that deal with a variety of issues which have an impact upon the City.

Issues raised by petitions and joint letters will be investigated and reported back to Council if required.

#### **Petitions and Joint Letters Tabled**

Council received one [1] petition and no joint letters prior to the Council Meeting of 12 September 2016 as follows:

- 8 additional signatures through the website Change.org requesting the Council to proceed with opening an integrated and inter-generational Keysborough South Community Hub in 2018.

While this is not a formal petition to Council (i.e. they do not meet our guidelines), the submission received has been noted and has been forwarded to the relevant Council business unit for consideration.

#### **Recommendation**

**That the listed items be received.**

#### **MINUTE 1510**

Moved by: Cr Loi Truong

Seconded by: Cr Angela Long

**That the listed items be received.**

**CARRIED**



## 2.3 STATUTORY PLANNING APPLICATIONS

### 2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930)

File Id:

Responsible Officer:

Director City Planning Design & Amenity

Attachments:

Submitted Plans  
Location of Objectors  
Clause 22.09 Assessment  
Clause 52.06 Assessment  
Clause 55 Assessment

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#### Application Summary

Applicant: Design - E

Proposal: Alterations and additions to the existing dwelling and construction of a double storey dwelling (two dwellings).

Zone: Residential Growth Zone (RGZ1) – Schedule 1

Overlay: No overlays affect the site

Ward: Red Gum Ward

The application has been brought to a Council meeting as it has received three objections.

The application proposes alterations and additions to the existing single storey dwelling and the construction of a double storey dwelling, both facing Besley Street. A permit is required pursuant to Clause 32.07.4 of the Greater Dandenong Planning Scheme to construct two or more dwellings on a lot.

#### Objectors Summary

The application was advertised to the surrounding area through the erection of two (2) on-site notices and the mailing of notices to adjoining and surrounding owners and occupiers. Three (3) objections were received to the application. Issues raised generally relate to matters of:

- Neighbourhood Character;
- Overdevelopment;
- Emergency vehicle access;
- Increased traffic;



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**2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)**

- Existing congestion due to school;
- De-valuing of property;
- Increased traffic;
- Multiple cars already parked at subject site;
- Double storey townhouse design.

**Assessment Summary**

The subject site is located within an established residential area that is well suited for medium to high density housing given that the site is located within close proximity of primary schools, high schools and close to public transport via bus routes along Clow Street (to the north), Stud Road (to the west) and Princes Highway (to the south).

The development is generally respectful of the preferred neighbourhood character by way of siting, design, mass, height and bulk. The development provides appropriate parking provision and open space provision, and complies with both the State and Local Planning Policy Framework, and with the inclusion of conditions complies with Clause 55 of the Greater Dandenong Planning Scheme.

The proposal seeks a contemporary design response providing dwellings that add to the diversity of housing available to suit the changing needs of the community. The proposal meets the preferred character of the Substantial Change Area, which will evolve over time to contain a greater proportion of well designed and site responsive two and three storey medium to high density residential development.

It is noted that the proposal is affected by the '**seriously entertained**' **Amendment C182**, which will result in the zoning of the land changing to General Residential Zone – Schedule 1, and the relevant sections of Clause 22.09 and Schedule 1 to the General Residential Zone being modified. The proposal is considered to comply with C182, and the reasons for this will be outlined later in the report.

**Recommendation Summary**

As assessed, the proposal is consistent with and appropriately responds to the provisions of the Greater Dandenong Planning Scheme. The proposal appropriately responds to strategic policy for residential development in the area with this report recommending that the application be supported, a **Notice of Decision** (which provides appeal rights to objectors) to grant a permit be issued containing the conditions as set out in the recommendation.



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**2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)**

**Subject Site and Surrounds**

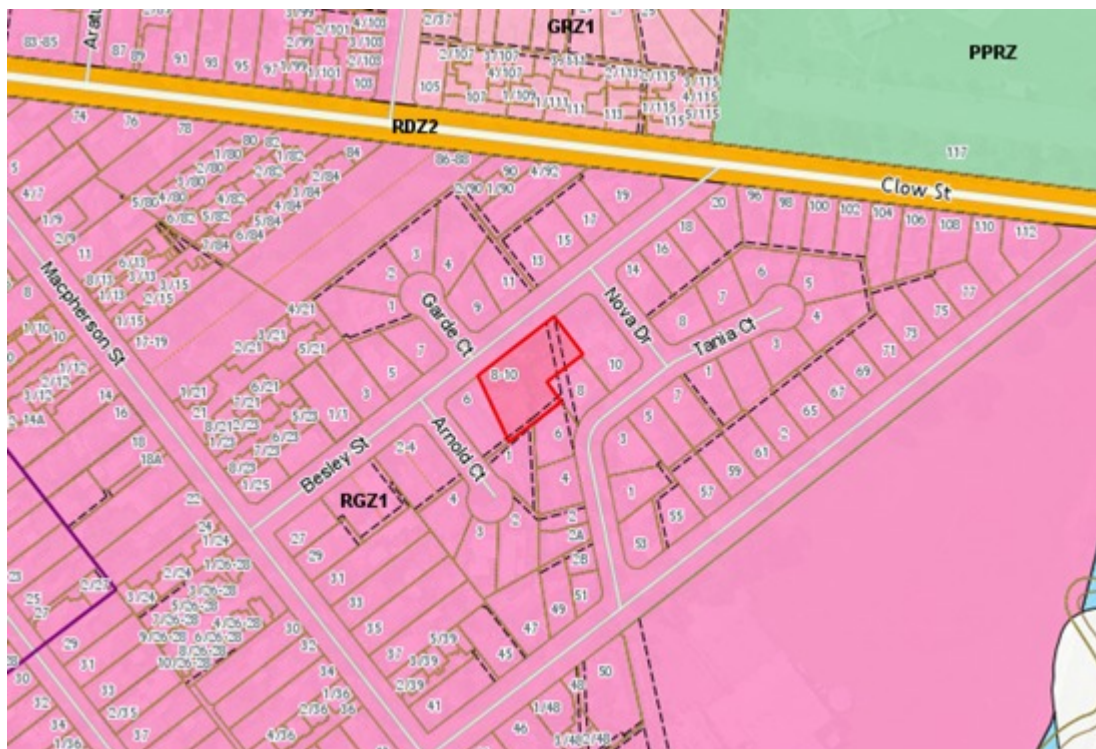
**Subject Site**

- The subject site is located to the north of Besley Street and is approximately 100 metres from Clow Street.
- The site is irregular in shape and has a total area of 1805 square metres and is developed with a single storey split level rendered dwelling with a large front yard with its rear yard containing an in ground swimming pool.
- The subject site has a 50.88 metre frontage facing Besley Street and has three (3) existing vehicle crossovers. The remaining land to the north of the existing dwelling contains a double carport and tennis court.
- The land rises 2.37 metres from north boundary to south boundary.
- The subject site is encumbered by a drainage and sewerage easement which runs diagonally across the site from the north to the east boundary.
- There is vegetation and canopy trees existing on site however none of which requires a permit for removal.

**Surrounding Area**

- The subject site is located within an established residential area, the majority of which consists of partial single storey and double storey dwellings.
- Typical building materials used within the area include a mix of brick, weatherboard or render with tiled hipped roofs. Most dwellings present vegetated front and rear yards.
- Front fences within the area are generally low scale brick fences with examples of front yards with no fences at all.
- The subject site is in close proximity of various community facilities including St John's Regional College, Dandenong Primary School and Robert Booth Reserve. The broader area includes Dandenong Plaza and Central Dandenong Activity Centre.



**2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)**Locality Plan**Background****Previous Applications**

A search of Council records revealed that Council has previously considered the following planning applications for the site:

- Planning Permit PLN09/0572 was issued on 02/07/2010 for “Subdivision of the land into two (2) lots”.

It is noted that the subdivision plans were never certified and therefore the planning permit has expired.

**Proposal**

The application proposes the alterations to the existing dwelling and construction of a double storey dwelling.



**2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)**

<b>DETAILS</b>	<b>Dwelling 1</b>	<b>Dwelling 2</b>
Type of proposal	Retain existing dwelling with alterations by modifying the entry to the dwelling and constructing a new garage and car space.	New dwelling
Level	Single storey	Double storey
Height	Approximately 5 metres (existing)	7.36 metres
Orientated to	Besley Street	Besley Street
External materials	Render	Brick with external cladding and featured stone wall.
Number of bedrooms	Four (4) bedrooms	Four (4) bedrooms and one (1) office
Car parking provided	Single garage and tandem car space	Double garage
Set backs	7.83 metre setback from Besley Street, 2.44 metres from rear boundary.	6.5 metres from Besley Street excluding porch and 1.6 metres from rear boundary.
Open space	Front yard and 75 square metres of secluded private open space.	Front yard and 165 square metres of secluded private open space.
Access	Access located towards the centre of the site by a double crossover with minimum width of 6.4 metres which is to be shared with the proposed dwelling 2.	Access located towards the centre of the site by a double crossover with minimum width of 6.4 metres which is to be shared with the existing dwelling 1.

*A copy of the submitted plans is included as Attachment 1.*

### **Victorian Charter of Human Rights and Responsibilities**

The Victorian Charter of Human Rights and Responsibilities has been considered in the preparation of this Policy but is not relevant to the content of the Policy.

### **Financial Implications**

No financial resources are impacted by this report.



**2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)****Planning Scheme and Policy Frameworks**

Pursuant to the Greater Dandenong Planning Scheme, a planning permit is required:

- Pursuant to Clause 32.07-4 Construction and extension of two or more dwellings on a lot.

The relevant controls and policies are as follows:

**Zoning Controls**

The subject site is located in a Residential Growth Zone (RGZ1), as is the surrounding area.

The purpose of the Residential Growth Zone outlined at Clause 32.07 is:

- *To implement the State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies.*
- *To provide housing at increased densities in buildings up to and including four storey buildings.*
- *To encourage a diversity of housing types in locations offering good access to services and transport including activities areas.*
- *To encourage a scale of development that provides a transition between areas of more intensive use and development and areas of restricted housing growth.*
- *To allow educational, recreational, religious, community and a limited range of other non-residential uses to serve local community needs in appropriate locations.*

Pursuant to Clause 32.07-4, a permit is required for the construction and extension of two or more dwellings on a lot.

**Overlay Controls**

No overlays affect the subject site or surrounding area.

**State Planning Policy Framework**

The **Operation of the State Planning Policy Framework** outlined at Clause 10 seeks to ensure that the objectives of planning in Victoria are fostered through appropriate land use and development planning policies and practices which integrate relevant environmental, social and economic factors in the interests of net community benefit and sustainable development. The objectives of Planning in Victoria are noted as:

- (a) To provide for the fair, orderly, economic and sustainable use, and development of land.*
- (b) To provide for the protection of natural and man-made resources and the maintenance of ecological processes and genetic diversity.*
- (c) To secure a pleasant, efficient and safe working, living and recreational environment for all Victorians and visitors to Victoria.*



**2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)**

*(d) To conserve and enhance those buildings, areas or other places which are of scientific, aesthetic, architectural or historical interest, or otherwise of special cultural value.*

*(e) To protect public utilities and other facilities for the benefit of the community.*

*(f) To facilitate development in accordance with the objectives set out in paragraphs (a), (b), (c), (d) and (e).*

*(g) To balance the present and future interests of all Victorians.*

In order to achieve those objectives, there are a number of more specific objectives contained within the State Planning Policy Framework that need to be considered under this application.

**Clause 11.04-5 Melbourne's urban growth**

- Define the extent of the urban area with an urban growth boundary to:
  - Facilitate achievement of a compact city.

**Clause 15 - Built Environment And Heritage**

- Contributes positively to local urban character and sense of place.
- Reflects the particular characteristics, aspirations and cultural identity of the community.
- Enhances liveability, diversity, amenity and safety of the public realm.
- Promotes attractiveness of towns and cities within broader strategic contexts.
- Minimises detrimental impact on neighbouring properties.

**Clause 16 – Housing**

- To locate new housing in or close to activity centres and employment corridors and at other strategic redevelopment sites that offer good access to services and transport. Ensuring land supply continues to be sufficient to meet demand.
- Increasing choice in housing type, tenure and cost to meet the needs of households as they move through life cycle changes and to support diverse communities.
- Increase the proportion of housing in Metropolitan Melbourne to be developed within the established urban area, particularly at activity centres, employment corridors and at other strategic sites, and reduce the share of new dwellings in greenfield and dispersed development areas.
- Encourage higher density housing development on sites that are well located in relation to activity centres, employment corridors and public transport.
- Ensure an adequate supply of redevelopment opportunities within the established urban area to reduce the pressure for fringe development.
- Facilitate residential development that is cost-effective in infrastructure provision and use, energy efficient, incorporates water efficient design principles and encourages public transport use.
- Identify opportunities for increased residential densities to help consolidate urban areas.



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**2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)**

**Clause 16.01-4 Housing diversity**

- To provide for a range of housing types to meet increasingly diverse needs.
- Encourage the development of well-designed medium-density housing which:
  - Respects the neighbourhood character.
  - Improves housing choice.
  - Makes better use of existing infrastructure.
  - Improves energy efficiency of housing.
- Support opportunities for a wide range of income groups to choose housing in well serviced locations.

**Clause 18.01-1 Land use and transport planning**

- Plan urban development to make jobs and community services more accessible by:
  - Ensuring access is provided to developments in accordance with forecast demand, taking advantage of all available modes of transport and to minimise adverse impacts on existing transport networks and the amenity of surrounding areas.

**Local Planning Policy Framework**

The Local Planning Policy Framework (LPPF) includes the Municipal Strategic Statement (MSS) and Local Policies. The following local planning policies are of relevance to this application:

**Clause 21.04-1 Housing and community**

- Greater Dandenong is forecast to be home to some 16,700 new households by 2031 (as measured from 2001), according to the Southern Regional Housing Statement (DSE, 2006). This represents a 36% increase on the number of households compared to 2001.
- Supporting urban consolidation and providing housing in existing areas close to activity centres means that people do not need to travel as far to work, shop or to take part in sports/leisure activities thus reducing the environmental impacts of transport.
- Increases in housing density must be balanced by adequate provision of open space, good urban design and improvements to the public realm.
- Council is committed to actively encourage multi-storey, higher-density residential development in central Dandenong and other major activity centres of Springvale and Noble Park as a component of mixed-use function of those centres.
- Encourage the provision of housing that is adaptable to support the needs of the changing needs of present and future residents.
- Encourage innovative redevelopment and renewal of deteriorating housing stock and older styled higher-density apartments and multi-unit developments.
- Encourage new residential development that incorporates adequate space for the planting and the long term viability and safe retention of canopy trees.



**2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)**

- Respecting valued, existing neighbourhood character both on particular sites and within wider streetscapes.
- Ensuring new development takes into full account the neighbourhood character design guidelines for each type of building and that such new development positively contributes to the preferred future neighbourhood character of each particular residential area.
- Actively encouraging well designed, medium and higher density housing in strategic locations and in areas nominated for substantial change.

Clause 21.05-1 urban design, character, streetscapes and landscapes

*1. To facilitate high quality building design and architecture.*

1.1. Ensure building design is consistent with the preferred character of an area and fully integrates with surrounding environment.

1.2. Encourage high standards of building design and architecture, which allows for flexibility and adaptation in use.

1.3. Encourage innovative architecture and building design.

*7. To protect and improve streetscapes*

7.1. Ensure that new developments improve streetscapes through generous landscape setbacks and canopy tree planting.

7.2. Ensure landscaping within private property that complements and improves the streetscapes and landscaping of public areas.

Clause 22.09-3.2 Substantial Change Areas

*Location – Substantial change areas are generally located close to principal and major activity centres (activities areas) and major transport corridors and have been identified as suitable to undergo a relatively high level of change. They include areas:*

- *Surrounding the Dandenong Activity Centre;*
- *To the south of Noble Park Activity Centre; and*
- *Surrounding the Springvale Activity Centre.*

*Rationale – these areas are suitable for medium to high density housing (of up to four storeys) because of their identified locational attributes.*

*Existing character – These areas were originally developed from the 1940's onwards and largely consisted of single storey detached houses. The existing character of substantial change areas now includes a wide range of housing types, including relatively high proportions of medium density housing compared to other parts of the municipality. Around the Dandenong Activity Centre in particular, there has been considerable infill development comprising one and two storey detached and semi-detached forms of housing, and two and three storey walk-up apartments. Areas around Noble Park and*



**2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)**

*Springvale have also accommodated a comparatively high degree of change, however, these areas contain relatively fewer walk-up apartments than the area around Dandenong. Building height in these areas rarely exceeds two storeys.*

*The Residential Growth Zone (RGZ) surrounding the central Dandenong Activity Centre supports the objectives of the Revitalising Central Dandenong Initiative by facilitation high density residential development within walking distance of the centre. Residential Development of up to four storeys within the Residential Periphery boundary as shown on Map 1: Future Character Areas of this policy at Clause 22.09-3 is strongly supported.*

*Future medium to high density character – the future character of substantial change areas will evolve over time to contain a greater proportion of well designed and site responsive two and three storey medium to high density residential developments. Appropriately articulated building elevations to all sides of the development, with appropriately located habitable rooms and particular attention to the design at the street fronts. Well proportioned ground level setbacks are provided at the front, side and rear of buildings to allow for substantial landscaping to soften the built form. Good quality, usable secluded private open space for each dwelling which provides a clear sense of space and is directly accessible from the main living area of the unit is provided. Consolidation of allotments to increase development potential is encouraged. Some residentially focused, mixed use development incorporating residential and other complimentary uses may be permitted where the standard of residential design and amenity is maintained.*

*Within the Periphery the built form will be less intensive than in Central Dandenong and building heights lower. A limited amount of street front retailing could be accommodated where this contributes directly to the amenity and convenience of the surrounding local population. This could take the form of small-scale local convenience shops. Medium density residential, apartment developments accommodating a population of 8000 by the year 2015 is envisaged for the Periphery area.*

*The reasonable amenity of adjoining dwellings will be preserved by responsive site design that ensures an appropriate ground level setback of two and three storey buildings from sensitive outdoor living areas, and from the main outlook from living rooms on adjoining properties and to enable screen planting.*

*Sufficient space will be provided at ground level at the front of sites, and along side and rear boundaries surrounding the site to provide for landscaping and the planting of large canopy trees to soften the appearance of the built form when viewed from the street and from adjoining sensitive outdoor living areas, and to provide a landscape character throughout the site.*

*Car access and paving within the front setback will be limited in order to maximise the opportunity for soft landscaping.*



**2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)**

**Particular Provisions**

**Clause 52.06 – Car Parking**

The purposes of this provision are:

- *To ensure that car parking is provided in accordance with the State Planning Policy Framework and Local Planning Policy Framework.*
- *To ensure the provision of an appropriate number of car parking spaces having regard to the demand likely to be generated, the activities on the land and the nature of the locality.*
- *To support sustainable transport alternatives to the motor car.*
- *To promote the efficient use of car parking spaces through the consolidation of car parking facilities.*
- *To ensure that car parking does not adversely affect the amenity of the locality.*
- *To ensure that the design and location of car parking is of a high standard, creates a safe environment for users and enables easy and efficient use.*

Clause 52.06-2 notes that a new use must not commence or the floor area of an existing use must not be increased until the required car spaces have been provided on the land.

The required spaces are identified in the table to Clause 52.06-5. Clause 52.06-3 further notes that a permit may be granted to reduce or waive the number of car spaces required by the table.

The table at Clause 52.06-5 notes that a dwelling with 1 or 2 bedrooms requires 1 car space, and a dwelling with 3 or more bedrooms requires 2 spaces to each dwelling. Parking for visitors is required at a rate of 1 space to every 5 dwellings for developments of 5 or more dwellings.

Car parking is to be designed and constructed in accordance with the requirements of Clause 52.06-8 and 52.06-10 of the Scheme.

**Clause 55 – Two or More Dwellings on a Lot and Residential Buildings**

Pursuant to Clause 55 of the Greater Dandenong Planning Scheme, the provisions of this Clause apply to an application:

- To construct two or more dwellings on a lot; and
- To construct a dwelling if there is at least one dwelling existing on the lot.

A development:

- Must meet all of the objectives of this clause.
- Should meet all of the standards of this clause.

An assessment of the application against this policy is contained at the end of this report.



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**2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)**

**General Provisions**

Clause 65 – Decision Guidelines needs to be considered, as is the case with all applications. For this application the requirements of Clause 65.01 for the approval of an application or plan is of relevance. This Clause outlines the requirements that the responsible authority must consider when determining the application.

**Planning Scheme Amendments**

The subject site is affected by the ‘**seriously entertained**’ **Amendment C182**.

Council has adopted Planning Scheme Amendment C182 on the 22/08/2016 to improve the quality and design of new housing in Greater Dandenong. Planning Scheme Amendment C182 proposes to:

1. Amend the existing schedules to the residential zones and introduce a new Schedule 3 to the Residential Growth Zone;
2. Vary additional ResCode provisions in some areas;
3. Rezone identified areas in Dandenong, Noble Park and Springvale; and
4. Amend Clause 22.09 Residential Development and Neighbourhood Character Policy.

As such, the adopted provisions of the General Residential Zone – Schedule 1 apply to the subject site.

These will be considered further in the assessment section of the report

**Restrictive Covenants**

A review of the submitted documents has indicated no restrictive covenants on the title.

**Council Plan 2013-2017 – Strategic Objectives, Strategies and Plans**

The Council Plan describes the kind of future the Council is working for, and how Council will do this over four years. In accordance with the commitment in Council’s Annual Plan, all applications are considered on their merits.

**Diversity (Access & Equity)**

It is not considered that the proposal raises any diversity issues affecting the planning assessment of this application.

**Community Safety**

It is considered that there would be no adverse community safety implications in permitting the proposal subject to strict conditions on any planning permit issued.



**2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)****Safe Design Guidelines**

Consideration of the relevant requirements of these Guidelines has been undertaken within the Assessment of this application.

**Referrals**

The application was not required to be referred to any external referral authorities pursuant to Section 55 of the Planning and Environment Act 1987.

**Internal**

The application was internally referred to Council's Asset Planning, Transport, Civil Development and Bushland & Garden Departments for their consideration. The comments provided will be considered in the assessment of the application.

<b>Internal Council Referral</b>	<b>Advice/ Response/ Conditions</b>
<i>Civil Development</i>	Comments provided 04/05/2016  No concerns with the application. Standard conditions will be required on any permit issued.
<i>Transport</i>	Comments provided 12/05/2016  No concerns with the application. Standard conditions will be required on any permit issued.

**Advertising**

The application has been advertised pursuant to Section 52 of the Planning and Environment Act 1987, by:

- Sending notices to the owners and occupiers of adjoining land.
- Placing two (2) signs on site, both facing Besley Street.

The notification has been carried out correctly.

Council has received three (3) objections to date.

*The location of the objectors is shown in Attachment 2.*



**2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)****Consultation**

A consultative meeting was held on Wednesday 6<sup>th</sup> July 2016, with the applicant, objectors and Council representatives in attendance. No resolution was reached and the objections/submissions stand as received.

**Summary of Grounds of Submissions/Objections**

The objections are summarised below (**bold**), followed by the Town Planner's Response (in *italics*).

**1. Car Parking**

**Concerns with the flow on effect that an increase in dwellings/residents would increase pressure to the on street car parking available in Besley Street**

*Clause 52.06-5 of the Greater Dandenong Planning Scheme states that for each three or more bedroom dwelling, two on site car parking spaces are required. Both the existing and proposed dwelling contain four (4) bedrooms. Both dwellings provide two on site car parking spaces which is considered to satisfy Clause 52.06 (Carparking).*

**2. Design**

**Concerns that the design of the dwelling is apartment style and is too modern in design would like to keep history of the street.**

*The subject site is quite large and has one frontage to Besley Street with a length of 50.88 metres. Dwelling 2 is considered to be a infill development which comfortably respects the pattern of the development already seen in Besley Street. The subject site in its current form is an anomaly due to the large section of vacant land and un-used space. The site is also within Residential Growth Zone (RGZ1) which encourages high density developments with good design outcomes.*

**Assessment**

The subject site is located within an established residential area and is well suited for the proposed level of density given that the site is currently zoned for substantial change, and will become zoned for incremental change as a result of C182. The development is respectful of the proposed neighbourhood character, is designed to minimise energy use, and complies with both the State and Local Planning Policy Framework.

The proposal seeks an acceptable increase in density and adds to the diversity of housing available to suit the changing needs of the community. This medium density development meets the future character of incremental change area, which is to evolve over time to contain a greater proportion of well designed, and site responsive residential development.

The site is located in within easy walking distance of many community facilities and public transport routes.



**2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)****Amendment C182 ‘seriously entertained Amendment’**

As previously discussed, the subject site is proposed to be re-zoned from Residential Growth Zone Schedule 1 to the General Residential Zone – Schedule 1, and as such the following variations of Clause 55 (**including ‘seriously entertained’ Amendment C182 modifications emphasised in bold**) should be met:

- Minimum street setback objective (Standard B6): As per B6, or 7.5m, whichever is the lesser
- Permeability (Standard B9): Minimum of 30%
- Landscaping (Standard B13): 70% of ground level front setback **and side and rear setbacks**, planted with substantial landscaping and canopy trees
- Private open space (Standard B28):
  - **An area of 50sqm of ground level, private open space, with an area of secluded private open space at the side or rear of the dwelling with a minimum area of 30sqm and a minimum dimension of 5 metres and convenient access from a living room; or**
  - **A balcony or rooftop with a minimum area of 10 square metres with a minimum width of 2 metres that is directly accessible from the main living area.**
- Front fence height (Standard B32): Maximum 1.5m height in streets in Road Zone Category 1, or 1.2m maximum height for other streets.

An assessment of the proposal against the changes outlined within ‘seriously entertained’ Amendment C182 has been undertaken, and it is considered that the proposal would generally meet those requirements outlined above.

The proposal is considered to comply with all other relevant clauses of the Planning Scheme with the exception of the following:

**Schedule 1 to Residential Growth Zone (RGZ1) Front fence height**

*Relevant Requirement: “1.2 metre maximum height for other streets”.*

The front fencing for the existing dwelling 1 is bluestone material with a maximum height of 1.5 metres. The proposed dwelling 2 has a 500 mm fence of the same material. Given that the front fence exists on site to maintain the rhythm of the neighbourhood character it is considered acceptable for the fence to remain in place.



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**2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)**

**Clause 55.04-7 Internal views objective**

*Relevant objective: “to limit views into the secluded private open space and habitable room windows of dwellings and residential buildings within a development”.*

The main secluded private open space area for the existing dwelling 1 has a raised decking area approximately 1.4 metres from the natural ground level which would cause overlooking issues into the proposed dwelling 2. In order to resolve the potential impact should any approval be issued a condition is recommended for a freestanding trellis along the eastern boundary fence to a height of 2.4 metres to prevent overlooking (Condition 1.1).

**Clause 55.06-4 – Site Services (Standard B34)**

Relevant objective(s):

- To ensure that site services can be installed and easily maintained.
- To ensure that site facilities are accessible, adequate and attractive.

The plans show mailboxes to be above 900mm height requirement, and as such a condition is proposed to be imposed to require these to be reduced in height to comply with this objective (see condition 1.2).

**Clause 55.03-8 Landscaping**

*Relevant objective: “to provide appropriate landscaping”.*

The site coverage proposed and the large lot size will provide for substantial landscaping opportunity throughout the site. The proposal includes the retention of most established trees on the site. However to ensure that appropriate landscaping is provided in terms of species, quantities, planting size, and retaining the existing trees it is recommended that a landscape plan be requested as a condition of any approval issued (Condition 2).

**Conclusion**

The application has been assessed against the relevant sections of the Greater Dandenong Planning Scheme, including the State and Local Planning Policy Framework, Municipal Strategic Statement as set out in this assessment. It has also been assessed against the provisions of Planning Scheme Amendment C182, adopted by Council on 22 August 2016. Provided the recommended conditions are imposed, it is considered that the application complies with these policies and provisions and it is therefore recommended that the proposal is approved.



**2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)**

**Recommendation**

**That Council resolves to issue a Notice of Decision to grant a planning permit in respect of the land known and described as 8-10 Besley Street Dandenong Vic 3175 for the purpose of alterations to the existing dwelling and construction of a double storey dwelling in accordance with the plans submitted with the application subject to the following conditions:**

- 1. Before the development starts, two (2) copies of amended plans drawn to scale and dimensioned must be submitted to the Responsible Authority for approval. No buildings or works must be commenced until the plans have been approved and endorsed by the Responsible Authority. The endorsed copy of the plans forms part of this permit. The plans must be in accordance with the plans submitted with the application, but modified to show:**
  - 1.1. a freestanding trellis on existing Dwelling's 1 eastern boundary to a height of 2.4 metres to prevent overlooking;**
  - 1.2. letterboxes and all other structures (including fencing and landscaping) should be constructed to a maximum height of 900mm or relocated clear of a splayed area (2m x 2.5m) along the frontage road at access points in accordance with Dandenong Planning Scheme Clause 52.06-8;**
  - 1.3. tree protection fencing to be erected as recommended by PSY Inv Pty Ltd report dated 11 March 2016;**
  - 1.4. landscape plans in accordance with Condition 2.**

**To the satisfaction of the Responsible Authority.**
- 2. Prior to the endorsement of plans under Condition 1, a landscape plan must be submitted to the Responsible Authority for approval. When approved, the plan will be endorsed and will then form part of the permit. The landscape plan must be drawn to scale with dimensions and two (2) copies must be provided. The landscaping plan must be prepared by a suitably qualified person, and must show:**
  - 2.1 the site at a scale of 1:100/200, including site boundaries, existing and proposed buildings, neighbouring buildings, car parking, access and exit points, indicative topography and spot levels at the site corners, existing and proposed vegetation, nature strip trees, easements and landscape setbacks;**
  - 2.2 details of the proposed layout, type and height of fencing;**
  - 2.3 legend of all plant types, surfaces, materials and landscape items to be used including the total areas of garden and lawn;**



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**2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)**

- 2.4 a plant schedule giving a description of botanical name, common name, mature height and spread, pot size, purchase height (if a tree) and individual plant quantities;**
- 2.5 at least one (1) native tree with a minimum planting height of 1.5 metres within the rear secluded open space areas of each dwelling and within the front yard;**

**To the satisfaction of the Responsible Authority.**

- 3. The layout of the site, and the size of the proposed buildings and works as shown on the endorsed plan, shall not be altered or modified (whether or not in order to comply with any Statute, Statutory Rule or Local Law or for any other reason) without the prior consent of the Responsible Authority.**
- 4. Prior to the occupation of the dwelling(s) hereby permitted, all landscaping as shown on the endorsed plans, including trees, shrubs and lawn, shall be planted and thereafter maintained, to the satisfaction of the Responsible Authority.**
- 5. The dwelling(s) hereby approved must not be occupied until all buildings and works and the conditions of this permit have been complied with, unless with the written consent of the Responsible Authority.**
- 6. Provision must be made for the drainage of the site including landscaped and pavement areas, all to the satisfaction of the Responsible Authority.**
- 7. The connection of the internal drainage infrastructure to the LPD must be to the satisfaction of the Responsible Authority, prior to the issue of land upgrade Approval.**
- 8. Collected stormwater must be retained onsite and discharged into the drainage system at pre development peak discharge rates as stated in the LPD approval letter. Approval of drainage plan including any retention system within the property boundary is required.**
- 9. Access to the site and any associated roadwork must be constructed, all to the satisfaction of the Responsible Authority. Alteration or removal of existing vehicle crossing and construction of new vehicle crossing will require a Vehicle Crossing Permit. All works, including kerb and channel reinstatement shall be in accordance with Council Standards.**
- 10. Any works undertaken within the road reservation and easements will require the developer to obtain a Civil Works Permit from Council**
- 11. Service units, including air conditioning/heating units, must not be located where they will be visible from any public area.**



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**2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)**

- 12. The obscure glazing to the windows shown on the endorsed plans must be through frosted glass or similarly treated glass, and thereafter maintained to the satisfaction of the Responsible Authority. Adhesive film or the like that can be removed must not be used.**
- 13. All screens marked on the endorsed plan shall be maintained by the owner of the land to the satisfaction of the Responsible Authority.**
- 14. All boundary walls in the development must be constructed, cleaned and finished to the satisfaction of the Responsible Authority.**
- 15. This permit will expire if:-**
  - 15.1 the development or any stage of it does not start within two (2) years of the date of this permit, or**
  - 15.2 the development or any stage of it is not completed within four (4) years of the date of this permit.**

**Before the permit expires or within six (6) months afterwards the owner or occupier of the land may in writing request the Responsible Authority to extend the expiry date.**

**The owner or occupier of the land may in writing request the Responsible Authority to extend the expiry date to complete the development or a stage of the development if:**

- (a) the request for the extension is made within twelve (12) months after the permit expires; and**
- (b) the development or stage started lawfully before the permit expired.**



**2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)**

**Permit Notes**

- **A Building Approval is required prior to the commencement of the approved development. This planning permit does not constitute any building approval.**
- **Approval of any retention system within the property boundary is required by the relevant building surveyor.**
- **Before commencement of the development occurs, the applicant should contact the City of Greater Dandenong's Civil Development and Design Unit regarding legal point of discharge, new crossings, building over easements, etc.**
- **No buildings or works shall be constructed over any easement without the written consent of the relevant authorities.**

**This permit has been granted on the basis that consent to build over any easement will be obtained from the relevant authority. If consent is not able to be obtained, the development plan will be required to be amended.**

**MINUTE 1511**

Moved by: Cr Matthew Kirwan

Seconded by: Cr Angela Long

**That Council resolves to issue a Notice of Decision to grant a planning permit in respect of the land known and described as 8-10 Besley Street Dandenong Vic 3175 for the purpose of alterations to the existing dwelling and construction of a double storey dwelling in accordance with the plans submitted with the application subject to the following conditions:**

- 1. Before the development starts, two (2) copies of amended plans drawn to scale and dimensioned must be submitted to the Responsible Authority for approval. No buildings or works must be commenced until the plans have been approved and endorsed by the Responsible Authority. The endorsed copy of the plans forms part of this permit. The plans must be in accordance with the plans submitted with the application, but modified to show:**
  - 1.1. a freestanding trellis on existing Dwelling's 1 eastern boundary to a height of 2.4 metres to prevent overlooking;**
  - 1.2. letterboxes and all other structures (including fencing and landscaping) should be constructed to a maximum height of 900mm or relocated clear of a splayed area (2m x 2.5m) along the frontage road at access points in accordance with Dandenong Planning Scheme Clause 52.06-8;**
  - 1.3. tree protection fencing to be erected as recommended by PSY Inv Pty Ltd report dated 11 March 2016;**



**2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)**

**1.4. landscape plans in accordance with Condition 2.**

**To the satisfaction of the Responsible Authority.**

- 2. Prior to the endorsement of plans under Condition 1, a landscape plan must be submitted to the Responsible Authority for approval. When approved, the plan will be endorsed and will then form part of the permit. The landscape plan must be drawn to scale with dimensions and two (2) copies must be provided. The landscaping plan must be prepared by a suitably qualified person, and must show:**

- 2.1 the site at a scale of 1:100/200, including site boundaries, existing and proposed buildings, neighbouring buildings, car parking, access and exit points, indicative topography and spot levels at the site corners, existing and proposed vegetation, nature strip trees, easements and landscape setbacks;**
- 2.2 details of the proposed layout, type and height of fencing;**
- 2.3 legend of all plant types, surfaces, materials and landscape items to be used including the total areas of garden and lawn;**
- 2.4 a plant schedule giving a description of botanical name, common name, mature height and spread, pot size, purchase height (if a tree) and individual plant quantities;**
- 2.5 at least one (1) native tree with a minimum planting height of 1.5 metres within the rear secluded open space areas of each dwelling and within the front yard;**

**To the satisfaction of the Responsible Authority.**

- 3. The layout of the site, and the size of the proposed buildings and works as shown on the endorsed plan, shall not be altered or modified (whether or not in order to comply with any Statute, Statutory Rule or Local Law or for any other reason) without the prior consent of the Responsible Authority.**
- 4. Prior to the occupation of the dwelling(s) hereby permitted, all landscaping as shown on the endorsed plans, including trees, shrubs and lawn, shall be planted and thereafter maintained, to the satisfaction of the Responsible Authority.**
- 5. The dwelling(s) hereby approved must not be occupied until all buildings and works and the conditions of this permit have been complied with, unless with the written consent of the Responsible Authority.**
- 6. Provision must be made for the drainage of the site including landscaped and pavement areas, all to the satisfaction of the Responsible Authority.**
- 7. The connection of the internal drainage infrastructure to the LPD must be to the satisfaction of the Responsible Authority, prior to the issue of land upgrade Approval.**



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**2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)**

- 8. Collected stormwater must be retained onsite and discharged into the drainage system at pre development peak discharge rates as stated in the LPD approval letter. Approval of drainage plan including any retention system within the property boundary is required.**
- 9. Access to the site and any associated roadwork must be constructed, all to the satisfaction of the Responsible Authority. Alteration or removal of existing vehicle crossing and construction of new vehicle crossing will require a Vehicle Crossing Permit. All works, including kerb and channel reinstatement shall be in accordance with Council Standards.**
- 10. Any works undertaken within the road reservation and easements will require the developer to obtain a Civil Works Permit from Council**
- 11. Service units, including air conditioning/heating units, must not be located where they will be visible from any public area.**
- 12. The obscure glazing to the windows shown on the endorsed plans must be through frosted glass or similarly treated glass, and thereafter maintained to the satisfaction of the Responsible Authority. Adhesive film or the like that can be removed must not be used.**
- 13. All screens marked on the endorsed plan shall be maintained by the owner of the land to the satisfaction of the Responsible Authority.**
- 14. All boundary walls in the development must be constructed, cleaned and finished to the satisfaction of the Responsible Authority.**
- 15. This permit will expire if:-**
  - 15.1 the development or any stage of it does not start within two (2) years of the date of this permit, or**
  - 15.2 the development or any stage of it is not completed within four (4) years of the date of this permit.**

**Before the permit expires or within six (6) months afterwards the owner or occupier of the land may in writing request the Responsible Authority to extend the expiry date.**

**The owner or occupier of the land may in writing request the Responsible Authority to extend the expiry date to complete the development or a stage of the development if:**

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**2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930)  
(Cont.)**

**Permit Notes**

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- **Before commencement of the development occurs, the applicant should contact the City of Greater Dandenong's Civil Development and Design Unit regarding legal point of discharge, new crossings, building over easements, etc.**
- **No buildings or works shall be constructed over any easement without the written consent of the relevant authorities.**

**This permit has been granted on the basis that consent to build over any easement will be obtained from the relevant authority. If consent is not able to be obtained, the development plan will be required to be amended.**

**CARRIED**



**2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930)  
(Cont.)**

**STATUTORY PLANNING APPLICATIONS**

**TOWN PLANNING APPLICATION – 8-10 BESLEY STREET DANDENONG  
(PLANNING APPLICATION PLN15/0930)**

**ATTACHMENT 1**

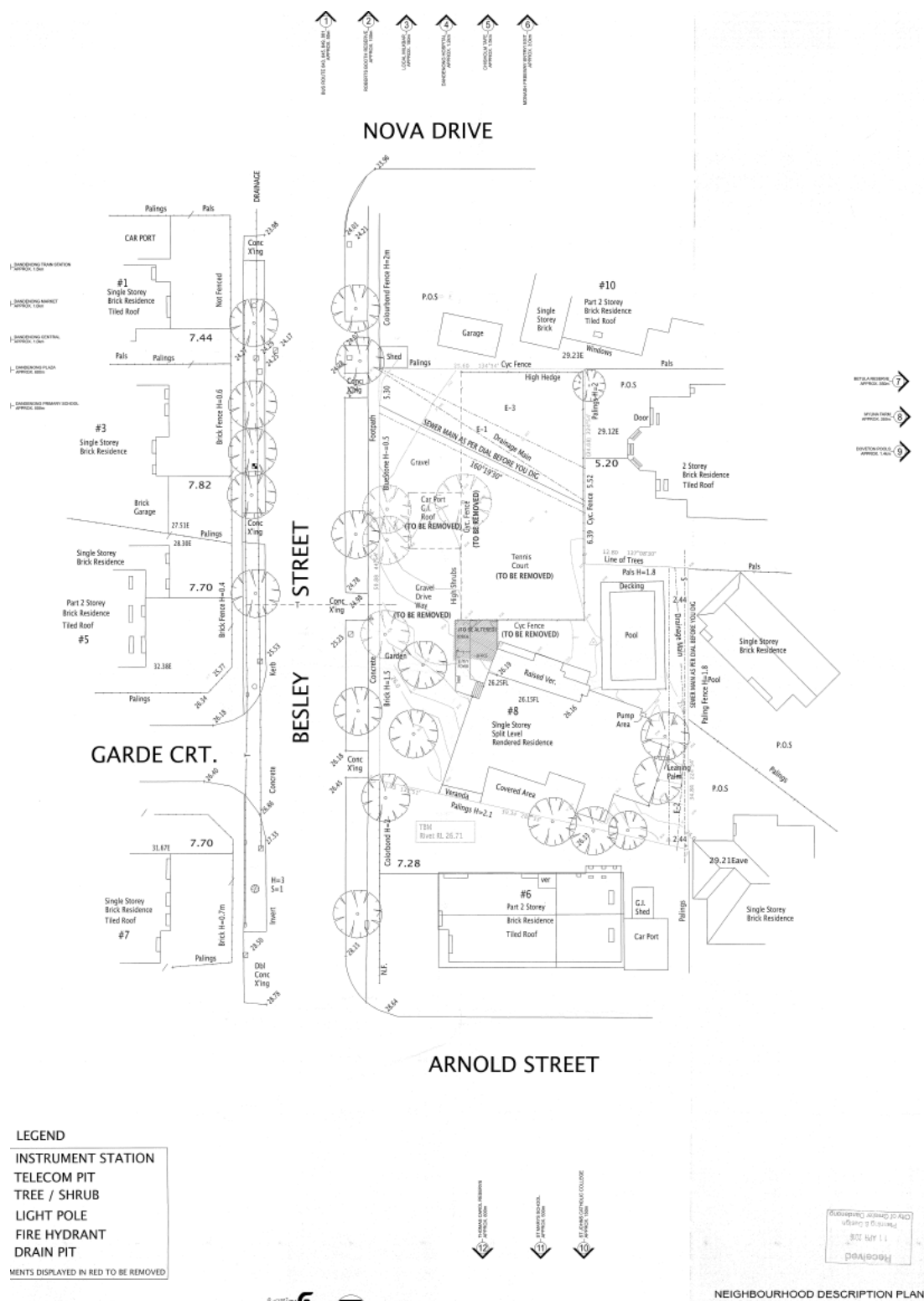
**SUBMITTED PLANS**

**PAGES 12 (including cover)**

*If the details of the attachment are unclear please contact Governance on 8571 5235.*



### 2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)





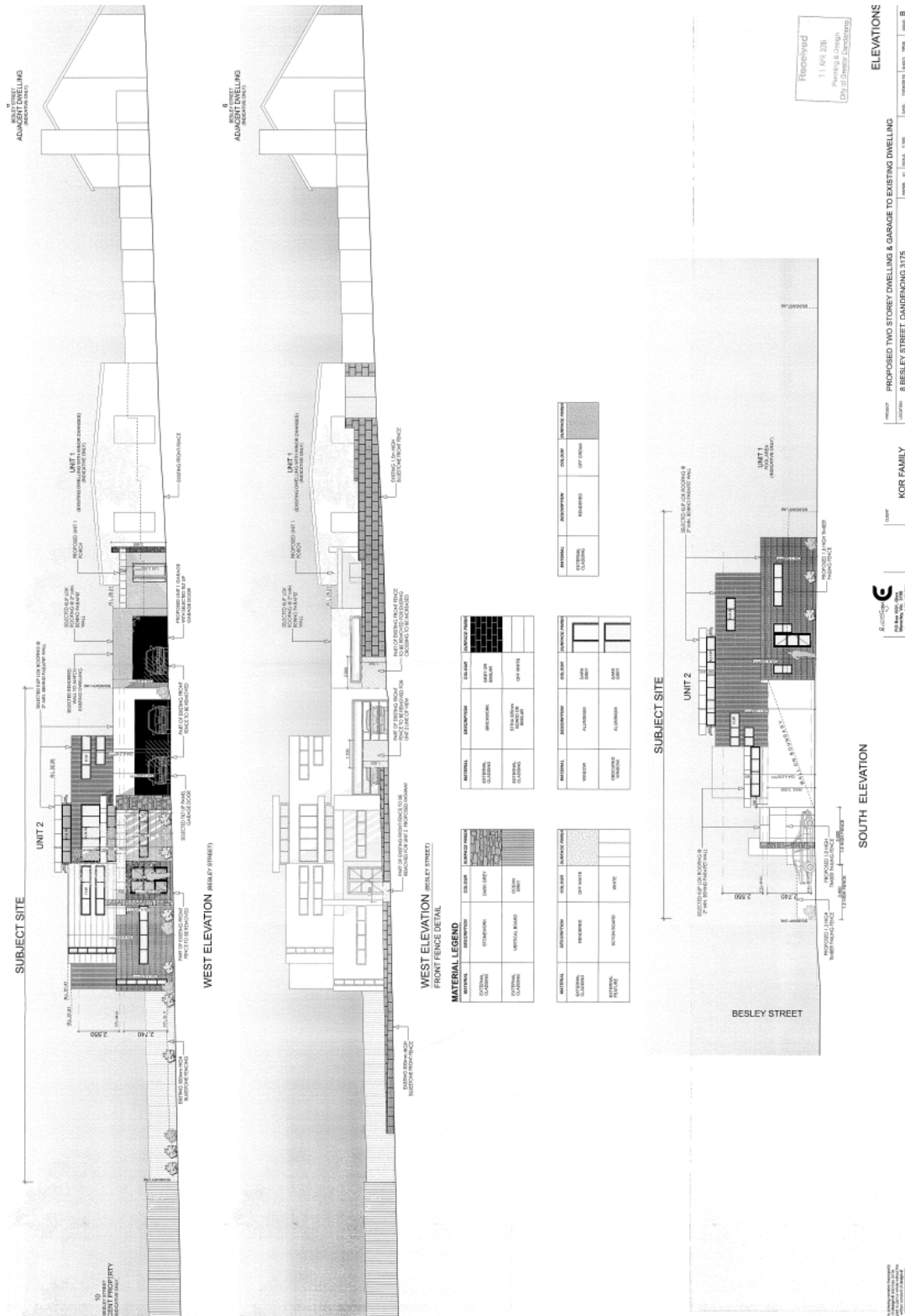








2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)

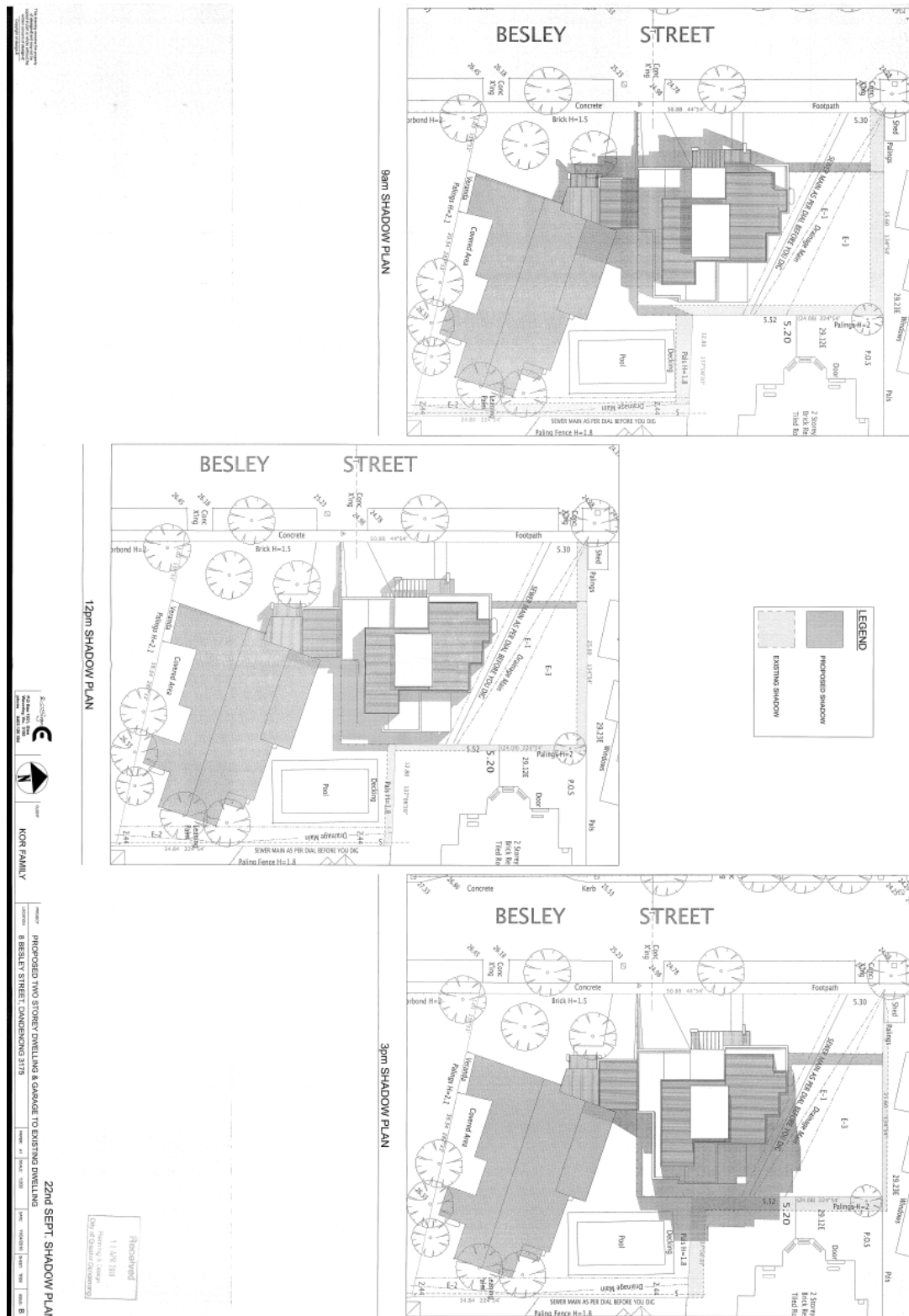




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2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)

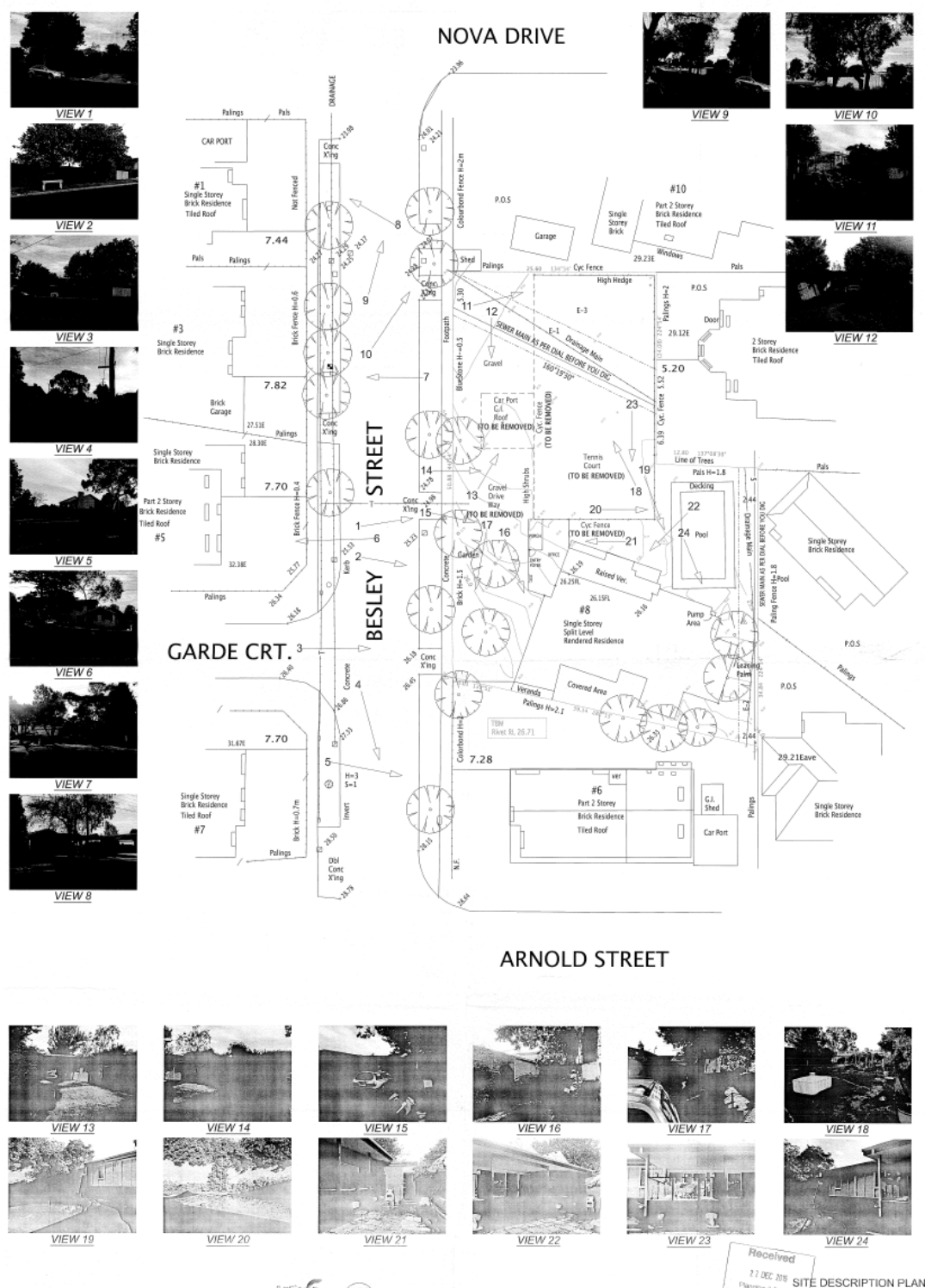








### 2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)

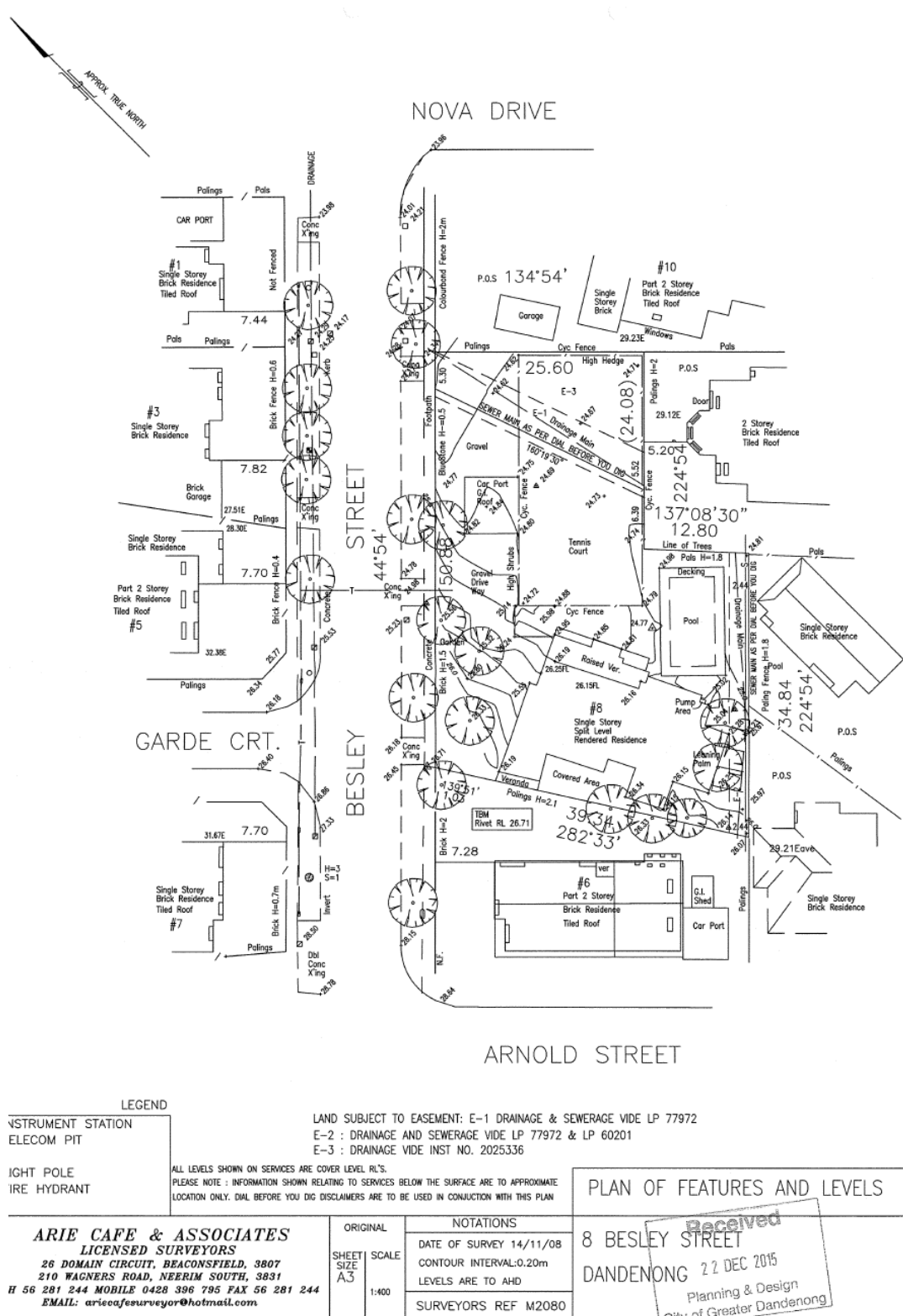




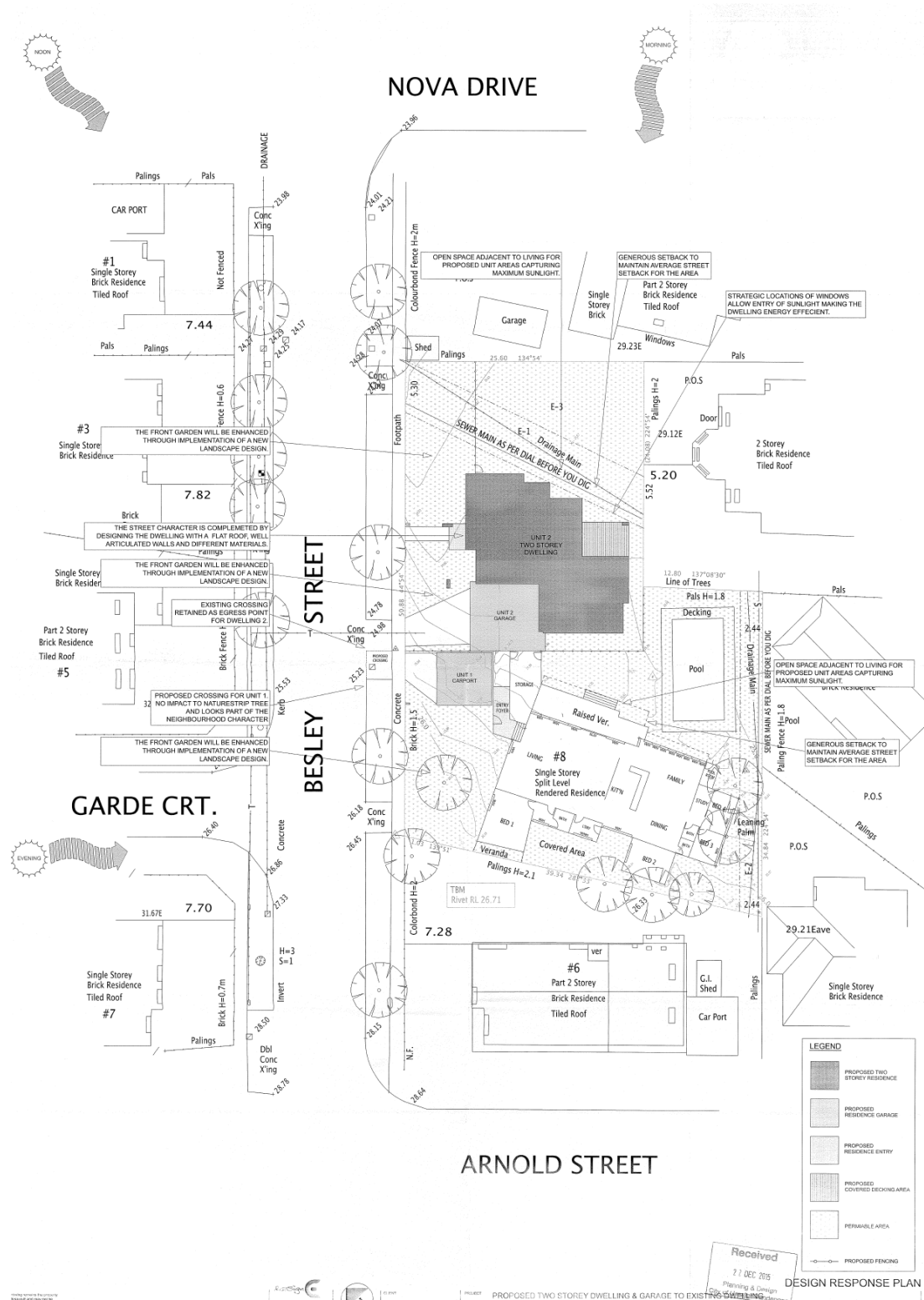




### 2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)





**2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)**



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**2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930)  
(Cont.)**

**STATUTORY PLANNING APPLICATIONS**

**TOWN PLANNING APPLICATION – 8-10 BESLEY STREET DANDENONG  
(PLANNING APPLICATION PLN15/0930)**

**ATTACHMENT 2**

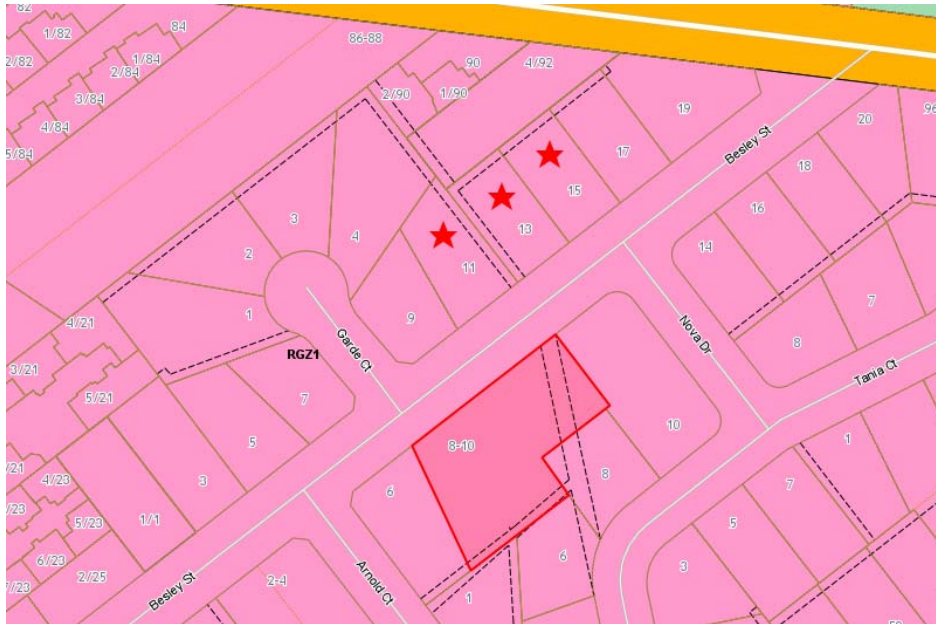
**LOCATION OF OBJECTORS**


**PAGES 2 (including cover)**


*If the details of the attachment are unclear please contact Governance on 8571 5235.*



**2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930)  
(Cont.)**



 Subject site

 Location of  
Objectors



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**2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930)  
(Cont.)**

**STATUTORY PLANNING APPLICATIONS**

**TOWN PLANNING APPLICATION – 8-10 BESLEY STREET DANDENONG  
(PLANNING APPLICATION PLN15/0930)**

**ATTACHMENT 3**

**CLAUSE 22 ASSESSMENT**

**PAGES 2 (including cover)**

*If the details of the attachment are unclear please contact Governance on 8571 5309.*



### 2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)

#### Assessment Table for Clause 22.09-3

##### Substantial change areas

Title & Objective	Standard	Complies / Does Not Comply / Variation Required / N/A
Housing form	A higher proportion and intensity of medium density infill development than in incremental and limited change areas.	✓ Complies
Height	Outside the Dandenong residential periphery – Up to 3 storeys, with 4 storeys a possibility where appropriate considering its interface with existing residential development, response to site circumstances and streetscape.	✓ Complies
Bulk	Building bulk and height can be relatively uniform throughout the depth of sites, provided appropriately articulated building elevations and well proportioned ground level setbacks are provided at the front, side and rear of buildings to allow for substantial landscaping to soften the built form.	✓ Complies
	Avoid a tiered approach at upper levels. No need for separation between upper levels of dwellings on a site, as is the case in incremental and limited change areas, providing the building portrays a high standard of design and does not result in unreasonable amenity impacts.	✓ Complies
Site coverage	Up to 70%.	✓ Complies -
Permeable site area	Minimum of 20%.	✓ Complies
Front setback	As per Clause 55 or 5 metres, whichever is the lesser	✓ Complies
Side & rear setbacks	As per Clause 55	See Rescode assessment above
Private open space	As per Clause 55	See Rescode assessment above
Car parking	For more intensive developments comprising dwellings without a ground level component - basement or in building car parking to maximise the opportunity for soft landscaping at ground level. For developments comprising dwellings with a ground level component - garages and parking areas located behind buildings, generally hidden from view	✓ Complies
Landscaping	70% of ground level front setback planted with substantial landscaping and canopy trees.	✓ Complies
Front boundary	Open or low scale front fences not to exceed 1.5m for street in Road Zone Category 1 and maximum height of 1.2 metres for other roads to allow a visual connection between landscaping in front gardens and street tree planting. Second crossovers on allotments with frontage widths below 17m will be discouraged	<b>! Variation required</b> Refer to assessment section in the report. 1.5 metre high front fence is existing on site.

*If the details of the attachment are unclear please contact Governance on 8571 5309.*



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**2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930)  
(Cont.)**

**STATUTORY PLANNING APPLICATIONS**

**TOWN PLANNING APPLICATION – 8-10 BESLEY STREET DANDENONG  
(PLANNING APPLICATION PLN15/0930)**

**ATTACHMENT 4**

**CLAUSE 52.06 ASSESSMENT**

**PAGES 3 (including cover)**

*If the details of the attachment are unclear please contact Governance on 8571 5235.*



### 2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)

#### Car Parking

#### Assessment Table for Clause 52.06

Title & Objective	Standard	Complies / Does Not Comply / Variation Required / N/A
<b>Parking Provision</b> To ensure that car and bicycle parking for residents and visitors is appropriate to the needs of residents.	Car parking for residents should be provided as follows: <ul style="list-style-type: none"> <li>One space for each one or two bedroom dwelling.</li> <li>Two spaces for each three or more bedroom dwelling, with one space under cover.</li> </ul> Studies or studios that are separate rooms must be counted as bedrooms. <ul style="list-style-type: none"> <li>One space for visitors to every 5 dwellings for developments of 5 or more dwellings</li> </ul>	✓ Complies
<b>Design Standard 1</b> <b>Accessways</b> The provision of car parking should meet the design requirements of this Clause.	Accessways should: <ul style="list-style-type: none"> <li>Be at least 3 metres wide.</li> <li>Have an internal radius of at least 4 metres at changes of direction or intersection or be at least 4.2 metres wide.</li> <li>Allow vehicles parked in the last space of a dead-end accessway in public car parks to exit in a forward direction with one manoeuvre.</li> <li>Provide at least 2.1 metres headroom beneath overhead obstructions, calculated for a vehicle with a wheel base of 2.8 metres.</li> </ul> If the accessway serves four or more car spaces or connects to a road in a Road Zone, the accessway must be designed so that cars can exit the site in a forward direction.  If an accessway to four or more car parking spaces is from land in a Road Zone, the access to the car spaces must be at least 6 metres from the road carriageway.  Provide a passing area at the entrance at least 5 metres wide and 7 metres long if the accessway serves ten or more car parking spaces and is either more than 50 metres long or connects to a road in a Road Zone.	✓ Complies     - N/A  - N/A
	Have a corner splay or area at least 50 per cent clear of visual obstructions extending at least 2 metres along the frontage road from the edge of an exit lane and 2.5 metres along the exit lane from the frontage, to provide a clear view of pedestrians on the footpath of the frontage road. The area clear of visual obstructions may include an adjacent entry or exit lane where more than one lane is provided.	✓ Complies
<b>Design Standard 2</b> <b>Car parking spaces</b> Car parking spaces and accessways should have minimum dimensions.	Minimum car park and accessway dimensions: <ul style="list-style-type: none"> <li>Parallel – 2.3m x 6.7m with a accessway width of 3.6m</li> <li>45 degrees – 2.6m x 4.9m with a accessway width of 3.5m</li> <li>60 degrees – 2.6m x 4.9m with a accessway width of 4.9m</li> <li>90 degrees – 2.6m x 4.9m with a accessway width of 6.4m (refer to the table in 55.06 for more details)</li> </ul> A building may project into the space if it is at least 2.1 metres above the space.	✓ Complies
	Car spaces in garages, carports or otherwise constrained by walls should:- <ul style="list-style-type: none"> <li>Single garage 3.5m x 6m</li> <li>Double garage 5.5m x 6</li> </ul>	✓ Complies



### 2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)

Title & Objective	Standard	Complies / Does Not Comply / Variation Required / N/A
<b>Design Standard 3</b> <b>Gradients</b> Accessways to ensure safety for pedestrians and vehicles.	Accessway grades should not be steeper than 1:10 (10 per cent) within 5 metres of the frontage to ensure safety for pedestrians and vehicles.  Ramps (except within 5 metres of the frontage) should have the maximum grades of: <ul style="list-style-type: none"> <li>20 metres or less 1:5 (20%)</li> <li>Longer than 20 metres 1:6 (16.7%)</li> </ul>	✓ Complies
<b>Design Standard 4</b> <b>Mechanical parking</b>	Mechanical parking may be used to meet the car parking requirement provided: <ul style="list-style-type: none"> <li>At least 25 per cent of the mechanical car parking spaces can accommodate a vehicle clearance height of at least 1.8 metres.</li> <li>Car parking spaces that require the operation of the system are not allocated to visitors unless used in a valet parking situation.</li> <li>The design and operation is to the satisfaction of the responsible authority.</li> </ul>	- N/A
<b>Design Standard 5</b> <b>Urban Design</b>	Ground level car parking, garage doors and accessways should not visually dominate public space.	✓ Complies
	Car parking within buildings (including visible portions of partly submerged basements) should be screened or obscured where possible, including through the use of occupied tenancies, landscaping, architectural treatments and artworks.	✓ Complies
<b>Design Standard 6</b> <b>Safety</b>	Car parking should be well lit and clearly signed.	✓ Complies
	The design of car parks should maximise natural surveillance and pedestrian visibility from adjacent buildings.	✓ Complies
<b>Design Standard 7</b> <b>Landscaping</b>	The layout of car parking areas should provide for water sensitive urban design treatment and landscaping.	✓ Complies
	Landscaping and trees should be planted to provide shade and shelter, soften the appearance of ground level car parking and aid in the clear identification of pedestrian paths.	✓ Complies
	Ground level car parking spaces should include trees planted with flush grilles. Spacing of trees should be determined having regard to the expected size of the selected species at maturity.	N/A



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**2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930)  
(Cont.)**

**STATUTORY PLANNING APPLICATIONS**

**TOWN PLANNING APPLICATION – 8-10 BESLEY STREET DANDENONG  
(PLANNING APPLICATION PLN15/0930)**

**ATTACHMENT 5**

**CLAUSE 55 ASSESSMENT**

**PAGES 14 (including cover)**

*If the details of the attachment are unclear please contact Governance on 8571 5309.*



### 2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)

#### Assessment Table - Two or More Dwellings on a Lot and Residential Buildings (Clause 55)

Neighbourhood Character & Infrastructure		Clause 55.02
Objective	Standard (Summarised)	Complies / Does Not Comply / Variation Required/NA
<b>B1 Neighbourhood Character</b> To ensure that the design respects the existing neighbourhood character or contributes to a preferred neighbourhood character.  To ensure that development responds to the features of the site and the surrounding area.	The design response must be appropriate to the neighbourhood and the site.	✓ Complies
	The proposed design must respect the existing or preferred neighbourhood character and respond to the features of the site.	✓ Complies
<b>B2 Residential Policy</b> To ensure that residential development is provided in accordance with any policy for housing in the State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies.  To support medium densities in areas where development can take advantage of public transport and community infrastructure and services.	An application must be accompanied by a written statement to the satisfaction of the responsible authority that describes how the development is consistent with any relevant policy for housing in the State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies.	✓ Complies
<b>B3 Dwelling Diversity</b> To encourage a range of dwelling sizes and types in developments of ten or more dwellings.	Developments of ten or more dwellings should provide a range of dwelling sizes and types, including: <ul style="list-style-type: none"> <li>▪ Dwellings with a different number of bedrooms.</li> <li>▪ At least one dwelling that contains a kitchen, bath or shower, and a toilet and wash basin at ground floor level.</li> </ul>	- N/A
<b>B4 Infrastructure</b> To ensure development is provided with appropriate utility services and infrastructure.  To ensure development does not unreasonably overload the capacity of utility services and infrastructure.	Development should be connected to reticulated services, including reticulated sewerage, drainage, electricity and gas, if available.	✓ Complies
	Development should not unreasonably exceed the capacity of utility services and infrastructure, including reticulated services and roads.	✓ Complies
	In areas where utility services or infrastructure have little or no spare capacity, developments should provide for the upgrading of or mitigation of the impact on services or infrastructure.	✓ Complies



**2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930)  
(Cont.)**

Objective	Standard (Summarised)	Complies / Does Not Comply / Variation Required/NA
<b>B5 Integration with the Street</b> To integrate the layout of development with the street.	Developments should provide adequate vehicle and pedestrian links that maintain or enhance local accessibility.	✓ Complies
	Development should be oriented to front existing and proposed streets.	✓ Complies
	High fencing in front of dwellings should be avoided if practicable.	✓ Complies
	Development next to existing public open space should be laid out to complement the open space.	- N/A



### 2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)

#### Site Layout and Building Massing

#### Clause 55.03

Title & Objective	Standard	Complies / Does Not Comply / Variation Required / N/A
<b>B6 Street Setback</b> To ensure that the setbacks of buildings from a street respect the existing or preferred neighbourhood character and make efficient use of the site.	Walls of buildings should be set back from streets: <ul style="list-style-type: none"> <li>the distance specified in Table B1.</li> </ul> <p><i>Porches, pergolas and verandahs that are less than 3.6m high and eaves may encroach not more than 2.5m into the setbacks of this standard.</i></p> <p><i>Within the Residential 1 Zone schedule:</i>  <b>As per B6 or 7.5 metres, whichever is the lesser.</b></p> <p><i>Within the Residential 2 Zone schedule:</i>  <b>As per B6 or 5 metres, whichever is the lesser.</b></p>	✓ Complies
<b>B7 Building Height</b> To ensure that the height of buildings respects the existing or preferred neighbourhood character.	The maximum building height should not exceed 9 metres (unless the slope of the natural ground level at any cross section wider than 8 metres of the site of the building is 2.5 degrees or more, in which case the maximum building height should not exceed 10 metres).	✓ Complies
	Changes of building height between existing buildings and new buildings should be graduated.	✓ Complies
<b>B8 Site Coverage</b> To ensure that the site coverage respects the existing or preferred neighbourhood character and responds to the features of the site.	The site area covered by buildings should not exceed 60%. <p><i>Within the Residential 2 Zone schedule:</i>  <b>Up to a maximum of 70%.</b></p> <p><i>Within the Residential 3 Zone schedule:</i>  <b>Up to a maximum of 50%.</b></p>	✓ Complies
<b>B9 Permeability</b> To reduce the impact of increased stormwater run-off on the drainage system.  To facilitate on-site stormwater infiltration.	At least 20% of the site should not be covered by impervious surfaces.	✓ Complies
<b>B10 Energy Efficiency</b> To achieve and protect energy efficient dwellings and residential buildings.  To ensure the orientation and layout of development reduce fossil fuel energy use and make appropriate use of daylight and solar energy.	Buildings should be: <ul style="list-style-type: none"> <li>Oriented to make appropriate use of solar energy.</li> <li>Sited and designed to ensure that the energy efficiency of existing dwellings on adjoining lots is not unreasonably reduced.</li> </ul>	✓ Complies
	Living areas and private open space should be located on the north side of the development, if practicable.	✓ Complies



### 2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)

Title & Objective	Standard	Complies / Does Not Comply / Variation Required / N/A
	Developments should be designed so that solar access to north-facing windows is maximised.	✓ Complies
<b>B11 Open Space</b> To integrate the layout of development with any public and communal open space provided in or adjacent to the development.	If any public or communal open space is provided on site, it should: <ul style="list-style-type: none"> <li>Be substantially fronted by dwellings, where appropriate.</li> <li>Provide outlook for as many dwellings as practicable.</li> <li>Be designed to protect any natural features on the site.</li> <li>Be accessible and usable.</li> </ul>	- N/A
<b>B12 Safety</b> To ensure the layout of development provides for the safety and security of residents and property.	Entrances to dwellings and residential buildings should not be obscured or isolated from the street and internal accessways.	✓ Complies
	Planting which creates unsafe spaces along streets and accessways should be avoided.	✓ Complies
	Developments should be designed to provide good lighting, visibility and surveillance of car parks and internal accessways.	✓ Complies
	Private spaces within developments should be protected from inappropriate use as public thoroughfares.	- N/A
<b>B13 Landscaping</b> To encourage development that respects the landscape character of the neighbourhood.  To encourage development that maintains and enhances habitat for plants and animals in locations of habitat importance.  To provide appropriate landscaping.  To encourage the retention of mature vegetation on the site.	The landscape layout and design should: <ul style="list-style-type: none"> <li>Protect any predominant landscape features of the neighbourhood.</li> <li>Take into account the soil type and drainage patterns of the site.</li> <li>Allow for intended vegetation growth and structural protection of buildings.</li> <li>In locations of habitat importance, maintain existing habitat and provide for new habitat for plants and animals.</li> <li>Provide a safe, attractive and functional environment for residents.</li> </ul>	✓ Complies
	Development should provide for the retention or planting of trees, where these are part of the character of the neighbourhood.  Development should provide for the replacement of any significant trees that have been removed in the 12 months prior to the application being made.	✓ Complies



### 2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)

Title & Objective	Standard	Complies / Does Not Comply / Variation Required / N/A
	The landscape design should specify landscape themes, vegetation (location and species), paving and lighting.	<b>! Variation required</b> Refer to assessment section in the report A condition on permit will require a landscape plan to be provided to show adequate landscaping on the site.
<b>B14 Access</b> To ensure vehicle access to and from a development is safe, manageable and convenient.  To ensure the number and design of vehicle crossovers respects the neighbourhood character.	Accessways should: <ul style="list-style-type: none"> <li>Be designed to allow convenient, safe and efficient vehicle movements and connections within the development and to the street network.</li> <li>Be designed to ensure vehicles can exit a development in a forwards direction if the accessway serves five or more car spaces, three or more dwellings, or connects to a road in a Road Zone.</li> <li>Be at least 3 metres wide.</li> <li>Have an internal radius of at least 4 metres at changes of direction.</li> <li>Provide a passing area at the entrance that is at least 5 metres wide and 7 metres long if the accessway serves ten or more spaces and connects to a road in a Road Zone.</li> <li>33 per cent of the street frontage, or</li> <li>if the width of the street frontage is less than 20 metres, 40 per cent of the street frontage.</li> </ul>	<b>✓ Complies</b>
	The width of accessways or car spaces should not exceed: <ul style="list-style-type: none"> <li>33% of the street frontage; or</li> <li>if the width of the street frontage is less than 20 metres, 40% of the street frontage.</li> </ul>	<b>✓ Complies</b>
	No more than one single-width crossover should be provided for each dwelling fronting a street.	<b>✓ Complies</b>
	The location of crossovers should maximise the retention of on-street car parking spaces.	<b>✓ Complies</b>
	The number of access points to a road in a Road Zone should be minimised.	- N/A
	Developments must provide for access for service, emergency and delivery vehicles.	<b>✓ Complies</b>



### 2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)

Title & Objective	Standard	Complies / Does Not Comply / Variation Required / N/A
<b>B15 Parking Location</b> To provide convenient parking for resident and visitor vehicles.  To avoid parking and traffic difficulties in the development and the neighbourhood.  To protect residents from vehicular noise within developments.	Car parking facilities should: <ul style="list-style-type: none"> <li>▪ Be reasonably close and convenient to dwellings and residential buildings.</li> <li>▪ Be secure.</li> <li>▪ Be designed to allow safe and efficient movements within the development.</li> <li>▪ Be well ventilated if enclosed.</li> <li>▪ Large parking areas should be broken up with trees, buildings or different surface treatments.</li> </ul>	✓ Complies
	Shared accessways or car parks of other dwellings and residential buildings should be located at least 1.5 metres from the windows of habitable rooms. This setback may be reduced to 1 metre where there is a fence at least 1.5 metres high or where window sills are at least 1.4 metres above the accessway.	✓ Complies



### 2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)

#### Amenity Impacts

#### Clause 55.04

Title & Objective	Standard	Complies / Does Not Comply / Variation Required / N/A
<p><b>B17 Side and Rear Setbacks</b> To ensure that the height and setback of a building from a boundary respects the existing or preferred neighbourhood character and limits the impact on the amenity of existing dwellings.</p>	<p>A new building not on or within 150mm of a boundary should be set back from side or rear boundaries:</p> <ul style="list-style-type: none"> <li>1 metre, plus 0.3 metres for every metre of height over 3.6 metres up to 6.9 metres, plus 1 metre for every metre of height over 6.9 metres.</li> </ul> <p>Sunblinds, verandahs, porches, eaves, fascias, gutters, masonry chimneys, flues, pipes, domestic fuel or water tanks, and heating or cooling equipment or other services may encroach not more than 0.5 metres into the setbacks of this standard.</p> <p>Landings having an area of not more than 2 square metres and less than 1 metre high, stairways, ramps, pergolas, shade sails and carports may encroach into the setbacks of this standard.</p> <p><i>Within the Residential 3 Zone schedule:</i> <b>A minimum 2 metre setback from side or rear boundaries where opposite a high amenity outdoor living area or main living room window with a high amenity outlook.</b></p>	<p>✓ <b>Complies</b></p>



### 2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)

Title & Objective	Standard	Complies / Does Not Comply / Variation Required / N/A
<p><b>B18</b> <b>Walls on Boundaries</b> To ensure that the location, length and height of a wall on a boundary respects the existing or preferred neighbourhood character and limits the impact on the amenity of existing dwellings.</p>	<p>A new wall constructed on or within 150mm of a side or rear boundary of a lot or a carport constructed on or within 1 metre of a side or rear boundary of lot should not abut the boundary for a length of more than:</p> <ul style="list-style-type: none"> <li>▪ 10 metres plus 25 per cent of the remaining length of the boundary of an adjoining lot,</li> </ul> <p>or</p> <ul style="list-style-type: none"> <li>▪ Where there are existing or simultaneously constructed walls or carports abutting the boundary on an abutting lot, the length of the existing or simultaneously constructed walls or carports, whichever is the greater.</li> </ul> <p>A new wall or carport may fully abut a side or rear boundary where slope and retaining walls or fences would result in the effective height of the wall or carport being less than 2 metres on the abutting property boundary.</p> <p>A building on a boundary includes a building set back up to 150mm from a boundary.</p> <p>The height of a new wall constructed on or within 150mm of a side or rear boundary or a carport constructed on or within 1 metre of a side or rear boundary should not exceed an average of 3 metres with no part higher than 3.6 metres unless abutting a higher existing or simultaneously constructed wall.</p>	<p>✓ Complies</p>
<p><b>B19</b> <b>Daylight to Existing Windows</b> To allow adequate daylight into existing habitable room windows.</p>	<p>Buildings opposite an existing habitable room window should provide for a light court to the existing window that has a minimum area of 3 square metres and minimum dimension of 1 metre clear to the sky. The calculation of the area may include land on the abutting lot.</p> <p>Walls or carports more than 3 metres in height opposite an existing habitable room window should be set back from the window at least 50 per cent of the height of the new wall if the wall is within a 55 degree arc from the centre of the existing window. The arc may be swung to within 35 degrees of the plane of the wall containing the existing window.</p> <p>Where the existing window is above ground floor level, the wall height is measured from the floor level of the room containing the window.</p>	<p>✓ Complies</p> <p>✓ Complies</p>



### 2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)

Title & Objective	Standard	Complies / Does Not Comply / Variation Required / N/A
<b>B20</b> <b>North Facing Windows</b> To allow adequate solar access to existing north-facing habitable room windows.	If a north-facing habitable room window of an existing dwelling is within 3 metres of a boundary on an abutting lot, a building should be setback from the boundary 1 metre, plus 0.6 metres for every metre of height over 3.6 metres up to 6.9 metres, plus 1 metre for every metre of height over 6.9 metres, for a distance of 3 metres from the edge of each side of the window. A north-facing window is a window with an axis perpendicular to its surface oriented north 20 degrees west to north 30 degrees east.	✓ Complies
<b>B21</b> <b>Overshadowing Open Space</b> To ensure buildings do not significantly overshadow existing secluded private open space.	Where sunlight to the secluded private open space of an existing dwelling is reduced, at least 75 per cent, or 40 square metres with minimum dimension of 3 metres, whichever is the lesser area, of the secluded private open space should receive a minimum of five hours of sunlight between 9 am and 3 pm on 22 September.  If existing sunlight to the secluded private open space of an existing dwelling is less than the requirements of this standard, the amount of sunlight should not be further reduced.	✓ Complies
<b>B22</b> <b>Overlooking</b> To limit views into existing secluded private open space and habitable room windows.	A habitable room window, balcony, terrace, deck or patio should be located and designed to avoid direct views into the <u>secluded private open space</u> or <u>habitable room window</u> of an existing dwelling (horizontal 9m rule and from a height of 1.7m above ffl).  A habitable room window, balcony, terrace, deck or patio with a direct view should be either: <ul style="list-style-type: none"> <li>Offset a minimum of 1.5 metres from the edge of one window to the edge of the other.</li> <li>Have sill heights of at least 1.7 metres above floor level.</li> <li>Have fixed, obscure glazing in any part of the window below 1.7 metre above floor level.</li> <li>Have permanently fixed external screens to at least 1.7 metres above floor level and be no more than 25 per cent transparent.</li> </ul>	✓ Complies
	Obscure glazing in any part of the window below 1.7 metres above floor level may be openable provided that there are no direct views as specified in this standard.	✓ Complies



### 2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)

Title & Objective	Standard	Complies / Does Not Comply / Variation Required / N/A
	<p>Screens used to obscure a view should be:</p> <ul style="list-style-type: none"> <li>▪ Perforated panels or trellis with a maximum of 25 per cent openings or solid translucent panels.</li> <li>▪ Permanent, fixed and durable.</li> <li>▪ Designed and coloured to blend in with the development.</li> </ul> <p>This standard does not apply to a new habitable room window, balcony, terrace, deck or patio which faces a property boundary where there is a visual barrier at least 1.8 metres high and the floor level of the habitable room, balcony, terrace, deck or patio is less than 0.8 metres above ground level at the boundary.</p>	✓ <b>Complies</b>
<b>B23</b> <b>Internal Views</b> To limit views into the secluded private open space and habitable room windows of dwellings and residential buildings within a development.	Windows and balconies should be designed to prevent overlooking of more than 50 per cent of the secluded private open space of a lower-level dwelling or residential building directly below and within the same development.	<b>! Variation required</b> Refer to assessment section in the report A 2.4 metre free standing trellis to be provided on dwelling 1's eastern boundary to prevent overlooking.
<b>B24</b> <b>Noise Impacts</b> To contain noise sources in developments that may affect existing dwellings.  To protect residents from external noise.	Noise sources, such as mechanical plant, should not be located near bedrooms of immediately adjacent existing dwellings.	✓ <b>Complies</b>
	Noise sensitive rooms and secluded private open spaces of new dwellings and residential buildings should take account of noise sources on immediately adjacent properties.	✓ <b>Complies</b>
	Dwellings and residential buildings close to busy roads, railway lines or industry should be designed to limit noise levels in habitable rooms.	✓ <b>Complies</b>



### 2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)

#### On-Site Amenity and Facilities

#### Clause 55.05

Title & Objective	Standard	Complies / Does Not Comply / Variation Required / N/A
<b>B25 Accessibility</b> To encourage the consideration of the needs of people with limited mobility in the design of developments.	The dwelling entries of the ground floor of dwellings and residential buildings should be accessible or able to be easily made accessible to people with limited mobility.	✓ Complies
<b>B26 Dwelling Entry</b> To provide each dwelling or residential building with its own sense of identity.	Entries to dwellings and residential buildings should: <ul style="list-style-type: none"> <li>▪ Be visible and easily identifiable from streets and other public areas.</li> <li>▪ Provide shelter, a sense of personal address and a transitional space around the entry.</li> </ul>	✓ Complies
<b>B27 Daylight to New Windows</b> To allow adequate daylight into new habitable room windows.	A window in a habitable room should be located to face: <ul style="list-style-type: none"> <li>▪ An outdoor space clear to the sky or a light court with a minimum area of 3 square metres and minimum dimension of 1 metre clear to the sky, not including land on an abutting lot, or</li> <li>▪ A verandah provided it is open for at least one third of its perimeter, or</li> <li>▪ A carport provided it has two or more open sides and is open for at least one third of its perimeter.</li> </ul>	✓ Complies



### 2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)

Title & Objective	Standard	Complies / Does Not Comply / Variation Required / N/A
<b>B28 Private Open Space</b> To provide adequate private open space for the reasonable recreation and service needs of residents.	A dwelling or residential building should have private open space consisting of: <ul style="list-style-type: none"> <li>▪ Total of 40 square metres, one part to consist of secluded private open space to side or rear with a minimum area of 25 square metres and a minimum width of 3m</li> <li>▪ A balcony of 8 square metres, minimum width of 1.6 metres</li> <li>▪ A roof-top area of 10 square metres, minimum width of 2 metres.</li> </ul> All with convenient access from a living room.  <i>Within the Residential 1 Zone schedule:</i> <b>A minimum dimension of 5 metres.</b>  <i>Within the Residential 3 Zone schedule:</i> <b>An area of 60 square metres, with one part of the private open space to consist of secluded open space at the site or rear of the dwelling or residential building with a minimum area of 40 square metres, a minimum dimension of 5 metres and convenient access from a living room.</b>	✓ Complies
<b>B29 Solar Access to Open Space</b> To allow solar access into the secluded private open space of new dwellings and residential buildings.	The private open space should be located on the north side of the dwelling or residential building, if appropriate.	✓ Complies
	The southern boundary of secluded private open space should be set back from any wall on the north of the space at least (2+0.9h) metres, where 'h' is the height of the wall.	✓ Complies
<b>B30 Storage</b> To provide adequate storage facilities for each dwelling.	Each dwelling should have convenient access to at least 6 cubic metres of externally accessible, secure storage space.	✓ Complies



### 2.3.1 Town Planning Application - No. 8-10 Besley Street, Dandenong (Planning Application PLN15/0930) (Cont.)

#### Detailed Design

#### Clause 55.06

Title & Objective	Standard	Complies / Does Not Comply / Variation Required / N/A
<b>B31 Design Detail</b> To encourage design detail that respects the existing or preferred neighbourhood character.	The design of buildings, including: <ul style="list-style-type: none"> <li>▪ Facade articulation and detailing,</li> <li>▪ Window and door proportions,</li> <li>▪ Roof form, and</li> <li>▪ Verandahs, eaves and parapets,</li> <li>▪ Should respect the existing or preferred neighbourhood character.</li> </ul>	✓ Complies
	Garages and carports should be visually compatible with the development and the existing or preferred neighbourhood character.	✓ Complies
<b>B32 Front Fences</b> To encourage front fence design that respects the existing or preferred neighbourhood character.	The design of front fences should complement the design of the dwelling or residential building and any front fences on adjoining properties.	! Variation required Refer to assessment section in the report. 1.5 metre high front fence is existing on site.
	A front fence within 3 metres of a street should not exceed: <ul style="list-style-type: none"> <li>▪ 2m if abutting a Road Zone, Category 1.</li> <li>▪ 1.5m in any other streets.</li> </ul> <p><i>Within the Residential 1, 2 and 3 Zone schedule:</i>  <b>Maximum 1.5 metre height in streets in Road Zone Category 1, 1.2 metre maximum height for other streets.</b></p>	! Variation required Refer to assessment section in the report 1.5 metre high front fence is existing on site.
<b>B33 Common Property</b> To ensure that communal open space, car parking, access areas and site facilities are practical, attractive and easily maintained.  To avoid future management difficulties in areas of common ownership.	Developments should clearly delineate public, communal and private areas.	✓ Complies
	Common property, where provided, should be functional and capable of efficient management.	- N/A
<b>B34 Site Services</b> To ensure that site services can be installed and easily maintained.  To ensure that site facilities are accessible, adequate and attractive.	The design and layout of dwellings and residential buildings should provide sufficient space (including easements where required) and facilities for services to be installed and maintained efficiently and economically.	✓ Complies
	Bin and recycling enclosures, mailboxes and other site facilities should be accessible, adequate in size, durable, waterproof and blend in with the development.	✓ Variation required Refer to assessment section in the report The plans should show the location of proposed mailboxes and should be designed to enable visibility of pedestrians on the footpath as per Clause 52.06.
	Mailboxes should be provided and located for convenient access as required by Australia Post.	✓ Variation required Refer to assessment section in the report The plans should show the location of proposed mailboxes and should be designed to enable visibility of pedestrians on the footpath as per Clause 52.06.



**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813)**

File Id:	314950
Responsible Officer:	Director City Planning Design & Amenity
Attachments:	Submitted Plans Location of Objectors Clause 22.09 Assessment Clause 52.06 Assessment Clause 55 Assessment

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**Application Summary**

Applicant:	LM Architecture Pty Ltd
Proposal:	Alterations and additions to the existing single storey dwelling and construction of a double storey dwelling to the rear.
Zone:	General Residential Zone (GRZ1) – Schedule 1
Overlay:	No overlays affect the subject site.
Ward:	Red Gum

This application has been brought to a Council meeting as it has received seven (7) objectors.

The application proposes the alterations and additions to the existing single storey dwelling and construction of a double storey dwelling to the rear facing Wanke Crescent. A permit is required pursuant to Clause 32.08-4 of the Greater Dandenong Planning Scheme to construct a dwelling if there is at least one dwelling existing on the lot.

**Objectors Summary**

The application was advertised to the surrounding area through the erection of a notice on-site and the mailing of notices to adjoining and surrounding owners and occupiers. Seven (7) objections were received to the application. Issues raised generally relate to matters of:

- Increased traffic, safety and existing congestion
- Emergency vehicle access
- Lack of street parking
- Neighbourhood character & double storey built form



**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)**

- Overdevelopment
- Illegal parking

**Assessment Summary**

The subject site is located within an established residential area and is well suited for medium to high density housing given that the site is located within close proximity of community facilities, complementary land uses, and close to public transport via bus routes along Gladstone Road to the west, Heatherton Road to the north and Princes Highway to the south.

The development is generally respectful of the preferred neighbourhood character by way of siting, design, mass, height and bulk. The development provides appropriate parking provision and open space provision, and complies with both the State and Local Planning Policy Framework, and with the inclusion of conditions covering minor matters complies with Clause 55 of the Greater Dandenong Planning Scheme.

The proposal seeks a contemporary development design and provides dwellings that add to the diversity of housing available to suit the changing needs of the community. This medium density proposal meets the preferred character of the Incremental Change Area, which is to evolve over time to contain a greater proportion of well designed, and site responsive medium density infill development.

It is noted that the proposal is affected by the '**seriously entertained**' **Amendment C182**, while the zoning of the land is not being changed; the relevant sections of Clause 22.09 and the Schedule 1 to the General Residential Zone are proposed to be modified. These will be outlined later in the report.

**Recommendation Summary**

As assessed, the proposal is consistent with and appropriately responds to the provisions of the Greater Dandenong Planning Scheme. The proposal appropriately responds to strategic policy for residential development in the area with this report recommending that the application be supported, that a Permit be granted and a **Notice of Decision** (which provides appeal rights to objectors) to grant a permit be issued containing the conditions as set out in the recommendation.



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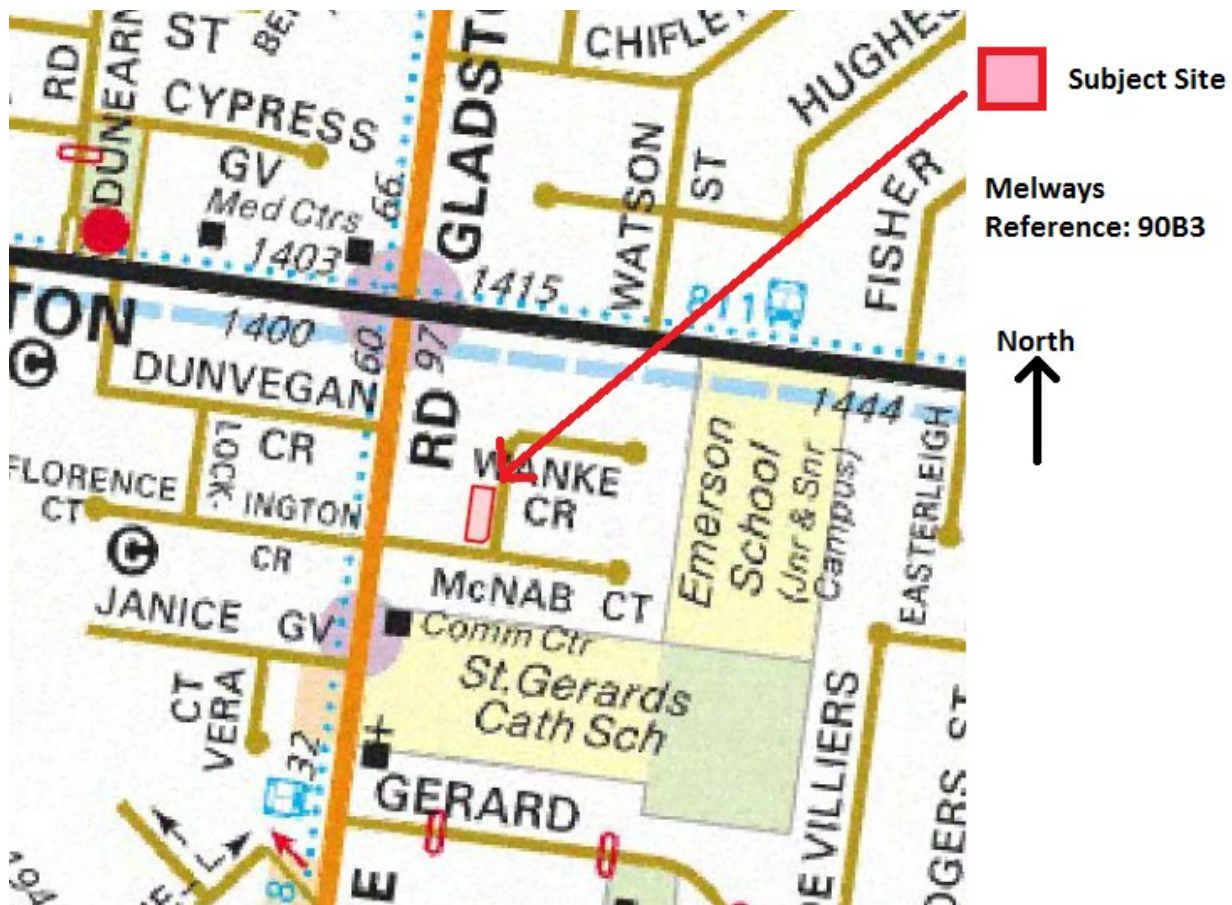
**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)****Subject Site and Surrounds****Subject Site**

- The subject site is located to the north-west corner of McNab Court and Wanke Crescent, approximately 53 metres east of Gladstone Road.
- The site is generally rectangular in shape except for a 4.31 metre splay located to the south-east corner of the site. The land has a frontage to McNab Court of 12.34 metres and a side boundary to Wanke Crescent of 35.36 metres, a west (side) boundary of 38.4 metres and a northern ('rear') boundary of 15.39 metres.
- The subject site has an overall area of 586 square metres.
- The subject site contains a 2.44 metre wide drainage and sewerage easement located along the northern boundary.
- The site is currently occupied by a single storey brick house with tiled hipped roof. The site maintains a large front yard with its rear yard containing a garage measuring approximately 4 metres by 7.5 metres accessible by a single crossover located off Wanke Crescent towards the north-east corner approximately 5.2 metres from the northern boundary.
- The site does not contain any significant vegetation.

**Surrounding Area**

- The subject site is located within an established residential area, the majority of which consist of single and double storey detached dwellings with one multi-unit development (double storey) at 79 Gladstone Road, 2A, B & C McNab Court (corner of Gladstone Road and McNab Court), within the section of residential area bound by Heatherton Road to the north, Gladstone Road to the west and Emerson School (Jnr & Snr) to the east and St. Gerards Catholic School to the south.
- Typical building materials used within the area are a mix of either brick, weatherboard or render, with tiled hipped roofs, with most dwellings maintaining fairly large front and rear yards, with the exception of 2A, B and C McNab Court where these dwellings have a front setback of 3 metres.
- Front fences within the general area are a mix of low to high brick, picket, steel and colourbond fences with some properties with no fences.
- It is noted that access is gained to the Emerson School car park through McNab Court.
- The subject site is in close proximity to the following (as the crow flies):
  - Lyndale Greens Primary School located 486 metres to the north.
  - Menzies Reserve located 515 metres to the north-east.
  - Emerson School (Junior and Senior Campus) located 131 metres to the east.
  - St. Gerards Catholic School located 60 metres to the south.
  - Gardiners Reserve located 725 metres to the south-west.
  - Fotheringham Reserve located 780 metres to the west.
  - Bus routes along Gladstone Road 60 metres to the west, Heatherton Road 122 metres to the north, Menzies Avenue 450 metres to the east, Princes Highway 480 metres to the south-west.



**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)**Locality Plan**Background****Previous Applications**

A search of Council records revealed no previous planning applications have been considered for the subject site.

**Proposal**

The application proposes the alterations and additions to the existing single storey dwelling and construction of a double storey dwelling to the rear facing Wanke Crescent. The existing dwelling will incorporate alterations that include:

- Relocation of Bedroom 2 to the north-west to be along the western boundary;
- Relocation of the bathroom and toilet;
- Relocation of the laundry;
- Construction of a new single carport located to the south-west corner of the dwelling with a tandem car space and a driveway accessed via an existing crossover off McNab Court;



**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)**

- Removal of the existing rear verandah, and;
- Alterations to the existing dining room.

DETAILS	Dwelling 1	Dwelling 2
Type of proposal	Retain existing dwelling with alterations	New dwelling
Level	Single storey	Double storey
Height	Approximately 5.25 metres (existing)	7.52 metres
Orientated to	McNab Court	Wanke Crescent
External materials	Brick	Brick ground floor with render and cement sheet cladding to first floor.
Number of bedrooms	Three (3) bedrooms	Four (4) bedrooms and one (1) study
Car parking provided	Single carport and tandem car space	Double garage set back 3.4 metres from the 'side' boundary (Wanke Crescent)
Set backs	7.83 metre setback from McNab Court, 4.2 metre setback from Wanke Crescent and located on the western boundary.	3 metre setback for the dwelling from Wanke Crescent, 2.5 metres from the northern boundary and 1.1 metres from the west boundary.
Open space	Front yard and 60 square metres of secluded private open space with 25 square metres having a minimum dimension of 5 metres.	Front yard and 73 square metres of secluded private open space with 25 square metres having a minimum dimension of 5 metres.
Access	Access located to the south-west corner of the dwelling connecting to McNab Court with a minimum width of 3 metres.	Access located towards the north-east corner of the site (approximately 5 metres from the north boundary) connecting to Wanke Crescent with a minimum dimension of 3.6 metres.

*A copy of the submitted plans is included as Attachment 1.*

**Victorian Charter of Human Rights and Responsibilities**

All matters relevant to the Victorian Human Rights Charter have been considered in the preparation of this Policy and are consistent with the standards set by the Charter.



**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)**

The Victorian Charter of Human Rights and Responsibilities has been considered in the preparation of this Policy but is not relevant to the content of the Policy.

**Financial Implications**

No financial resources are impacted by this report.

**Planning Scheme and Policy Frameworks**

Pursuant to the Greater Dandenong Planning Scheme, a planning permit is required:

- Under Clause 32.08-4 to construct a dwelling if there is at least one dwelling existing on the lot.

The relevant controls and policies are as follows:

**Zoning Controls**

The subject site is located in a General Residential Zone – Schedule 1 (GRZ1), as is the surrounding area with exception to part of Emerson School which is located within a Public Use Zone – Schedule 2 (PUZ2).

The purpose of the General Residential Zone outlined at Clause 32.08 is:

- *To implement the State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies.*
- *To encourage development that respects the neighbourhood character of the area.*
- *To implement neighbourhood character policy and adopted neighbourhood character guidelines.*
- *To provide a diversity of housing types and moderate housing growth in locations offering good access to services and transport.*
- *To allow educational, recreational, religious, community and a limited range of other non-residential uses to serve local community needs in appropriate locations.*

Pursuant to Clause 32.08-4 a permit is required to construct a dwelling if there is at least one dwelling existing on the lot.

It is noted that in Schedule 1 to the General Residential Zone, different requirements are set out as follows (including ‘seriously entertained’ Amendment C182 modifications in bold):

- Standard B6 (Minimum Street Setback) – As per B6 or 7.5 metres, whichever is the lesser;
- Standard B9 (Permeability) – Minimum of 30%
- Standard B13 (Landscaping) – 70% of ground level front setback (**Amendment C182 – “and side and rear setbacks”**) planted with substantial landscaping and canopy trees;
- Standard B28 (Private Open Space) – As per B28 40 sq/m requirement with the 25 sq/m of secluded private open space at ground level having a minimum dimension of 5 metres (**Amendment C182 – An area of 50 square metres of ground level, private open space with an area of secluded private open space at the side or rear of the dwelling with a minimum area of 30 square metres and a minimum dimension of 5 metres and convenient access**)



**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)**

**from a living room; or a balcony or rooftop with a minimum area of 10 square metres with a minimum width of 2 metres that is directly accessible from the main living area);**

- Standard B32 (Front Fence Height) – Maximum 1.5 metre height in streets in Road Zone Category 1, 1.2 metre maximum height for other streets.

**Overlay Controls**

No overlays affect the subject site or surrounding area.

**State Planning Policy Framework**

The **Operation of the State Planning Policy Framework** outlined at Clause 10 seeks to ensure that the objectives of planning in Victoria are fostered through appropriate land use and development planning policies and practices which integrate relevant environmental, social and economic factors in the interests of net community benefit and sustainable development. The objectives of Planning in Victoria are noted as:

- (a) To provide for the fair, orderly, economic and sustainable use, and development of land.*
- (b) To provide for the protection of natural and man-made resources and the maintenance of ecological processes and genetic diversity.*
- (c) To secure a pleasant, efficient and safe working, living and recreational environment for all Victorians and visitors to Victoria.*
- (d) To conserve and enhance those buildings, areas or other places which are of scientific, aesthetic, architectural or historical interest, or otherwise of special cultural value.*
- (e) To protect public utilities and other facilities for the benefit of the community.*
- (f) To facilitate development in accordance with the objectives set out in paragraphs (a), (b), (c), (d) and (e).*
- (g) To balance the present and future interests of all Victorians.*

In order to achieve those objectives, there are a number of more specific objectives contained within the State Planning Policy Framework that need to be considered under this application.

**Clause 11.04-5 Melbourne's urban growth**

- Define the extent of the urban area with an urban growth boundary to:
  - Facilitate achievement of a compact city.

**Clause 15 - Built Environment And Heritage**

- Contributes positively to local urban character and sense of place.



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**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)**

- Reflects the particular characteristics, aspirations and cultural identity of the community.
- Enhances liveability, diversity, amenity and safety of the public realm.
- Promotes attractiveness of towns and cities within broader strategic contexts.
- Minimises detrimental impact on neighbouring properties.

**Clause 16 – Housing**

- To locate new housing in or close to activity centres and employment corridors and at other strategic redevelopment sites that offer good access to services and transport. Ensuring land supply continues to be sufficient to meet demand.
- Increasing choice in housing type, tenure and cost to meet the needs of households as they move through life cycle changes and to support diverse communities.
- Increase the proportion of housing in Metropolitan Melbourne to be developed within the established urban area, particularly at activity centres, employment corridors and at other strategic sites, and reduce the share of new dwellings in greenfield and dispersed development areas.
- Encourage higher density housing development on sites that are well located in relation to activity centres, employment corridors and public transport.
- Ensure an adequate supply of redevelopment opportunities within the established urban area to reduce the pressure for fringe development.
- Facilitate residential development that is cost-effective in infrastructure provision and use, energy efficient, incorporates water efficient design principles and encourages public transport use.
- Identify opportunities for increased residential densities to help consolidate urban areas.

**Clause 16.01-4 Housing diversity**

- To provide for a range of housing types to meet increasingly diverse needs.
- Encourage the development of well-designed medium-density housing which:
  - Respects the neighbourhood character.
  - Improves housing choice.
  - Makes better use of existing infrastructure.
  - Improves energy efficiency of housing.
- Support opportunities for a wide range of income groups to choose housing in well serviced locations.

**Clause 18.01-1 Land use and transport planning**

- Plan urban development to make jobs and community services more accessible by:
  - Ensuring access is provided to developments in accordance with forecast demand, taking advantage of all available modes of transport and to minimise adverse impacts on existing transport networks and the amenity of surrounding areas.



**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)****Local Planning Policy Framework**

The Local Planning Policy Framework (LPPF) includes the Municipal Strategic Statement (MSS) and Local Policies. The following local planning policies are of relevance to this application:

**Clause 21.04-1 Housing and community**

- Greater Dandenong is forecast to be home to some 16,700 new households by 2031 (as measured from 2001), according to the Southern Regional Housing Statement (DSE, 2006). This represents a 36% increase on the number of households compared to 2001.
- Supporting urban consolidation and providing housing in existing areas close to activity centres means that people do not need to travel as far to work, shop or to take part in sports/leisure activities thus reducing the environmental impacts of transport.
- Increases in housing density must be balanced by adequate provision of open space, good urban design and improvements to the public realm.
- Council is committed to actively encourage multi-storey, higher-density residential development in central Dandenong and other major activity centres of Springvale and Noble Park as a component of mixed-use function of those centres.
- Encourage the provision of housing that is adaptable to support the needs of the changing needs of present and future residents.
- Encourage innovative redevelopment and renewal of deteriorating housing stock and older styled higher-density apartments and multi-unit developments.
- Encourage new residential development that incorporates adequate space for the planting and the long term viability and safe retention of canopy trees.
- Respecting valued, existing neighbourhood character both on particular sites and within wider streetscapes.
- Ensuring new development takes into full account the neighbourhood character design guidelines for each type of building and that such new development positively contributes to the preferred future neighbourhood character of each particular residential area.
- Actively encouraging well designed, medium and higher density housing in strategic locations and in areas nominated for substantial change.

**Clause 21.05-1 Urban design, character, streetscapes and landscapes*****1. To facilitate high quality building design and architecture.***

1.1. Ensure building design is consistent with the preferred character of an area and fully integrates with surrounding environment.

1.2. Encourage high standards of building design and architecture, which allows for flexibility and adaptation in use.

1.3. Encourage innovative architecture and building design.

***7. To protect and improve streetscapes***



**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)**

7.1. Ensure that new developments improve streetscapes through generous landscape setbacks and canopy tree planting.

7.2. Ensure landscaping within private property that complements and improves the streetscapes and landscaping of public areas.

**Clause 22.09-3.2 Incremental Change Areas**

The incremental change area predominately encourages medium density housing forms, including townhouses and villas. The future character of the area will evolve over time to contain a greater proportion of well designed and site responsive medium density infill development. Residential developments will generally comprise of houses of up to 2 storeys with ground level living areas.

The amenity of adjoining dwellings will be preserved by responsive site design that ensures an appropriate setback of two and three storey buildings from sensitive outdoor living areas, or from the main outlook from living rooms, on adjoining properties to enable screen planting.

Sufficient ground level space will be provided at the front of sites, and along side and rear boundaries adjacent to sensitive outdoor living areas on adjoining properties, to provide for landscaping and canopy trees to soften the appearance of the built form when viewed from the street and from adjoining sensitive outdoor living areas, and to provide a landscaped character throughout the area.

**Particular Provisions****Clause 52.06 – Car Parking**

The purposes of this provision are:

- *To ensure that car parking is provided in accordance with the State Planning Policy Framework and Local Planning Policy Framework.*

To ensure the provision of an appropriate number of car parking spaces having regard to the demand likely to be generated, the activities on the land and the nature of the locality.

- *To support sustainable transport alternatives to the motor car.*
- *To promote the efficient use of car parking spaces through the consolidation of car parking facilities.*
- *To ensure that car parking does not adversely affect the amenity of the locality.*
- *To ensure that the design and location of car parking is of a high standard, creates a safe environment for users and enables easy and efficient use.*

Clause 52.06-2 notes that a new use must not commence or the floor area of an existing use must not be increased until the required car spaces have been provided on the land.

The required spaces are identified in the table to Clause 52.06-5. Clause 52.06-3 further notes that a permit may be granted to reduce or waive the number of car spaces required by the table.



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**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)**

The table at Clause 52.06-5 notes that a dwelling with 1 or 2 bedrooms requires 1 car space, and a dwelling with 3 or more bedrooms requires 2 spaces to each dwelling. Parking for visitors is required at a rate of 1 space to every 5 dwellings for developments of 5 or more dwellings.

Car parking is to be designed and constructed in accordance with the requirements of Clause 52.06-8 and 52.06-10 of the Scheme.

**Clause 55 – Two or More Dwellings on a Lot and Residential Buildings**

Pursuant to Clause 55 of the Greater Dandenong Planning Scheme, the provisions of this Clause apply to an application:

- To construct two or more dwellings on a lot; and
- To construct a dwelling if there is at least one dwelling existing on the lot.

A development:

- Must meet all of the objectives of this clause.
- Should meet all of the standards of this clause.

An assessment of the application against this policy is contained at the end of this report.

**General Provisions**

Clause 65 – Decision Guidelines needs to be considered, as is the case with all applications. For this application the requirements of Clause 65.01 for the approval of an application or plan is of relevance. This Clause outlines the requirements that the responsible authority must consider when determining the application.

**Planning Scheme Amendments**

The subject site is affected by the **‘seriously entertained’ Amendment C182**.

Council has adopted Planning Scheme Amendment C182 on the 22/08/2016 to improve the quality and design of new housing in Greater Dandenong. Planning Scheme Amendment C182 proposes to:

1. Amend the existing schedules to the residential zones and introduce a new Schedule 3 to the Residential Growth Zone;
2. Vary additional ResCode provisions in some areas;
3. Rezone identified areas in Dandenong, Noble Park and Springvale; and
4. Amend Clause 22.09 Residential Development and Neighbourhood Character Policy.

As such, the adopted provisions of the General Residential Zone – Schedule 1 apply to the subject site.

These will be considered further in the assessment section of the report



**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)****Restrictive Covenants**

A review of the submitted documents has indicated no restrictive covenants on the title.

**Council Plan 2013-2017 – Strategic Objectives, Strategies and Plans**

The Council Plan describes the kind of future the Council is working for, and how Council will do this over four years. In accordance with the commitment in Council's Annual Plan, all applications are considered on their merits.

**Diversity (Access & Equity)**

It is not considered that the proposal raises any diversity issues affecting the planning assessment of this application.

**Community Safety**

It is considered that there would be no adverse community safety implications in permitting the proposal subject to strict conditions on any planning permit issued.

**Safe Design Guidelines**

Consideration of the relevant requirements of these Guidelines has been undertaken within the Assessment of this application.

**Referrals**

The application was not required to be referred to any external referral authorities pursuant to Section 55 of the Planning and Environment Act 1987.

**Internal**

The application was internally referred to Council's Asset Planning, Transport, Civil Development and Bushland & Garden Departments for their consideration. The comments provided will be considered in the assessment of the application.

<b>Internal Council Referral</b>	<b>Advice/ Response/ Conditions</b>
<i>Asset Planning</i>	No objections, subject to conditions.  The above property is subject to uncontrolled overland flow through the property.  Add note to state:



**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)**

	<ul style="list-style-type: none"> <li>• A flood dispensation is to be obtained prior to issue of the building permit.</li> <li>• The minimum finished floor level of proposed Dwelling is RL 51.50m AHD.</li> </ul>
<i>Civil Development</i>	<p>No objections, subject to conditions.</p> <p>Report and Consent to Build Over Easement is required for any structures proposed on or over the 2.44m wide drainage and sewerage easement.</p>
<i>Bushland &amp; Garden</i>	<p>Council Melaleuca tree in McNab side will have to be removed as a customer funded tree removal for line of site when entering the driveway.</p> <p>Smaller tree will be replanted.</p>

**Advertising**

The application has been advertised pursuant to Section 52 of the Planning and Environment Act 1987, by:

- Sending notices to the owners and occupiers of adjoining land.
- Placing two (2) signs on site, one (1) facing McNab Court and one (1) facing Wanke Crescent.

The notification has been carried out correctly.

Council has received seven (7) objections to date.

*The location of the objectors is shown in Attachment 2.*

**Consultation**

A consultative meeting was held on 05/07/2016, with the applicant and Council representatives in attendance. No objectors appeared at the meeting. The objections stand as received.

**Summary of Grounds of Submissions/Objections**

The objections are summarised below (**bold**), followed by the Town Planner's Response (in *italics*).

**1. Increased traffic, safety and existing congestion**

*Some additional traffic is anticipated from any development that occurs in the area. However, it is considered that the traffic generated by the proposed development, being only one additional dwelling, would not be excessive and that the surrounding residential streets would be able to cater for the proposed traffic increase.*



**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)**

*In addition, the location of the subject site in close proximity to community services and public transport encouraging the use of sustainable transport.*

*There were also concerns raised with regards to the existing schools in the area and their impact on the traffic and safety. While the schools contribute to the traffic in the area, this would only occur during peak drop off and pickup times, and there has been no evidence to indicate that these have contributed to unsafe conditions.*

*It is noted that existing street parking 'no standing' restrictions apply to the area which restrict parking within the streets from 8am to 9am and 3pm to 4pm which should ease traffic movements in the area.*

**2. Emergency vehicle access**

*It is considered that the proposed development would not have a detrimental impact on the ability for emergency vehicle movements in the street, with appropriate car parking provided on site in accordance with Clause 52.06, and normal road rules apply for on street parking to ensure adequate clearance is provided for emergency vehicles to pass.*

**3. Lack of street parking**

*The proposal seeks to utilize an existing crossover and a lay back (area for a crossing to be placed) to the subject site. It is not anticipated that the proposed increase would adversely impact on the ability for vehicles to park on the street.*

**4. Neighbourhood character & double storey built form**

*Objectors raised concerns with the double storey character of the development and the predominant existing single storey form within the area. While it is correct to say that the majority of properties within the area are single storey, there are however examples of existing double storey built forms within the immediate area (within the section of residential area bound by Heatherton Road to the north, Gladstone Road to the west and Emerson School (Jnr & Snr) to the east and St. Gerards Catholic School to the south) those of which include: 79 Gladstone Road, 2A, 2B and 2C McNab Court located to the corner of McNab Court and Gladstone Road, 4 McNab Court, 12 McNab Court, 2 Wanke Crescent and 3 Wanke Crescent.*

*It is considered that the proposed two storey built form is generally consistent with the emerging character of the area, with the subject site being on a corner location with its own street frontage, incorporating finished materials and design details that are sympathetic to its surrounds and appropriate setbacks from the western boundary to protect the small spine of open space shared with 1 McNab Court.*

**5. Overdevelopment**

*Concerns were raised with regards to the over development of the site for the size of the land. It is noted that the ground floor building footprint is generally consistent with those existing buildings in the area.*



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**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)**

*The proposal is consistent with the medium density outcomes the policies seek to achieve and the fact that the development is compliant with the majority of the standards under Clause 55, in particular the provision of secluded private open space to each dwelling, appropriate internal dimensions for the amenity of future residents and provision of adequate on site car parking. It is considered that the proposal is not an over development.*

**6. Illegal parking**

*With regards to illegal parking, there are other means where this may be followed up by the appropriate Council department, and may not be directly related to the proposed development and is not a planning related matter.*

**Assessment**

The subject site is located within an established residential area and is well suited for medium density housing given that the site is zoned for incremental change. The development is respectful of the proposed neighbourhood character, is designed to minimise energy use, and complies with both the State and Local Planning Policy Framework.

The proposal seeks an acceptable increase in density and adds to the diversity of housing available to suit the changing needs of the community. This medium density development meets the future character of incremental change area, which is to evolve over time to contain a greater proportion of well designed and site responsive medium density infill development.

The site is located in within easy walking distance of many community facilities and public transport routes.

The use of the land for dwellings is as of right. As required by the residential zone that applies to this site, the proposed development has been assessed against the provisions of Clause 55 (full assessment in Attachment 5) of the Greater Dandenong Planning Scheme and the schedule to the residential zone (**including ‘seriously entertained’ Amendment C182 provisions**). The proposed development has also been assessed against Clause 52.06 (full assessment in attachment 4) and Clause 22.09 (full assessment in Attachment 3) of the Greater Dandenong Planning Scheme. The proposal complies with all requirements of these clauses except in the following instances, where variations are required:

**Clause 22.09 Residential Development and Neighbourhood Character Policy (Attachment 3)**

The proposal has been assessed against Clause 22.09 – Residential Development and Neighbourhood Character Policy (**including ‘seriously entertained’ Amendment C182 modifications**). The proposal is considered to be generally in accordance with this policy, with the following minor variation.

**Front Boundary**

The policy encourages open or low scale front fences with allow a visual connection between the landscaping in front gardens and street tree planting.



**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)**

The fencing surrounding secluded private open space of Unit 2 is located within the front setback and should be relocated to be in line with the front wall of the double garage to allow for landscaping with visual connection with the street (see condition 1.1).

**General Residential Zone – Schedule 1 (including ‘seriously entertained’ Amendment C182 provisions)**

Pursuant to the General Residential Zone – Schedule 1, the following variations of Clause 55 should be met:

It is noted that in Schedule 1 to the General Residential Zone, different requirements are set out as follows (including ‘seriously entertained’ Amendment C182 modifications in bold):

- Standard B6 (Minimum Street Setback) – As per B6 or 7.5 metres, whichever is the lesser;
- Standard B9 (Permeability) – Minimum of 30%
- Standard B13 (Landscaping) – 70% of ground level front setback (**Amendment C182 – “and side and rear setbacks”**) planted with substantial landscaping and canopy trees;
- Standard B28 (Private Open Space) – As per B28 40 sq/m requirement with the 25 sq/m of secluded private open space at ground level having a minimum dimension of 5 metres (**Amendment C182 – An area of 50 square metres of ground level, private open space with an area of secluded private open space at the side or rear of the dwelling with a minimum area of 30 square metres and a minimum dimension of 5 metres and convenient access from a living room; or a balcony or rooftop with a minimum area of 10 square metres with a minimum width of 2 metres that is directly accessible from the main living area;**)
- Standard B32 (Front Fence Height) – Maximum 1.5 metre height in streets in Road Zone Category 1, 1.2 metre maximum height for other streets.

An assessment of the proposal against the changes outlined within ‘seriously entertained’ Amendment C182 has been undertaken, it is considered that the proposal would generally meet those requirements outlined above with only a minor variation.

The variation is related to the secluded private open spaces (with a minimum dimension of 5 metres) of both dwellings achieving 25 square metres and 28.85 square metres respectively where 30 square metres is intended under the proposed amendment.

However it is considered that both dwellings have provided sufficient private open space, with Dwelling 1 maintaining a large front yard and 60 square metres of secluded private open space and Dwelling 2 maintaining 73 square metres of secluded private open space, to meet the requirements of future residents. Accommodating the variation brought about by the adoption of Amendment C182 is consistent with the conclusion of Planning Panels Victoria’s comments and assessment of applications lodged prior to the adoption of Amendment C182. While the Panel agreed that there is “unsufficient justification...presented to introduce transitional provisions, ... that Council should give further consideration to whether active permit applications lodged before the Amendment gazettal date might be disadvantaged if the Amendment is gazetted before the applications are determined” (page 36 of 55).



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**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)**

While still awaiting gazettal the Amendment C182 has been adopted by Council and the objective to the varied standards has been met.

**Clause 55 – Two or more dwellings on a lot and Residential Buildings (Attachment 5)**

An assessment of the proposal against the Clause 55 has been undertaken, it is considered that the proposal would generally meet the requirements with only the following minor variations.

**Clause 55.03-8 – Landscaping (Standard B13)**

Relevant objective(s):

- To encourage development that respects the landscape character of the neighbourhood.
- To encourage development that maintains and enhances habitat for plants and animals in locations of habitat importance.
- To provide appropriate landscaping.
- To encourage the retention of mature vegetation on the site.

A condition on permit will require a landscape plan to be provided to show adequate landscaping on the site (see condition 2).

**Clause 55.03-10 – Parking location (Standard B15)**

Relevant objective(s):

- To provide convenient parking for resident and visitor vehicles.
- To avoid parking and traffic difficulties in the development and the neighbourhood.
- To protect residents from vehicular noise within developments.

An appropriate pedestrian path to be provided from the carport of Unit 1 to the front porch (see condition 1.2).

**Clause 55.04-6 – Overlooking (Standard B22)**

Relevant objective(s):

- To limit views into existing secluded private open spaces and habitable room windows.

The plans indicate an existing 1.7 metre high paling fence to be retained along the western boundary. In order for the proposed windows of Unit 1 bedroom 2 and Unit 2 west facing windows to comply with this standard, the fence should be raised to at least 1.8 metres to ensure no overlooking into the adjoining properties verandah or secluded private open space occurs. This has been indicated on the elevation plans but should be reflected on the site plan (see condition 1.3).



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**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)****Clause 55.06-2 – Front fences objective (Standard B32)**

Relevant objective(s):

- To encourage front fence design that respects the existing or preferred neighbourhood character.

The schedule to the General Residential Zone indicates that front fences should not exceed 1.2 metres. The 1.8 metre high fencing surrounding secluded private open space of Unit 2 is located within the front setback and should be relocated to be in line with the front wall of the double garage (see condition 1.1).

**Clause 55.06-4 – Site Services (Standard B34)**

Relevant objective(s):

- To ensure that site services can be installed and easily maintained.
- To ensure that site facilities are accessible, adequate and attractive.

The plan does not show all mailbox locations and should be designed in accordance with Clause 52.06 to enable visibility of pedestrians on the footpath (see condition 1.4).

**Conclusion**

The application has been assessed against the relevant sections of the Greater Dandenong planning Scheme, including the State and Local Planning Policy Framework, Municipal Strategic Statement as set out in this assessment. It has also been assessed against the provisions of Planning Scheme Amendment C182, adopted by Council on 22 August 2016. It is considered that the application generally complies with these policies and provisions.

**Recommendation**

**That Council resolves to issue a Notice of Decision to grant a permit in respect of the land known and described as 3 McNab Court DANDENONG VIC 3175, for the purpose Alterations and additions to the existing single storey dwelling and construct one (1) new double storey dwelling in accordance with the plans submitted with the application subject to the following conditions:**

- 1. Before the development starts, two (2) copies of amended plans drawn to scale and dimensioned, must be submitted to the Responsible Authority for approval. No buildings or works must be commenced until the plans have been approved and endorsed by the Responsible Authority. The endorsed copy of the plans forms part of this permit. The plans must be in accordance with the plans submitted with the application, but modified to show:**
  - 1.1. the 1.8 metre high fence/gate around Unit 2 secluded private open space within the front setback to be relocated in line with the front wall of Unit 2 garage;**



**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)**

- 1.2. a pedestrian path provided from the carport of Unit 1 to the front porch;**
- 1.3. the site plan to include notation of the western boundary fence to have a new 600mm lattice extension as per the elevations; and**
- 1.4. the site plan to show the location of mailboxes for both dwelling and to be designed in accordance with Clause 52.06 to allow for visibility of pedestrians on the footpath.**

**To the satisfaction of the Responsible Authority.**

- 2. Prior to the endorsement of plans under Condition 1, a landscape plan must be submitted to the Responsible Authority for approval. When approved, the plan will be endorsed and will then form part of the permit. The landscape plan must be drawn to scale with dimensions and two (2) copies must be provided. The landscaping plan must be prepared by a suitably qualified person, and must show:**
  - 2.1. The site at a scale of 1:100/200, including site boundaries, existing and proposed buildings, neighbouring buildings, car parking, access and exit points, indicative topography and spot levels at the site corners, existing and proposed vegetation, nature strip trees, easements and landscape setbacks;**
  - 2.2. Details of the proposed layout, type and height of fencing;**
  - 2.3. Legend of all plant types, surfaces, materials and landscape items to be used including the total areas of garden and lawn;**
  - 2.4. A plant schedule giving a description of botanical name, common name, mature height and spread, pot size, purchase height (if a tree) and individual plant quantities; and**
  - 2.5. At least one (1) native tree with a minimum planting height of 1.5 metres within the rear secluded open space areas of each dwelling and within the front yard.**

**To the satisfaction of the Responsible Authority.**

- 3. The layout of the site, and the size of the proposed buildings and works as shown on the endorsed plan, shall not be altered or modified (whether or not in order to comply with any Statute, Statutory Rule or Local Law or for any other reason) without the prior consent of the Responsible Authority.**
- 4. The floor levels shall be in accordance with the endorsed plans unless varied through a Report and Consent by the Municipal Building Surveyor.**



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**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)**

- 5. Prior to the occupation of the dwelling(s) hereby permitted, all landscaping as shown on the endorsed plans, including trees, shrubs and lawn, shall be planted and thereafter maintained, to the satisfaction of the Responsible Authority.**
- 6. The dwelling(s) hereby approved must not be occupied until all buildings and works and the conditions of this permit have been complied with, unless with the written consent of the Responsible Authority.**
- 7. Provision must be made for the drainage of the site including landscaped and pavement areas, all to the satisfaction of the Responsible Authority.**
- 8. The connection of the internal drainage infrastructure to the LPD must be to the satisfaction of the Responsible Authority, prior to the issue of land upgrade Approval.**
- 9. All piping and ducting above the ground floor storey of the building, except for downpipes and spouting, shall be concealed to the satisfaction of the Responsible Authority.**
- 10. Collected stormwater must be retained onsite and discharged into the drainage system at pre development peak discharge rates as stated in the LPD approval letter. Approval of drainage plan including any retention system within the property boundary is required.**
- 11. Access to the site and any associated roadwork must be constructed, all to the satisfaction of the Responsible Authority. Alteration or removal of existing vehicle crossing and construction of new vehicle crossing will require a Vehicle Crossing Permit. All works, including kerb and channel reinstatement shall be in accordance with Council Standards.**
- 12. Any works undertaken within the road reservation and easements will require the developer to obtain a Civil Works Permit from Council.**
- 13. Report and Consent to Build Over Easement is required for any structures proposed on or over the 2.44m wide drainage and sewerage easement.**
- 14. Service units, including air conditioning/heating units, must not be located where they will be visible from any public area.**
- 15. The obscure glazing to the windows shown on the endorsed plans must be through frosted glass or similarly treated glass, and thereafter maintained to the satisfaction of the Responsible Authority. Adhesive film or the like that can be removed must not be used.**
- 16. All boundary walls in the development must be constructed, cleaned and finished to the satisfaction of the Responsible Authority.**
- 17. This permit will expire if:**



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**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)**

**17.1. The development or any stage of it does not start within two (2) years of the date of this permit, or**

**17.2. The development or any stage of it is not completed within four (4) years of the date of this permit.**

**Before the permit expires or within six (6) months afterwards the owner or occupier of the land may in writing request the Responsible Authority to extend the expiry date.**

**The owner or occupier of the land may in writing request the Responsible Authority to extend the expiry date to complete the development or a stage of the development if:**

**(a) the request for the extension is made within twelve (12) months after the permit expires; and**

**(b) the development or stage started lawfully before the permit expired.**

**Permit Notes**

- **A Building Approval is required prior to the commencement of the approved development. This planning permit does not constitute any building approval.**
- **Approval of any retention system within the property boundary is required by the relevant building surveyor.**
- **Before commencement of the development occurs, the applicant should contact the City of Greater Dandenong's Civil Development and Design Unit regarding legal point of discharge, new crossings, building over easements, etc.**
- **No buildings or works shall be constructed over any easement without the written consent of the relevant authorities.**
- **This permit has been granted on the basis that consent to build over any easement will be obtained from the relevant authority. If consent is not able to be obtained, the development plan will be required to be amended.**



**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)**

**MINUTE 1512**

Moved by: Cr Sean O'Reilly

Seconded by: Cr Peter Brown

- 1. Before the development starts, two (2) copies of amended plans drawn to scale and dimensioned, must be submitted to the Responsible Authority for approval. No buildings or works must be commenced until the plans have been approved and endorsed by the Responsible Authority. The endorsed copy of the plans forms part of this permit. The plans must be in accordance with the plans submitted with the application, but modified to show:**
  - 1.1. the 1.8 metre high fence/gate around Unit 2 secluded private open space within the front setback to be relocated in line with the front wall of Unit 2 garage;**
  - 1.2. a pedestrian path provided from the carport of Unit 1 to the front porch;**
  - 1.3. the site plan to include notation of the western boundary fence to have a new 600mm lattice extension as per the elevations; and**
  - 1.4. the site plan to show the location of mailboxes for both dwelling and to be designed in accordance with Clause 52.06 to allow for visibility of pedestrians on the footpath.**

**To the satisfaction of the Responsible Authority.**
- 2. Prior to the endorsement of plans under Condition 1, a landscape plan must be submitted to the Responsible Authority for approval. When approved, the plan will be endorsed and will then form part of the permit. The landscape plan must be drawn to scale with dimensions and two (2) copies must be provided. The landscaping plan must be prepared by a suitably qualified person, and must show:**
  - 2.1. The site at a scale of 1:100/200, including site boundaries, existing and proposed buildings, neighbouring buildings, car parking, access and exit points, indicative topography and spot levels at the site corners, existing and proposed vegetation, nature strip trees, easements and landscape setbacks;**
  - 2.2. Details of the proposed layout, type and height of fencing;**
  - 2.3. Legend of all plant types, surfaces, materials and landscape items to be used including the total areas of garden and lawn;**
  - 2.4. A plant schedule giving a description of botanical name, common name, mature height and spread, pot size, purchase height (if a tree) and individual plant quantities; and**



**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)**

- 2.5. At least one (1) native tree with a minimum planting height of 1.5 metres within the rear secluded open space areas of each dwelling and within the front yard.**

**To the satisfaction of the Responsible Authority.**

- 3. The layout of the site, and the size of the proposed buildings and works as shown on the endorsed plan, shall not be altered or modified (whether or not in order to comply with any Statute, Statutory Rule or Local Law or for any other reason) without the prior consent of the Responsible Authority.**
- 4. The floor levels shall be in accordance with the endorsed plans unless varied through a Report and Consent by the Municipal Building Surveyor.**
- 5. Prior to the occupation of the dwelling(s) hereby permitted, all landscaping as shown on the endorsed plans, including trees, shrubs and lawn, shall be planted and thereafter maintained, to the satisfaction of the Responsible Authority.**
- 6. The dwelling(s) hereby approved must not be occupied until all buildings and works and the conditions of this permit have been complied with, unless with the written consent of the Responsible Authority.**
- 7. Provision must be made for the drainage of the site including landscaped and pavement areas, all to the satisfaction of the Responsible Authority.**
- 8. The connection of the internal drainage infrastructure to the LPD must be to the satisfaction of the Responsible Authority, prior to the issue of land upgrade Approval.**
- 9. All piping and ducting above the ground floor storey of the building, except for downpipes and spouting, shall be concealed to the satisfaction of the Responsible Authority.**
- 10. Collected stormwater must be retained onsite and discharged into the drainage system at pre development peak discharge rates as stated in the LPD approval letter. Approval of drainage plan including any retention system within the property boundary is required.**
- 11. Access to the site and any associated roadwork must be constructed, all to the satisfaction of the Responsible Authority. Alteration or removal of existing vehicle crossing and construction of new vehicle crossing will require a Vehicle Crossing Permit. All works, including kerb and channel reinstatement shall be in accordance with Council Standards.**
- 12. Any works undertaken within the road reservation and easements will require the developer to obtain a Civil Works Permit from Council.**
- 13. Report and Consent to Build Over Easement is required for any structures proposed on or over the 2.44m wide drainage and sewerage easement.**



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**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)**

- 14. Service units, including air conditioning/heating units, must not be located where they will be visible from any public area.**
- 15. The obscure glazing to the windows shown on the endorsed plans must be through frosted glass or similarly treated glass, and thereafter maintained to the satisfaction of the Responsible Authority. Adhesive film or the like that can be removed must not be used.**
- 16. All boundary walls in the development must be constructed, cleaned and finished to the satisfaction of the Responsible Authority.**
- 17. This permit will expire if:**
  - 17.1. The development or any stage of it does not start within two (2) years of the date of this permit, or**
  - 17.2. The development or any stage of it is not completed within four (4) years of the date of this permit.**

**Before the permit expires or within six (6) months afterwards the owner or occupier of the land may in writing request the Responsible Authority to extend the expiry date.**

**The owner or occupier of the land may in writing request the Responsible Authority to extend the expiry date to complete the development or a stage of the development if:**

**(a) the request for the extension is made within twelve (12) months after the permit expires; and**

**(b) the development or stage started lawfully before the permit expired.**

**Permit Notes**

- A Building Approval is required prior to the commencement of the approved development. This planning permit does not constitute any building approval.**
- Approval of any retention system within the property boundary is required by the relevant building surveyor.**
- Before commencement of the development occurs, the applicant should contact the City of Greater Dandenong's Civil Development and Design Unit regarding legal point of discharge, new crossings, building over easements, etc.**



**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)**

- **No buildings or works shall be constructed over any easement without the written consent of the relevant authorities.**
- **This permit has been granted on the basis that consent to build over any easement will be obtained from the relevant authority. If consent is not able to be obtained, the development plan will be required to be amended.**

**CARRIED**

For the Motion: Cr Peter Brown, Cr John Kelly, Cr Jim Memeti, Cr Sean O'Reilly, Cr Maria Sampey, Cr Heang Tak

Against the Motion: Cr Roz Blades AM, Cr Youhorn Chea, Cr Matthew Kirwan, Cr Angela Long (called for the division), Cr Loi Truong



**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813)  
(Cont.)**

**STATUTORY PLANNING APPLICATIONS**

**TOWN PLANNING APPLICATION – 3 MCNAB COURT, DANDENONG  
(PLANNING APPLICATION PLN15/0813)**

**ATTACHMENT 1**

**SUBMITTED PLANS**

**PAGES 7 (including cover)**

*If the details of the attachment are unclear please contact Governance on 8571 5235.*



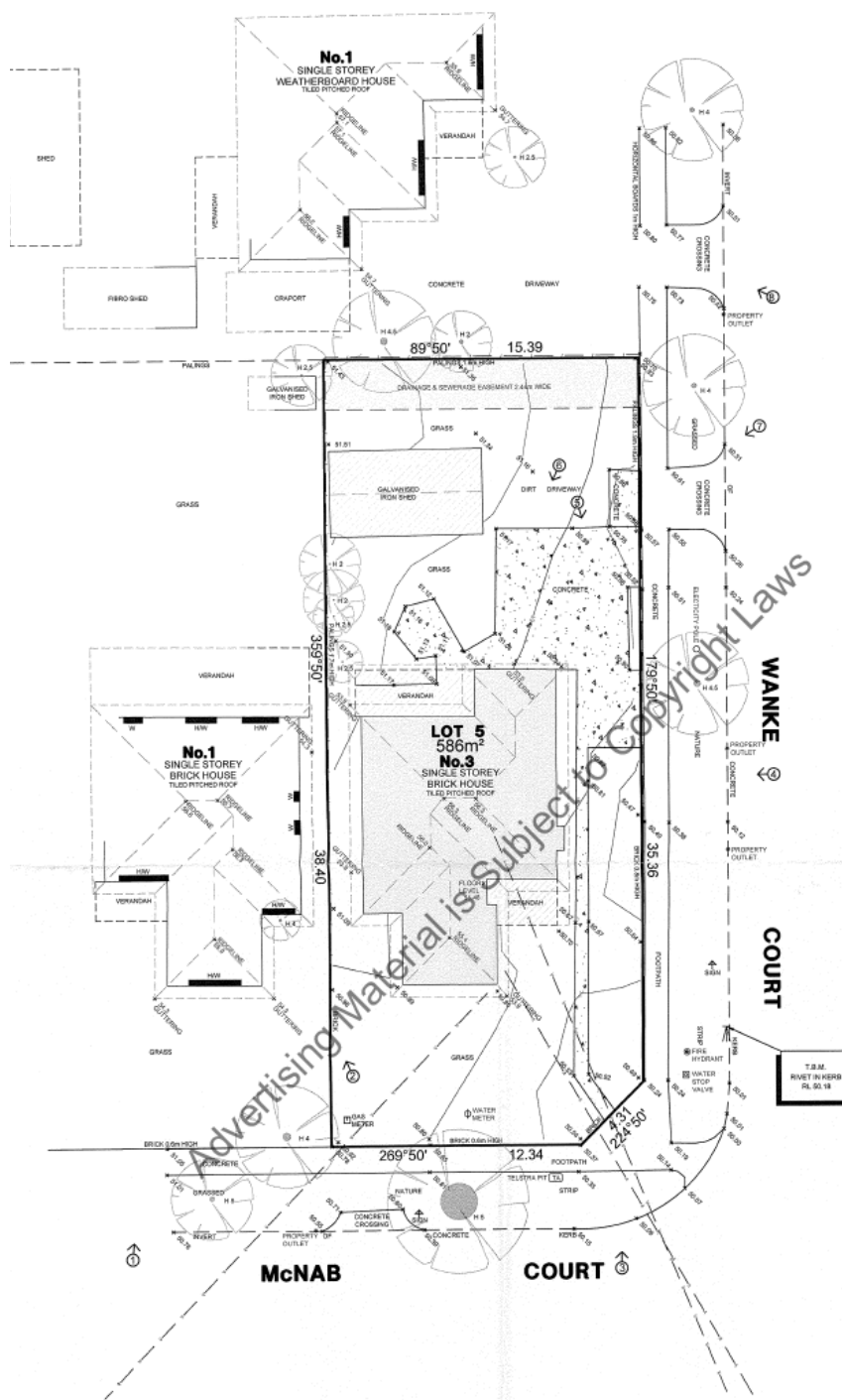
**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)**

PHOTO No.1



PHOTO No.2



PHOTO No.3



PHOTO No.4



PHOTO No.5



PHOTO No.6



PHOTO No.7

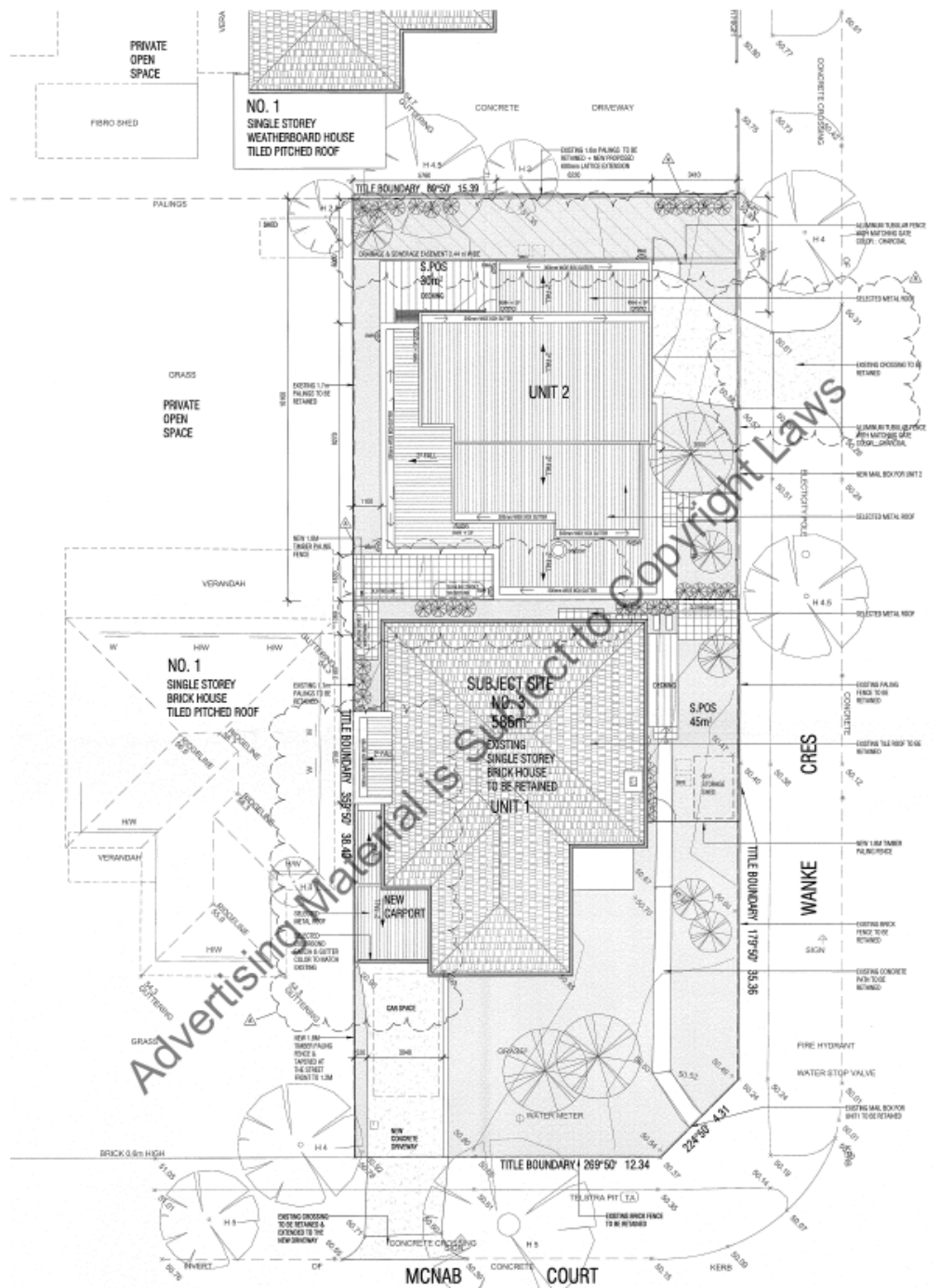


PHOTO No.8



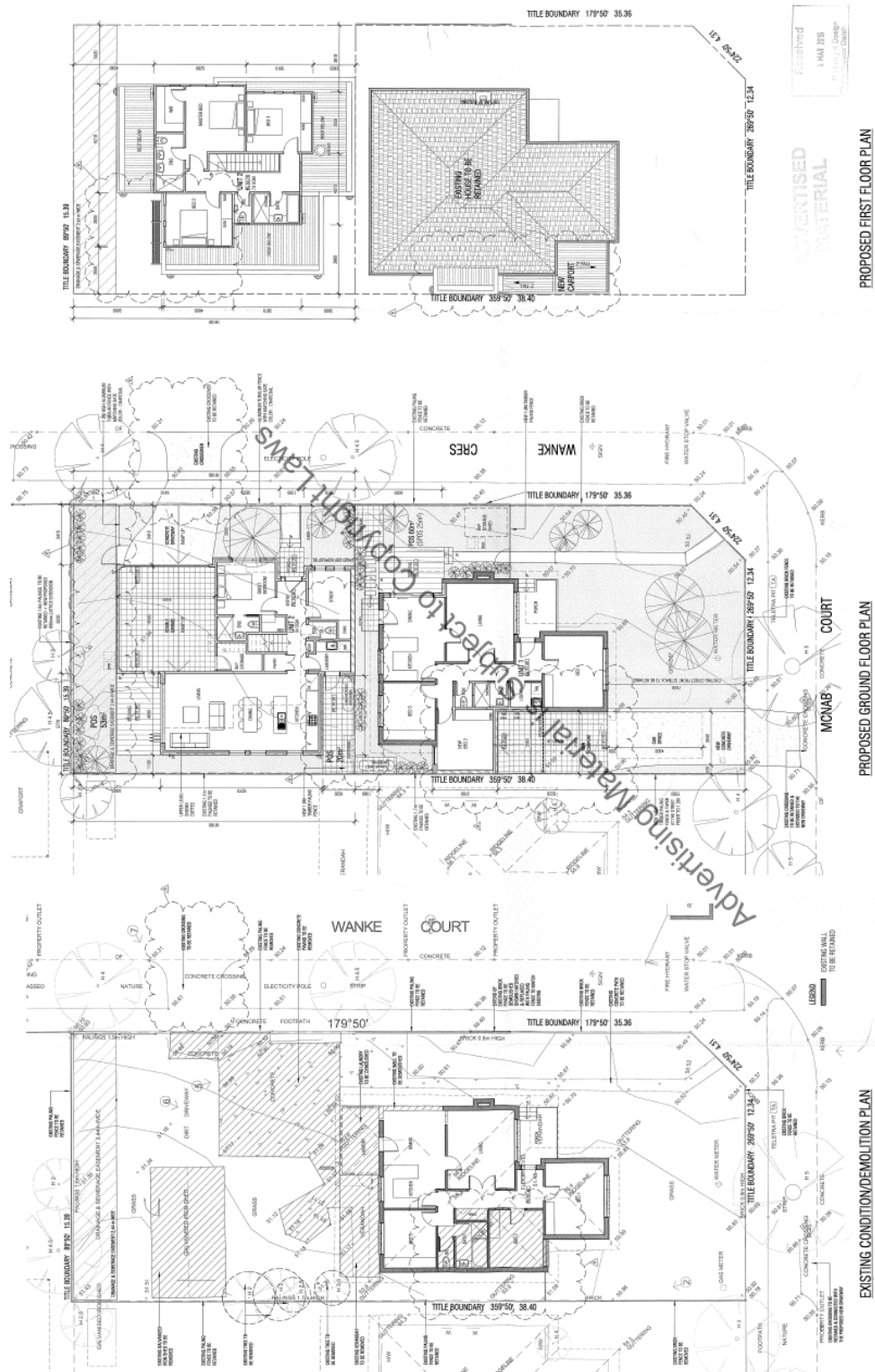
Page 27076



**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)**

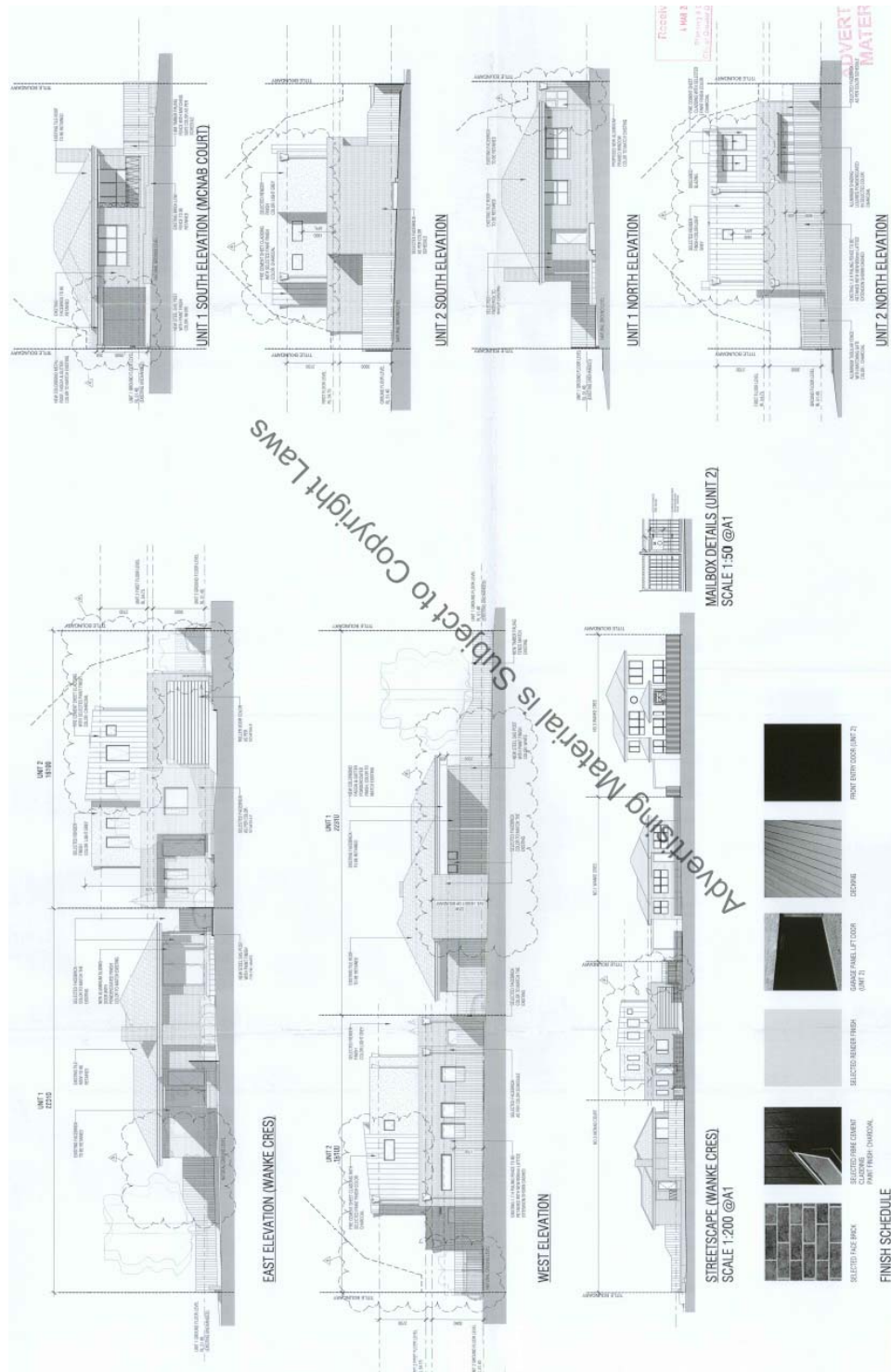


2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)





2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813)  
(Cont.)





2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)





**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813)  
(Cont.)**

**STATUTORY PLANNING APPLICATIONS**

**TOWN PLANNING APPLICATION – 3 MCNAB COURT, DANDENONG  
(PLANNING APPLICATION PLN15/0813)**

**ATTACHMENT 2**

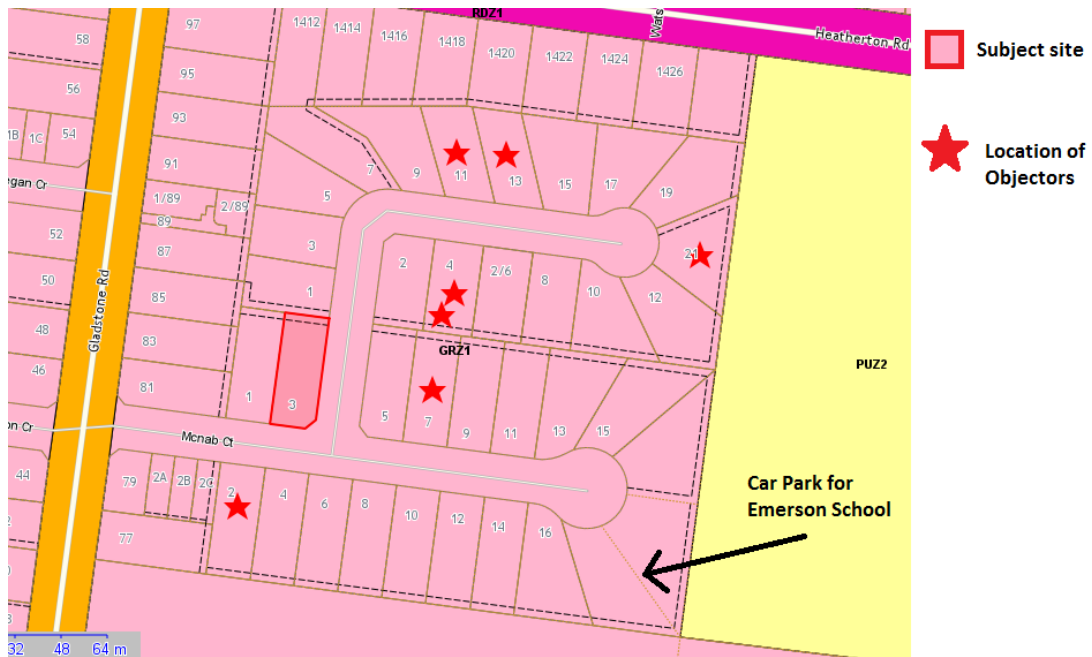
**LOCATION OF OBJECTORS**

**PAGES 2 (including cover)**

*If the details of the attachment are unclear please contact Governance on 8571 5235.*



**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)**





**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813)  
(Cont.)**

**STATUTORY PLANNING APPLICATIONS**

**TOWN PLANNING APPLICATION – 3 MCNAB COURT, DANDENONG  
(PLANNING APPLICATION PLN15/0813)**

**ATTACHMENT 3**

**CLAUSE 22.09 ASSESSMENT**

**PAGES 2 (including cover)**

*If the details of the attachment are unclear please contact Governance on 8571 5309.*



### 2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)

#### Assessment Table for Clause 22.09-3

##### Incremental change areas

Title & Objective	Standard	Complies / Does Not Comply / Variation Required / N/A
Housing form	A higher proportion and intensity of medium density infill development than in limited change areas. All dwellings to have ground level components. Developments comprising dwellings without ground level components only in special circumstances.	✓ Complies
Height	Up to 2 storeys, with 3 storeys a possibility where appropriate considering its interface with existing residential development, response to site circumstances and streetscape.	✓ Complies
Bulk	More intense and higher elements of built form focussed towards the front of a site. Avoid tiered approach at upper levels.	✓ Complies
	Double storey buildings to the rear of existing buildings on a lot are generally discouraged.	✓ Complies
	Where appropriate dwellings on a site may be two storey, provided there are separations between the upper levels of dwellings.	✓ Complies
Site coverage	As per clause 55	See Rescode assessment above
Permeable site area	Minimum of 30%.	✓ Complies
Front setback	As per Clause 55 or 7.5 metres, whichever is the lesser.	✓ Complies
Side & rear setbacks	As per Clause 55	See Rescode assessment above
Private open space	As per Clause 55 – with minimum dimension of 5.0m.	✓ Complies
Car parking	For developments comprising dwellings with a ground level component – garages and parking areas located behind buildings, generally hidden from view. For more intensive developments comprising dwellings without a ground level component, basement or in building car parking.	✓ Complies
Landscaping	70% of ground level front setback planted with substantial landscaping and canopy trees	✓ Complies
Front boundary	Open or low scale front fences not to exceed 1.5m for street in Road Zone Category 1 and maximum height of 1.2 metres for other roads to allow a visual connection between the landscaping in front gardens and street tree planting.	! Variation required Refer to assessment section in the report.
	Car access, parking and paving within the front setback will be limited in order to maximise the opportunity for soft landscaping.	✓ Complies
	Second crossovers on allotments with frontage widths below 17m will be discouraged.	✓ Complies

*If the details of the attachment are unclear please contact Governance on 8571 5309.*



**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813)  
(Cont.)**

**STATUTORY PLANNING APPLICATIONS**

**TOWN PLANNING APPLICATION – 3 MCNAB COURT, DANDENONG  
(PLANNING APPLICATION PLN15/0813)**

**ATTACHMENT 4**

**CLAUSE 52.06 ASSESSMENT**

**PAGES 3 (including cover)**

*If the details of the attachment are unclear please contact Governance on 8571 5235.*



### 2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)

#### Assessment Table for Clause 52.06

##### Car Parking

Title & Objective	Standard	Complies / Does Not Comply / Variation Required / N/A
<b>Parking Provision</b> To ensure that car and bicycle parking for residents and visitors is appropriate to the needs of residents.	Car parking for residents should be provided as follows: <ul style="list-style-type: none"> <li>One space for each one or two bedroom dwelling.</li> <li>Two spaces for each three or more bedroom dwelling, with one space under cover.</li> </ul> Studies or studios that are separate rooms must be counted as bedrooms. <ul style="list-style-type: none"> <li>One space for visitors to every 5 dwellings for developments of 5 or more dwellings</li> </ul>	✓ Complies
<b>Design Standard 1</b> <b>Accessways</b> The provision of car parking should meet the design requirements of this Clause.	Accessways should: <ul style="list-style-type: none"> <li>Be at least 3 metres wide.</li> <li>Have an internal radius of at least 4 metres at changes of direction or intersection or be at least 4.2 metres wide.</li> <li>Allow vehicles parked in the last space of a dead-end accessway in public car parks to exit in a forward direction with one manoeuvre.</li> <li>Provide at least 2.1 metres headroom beneath overhead obstructions, calculated for a vehicle with a wheel base of 2.8 metres.</li> </ul>	✓ Complies
	If the accessway serves four or more car spaces or connects to a road in a Road Zone, the accessway must be designed so that cars can exit the site in a forward direction.  If an accessway to four or more car parking spaces is from land in a Road Zone, the access to the car spaces must be at least 6 metres from the road carriageway.	- N/A
	Provide a passing area at the entrance at least 5 metres wide and 7 metres long if the accessway serves ten or more car parking spaces and is either more than 50 metres long or connects to a road in a Road Zone.	- N/A
	Have a corner splay or area at least 50 per cent clear of visual obstructions extending at least 2 metres along the frontage road from the edge of an exit lane and 2.5 metres along the exit lane from the frontage, to provide a clear view of pedestrians on the footpath of the frontage road. The area clear of visual obstructions may include an adjacent entry or exit lane where more than one lane is provided.	✓ Complies
<b>Design Standard 2</b> <b>Car parking spaces</b> Car parking spaces and accessways should have minimum dimensions.	Minimum car park and accessway dimensions: <ul style="list-style-type: none"> <li>Parallel – 2.3m x 6.7m with a accessway width of 3.6m</li> <li>45 degrees – 2.6m x 4.9m with a accessway width of 3.5m</li> <li>60 degrees – 2.6m x 4.9m with a accessway width of 4.9m</li> <li>90 degrees – 2.6m x 4.9m with a accessway width of 6.4m (refer to the table in 55.06 for more details)</li> </ul>	✓ Complies
	A building may project into the space if it is at least 2.1 metres above the space.	✓ Complies
	Car spaces in garages, carports or otherwise constrained by walls should:- <ul style="list-style-type: none"> <li>Single garage 3.5m x 6m</li> <li>Double garage 5.5m x 6</li> </ul>	✓ Complies



### 2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)

Title & Objective	Standard	Complies / Does Not Comply / Variation Required / N/A
<b>Design Standard 3 Gradients</b> Accessways to ensure safety for pedestrians and vehicles.	Accessway grades should not be steeper than 1:10 (10 per cent) within 5 metres of the frontage to ensure safety for pedestrians and vehicles.  Ramps (except within 5 metres of the frontage) should have the maximum grades of: <ul style="list-style-type: none"> <li>20 metres or less 1:5 (20%)</li> <li>Longer than 20 metres 1:6 (16.7%)</li> </ul>	✓ Complies
<b>Design Standard 4 Mechanical parking</b>	Mechanical parking may be used to meet the car parking requirement provided: <ul style="list-style-type: none"> <li>At least 25 per cent of the mechanical car parking spaces can accommodate a vehicle clearance height of at least 1.8 metres.</li> <li>Car parking spaces that require the operation of the system are not allocated to visitors unless used in a valet parking situation.</li> <li>The design and operation is to the satisfaction of the responsible authority.</li> </ul>	- N/A
<b>Design Standard 5 Urban Design</b>	Ground level car parking, garage doors and accessways should not visually dominate public space.	✓ Complies
	Car parking within buildings (including visible portions of partly submerged basements) should be screened or obscured where possible, including through the use of occupied tenancies, landscaping, architectural treatments and artworks.	✓ Complies
<b>Design Standard 6 Safety</b>	Car parking should be well lit and clearly signed.	✓ Complies
	The design of car parks should maximise natural surveillance and pedestrian visibility from adjacent buildings.	✓ Complies
<b>Design Standard 7 Landscaping</b>	The layout of car parking areas should provide for water sensitive urban design treatment and landscaping.	✓ Complies
	Landscaping and trees should be planted to provide shade and shelter, soften the appearance of ground level car parking and aid in the clear identification of pedestrian paths.	✓ Complies
	Ground level car parking spaces should include trees planted with flush grilles. Spacing of trees should be determined having regard to the expected size of the selected species at maturity.	N/A



**2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813)  
(Cont.)**

**STATUTORY PLANNING APPLICATIONS**

**TOWN PLANNING APPLICATION – 3 MCNAB COURT, DANDENONG  
(PLANNING APPLICATION PLN15/0813)**

**ATTACHMENT 5**

**CLAUSE 55 ASSESSMENT**

**PAGES 9 (including cover)**

*If the details of the attachment are unclear please contact Governance on 8571 5309.*



### 2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)

#### Assessment Table - Two or More Dwellings on a Lot and Residential Buildings (Clause 55)

##### Neighbourhood Character & Infrastructure

##### Clause 55.02

Objective	Standard (Summarised)	Complies / Does Not Comply / Variation Required/NA
<b>B1 Neighbourhood Character</b> To ensure that the design respects the existing neighbourhood character or contributes to a preferred neighbourhood character.  To ensure that development responds to the features of the site and the surrounding area.	The design response must be appropriate to the neighbourhood and the site.	✓ Complies
	The proposed design must respect the existing or preferred neighbourhood character and respond to the features of the site.	✓ Complies
<b>B2 Residential Policy</b> To ensure that residential development is provided in accordance with any policy for housing in the State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies.  To support medium densities in areas where development can take advantage of public transport and community infrastructure and services.	An application must be accompanied by a written statement to the satisfaction of the responsible authority that describes how the development is consistent with any relevant policy for housing in the State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies.	✓ Complies
<b>B3 Dwelling Diversity</b> To encourage a range of dwelling sizes and types in developments of ten or more dwellings.	Developments of ten or more dwellings should provide a range of dwelling sizes and types, including: <ul style="list-style-type: none"> <li>▪ Dwellings with a different number of bedrooms.</li> <li>▪ At least one dwelling that contains a kitchen, bath or shower, and a toilet and wash basin at ground floor level.</li> </ul>	- N/A
<b>B4 Infrastructure</b> To ensure development is provided with appropriate utility services and infrastructure.  To ensure development does not unreasonably overload the capacity of utility services and infrastructure.	Development should be connected to reticulated services, including reticulated sewerage, drainage, electricity and gas, if available.	✓ Complies
	Development should not unreasonably exceed the capacity of utility services and infrastructure, including reticulated services and roads.	✓ Complies
	In areas where utility services or infrastructure have little or no spare capacity, developments should provide for the upgrading of or mitigation of the impact on services or infrastructure.	✓ Complies
<b>B5 Integration with the Street</b> To integrate the layout of development with the street.	Developments should provide adequate vehicle and pedestrian links that maintain or enhance local accessibility.	✓ Complies
	Development should be oriented to front existing and proposed streets.	✓ Complies
	High fencing in front of dwellings should be avoided if practicable.	! Variation required Refer to assessment section in the report
	Development next to existing public open space should be laid out to complement the open space.	- N/A



### 2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)

#### Site Layout and Building Massing

Clause 55.03

Title & Objective	Standard	Complies / Does Not Comply / Variation Required / N/A
<b>B6 Street Setback</b> To ensure that the setbacks of buildings from a street respect the existing or preferred neighbourhood character and make efficient use of the site.	Walls of buildings should be set back from streets: <ul style="list-style-type: none"> <li>the distance specified in Table B1.</li> </ul> <p><i>Porches, pergolas and verandahs that are less than 3.6m high and eaves may encroach not more than 2.5m into the setbacks of this standard.</i></p> <p><i>Within the General Residential Zone schedule:</i>  <b>As per B6 or 7.5 metres, whichever is the lesser.</b></p>	✓ Complies
<b>B7 Building Height</b> To ensure that the height of buildings respects the existing or preferred neighbourhood character.	The maximum building height should not exceed 9 metres (unless the slope of the natural ground level at any cross section wider than 8 metres of the site of the building is 2.5 degrees or more, in which case the maximum building height should not exceed 10 metres).	✓ Complies
	Changes of building height between existing buildings and new buildings should be graduated.	✓ Complies
<b>B8 Site Coverage</b> To ensure that the site coverage respects the existing or preferred neighbourhood character and responds to the features of the site.	The site area covered by buildings should not exceed 60%.	✓ Complies
<b>B9 Permeability</b> To reduce the impact of increased stormwater run-off on the drainage system.  To facilitate on-site stormwater infiltration.	At least 20% of the site should not be covered by impervious surfaces.	✓ Complies
<b>B10 Energy Efficiency</b> To achieve and protect energy efficient dwellings and residential buildings.	Buildings should be: <ul style="list-style-type: none"> <li>Oriented to make appropriate use of solar energy.</li> <li>Sited and designed to ensure that the energy efficiency of existing dwellings on adjoining lots is not unreasonably reduced.</li> </ul>	✓ Complies
To ensure the orientation and layout of development reduce fossil fuel energy use and make appropriate use of daylight and solar energy.	Living areas and private open space should be located on the north side of the development, if practicable.	✓ Complies
	Developments should be designed so that solar access to north-facing windows is maximised.	✓ Complies
<b>B11 Open Space</b> To integrate the layout of development with any public and communal open space provided in or adjacent to the development.	If any public or communal open space is provided on site, it should: <ul style="list-style-type: none"> <li>Be substantially fronted by dwellings, where appropriate.</li> <li>Provide outlook for as many dwellings as practicable.</li> <li>Be designed to protect any natural features on the site.</li> <li>Be accessible and usable.</li> </ul>	- N/A
<b>B12 Safety</b> To ensure the layout of development provides for the safety and security of residents and property.	Entrances to dwellings and residential buildings should not be obscured or isolated from the street and internal accessways.	✓ Complies
	Planting which creates unsafe spaces along streets and accessways should be avoided.	✓ Complies
	Developments should be designed to provide good lighting, visibility and surveillance of car parks and internal accessways.	✓ Complies



### 2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)

Title & Objective	Standard	Complies / Does Not Comply / Variation Required / N/A
	Private spaces within developments should be protected from inappropriate use as public thoroughfares.	- N/A
<b>B13 Landscaping</b> To encourage development that respects the landscape character of the neighbourhood.  To encourage development that maintains and enhances habitat for plants and animals in locations of habitat importance.  To provide appropriate landscaping.  To encourage the retention of mature vegetation on the site.	The landscape layout and design should: <ul style="list-style-type: none"> <li>Protect any predominant landscape features of the neighbourhood.</li> <li>Take into account the soil type and drainage patterns of the site.</li> <li>Allow for intended vegetation growth and structural protection of buildings.</li> <li>In locations of habitat importance, maintain existing habitat and provide for new habitat for plants and animals.</li> <li>Provide a safe, attractive and functional environment for residents.</li> </ul>	✓ Complies
	Development should provide for the retention or planting of trees, where these are part of the character of the neighbourhood.	✓ Complies
	Development should provide for the replacement of any significant trees that have been removed in the 12 months prior to the application being made.	
	The landscape design should specify landscape themes, vegetation (location and species), paving and lighting.	! Variation required Refer to assessment section in the report
<b>B14 Access</b> To ensure vehicle access to and from a development is safe, manageable and convenient.  To ensure the number and design of vehicle crossovers respects the neighbourhood character.	The width of accessways or car spaces should not exceed: <ul style="list-style-type: none"> <li>33% of the street frontage; or</li> <li>if the width of the street frontage is less than 20 metres, 40% of the street frontage.</li> </ul>	✓ Complies
	No more than one single-width crossover should be provided for each dwelling fronting a street.	✓ Complies
	The location of crossovers should maximise the retention of on-street car parking spaces.	✓ Complies
	The number of access points to a road in a Road Zone should be minimised.	- N/A
	Developments must provide for access for service, emergency and delivery vehicles.	✓ Complies
<b>B15 Parking Location</b> To provide convenient parking for resident and visitor vehicles.  To avoid parking and traffic difficulties in the development and the neighbourhood.  To protect residents from vehicular noise within developments.	Car parking facilities should: <ul style="list-style-type: none"> <li>Be reasonably close and convenient to dwellings and residential buildings.</li> <li>Be secure.</li> <li>Be designed to allow safe and efficient movements within the development.</li> <li>Be well ventilated if enclosed.</li> <li>Large parking areas should be broken up with trees, buildings or different surface treatments.</li> </ul>	! Variation required Refer to assessment section in the report
	Shared accessways or car parks of other dwellings and residential buildings should be located at least 1.5 metres from the windows of habitable rooms. This setback may be reduced to 1 metre where there is a fence at least 1.5 metres high or where window sills are at least 1.4 metres above the accessway.	✓ Complies



### 2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)

#### Amenity Impacts

Clause 55.04

Title & Objective	Standard	Complies / Does Not Comply / Variation Required / N/A
<b>B17 Side and Rear Setbacks</b> To ensure that the height and setback of a building from a boundary respects the existing or preferred neighbourhood character and limits the impact on the amenity of existing dwellings.	A new building not on or within 150mm of a boundary should be set back from side or rear boundaries: <ul style="list-style-type: none"> <li>1 metre, plus 0.3 metres for every metre of height over 3.6 metres up to 6.9 metres, plus 1 metre for every metre of height over 6.9 metres.</li> </ul> Sunblinds, verandahs, porches, eaves, fascias, gutters, masonry chimneys, flues, pipes, domestic fuel or water tanks, and heating or cooling equipment or other services may encroach not more than 0.5 metres into the setbacks of this standard. Landings having an area of not more than 2 square metres and less than 1 metre high, stairways, ramps, pergolas, shade sails and carports may encroach into the setbacks of this standard.	✓ Complies
<b>B18 Walls on Boundaries</b> To ensure that the location, length and height of a wall on a boundary respects the existing or preferred neighbourhood character and limits the impact on the amenity of existing dwellings.	A new wall constructed on or within 150mm of a side or rear boundary of a lot or a carport constructed on or within 1 metre of a side or rear boundary of lot should not abut the boundary for a length of more than: <ul style="list-style-type: none"> <li>10 metres plus 25 per cent of the remaining length of the boundary of an adjoining lot,</li> </ul> or <ul style="list-style-type: none"> <li>Where there are existing or simultaneously constructed walls or carports abutting the boundary on an abutting lot, the length of the existing or simultaneously constructed walls or carports, whichever is the greater.</li> </ul> A new wall or carport may fully abut a side or rear boundary where slope and retaining walls or fences would result in the effective height of the wall or carport being less than 2 metres on the abutting property boundary. A building on a boundary includes a building set back up to 150mm from a boundary. The height of a new wall constructed on or within 150mm of a side or rear boundary or a carport constructed on or within 1 metre of a side or rear boundary should not exceed an average of 3 metres with no part higher than 3.6 metres unless abutting a higher existing or simultaneously constructed wall.	✓ Complies
<b>B19 Daylight to Existing Windows</b> To allow adequate daylight into existing habitable room windows.	Buildings opposite an existing habitable room window should provide for a light court to the existing window that has a minimum area of 3 square metres and minimum dimension of 1 metre clear to the sky. The calculation of the area may include land on the abutting lot.	✓ Complies



### 2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)

Title & Objective	Standard	Complies / Does Not Comply / Variation Required / N/A
	<p>Walls or carports more than 3 metres in height opposite an existing habitable room window should be set back from the window at least 50 per cent of the height of the new wall if the wall is within a 55 degree arc from the centre of the existing window. The arc may be swung to within 35 degrees of the plane of the wall containing the existing window.</p> <p>Where the existing window is above ground floor level, the wall height is measured from the floor level of the room containing the window.</p>	✓ Complies
<b>B20 North Facing Windows</b> To allow adequate solar access to existing north-facing habitable room windows.	<p>If a north-facing habitable room window of an existing dwelling is within 3 metres of a boundary on an abutting lot, a building should be setback from the boundary 1 metre, plus 0.6 metres for every metre of height over 3.6 metres up to 6.9 metres, plus 1 metre for every metre of height over 6.9 metres, for a distance of 3 metres from the edge of each side of the window. A north-facing window is a window with an axis perpendicular to its surface oriented north 20 degrees west to north 30 degrees east.</p>	- N/A
<b>B21 Overshadowing Open Space</b> To ensure buildings do not significantly overshadow existing secluded private open space.	<p>Where sunlight to the secluded private open space of an existing dwelling is reduced, at least 75 per cent, or 40 square metres with minimum dimension of 3 metres, whichever is the lesser area, of the secluded private open space should receive a minimum of five hours of sunlight between 9 am and 3 pm on 22 September.</p> <p>If existing sunlight to the secluded private open space of an existing dwelling is less than the requirements of this standard, the amount of sunlight should not be further reduced.</p>	✓ Complies
<b>B22 Overlooking</b> To limit views into existing secluded private open space and habitable room windows.	<p>A habitable room window, balcony, terrace, deck or patio should be located and designed to avoid direct views into the <u>secluded private open space</u> or <u>habitable room window</u> of an existing dwelling (horizontal 9m rule and from a height of 1.7m above ffl).</p> <p>A habitable room window, balcony, terrace, deck or patio with a direct view should be either:</p> <ul style="list-style-type: none"> <li>Offset a minimum of 1.5 metres from the edge of one window to the edge of the other.</li> <li>Have sill heights of at least 1.7 metres above floor level.</li> <li>Have fixed, obscure glazing in any part of the window below 1.7 metre above floor level.</li> <li>Have permanently fixed external screens to at least 1.7 metres above floor level and be no more than 25 per cent transparent.</li> </ul>	<b>! Variation required</b> Refer to assessment section in the report
	<p>Obscure glazing in any part of the window below 1.7 metres above floor level may be openable provided that there are no direct views as specified in this standard.</p>	✓ Complies



### 2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)

Title & Objective	Standard	Complies / Does Not Comply / Variation Required / N/A
	<p>Screens used to obscure a view should be:</p> <ul style="list-style-type: none"> <li>▪ Perforated panels or trellis with a maximum of 25 per cent openings or solid translucent panels.</li> <li>▪ Permanent, fixed and durable.</li> <li>▪ Designed and coloured to blend in with the development.</li> </ul> <p>This standard does not apply to a new habitable room window, balcony, terrace, deck or patio which faces a property boundary where there is a visual barrier at least 1.8 metres high and the floor level of the habitable room, balcony, terrace, deck or patio is less than 0.8 metres above ground level at the boundary.</p>	✓ Complies
<b>B23 Internal Views</b> To limit views into the secluded private open space and habitable room windows of dwellings and residential buildings within a development.	Windows and balconies should be designed to prevent overlooking of more than 50 per cent of the secluded private open space of a lower-level dwelling or residential building directly below and within the same development.	✓ Complies
<b>B24 Noise Impacts</b> To contain noise sources in developments that may affect existing dwellings.	Noise sources, such as mechanical plant, should not be located near bedrooms of immediately adjacent existing dwellings.	✓ Complies
	Noise sensitive rooms and secluded private open spaces of new dwellings and residential buildings should take account of noise sources on immediately adjacent properties.	✓ Complies
To protect residents from external noise.	Dwellings and residential buildings close to busy roads, railway lines or industry should be designed to limit noise levels in habitable rooms.	✓ Complies



### 2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)

#### On-Site Amenity and Facilities

Clause 55.05

Title & Objective	Standard	Complies / Does Not Comply / Variation Required / N/A
<b>B25 Accessibility</b> To encourage the consideration of the needs of people with limited mobility in the design of developments.	The dwelling entries of the ground floor of dwellings and residential buildings should be accessible or able to be easily made accessible to people with limited mobility.	✓ Complies
<b>B26 Dwelling Entry</b> To provide each dwelling or residential building with its own sense of identity.	Entries to dwellings and residential buildings should: <ul style="list-style-type: none"> <li>Be visible and easily identifiable from streets and other public areas.</li> <li>Provide shelter, a sense of personal address and a transitional space around the entry.</li> </ul>	✓ Complies
<b>B27 Daylight to New Windows</b> To allow adequate daylight into new habitable room windows.	A window in a habitable room should be located to face: <ul style="list-style-type: none"> <li>An outdoor space clear to the sky or a light court with a minimum area of 3 square metres and minimum dimension of 1 metre clear to the sky, not including land on an abutting lot, or</li> <li>A verandah provided it is open for at least one third of its perimeter, or</li> <li>A carport provided it has two or more open sides and is open for at least one third of its perimeter.</li> </ul>	✓ Complies
<b>B28 Private Open Space</b> To provide adequate private open space for the reasonable recreation and service needs of residents.	A dwelling or residential building should have private open space consisting of: <ul style="list-style-type: none"> <li>Total of 40 square metres, one part to consist of secluded private open space to side or rear with a minimum area of 25 square metres and a minimum width of 3m</li> <li>A balcony of 8 square metres, minimum width of 1.6 metres</li> <li>A roof-top area of 10 square metres, minimum width of 2 metres.</li> </ul> All with convenient access from a living room.  <i>Within the General Residential Zone schedule:</i> <b>A minimum dimension of 5 metres.</b>	✓ Complies
<b>B29 Solar Access to Open Space</b> To allow solar access into the secluded private open space of new dwellings and residential buildings.	The private open space should be located on the north side of the dwelling or residential building, if appropriate.	✓ Complies
	The southern boundary of secluded private open space should be set back from any wall on the north of the space at least (2+0.9h) metres, where 'h' is the height of the wall.	✓ Complies
<b>B30 Storage</b> To provide adequate storage facilities for each dwelling.	Each dwelling should have convenient access to at least 6 cubic metres of externally accessible, secure storage space.	✓ Complies



### 2.3.2 Town Planning Application - No. 3 McNab Court, Dandenong (Planning Application PLN15/0813) (Cont.)

#### Detailed Design

Clause 55.06

Title & Objective	Standard	Complies / Does Not Comply / Required / Variation
<b>B31 Design Detail</b> To encourage design detail that respects the existing or preferred neighbourhood character.	The design of buildings, including: <ul style="list-style-type: none"> <li>▪ Facade articulation and detailing,</li> <li>▪ Window and door proportions,</li> <li>▪ Roof form, and</li> <li>▪ Verandahs, eaves and parapets,</li> <li>▪ Should respect the existing or preferred neighbourhood character.</li> </ul>	✓ Complies
	Garages and carports should be visually compatible with the development and the existing or preferred neighbourhood character.	✓ Complies
<b>B32 Front Fences</b> To encourage front fence design that respects the existing or preferred neighbourhood character.	The design of front fences should complement the design of the dwelling or residential building and any front fences on adjoining properties.	! Variation required Refer to assessment section in the report
	A front fence within 3 metres of a street should not exceed: <ul style="list-style-type: none"> <li>▪ 2m if abutting a Road Zone, Category 1.</li> <li>▪ 1.5m in any other streets.</li> </ul> <i>Within all Residential Zone schedules:</i> <b>Maximum 1.5 metre height in streets in Road Zone Category 1, 1.2 metre maximum height for other streets.</b>	! Variation required Refer to assessment section in the report
<b>B33 Common Property</b> To ensure that communal open space, car parking, access areas and site facilities are practical, attractive and easily maintained.  To avoid future management difficulties in areas of common ownership.	Developments should clearly delineate public, communal and private areas.	✓ Complies
	Common property, where provided, should be functional and capable of efficient management.	✓ Complies
<b>B34 Site Services</b> To ensure that site services can be installed and easily maintained.  To ensure that site facilities are accessible, adequate and attractive.	The design and layout of dwellings and residential buildings should provide sufficient space (including easements where required) and facilities for services to be installed and maintained efficiently and economically.	✓ Complies
	Bin and recycling enclosures, mailboxes and other site facilities should be accessible, adequate in size, durable, waterproof and blend in with the development.	! Variation required Refer to assessment section in the report
	Mailboxes should be provided and located for convenient access as required by Australia Post.	! Variation required Refer to assessment section in the report



## **2.4 FINANCE AND BUDGET**

### **2.4.1 2015-16 Annual Financial Statements**

File Id:

Responsible Officer:

Director Corporate Services

Attachments:

Annual Financial Statements  
Performance Statement

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#### **Report Summary**

The preliminary audit of Council's Annual Financial Statements and Performance Statement for the year ended 30 June 2016 has been completed by the Victorian Auditor-General's Office (VAGO) and reviewed by Council's Audit Advisory Committee.

The 2015-16 Annual Financial Statements comprise the consolidated financial statements of Council and the Dandenong Market Pty Ltd. In preparing the consolidated financial statements, all inter-entity balances and transactions have been eliminated in full.

Prior to final certification by VAGO, Council is required to adopt-in-principle the 2015-16 Annual Financial Statements and submit them for certification. As part of the certification process, VAGO may require further minor amendments to the statements and Council authorisation for the Principal Accounting Officer to make these required changes is sought.

Council is also required to authorise two Councillors to certify these documents in accordance with the Local Government (Planning and Reporting) Regulations 2014. The signed statements will be incorporated in Council's annual report for the year ended 30 June 2016.

#### **Recommendation Summary**

This report recommends that Council adopts-in-principle the Annual Financial Statements and Performance Statement for the year ended 30 June 2016 and authorise Council's Principal Accounting Officer to make minor amendments to the Statements as agreed between Council and VAGO. Further that Council nominate Audit Advisory Committee members Councillor Tak and Councillor Kirwan to sign the 2015-16 Financial Statements and Performance Statement once agreed changes have been implemented.



**2.4.1 2015-16 Annual Financial Statements (Cont.)**

**Background**

**Signing of Financial Statements/Performance Statement for the year ended 30 June 2016**

The agents of the Victorian Auditor-General, RSM Bird Cameron, have completed the audit of the Annual Financial Statements and Performance Statement for the year ended 30 June 2016. An Audit Closing Report was presented to the Audit Advisory Committee on 2 September 2016. The statements remain interim until signed by the Auditor-General. Consequently, Council has not received audit clearance for the attached draft Financial Statements and Performance Statement.

The Audit Advisory Committee is satisfied with the statements and recommends to Council that the statements be adopted in principle and referred to VAGO for final certification.

In order for the audit to proceed, Council now needs to resolve to (subject to any minor amendments noted under "Consultation" in this report):

- Approve "in principle" the draft Financial Statements and Performance Statement for the year ended 30 June 2016.
- Authorise two Councillors to sign the 30 June 2016 Financial Statements and Performance Statement once any changes recommended or agreed to with the Auditor-General have been made.

The Financial Statement and Performance Statement for the year ended 30 June 2016 will then be incorporated into Council's Annual Report, which is due for lodging with the Minister by 30 September 2016. The Annual Report will then be formally presented to Council as soon as possible after this lodgement for formal adoption.

**Proposal**

That Council adopt in-principle the Financial Statements and Performance Statement for the year ended 30 June 2016.

**Related Council Policies**

- Financial Management Policy



**2.4.1 2015-16 Annual Financial Statements (Cont.)****Financial Implications**

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 1989*, and the *Local Government (Planning and Reporting) Regulations 2014*.

The Draft Financial Statements are consolidated accounts of Council and the Dandenong Market Pty Ltd. These statements indicate the financial performance for the year and the financial position at 30 June 2016. Whilst the audit has not yet been finalised, it is not expected that there will be any major changes as a result.

The Comprehensive Income Statement highlights that Greater Dandenong City Council's operating surplus for the year is a consolidated *accounting* surplus result of \$48.42 million in 2015-16. In order to reach the total comprehensive income result, Council has recorded a revaluation increment in land and building asset values of \$192.43 million resulting in a consolidated Comprehensive Income result of \$240.85 million in total. Council is reminded that all of these outcomes are accounting based and do not represent the actual '**cash**' outcome of Council for the financial year.

Detailed analysis of Council's operational financial performance for the year ended 30 June 2016 is included in the June 2016 Management Report and illustrates all significant variations between final outcomes and forecast results and provides a reconciliation to the cash result.

The Performance Statement reports Council's performance in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*. It contains the results of the prescribed indicators and measures for service performance, financial performance and sustainable capacity indicators. The Performance Statement is required to be audited and is to be published in the Annual Report 2015-16.

**Consultation**

The agents of the Auditor-General, RSM Bird Cameron, have completed the audit of the Annual Financial Statements and Performance Statement for the year ended 30 June 2016. The Audit Advisory Committee met on 2 September 2016 to review in detail the draft Financial Statements and Performance Statement. The meeting was attended by RSM Bird Cameron who presented the audit outcomes. No material issues were raised. The Audit Advisory Committee recommends to Council that the statements be adopted-in-principle.

**Conclusion**

It is recommended that Council adopt in principle its Financial Statements and Performance Statement for the year ended 30 June 2016 and advance these statements to VAGO for final certification.



**2.4.1 2015-16 Annual Financial Statements (Cont.)**

**Recommendation**

**That Council:**

- 1. adopts-in-principle the Financial Statements and the Performance Statement for the year ended 30 June 2016**
- 2. authorises the Principal Accounting Officer to make changes to the Financial and Performance Statements, as agreed with the Auditor-General and that the Audit Advisory Committee be consulted prior to making any material amendment and that material amendments be communicated to Council as soon as practical; and**
- 3. nominates Councillor Tak and Councillor Kirwan to sign the 30 June 2016 Financial and Performance Statements once any changes agreed with the auditor have been made.**

**MINUTE 1513**

Moved by: Cr Matthew Kirwan

Seconded by: Cr Roz Blades AM

**That Council:**

- 1. adopts-in-principle the Financial Statements and the Performance Statement for the year ended 30 June 2016**
- 2. authorises the Principal Accounting Officer to make changes to the Financial and Performance Statements, as agreed with the Auditor-General and that the Audit Advisory Committee be consulted prior to making any material amendment and that material amendments be communicated to Council as soon as practical; and**
- 3. nominates Councillor Tak and Councillor Kirwan to sign the 30 June 2016 Financial and Performance Statements once any changes agreed with the auditor have been made.**

**CARRIED**



**2.4.1 2015-16 Annual Financial Statements (Cont.)**

**FINANCE AND BUDGET**

**2015-16 ANNUAL FINANCIAL STATEMENTS**

**ATTACHMENT 1**

**ANNUAL FINANCIAL STATEMENTS**

**PAGES 61 (including cover)**

*If the details of the attachment are unclear please contact Governance on 8571 5235.*



2.4.1 2015-16 Annual Financial Statements (Cont.)



# FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016





**2.4.1 2015-16 Annual Financial Statements (Cont.)**

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**2.4.1 2015-16 Annual Financial Statements (Cont.)**

City of Greater Dandenong

2015-16 Financial Report

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**2.4.1 2015-16 Annual Financial Statements (Cont.)**

City of Greater Dandenong

2015-16 Financial Report

## Comprehensive Income Statement

### For the year ended 30 June 2016

	Note	Consolidated 2016 \$'000	Consolidated 2015 \$'000
<b>Income</b>			
Rates and charges	3	120,654	110,740
Statutory fees and fines	4	5,932	5,659
User fees	5	8,394	6,926
Grants - operating	6	25,293	37,541
Grants - capital	6	5,049	2,441
Contributions - monetary	7	3,833	3,128
Contributions - non-monetary	7	38,261	36,617
Fair value adjustments for investment property	22	358	-
Other income	9	13,493	13,606
<b>Total income</b>		<u>221,267</u>	<u>216,658</u>
<b>Expenses</b>			
Employee costs	10	(72,850)	(70,264)
Materials and services	11	(58,114)	(52,880)
Bad and doubtful debts	12	(690)	(1,095)
Depreciation and amortisation	13	(27,521)	(28,947)
Borrowing costs	14	(4,034)	(4,139)
Net loss on disposal of property, infrastructure, plant and equipment	8	(193)	(3,009)
Other expenses	15	(9,447)	(7,668)
<b>Total expenses</b>		<u>(172,849)</u>	<u>(168,002)</u>
<b>Surplus for the year</b>		<u><b>48,418</b></u>	<u><b>48,656</b></u>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to surplus or deficit in future periods</b>			
Net asset revaluation increment	28(a)	192,430	74,406
<b>Total comprehensive result</b>		<u><b>240,848</b></u>	<u><b>123,062</b></u>

The above Comprehensive Income Statement should be read in conjunction with the accompanying notes.



## 2.4.1 2015-16 Annual Financial Statements (Cont.)

## City of Greater Dandenong

## 2015-16 Financial Report

**Balance Sheet**

As at 30 June 2016

	Note	Consolidated 2016 \$'000	Consolidated 2015 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	16	88,664	79,127
Trade and other receivables	17	16,650	13,943
Non-current assets classified as held for sale	19	11,490	-
Other assets	20	2,337	3,071
<b>Total current assets</b>		<b>119,141</b>	<b>96,141</b>
<b>Non-current assets</b>			
Trade and other receivables	17	331	326
Other financial assets	18	230	230
Property, infrastructure, plant and equipment	21	1,904,088	1,677,386
Investment property	22	10,320	9,874
Non-current assets classified as held for sale	19	-	490
<b>Total non-current assets</b>		<b>1,914,969</b>	<b>1,688,306</b>
<b>Total assets</b>		<b>2,034,110</b>	<b>1,784,447</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	23	16,304	15,746
Trust funds and deposits	24	29,595	19,418
Provisions	25	16,463	15,178
Interest-bearing loans and borrowings	26	3,120	4,359
Other interest-bearing liabilities	27	1,184	1,117
<b>Total current liabilities</b>		<b>66,666</b>	<b>55,818</b>
<b>Non-current liabilities</b>			
Trust funds and deposits	24	1,017	1,039
Provisions	25	675	1,217
Interest-bearing loans and borrowings	26	54,912	58,059
Other interest-bearing liabilities	27	1,255	2,439
<b>Total non-current liabilities</b>		<b>57,859</b>	<b>62,754</b>
<b>Total liabilities</b>		<b>124,525</b>	<b>118,572</b>
<b>Net assets</b>		<b>1,909,585</b>	<b>1,665,875</b>
<b>Equity</b>			
Accumulated surplus		773,238	727,248
Reserves	28	1,136,347	938,627
<b>Total equity</b>		<b>1,909,585</b>	<b>1,665,875</b>

The above Balance Sheet should be read in conjunction with the accompanying notes.



## 2.4.1 2015-16 Annual Financial Statements (Cont.)

City of Greater Dandenong

2015-16 Financial Report

### Statement of Changes in Equity

For the year ended 30 June 2016

Consolidated					
		Total	Accumulated	Revaluation	Other
	Note	\$'000	Surplus	Reserve	Reserves
2016			\$'000	\$'000	\$'000
Balance at beginning of the financial year		1,665,875	727,248	911,395	27,232
Adjustment directly to equity	38	2,831	2,831	-	-
<b>Adjusted balance at beginning of the financial year</b>		<b>1,668,706</b>	<b>730,079</b>	<b>911,395</b>	<b>27,232</b>
Surplus for the year		48,418	48,418	-	-
Net asset revaluation increment	28(a)	192,430	-	192,430	-
Revaluation reversal - disposed assets	28(a)	-	(35)	35	-
Impairment loss reversal	28(a)	31	-	31	-
Transfers to other reserves	28(b)	-	(13,028)	-	13,028
Transfers from other reserves	28(b)	-	7,804	-	(7,804)
<b>Balance at end of the financial year</b>		<b>1,909,585</b>	<b>773,238</b>	<b>1,103,891</b>	<b>32,456</b>

Consolidated					
		Total	Accumulated	Revaluation	Other
		\$'000	Surplus	Reserve	Reserves
2015			\$'000	\$'000	\$'000
Balance at beginning of the financial year		1,539,852	679,030	836,989	23,833
Adjustment directly to equity	38	2,961	2,961	-	-
<b>Adjusted balance at beginning of the financial year</b>		<b>1,542,813</b>	<b>681,991</b>	<b>836,989</b>	<b>23,833</b>
Surplus for the year		48,656	48,656	-	-
Net asset revaluation increment	28(a)	74,406	-	74,406	-
Transfers to other reserves	28(b)	-	(7,914)	-	7,914
Transfers from other reserves	28(b)	-	4,515	-	(4,515)
<b>Balance at end of the financial year</b>		<b>1,665,875</b>	<b>727,248</b>	<b>911,395</b>	<b>27,232</b>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.



## 2.4.1 2015-16 Annual Financial Statements (Cont.)

City of Greater Dandenong

2015-16 Financial Report

## Statement of Cash Flows

### For the year ended 30 June 2016

		Consolidated 2016 Inflows/ (Outflows) \$'000	Consolidated 2015 Inflows/ (Outflows) \$'000
	Note		
<b>Cash flows from operating activities</b>			
Rates and charges		120,241	109,984
Statutory fees and fines		4,880	4,513
User fees		9,222	7,278
Grants - operating		27,052	38,399
Grants - capital		4,824	2,334
Contributions - monetary		3,907	3,066
Interest received		2,794	2,669
Trust funds and deposits taken		37,428	34,645
Other receipts		10,834	11,822
Net GST refund		8,370	7,407
Employee costs		(71,595)	(70,945)
Materials and services		(66,428)	(59,565)
Trust funds and deposits repaid		(29,820)	(25,807)
Other payments		(10,379)	(8,432)
<b>Net cash provided by operating activities</b>	29	<u>51,330</u>	<u>57,368</u>
<b>Cash flows from investing activities</b>			
Payments for property, infrastructure, plant and equipment		(34,567)	(37,291)
Proceeds from sale of property held for resale		1,327	-
Proceeds from sale of property, infrastructure, plant and equipment		1,016	534
<b>Net cash used in investing activities</b>		<u>(32,224)</u>	<u>(36,757)</u>
<b>Cash flows from financing activities</b>			
Finance costs		(4,066)	(4,137)
Proceeds from borrowings (includes refinancing)		-	4,900
Repayment of borrowings (includes refinancing)		(4,386)	(9,230)
Repayment of other interest-bearing liabilities		(1,117)	-
<b>Net cash used in financing activities</b>		<u>(9,569)</u>	<u>(8,467)</u>
Net increase in cash and cash equivalents		9,537	12,144
Cash and cash equivalents at the beginning of the financial year		79,127	66,983
<b>Cash and cash equivalents at the end of the financial year</b>	16	<u>88,664</u>	<u>79,127</u>
Financing arrangements	30		
Restrictions on cash assets	16		

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.



**2.4.1 2015-16 Annual Financial Statements (Cont.)**

## City of Greater Dandenong

## 2015-16 Financial Report

### Statement of Capital Works

For the year ended 30 June 2016

	Consolidated 2016 \$'000	Consolidated 2015 \$'000
<b>Property</b>		
Land	-	5,825
<b>Total land</b>	-	5,825
Buildings	12,934	14,152
Leasehold improvements	-	84
<b>Total buildings</b>	12,934	14,236
<b>Total property</b>	12,934	20,061
<b>Plant and equipment</b>		
Plant, machinery and equipment	2,766	2,030
Fixtures, fittings and furniture	6	123
Computers and telecommunications	299	268
Library books	1,054	998
<b>Total plant and equipment</b>	4,125	3,419
<b>Infrastructure</b>		
Roads	10,130	6,202
Bridges	165	48
Footpaths and cycleways	1,368	1,756
Drainage	1,189	1,272
Recreational, leisure and community facilities	1,049	2,591
Parks, open space and streetscapes	4,838	3,335
Off street car parks	637	87
<b>Total infrastructure</b>	19,376	15,291
<b>Total capital works expenditure</b>	<b>36,435</b>	<b>38,771</b>
<b>Represented by:</b>		
New asset expenditure	8,506	15,684
Asset renewal expenditure	20,093	18,119
Asset upgrade expenditure	7,690	4,732
Asset expansion expenditure	146	236
<b>Total capital works expenditure</b>	<b>36,435</b>	<b>38,771</b>

The above Statement of Capital Works should be read in conjunction with the accompanying notes.



**2.4.1 2015-16 Annual Financial Statements (Cont.)**

City of Greater Dandenong

2015-16 Financial Report

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## Notes to the Financial Report

### Introduction

The City of Greater Dandenong was established in December 1994 with the amalgamation of the former City of Springvale and former City of Dandenong, and is a body corporate. The Council's main office is located at 225 Lonsdale Street, Dandenong, 3175.

### Statement of compliance

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 1989*, and the *Local Government (Planning and Reporting) Regulations 2014*.

### Note 1 Significant accounting policies

#### (a) Basis of accounting

The accrual basis of accounting has been used in the preparation of these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated judgements are based on professional judgement derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AAS's that have significant effects on the financial statements and estimates relate to:

- the fair value of land, buildings and infrastructure (refer to note 1 (k)).
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to note 1 (l)).
- the determination of employee provisions (refer to note 1 (r)).

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation, and disclosure has been made of any material changes to comparatives.



**2.4.1 2015-16 Annual Financial Statements (Cont.)**

City of Greater Dandenong

2015-16 Financial Report

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**Notes to the Financial Report****Note 1 Significant accounting policies (continued)****(b) Change in accounting policies**

There has been no change in accounting policies from the previous period.

**(c) Principles of consolidation**

The consolidated financial statements of Council incorporates all entities controlled by Council as at 30 June 2016, and their income and expenses for that part of the reporting period in which control existed.

Subsidiaries are all entities over which Council has control. Council controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Council. They are deconsolidated from the date that control ceases.

Where dissimilar accounting policies are adopted by entities and their effect is considered material, adjustments are made to ensure consistent policies are adopted in these financial statements.

In the process of preparing consolidated financial statements all material transactions and balances between consolidated entities are eliminated.

Entities consolidated into Council include:

- Dandenong Market Pty Ltd

Refer note 39 for a reconciliation between Council, Dandenong Market Pty Ltd and consolidated for the 2015-16 financial year.

**(d) Committees of management**

All entities controlled by Council that have material revenues, expenses, assets or liabilities, such as committees of management, have been included in this financial report. Any transactions between these entities and Council have been eliminated in full.

At balance date there were no committees of management that was controlled by the Council.

**(e) Revenue recognition**

Income is recognised when the Council obtains control of the contribution or the right to receive the contribution, it is probable that the economic benefits comprising the contribution will flow to the Council and the amount of the contribution can be measured reliably.

***Rates and charges***

Annual rates and charges are recognised as revenues when Council issues annual rates notices. Supplementary rates are recognised when a valuation and reassessment is completed and a supplementary rates notice issued.



**2.4.1 2015-16 Annual Financial Statements (Cont.)**

City of Greater Dandenong

2015-16 Financial Report

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**Notes to the Financial Report****Note 1 Significant accounting policies (continued)****(e) Revenue recognition (continued)***Statutory fees and fines*

Statutory fees and fines (including parking fees and fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

*User fees*

User fees are recognised as revenue when the service has been provided or the payment is received, whichever first occurs.

*Grants*

Grant income is recognised when Council obtains control of the contribution. This is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and are valued at their fair value at the date of transfer.

Where grants are recognised as revenues during the financial year, were obtained on the condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant is disclosed in note 6. The note also discloses the amount of unused grants from prior years that were expended on Council's operations during the current year.

*Contributions*

Monetary and non-monetary contributions are recognised as revenue when Council obtains control over the contributed asset.

*Sale of property, infrastructure, plant and equipment*

The profit or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer.

*Interest*

Interest is recognised as it is earned.

*Other income*

Other income is measured at the fair value of the consideration received or receivable and is recognised when Council gains control over the right to receive the income.



**2.4.1 2015-16 Annual Financial Statements (Cont.)****Notes to the Financial Report****Note 1 Significant accounting policies (continued)****(f) Fair value measurement**

Council measures certain assets and liabilities at fair value where required or permitted by Australian Accounting Standards. AASB 13 'Fair value measurement', aims to improve consistency and reduce complexity by providing a definition of fair value and a single source of fair value measurement and disclosure requirements for use across Australian Accounting Standards.

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within a fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, Council determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**(g) Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of 90 days or less, net of outstanding bank overdrafts.

**(h) Trade and other receivables**

Receivables are carried at amortised cost using the effective interest rate method. A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred.

**(i) Other financial assets**

Other financial assets are valued at fair value, being market value, at balance date. Term deposits are measured at amortised cost. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense. Details in relation to other financial assets are included in note 18.



**2.4.1 2015-16 Annual Financial Statements (Cont.)**

City of Greater Dandenong

2015-16 Financial Report

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**Notes to the Financial Report****Note 1 Significant accounting policies (continued)****(j) Non-current assets classified as held for sale**

Non-current assets classified as held for sale (including disposal groups) are measured at the lower of the carrying amount and fair value less costs to sell, and are not subject to depreciation. Non-current assets, disposal groups and related liabilities and assets are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale (or disposal group sale) is expected to be completed within 12 months from the date of classification.

**(k) Recognition and measurement of property, infrastructure, plant and equipment***Acquisition*

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the amount for which the asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction and an appropriate share of directly attributable variable and fixed overheads.

In accordance with Council's policy, the threshold limits detailed in note 1(l) have been applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

*Revaluation*

Subsequent to the initial recognition of assets, non-current physical assets, other than land under roads, leasehold improvements, recreational, leisure and community facilities, parks, open space and streetscapes and plant and equipment are measured at their fair value, being the amount for which the assets could be exchanged between knowledgeable willing parties in an arm's length transaction. Subsequent to the initial recognition of assets, non current physical assets (other than the asset classes detailed directly above) are measured at their fair value, being the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. At balance date, Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset class materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use on an asset result in changes to the permissible or practical highest and best use of the asset. Further details regarding the fair value hierarchy are disclosed at note 21 'Property, infrastructure, plant and equipment'.



**2.4.1 2015-16 Annual Financial Statements (Cont.)****Notes to the Financial Report****Note 1 Significant accounting policies (continued)****(k) Recognition and measurement of property, infrastructure, plant and equipment (continued)**

In addition, Council undertakes a formal revaluation of land, buildings and infrastructure assets on a regular basis ranging from two to five years. The valuation is performed either by experienced council officers or independent experts.

Where the assets are revalued, the revaluation increments are credited directly to the asset revaluation reserve except to the extent that an increment reverses a prior year decrement for that class of asset that had been recognised as an expense, in which case the increment is recognised as revenue up to the amount of the expense. Revaluation decrements are recognised as an expense except where prior increments are included in the asset revaluation reserve for that class of asset in which case the decrement is taken to the reserve to the extent of the remaining increments. Within the same class of assets, revaluation increments and decrements within the year are offset.

*Land*

The revaluation of land at 1 January 2016 resulted in an increase in the fair value of land of \$174.62 million (22.85%) consistent with property market movements of the various suburbs in the municipality.

*Land under roads*

In accordance with options available under Australian Accounting Standards, Council has opted to recognise all land under roads acquired after 30 June 2008 using the cost basis. Council does not recognise land under roads that it controlled prior to that period in its financial report.

**(l) Depreciation and amortisation of property, infrastructure, plant and equipment**

All asset classes except land, land under roads and art works, having limited useful lives are systematically depreciated over their useful lives to the Council in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually.

Where assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and residual values and a separate depreciation rate is determined for each component.

Straight line depreciation is charged based on the residual useful life as determined each year.



**2.4.1 2015-16 Annual Financial Statements (Cont.)**

City of Greater Dandenong

2015-16 Financial Report

**Notes to the Financial Report****Note 1 Significant accounting policies (continued)****(i) Depreciation and amortisation of property, infrastructure, plant and equipment (continued)**

Depreciation periods used are listed below and are consistent with the prior year unless otherwise stated.

	<b>Depreciation period (years)</b>	<b>Threshold limit \$'000</b>
<i>Property</i>		
Land		
Land	N/A	-
Land under roads	N/A	-
Buildings		
Buildings	50-100	10
Leasehold improvements	Lease term	-
<i>Plant and equipment</i>		
Plant and equipment	5	2
Fixtures, fittings and furniture	6-15	2
Computers and telecommunications	3-5	2
Library books	5	-
<i>Infrastructure</i>		
Roads		
Seal	12-20	20
Substructure	100	20
Kerb and channel	15-80	5
Local area traffic management (LATM) devices	5-30	5
Bridges	20-100	5
Footpaths and cycleways	10-50	1
Drainage		
New pipes and pits	100	-
Existing pipes and pits	100	5
Gross pollutant traps	50	5
Recreational, leisure and community facilities		
Recreational equipment and facilities, electronic screens and scoreboards and playgrounds.	10-20	2
Sportsgrounds, grass (turf), courts, hardstand, other ground surfaces.	10-20	10
Outdoor pools	50	10
Minor structures (sporting, shade structures and retaining walls), irrigation, sportsfield drainage, controllers, sensors, water tanks/pumps.	10-20	5
Parks, open space and streetscapes		
Open space furniture, fencing, bollards, gates, wetlands, retarding/detention basins, water sensitive urban devices (WSUDs) and swales.	10-20	5
Public art	N/A	2
Signs, parking meters, ticket machines and equipment.	10-20	2
Lighting, passive grass/surface, horticultural plantings and gardens, natural bush and vegetation.	10-20	10
Off street car parks	20-100	5



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2.4.1 2015-16 Annual Financial Statements (Cont.)

## Notes to the Financial Report

### Note 1 Significant accounting policies (continued)

#### (m) Repairs and maintenance

Routine maintenance, repair costs and minor renewal costs are expensed as incurred. Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold, the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

#### (n) Investment property

Investment property, comprising retail complexes, are held to generate long-term rental yields. Investment property is measured initially at cost, including transaction costs. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefit in excess of the originally assessed performance of the asset will flow to the Council. Subsequent to initial recognition at cost, investment property is carried at fair value, determined annually by independent valuers. Changes to fair value are recorded in the comprehensive income statement in the period that they arise. Investment property are not subject to depreciation. Rental income from the leasing of investment properties is recognised in the comprehensive income statement on a straight line basis over the lease term.

#### (o) Impairment of assets

At each reporting date, the Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Comprehensive Income Statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

#### (p) Trust funds and deposits

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited (refer to note 24). Amounts received from developers relating to the Development Contribution Plans (DCP) are held as deposits and are a surety for the construction of DCP infrastructure. Upon completion of the infrastructure, Council will refund the developer the deposit. Due to the uncertainty of when the developer may submit a claim for refund, the monies held are treated as a current liability.

#### (q) Borrowings

Borrowings are initially measured at fair value, being the cost of the interest bearing liabilities, net of transaction costs. The measurement basis subsequent to initial recognition depends on whether the Council has categorised its interest-bearing liabilities as either financial liabilities designated at fair value through the profit and loss, or financial liabilities at amortised cost. Any difference between the initial recognised amount and the redemption value is recognised in the net result over the period of the borrowing using the effective interest method.

The classification depends on the nature and purpose of the interest-bearing liabilities. The Council determines the classification of its interest bearing liabilities at initial recognition.



**2.4.1 2015-16 Annual Financial Statements (Cont.)**

City of Greater Dandenong

2015-16 Financial Report

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**Notes to the Financial Report****Note 1 Significant accounting policies (continued)****(q) Borrowings (continued)***Borrowing costs*

Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council. Except where specific borrowings are obtained for the purpose of specific asset acquisition, the weighted average interest rate applicable to borrowings at balance date, excluding borrowings associated with superannuation, is used to determine the borrowing costs to be capitalised.

Borrowing costs include interest on bank overdrafts, interest on borrowings, and finance lease charges.

During 2015-16 Council restructured one of the loan facilities with National Australia Bank to take up the benefits of a reduced payback period, interest rate and loan cost over the term of the loan. As a result the loan term reduced from 25 years to 24 years and the interest rate reduced from 6.35% to 6.15%.

**(r) Employee costs and benefits**

The calculation of employee costs and benefits includes all relevant on-costs and are calculated as follows at reporting date.

*Wages, salaries and annual leave*

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

Liabilities that are not expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

*Long service leave*

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

Current liability - unconditional LSL is disclosed as a current liability even when the Council does not expect to settle the liability within 12 months because it will not have the unconditional right to defer settlement of the entitlement should an employee take leave within 12 months.

The components of this current liability are measured at:

- present value - component that is not expected to be wholly settled within 12 months.
- nominal value - component that is expected to be wholly settled within 12 months.

Non-current liability - conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non-current liability. There is an unconditional right to defer settlement of the entitlement until the employee has completed the requisite years of service.

This non-current LSL liability is measured at present value.



**2.4.1 2015-16 Annual Financial Statements (Cont.)**

## Notes to the Financial Report

**Note 1 Significant accounting policies (continued)****(s) Leases***Operating leases*

Lease payments for operating leases are required by the accounting standard to be recognised on a straight line basis, rather than expensed in the years in which they are incurred.

*Leasehold improvements*

Leasehold improvements are recognised at cost and are amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is the shorter.

**(t) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**(u) Financial guarantees**

Financial guarantee contracts are not recognised as a liability in the Balance Sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that right will be exercised. Details of guarantees that Council has provided, that are not recognised in the balance sheet are disclosed in note 34 'Contingent liabilities and contingent assets'.

**(v) Contingent assets, contingent liabilities and commitments**

Contingent assets and contingent liabilities are not recognised in the Balance Sheet, but are disclosed by way of a note and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively (refer note 34).

Commitments are not recognised in the Balance Sheet. Commitments are disclosed at their nominal value by way of note and presented inclusive of the GST payable.



**2.4.1 2015-16 Annual Financial Statements (Cont.)**

City of Greater Dandenong

2015-16 Financial Report

**Notes to the Financial Report****Note 1 Significant accounting policies (continued)****(w) Pending Accounting Standards**

The following Australian Accounting Standards have been issued or amended and are applicable to the Council but are not yet effective.

They have not been adopted in preparation of the financial statements at reporting date.

<b>Pronouncement</b>	<b>AASB 15 Revenue from Contracts with Customers</b>
<b>What's new?</b>	This standard is to establish the principles that an entity shall apply to report useful information to users of the financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.
<b>Impact/action</b>	The impact of this standard will need to be assessed in line with the final deliberations by the AASB on the application of this standard.
<b>Effective date</b>	Periods beginning on or after 1 January 2018.

<b>Pronouncement</b>	<b>AASB 16 Leases</b>
<b>What's new?</b>	This standard sets out the principles for the recognition, measurement, presentation and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the Balance Sheet, Comprehensive Income Statement and cash flows of an entity.
<b>Impact/action</b>	The impact of this standard will need to be assessed in line with the final deliberations by the AASB on the application of this standard.
<b>Effective date</b>	Periods beginning on or after 1 January 2019.

<b>Pronouncement</b>	<b>AASB 124 Related Party Disclosures (AASB 2015-6 Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities)</b>
<b>What's new?</b>	This standard has been extended to include the Related Party Disclosures for Not-for-Profit Public Sector Entities. The objective of this Standard is to ensure that an entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances, including commitments, with such parties.
<b>Impact/action</b>	Impacts on the level and nature of the disclosures will be assessed based on the eventual implications arising from the amendments to AASB 124.
<b>Effective date</b>	Periods beginning on or after 1 July 2016.

**(x) Rounding**

Unless otherwise stated, amounts in the financial report have been rounded to the nearest thousand dollars. Figures in the financial statements may not equate due to rounding.



**2.4.1 2015-16 Annual Financial Statements (Cont.)**

City of Greater Dandenong

2015-16 Financial Report

**Notes to the Financial Report****Note 2 Budget comparison**

The budget comparison notes compare Council's financial plan, expressed through its annual budget, with actual performance. *The Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of greater than 10 per cent and greater than \$1 million or where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures detailed below are those adopted by Council on 22 June 2015. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for income and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

These notes are prepared to meet the requirements of the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

**a) Income and expenditure**

	<b>Consolidated Actual 2016 \$'000</b>	<b>Council Actual 2016 \$'000</b>	<b>Council Budget 2016 \$'000</b>	<b>Council Variance 2016 \$'000</b>	<b>Ref</b>
		<i>(note 39)</i>		<i>Fav (Unfav)</i>	
<b>Income</b>					
Rates and charges	120,654	120,750	119,237	1,513	
Statutory fees and fines	5,932	5,932	7,311	(1,379)	(a)
User fees	8,394	8,394	11,738	(3,344)	(b)
Grants - operating	25,293	25,233	30,185	(4,952)	(c)
Grants - capital	5,049	5,049	4,378	671	
Contributions - monetary	3,833	3,833	1,625	2,208	(d)
Contributions - non-monetary	38,261	38,261	18,000	20,261	(e)
Net gain on disposal of property, infrastructure, plant and equipment	-	-	1,361	(1,361)	(f)
Fair value adjustments for investment property	358	358	-	358	
Other income	13,493	9,348	5,054	4,294	(g)
<b>Total income</b>	<b>221,267</b>	<b>217,158</b>	<b>198,889</b>	<b>18,269</b>	
<b>Expenses</b>					
Employee costs	(72,850)	(72,107)	(73,348)	1,241	
Materials and services	(58,114)	(54,947)	(53,042)	(1,905)	
Bad and doubtful debts	(690)	(637)	(829)	192	
Depreciation and amortisation	(27,521)	(27,512)	(30,559)	3,047	(h)
Borrowing costs	(4,034)	(4,034)	(4,057)	23	
Net loss on disposal of property, infrastructure, plant and equipment	(193)	(193)	-	(193)	(f)
Other expenses	(9,447)	(9,425)	(7,154)	(2,271)	(i)
<b>Total expenses</b>	<b>(172,849)</b>	<b>(168,855)</b>	<b>(168,989)</b>	<b>134</b>	
<b>Surplus for the year</b>	<b>48,418</b>	<b>48,303</b>	<b>29,900</b>	<b>18,403</b>	



**2.4.1 2015-16 Annual Financial Statements (Cont.)**

City of Greater Dandenong

2015-16 Financial Report

**Notes to the Financial Report****Note 2 Budget comparison (continued)****a) Income and expenditure*****Explanation of material variations***

Ref	Item	Explanation
(a)	Statutory fees and fines	Statutory fees and fines are \$1.38 million lower than the Original Budget mainly due to a reclassification of items included in three categories - statutory fees and fines, user fees and other income, between the Original Budget and the 2015-16 actuals. The reclassification occurred at the end of 2014-15 to comply with the new Local Government Model Financial Report after the adoption of the 2015-16 Original Budget. Excluding the reclassification, the unfavourable variance in statutory fees and fines is \$333,000 (5.32%) which is due to lower than expected parking fine income due to an amnesty period to allow customers to adapt to new ticket machines.
(b)	User fees	User fees are \$3.34 million lower than the Original Budget due mainly to the reclassifications outlined in item (a) above. Excluding the reclassification, user fees were \$1.06 million lower than the Original Budget due primarily to changes in the scheduling of new/replacement ticket machine installations, vandalism of new ticket machines and theft of cash boxes from older ticket machines.
(c)	Grants - operating	Operating grant income was \$4.95 million lower than expected in the Original Budget due to \$5.37 million (50%) of the 2015-16 Victoria Grants Commission funding allocation being distributed to Council early in June 2015.
(d)	Contributions - monetary	As a result of a higher than anticipated level of economic activity, Council received higher than budgeted open space contributions from developers of \$2.26 million during 2015-16. These contributions are restricted in their use and are transferred to reserves at the end of the financial year and are set aside for open space projects. The timing of receipt and amount of open space contributions are difficult to predict.
(e)	Contributions - non-monetary	These contributions represent assets that are transferred to Council's ownership from developers upon completion of subdivisions. A greater number of subdivisions were completed and finalised during 2015-16 than expected in the Original Budget. The timing of these asset transfers is outside of Council's control and difficult to predict. This item is a non-cash accounting entry.



**2.4.1 2015-16 Annual Financial Statements (Cont.)**

City of Greater Dandenong

2015-16 Financial Report

**Notes to the Financial Report****Note 2 Budget comparison (continued)****a) Income and expenditure*****Explanation of material variations***

Ref	Item	Explanation
(f)	Net gain/(loss) on disposal of property, infrastructure, plant and equipment	The disposal of property, infrastructure, plant and equipment resulted in a loss in 2015-16 instead of a gain as expected in the Original Budget due to: <ul style="list-style-type: none"> <li>- two property sales that were delayed and did not occur in 2015-16.</li> <li>- an extension to the settlement date on the last lot of Metro 3175 (now December 2016).</li> <li>- write off of fixed assets of \$848,000 caused by the replacement of infrastructure assets, mainly drainage and footpaths and a number of building demolitions in Dandenong Park.</li> </ul>
(g)	Other income	Other income is \$4.29 million higher than budget due mainly to the income reclassifications detailed in item (a) above. Excluding these reclassifications, there is a favourable variance of \$997,000 in other income from the Original Budget caused by: <ul style="list-style-type: none"> <li>- interest on investments \$514,000.</li> <li>- interest on rate arrears \$172,000.</li> <li>- recycling and sorting income of \$211,000 due to a higher rate per tonne received in relation to the contract arrangement of Council's waste collection and receipt of recyclables.</li> </ul>
(h)	Depreciation and amortisation	Depreciation expense was lower than the Original Budget due mainly to the effect of the revaluation of infrastructure asset classes valued at fair value at 30 June 2015, which occurred after the adoption of the Original Budget, combined with a review of expiry dates in building assets as part of the independent revaluation conducted at 1 January 2016.
(i)	Other expenses	Other expenses were higher than expected in the Original Budget due mainly to the replacement of street light globes with energy efficient luminaires that occurred on non-Council owned assets and could not be capitalised to the fixed asset register. These costs were included as part of the capital budget.



## 2.4.1 2015-16 Annual Financial Statements (Cont.)

City of Greater Dandenong

2015-16 Financial Report

## Notes to the Financial Report

## Note 2 Budget comparison (continued)

## b) Capital works

	Consolidated Actual 2016 \$'000	Council Actual 2016 \$'000	Council Budget 2016 \$'000	Council Variance 2016 \$'000 <i>Fav (Unfav)</i>	Ref
<b>Property</b>					
Land	-	-	3,000	3,000	(j)
<b>Total land</b>	-	-	<b>3,000</b>	<b>3,000</b>	
Buildings	12,934	12,934	12,790	(144)	
<b>Total buildings</b>	<b>12,934</b>	<b>12,934</b>	<b>12,790</b>	<b>(144)</b>	
<b>Total property</b>	<b>12,934</b>	<b>12,934</b>	<b>15,790</b>	<b>2,856</b>	
<b>Plant and equipment</b>					
Plant, machinery and equipment	2,766	2,766	2,796	30	
Fixtures, fittings and furniture	6	6	5	(1)	
Computers and telecommunications	299	299	313	14	
Library books	1,054	1,054	1,174	120	
<b>Total plant and equipment</b>	<b>4,125</b>	<b>4,125</b>	<b>4,288</b>	<b>163</b>	
<b>Infrastructure</b>					
Roads	10,130	10,130	4,775	(5,355)	(k)
Bridges	165	165	-	(165)	
Footpaths and cycleways	1,368	1,368	1,865	497	
Drainage	1,189	1,189	1,745	556	
Recreational, leisure and community facilities	1,049	1,049	995	(54)	
Parks, open space and streetscapes	4,838	4,838	6,030	1,192	(l)
Off street car parks	637	637	1,890	1,253	(m)
<b>Total infrastructure</b>	<b>19,376</b>	<b>19,376</b>	<b>17,300</b>	<b>(2,076)</b>	
<b>Total capital works expenditure</b>	<b>36,435</b>	<b>36,435</b>	<b>37,378</b>	<b>943</b>	
<b>Represented by:</b>					
New asset expenditure	8,506	8,506	13,302	4,796	(n)
Asset renewal expenditure	20,093	20,093	18,604	(1,489)	(o)
Asset upgrade expenditure	7,690	7,690	5,472	(2,218)	(p)
Asset expansion expenditure	146	146	-	(146)	
<b>Total capital works expenditure</b>	<b>36,435</b>	<b>36,435</b>	<b>37,378</b>	<b>943</b>	



**2.4.1 2015-16 Annual Financial Statements (Cont.)**

City of Greater Dandenong

2015-16 Financial Report

**Notes to the Financial Report****Note 2 Budget comparison (continued)****b) Capital works (continued)****Explanation of material variations**

Ref	Item	Explanation
(j)	Land	The \$3.00 million favourable variance is due to a delay in the acquisition of land for the Keysborough South Community Hub development. The delay has been caused by investigations into and negotiations with the Department of Education and Training about co-locating the hub on a particular site.
(k)	Roads	The actual expenditure on roads was higher than the Original Budget due mainly to expenditure relating to the Abbots Road bridge duplication project (\$4.52 million) which was carried over from 2014-15 (not included in the Original Budget) and additional funding received for Roads to Recovery which resulted in higher matched expenditure (\$563,000).
(l)	Parks, open space and streetscapes	Capital expenditure was lower than the Original Budget due mainly to a street lighting project (\$1.01 million) where the costs were recorded as operating expenditure (budgeted as capital expenditure) because the works occurred on non-Council owned assets.
(m)	Off street car parks	Actual expenditure was lower than the Original Budget due mainly to a delay in the design phase for the VicTrack/Metro 3175 car park project (\$1.06 million). Finalisation of the design was delayed due to a high pressure gas line on the site requiring approval and service scanning to check the existing drainage system. This project is expected to be completed in 2016-17 and the remaining budget will be carried over.
(n)	New	Capital new expenditure was \$4.80 million lower than the Original Budget due to the delay in the land acquisition for the Keysborough South Community Hub (\$3.00 million), a change in the timing of expenditure for Tatterson Park Community Pavilion to match approved grant funding instalments - not known at the time of adopting the 2015-16 Original Budget (\$1.62 million) and a delay in the VicTrack/Metro 3175 car park project (\$1.06 million).
(o)	Renewal	Renewal expenditure was \$1.49 million higher than the Original Budget due to library books being classified as new in the Original Budget and renewal for the 2015-16 Actuals (\$1.05 million), expenditure transferred from operating due to its capital nature relating mainly to roads and buildings (\$1.04 million) which was not included in the Original Budget for capital renewal offset partly by a favourable variance of \$509,000 in the annual building renewal program.
(p)	Upgrade	Upgrade expenditure was \$2.22 million higher than the Original Budget due mainly to the Abbots Road bridge duplication project (\$4.52 million) which was carried over from the prior year, offset partly by the street lighting project (\$1.01 million) which was budgeted in capital but transferred to operating in the 2015-16 actuals as it related to non-Council owned lighting assets and a delay in the Princes Highway and Robinson Street intersection project (\$500,000).



**2.4.1 2015-16 Annual Financial Statements (Cont.)****City of Greater Dandenong****2015-16 Financial Report****Notes to the Financial Report**

	Consolidated 2016 Note \$'000	Consolidated 2015 \$'000
<b>Note 3 Rates and charges</b>		
Council uses the Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is the value of the land and all improvements on it, and is determined by independent valuers and certified by the Valuer General Victoria. The valuation base used to calculate general rates for 2015-16 was \$31.17 billion (\$30.41 billion in 2014-15).		
Residential	47,937	44,942
Commercial	11,626	10,429
Industrial	41,995	38,051
Farm	472	461
Cultural and recreational	411	325
Waste management charge - residential	14,734	13,418
Supplementary rates and rates adjustment	2,336	2,176
Maintenance levy	1,143	938
<b>Total rates and charges</b>	<b>120,654</b>	<b>110,740</b>
The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2016 and the valuation first applied to the rating period commencing 1 July 2016.		
<b>Note 4 Statutory fees and fines</b>		
Infringements and costs	3,204	3,110
Court recoveries	825	715
Building and town planning fees	1,591	1,412
Land information certificates	107	92
Permits	205	330
<b>Total statutory fees and fines</b>	<b>5,932</b>	<b>5,659</b>
<b>Note 5 User fees</b>		
Aged and health services	1,027	1,149
Child care/children's programs	822	360
Parking	3,542	2,708
Registration and other permits	1,196	1,136
Asset protection fees	465	323
Sub-division fees	746	581
Other fees and charges	596	669
<b>Total user fees</b>	<b>8,394</b>	<b>6,926</b>
<b>Note 6 Grants</b>		
Grants were received in respect of the following:		
<b>Summary of grants</b>		
Commonwealth funded grants	13,752	23,622
State funded grants	16,590	16,360
<b>Total grants</b>	<b>30,342</b>	<b>39,982</b>



**2.4.1 2015-16 Annual Financial Statements (Cont.)**

City of Greater Dandenong

2015-16 Financial Report

**Notes to the Financial Report**

	Consolidated 2016 \$'000	Consolidated 2015 \$'000
Note		
<b>Note 6 Grants (continued)</b>		
<b>Operating grants</b>		
<i>Recurrent - Commonwealth Government</i>		
Victoria Grants Commission *	5,321	16,150
Family day care	3,337	4,063
General home care	2,084	2,130
<i>Recurrent - State Government</i>		
Aged care	8,888	8,621
Maternal and child health	1,875	1,926
Community health	-	1,156
School crossing supervisors	222	186
Libraries	901	873
Family and children services	1,260	761
Community education	57	54
Emergency management	73	13
Community wellbeing	110	82
Community development	119	203
Right @ Home	223	266
Other	192	188
<b>Total recurrent operating grants</b>	<b>24,662</b>	<b>36,672</b>
*50% or \$5.37 million of Victoria Grants Commission funding for 2015-16 was distributed early to Council in June 2015.		
<i>Non-recurrent - Commonwealth Government</i>		
Other	13	17
<i>Non-recurrent - State Government</i>		
Community wellbeing	119	183
Community development	5	126
Family and children	314	208
Emergency management	-	40
Waste management	5	8
Economic development	-	58
Sports and recreation	8	19
Libraries	90	65
Other	77	145
<b>Total non-recurrent operating grants</b>	<b>631</b>	<b>869</b>
<b>Total operating grants</b>	<b>25,293</b>	<b>37,541</b>



**2.4.1 2015-16 Annual Financial Statements (Cont.)**

City of Greater Dandenong

2015-16 Financial Report

**Notes to the Financial Report**

	Consolidated 2016 Note \$'000	Consolidated 2015 \$'000
<b>Note 6 Grants (continued)</b>		
<b>Capital grants</b>		
<i>Recurrent - Commonwealth Government</i>		
Roads to recovery	1,926	674
<i>Recurrent - State Government</i>		
Cultural facilities	46	45
Other	80	52
<b>Total recurrent capital grants</b>	<u>2,052</u>	<u>771</u>
<i>Non-recurrent - Commonwealth Government</i>		
Community Energy Efficiency Program	423	538
Community safety	-	50
Other	648	-
<i>Non-recurrent - State Government</i>		
Education and early childhood development	192	-
Cultural activity centre	-	18
Community safety	166	250
Sports and recreation	804	426
Roads	764	341
Other	-	47
<b>Total non-recurrent capital grants</b>	<u>2,997</u>	<u>1,670</u>
<b>Total capital grants</b>	<u>5,049</u>	<u>2,441</u>
<b>Unspent grants received on condition that they be spent in a specific manner</b>		
Balance at start of the year	8,311	5,082
Received during the financial year and remained unspent at balance date	2,223	8,244
Received in prior years and spent during the financial year	<u>(7,863)</u>	<u>(5,015)</u>
Balance at end of the year	<u>2,671</u>	<u>8,311</u>



**2.4.1 2015-16 Annual Financial Statements (Cont.)****City of Greater Dandenong****2015-16 Financial Report****Notes to the Financial Report**

	Consolidated 2016 \$'000	Consolidated 2015 \$'000
<b>Note 7 Contributions</b>		
Monetary	3,833	3,128
Non-monetary	38,261	36,617
<b>Total contributions</b>	<b>42,094</b>	<b>39,745</b>
<i>Contributions of non-monetary assets were received in relation to the following asset classes:</i>		
Land	24,330	25,668
Buildings	235	287
Infrastructure		
- Roads	5,386	4,693
- Footpaths and cycleways	942	1,229
- Drainage	7,368	4,740
<b>Total contributions - non-monetary</b>	<b>38,261</b>	<b>36,617</b>
<b>Note 8 Net gain (loss) on disposal of property, infrastructure, plant and equipment</b>		
<i>Net gain on sale of inventory property *</i>		
Proceeds of sale (Council share of 25.47%)	-	1,327
Less carrying amount of assets sold	-	(368)
	-	959
<i>Net gain on sale of property, infrastructure, plant and equipment</i>		
Proceeds of sale	1,016	534
Less carrying amount of assets sold	(361)	(132)
	655	402
<i>Net loss on write off / replacement of property, infrastructure, plant and equipment</i>		
Property	(219)	(2,350)
Infrastructure	(617)	(2,016)
Plant and equipment	(12)	(4)
	(848)	(4,370)
<b>Net loss on disposal of property, infrastructure, plant and equipment</b>	<b>(193)</b>	<b>(3,009)</b>

\* Council has an agreement with Places Victoria for a residential development of the former Dandenong sale yards. Places Victoria is responsible for the development of the land under this agreement, and is entitled to 74.53% of the proceeds of this developed land with Council's share being 25.47%.



**2.4.1 2015-16 Annual Financial Statements (Cont.)****City of Greater Dandenong****2015-16 Financial Report****Notes to the Financial Report**

	Consolidated 2016 \$'000	Consolidated 2015 \$'000
Note		
<b>Note 9 Other income</b>		
Interest on investments	2,280	2,100
Interest on rates	562	617
Interest - other	-	8
Dandenong Market rental	5,381	4,895
Property rental	983	974
Other rent	1,450	1,255
Other	2,837	3,757
<b>Total other income</b>	<b>13,493</b>	<b>13,606</b>
<b>Note 10 a) Employee costs</b>		
Wages and salaries	56,375	54,254
WorkCover	1,664	1,361
Casual staff	1,409	1,583
Superannuation	5,356	5,182
Long service leave oncost	1,764	1,822
Fringe benefits tax	655	648
Other	5,627	5,414
<b>Total employee costs</b>	<b>72,850</b>	<b>70,264</b>
<b>b) Superannuation</b>		
Council made contributions to the following funds:		
<b>Defined benefit plan</b>		
Employer contribution to Local Authorities Superannuation Fund (Vision Super)	474	541
	<b>474</b>	<b>541</b>
Employer contributions payable at reporting date.	-	-
<b>Accumulation funds</b>		
Employer contribution to Local Authorities Superannuation Fund (Vision Super)	3,382	3,448
Employer contribution - other funds	1,465	1,358
	<b>4,847</b>	<b>4,806</b>
Employer contributions payable at reporting date (Dandenong Market Pty Ltd)	2	9
Refer note 33 for further information relating to Council's superannuation obligation.		



**2.4.1 2015-16 Annual Financial Statements (Cont.)****City of Greater Dandenong****2015-16 Financial Report****Notes to the Financial Report**

	Consolidated 2016 \$'000	Consolidated 2015 \$'000
Note		
<b>Note 11 Materials and services</b>		
Contract payments	32,089	29,583
Building maintenance	1,119	1,069
General maintenance	4,687	3,547
Works in progress (unable to be capitalised)	3,468	1,454
Utilities	3,788	3,828
Office administration	6,139	6,607
Information technology	2,134	1,854
Insurance	887	938
Consultants and professional services	3,803	4,000
<b>Total materials and services</b>	<b>58,114</b>	<b>52,880</b>
<b>Note 12 Bad and doubtful debts</b>		
Parking fine debtors	516	806
Other debtors	174	289
<b>Total bad and doubtful debts</b>	<b>690</b>	<b>1,095</b>
<b>Note 13 Depreciation and amortisation</b>		
Property	5,090	5,888
Plant and equipment	4,286	4,045
Infrastructure	18,145	19,014
<b>Total depreciation and amortisation</b>	<b>27,521</b>	<b>28,947</b>
<i>Refer to note 21 for a more detailed breakdown of depreciation and amortisation charges.</i>		
<b>Note 14 Borrowing costs</b>		
Interest - borrowings	3,822	4,133
Interest - other	212	6
<b>Total borrowing costs</b>	<b>4,034</b>	<b>4,139</b>
<b>Note 15 Other expenses</b>		
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	87	78
Auditors' remuneration - internal	115	160
Audit - other	1	2
Councillors' allowances	412	406
Operating lease / rentals	888	922
Other expenses	1,365	909
Community grants and contributions	6,579	5,191
<b>Total other expenses</b>	<b>9,447</b>	<b>7,668</b>



**2.4.1 2015-16 Annual Financial Statements (Cont.)**

City of Greater Dandenong

2015-16 Financial Report

**Notes to the Financial Report**

	Note	Consolidated 2016	Consolidated 2015
		\$'000	\$'000
<b>Note 16 Cash and cash equivalents</b>			
Cash on hand		5,047	8,266
Cash at bank		7,430	6,755
Term deposits		76,187	64,106
<b>Total cash and cash equivalents</b>		<b>88,664</b>	<b>79,127</b>
Council's cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:			
- Trust funds and deposits	24	30,612	20,457
Total restricted funds		30,612	20,457
Total unrestricted cash and cash equivalents		58,052	58,670
<b>Intended allocations *</b>			
Although not externally restricted the following amounts have been allocated for specific future purposes by Council:			
Trust funds and deposits	24	30,612	20,457
Employee provisions	25	17,138	16,395
Council funded development contribution plan reserve		8,964	11,306
Public open space reserve		9,754	7,296
Major projects reserve		6,679	5,512
Insurance reserve		423	423
Re-vegetation reserves		563	576
Keysborough South maintenance levy		1,025	945
Spring Valley landfill rehabilitation		761	761
Local Government Funding Vehicle		4,097	223
Springvale Activity Precinct - parking and development reserve		190	190
Cash held to fund carried forward operational projects		1,713	7,851
Cash held to fund carried forward capital works		7,728	6,639
<b>Total funds subject to intended allocations</b>		<b>89,647</b>	<b>78,574</b>

\* Users of the financial report should refer to note 27(b) for details of funds held in reserve and note 31 for details of existing Council commitments.



**2.4.1 2015-16 Annual Financial Statements (Cont.)**

City of Greater Dandenong

2015-16 Financial Report

**Notes to the Financial Report**

		Consolidated 2016	Consolidated 2015
		\$'000	\$'000
<b>Note 17</b>	<b>Trade and other receivables</b>		
	<b>Current</b>		
	Rates debtors	1(e) 6,439	6,033
	Infringement debtors	4,904	4,565
	Provision for doubtful debts - infringements	(1,448)	(1,351)
	Net GST receivable	1,442	1,588
	Other debtors	5,521	3,444
	Provision for doubtful debts - other debtors	(208)	(336)
	<b>Total current trade and other receivables</b>	<b>16,650</b>	<b>13,943</b>
	<b>Non-current</b>		
	Narre Warren landfill - financial contribution	258	253
	Other debtors - refundable deposit	73	73
	<b>Total non-current trade and other receivables</b>	<b>331</b>	<b>326</b>
	<b>Total trade and other receivables</b>	<b>16,981</b>	<b>14,269</b>

**a) Ageing of receivables**

At balance date other debtors representing financial assets with balances outstanding beyond Council's terms of trade were past due but not impaired. These amounts relate to a number of independent customers for whom there is no recent history of default. The ageing of the Council's trade and other receivables (current and non-recurrent) excluding statutory receivables and provisions for doubtful debts were:

Current (not yet due)	863	529
Past due by up to 30 days	223	812
Past due between 31 and 180 days	269	647
Past due between 181 and 365 days	335	340
Past due by more than 1 year	719	765
<b>Total trade and other receivables</b>	<b>2,409</b>	<b>3,093</b>

*Note: The above ageing of debtors excludes rate debtors, parking infringement debtors, town planning debtors and GST receivable.*

2014-15 comparatives for the above ageing of debtors have been amended to exclude town planning debtors.

**b) Movement in provisions for doubtful debts**

Balance at the beginning of the year	1,687	2,131
New provisions recognised during the year	690	1,095
Amounts already provided for and written off as uncollectible	(712)	(1,536)
Amounts provided for but recovered during the year	(9)	(3)
<b>Balance at end of year</b>	<b>1,656</b>	<b>1,687</b>



## 2.4.1 2015-16 Annual Financial Statements (Cont.)

City of Greater Dandenong

2015-16 Financial Report

## Notes to the Financial Report

Note	Consolidated	
	2016	2015
	\$'000	\$'000
<b>Note 18 Other financial assets</b>		
<b>Non-current</b>		
Financial assets held for sale		
Unlisted shares - Regional Kitchen Pty Ltd - at cost	230	230
Total non-current other financial assets	230	230
<b>Total other financial assets</b>	<b>230</b>	<b>230</b>
<b>Note 19 Non-current assets classified as held for sale</b>		
Non-current assets classified as held for sale - current	11,490	-
Non-current assets classified as held for sale - non-current	-	490
<b>Total non-current assets classified as held for sale</b>	<b>11,490</b>	<b>490</b>
Non-current assets classified as held for sale comprises \$11 million for the sale of land at View Road, Springvale (former Springvale Depot) which is expected to settle in September 2016 and \$490,000 for sale of the final lot of Metro 3175 which is due to settle in December 2016.		
<b>Note 20 Other assets</b>		
Prepayments	851	473
Accrued income	1,486	2,598
<b>Total other assets</b>	<b>2,337</b>	<b>3,071</b>



## 2.4.1 2015-16 Annual Financial Statements (Cont.)

City of Greater Dandenong 2015-16 Financial Report

## Notes to the Financial Report

Note 21 Property, infrastructure, plant and equipment Consolidated

### SUMMARY OF PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT

	At 30 June 2016			At 30 June 2015 *		
	At cost / fair value	Accum. depreciation	Written down value	At cost / fair value	Accum. depreciation	Written down value
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land	979,896	-	979,896	791,237	-	791,237
Buildings	364,943	(136,165)	228,778	324,080	(121,805)	202,275
Plant and equipment	35,402	(22,274)	13,128	48,479	(35,244)	13,235
Infrastructure	1,056,746	(398,938)	657,808	1,028,573	(381,204)	647,369
Work in progress	24,478	-	24,478	23,270	-	23,270
	<b>2,461,465</b>	<b>(557,377)</b>	<b>1,904,088</b>	<b>2,215,639</b>	<b>(538,253)</b>	<b>1,677,386</b>

### SUMMARY OF WORK IN PROGRESS

	Opening WIP	Additions	Transfers	Write Offs	Closing WIP
	\$'000	\$'000	\$'000	\$'000	\$'000
Buildings	13,064	9,098	(11,793)	(940)	9,429
Plant and equipment	75	76	(74)	-	77
Infrastructure	10,131	12,827	(5,457)	(2,529)	14,972
Total	<b>23,270</b>	<b>22,001</b>	<b>(17,324)</b>	<b>(3,469)</b>	<b>24,478</b>

\* The balances of land and buildings at 30 June 2015 have been restated to exclude 'investment property' which is now separately classified (refer Note 22).



## 2.4.1 2015-16 Annual Financial Statements (Cont.)

City of Greater Dandenong 2015-16 Financial Report

## Notes to the Financial Report

Note 21 Property, infrastructure, plant and equipment

## PROPERTY

Consolidated

	Land - specialised #	Land - non-specialised #	Total land	Buildings - specialised #	Buildings - non-specialised #	Leasehold improvements	Total buildings	Work in progress	TOTAL PROPERTY
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance at 1 July 2015</b>									
At cost	35,332	-	35,332	-	-	1,416	1,416	13,064	49,812
At fair value *	612,377	144,300	756,677	322,704	-	-	322,704	-	1,079,381
Accumulated depreciation *	-	-	-	(121,015)	-	(791)	(121,806)	-	(121,806)
	<b>647,709</b>	<b>144,300</b>	<b>792,009</b>	<b>201,689</b>	-	<b>625</b>	<b>202,314</b>	<b>13,064</b>	<b>1,007,387</b>
<b>Movements in fair value/cost</b>									
Acquisition of assets at cost	5,029	-	5,029	-	-	17	17	9,098	14,144
Acquisition of assets at fair value	19,301	-	19,301	3,708	-	-	3,708	-	23,009
Revaluation increments (decrements)	141,777	32,840	174,617	28,310	-	-	28,310	-	202,927
Fair value/cost of assets disposed	(60)	-	(60)	(1,387)	-	-	(1,387)	(940)	(2,387)
Transfers in (out)	6,270	(17,270)	(11,000)	10,167	-	8	10,175	(11,793)	(12,618)
	<b>172,317</b>	<b>15,570</b>	<b>187,887</b>	<b>40,798</b>	-	<b>25</b>	<b>40,823</b>	<b>(3,635)</b>	<b>225,075</b>
<b>Movements in accumulated depreciation</b>									
Depreciation and amortisation	-	-	-	(4,988)	-	(102)	(5,090)	-	(5,090)
Accumulated depreciation of disposals	-	-	-	1,228	-	-	1,228	-	1,228
Revaluation increments (decrements)	-	-	-	(10,497)	-	-	(10,497)	-	(10,497)
	-	-	-	<b>(14,257)</b>	-	<b>(102)</b>	<b>(14,359)</b>	-	<b>(14,359)</b>
<b>Closing balance at 30 June 2016</b>									
At cost	40,361	-	40,361	-	-	1,441	1,441	9,429	51,231
At fair value	779,665	159,870	939,535	363,502	-	-	363,502	-	1,303,037
Accumulated depreciation	-	-	-	(135,272)	-	(893)	(136,165)	-	(136,165)
	<b>820,026</b>	<b>159,870</b>	<b>979,896</b>	<b>228,230</b>	-	<b>548</b>	<b>228,778</b>	<b>9,429</b>	<b>1,218,103</b>

\* The opening at fair value and accumulated depreciation balances include equity adjustments relating to 2014-15 of \$810,000 (fair value) and \$7,000 (accumulated depreciation) and 2015-16 of \$812,000 (fair value) and \$8,000 (accumulated depreciation) - refer note 38 for further details.

# The opening balance at 1 July 2015 of specialised and non-specialised land and buildings at fair value have been restated to correctly classify land values adjusted by an unobservable input (discount factor) as specialised land. There is no change in the fair value of land and buildings, just the split between specialised and non-specialised.

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## 2.4.1 2015-16 Annual Financial Statements (Cont.)

City of Greater Dandenong 2015-16 Financial Report

## Notes to the Financial Report

### Note 21 Property, infrastructure, plant and equipment (continued)

#### PLANT AND EQUIPMENT

Consolidated

	Plant, machinery and equipment \$'000	Fixtures, fittings and furniture \$'000	Computers and telecomm's \$'000	Library books \$'000	Work in progress \$'000	TOTAL PLANT AND EQUIPMENT \$'000
<b>Opening balance at 1 July 2015</b>						
At cost	15,373	8,530	6,232	18,344	75	48,554
Accumulated depreciation	(9,458)	(5,810)	(4,647)	(15,329)	-	(35,244)
	<b>5,915</b>	<b>2,720</b>	<b>1,585</b>	<b>3,015</b>	<b>75</b>	<b>13,310</b>
<b>Movements in cost</b>						
Acquisition of assets at cost	2,643	98	453	1,053	76	4,323
Cost of assets disposed	(3,465)	(776)	-	(13,388)	-	(17,629)
Transfers in (out)	-	168	137	-	(74)	231
	<b>(822)</b>	<b>(510)</b>	<b>590</b>	<b>(12,335)</b>	<b>2</b>	<b>(13,075)</b>
<b>Movements in accumulated depreciation</b>						
Depreciation and amortisation	(2,032)	(706)	(557)	(991)	-	(4,286)
Accumulated depreciation of disposals	3,093	775	-	13,388	-	17,256
	<b>1,061</b>	<b>69</b>	<b>(557)</b>	<b>12,397</b>	<b>-</b>	<b>12,970</b>
<b>Closing balance at 30 June 2016</b>						
At cost	14,551	8,020	6,822	6,009	77	35,479
Accumulated depreciation	(8,397)	(5,741)	(5,204)	(2,932)	-	(22,274)
	<b>6,154</b>	<b>2,279</b>	<b>1,618</b>	<b>3,077</b>	<b>77</b>	<b>13,205</b>



## 2.4.1 2015-16 Annual Financial Statements (Cont.)

City of Greater Dandenong 2015-16 Financial Report

## Notes to the Financial Report

Note 21 Property, infrastructure, plant and equipment (continued)

## INFRASTRUCTURE

	Roads	Bridges	Footpaths and cycleways	Drainage	Recreational, leisure and community facilities	Parks, open space and streetscapes	Off street car parks	Work in progress	TOTAL INFRASTRUCTURE	Consolidated GRAND TOTAL PROPERTY, PLANT & EQUIP. INFRASTR.
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance at 1 July 2015</b>										
At cost	-	-	-	-	30,811	41,931	-	10,131	82,873	181,239
At fair value *	441,177	54,653	71,256	372,170	-	-	18,615	-	957,871	2,037,252
Accumulated depreciation *	(175,601)	(14,284)	(16,004)	(129,466)	(13,802)	(26,203)	(5,864)	-	(381,224)	(538,274)
	<b>265,576</b>	<b>40,369</b>	<b>55,252</b>	<b>242,704</b>	<b>17,009</b>	<b>15,728</b>	<b>12,751</b>	<b>10,131</b>	<b>659,520</b>	<b>1,680,217</b>
<b>Movements in fair value/cost</b>										
Acquisition of assets at cost	-	-	-	-	173	687	-	-	860	19,327
Acquisition of assets at fair value	9,081	166	2,430	7,515	-	-	345	12,827	32,364	55,373
Fair value/cost of assets disposed	(152)	(98)	(253)	(386)	(79)	(18)	(34)	(2,529)	(3,549)	(23,565)
Transfers in (out)	4,400	-	1,021	1,122	2,302	1,839	(3,928)	(5,457)	1,299	(11,088)
	<b>13,329</b>	<b>68</b>	<b>3,198</b>	<b>8,251</b>	<b>2,396</b>	<b>2,508</b>	<b>(3,617)</b>	<b>4,841</b>	<b>30,974</b>	<b>40,047</b>
<b>Movements in accumulated depreciation</b>										
Depreciation and amortisation	(8,366)	(653)	(1,712)	(3,739)	(1,431)	(1,983)	(261)	-	(18,145)	(27,521)
Accumulated depreciation of acquisitions	-	-	-	(3)	-	-	-	-	(3)	(3)
Accumulated depreciation of disposals	62	50	52	138	77	19	5	-	403	18,887
Impairment loss reversal (reval. reserve)	-	31	-	-	-	-	-	-	31	31
Transfers (in) out	(1,250)	-	-	-	-	-	1,250	-	-	-
	<b>(9,554)</b>	<b>(572)</b>	<b>(1,660)</b>	<b>(3,604)</b>	<b>(1,354)</b>	<b>(1,964)</b>	<b>994</b>	<b>-</b>	<b>(17,714)</b>	<b>(8,606)</b>
<b>Closing balance at 30 June 2016</b>										
At cost	-	-	-	-	33,207	44,439	-	14,972	92,618	179,328
At fair value	454,506	54,721	74,454	380,421	-	-	14,998	-	979,100	2,282,137
Accumulated depreciation	(185,155)	(14,856)	(17,664)	(133,070)	(15,156)	(28,167)	(4,870)	-	(398,938)	(557,377)
	<b>269,351</b>	<b>39,865</b>	<b>56,790</b>	<b>247,351</b>	<b>18,051</b>	<b>16,272</b>	<b>10,128</b>	<b>14,972</b>	<b>672,780</b>	<b>1,904,088</b>

\* The opening at fair value and accumulated depreciation balances include equity adjustments relating to 2014-15 of \$2.61 million (fair value) and \$448,000 (accumulated depreciation) and 2015-16 of \$2.04 million (fair value) and \$20,000 (accumulated depreciation) - refer note 38 for further details.



**2.4.1 2015-16 Annual Financial Statements (Cont.)**

City of Greater Dandenong

2015-16 Financial Report

**Notes to the Financial Report****Note 21 Property, infrastructure, plant and equipment (continued)*****Valuation of land and buildings***

A valuation of land and buildings at 1 January 2016 was undertaken by qualified independent valuers, ProVal (Victoria) Pty Ltd. The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the Comprehensive Income Statement.

Specialised land is valued at fair value using site values adjusted for englobo (undeveloped and/or unserviced) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the Comprehensive Income Statement.

Any significant movements in the unobservable inputs for land will have a significant impact on the fair value of these assets.

The revaluation of land at 1 January 2016 resulted in an increase in the fair value of land of \$174.62 million (22.85%) consistent with property market movements of the various suburbs in the municipality.

Land under roads is valued at cost based on Council valuation for acquisitions after 30 June 2008. Deemed cost valuations have been undertaken using site values adjusted for englobo (undeveloped and/or unserviced) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the Comprehensive Income Statement. The acquisitions for the year include new assets from subdivision activity.

Details of the written down value of Council's land and buildings and information about the fair value hierarchy as at 30 June 2016 are as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Land *	-	159,870	779,665
Buildings	-	-	228,230
<b>Total written down value</b>	<b>-</b>	<b>159,870</b>	<b>1,007,895</b>

\* Land at fair value excludes land under roads which are valued at cost.

***Valuation of infrastructure***

Valuation of infrastructure assets at fair value (except Parks, open space and streetscapes and Recreational, leisure and community facilities which are valued at cost, and bridges which are independently valued) has been determined in accordance with a Council valuation. The fair value of infrastructure is valued using the depreciated replacement cost method. This cost represents the replacement cost of the asset after applying depreciation rates on a useful life basis.

The valuation of bridges at 30 June 2013 was undertaken by qualified independent valuers, Pitt and Sherry.

Details of the written down value of Council's infrastructure and information about the fair value hierarchy as at 30 June 2016 are as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Roads	-	-	269,351
Bridges	-	-	39,865
Footpaths and cycleways	-	-	56,790
Drainage	-	-	247,351
Off street car parks	-	-	10,128
<b>Total written down value</b>	<b>-</b>	<b>-</b>	<b>623,485</b>



**2.4.1 2015-16 Annual Financial Statements (Cont.)**

City of Greater Dandenong

2015-16 Financial Report

**Notes to the Financial Report****Note 21 Property, infrastructure, plant and equipment (continued)**

<u>Asset class (infrastructure)</u>	<u>Revaluation date</u>	<u>Valued by</u>
Roads	30 June 2015	Council valuation
Bridges	30 June 2013	Independent valuation
Footpaths and cycleways	30 June 2015	Council valuation
Drainage	30 June 2015	Council valuation
Off street car parks	30 June 2015	Council valuation

**Description of significant unobservable inputs into level 3 valuations**

Specialised land is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restrictions of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 20% and 90%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently, land values range between \$12 and \$3,100 per square metre.

Specialised buildings are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs are calculated on a square metre basis and range from \$300 to \$50,000 per square metre. The remaining useful lives of specialised buildings are determined on the basis of the current condition of buildings and vary from 2 years to 99 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

Infrastructure assets are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 1 year to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

**Reconciliation of specialised land at fair value \***

	<b>2016</b>	<b>2015</b>
	<b>\$'000</b>	<b>\$'000</b>
Parks and reserves	533,360	413,890
Floodway	8,430	7,258
Public use	17,810	15,140
Industrial	27,439	22,664
Other	192,626	153,425
<b>Total specialised land</b>	<b>779,665</b>	<b>612,377</b>

\* Excludes land under roads which represents specialised land valued at cost.



## 2.4.1 2015-16 Annual Financial Statements (Cont.)

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## Notes to the Financial Report

	Consolidated 2016 \$'000	Consolidated 2015 \$'000
<b>Note 22 Investment property</b>		
Balance at beginning of financial year	9,874	9,874
Additions	88	-
Fair value adjustments	358	-
Balance at end of financial year	<u>10,320</u>	<u>9,874</u>
<i>Valuation of investment property</i>		
Valuation of investment property has been determined in accordance with an independent valuation by ProVal Pty Ltd who have recent experience in the location and category of the property being valued. The valuation is at fair value, based on the current market value for the property.		
The prior year comparatives have been amended to reclassify Investment property from the land and building asset classes disclosed in Note 21 - Property, infrastructure, plant and equipment.		
<b>Note 23 Trade and other payables</b>		
Trade payables	12,213	12,651
Net GST payable	18	3
Accrued expenses	<u>4,073</u>	<u>3,092</u>
<b>Total trade and other payables</b>	<u>16,304</u>	<u>15,746</u>
<b>Note 24 Trust funds and deposits</b>		
<i>Current</i>		
Fire services levy *	961	1,436
Road deposits	544	1,269
Landscape deposits	1,792	1,044
Open space contributions	3,401	586
Development contribution plans (DCP)	22,191	14,164
Other refundable deposits *	<u>706</u>	<u>919</u>
<b>Total current trust funds and deposits</b>	<u>29,595</u>	<u>19,418</u>
<i>Non-current</i>		
Other refundable deposits *	<u>1,017</u>	<u>1,039</u>
<b>Total non-current trust funds and deposits</b>	<u>1,017</u>	<u>1,039</u>
<b>Total trust funds and deposits</b>	<u>30,612</u>	<u>20,457</u>
<i>* Purpose and nature of items</i>		
Refundable deposits - Deposits are taken by Council as a form of surety in a number of circumstances, including in relation to building works, tender deposits, contract deposits and the use of civic facilities.		
Fire Services Property Levy - Council is the collection agent for fire services levy on behalf of the State Government. Council remits amounts received on a quarterly basis. Amounts disclosed here will be remitted to the State Government in line with that process.		



## 2.4.1 2015-16 Annual Financial Statements (Cont.)

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## Notes to the Financial Report

## Note 25 Provisions

	Annual leave \$'000	Long service leave \$'000	Other \$'000	Total \$'000
<b>2016</b>				
Balance at beginning of the financial year	5,868	10,062	465	16,395
Additional provisions	5,270	1,769	134	7,173
Amounts used	(5,172)	(1,286)	(152)	(6,610)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	-	180	-	180
Balance at the end of the financial year	<u>5,966</u>	<u>10,725</u>	<u>447</u>	<u>17,138</u>
<b>2015</b>				
Balance at beginning of the financial year	5,811	9,252	468	15,531
Additional provisions	5,039	1,820	68	6,927
Amounts used	(4,984)	(1,240)	(71)	(6,295)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	<u>2</u>	<u>230</u>	<u>-</u>	<u>232</u>
Balance at the end of the financial year	<u>5,868</u>	<u>10,062</u>	<u>465</u>	<u>16,395</u>
			<b>Consolidated 2016 \$'000</b>	<b>Consolidated 2015 \$'000</b>
<b>Employee provisions</b>				
<i>Current provisions expected to be wholly settled within 12 months</i>				
Annual leave			5,788	5,683
Long service leave			854	729
Other			<u>448</u>	<u>465</u>
			<u>7,090</u>	<u>6,877</u>
<i>Current provisions expected to be wholly settled after 12 months</i>				
Annual leave			177	185
Long service leave			<u>9,196</u>	<u>8,116</u>
			<u>9,373</u>	<u>8,301</u>
<b>Total current provisions</b>			<u>16,463</u>	<u>15,178</u>
<b>Non-current</b>				
Long service leave			<u>675</u>	<u>1,217</u>
<b>Total non-current provisions</b>			<u>675</u>	<u>1,217</u>
<i>Aggregate carrying amount of employee provisions:</i>				
Current			16,463	15,178
Non-current			<u>675</u>	<u>1,217</u>
Total aggregate carrying amount of employee provisions			<u>17,138</u>	<u>16,395</u>



## 2.4.1 2015-16 Annual Financial Statements (Cont.)

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## Notes to the Financial Report

	Consolidated 2016 \$'000	Consolidated 2015 \$'000
<b>Note 26 Interest-bearing loans and borrowings</b>		
<i>Current</i>		
Borrowings - secured	3,120	4,359
	<u>3,120</u>	<u>4,359</u>
<i>Non-current</i>		
Borrowings - secured	54,912	58,059
	<u>54,912</u>	<u>58,059</u>
<b>Total interest-bearing loans and borrowings</b>	<u>58,032</u>	<u>62,418</u>
Borrowings are secured over the general rates of Council as per section 141 of the Local Government Act 1989.		
a) The maturity profile for Council's borrowings is:		
Not later than one year	3,120	4,359
Later than one year and not later than five years	15,469	17,088
Later than five years	39,443	40,971
	<u>58,032</u>	<u>62,418</u>
<b>Note 27 Other interest-bearing liabilities</b>		
<i>Current</i>		
Land purchase - interest-bearing	1,184	1,117
	<u>1,184</u>	<u>1,117</u>
<i>Non-current</i>		
Land purchase - interest-bearing	1,255	2,439
	<u>1,255</u>	<u>2,439</u>
<b>Total Other interest-bearing liabilities</b>	<u>2,439</u>	<u>3,556</u>
In 2014-15, Council entered into an agreement with VicTrack and Places Victoria to purchase land parcels in the Dandenong Railway Precinct. The purchase price was established by the Valuer General Victoria, Council paid a 10% deposit in 2014-15 and the first instalment in June 2016 with the final instalment due in June 2018. The property is security in respect to the unpaid price.		



## 2.4.1 2015-16 Annual Financial Statements (Cont.)

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## Notes to the Financial Report

## Note 28 Reserves

	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Reversal of previous valuations for assets disposed \$'000	Impairment loss (credited against previous increments)/ reversed \$'000	Balance at end of reporting period \$'000
<b>(a) Asset revaluation reserves</b>					
<b>2016</b>					
<b>Property</b>					
Land	507,839	174,617	-	-	682,456
Buildings	9,515	17,813	35	-	27,363
	517,354	192,430	35	-	709,819
<b>Infrastructure</b>					
Roads	188,977	-	-	-	188,977
Bridges	16,568	-	-	31	16,599
Footpaths and cycleways	15,101	-	-	-	15,101
Drainage	170,324	-	-	-	170,324
Off street car parks	3,071	-	-	-	3,071
	394,041	-	-	31	394,072
<b>Total asset revaluation reserves</b>	<b>911,395</b>	<b>192,430</b>	<b>35</b>	<b>31</b>	<b>1,103,891</b>
<b>2015</b>					
<b>Property</b>					
Land	507,839	-	-	-	507,839
Buildings	9,515	-	-	-	9,515
	517,354	-	-	-	517,354
<b>Infrastructure</b>					
Roads	192,948	(3,971)	-	-	188,977
Bridges	16,568	-	-	-	16,568
Footpaths and cycleways	36,169	(21,068)	-	-	15,101
Drainage	70,329	99,995	-	-	170,324
Off street car parks	3,621	(550)	-	-	3,071
	319,635	74,406	-	-	394,041
<b>Total asset revaluation reserves</b>	<b>836,989</b>	<b>74,406</b>	<b>-</b>	<b>-</b>	<b>911,395</b>

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets, as described in accounting policy note 1(k).



## 2.4.1 2015-16 Annual Financial Statements (Cont.)

City of Greater Dandenong

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## Notes to the Financial Report

## Note 28 Reserves (continued)

	Balance at beginning of reporting period \$'000	Transfer to accumulated surplus \$'000	Transfer from accumulated surplus \$'000	Balance at end of reporting period \$'000
<b>(b) Other reserves</b>				
<b>2016</b>				
Insurance reserve	423	-	-	423
Re-vegetation reserves	576	(13)	-	563
Public open space reserve	7,296	(1,305)	3,763	9,754
Keysborough South maintenance levy	945	(1,063)	1,143	1,025
Major projects reserve	5,512	(1,281)	2,448	6,679
Council funded development contribution reserve	11,306	(4,142)	1,800	8,964
Spring Valley landfill rehabilitation	761	-	-	761
Springvale Activity Precinct - parking and development	190	-	-	190
Local Government Funding Vehicle	223	-	3,874	4,097
<b>Total other reserves</b>	<b>27,232</b>	<b>(7,804)</b>	<b>13,028</b>	<b>32,456</b>
<b>2015</b>				
Insurance reserve	423	-	-	423
Re-vegetation reserves	514	-	62	576
Public open space reserve	5,494	(934)	2,736	7,296
Keysborough South maintenance levy	785	(777)	937	945
Major projects reserve	6,752	(2,665)	1,425	5,512
Council funded development contribution reserve	9,645	(139)	1,800	11,306
Spring Valley landfill rehabilitation	220	-	541	761
Springvale Activity Precinct - parking and development	-	-	190	190
Local Government Funding Vehicle	-	-	223	223
<b>Total other reserves</b>	<b>23,833</b>	<b>(4,515)</b>	<b>7,914</b>	<b>27,232</b>

**Nature and purpose of other reserves:**Insurance reserve

The insurance reserve has been created to meet large and unexpected policy excesses on multiple insurance claims.

Re-vegetation reserves

The purpose of this reserve fund is to meet native re-vegetation requirements on Council's reserves.

Public open space reserve

Funds set aside in this reserve will be utilised exclusively for allocation towards enhancing the City's open space.

Keysborough South maintenance levy

This reserve has been established to ensure full accountability of the levies received for the Keysborough and Summerfield Estates reflecting costs of maintaining an additional 15% open space beyond that of traditional estates.

Major projects reserve

The major projects reserve will hold funds realised from the sale of Council's property assets and will be utilised for investing in other properties.

Council funded development contributions reserve

The reserve for Council funded development contribution plans holds funds in respect of Council's contribution to the two major developments in Dandenong South (C87) and Keysborough (C36).

Spring Valley landfill rehabilitation reserve

The purpose of this reserve is to rehabilitate the Spring Valley landfill site at Clarke Road, Springvale South.



## 2.4.1 2015-16 Annual Financial Statements (Cont.)

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## Notes to the Financial Report

## Note 28 Reserves (continued)

## Nature and purpose of other reserves (continued)

Springvale Activity Precinct parking and development reserve

The purpose of the reserve is to fund development in the Springvale Activity Centre.

Local Government Funding Vehicle

The purpose of this reserve is to partly provide for the \$4.90 million principal repayment required on maturity of the interest-only Local Government Funding Vehicle (LGFV) in 2019-20 and to provide future borrowing capacity for major infrastructure projects.

		Consolidated 2016 \$'000	Consolidated 2015 \$'000
<b>(c) Total reserves</b>	<b>Note</b>		
Asset revaluation reserve	28(a)	1,103,891	911,395
Other reserves	28(b)	32,456	27,232
<b>Total reserves</b>		<b>1,136,347</b>	<b>938,627</b>

## Note 29 Reconciliation of cash flows from operating activities to surplus

<b>Surplus for the year</b>		48,418	48,656
Depreciation and amortisation		27,521	28,947
Loss on disposal of property, infrastructure, plant and equipment		193	3,009
Contributions of non-monetary assets		(38,261)	(36,617)
Works in progress unable to be capitalised (expensed)		3,468	1,454
Borrowing costs		4,034	4,139
<b>Change in assets and liabilities</b>			
Increase in trade and other receivables		(375)	(1,082)
Decrease in trust funds and deposits		7,608	8,838
Increase in prepayments		(383)	(98)
Decrease (Increase) in trade and other payables		(1,790)	853
Increase (Decrease) in employee provisions		1,255	(731)
<b>Net cash provided by operating activities</b>		<b>51,688</b>	<b>57,368</b>

## Note 30 Financing arrangements

Interest-bearing loans and borrowings - secured	26	58,032	62,418
Interest-bearing liabilities - other (land purchase)	27	2,439	3,556
Credit card facilities		200	200
Bank overdraft		2,500	2,500
<b>Total facilities</b>		<b>63,171</b>	<b>68,674</b>
Used facilities		60,474	66,001
<b>Unused facilities</b>		<b>2,697</b>	<b>2,673</b>



## 2.4.1 2015-16 Annual Financial Statements (Cont.)

## City of Greater Dandenong

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## Notes to the Financial Report

## Note 31 Commitments

The Council has entered into the following commitments:

	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
<b>2016</b>					
<b>Works and services contracts</b>					
Building maintenance services	3,880	3,322	-	-	7,202
Parking management	555	71	-	-	626
Animal management	124	63	-	-	187
Recycling	1,845	1,909	6,138	548	10,440
Garbage collection	4,743	4,909	15,783	1,408	26,843
Works (roads and drains) services	350	350	322	-	1,022
Landfill maintenance services	2,572	-	-	-	2,572
Open space management	3,213	1,895	105	-	5,213
Leisure centres management services	1,036	-	-	-	1,036
Consultancies	261	-	-	-	261
Cleaning services	920	573	-	-	1,493
Meals for delivery	605	605	1,160	-	2,370
Other contracts	1,750	400	1,200	1,800	5,150
Dandenong Market Pty Ltd	1,524	1,277	3,898	338	7,037
<b>Total</b>	<b>23,378</b>	<b>15,374</b>	<b>28,606</b>	<b>4,094</b>	<b>71,452</b>
<b>Capital</b>					
Buildings	10,784	984	36	-	11,804
Works (roads and drains)	1,276	-	-	-	1,276
<b>Total</b>	<b>12,060</b>	<b>984</b>	<b>36</b>	<b>-</b>	<b>13,080</b>
<b>2015</b>					
<b>Works and services contracts</b>					
Building maintenance services	4,193	3,682	3,324	-	11,199
Parking management	198	34	-	-	232
Animal management	121	41	-	-	162
Recycling	1,637	1,718	5,688	2,637	11,680
Garbage collection	4,160	4,368	14,460	6,704	29,692
Works (roads and drains) services	1,088	413	133	-	1,634
Landfill maintenance services	3,443	-	-	-	3,443
Open space management	2,756	343	54	-	3,153
Leisure centres management services	1,131	1,036	-	-	2,167
Consultancies	432	63	-	-	495
Cleaning services	1,980	-	-	-	1,980
Meals for delivery *	597	605	1,765	-	2,967
Other maintenance	225	7	2	-	234
Other contracts	2,843	582	1,249	2,239	6,913
Dandenong Market Pty Ltd	434	347	50	-	831
<b>Total</b>	<b>25,238</b>	<b>13,239</b>	<b>26,725</b>	<b>11,580</b>	<b>76,782</b>
<b>Capital</b>					
Buildings	534	-	-	-	534
Works (roads and drains)	500	200	133	-	833
Street furniture	112	55	18	-	185
<b>Total</b>	<b>1,146</b>	<b>255</b>	<b>151</b>	<b>-</b>	<b>1,552</b>

\* Comparative figures for 2014-15 has been adjusted to reflect the inclusion of meal deliveries in the commitment note.



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City of Greater Dandenong

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**Notes to the Financial Report**

	Consolidated 2016 \$'000	Consolidated 2015 \$'000
<b>Note 32 Operating leases</b>		
<b>(a) Operating lease commitments</b>		
Not later than one year	276	241
Later than one year and not later than five years	343	273
	<u>619</u>	<u>514</u>
Lease payments are in respect of the revolving operating lease facility for Council's computer equipment with the Commonwealth Bank of Australia (CBA).		
<b>(b) Operating lease receivables</b>		
Future minimum rentals receivable under non-cancellable operating leases are as follows:		
Not later than one year	1,379	1,290
Later than one year and not later than five years	3,997	4,338
Later than five years	704	1,308
	<u>6,080</u>	<u>6,936</u>

The Council has entered into commercial property leases on selected properties. These properties are held under operating leases and have remaining non-cancellable lease terms of between 1 and 50 years.

**Note 33 Superannuation**

The Council makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. Obligations for contributions to the Fund are recognised as an expense in the Comprehensive Income Statement when they are made or due.

*Accumulation*

The Fund's accumulation categories, Vision My Super/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2016, this was 9.5% required under Superannuation Guarantee legislation (for 2014-15, this was 9.5%)).

*Defined Benefit*

The Council does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a pooled multi-employer sponsored plan.

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of the Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.



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2.4.1 2015-16 Annual Financial Statements (Cont.)

City of Greater Dandenong

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## Notes to the Financial Report

**Note 33 Superannuation (continued)***Funding arrangements*

The Council makes employer contributions to the defined benefit category of the Fund at rates determined by the Trustee on the advice of the Fund's Actuary.

As at 30 June 2015, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 105.8%. To determine the VBI, the Fund Actuary used the following long-term assumptions:

Net investment returns	7.0% pa
Salary information	4.25% pa
Price inflation (CPI)	2.5% pa

Vision Super has advised that the estimated VBI at quarter ended 30 June 2016 was 102.0%.

The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 2015 interim actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

*Employer contributions**Regular contributions*

On the basis of the results of the 2015 interim actuarial investigation conducted by the Fund's Actuary, the Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2016, this rate was 9.5% of members' salaries (9.5% in 2014-15). This rate will increase in line with any increase to the Superannuation Guarantee (SG) contribution rate. In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

*Funding calls*

If the Defined Benefit category is in an unsatisfactory financial position at actuarial investigation or the Defined Benefit category's VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the Defined Benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 97%.

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including the Council) are required to make an employer contribution to cover the shortfall.

Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's Defined Benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up.

If there is a surplus in the Fund, the surplus cannot be returned to the participating employers.

In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.



**2.4.1 2015-16 Annual Financial Statements (Cont.)**

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## **Notes to the Financial Report**

**Note 33 Superannuation (continued)**

**2015 interim actuarial investigation surplus amounts**

The Fund's interim actuarial investigation as at 30 June 2015 identified the following in the defined benefit category of which the Council is a contributing employer:

A VBI surplus of \$130.8 million; and

A total service liability surplus of \$239 million.

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2015.

The total service liability surplus means that the current value of the assets in the Fund's defined benefit category plus expected future contributions exceeds the value of expected future benefits and expenses.

The Council was notified of the 30 June 2015 VBI during August 2015.

**Future superannuation contributions**

The expected contributions to be paid to the defined benefit category of Vision Super for the year ending 30 June 2017 is estimated to be \$486,356.



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2.4.1 2015-16 Annual Financial Statements (Cont.)

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## Notes to the Financial Report

**Note 34 Contingent liabilities and contingent assets****Contingent liabilities**Defined benefit superannuation scheme

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme to ensure that the liabilities of the fund are covered by the assets of the fund (refer note 33). As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists. At this point in time it is not known if additional contributions will be required, their timing or potential amount.

Guarantees for loans to other entities

The Council has agreed to guarantee a bank loan taken out by the Dandenong Basketball Association (DBA). The original loan (and maximum extent of possible Council exposure) was \$2 million. At balance date the amount outstanding balance is \$205,000 (\$280,000 as at 30 June 2015).

The Commonwealth Bank of Australia (Council's banker) at the request of the Council, issued guarantees in favour of Urban Renewal Authority of Victoria for \$1.24 million in respect of development works of the Dandenong Municipal Building project. At balance date the outstanding liability is \$nil (\$744,000 as at 30 June 2015). A guarantee to the value of \$744,000 was cancelled on 5 January 2016.

The Council is a guarantor on a bank loan taken out by the Noble Park Football Social Club Ltd. The original loan (and maximum extent of possible Council exposure) was \$650,000. At balance date the amount outstanding balance is \$115,830 (\$195,011 as at 30 June 2015).

The Council is also a guarantor on a bank loan taken out by the Keysborough Bowls Club Inc. The original loan (and maximum extent of possible Council exposure) was \$150,000. At balance date the amount outstanding balance is \$144,772 (\$69,579 as at 30 June 2015).

Legal actions

Council is presently involved in a number of confidential legal matters, which are being conducted through Council's solicitors. The estimated potential financial effect of these matters may be up to \$630,000 (\$287,000 as at 30 June 2015).

Development Contribution Plans (DCP)

Council has three sites that are subject to formal development contribution plans, two are in Keysborough and one in Lyndhurst. All three sites are covered by a DCP.

A DCP provides the framework for the provision and funding of infrastructure to facilitate the set development area and the purpose of a DCP is to provide a "fair distribution of costs for works and services, including roads, traffic management and community facilities to all the proper servicing in the area".

New development in each of the areas is required to meet its share of the total cost of delivering the required infrastructure works – as measured by its projected share of usage – through development contributions collected under the DCP's. The balance of works not covered by development contributions has been agreed to be funded by Council. The total value of these works is estimated to be around \$13.6 million.

**Contingent assets**Development Contribution Plans (DCP)

Under the two DCPs noted previously, developers construct infrastructure assets which are vested with Council when Council issues a Statement of Compliance. These assets are brought to account as revenue (Contributions – Non Monetary Assets) and capitalised. At reporting date, developers had commenced construction of assets that will eventually be transferred to the Council subject to Council issuing a Statement of Compliance. Council cannot reliably measure the value of the assets involved prior to completion and the timing of recognition.



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2.4.1 2015-16 Annual Financial Statements (Cont.)

City of Greater Dandenong

2015-16 Financial Report

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## Notes to the Financial Report

**Note 35 Financial instruments****(a) Objectives and policies**

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank borrowings. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in Note 1 of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

**(b) Market risk**

Market risk is the risk that the fair value or future cash flows of our financial instruments will fluctuate because of changes in market prices. The Council's exposures to market risk are primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk.

***Interest rate risk***

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises from interest bearing financial assets and liabilities that we use. Non derivative interest bearing assets are predominantly short term liquid assets. Our interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes us to fair value interest rate risk.

Our borrowings are sourced from major Australian banks. We manage interest rate risk on our debt portfolio by:

- ensuring access to diverse sources of funding;
- reducing risks of refinancing by managing in accordance with target maturity profiles; and
- setting prudential limits on interest repayments as a percentage of rate revenue.

We manage the interest rate exposure on our net debt portfolio by appropriate budgeting strategies and obtaining approval for borrowings from the relevant state government department each year.

Investment of surplus funds is made with approved financial institutions under the Local Government Act 1989. We manage interest rate risk by adopting an investment policy that ensures:

- diversification of investment product
- monitoring of return on investment
- benchmarking of returns and comparison with budget

There has been no significant change in the Council's exposure, or its objectives, policies and processes for managing interest rate risk or the methods used to measure this risk from the previous reporting period.

Interest rate movements have not been sufficiently significant during the year to have an impact on the Council's year end result.

**(c) Credit risk**

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause us to make a financial loss. We have exposure to credit risk on some financial assets included in the balance sheet. To help manage this risk:

- we have a policy for establishing credit limits for the entities we deal with
- we may require collateral where appropriate and
- we only invest surplus funds with financial institutions which have a recognised credit rating specified in our investment policy.



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2.4.1 2015-16 Annual Financial Statements (Cont.)

City of Greater Dandenong

2015-16 Financial Report

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## Notes to the Financial Report

**Note 35 Financial instruments (continued)****(c) Credit risk (continued)**

Receivables consist of a large number of customers, spread across the ratepayer, business and government sectors. Credit risk associated with the Council's financial assets is minimal because the main debtor is secured by a charge over the rateable property.

There are no material financial assets which are individually determined to be impaired.

Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when Council provides a guarantee for another party. Details of Council's contingent liabilities are disclosed in note 34.

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. Council does not hold any collateral (in respect to non-rate debtors).

**(d) Liquidity risk**

Liquidity risk includes the risk that, as a result of our operational liquidity requirements or we will not have sufficient funds to settle a transaction when required, we will be forced to sell a financial asset at below value or may be unable to settle or recover a financial asset.

To help reduce these risks Council:

- has a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained
- has readily accessible standby facilities and other funding arrangements in place
- has a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid
- monitors budget to actual performance on a regular basis and
- sets limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the face of the Balance Sheet and the amounts related to financial guarantees disclosed in note 34, and is deemed insignificant based on prior periods' data and current assessment of risk.

There has been no significant change in Council's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at note 26.

**(e) Fair value**

Unless otherwise stated, the carrying amount of financial instruments reflect their fair value.

*Fair value hierarchy*

Council's financial assets and liabilities are not valued in accordance with the fair value hierarchy, Council's financial assets and liabilities are measured at amortised cost.

**(f) Sensitivity disclosure analysis**

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible' over the next 12 months:

- A parallel shift of +1% and -1% in market interest rates (AUD) from year-end rates of 1.75%.

These movements will not have a material impact on the valuation of Council's financial assets and liabilities, nor will they have a material impact on the results of Council's operations.



**2.4.1 2015-16 Annual Financial Statements (Cont.)**

City of Greater Dandenong

2015-16 Financial Report

**Notes to the Financial Report****Note 36 Related party transactions****(i) Responsible Persons**

Names of persons holding the position of a Responsible Person at the Council at any time during the year are:

**Councillors**

Councillor Roz Blades AM  
 Councillor Peter Brown  
 Councillor Youhorn Chea  
 Councillor John Kelly  
 Councillor Matthew Kirwan  
 Councillor Angela Long  
 Councillor Jim Memeti  
 Councillor Sean O'Reilly - (Mayor 06/11/2014 to 5/11/2015)  
 Councillor Maria Sampey  
 Councillor Heang Tak - (Mayor 05/11/2015 - current)  
 Councillor Loi Truong

**Chief Executive Officer**

John Bennie PSM

**Dandenong Market Board Members**

Ms Julie Busch  
 Mr Christopher Smith  
 Mr Franz Madlener  
 Mr Tom Mollenkopf  
 Mr Tim Cockayne

**(ii) Remuneration of Responsible Persons**

The numbers of Responsible Officers, whose total remuneration from Council and any related entities fall within the following bands:

	2016 No.	2015 No.
\$1 - \$9,999	-	2
\$10,000 - \$19,999	-	3
\$20,000 - \$29,999	4	1
\$30,000 - \$39,999	10	9
\$60,000 - \$69,999	1	1
\$70,000 - \$79,999	-	1
\$350,000 - \$359,999	1	-
\$370,000 - \$379,999	-	1
\$380,000 - \$389,999	1	-
<b>Total</b>	<b>17</b>	<b>18</b>
Total remuneration for the reporting year, for Responsible Persons included above, amounted to:	<b>\$'000</b>	<b>\$'000</b>
Council	818	831
Dandenong Market Pty Ltd	126	103
	<b>944</b>	<b>934</b>



**2.4.1 2015-16 Annual Financial Statements (Cont.)**

City of Greater Dandenong

2015-16 Financial Report

**Notes to the Financial Report****Note 36 Related party transactions (continued)****(iii) Senior Officers remuneration**

A Senior Officer other than a Responsible Person, is an officer of Council who:

- a) has management responsibilities and reports directly to the Chief Executive; or
- b) whose total annual remuneration exceeds \$139,000.

The number of Senior Officers other than the Responsible Persons, are shown below in their relevant income bands:

Income range:	2016 No.	2015 No.
< \$138,999	-	6
\$139,000 - \$139,999	1	-
\$140,000 - \$149,999	9	4
\$150,000 - \$159,999	1	5
\$160,000 - \$169,999	8	3
\$170,000 - \$179,999	5	6
\$180,000 - \$189,999	2	1
\$190,000 - \$199,999	1	-
\$220,000 - \$229,999	-	1
\$230,000 - \$239,999	-	2
\$240,000 - \$249,999	3	3
\$250,000 - \$259,999	2	-
	<u>32</u>	<u>31</u>
Total remuneration for the reporting year for Senior Officers included above, amounted to:	<u>\$'000</u> 5,256	<u>\$'000</u> 5,123

**(iv) Responsible persons retirement benefits**

No retirement benefits were made by the Council to a Responsible Person during 2015-16 (2014-15 \$nil).



**2.4.1 2015-16 Annual Financial Statements (Cont.)**

City of Greater Dandenong

2015-16 Financial Report

**Notes to the Financial Report****Note 36 Related party transactions (continued)****(v) Loans to Responsible Persons**

No loans were made, guaranteed or secured by the Council to a Responsible Person during 2015-16 (2014-15 \$nil).

**(vi) Transactions with Responsible Persons**

No transactions were entered into by the Council with Responsible Persons outside the normal course of Council business, other than remuneration and reimbursement of expenses during 2015-16 (2014-15 \$nil).

Councillor Memeti has a financial interest in a stall at Dandenong Market. The financial arrangements are at arms length based on commercial terms. A number of Responsible Persons have minority shareholdings in public companies, which have dealings with the Council from time to time.

Responsible persons include five individuals who held the position of Director in Dandenong Market Pty Ltd (DMPL) during the 2015-16 year.

**Note 37 Events occurring after balance date**

No matters have occurred after balance date that require disclosure in the financial report.

**Note 38 Adjustments directly to equity**

In the 2015–16 financial year, it was identified that Council had received ownership and control of assets (found and gifted assets) prior to the current financial year. The majority of the assets (\$2.71 million in 2015-16 and \$1.64 million in 2014-15) related to gifted infrastructure assets by developers of new subdivisions. These adjustments to equity are detailed below by net written down value and occurred in the 2015–16 financial year, but were adjusted against opening equity and assets of the following years:

	<b>2016 \$'000</b>	<b>2015 \$'000</b>
<b>Property</b>		
Land	581	728
Land under roads	192	-
Buildings	38	75
<b>Infrastructure</b>		
Bridges	262	55
Drains	1,723	2,095
Footpaths and cycleways	11	-
Recreational, leisure and community facilities	24	8
	<b>2,831</b>	<b>2,961</b>



## 2.4.1 2015-16 Annual Financial Statements (Cont.)

City of Greater Dandenong

2015-16 Financial Report

## Notes to the Financial Report

**Note 39 Reconciliation of Council, The Dandenong Market Pty Ltd (DMPL) and consolidated accounts**

Dandenong Market Pty Ltd is a wholly owned subsidiary of Greater Dandenong City Council. Dandenong Market Pty Ltd manages the Dandenong Market on the terms set out in a management service agreement dated 30 November 2012 between Dandenong Market Pty Ltd and Greater Dandenong City Council. The management service agreement runs concurrently with the Lease Agreement (50 years) and provides for annual agreement extensions at Council's discretion. An extension has been exercised by Council up to 30 June 2017. The following Comprehensive Income Statement, Balance Sheet and Statement of Cash Flows has been provided to show the individual financial positions of the Council and The Dandenong Market Pty Ltd and consolidated accounts for the 2015-16 financial year. These financial statements should be read in conjunction with the accompanying notes in the financial report.

**Comprehensive Income Statement**  
**For the year ended 30 June 2016**

	<b>Council</b>	<b>DMPL</b>	<b>Consolidation</b>	<b>Consolidated</b>
	<b>2016</b>	<b>2016</b>	<b>Adjustment</b>	<b>Accounts</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>2016</b>	<b>2016</b>
			<b>\$'000</b>	<b>\$'000</b>
<b>Income</b>				
Rates and charges	120,750	-	(96)	120,654
Statutory fees and fines	5,932	-	-	5,932
User fees	8,394	-	-	8,394
Grants - operating	25,233	60	-	25,293
Grants - capital	5,049	-	-	5,049
Contributions - monetary	3,833	-	-	3,833
Contributions - non-monetary	38,261	-	-	38,261
Fair value adjustments for investment property	358	-	-	358
Other income	9,348	5,738	(1,593)	13,493
<b>Total income</b>	<b>217,158</b>	<b>5,798</b>	<b>(1,689)</b>	<b>221,267</b>
<b>Expenses</b>				
Employee costs	(72,107)	(780)	37	(72,850)
Materials and services	(54,947)	(3,447)	280	(58,114)
Bad and doubtful debts	(637)	(53)	-	(690)
Depreciation and amortisation	(27,512)	(9)	-	(27,521)
Borrowing costs	(4,034)	-	-	(4,034)
Net loss on disposal of property, infrastructure, plant and equipment	(193)	-	-	(193)
Other expenses	(9,425)	(1,394)	1,372	(9,447)
<b>Total expenses</b>	<b>(168,855)</b>	<b>(5,683)</b>	<b>1,689</b>	<b>(172,849)</b>
<b>Net surplus for the year</b>	<b>48,303</b>	<b>115</b>	<b>-</b>	<b>48,418</b>
<b>Other comprehensive income</b>				
<b>Items that will not be reclassified to surplus or deficit in future periods</b>				
Net asset revaluation increment	192,430	-	-	192,430
<b>Total comprehensive result</b>	<b>240,733</b>	<b>115</b>	<b>-</b>	<b>240,848</b>



## 2.4.1 2015-16 Annual Financial Statements (Cont.)

City of Greater Dandenong

2015-16 Financial Report

## Notes to the Financial Report

Note 39 Reconciliation of Council, The Dandenong Market Pty Ltd (DMPL) and consolidated accounts (continued)

Balance Sheet  
As at 30 June 2016

	Council 2016 \$'000	DMPL 2016 \$'000	Consolidation Adjustment 2016 \$'000	Consolidated Accounts 2016 \$'000
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents	88,075	589	-	88,664
Trade and other receivables	16,550	100	-	16,650
Non-current assets classified as held for sale	11,490	-	-	11,490
Other assets	2,328	21	(12)	2,337
<b>Total current assets</b>	<b>118,443</b>	<b>710</b>	<b>(12)</b>	<b>119,141</b>
<b>Non-current assets</b>				
Trade and other receivables	331	-	-	331
Other financial assets	230	-	-	230
Property, infrastructure, plant and equipment	1,904,077	11	-	1,904,088
Investment property	10,320	-	-	10,320
<b>Total non-current assets</b>	<b>1,914,958</b>	<b>11</b>	<b>-</b>	<b>1,904,649</b>
<b>Total assets</b>	<b>2,033,401</b>	<b>721</b>	<b>(12)</b>	<b>2,023,790</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Trade and other payables	15,853	463	(12)	16,304
Trust funds and deposits	29,595	-	-	29,595
Provisions	16,429	34	-	16,463
Interest-bearing loans and borrowings	3,120	-	-	3,120
Other interest-bearing liabilities	1,184	-	-	1,184
<b>Total current liabilities</b>	<b>66,181</b>	<b>497</b>	<b>(12)</b>	<b>66,666</b>
<b>Non-current liabilities</b>				
Trust funds and deposits	997	20	-	1,017
Provisions	664	11	-	675
Interest-bearing loans and borrowings	54,912	-	-	54,912
Other interest-bearing liabilities	1,255	-	-	1,255
<b>Total non-current liabilities</b>	<b>57,828</b>	<b>31</b>	<b>-</b>	<b>57,859</b>
<b>Total liabilities</b>	<b>124,009</b>	<b>528</b>	<b>(12)</b>	<b>124,525</b>
<b>Net assets</b>	<b>1,909,392</b>	<b>193</b>	<b>-</b>	<b>1,899,265</b>
<b>Equity</b>				
Accumulated surplus	773,045	193	-	773,238
Reserves	1,136,347	-	-	1,136,347
<b>Total equity</b>	<b>1,909,392</b>	<b>193</b>	<b>-</b>	<b>1,909,585</b>



## 2.4.1 2015-16 Annual Financial Statements (Cont.)

City of Greater Dandenong

2015-16 Financial Report

## Notes to the Financial Report

Note 39 Reconciliation of Council, The Dandenong Market Pty Ltd (DMPL) and consolidated accounts (continued)

Statement of Cash Flows  
For the year ended 30 June 2016

	Council 2016 \$'000	DMPL 2016 \$'000	Consolidation Adjustment 2016 \$'000	Consolidated Accounts 2016 \$'000
<b>Cash flows from operating activities</b>				
Rates and charges	120,337	-	(96)	120,241
Statutory fees and fines	4,880	-	-	4,880
User fees	9,222	-	-	9,222
Grants - operating	26,992	60	-	27,052
Grants - capital	4,824	-	-	4,824
Contributions - monetary	3,907	-	-	3,907
Interest received	2,780	14	-	2,794
Trust funds and deposits taken	37,419	9	-	37,428
Other receipts	6,402	5,870	(1,438)	10,834
Net GST refund	8,519	(43)	(106)	8,370
Employee costs	(70,860)	(783)	48	(71,595)
Materials and services	(63,227)	(4,815)	1,614	(66,428)
Trust funds and deposits repaid	(29,816)	(4)	-	(29,820)
Other payments	(10,357)	-	(22)	(10,379)
<b>Net cash provided by operating activities</b>	<b>51,022</b>	<b>308</b>	<b>-</b>	<b>51,330</b>
<b>Cash flows from investing activities</b>				
Payments for property, infrastructure, plant and equipment	(34,567)	-	-	(34,567)
Proceeds from sale of property held for resale	1,327	-	-	1,327
Proceeds from sale of property, infrastructure, plant and equipment	1,016	-	-	1,016
<b>Net cash used in investing activities</b>	<b>(32,224)</b>	<b>-</b>	<b>-</b>	<b>(32,224)</b>
<b>Cash flows from financing activities</b>				
Finance costs	(4,066)	-	-	(4,066)
Repayment of other interest bearing liabilities	(1,117)	-	-	(1,117)
Repayment of borrowings	(4,386)	-	-	(4,386)
<b>Net cash used in financing activities</b>	<b>(9,569)</b>	<b>-</b>	<b>-</b>	<b>(9,569)</b>
Net increase in cash and cash equivalents	9,229	308	-	9,537
Cash and cash equivalents at the beginning of the financial year	78,846	281	-	79,127
<b>Cash and cash equivalents at the end of the financial year</b>	<b>88,075</b>	<b>589</b>	<b>-</b>	<b>88,664</b>



**2.4.1 2015-16 Annual Financial Statements (Cont.)**

City of Greater Dandenong

2015-16 Financial Report

## **Certification of the Financial Statements**

In my opinion the accompanying financial statements have been prepared in accordance with the Local Government Act 1989, the Local Government (Planning and Reporting) Regulations 2014, Australian Accounting Standards and other mandatory professional reporting requirements.

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Michelle Hansen CPA  
Principal Accounting Officer

Date : 12 September 2016

In our opinion the accompanying Financial Statements present fairly the financial transactions of the City of Greater Dandenong for the year ended 30 June 2016 and the financial position of the Council as at that date.

As at the date of signing, we are not aware of any circumstances which would render any particulars in the Financial Statements to be misleading or inaccurate.

We have been authorised by the Council and by the Local Government (Planning and Reporting) Regulation 2014 on 12 September 2016 to certify the Financial Statements in their final form.

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Heang Tak  
Mayor

Date : 12 September 2016

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Matthew Kirwan  
Councillor

Date : 12 September 2016

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John Bennie PSM  
Chief Executive Officer

Date : 12 September 2016



**2.4.1 2015-16 Annual Financial Statements (Cont.)**

**FINANCE AND BUDGET**

**2015-16 ANNUAL FINANCIAL STATEMENTS**

**ATTACHMENT 2**

**PERFORMANCE STATEMENT**

**PAGES 10 (including cover)**

*If the details of the attachment are unclear please contact Governance on 8571 5235.*



2.4.1 2015-16 Annual Financial Statements (Cont.)



# PERFORMANCE STATEMENT

FOR THE YEAR ENDED 30 JUNE 2016





## 2.4.1 2015-16 Annual Financial Statements (Cont.)

Sustainable Capacity Indicators					Material Variations and Comments
Indicator/measure	Results 2015	Results 2016			
<b>Population</b>					
C1 Expenses per head of municipal population [Total expenses / Municipal population]	\$1,078.60	\$1,105.51			Council received 50% or \$5.37 million of its 2015-16 Victoria Grants Commission funding in the previous financial year (in addition to the 2014-15 allocation). This resulted in only 50% of the 2015-16 allocation being received in this financial year. If the grant had not been received early the indicator results would be \$210.06 (2015-16) and \$212.08 (2014-15). This grant is Council's major operating grant.
C2 Infrastructure per head of municipal population [Value of infrastructure / Municipal population]	\$5,962.70	\$6,033.37			
C3 Population density per length of road [Municipal population / Kilometres of local roads]	223.16	219.77			
<b>Own-source revenue</b>					
C4 Own-source revenue per head of municipal population [Own-source revenue / Municipal population]	\$870.85	\$947.90			
<b>Recurrent grants</b>					
C5 Recurrent grants per head of municipal population [Recurrent grants / Municipal population]	\$248.00	\$174.51			
<b>Disadvantage</b>					
C6 Relative Socio-Economic Disadvantage [Index of Relative Socio-Economic Disadvantage by decile]	1.00	1.00			



## 2.4.1 2015-16 Annual Financial Statements (Cont.)

Service Performance Indicators				
Indicator/measure	Results 2015	Results 2016		Material Variations and Comments
<b>Aquatic Facilities Utilisation</b> AF6 Utilisation of aquatic facilities [Number of visits to aquatic facilities / Municipal population]	4.32	4.44		
<b>Animal Management Health and safety</b> AM4 Animal management prosecutions [Number of successful animal management prosecutions]	20.00	25.00		Council is diligent in prosecuting offenders in order to protect the health and safety of animals, humans and the environment.
<b>Food Safety Health and safety</b> FS4 Critical and major non-compliance outcome notifications [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100	91.00%	100.00%		
<b>Governance Satisfaction</b> G5 Satisfaction with council decisions [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	62.00	61.00		



## 2.4.1 2015-16 Annual Financial Statements (Cont.)

Service Performance Indicators (continued)				Material Variations and Comments
Indicator/measure	Results 2015	Results 2016		
<b>Home and Community Care (HACC)</b>  <b>Participation</b>  HC6 <i>Participation in HACC service</i>  [Number of people that received a HACC service / Municipal target population for HACC services] x100  <b>Participation</b>  HC7 <i>Participation in HACC service by CALD people</i>  [Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100	20.00%	13.55%		The change in year on year result is due to Home Maintenance and Planned Activity Group services being excluded from the 2015-16 results as per the reporting definition. These services were included in the 2014-15 results.  The change in year on year result is due to Home Maintenance and Planned Activity Group services being excluded from the 2015-16 results as per the reporting definition. These services were included in the 2014-15 results.
<b>Libraries</b>  <b>Participation</b>  LB4 <i>Active library members</i>  [Number of active library members / Municipal population] x100	35.00%	33.06%		This result includes all active members of the Library including those that use Library computer resources.
<b>Maternal and Child Health (MCH)</b>  <b>Participation</b>  MC4 <i>Participation in the MCH service</i>  [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100  <b>Participation</b>  MC5 <i>Participation in the MCH service by Aboriginal children</i>  [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	80.00%	0.00%		Due to data integrity issues with the CDIS system used by a large number of Victorian Councils accurate results are currently not available for the 2015-16 reporting year.  Due to data integrity issues with the CDIS system used by a large number of Victorian Councils accurate results are currently not available for the 2015-16 reporting year.



## 2.4.1 2015-16 Annual Financial Statements (Cont.)

Service Performance Indicators (continued)				
Indicator/measure	Results 2015	Results 2016		Material Variations and Comments
<b>Roads</b> <b>Satisfaction</b> R5 <i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	67.00	66.00		
<b>Statutory Planning</b> <b>Decision making</b> SP4 <i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	50.00%	42.31%		In 2015-16 Council had 11 decisions of 26 upheld at VCAT. In 2014-15 Council had a total of 9 of 18 decisions upheld.
<b>Waste Collection</b> <b>Waste diversion</b> WC5 <i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	45.00%	46.40%		
<b>Economic activity</b> <b>Economic Development (optional)</b> ED4 <i>Change in number of businesses</i> [Number of businesses with an ABN in the municipality at the end of the financial year less the number of businesses at the start of the financial year / Number of businesses with an ABN in the municipality at the start of the financial year] x100	0.00%	0.00%		
<b>Immunisation (optional)</b> <b>Participation</b> I5 <i>Vaccination of children</i> [Percentage of children who are fully vaccinated in each age group] I6 <i>Vaccination of secondary school children</i> [Number of secondary school children fully vaccinated by council / Total number of secondary school children] x100	0.00%	0.00%		
<b>Sports Grounds (optional)</b> <b>Availability</b> SG4 <i>Population per sports field</i> [Municipal population / Total number of sports fields]	0.00	0.00		
<b>Street Sweeping (optional)</b> <b>Environmental and flooding risk</b> SS4 <i>Routine cleaning of sealed local road pits</i> [Number of sealed local road pits requiring cleaning following routine inspection / Total number of sealed local road pits inspected] x100	0.00%	0.00%		



## 2.4.1 2015-16 Annual Financial Statements (Cont.)

Financial Performance Indicators						
Dimension/Indicator/measure	Results 2015	Results 2016	Forecasts			
			2017	2018	2019	2020
<b>Efficiency</b>						
<b>Revenue level</b>						
E1 Average residential rate per residential property assessment	\$864.45	\$1,192.35	\$1,210.38	\$1,218.68	\$1,242.50	\$1,267.35
[Residential rate revenue / Number of residential property assessments]						
<b>Expenditure level</b>						
E2 Expenses per property assessment [Total expenses / Number of property assessments]	\$2,608.70	\$2,675.09	\$2,738.05	\$2,732.37	\$2,749.88	\$2,783.50
<b>Workforce turnover</b>						
E3 Resignations and terminations compared to average staff [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	7.69%	7.97%	10.00%	10.00%	10.00%	10.00%
<b>Liquidity</b>						
<b>Working capital</b>						
L1 Current assets compared to current liabilities	172.67%	178.97%	152.06%	162.01%	156.04%	171.08%
						The 2014-15 result of \$864.45 did not include the residential waste charge. The 2015-16 result includes waste charges applicable to residential properties. If residential waste charges were included in the comparative year of 2014-15, the result would be \$1,122.55 compared to the 2015-16 result of \$1,192.35.
						The decrease in forecast working capital from 2016 to 2017 is due to \$11.49 million of non-current assets classified as held for sale at 30 June 2016 and cash funding for carry overs to 2016-17. The increase in forecast working capital from 2019 to 2020 is due mainly to the reduction in current borrowings due to the repayment of a \$4.90 million loan bill facility that matures in November 2019. This increases current liabilities in 2019 from the normal repayment of borrowings by \$4.90 million.



## 2.4.1 2015-16 Annual Financial Statements (Cont.)

Financial Performance Indicators (continued)						
Dimension/indicator/measure	Forecasts				Results 2016	Material Variations and Comments
	2017	2018	2019	2020		
<b>Unrestricted cash</b>						
L2 Unrestricted cash compared to current liabilities	65.57%	74.24%	73.25%	78.43%	57.85%	The 2016 result is due to higher current liability obligations at 30 June 2016 relating to trust funds and deposits held (\$10 million higher than in the previous financial year). The forecast indicator increases to 78.43% in 2020 from the actual of 57.85% in 2016 due to the inclusion of cash funding for carried forward capital works and unspent conditional grants in 2016 (these amounts are not forecast in the 2017 to 2020 financial years). In addition, the indicator increases over the next four years due mainly to an increase in cash backed reserves.
[Unrestricted cash / Current liabilities] x100						
<b>Obligations</b>						
<b>Asset renewal</b>						
O1 Asset renewal compared to depreciation	62.61%	49.25%	45.18%	46.49%	73.03%	Asset renewal compared to depreciation is high due to expenditure that was classified as operating however was deemed capital in nature at 30 June 2016 - mainly relating to roads and drains (\$1.04 million). This is combined with additional roads to recovery renewal funding being received and expended on local rehabilitation works of \$577,000. In addition, depreciation in 2016 was lower than in 2015. A downward trend is forecast for this indicator from 2016 to 2020 due primarily to progressively higher depreciation on a growing asset base, whilst renewal requirements remain relatively stable.
[Asset renewal expense / Asset depreciation] x100						
<b>Loans and borrowings</b>						
O2 Loans and borrowings compared to rates	56.80%	40.75%	44.42%	44.42%	48.52%	The decrease from 2015 to 2016 represents the reduction in debt through the repayment of borrowings during the financial year of \$4.39 million.
[Interest bearing loans and borrowings / Rate revenue] x100						
O3 Loans and borrowings repayments compared to rates	12.16%	5.11%	4.92%	8.38%	7.07%	The decrease from 2014 to 2015 is due to the refinancing of a loan (Local Government Funding Vehicle) in 2014-15 of \$4.9 million which resulted in an increase in repayments in the 2014-15 financial year.
[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100						



## 2.4.1 2015-16 Annual Financial Statements (Cont.)

Financial Performance Indicators (continued)						
Dimension/indicator/measure	Results		Forecasts			
	2015	2016	2017	2018	2019	2020
<b>Indebtedness</b>						
O4 Non-current liabilities compared to own source revenue	48.18%	39.99%	34.21%	32.89%	33.32%	37.22%
[Non-current liabilities / Own source revenue] x100						
<b>Operating position</b>						
<b>Adjusted underlying result</b>						
OP1 Adjusted underlying surplus (or deficit)	4.25%	1.87%	9.58%	5.27%	6.31%	7.44%
[Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100						
<b>Stability</b>						
<b>Rates concentration</b>						
S1 Rates compared to adjusted underlying revenue	65.25%	69.59%	65.27%	68.46%	69.16%	69.40%
[Rate revenue / Adjusted underlying revenue] x100						
<b>Rates effort</b>						
S2 Rates compared to property values	0.35%	0.31%	0.33%	0.32%	0.31%	0.31%
[Rate revenue / Capital improved value of rateable properties in the municipality] x100						
<b>Material Variations and Comments</b>						
The lower result is attributable to a reduction in loans and borrowings and upward movements in own sourced revenue (rates and charges and user fees).						
The lower result in 2016 is due to 50% or \$5.37 million of the 2015-16 Victoria Grants Commission funding being received in advance in 2014-15, resulting in only 50% of VGC funding in 2015-16. There were no advance payments in 2015-16. This is Council's major operating grant and is forecast to be received annually in the years 2017 to 2020 (ie - no advance payments). The peak result in 2017 is also affected by a forecast gain on asset sale relating to the sale of a former depot site.						
Higher percentage of rates compared to adjusted underlying revenue primarily due to 50% or \$5.37 million of the 2015-16 Victoria Grants Commission funding being received in the previous financial year (2014-15).						



**2.4.1 2015-16 Annual Financial Statements (Cont.)**

**Certification of the performance statement**

In my opinion, the accompanying performance statement has been prepared in accordance with the *Local Government Act 1989* and the Local Government (Planning and Reporting) Regulations 2014.

---

Michelle Hansen CPA  
Principal Accounting Officer

Date: 12 September 2016

In our opinion, the accompanying performance statement of the City of Greater Dandenong for the year ended 30 June 2016 presents fairly the results of council's performance in accordance with the *Local Government Act 1989* and the Local Government (Planning and Reporting) Regulations 2014.

The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.

At the date of signing, we are not aware of any circumstances that would render any particulars in the performance statement to be misleading or inaccurate.

We have been authorised by the council and by the Local Government (Planning and Reporting) Regulations 2014 to certify this performance statement in its final form.

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Heang Tak  
Mayor

Date: 12 September 2016

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Matthew Kirwan  
Councillor

Date: 12 September 2016

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John Bennie PSM  
Chief Executive Officer

Date: 12 September 2016



## 2.4.2 June 2016 Financial Report (interim results)

File Id:

Responsible Officer:

Director Corporate Services

Attachments:

Financial Report 1 July 2015 – 30 June 2016  
(interim results)

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### Report Summary

The purpose of this report is to present to Council the June 2016 Financial Report. This report is designed to provide financial performance reporting against the Mid-Year Budget adopted by Council on 14 December 2015.

### Status of financial information

The information in this report has been audited by Council audit agent however it has not yet been endorsed by the Victorian Auditor General (VAGO) and may be subject to further change. At the time of preparation, this report is presented as an interim result prior to the final Annual Report which will be available on 30 September in accordance with Section 131 of the *Local Government Act 1989*. The report has been presented in the quarterly financial report format that provides greater detail to Council on the respective variations between the actual outcomes compared to the Original Budget and the Mid-Year Budget amounts.

### Recommendation Summary

This report recommends that the financial report for the year ended 30 June 2016 be noted by Council including:

1. The proposed capital and operating carry overs from the 2015-16 financial year listed in (**Appendix 4**) of the financial report which will form the basis of a 2016-17 Amended Budget for management reporting purposes.
2. The residual surplus remaining is \$1.37 million, noting however that this amount will be subject to further amendment, to take account of any unforeseen outcomes prior to Council considering the 2016/17 Mid-Year Budget.



**2.4.2 June 2016 Financial Report (interim results) (Cont.)**

**Background**

The attached financial report is designed to inform Councillors of the results of Council operations for the year ended 30 June 2016 including financial performance against the Mid-Year Budget adopted by Council on 14 December 2015.

At the time of preparation, this report is presented as an interim result. The information in this report has not been signed off by VAGO.

The financial report incorporates a set of financial statements and a Directorate analysis of financial performance by Business Unit. The following are contained in the Attachment:

- Income Statement
- Balance Sheet
- Cash Flow Statement
- Capital Expenditure Statement
- Capital Expenditure report
- Investment Report
- Directorate Analysis
- Capital and Operating Carry Over's from 2015-16 to 2016-17

Whilst the financial statements are prepared in accordance with Australian Accounting Standards, they contain several items which are "non-cash" in nature such as depreciation on assets and the written down (book) value of assets sold. They also exclude capital expenditure, new borrowings and loan repayments and as such, these Statements do not provide an accurate indication of the surplus/deficit cash position within a financial year.

The table on the following page provides a management accounting summary of the financial performance for the year ended 30 June 2016 which removes non-cash items and adds back cash items.



## 2.4.2 June 2016 Financial Report (interim results) (Cont.)

## Management Accounting Summary as at 30 June 2016

Description	FULL YEAR ACTUAL \$'000	ANNUAL MID YEAR BUDGET \$'000	VARIANCE Fav (unfav) \$'000	ANNUAL FORECAST FULL FORECAST \$'000	V ACTUAL Fav (unfav) \$'000
<b>Income Statement</b>					
Income	217,814	194,077	23,737	196,201	21,613
Expenditure	169,511	171,954	2,443	171,930	2,419
<b>Net surplus - ongoing operations</b>	<b>48,303</b>	<b>22,123</b>	<b>26,180</b>	<b>24,271</b>	<b>24,032</b>
<b>Management Accounting reconciliation</b>					
<i>Add back (less) non cash items</i>					
Depreciation	27,512	30,559	(3,047)	30,559	(3,047)
Name Warren landfill adjustment	(5)	-	(5)	-	(5)
Fair value adjustments - investment property	(358)	-	(358)	-	(358)
Contributions non-monetary assets	(38,261)	(18,000)	(20,261)	(18,000)	(20,261)
Written down value of assets sold/disposed	4,677	1,297	3,380	858	3,819
<b>Sub total</b>	<b>(6,435)</b>	<b>13,856</b>	<b>(20,291)</b>	<b>13,417</b>	<b>(19,852)</b>
<b>Net operating surplus</b>	<b>41,868</b>	<b>35,979</b>	<b>5,889</b>	<b>37,688</b>	<b>4,180</b>
<i>Add/less non operating cash items</i>					
Capital expenditure	36,435	51,615	15,180	52,813	16,378
Net transfers to (from) reserves	5,223	(4,584)	(9,807)	(4,187)	(9,410)
Loan repayments	4,386	4,386	-	4,386	-
Land acquisition - payment	1,117	1,117	-	1,117	-
<b>Sub total</b>	<b>47,161</b>	<b>52,534</b>	<b>5,373</b>	<b>54,129</b>	<b>6,968</b>
<b>Cash surplus (deficit)</b>	<b>(5,293)</b>	<b>(16,555)</b>	<b>11,262</b>	<b>(16,441)</b>	<b>(2,788)</b>
<b>Accumulated surplus brought forward</b>	<b>16,555</b>	<b>16,555</b>		<b>16,555</b>	
Capital project carry overs (net)	(7,728)				
Operating carry overs (net)	(1,713)				
<b>Surplus (deficit) position</b>	<b>1,821</b>	<b>-</b>	<b>1,821</b>	<b>114</b>	<b>1,707</b>



**2.4.2 June 2016 Financial Report (interim results) (Cont.)****Results of the year ended 30 June 2016**

The overall management accounting result for the period ended 30 June 2016 shows a positive financial outcome for Council with an accumulated cash surplus result of \$1.82 million after consideration of expenditure budgeted in 2015-16 which was unspent but required to be carried forward to the 2016-17 financial year. A full list of operating and capital carry overs is included in **Appendix 4** of this financial report.

The favourable cash surplus result is mainly due to the following variations:

- Employee cost savings across the organisation due to position vacancies and a delay in recruitment.
- Savings in the capital program mostly in the building renewal program.

**Mid Year Budget cash surplus allocation**

In terms of the accumulated outcome as at the end of 2015-16, the accumulated cash surplus result is \$1.82 million after consideration of capital and operating carry overs.

There are two known unfavourable Mid-Year Budget adjustments – a Victoria Grants Commission funding shortfall of \$230,000 and a higher WorkCover premium of \$226,000.

The estimated residual surplus available at Mid-Year Budget Review reduces to \$1.37 million, after taking into account these two adjustments totalling \$456,000.

**2015-16 Result (net surplus – ongoing operations)**

The full year surplus for 2015-16 is \$48.30 million, which is \$26.18 million favourable to the Mid-Year Budget. Detailed comments about some of the significant variances contributing to the financial year outcomes are included below:

**Income**

Full year actual income for the year ended 30 June 2016 is favourable by \$23.38 million against the Mid-Year Budget. This is primarily due to the following:

**Contributions – non-monetary assets (\$20.26 million favourable)** – Represents the receipt of gifted assets, generally from subdivisions. The timing and amount of these contributions are difficult to predict and will vary from year to year. This is a non-cash accounting entry.

**Contributions - cash (\$2.21 million favourable)** – Majority of this variance is due to better than anticipated income from public open space contributions (Planning and Design \$2.26 million), which are transferred to reserves.

**User fees (\$1.12 million unfavourable)** – Unfavourable variance due to lower than anticipated income from parking ticket machines (Parking Management \$815,000) and lower than expected income from client based services (Family Day Care \$349,000 and HACC \$109,000).



**2.4.2 June 2016 Financial Report (interim results) (Cont.)**

**Rates and waste charges (\$1.01 million favourable)** – The majority of this favourable variance is due to greater than anticipated supplementary valuations as a result of a more buoyant property market than forecast and better than anticipated income from additional waste services

**Interest (\$686,000 favourable)** – The favourable variance in interest revenue is due to the following:

- Higher interest on investments due to higher cash holdings held during the year, resulting from the timing and delay of operating and capital cash outflows (\$514,000).
- Interest on rate arrears (\$172,000).

**Other income (\$531,000 favourable)** – The favourable variance is mainly due to a new income item called 'Fair value adjustments for investment property' of \$358,000, which is a non-cash item. This new item is the result of a reclassification of several land and building assets from 'Property, infrastructure, plant and equipment' to 'Investment property' as they are held primarily to earn rental income. Australian Accounting Standards require any revaluation of these assets to fair value to be recognised in the Comprehensive Income Statement, rather than in the Asset Revaluation Reserve like other fixed assets held at fair value by Council.

**Fines (\$477,000 unfavourable)** – Lower than anticipated fine income due to an amnesty period in place during the introduction of new parking ticket machines.

**Grants - operating (\$444,000 favourable)** – The majority of this favourable variance is due to the receipt of unbudgeted grants for new programs such as "New Directions" and "Maternal and Child Health – Refugee Health" (Community Services \$286,000). Unexpended operating grant funds that have been identified as at 30 June 2016 will be carried over into the 2016-17 financial year. Please refer to 'Appendix 4 – Capital and Operating Carry Over's from 2015-16 to 2016-17'.

**Hire of facilities (\$258,000 favourable)** – Better than anticipated income from ticket machines now that a tariff is being charged for the first hour which was previously free (Parking Management \$307,000).

**Expenditure**

The actual expenditure at 30 June 2016 against the full year Mid-Year Budget is favourable by \$2.44 million. The major variances contributing to this result are lower employee costs, administration costs, contract payments and materials and depreciation (\$3.05 million - non-cash item).

These favourable variances are partly offset by higher assets written off (\$4.32 million - non-cash item) and grants and sponsorship.

**Employee costs (\$2.98 million favourable)** – This favourable variance is mainly as a result of staff recruitment occurring later than planned across all directorates (Community Services \$1.48 million, Engineering Services \$520,000 and Corporate Services \$492,000) and year end adjustments for provisions to employee entitlements (Non-Directorate \$512,000).



**2.4.2 June 2016 Financial Report (interim results) (Cont.)**

**Grants and sponsorship (\$1.31 million unfavourable)** - This unfavourable variance is due mainly to the street lighting rollout of energy efficient globes on non-Council owned assets (Capital Works Program \$2.20 million). This cost cannot be capitalised and therefore needs to be recognised as an operating expense and represents a contribution to the installation.

The variance is partly offset by lower expenditure for payments to educators (Family Day Care \$995,000) which is a client based service mostly matched by lower income.

**Administration costs (\$1.24 million favourable)** – IT costs across Council are lower than expected for hardware/software, network licensing and telephony costs (\$343,000). Additionally Preventative Health (\$108,000) is contributing to the variance due to a delay in the commencement of community education programs. The Preventative Health program will be carried over to the 2016-17 financial year (refer Appendix 4). There were also savings in community education, promotions and publications (Communications and Customer Service \$164,000 and Community Development \$77,000) and fuel (Engineering Services \$191,000).

**Contract payments, materials (\$708,000 favourable)** – The majority of this favourable variance is due to savings in contractors costs (Engineering Services \$1.83 million).

This variance is partly offset by higher expenditure in a client based program (Family Day Care \$413,000) and transfer of expenditure from Capital Works because it did not satisfy asset recognition criteria (Capital Works Program \$877,000).

**Other expenses (\$476,000 unfavourable)** – The main item contributing to this variance is the contribution to Places Victoria to retain Lot 123 Metro 3175 as open space (funded from the open space reserve).

**Professional services (\$444,000 favourable)** – The major items contributing to this variance are:

- Consultants (\$345,000) – mainly due to delay in commencement of projects (Greater Dandenong Business \$97,000, Engineering Services \$78,000, Corporate Services \$75,000 and City Planning, Design and Amenity \$73,000).
- Contractor Services (\$92,000) – lower than anticipated expenditure (Greater Dandenong Business \$96,000).
- Planning Scheme Amendment preparation (\$107,000) – lower than anticipated expenditure (Planning and Design).

The favourable variance is partly offset by higher legal expenses (\$216,000) required for advice and conveyance services (Community Services \$83,000 and City Planning, Design and Amenity \$81,000).

**Capital expenditure**

Full year capital works gross expenditure achieved is \$36.44 million, which is \$15.18 million favourable against Mid-Year Budget. Capital project carry over's totalling \$7.73 million (net) are included in Appendix 4 – 'Capital and Operating Carry Over's from 2015-16 to 2016-17'. The full year capital works expenditure also includes \$3.26 million of operating expenditure as it meets the asset recognition criteria.



**2.4.2 June 2016 Financial Report (interim results) (Cont.)**

**Financial Implications**

The City of Greater Dandenong completed the 2015-16 financial year in a sound financial position. This will now allow Council to further consider the allocation of surplus funds through the Mid-Year Budget review process in the 2016-17 financial year.

**Conclusion**

The financial operation of Council is a significant business with Council overseeing operational expenditures of over \$170 million combined with capital works and debt repayments of another \$42 million. Council actively manages the financial performance of Council over the course of the financial year and it is pleasing on these significant dollar amounts, that Council has delivered a result that is within budget with a resulting surplus that is equivalent to 0.6% of our total spend.

**Recommendation**

**That Council notes the financial report for the year ended 30 June 2016 including:**

- 1. the proposed capital and operating carry overs from the 2015-16 financial year listed in (Appendix 4) of the financial report which will form the basis of a 2016-17 Amended Budget for management reporting purposes; and**
- 2. the residual surplus, subject to further rise and fall, will be referred to the 2016-17 Mid-year Budget process.**

**MINUTE 1514**

Moved by: Cr Roz Blades AM  
Seconded by: Cr Angela Long

**That Council notes the financial report for the year ended 30 June 2016 including:**

- 1. the proposed capital and operating carry overs from the 2015-16 financial year listed in (Appendix 4) of the financial report which will form the basis of a 2016-17 Amended Budget for management reporting purposes; and**
- 2. the residual surplus, subject to further rise and fall, will be referred to the 2016-17 Mid-year Budget process.**

**CARRIED**



**2.4.2 June 2016 Financial Report (interim results) (Cont.)**

**FINANCE AND BUDGET**

**JUNE 2016 FINANCIAL REPORT (INTERIM RESULTS)**

**ATTACHMENT 1**

**FINANCIAL REPORT 1 JULY 2015 – 30 JUNE  
2016 (INTERIM RESULTS)**

**PAGES 57 (including cover)**

*If the details of the attachment are unclear please contact Governance on 8571 5235.*



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2.4.2 June 2016 Financial Report (interim results) (Cont.)

A large rectangular box with a blue-to-white gradient background. At the top of the box is a thin horizontal gold bar. The text 'Financial Report' is in a large, white, sans-serif font. Below it, '1 July 2015 – 30 June 2016' is in a slightly smaller white sans-serif font, and '(interim results)' is in an italicized white sans-serif font.

Financial Report  
1 July 2015 – 30 June 2016  
(interim results)



**2.4.2 June 2016 Financial Report (interim results) (Cont.)**

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**2.4.2 June 2016 Financial Report (interim results) (Cont.)**

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Balance Sheet

Cash Flow Statement

Capital Expenditure Statement

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Operating expenditure

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Current liabilities

Non-current assets

Non-current liabilities

Net assets and equity

**Cash Flow Statement****Statement of Capital Works****Capital expenditure details****Investment analysis****Directorate analysis**

Notes to the Directorate analysis

**Capital and Operating Carry Over's from  
2015-16 to 2016-17****Reference****A****B1****B2****C****C1****C2****C3****C4****C5****D****E**

Appendix 1

Appendix 2

Appendix 3

Appendix 4



## 2.4.2 June 2016 Financial Report (interim results) (Cont.)



Financial Report for the period 1 July 2015 – 30 June 2016

## CGD – Operating Result

For the period 1 July 2015 – 30 June 2016

Note	FULL YEAR					ORIGINAL BUDGET \$'000
	ACTUAL \$'000	MID YEAR BUDGET \$'000	VARIANCE \$'000	FORECAST \$'000	FORECAST vs ACTUAL VARIANCE \$'000	
<b>Income</b>	<b>B1</b>					
Rates and charges	120,750	119,745	1,005	120,652	98	119,237
User fees	9,139	10,263	(1,124)	9,646	(507)	10,295
Fines	3,229	3,706	(477)	3,272	(43)	3,706
Hire of facilities	4,530	4,272	258	4,325	205	4,272
Contributions - cash	3,833	1,625	2,208	2,517	1,316	1,625
Contributions - non-monetary assets	38,261	18,000	20,261	18,000	20,261	18,000
Grants - operating	25,233	24,789	444	25,408	(175)	30,185
Grants - capital	5,049	5,074	(25)	5,078	(29)	4,378
Net gain (loss) on sale of assets	655	685	(30)	1,248	(593)	1,361
Interest	2,828	2,142	686	2,240	588	2,142
Other income	4,307	3,776	531	3,815	492	3,688
<b>Total income</b>	<b>217,814</b>	<b>194,077</b>	<b>23,737</b>	<b>196,201</b>	<b>21,613</b>	<b>198,889</b>
<b>Expenses</b>	<b>B2</b>					
Employee costs	72,032	75,012	2,980	74,731	2,699	73,347
Contract payments, materials	37,335	38,043	708	38,309	974	37,616
Professional services	4,542	4,986	444	5,084	542	4,393
Occupancy costs	3,018	2,951	(67)	2,965	(53)	2,830
Grants and sponsorship	6,775	5,465	(1,310)	5,480	(1,295)	5,465
Administration costs	7,911	9,153	1,242	9,018	1,107	9,026
Bad and doubtful debts	637	829	192	839	202	829
Finance costs	4,034	4,034	-	4,034	-	4,057
Other expenses	1,397	922	(475)	911	(486)	867
Assets written off	4,317	-	(4,317)	-	(4,317)	-
Depreciation	27,513	30,559	3,046	30,559	3,046	30,559
<b>Total expenses</b>	<b>169,511</b>	<b>171,954</b>	<b>2,443</b>	<b>171,930</b>	<b>2,419</b>	<b>168,989</b>
<b>Net surplus (deficit)</b>	<b>48,303</b>	<b>22,123</b>	<b>26,180</b>	<b>24,271</b>	<b>24,032</b>	<b>29,900</b>

**Overview**

As at 30 June 2016, Council's net surplus result recorded a favourable variance to budget of \$26.18 million. This is due to:

- Contributions – non-monetary assets of \$20.26 million for the receipt of gifted assets (non-cash accounting entry).
- Contributions – cash of \$2.21 million for public open space contributions (transferred to reserves).
- Rates and charges – better than anticipated income mainly from supplementary valuations (\$695,000) and residential waste (\$233,000).
- Interest – higher interest on investments and rate arrears (Non-Directorate \$686,000).
- Lower than anticipated:
  - Employee costs (Community Services \$1.48 million, Engineering Services \$520,000 and Corporate Services \$492,000) due mainly to delay in recruitment and vacant positions.
  - Administration costs (Corporate Services \$616,000, Community Services \$289,000 and Engineering Services \$243,000).
  - Contract payments, materials (Engineering Services \$1.83 million).
  - Depreciation of \$3.05 million (non cash item).

The overall favourable variance is partly offset by unfavourable variances in assets written off of \$4.32 million (this is a non-cash item), user fees and fines \$1.60 million and grant and sponsorships \$1.31 million.



## 2.4.2 June 2016 Financial Report (interim results) (Cont.)



Financial Report for the period 1 July 2015 – 30 June 2016

**Balance Sheet**

As at 30 June 2016

		2015-16 ACTUAL 30 Jun 2016 Note \$'000	2015-16 MID YEAR BUDGET \$'000	2015-16 ORIGINAL BUDGET \$'000	2014-15 ACTUAL 30 Jun 2015 \$'000
<b>ASSETS</b>					
<b>Current assets</b>	<b>C1</b>				
Cash and cash equivalents		88,075	62,532	46,819	78,846
Trade and other receivables		18,878	16,269	15,609	16,773
Non-current assets classified as held for sale		11,490	-	-	-
<b>Total current assets</b>		<b>118,443</b>	<b>78,801</b>	<b>62,428</b>	<b>95,619</b>
<b>Non-current assets</b>	<b>C2</b>				
Property, infrastructure, plant and equipment		1,904,077	1,722,039	1,623,185	1,677,367
Investment property <sup>2</sup>		10,320	-	-	9,874
Non-current assets classified as held for sale		-	490	3,212	490
Financial assets		230	230	230	230
Trade and other receivables		331	326	319	326
<b>Total non-current assets</b>		<b>1,914,958</b>	<b>1,723,085</b>	<b>1,626,946</b>	<b>1,688,287</b>
<b>Total assets</b>		<b>2,033,401</b>	<b>1,801,886</b>	<b>1,689,374</b>	<b>1,783,906</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>	<b>C3</b>				
Trade and other payables		15,853	16,861	14,467	15,335
Trust funds and deposits <sup>1</sup>		29,595	21,418	10,718	19,418
Provisions		16,429	15,881	16,125	15,147
Other interest-bearing liabilities		1,184	1,184	1,199	1,117
Interest-bearing loans and borrowings		3,120	3,120	3,082	4,359
<b>Total current liabilities</b>		<b>66,181</b>	<b>58,464</b>	<b>45,591</b>	<b>55,376</b>
<b>Non current liabilities</b>	<b>C4</b>				
Provisions		664	1,272	781	1,211
Trust funds and deposits		997	1,024	580	1,024
Other interest-bearing liabilities		1,255	1,255	1,271	2,439
Interest-bearing loans and borrowings		54,912	54,912	54,977	58,059
<b>Total non-current liabilities</b>		<b>57,828</b>	<b>58,463</b>	<b>57,609</b>	<b>62,733</b>
<b>Total liabilities</b>		<b>124,009</b>	<b>116,927</b>	<b>103,200</b>	<b>118,109</b>
<b>NET ASSETS</b>	<b>C5</b>	<b>1,909,392</b>	<b>1,684,959</b>	<b>1,586,174</b>	<b>1,665,797</b>
<b>EQUITY</b>					
Accumulated surplus		773,045	750,916	729,969	727,170
Asset revaluation reserve		1,103,891	911,395	836,989	911,395
Reserves		32,456	22,648	19,216	27,232
<b>TOTAL EQUITY</b>		<b>1,909,392</b>	<b>1,684,959</b>	<b>1,586,174</b>	<b>1,665,797</b>

1. Trust funds and deposits include fire services property levies collected by Council on behalf of the State Government. These monies are remitted to the State Revenue Office 28 days after each instalment date.

2. Investment property represents a reclassification of several land and building assets from 'Property, infrastructure, plant and equipment' that are held for the primary purpose of earning rental income.



## 2.4.2 June 2016 Financial Report (interim results) (Cont.)



Financial Report for the period 1 July 2015 – 30 June 2016

**Cash Flow Statement**

For the period 1 July 2015 – 30 June 2016

	2015-16 ACTUAL 30 Jun 2016 Inflows/ (Outflows) \$'000	2015-16 ANNUAL MID YEAR BUDGET Inflows/ (Outflows) \$'000	2015-16 ANNUAL ORIGINAL BUDGET Inflows/ (Outflows) \$'000
<b>Cash flows from operating activities</b>			
Rates and charges	120,337	119,312	118,780
Statutory fees and fines	4,880	5,251	6,274
User fees	9,222	10,194	12,692
Grants - operating	26,992	26,731	32,153
Grants - capital	4,824	5,074	4,378
Contributions	3,907	1,625	1,625
Interest	2,780	2,156	2,142
Trust funds and deposits taken	37,419	29,500	6,500
Other receipts	6,402	7,124	3,493
Net GST refund	8,519	7,593	6,034
Employee costs	(70,860)	(74,274)	(72,630)
Materials and services	(63,228)	(62,788)	(63,993)
Trust funds and deposits repaid	(29,816)	(27,500)	(8,500)
Other payments	(10,357)	(8,470)	(7,869)
<b>Net cash provided by operating activities</b>	<b>51,021</b>	<b>41,528</b>	<b>41,079</b>
<b>Cash flows from investing activities</b>			
Payments for property, infrastructure, plant and equipment	(34,566)	(51,615)	(37,378)
Proceeds from sale of property held for resale	1,327	1,327	918
Proceeds from sale of property, plant and equipment	1,016	1,983	1,982
<b>Net cash used in investing activities</b>	<b>(32,223)</b>	<b>(48,305)</b>	<b>(34,478)</b>
<b>Cash flows from financing activities</b>			
Finance costs	(4,066)	(4,034)	(4,057)
Repayment of other interest-bearing liabilities	(1,117)	(1,117)	(1,131)
Repayment of interest-bearing loans	(4,386)	(4,386)	(4,359)
<b>Net cash used in financing activities</b>	<b>(9,569)</b>	<b>(9,537)</b>	<b>(9,547)</b>
Net increase (decrease) in cash	9,229	(16,314)	(2,946)
Cash and cash equivalents at the beginning of the year	78,846	78,846	49,765
<b>Cash and cash equivalents at the end of the period</b>	<b>88,075</b>	<b>62,532</b>	<b>46,819</b>
<b>Represented by:</b>			
Operating cash	7,934	289	(601)
Restricted cash	80,141	62,243	47,420
<b>Total</b>	<b>88,075</b>	<b>62,532</b>	<b>46,819</b>

**Notes:**

- Details regarding Council's cash movements are contained in **Note D - Cash Flow Statement**.
- The dissemination of Council's restricted and operating cash is provided in the graph "Restricted and Unrestricted Cash" in **Appendix 2 Investment Analysis** in this report.
- Cash inflows and outflows are inclusive of GST where applicable.
- Please note that a number of income and expense reclassifications were made in the 2015-16 Mid Year Budget and Actuals, subsequent to the adoption of the Original Budget to comply with the Local Government Model Financial Report.



## 2.4.2 June 2016 Financial Report (interim results) (Cont.)



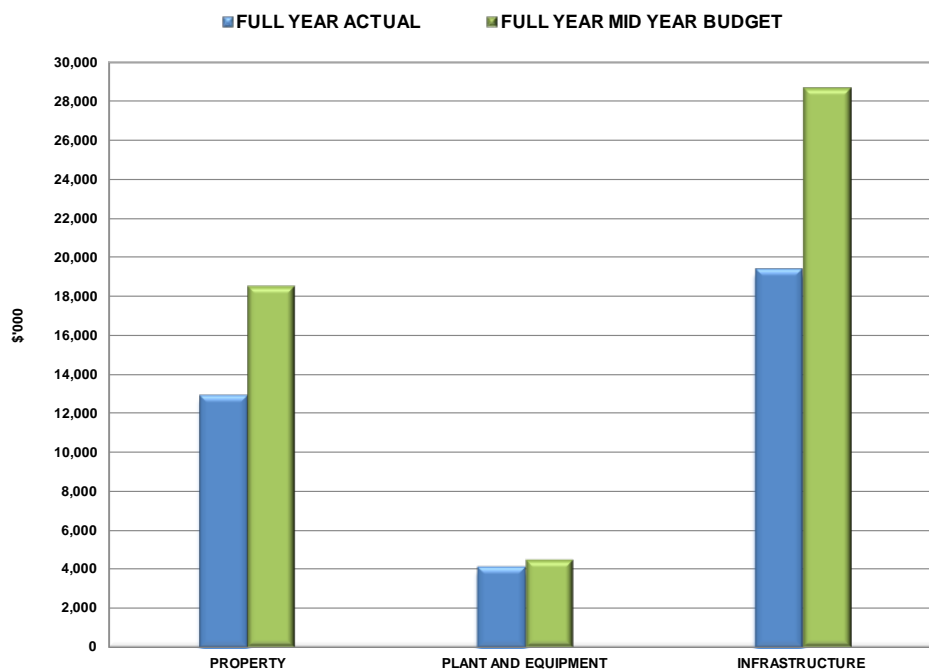
Financial Report for the period 1 July 2015 – 30 June 2016

## Capital Expenditure Statement

For the period 1 July 2015 – 30 June 2016

The detailed program under each of the capital groups is contained in **Appendix 1 – Capital Expenditure**.

	FULL YEAR				ORIGINAL BUDGET \$'000
	ACTUAL \$'000	MID YEAR BUDGET \$'000	VARIANCE \$'000	FORECAST \$'000	
PROPERTY	12,934	18,472	5,538	19,670	15,790
PLANT AND EQUIPMENT	4,125	4,483	358	4,483	4,288
INFRASTRUCTURE	19,376	28,660	9,284	28,660	17,300
<b>TOTAL EXPENDITURE</b>	<b>36,435</b>	<b>51,615</b>	<b>15,180</b>	<b>52,813</b>	<b>37,378</b>





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2.4.2 June 2016 Financial Report (interim results) (Cont.)

Financial Report for the period 1 July 2015 – 30 June 2016

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## Notes to the Financial Statements

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### A. Accounting Policy Notes

The financial report is prepared on the principles of accrual accounting. Accrual accounting recognises income when earned and expenditure when incurred, regardless of whether cash settlement has taken place. The basis of recognition of major income and expenditure in these statements are defined below.

1. **Rate revenue:** Rate revenue (excluding supplementary rates) is accrued evenly over the year, although cash is received in quarterly or nine instalments, depending on how the ratepayer chooses to pay. Rate revenue in the Income Statement is a monthly accrual of the rates determined for the year in July.
2. **Grants revenue:** Council receives two types of grants, namely a general purpose grant (from the Victoria Grants Commission) which is not tied to any programs and special purpose grants for various programs. All grants are recognised as income when cash is received. Grants comprise of operating and capital (recurrent and non-recurrent in nature).
3. **Fees and charges:** Most fees and charges are recognised when cash is received. Where Council raises a debtor's invoice, income is recognised at the point of the invoice and not when cash is received.
4. **Contributions - cash:** Cash contributions are essentially from developers towards open space works. These monies are treated as income when received. Council is obligated to spend these monies for the purpose for which they are given by the developers. Council also receives external contributions for other capital projects. Cash contributions received are held in reserves and treated as "restricted cash" until they are spent (see **note 9** below).
5. **Employee costs:** Salaries expenditure is based on fortnightly salaries paid and accruals for salary on-costs such as leave entitlements, superannuation and WorkCover.
6. **Capital expenditure:** The two broad areas of capital are the capital improvement program (CIP) (which includes infrastructure and major projects) and 'other' which includes fleet, computers, plant and furniture. Expenditure is recognised as capital if it is significant in value and results in assets which have a useful life in excess of at least one year.
7. **Budget information:** The Original Budget information contained in the report is the budget approved by Council on 22 June 2015. The year to date budget in this report reflects the Mid Year Budget as adopted by Council on 14 December 2015. The Mid Year Budget represents the adopted budget incorporating net carry forward capital and operating amounts from 2014-15, an adjustment for Victoria Grants Commission funding received early in June 2015 as well as a reallocation of funds and represents the latest financial position for Council.
8. **Cash Flow Statement:** Reflects the actual cash movements during the year.
9. **Restricted cash:** These are monies set aside for specific purposes and are not readily available for day to day operations or general capital works. They include funds set aside towards meeting long service leave commitments (required by government regulations), statutory reserves (eg. open space contributions) and other funds that are committed towards specific purposes.



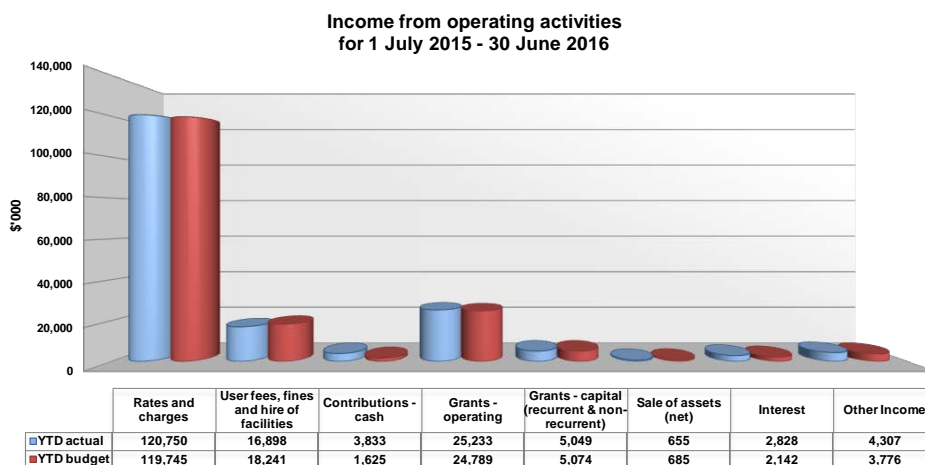
## 2.4.2 June 2016 Financial Report (interim results) (Cont.)



Financial Report for the period 1 July 2015 – 30 June 2016

## B1. Operating Income

The chart below shows the categories of operating income against their respective budgets (*excludes non-monetary contributions or gifted assets which represent a non cash accounting entry*).



Income for the period ended 30 June 2016 is favourable against budget. This is primarily due to the following:

**Contributions - cash (\$2.21 million favourable)** – Majority of this variance is due to better than anticipated income from public open space contributions (Planning and Design \$2.26 million), which are transferred to reserves.

**User fees (\$1.12 million unfavourable)** – Unfavourable variance due to lower than anticipated income from parking ticket machines (Parking Management \$815,000) and lower than expected income from client based services (Family Day Care \$349,000 and HACC \$109,000).

**Rates and waste charges (\$1.01 million favourable)** – The majority of this favourable variance is due to greater than anticipated supplementary valuations as a result of a more buoyant property market than forecast (Property Revenue \$695,000) and better than anticipated income from additional waste services (Waste Services \$233,000).

**Interest (\$686,000 favourable)** – The favourable variance in interest revenue is due to the following:

- Higher interest on investments due to higher cash holdings held during the year, resulting from the timing and delay of operating and capital cash outflows (\$514,000).
- Interest on rate arrears (\$172,000).



**2.4.2 June 2016 Financial Report (interim results) (Cont.)**Financial Report for the period 1 July 2015 – 30 June 2016

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**Other income (\$531,000 favourable)** – The favourable variance is mainly due to a new income item called 'Fair value adjustments for investment property' of \$358,000, which is a non-cash item. This new item is the result of a reclassification of several land and building assets from 'Property, infrastructure, plant and equipment' to 'Investment property' as they are held primarily to earn rental income. Australian Accounting Standards require any revaluation of these assets to fair value to be recognised in the Comprehensive Income Statement, rather than in the Asset Revaluation Reserve like other fixed assets held at fair value by Council.

**Fines (\$477,000 unfavourable)** – Lower than anticipated fine income (Parking Management \$391,000) due to an amnesty period in place during the introduction of new parking ticket machines.

**Grants - operating (\$444,000 favourable)** – The majority of this favourable variance is due to the receipt of unbudgeted grants for new programs such as "New Directions" and "Maternal and Child Health – Refugee Health" (Community Services \$286,000).

**Hire of facilities (\$258,000 favourable)** – Better than anticipated income from ticket machines now that a tariff is being charged for the first hour which was previously free (Parking Management \$307,000).



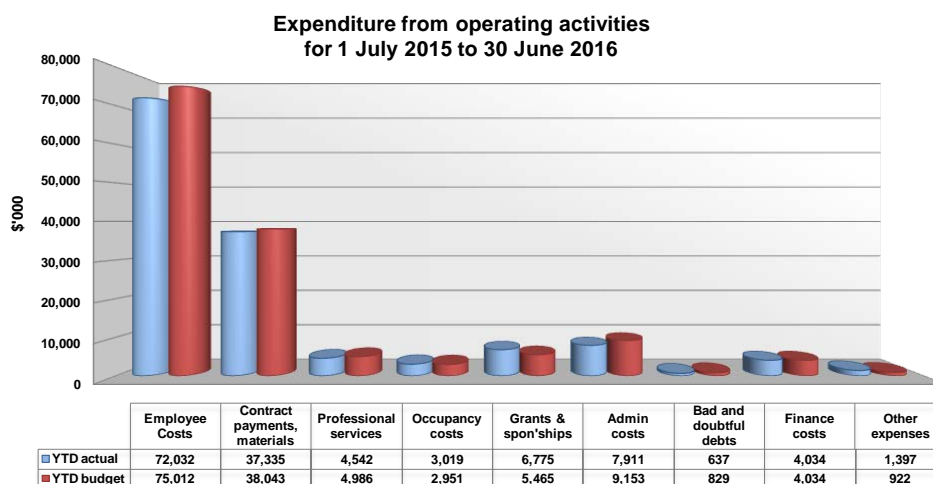
## 2.4.2 June 2016 Financial Report (interim results) (Cont.)



Financial Report for the period 1 July 2015 – 30 June 2016

## B2. Operating Expenditure

The chart below shows the categories of operating expenditure against their respective budget (excludes depreciation and assets written off which are non cash accounting entries).



The actual expenditure at 30 June 2016 against the full year Mid Year Budget is favourable by \$2.44 million. The major variances contributing to this result are lower employee costs, administration costs, contract payments and materials and depreciation (\$3.05 million - non-cash item).

These favourable variances are partly offset by higher assets written off (\$4.32 million - non-cash item) and grants and sponsorship.

**Employee costs (\$2.98 million favourable)** – This favourable variance is mainly as a result of staff recruitment occurring later than planned across all directorates (Community Services \$1.48 million, Engineering Services \$520,000 and Corporate Services \$492,000) and year end adjustments for provisions to employee entitlements (Non-Directorate \$512,000).

**Grants and sponsorship (\$1.31 million unfavourable)** - This unfavourable variance is due mainly to the street lighting rollout of energy efficient globes on non-Council owned assets (Capital Works Program \$2.20 million). This cost cannot be capitalised and therefore needs to be recognised as an operating expense.

The variance is partly offset by lower expenditure for payments to educators (Family Day Care \$995,000) which is a client based service mostly matched by lower income.

**Administration costs (\$1.24 million favourable)** – IT costs across Council are lower than expected for hardware/software, network licensing and telephony costs (\$343,000). Additionally Preventative Health (\$108,000) is contributing to the variance due to a delay in the commencement of community education programs. The Preventative Health program will be carried over to the 2016-17 financial year (refer Appendix 4). There were also savings in community education, promotions and publications (Communications and Customer Service \$164,000 and Community Development \$77,000) and fuel (Engineering Services \$191,000).



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**2.4.2 June 2016 Financial Report (interim results) (Cont.)**

Financial Report for the period 1 July 2015 – 30 June 2016

**Contract payments, materials (\$708,000 favourable)** – The majority of this favourable variance is due to savings in contractors costs (Engineering Services \$1.83 million).

This variance is partly offset by higher expenditure in a client based program (Family Day Care \$413,000) and transfer of expenditure from Capital Works because it did not satisfy asset recognition criteria (Capital Works Program \$877,000).

**Other expenses (\$476,000 unfavourable)** – The main item contributing to this variance is the contribution to Places Victoria to retain Lot 123 Metro 3175 as open space (funded from a transfer from the open space reserve).

**Professional services (\$444,000 favourable)** – The major items contributing to this variance are:

- Consultants (\$345,000) – mainly due to delay in commencement of projects (Greater Dandenong Business \$97,000, Engineering Services \$78,000, Corporate Services \$75,000 and City Planning, Design and Amenity \$73,000).
- Contractor Services (\$92,000) – lower than anticipated expenditure (Greater Dandenong Business \$96,000).
- Planning Scheme Amendment preparation (\$107,000) – lower than anticipated expenditure (Planning and Design).

The favourable variance is partly offset by higher legal expenses (\$216,000) required for advice and conveyance services (Community Services \$83,000 and City Planning, Design and Amenity \$81,000).



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2.4.2 June 2016 Financial Report (interim results) (Cont.)Financial Report for the period 1 July 2015 – 30 June 2016

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**C. Balance Sheet**

Council's net assets are valued at \$1.91 billion at the end of June 2016.

**C1. Current assets** (cash and other assets that can be readily converted to cash)

**Cash and cash equivalents (\$88.08 million)** – This represents the amount held by Council in cash or term deposits. Please note that this amount includes \$80.14 million of funds “restricted” for various purposes. These are detailed in the notes to the cash flows that follow in **section D** and a graphical presentation in **Appendix 2**.

Funds are invested in accordance with Council's Investment Policy. The policy requires Council to invest with prudence, consideration of acceptable risks and relevant legislation.

The details of Council's investments are contained in **Appendix 2**. In selecting investment products, Council has paid due consideration to risk by investing in products that have a minimum Standard and Poor's (S&P) rating of “A”.

**Trade and other receivables (\$18.88 million)** – This balance includes:

- General debtors \$8.14 million (net of provision for doubtful debts) and \$3.46 million of infringement debtors (net of provision for doubtful debts).
- Rate debtors of \$6.44 million.
- Prepayments (\$843,000) - expenses prepaid at 30 June 2016.

**Non-current assets classified as held for sale (\$11.49 million)** - Includes \$11.00 million for the sale of land at View Road, Springvale (former Springvale Depot) which is expected to settle in September 2016 and \$490,000 for sale of the final lot of Metro 3175 which is due to settle in December 2016.

**C2. Non-current assets**

**Non-current assets (\$1.91 billion)** – Includes \$1.90 billion of Council roads, drains, buildings, plant and other fixed assets. These values are reflected after recognising the depreciation allowed against each asset.

In addition, 'Investment property' of \$10.32 million have also been reclassified from 'Property, infrastructure, plant and equipment' in accordance with Australian Accounting Standards. Any revaluation of these assets are recorded in the Comprehensive Income Statement each year and these assets are not depreciated.

Other non-current debtors include:

- \$257,000 for Council's share of funds held in trust by Whitehorse City Council relating to the former Narre Warren landfill site.
- \$230,000 shares relating to Regional Kitchen Pty Ltd.
- \$74,000 refundable deposit paid to Community Chef for the supply of meals to Council's Meals on Wheels operation.



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2.4.2 June 2016 Financial Report (interim results) (Cont.)Financial Report for the period 1 July 2015 – 30 June 2016

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**C3. Current liabilities** (debts due to be repaid within 12 months)

**Trade and other payables (\$15.85 million)** - Comprises trade creditors arising from operations and capital works.

**Trust funds and deposits (\$29.60 million)** – Trust funds and deposits includes other refundable monies in respect of:

- Development Contribution Plans (DCP) (\$22.19 million).
- Open space contributions (\$3.40 million).
- Landscape deposits (\$1.79 million).
- Fire services property levy funds collected but not yet paid on to the State Revenue Office (\$961,000). These amounts are due to be remitted to the State Revenue Office in accordance with legislative timeframes.
- Other deposits (\$706,000).
- Road deposits (\$543,000).

**Provisions (\$16.43 million)** – Comprises employee entitlement provisions relating to long service leave entitlements of \$10.05 million, annual leave entitlements of \$5.93 million and a \$447,000 provision for rostered days off (RDO).

**Other interest-bearing liabilities (\$1.18 million)** - Council entered into an agreement with VicTrack and Places Victoria to purchase land parcels in the Dandenong Railway Precinct. The purchase price was established by the Valuer General Victoria, Council paid a 10% deposit in 2014-15 with the balance to be paid in equal instalments over three years, with the final instalment in June 2018. The amount represents the liability to be repaid in 2016-17.

**Interest-bearing loans and borrowings (\$3.12 million)** – Represents the amount to be repaid on long term borrowings during 2016-17.

**C4. Non-current liabilities** (debts due to be repaid in future years)

**Provisions (\$664,000)** – Represents long service leave entitlements for employees estimated to be paid beyond the 2015-16 financial year.

**Trust funds and deposits (\$997,000)** – Represents deposits that are payable beyond the 2015-16 financial year and comprises landscape deposits of \$866,000 and contractor deposits of \$131,000.

**Other interest-bearing liabilities (\$1.26 million)** – Represents the liability to be paid after 30 June 2017 in relation to the land purchase agreement with VicTrack and Places Victoria to acquire land parcels in the Dandenong Railway Precinct.

**Interest-bearing loans and borrowings (\$54.91 million)** – Comprises the amount outstanding to be repaid beyond the next 12 months.



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2.4.2 June 2016 Financial Report (interim results) (Cont.)

Financial Report for the period 1 July 2015 – 30 June 2016

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**C5. Net assets and equity**

**Net assets** - Represents the difference between total assets and total liabilities. It is the Council's net worth to the City's ratepayers.

**Reserves** – Includes both statutory reserves (S) and discretionary reserves (D). The statutory reserves apply where funds are gained from the application of legislative requirements to contribute – and where expenditure of the funds is not entirely discretionary (i.e. the funds need to be used for certain expenditure only). The reserves listed below are explained in the notes to the cash flows that follow.

The discretionary reserves are:

- Major projects reserve (D)
- Insurance fund reserve (D)
- Council funded – Development Contribution Plans reserve (D)
- Spring Valley landfill rehabilitation reserve (D)
- Local Government Funding Vehicle (LGFV) – sinking fund (D)
- Springvale Activity Precinct – Parking and Development reserve (D)
- Native re-vegetation reserve (D)
- Keysborough South Maintenance Levy reserve (D)

The statutory reserves are:

- Public open space reserve (S)

**D. Cash Flow Statement**

Cash and investment holdings total \$88.08 million as at 30 June 2016 which has increased by \$9.23 million since 30 June 2015. Total cash and investment holdings are made up of operating cash (\$7.93 million) and restricted cash (\$80.14 million).

Please refer below for a detailed listing of Restricted Cash which is set aside for specific purposes.

**Cash flows from operating activities** – net inflow of \$51.02 million. The major inflows are rates \$120.34 million, trust funds and deposits taken \$37.42 million, grants \$31.82 million and fees, charges and fines \$14.10 million. The major outflows are employee costs \$70.86 million, materials and consumables \$63.23 and trust funds and deposits repaid \$29.82 million. Trust funds and deposits taken and repaid are now disclosed on a gross basis and mainly relate to developer contribution funds and fire services property levies. The remittance of the fire services property levy (FSPL) and levy interest amounts are made to the State Revenue Office (SRO) in four payments in accordance with Section 41(1) of the FSPL Act. An instalment is due and payable to the Commissioner of State Revenue 28 days after the due date of rates instalments. Council collects FSPL on behalf of the State Government.

**Cash flows from investing activities** – are a net outflow of \$32.22 million and include:

- \$34.57 million for capital works expenditure. The detailed capital works schedule is included in this report as **Appendix 1**. Please note the difference between the two capital expenditure amounts is due to the movement in capital trade creditors at the start and end of the reporting period. Appendix 1 is on an accrual basis.
- \$1.33 million proceeds on asset sale relating to Lot 617 Metro 3175 which was settled on 30 June 2015, however the cash was received on 1 July 2015.
- \$1.02 million proceeds on asset sales mainly relate to the fleet replacement program.



**2.4.2 June 2016 Financial Report (interim results) (Cont.)**

Financial Report for the period 1 July 2015 – 30 June 2016

**Cash flows from financing activities** – is an outflow of \$9.57 million. Council incurred \$4.07 million in finance costs on its borrowings, \$4.39 million repayments of existing loans and paid an instalment of \$1.12 million in relation to the VicTrack land instalment contract.

**Restricted cash** - Restricted cash represents funds that are set aside for specific purposes, and are detailed in the following tables.

Type	30 June 2016 \$'000	Notes
<b>Reserve funds</b>		
Council funded Development Contribution Plans (DCP) reserve	8,964	Reserved for specific expenditure in accordance with the published DCP.
Public open space	9,754	Reserved for enhancing the City's open space.
Major projects reserve	6,679	The major projects reserve will hold funds realised from the sale of Council's property assets and will be utilised for investing in other properties.
Keysborough South Maintenance Levy	1,025	Reserve for specific maintenance expenditure relating to this area.
Spring Valley landfill rehabilitation	761	This reserve is for the rehabilitation of the Spring Valley landfill site.
Re-vegetation reserves	563	These funds are to meet native re-vegetation requirements on Council's reserves.
Insurance fund reserve	423	This fund has been created to meet large and unexpected policy excesses on multiple insurance claims.
Local Government Funding Vehicle (LGFV) – sinking fund	4,097	The purpose of this reserve is to provide for the \$4.90 million principal repayment required on maturity of the interest-only Local Government Funding Vehicle (LGFV) in 2019-20 and to provide future borrowing capacity for major infrastructure projects.
Springvale Activity Precinct Parking and Development reserve	190	This reserve is to fund development in the Springvale Activity Centre.
<b>Total reserve funds</b>	<b>32,456</b>	



**2.4.2 June 2016 Financial Report (interim results) (Cont.)**

Financial Report for the period 1 July 2015 – 30 June 2016

Type	30 June 2016 \$'000	Notes
<b>Employee provisions</b>		
Long service leave	10,714	Funds set aside to meet long service leave commitments.
Annual leave and other	6,379	Funds set aside to meet annual leave and rostered days off (RDO) commitments.
<b>Employee provisions</b>	<b>17,093</b>	
<b>Trust funds and deposits</b>		
Development Contribution Plans	22,191	Pending completion of works.
Fire services property levy collected and due	961	Payable to State Revenue Office – legislative requirement.
Open space contributions	3,401	Pending completion of works.
Landscape deposits	2,658	Pending completion of works.
Road deposits	544	Pending completion of works.
Other trust funds and deposits	837	Refundable upon finalisation of programs.
<b>Total trust funds and deposits</b>	<b>30,592</b>	
<b>Total restricted cash</b>	<b>80,141</b>	



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2.4.2 June 2016 Financial Report (interim results) (Cont.)Financial Report for the period 1 July 2015 – 30 June 2016

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**E. Statement of Capital Works**

Total capital expenditure at 30 June 2016 was \$36.44 million. Appendix 1 contains the expenditure status of each of the approved capital projects.

The timing of cash outflows and project completion can differ for capital projects. Commentary on the status of each project with major full year variances is provided below (i.e. variances greater than \$300,000). Please note that the variances noted below are the total of all asset classes by capital project (sub-account) whereas the Capital Expenditure report details the variances separately by asset class and capital project.

A number of the capital projects listed below have been carried over to the 2016-17 financial year. A total of \$7.23 million (net) in capital works has been identified as carry forward commitments to 2016-17. These projects are listed in Appendix 4 - Capital and Operating Carry Over's from 2015-16 to 2016-17.

**Property**

- **3548 Keysborough South Community Hub Development (\$3.15 million favourable)** – Letter advocating for a prep to Year 12 (P-12) school for the new estates in Keysborough South has been signed by the Mayor and sent to the Minister of Education 4 May 2016. Response yet to be received. Further signed letter by the Mayor, sent on 14 June.
- **3302 Dandenong Produce Market (\$603,000 favourable)** – Tender recommendation submitted for consideration by CEO.
- **3043 Municipal Building Project - Springvale (\$544,000 favourable)** – Stage 1 of Town Hall refurbishment design is nearing completion. Contract documentation in preparation for construction phase. Community consultation process now completed. Stage 2 commencing with consultant teams invited to participate in the request for tender process.

**Infrastructure**

- **3034 Street Lighting – install and replace (\$2.16 million favourable)** – Contribution for energy efficient globes on non-Council assets that has been transferred to operating. This cost cannot be capitalised.
- **3994 DCP – Abbots Road (\$1.44 million favourable)** – Road and bridge works in progress.
- **3662 Metro 3175 (\$1.06 million favourable)** – Demolition work and locating of existing services underway.
- **3133 Princes Highway and Robinson Street (\$500,000 favourable)** – Undergoing negotiations with VicRoads.
- **3147 Parking Management Equipment (\$495,000 favourable)** – Works to replace equipment in Walker Street commenced and completed in June.
- **3135 Sandown Road streetscape Springvale Road (\$434,000 favourable)** – Civil works commenced but temporarily delayed pending resolution of electrical contractor appointment and removal of power poles. Electrical tenders under review and appointment of contracted anticipated for early July.

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**2.4.2 June 2016 Financial Report (interim results) (Cont.)**



Financial Report for the period 1 July 2015 – 30 June 2016

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- **3159 Black Spot Program – Railway Parade (\$370,000 favourable)** – Design in progress.
- **3129 Drainage Program (\$334,000 favourable)** – Drainage works in various stages of completion. Tender for Cleeland Street drainage works has been awarded and will commence in July.
- **3142 Pultney Triangle construction (\$307,000 favourable)** – Light pole foundations completed. Preparation for ribbon wall is under way.

**General**

- **0000 Not Applicable (\$1.48 million unfavourable)** – Relates to items that have been transferred from operating because they meet the asset capitalisation criteria. Mainly includes road patching works (\$775,000), building works (\$263,000), bridges (\$165,000) and parks, open space and streetscape assets (\$150,000).



**2.4.2 June 2016 Financial Report (interim results) (Cont.)**



Financial Report for the period 1 July 2015 – 30 June 2016

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# Appendix 1

## Capital Expenditure



## 2.4.2 June 2016 Financial Report (interim results) (Cont.)



Financial Report for the period 1 July 2015 – 30 June 2016

**CIP Expenditure**

For the period 1 July 2015 – 30 June 2016

	FULL YEAR				ORIGINAL BUDGET \$'000
	ACTUAL \$'000	MID YEAR BUDGET \$'000	VARIANCE \$'000	FORECAST \$'000	
<b>PROPERTY</b>					
<b>Buildings</b>					
0000. Not Applicable	263,309	-	(263,309)	-	-
3002. Coomoora Reserv.Clubroom Extn.	543,897	569,470	25,573	569,470	140,000
3015. Robert Booth Reserve Pavillion	69,386	150,000	80,614	150,000	150,000
3033. Edinburgh Reserve Upgrade	40,379	71,988	31,609	81,988	-
3037. Jan Wilson Cctr	152,372	216,819	64,447	216,819	200,000
3041. Dandenong Civic Centre	189,994	222,000	32,006	222,000	222,000
3043. Municipal Building Project - S'vale	1,430,628	1,974,700	544,072	1,974,700	1,500,000
3044. Roof Safety Program	21,475	22,132	657	22,132	22,132
3050. Old D'ngong Civic Office-39 Clow St	166,005	200,000	33,995	200,000	200,000
3061. D'ngong Nth East Kindergarten	11,827	-	(11,827)	-	-
3068. Lyndale Pavillion	20,299	60,000	39,701	60,000	60,000
3074. Municipal Building Project - D'ngong	170,179	-	(170,179)	-	-
3079. Disability Building Audit	98,795	100,000	1,205	100,000	100,000
3085. Springvale Customer Svr Relocation	35,802	170,400	134,598	170,400	-
3098. Dandenong North Kindergarten	23,948	-	(23,948)	-	-
3132. Keysborough Reserve	-	15,000	15,000	15,000	-
3140. Walker street car park refurbishm.	113,685	194,755	81,070	194,755	154,000
3143. CCTV camera install. at no. 8 carpk	2,000	-	(2,000)	-	-
3146. Kindergarten Expansion Grant	135,317	192,100	56,783	192,100	-
3149. Dandenong Park Demolition Works	-	70,000	70,000	70,000	70,000
3184. Safe City CCTV System	212,506	190,056	(22,450)	190,056	-
3191. Dandenong Netball Complex	146,100	139,977	(6,123)	139,977	-
3200. Masonic Hall	83,895	100,000	16,105	100,000	100,000
3221. Greaves Reserve - Alan Carter Pavil	1,328,385	1,357,978	29,593	1,357,978	340,000
3223. George Andrews Res. - New Pavillion	124,978	95,000	(29,978)	95,000	95,000
3226. Walker & Thomas St. Carpark	299,901	325,000	25,099	325,000	325,000
3235. Alex Nelson Reserve	64,635	60,000	(4,635)	60,000	60,000
3249. Building Moderate Renewal Program	-	-	-	-	2,400,000
3251. Building Large Renewal Projects	4,390,706	4,900,000	509,294	4,800,000	2,500,000
3270. Tattersson Park Portables	88,503	181,182	92,679	181,182	-
3271. Gloria Pyke Netball & Sport Complex	-	-	-	-	12,000
3289. Early learning facilities-Dnong&Sva	673,054	782,837	109,783	782,837	-
3292. YStop refurbishment	36,833	206,266	169,433	206,266	-
3293. Heritage storage facility & archive	362,320	246,707	(115,613)	346,707	115,000
3297. Police Paddocks driveway & car park	8,461	15,000	6,539	15,000	15,000
3300. Dnong Basketball/Volleyball Ctr	26,304	64,000	37,696	64,000	64,000
3302. Dandenong Market Roof & Reco	27,361	630,000	602,640	630,000	630,000
3305. Tattersson Park Pavillion	581,687	495,000	(86,687)	488,258	2,200,000
3318. Dnong Oasis Leisure Group	317,727	300,000	(17,727)	300,000	270,000
3322. Noble Park Swim and Skate Centre	197,184	158,630	(38,554)	158,630	158,630
3359. Shepley Oval (Pultney St)	45,000	65,000	20,000	65,000	65,000
3361. Springers-Various Works	1,356	75,165	73,809	75,165	-
3483. Dandenong Sth Kinder - Canberra Ave	14,241	14,241	-	14,241	10,000
3541. Kitchen Upgrade Program-Various	91,753	150,000	58,247	150,000	150,000
3548. Keysborough South Community Hub Dev	47,509	194,000	146,491	194,000	-
3612. Keysborough Bowls Club	5,302	30,000	24,698	30,000	30,000
3621. Noble Park Tennis Club	880	35,000	34,120	35,000	-
3703. Clow Street Maternal & Child Health	54,984	250,000	195,016	250,000	250,000

**Note** – "0000 Not applicable" projects relate to items that have been transferred from operating because they meet the asset capitalisation criteria and are too minor for the establishment of individual project numbers.



## 2.4.2 June 2016 Financial Report (interim results) (Cont.)



Financial Report for the period 1 July 2015 – 30 June 2016

**CIP Expenditure**

For the period 1 July 2015 – 30 June 2016

	FULL YEAR				ORIGINAL BUDGET \$'000
	ACTUAL \$'000	MID YEAR BUDGET \$'000	VARIANCE \$'000	FORECAST \$'000	
3725. Asbestos Audit & Rectific.Works	-	75,000	75,000	75,000	75,000
3740. Drum Theatre Improvements	107,191	87,572	(19,619)	87,572	87,572
3763. Springvale Services for Children	1,950	20,000	18,050	20,000	20,000
3783. Dandenong Market Alfresco	-	-	-	122,000	-
3784. MBP level 4 & 5 fit out	102,333	-	(102,333)	470,000	-
3785. Library revolving door	1,803	-	(1,803)	80,000	-
<b>Land</b>					
3069. Property Acquisition	-	-	-	521,710	-
3548. Keysborough South Community Hub Dev	-	3,000,000	3,000,000	3,000,000	3,000,000
<b>Total property</b>	<b>12,934,139</b>	<b>18,472,976</b>	<b>5,538,837</b>	<b>19,669,944</b>	<b>15,790,334</b>
<b>PLANT AND EQUIPMENT</b>					
<b>Plant, machinery and equipment</b>					
1188. Minor works	15,329	15,329	-	15,329	-
1445. Fleet Purchases	2,710,468	2,728,100	17,632	2,728,100	2,728,100
3041. Dandenong Civic Centre	-	30,000	30,000	30,000	30,000
3314. Public hall equipment	29,196	38,000	8,804	38,000	38,000
3781. Southern Screen hardware additions	11,096	10,000	(1,096)	10,000	-
<b>Library books</b>					
3104. Library Resources	1,053,579	1,173,609	120,030	1,173,609	1,173,609
<b>Computers and telecommunications</b>					
0000. Not Applicable	52,294	-	(52,294)	-	-
3202. Booking System Implementation	106,342	150,000	43,658	150,000	150,000
3203. Computer Hardware Renewal	84,250	85,000	750	85,000	85,000
3204. I.T. Activity Ctr. Pub.WIFI	53,286	63,600	10,314	63,600	63,600
3212. CGD Child Friendly Cities Website	-	15,000	15,000	15,000	15,000
3293. Heritage storage facility & archive	2,492	45,536	43,044	45,536	-
<b>Fixtures, fittings and furniture</b>					
3201. Baby Change Tables & Braille Signs	-	5,000	5,000	5,000	5,000
3740. Drum Theatre Improvements	6,588	123,560	116,972	123,560	-
<b>Total plant and equipment</b>	<b>4,124,921</b>	<b>4,482,734</b>	<b>357,812</b>	<b>4,482,734</b>	<b>4,288,309</b>
<b>INFRASTRUCTURE</b>					
<b>Parks, open space and streetscapes</b>					
0000. Not Applicable	150,097	-	(150,097)	-	-
3016. K/borough Reserv.-Rowley Allen Res.	3,986	15,000	11,014	15,000	15,000
3028. Park Furniture Renewal	45,455	50,000	4,545	50,000	50,000
3030. Public Litter Bin Renewal Project	89,666	91,438	1,772	91,438	91,438
3034. Street Lighting-install & replace	-	1,584,101	1,584,101	1,584,101	1,012,217
3071. Noble Park F/Ball & Cricket Club	290,969	300,000	9,031	300,000	300,000
3107. Interpretive Signage	72,127	47,744	(24,383)	47,744	35,000
3123. Falkiner Reserve	6,140	10,000	3,860	10,000	-
3135. Sandown Rd. streetscape S/vale Rd.	-	403,735	403,735	403,735	-

**Note** – "0000 Not applicable" projects relate to items that have been transferred from operating because they meet the asset capitalisation criteria and are too minor for the establishment of individual project numbers.



## 2.4.2 June 2016 Financial Report (interim results) (Cont.)



Financial Report for the period 1 July 2015 – 30 June 2016

**CIP Expenditure**

For the period 1 July 2015 – 30 June 2016

	FULL YEAR				ORIGINAL BUDGET \$'000
	ACTUAL \$'000	MID YEAR BUDGET \$'000	VARIANCE \$'000	FORECAST \$'000	
3141. Thomas St Precinct Enhance(Afghan)	528,899	675,770	146,871	675,770	-
3142. Pultney Triangle construction	272,250	578,982	306,732	578,982	-
3147. Parking management equipment	955,268	1,450,586	495,318	1,450,586	1,450,586
3149. Dandenong Park Demolition Works	-	185,000	185,000	185,000	-
3184. Safe City CCTV System	86,854	195,000	108,146	195,000	195,000
3192. Douglas st. s/scape improv.proj.	9,518	300,000	290,482	300,000	300,000
3223. George Andrews Res. - New Pavilion	36,939	50,000	13,061	50,000	-
3228. Ross Reserve Master Plan Implement.	1,209,723	1,186,223	(23,500)	1,186,223	1,025,000
3243. Little India	-	40,000	40,000	40,000	40,000
3244. Extension of Public Place Recycling	37,091	37,400	309	37,400	37,400
3297. Police Paddocks driveway & car park	43,607	250,000	206,393	250,000	250,000
3326. Neighbourhood Passive Parks	200,508	210,000	9,492	210,000	210,000
3361. Springers-Various Works	-	8,500	8,500	8,500	8,500
3400. Living Treasures	2,870	15,000	12,130	15,000	15,000
3406. Fotheringham Reserve	25,000	30,000	5,000	30,000	30,000
3408. Athol Road Shopping Ctre	9,230	15,000	5,770	15,000	15,000
3411. Balmoral Ave - S/vale Activity Ctre	-	-	-	-	80,000
3498. Walker St D'ngong-Streetscape	21,549	75,000	53,451	75,000	75,000
3621. Noble Park Tennis Club	8,460	10,000	1,540	10,000	-
3631. Dandenong Park Master Plan	242,000	280,000	38,000	280,000	280,000
3715. Tatterson Park Floodlight Install	388,328	390,000	1,672	390,000	390,000
3740. Drum Theatre Improvements	101,796	125,000	23,204	125,000	125,000
<b>Recreational, leisure and community facilities</b>					
3029. Playground Improvements	387,454	400,000	12,546	400,000	400,000
3037. Jan Wilson Cctr	299	10,000	9,701	10,000	10,000
3071. Noble Park F/Ball & Cricket Club	133,988	180,000	46,012	180,000	180,000
3223. George Andrews Res. - New Pavilion	55,489	79,500	24,011	79,500	79,500
3241. Pop Up Park Multigoal Installation	-	30,000	30,000	30,000	30,000
3242. All Abilities Playground Feasibilit	20,000	25,000	5,000	25,000	25,000
3270. Tatterson Park Portables	120,000	120,000	0	120,000	-
3281. Mills Reserves	50,485	50,000	(485)	50,000	50,000
3305. Tatterson Park Pavillion	235	65,000	64,765	65,000	-
3318. Dnong Oasis Leisure Group	49,603	50,000	397	50,000	50,000
3359. Shepley Oval (Pultney St)	47,691	40,000	(7,691)	40,000	20,000
3428. Keysborough Cricket Club	-	5,000	5,000	5,000	-
3458. Wachter Reserve	139,640	150,000	10,360	150,000	150,000
3621. Noble Park Tennis Club	44,360	20,000	(24,360)	20,000	-
<b>Bridges</b>					
0000. Not Applicable	164,985	-	(164,985)	-	-
<b>Footpath and cycleways</b>					
3026. Bicycles/shared User Path Network	98,095	300,000	201,905	300,000	200,000
3214. Implementation of Shared Path-Brady	14,125	155,000	140,875	155,000	155,000
3355. Municipal Wide-Footpath Renewal	1,232,326	1,400,000	167,674	1,400,000	1,400,000
3429. Footpath constr - sth side Sandown	10,921	35,000	24,079	35,000	-
3446. Dandenong Wetlands Master Plan Imp.	12,870	110,000	97,130	110,000	110,000

**Note** – "0000 Not applicable" projects relate to items that have been transferred from operating because they meet the asset capitalisation criteria and are too minor for the establishment of individual project numbers.



## 2.4.2 June 2016 Financial Report (interim results) (Cont.)



Financial Report for the period 1 July 2015 – 30 June 2016

**CIP Expenditure**

For the period 1 July 2015 – 30 June 2016

	FULL YEAR				ORIGINAL BUDGET \$'000
	ACTUAL \$'000	MID YEAR BUDGET \$'000	VARIANCE \$'000	FORECAST \$'000	
<b>Roads</b>					
0000. Not Applicable	775,144	-	(775,144)	-	-
3034. Street Lighting-install & replace	-	571,884	571,884	571,884	-
3133. Princes Hwy and Robinson St.	-	500,000	500,000	500,000	500,000
3135. Sandown Rd. streetscape S/vale Rd.	14,341	44,859	30,518	44,859	-
3159. Black Spot Prog.-Railway Parade N/Pa	38,653	409,000	370,347	409,000	-
3161. Black Spot Prog.-Athol Rd/Noble St	14,116	278,000	263,884	278,000	-
3162. Black Spot Prog.-Corrigan Rd/Hender	20,709	240,000	219,291	240,000	-
3163. Black Spot Prog.- James St/David St	76,128	104,000	27,872	104,000	-
3213. Baden Powell Drive	307,204	300,000	(7,204)	300,000	300,000
3231. Local Road Upgrade & Reconstruction	78,928	150,000	71,072	150,000	150,000
3253. CCTV Implementation	74,286	38,178	(36,108)	38,178	-
3373. Municipal wide, Kerb and Channel	210,606	300,000	89,394	300,000	300,000
3418. Municipal Wide,LATM post audit	420,848	586,551	165,703	586,551	400,000
3651. Springvale Activity Centre-Laneways	10,000	-	(10,000)	-	-
3731. Traffic Signals Hardware Renewal	50,168	50,600	432	50,600	50,600
3752. Local Road Rehab.Prg-Implement R2R	1,910,613	1,925,629	15,016	1,925,629	1,348,000
3753. Local Road Surf./Rehabit. Prg.	1,609,324	1,726,000	116,676	1,726,000	1,726,000
3994. DCP - Abbots Road	4,518,536	5,956,294	1,437,758	5,956,294	-
<b>Off street car parks</b>					
3014. Old D'nong Library C/Park-Stuart St	435,111	600,000	164,890	600,000	600,000
3303. Noble Park Community Centre	-	50,000	50,000	50,000	50,000
3413. Accessible Parking Upgrade Prog.	36,364	40,000	3,636	40,000	40,000
3591. Springvalley Reserve	26,082	-	(26,082)	-	-
3662. Metro 3175	139,021	1,200,000	1,060,979	1,200,000	1,200,000
<b>Drainage</b>					
0000. Not Applicable	69,185	-	(69,185)	-	-
3129. Drainage program	490,990	825,000	334,010	825,000	825,000
3265. Dandenong Market Retaining Wall	43,219	200,000	156,781	200,000	200,000
3558. Pit Cover Replacement Program	98,902	100,000	1,098	100,000	100,000
3621. Noble Park Tennis Club	-	10,000	10,000	10,000	-
3728. Minor S/water Renewal Works	219,474	220,000	526	220,000	220,000
3729. Major stormwater works	267,286	400,000	132,714	400,000	400,000
<b>Total infrastructure</b>	<b>19,376,133</b>	<b>28,659,973</b>	<b>9,283,840</b>	<b>28,659,973</b>	<b>17,299,241</b>
<b>GRAND TOTAL</b>	<b>36,435,193</b>	<b>51,615,682</b>	<b>15,180,489</b>	<b>52,812,650</b>	<b>37,377,884</b>

**Note** – "0000 Not applicable" projects relate to items that have been transferred from operating because they meet the asset capitalisation criteria and are too minor for the establishment of individual project numbers.



**2.4.2 June 2016 Financial Report (interim results) (Cont.)**



Financial Report for the period 1 July 2015 – 30 June 2016

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# Appendix 2

## Investment Analysis



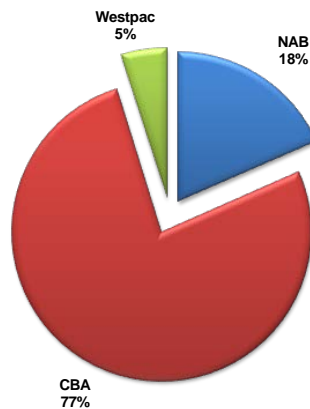
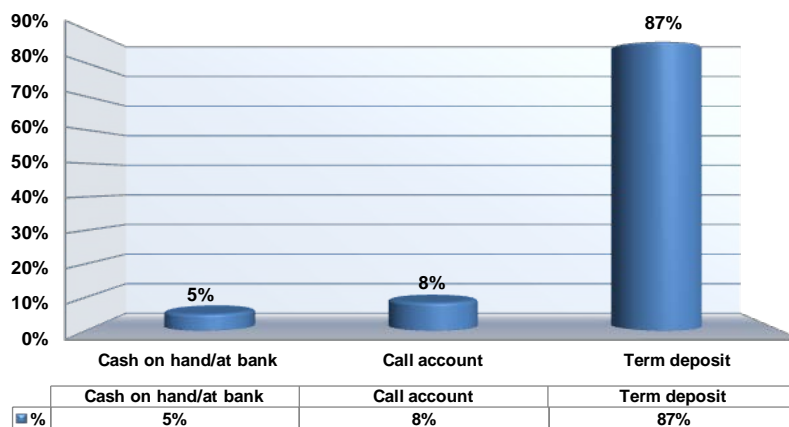
## 2.4.2 June 2016 Financial Report (interim results) (Cont.)



Financial Report for the period 1 July 2015 – 30 June 2016

**Cash and Investments**

For the period 1 July 2015 – 30 June 2016

**Investment Institutions****Portfolio Products**



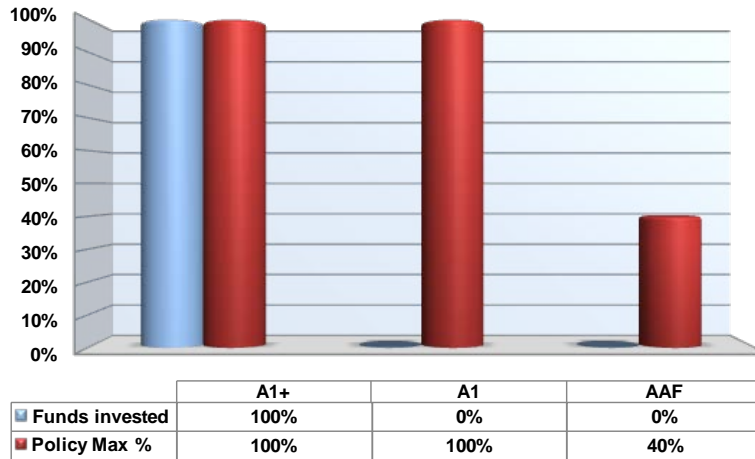
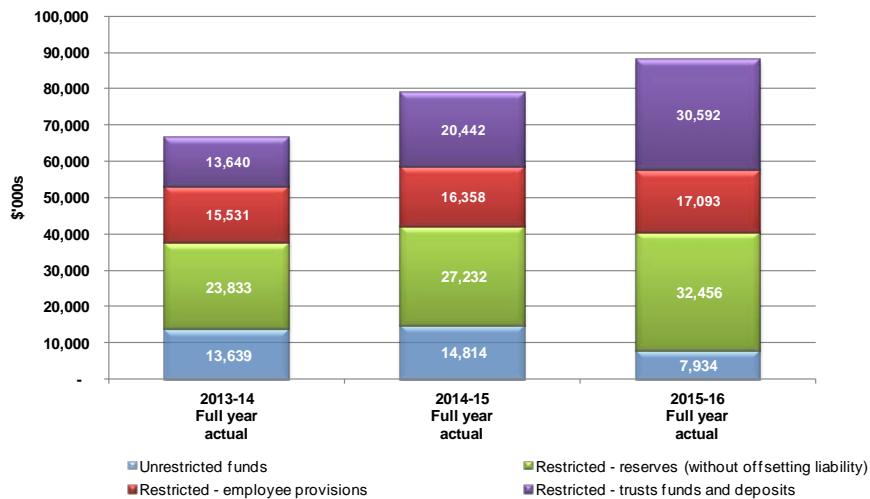
## 2.4.2 June 2016 Financial Report (interim results) (Cont.)



Financial Report for the period 1 July 2015 – 30 June 2016

**Cash and Investments**

For the period 1 July 2015 – 30 June 2016

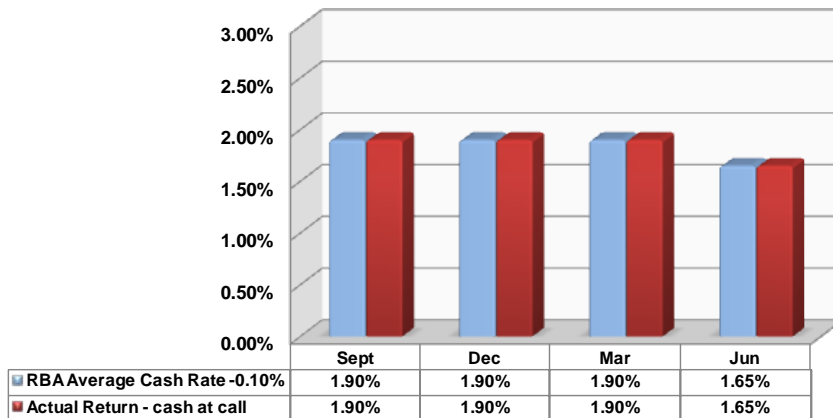
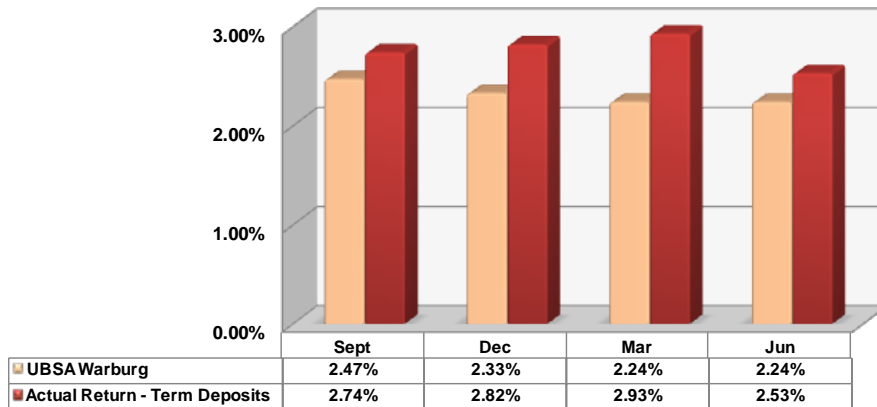
**Investment Credit Rating****Restricted and unrestricted cash balances**



## 2.4.2 June 2016 Financial Report (interim results) (Cont.)



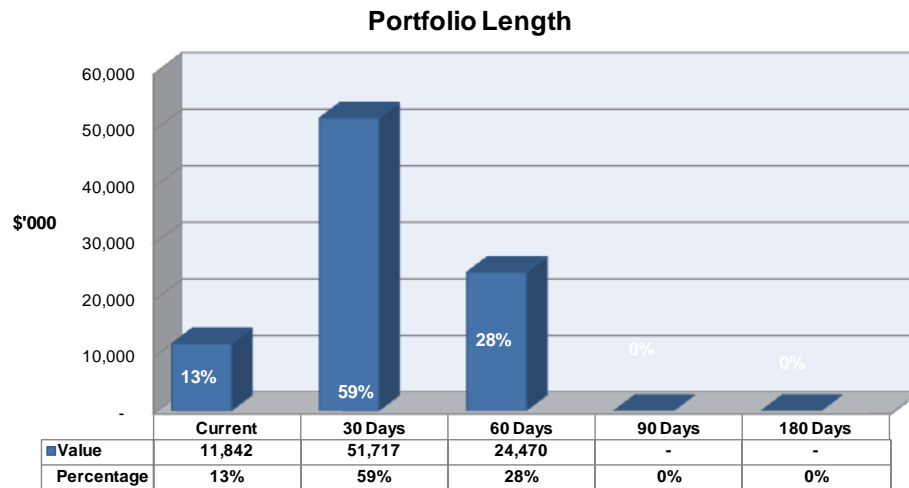
Financial Report for the period 1 July 2015 – 30 June 2016

**Benchmark Indicator - Cash at Call****Benchmark Indicator - Term Deposits**



**2.4.2 June 2016 Financial Report (interim results) (Cont.)**

Financial Report for the period 1 July 2015 – 30 June 2016





**2.4.2 June 2016 Financial Report (interim results) (Cont.)**



Financial Report for the period 1 July 2015 – 30 June 2016

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# Appendix 3

## Directorate Analysis



## 2.4.2 June 2016 Financial Report (interim results) (Cont.)



Financial Report for the period 1 July 2015 – 30 June 2016

## Total Operating Results

For the period 1 July 2015 – 30 June 2016

### CGD BY DIRECTORATE

	FULL YEAR					ORIGINAL BUDGET \$'000
	ACTUAL \$'000	MID YEAR BUDGET \$'000	VARIANCE \$'000	FORECAST \$'000	FORECAST vs ACTUAL VARIANCE \$'000	
<b>Income</b>						
Chief Executive Office	-	-	-	-	-	-
Greater Dandenong Business	84	79	5	93	(9)	79
Corporate Services	5,664	4,850	814	5,528	136	4,471
Engineering Services	18,448	17,713	735	18,099	349	17,550
City Planning Design and Amenity	11,033	11,790	(757)	11,142	(109)	11,790
Community Services	23,389	23,951	(562)	24,042	(653)	24,196
Non-Directorate <sup>1</sup>	154,468	131,793	22,675	132,953	21,515	137,841
Capital Works Program	5,087	5,199	(112)	5,203	(116)	4,503
<b>Total income</b>	<b>218,173</b>	<b>195,375</b>	<b>22,798</b>	<b>197,060</b>	<b>21,113</b>	<b>200,430</b>
<b>Expenses</b>						
Chief Executive Office	645	626	(19)	626	(19)	626
Greater Dandenong Business	3,174	3,508	334	3,432	258	3,366
Corporate Services	18,508	19,751	1,243	19,293	785	19,771
Engineering Services	48,397	51,221	2,824	50,960	2,563	51,169
City Planning Design and Amenity	13,469	13,930	461	13,852	383	13,678
Community Services	44,602	46,991	2,389	47,382	2,780	44,668
Non-Directorate <sup>1</sup>	37,812	37,225	(587)	37,244	(568)	37,252
Capital Works Program	3,263	-	(3,263)	-	(3,263)	-
<b>Total expenses</b>	<b>169,870</b>	<b>173,252</b>	<b>3,382</b>	<b>172,789</b>	<b>2,919</b>	<b>170,530</b>
<b>Net surplus (deficit)</b>	<b>48,303</b>	<b>22,123</b>	<b>26,180</b>	<b>24,271</b>	<b>24,032</b>	<b>29,900</b>

<sup>1</sup> Non Directorate includes non attributable items such as rates income, developer's contributions, interest income, non-monetary assets, finance costs and depreciation.

**Note.** Total income and total expenditure differs to the operating result on the previous page due to the treatment of proceeds from asset sales and associated written down value.



## 2.4.2 June 2016 Financial Report (interim results) (Cont.)



Financial Report for the period 1 July 2015 – 30 June 2016

## CEO Directorate Operating Results

For the period 1 July 2015 – 30 June 2016

CEO DIRECTORATE						
Notes	FULL YEAR					ORIGINAL BUDGET \$'000
	ACTUAL \$'000	MID YEAR BUDGET \$'000	VARIANCE \$'000	FORECAST \$'000	FORECAST vs ACTUAL VARIANCE \$'000	
<b>Income</b>						
Rates and charges	-	-	-	-	-	-
Grants - operating (recurrent)	-	-	-	-	-	-
User fees	-	-	-	-	-	-
Fines	-	-	-	-	-	-
Hire of facilities	-	-	-	-	-	-
Contributions - cash	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Asset sales	-	-	-	-	-	-
Other income	-	-	-	-	-	-
<b>Total income</b>	-	-	-	-	-	-
<b>Expenses</b>						
Employee costs	551	548	(3)	543	(8)	548
Contract payments, materials	-	-	-	-	-	-
Professional services	60	30	(30)	35	(25)	30
Occupancy costs	(1)	7	8	7	8	7
Grants and sponsorship	-	-	-	-	-	-
Administration costs	31	35	4	35	4	35
Bad and doubtful debts	-	-	-	-	-	-
Finance costs	-	-	-	-	-	-
Carrying amount of assets sold	-	-	-	-	-	-
Other expenses	4	6	2	6	2	6
Depreciation	-	-	-	-	-	-
<b>Total expenses</b>	<b>645</b>	<b>626</b>	<b>(19)</b>	<b>626</b>	<b>(19)</b>	<b>626</b>
<b>Net surplus (deficit)</b>	<b>(645)</b>	<b>(626)</b>	<b>(19)</b>	<b>(626)</b>	<b>(19)</b>	<b>(626)</b>



**2.4.2 June 2016 Financial Report (interim results) (Cont.)**

Financial Report for the period 1 July 2015 – 30 June 2016

## BUSINESS UNITS

	FULL YEAR		
	ACTUAL	BUDGET	VARIANCE
	\$'000	\$'000	\$'000
<b>Income</b>			
CEO	-	-	-
<b>Total income</b>	-	-	-
<b>Expenses</b>			
CEO	645	626	(19)
<b>Total expenses</b>	645	626	(19)
<b>Net surplus (deficit)</b>	(645)	(626)	(19)

**Notes:**

No comments required for this directorate.



## 2.4.2 June 2016 Financial Report (interim results) (Cont.)



Financial Report for the period 1 July 2015 – 30 June 2016

## Greater Dandenong Business Group Operating Results

For the period 1 July 2015 – 30 June 2016

Greater Dandenong Business Group						
Notes	FULL YEAR					ORIGINAL BUDGET \$'000
	ACTUAL \$'000	MID YEAR BUDGET \$'000	VARIANCE \$'000	FORECAST \$'000	FORECAST vs ACTUAL VARIANCE \$'000	
<b>Income</b>						
Rates and charges	-	-	-	-	-	-
Grants - operating (recurrent)	-	5	(5)	5	(5)	5
User fees	5	5	-	1	4	5
Fines	-	-	-	-	-	-
Hire of facilities	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Contributions - cash	-	-	-	-	-	-
Asset sales	-	-	-	-	-	-
Other income	79	69	10	87	(8)	69
<b>Total income</b>	<b>84</b>	<b>79</b>	<b>5</b>	<b>93</b>	<b>(9)</b>	<b>79</b>
<b>Expenses</b>						
Employee costs	1,789	1,828	39	1,793	4	1,740
Contract payments, materials	1 428	504	76	504	76	504
Professional services	2 634	830	196	755	121	788
Occupancy costs	19	9	(10)	15	(4)	9
Grants and sponsorship	45	51	6	51	6	51
Administration costs	3 191	260	69	274	83	248
Bad and doubtful debts	-	-	-	-	-	-
Finance costs	-	-	-	-	-	-
Carrying amount of assets sold	-	-	-	-	-	-
Other expenses	68	26	(42)	40	(28)	26
Depreciation	-	-	-	-	-	-
<b>Total expenses</b>	<b>3,174</b>	<b>3,508</b>	<b>334</b>	<b>3,432</b>	<b>258</b>	<b>3,366</b>
<b>Net surplus (deficit)</b>	<b>(3,090)</b>	<b>(3,429)</b>	<b>339</b>	<b>(3,339)</b>	<b>249</b>	<b>(3,287)</b>



**2.4.2 June 2016 Financial Report (interim results) (Cont.)**

Financial Report for the period 1 July 2015 – 30 June 2016

**BUSINESS UNITS**

	FULL YEAR		
	ACTUAL	BUDGET	VARIANCE
	\$'000	\$'000	\$'000
<b>Income</b>			
Greater Dandenong Business Executive	9	-	9
Business Networks	49	56	(7)
Activity Centres Revitalisation	5	5	-
Economic Development	21	18	3
<b>Total income</b>	<b>84</b>	<b>79</b>	<b>5</b>
<b>Expenses</b>			
Greater Dandenong Business Executive	298	299	1
Business Networks	650	752	102
Activity Centres Revitalisation	924	924	-
Economic Development	1,302	1,533	231
<b>Total expenses</b>	<b>3,174</b>	<b>3,508</b>	<b>334</b>
<b>Net surplus (deficit)</b>	<b>(3,090)</b>	<b>(3,429)</b>	<b>339</b>

**Notes:****Expenditure**

**Note 1 Contract payments, materials (\$76,000 favourable)** – Favourable variance as result of ceasing the courtesy bus service, lower than anticipated expenditure for Premier Business Awards and maintenance for Activity Centre Improvements (Economic Development \$72,000).

**Note 2 Professional services (\$196,000 favourable)** – The majority of the favourable variance is due to lower than anticipated expenditure for phase one of Transitioning Automotive Industry and Manufacturing project (Business Networks \$142,000), the suspension of a project and other projects run to demand (Economic Development \$53,000).

**Note 3 Administration costs (\$69,000 favourable)** – The variance is due to the savings in expenditure relating to projects that have been suspended or delayed (Economic Development \$72,000).



## 2.4.2 June 2016 Financial Report (interim results) (Cont.)



Financial Report for the period 1 July 2015 – 30 June 2016

## Corporate Services Directorate Operating Results

For the period 1 July 2015 – 30 June 2016

CORPORATE SERVICES DIRECTORATE

FULL YEAR							ORIGINAL BUDGET \$'000
Notes	ACTUAL \$'000	MID YEAR BUDGET \$'000	VARIANCE \$'000	FORECAST \$'000	FORECAST vs ACTUAL VARIANCE \$'000		
Income							
Rates and charges	4	2,024	1,329	695	2,023	1	950
Grants - operating (recurrent)		-	-	-	-	-	-
User fees		108	76	32	76	32	76
Fines		-	-	-	-	-	-
Hire of facilities		2,849	2,886	(37)	2,831	18	2,886
Interest		-	-	-	-	-	-
Contributions - cash		-	-	-	-	-	-
Asset sales		-	-	-	-	-	-
Other income	5	683	559	124	598	85	559
Total income		5,664	4,850	814	5,528	136	4,471
Expenses							
Employee costs	6	11,474	11,965	491	11,696	222	11,965
Contract payments, materials		678	715	37	697	19	725
Professional services	7	974	1,069	95	1,051	77	1,069
Occupancy costs	8	596	695	99	681	85	645
Grants and sponsorship	9	182	78	(104)	67	(115)	78
Administration costs	10	4,548	5,164	616	5,037	489	5,224
Bad and doubtful debts		-	-	-	-	-	-
Finance costs		-	-	-	-	-	-
Carrying amount of assets sold		-	-	-	-	-	-
Other expenses		56	65	9	64	8	65
Depreciation		-	-	-	-	-	-
Total expenses		18,508	19,751	1,243	19,293	785	19,771
Net surplus (deficit)		(12,844)	(14,901)	2,057	(13,765)	921	(15,300)



## 2.4.2 June 2016 Financial Report (interim results) (Cont.)



Financial Report for the period 1 July 2015 – 30 June 2016

## BUSINESS UNITS

	FULL YEAR		
	ACTUAL	BUDGET	VARIANCE
	\$'000	\$'000	\$'000
<b>Income</b>			
Corporate Services Executive	-	-	-
Communications & Customer Service	375	394	(19)
Governance	2,513	2,528	(15)
Information Technology	-	-	-
Financial Services	2,696	1,921	775
People & Procurement Services	80	7	73
<b>Total income</b>	<b>5,664</b>	<b>4,850</b>	<b>814</b>
<b>Expenses</b>			
Corporate Services Executive	479	529	50
Communications & Customer Service	4,688	5,038	350
Governance	3,034	3,057	23
Information Technology	3,748	4,198	450
Financial Services	2,673	2,706	33
People & Procurement Services	3,886	4,223	337
<b>Total expenses</b>	<b>18,508</b>	<b>19,751</b>	<b>1,243</b>
<b>Net surplus (deficit)</b>	<b>(12,844)</b>	<b>(14,901)</b>	<b>2,057</b>

**Notes:****Income**

**Note 4 Rates and charges (\$695,000 favourable)** – Favourable variance due to greater than anticipated supplementary valuations as a result of a more buoyant property market than forecast.

**Note 5 Other income (\$124,000 favourable)** – Favourable variance due to:

- Unanticipated recovery of funds from insurance claims (Risk Management \$73,000) which are offset by expenditure.
- Better than anticipated recovery income from rates debtors (Property Revenue \$49,000). This is offset by higher legal costs (refer Note 7).
- Unbudgeted funding received for Early Intervention for Soft Tissue Injuries program (Occupational Health and Safety \$18,000).

**Expenditure**

**Note 6 Employee costs (\$491,000 favourable)** – Favourable variance is primarily due to lower than anticipated costs relating to corporate training programs and delay in recruitment (Organisational Development Executive \$118,000 and Occupational Health and Safety \$65,000), lower salary costs due to vacant positions (Communications and Customer Service \$125,000, Contracts \$102,000 and Information Technology Executive \$86,000) and extended leave taken (Finance \$37,000 and Corporate Services Executive \$23,000).



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2.4.2 June 2016 Financial Report (interim results) (Cont.)Financial Report for the period 1 July 2015 – 30 June 2016

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**Note 7 Professional services (\$95,000 favourable)** – Favourable variance as a result of:

- Lower than anticipated expenditure for consultants and professional services (Governance \$47,000, People and Procurement \$35,000 and Information Technology Executive \$14,000).
- Lower than anticipated legal costs (People and Procurement \$24,000).
- Lower than anticipated internal audit costs (Corporate Services Executive \$24,000).

This variance is partly offset by higher legal costs to recover overdue rate debtors (Property Revenue \$46,000 – refer Note 5).

**Note 8 Occupancy costs (\$99,000 favourable)** – The majority of this favourable variance is due to lower than anticipated telephone costs (Technical Services \$64,000).

**Note 9 Grants and sponsorship (\$104,000 unfavourable)** – Unfavourable variance due to a transfer of asset sale proceeds received for Dandenong Market equipment assets to Dandenong Market Pty Ltd (offset by matching income in Non-Directorate and forecast in the 2015-16 Capital Program).

**Note 10 Administration costs (\$616,000 favourable)** – Favourable variance due to:

- Lower than anticipated expenditure for software and network support (Technical Services \$247,000).
- Savings in expenditure for Council publications, promotions and community education (Communications and Customer Service \$177,000).
- Lower than anticipated application support costs for departmental run systems including Power Budget, Proclaim and VMS (Financial Services \$53,000).
- Lower than anticipated commercial records storage costs (Records Management \$47,000).



## 2.4.2 June 2016 Financial Report (interim results) (Cont.)



Financial Report for the period 1 July 2015 – 30 June 2016

## Engineering Services Directorate Operating Results

For the period 1 July 2015 – 30 June 2016

### ENGINEERING SERVICES DIRECTORATE

	Notes	FULL YEAR					ORIGINAL BUDGET \$'000
		ACTUAL \$'000	MID YEAR BUDGET \$'000	VARIANCE \$'000	FORECAST \$'000	FORECAST vs ACTUAL VARIANCE \$'000	
<b>Income</b>							
Rates and charges	11	15,046	14,813	233	14,979	67	14,738
Grants - operating (recurrent)	12	133	54	79	56	77	54
User fees	13	1,211	1,033	178	1,133	78	1,033
Fines		-	-	-	-	-	-
Hire of facilities		-	-	-	-	-	-
Interest		-	-	-	-	-	-
Contributions - cash		27	-	27	12	15	-
Asset sales		877	855	22	856	21	855
Other income	14	1,154	958	196	1,063	91	870
<b>Total income</b>		<b>18,448</b>	<b>17,713</b>	<b>735</b>	<b>18,099</b>	<b>349</b>	<b>17,550</b>
<b>Expenses</b>							
Employee costs	15	14,586	15,106	520	15,072	486	15,076
Contract payments, materials	16	30,573	32,401	1,828	32,679	2,106	32,486
Professional services	17	407	480	73	508	101	426
Occupancy costs	18	1,276	1,141	(135)	1,134	(142)	1,106
Grants and sponsorship	19	118	64	(54)	106	(12)	64
Administration costs	20	907	1,150	243	1,051	144	1,150
Bad and doubtful debts		28	15	(13)	17	(11)	15
Finance costs		-	-	-	-	-	-
Carrying amount of assets sold	21	361	642	281	202	(159)	642
Other expenses	22	141	222	81	191	50	204
Depreciation		-	-	-	-	-	-
<b>Total expenses</b>		<b>48,397</b>	<b>51,221</b>	<b>2,824</b>	<b>50,960</b>	<b>2,563</b>	<b>51,169</b>
<b>Net surplus (deficit)</b>		<b>(29,949)</b>	<b>(33,508)</b>	<b>3,559</b>	<b>(32,861)</b>	<b>2,912</b>	<b>(33,619)</b>



## 2.4.2 June 2016 Financial Report (interim results) (Cont.)



Financial Report for the period 1 July 2015 – 30 June 2016

## BUSINESS UNITS

	FULL YEAR		
	ACTUAL	BUDGET	VARIANCE
	\$'000	\$'000	\$'000
<b>Income</b>			
Engineering Services Exec	-	-	-
Infrastructure Services	18,425	17,713	712
City Projects and Asset Improvement	-	-	-
Infrastructure Planning	23	-	23
<b>Total income</b>	<b>18,448</b>	<b>17,713</b>	<b>735</b>
<b>Expenses</b>			
Engineering Services Exec	551	568	17
Infrastructure Services	36,666	38,338	1,672
City Projects and Asset Improvement	7,767	8,513	746
Infrastructure Planning	3,413	3,802	389
<b>Total expenses</b>	<b>48,397</b>	<b>51,221</b>	<b>2,824</b>
<b>Net surplus (deficit)</b>	<b>(29,949)</b>	<b>(33,508)</b>	<b>3,559</b>

**Notes:****Income**

**Note 11 Rates (waste charges) (\$233,000 favourable)** – The favourable variance is due to better than anticipated income for additional waste services.

**Note 12 Grants – operating (recurrent) (\$79,000 favourable)** – Favourable variance due to:

*Receipt of unbudgeted grants:*

- Park Services \$26,000 (mainly \$25,000 for Living Rivers which is partly offset by matching expenditure with the balance to be carried over to 2016-17).
- Waste Management \$21,000 (primarily relating to the bin configuration project).
- Asset Planning \$13,000 (another Living Rivers project to be carried over to 2016-17).

*Grant relating to 2016-17 received in advance:*

- Emergency Management \$19,000 (carried over to 2016-17).

**Note 13 User fees (\$178,000 favourable)** – Favourable variance due to better than anticipated income from asset protection permit fees (Footpath Maintenance \$199,000).

**Note 14 Other income (\$196,000 favourable)** – Better than anticipated income from:

- Recoveries for recycling (Waste Services \$151,000).
- Income received (Park Services) for rectification works at open sites for developers (\$101,000). This is partly offset by lower than anticipated recoveries for Spring Valley landfill (\$73,000).
- Recoveries for damaged assets (Footpath Maintenance \$22,000) in line with the higher expenditure to repair the assets (refer Note 16).



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2.4.2 June 2016 Financial Report (interim results) (Cont.)Financial Report for the period 1 July 2015 – 30 June 2016

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**Expenditure**

**Note 15 Employee costs (\$520,000 favourable)** - The favourable variance is due to a delay in recruitment (Roads \$149,000, CIP Implementation \$138,000, Footpath Maintenance \$103,000, Transport Strategy \$42,000 and Strategic Transport Planning \$42,000) and lower salary costs due to acting arrangements in another department (Asset Planning \$128,000 and Infrastructure Services Executive \$52,000).

**Note 16 Contract payments, materials (\$1.83 million favourable)** – The favourable variance is due to:

- The transfer of expenditure items over \$20,000 to the Capital Works Program because they satisfy the asset capitalisation criteria (CIP Implementation \$474,000, Roads and Drains \$387,000 and Building Maintenance \$210,000).
- Reduction in waste collection costs (Waste Services \$612,000) due to lower CPI increase than expected and lower tonnage going to landfill.
- Savings in graffiti removal costs (Cleansing \$211,000).
- Lower expenditure for traffic signals and savings recognised from the energy efficient street lighting roll out (Asset Planning \$122,000).

This favourable variance is partly offset by higher than expected repairs to damaged assets (Footpath Maintenance \$163,000) which is partially matched by higher recovery income (Note 14).

**Note 17 Professional services (\$73,000 favourable)** – Favourable variance due to lower expenditure for consultants and professional services (Emergency Services \$54,000, Asset Planning \$36,000, Strategic Transport Planning \$28,000 and Asset Management System \$20,000).

This variance is partly offset by unbudgeted expenditure for:

- Advice and document preparation for Capital Works Improvement Program (CIP Implementation \$30,000).
- Workplace advice (Roads \$26,000).
- Recruitment of Manager's position (City Projects and Asset Improvement Executive \$20,000).

**Note 18 Occupancy costs (\$135,000 unfavourable)** – This unfavourable variance is due mainly to higher than anticipated water and electricity costs (Parks \$117,000 and Building Maintenance \$54,000).

**Note 19 Grants and sponsorship (\$54,000 unfavourable)** – Unfavourable variance due to higher contribution costs for a shared service with Kingston Council, which is offset against savings in consultant costs (Emergency Services \$29,000) and unbudgeted traineeship costs which is offset against salary savings (Infrastructure Services Executive \$25,000).

**Note 20 Administration costs (\$243,000 favourable)** – The majority of this favourable variance is due to lower expenditure for fuel (Fleet Management \$234,000) due to low crude oil prices and decreasing gross retail margins.

**Note 21 Carrying amount of assets sold (\$281,000 favourable)** – Cost of sales is lower than anticipated due to the sale of primarily heavy plant and machinery which have been fully depreciated, thereby resulting in a nil book value on disposal (Fleet Management). This is a non-cash accounting entry.

**Note 22 Other expenses (\$81,000 favourable)** – Favourable variance due to lower than anticipated expenditure (Building Maintenance \$46,000 and Emergency Management \$37,000).



## 2.4.2 June 2016 Financial Report (interim results) (Cont.)



Financial Report for the period 1 July 2015 – 30 June 2016

## City Planning, Design & Amenity Directorate Operating Results

For the period 1 July 2015 – 30 June 2016

### CITY PLANNING, DESIGN & AMENITY DIRECTORATE

	Notes	FULL YEAR				FORECAST	ORIGINAL BUDGET \$'000
		ACTUAL \$'000	MID YEAR BUDGET \$'000	VARIANCE \$'000	FORECAST \$'000	vs ACTUAL	
						VARIANCE \$'000	
<b>Income</b>							
Rates and charges		-	-	-	-	-	-
Grants - operating (recurrent)	23	321	237	84	321	-	237
User fees	24	5,779	6,459	(680)	5,991	(212)	6,459
Fines	25	3,229	3,706	(477)	3,271	(42)	3,706
Hire of facilities	26	807	504	303	659	148	504
Interest		-	-	-	-	-	-
Contributions - cash		4	-	4	-	4	-
Asset sales		-	-	-	-	-	-
Other income		893	884	9	900	(7)	884
<b>Total income</b>		<b>11,033</b>	<b>11,790</b>	<b>(757)</b>	<b>11,142</b>	<b>(109)</b>	<b>11,790</b>
<b>Expenses</b>							
Employee costs		10,492	10,451	(41)	10,427	(65)	10,284
Contract payments, materials	27	440	552	112	501	61	553
Professional services	28	1,408	1,535	127	1,505	97	1,452
Occupancy costs		85	84	(1)	87	2	81
Grants and sponsorship		-	-	-	-	-	-
Administration costs		374	421	47	441	67	421
Bad and doubtful debts	29	594	814	220	818	224	814
Finance costs		-	-	-	-	-	-
Carrying amount of assets sold		-	-	-	-	-	-
Other expenses		76	73	(3)	73	(3)	73
Depreciation		-	-	-	-	-	-
<b>Total expenses</b>		<b>13,469</b>	<b>13,930</b>	<b>461</b>	<b>13,852</b>	<b>383</b>	<b>13,678</b>
<b>Net surplus (deficit)</b>		<b>(2,436)</b>	<b>(2,140)</b>	<b>(296)</b>	<b>(2,710)</b>	<b>274</b>	<b>(1,888)</b>



## 2.4.2 June 2016 Financial Report (interim results) (Cont.)



Financial Report for the period 1 July 2015 – 30 June 2016

## BUSINESS UNITS

	FULL YEAR		
	ACTUAL	BUDGET	VARIANCE
	\$'000	\$'000	\$'000
<b>Income</b>			
City Planning, Design & Amenity Exec	-	-	-
Building Services	657	455	202
Planning and Design	1,160	1,275	(115)
Regulatory Services	9,216	10,060	(844)
<b>Total income</b>	<b>11,033</b>	<b>11,790</b>	<b>(757)</b>
<b>Expenses</b>			
City Planning, Design & Amenity Exec	411	420	9
Building Services	1,025	1,061	36
Planning and Design	4,501	4,779	278
Regulatory Services	7,532	7,670	138
<b>Total expenses</b>	<b>13,469</b>	<b>13,930</b>	<b>461</b>
<b>Net surplus (deficit)</b>	<b>(2,436)</b>	<b>(2,140)</b>	<b>(296)</b>

## Notes:

Income

**Note 23 Grants – operating (recurrent) (\$84,000 favourable)** – Favourable variance due to:

- Better than anticipated grant funding for school crossing supervisors (School Crossing \$30,000).
- Unbudgeted grant funding received for Living Rivers Contracts (Residential Amenity Administration \$48,000). Note - there are a number of projects for Living Rivers Contracts that have received funding in 2015-16.

**Note 24 User fees (\$680,000 unfavourable)** – Unfavourable variance due to:

- Lower income from on-street parking, which has been impacted by the change in scheduling of installation of new machines and vandalism of some machines (Parking Management \$815,000).
- Lower income from priority paid planning applications (Statutory Planning \$105,000). This service ceased during 2015-16, was subject to review and has only recently been reintroduced (August 2016).

This variance is partly offset by better than anticipated health and food business registrations income (Healthwise \$65,000) and building permit fee income (Building \$197,000).

**Note 25 Fines (\$477,000 unfavourable)** – Lower income due to:

- The introduction of new ticket machines. There have been more machines installed than originally planned and the amnesty period to allow customers to adapt to the changes was extended. This has impacted on the amount of income received from fines (Parking Management \$391,000).
- Lower income than anticipated for pet registrations (Animal Management \$30,000).
- No court based prosecutions during 2015-16 (Planning Enforcement \$40,000).
- No legal action has been taken to date for food and health infringements (Healthwise \$81,000).

This variance is partly offset by better than anticipated fine income (General Law Enforcement \$78,000).



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2.4.2 June 2016 Financial Report (interim results) (Cont.)



Financial Report for the period 1 July 2015 – 30 June 2016

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**Note 26 Hire of facilities (\$303,000 favourable)** – Better than anticipated income from ticket machines (Multideck Car Parks \$303,000). A tariff is now being charged for the first hour of parking, which was previously free.

**Expenditure**

**Note 27 Contract payments, materials (\$112,000 favourable)** – Lower than anticipated maintenance works (Multideck Car Parks \$53,000 and Healthwise \$33,000).

**Note 28 Professional services (\$127,000 favourable)** – The favourable variance is due to lower consultant costs due to the delay in commencement of projects (Strategic Design and Sustainability Planning \$93,000) and lower statutory fees (Parking Management \$49,000).

This variance is offset by higher than anticipated costs for the recruitment of Manager Planning and Design (Statutory Planning \$40,000).

**Note 29 Bad and doubtful debts (\$220,000 favourable)** – Favourable variance due to the reversal of a bad and doubtful debts provision raised in a prior year (Statutory Planning \$126,000 and Parking Management \$107,000).



## 2.4.2 June 2016 Financial Report (interim results) (Cont.)



Financial Report for the period 1 July 2015 – 30 June 2016

## Community Services Directorate Operating Results

For the period 1 July 2015 – 30 June 2016

### COMMUNITY SERVICES DIRECTORATE

	Notes	FULL YEAR				FORECAST	ORIGINAL BUDGET \$'000
		ACTUAL \$'000	MID YEAR BUDGET \$'000	VARIANCE \$'000	FORECAST \$'000	vs ACTUAL	
						VARIANCE \$'000	
<b>Income</b>							
Rates and charges		-	-	-	-	-	-
Grants - operating (recurrent)	30	19,458	19,172	286	19,704	(246)	19,383
User fees	31	2,036	2,691	(655)	2,446	(410)	2,723
Fines		-	-	-	-	-	-
Hire of facilities		872	882	(10)	835	37	882
Interest		-	-	-	-	-	-
Contributions - cash		-	-	-	-	-	-
Asset sales		-	-	-	-	-	-
Other income	32	1,023	1,206	(183)	1,057	(34)	1,208
<b>Total income</b>		<b>23,389</b>	<b>23,951</b>	<b>(562)</b>	<b>24,042</b>	<b>(653)</b>	<b>24,196</b>
<b>Expenses</b>							
Employee costs	33	32,530	34,016	1,486	34,101	1,571	32,731
Contract payments, materials	34	4,259	3,761	(498)	3,818	(441)	3,328
Professional services		907	930	23	1,093	186	551
Occupancy costs	35	942	1,015	73	1,042	100	981
Grants and sponsorship	36	4,228	5,272	1,044	5,256	1,028	5,271
Administration costs	37	1,585	1,874	289	1,930	345	1,699
Bad and doubtful debts		15	-	(15)	4	(11)	-
Finance costs		-	-	-	-	-	-
Carrying amount of assets sold		-	-	-	-	-	-
Other expenses		137	123	(14)	138	1	107
Depreciation		-	-	-	-	-	-
<b>Total expenses</b>		<b>44,603</b>	<b>46,991</b>	<b>2,388</b>	<b>47,382</b>	<b>2,779</b>	<b>44,668</b>
<b>Net surplus (deficit)</b>		<b>(21,214)</b>	<b>(23,040)</b>	<b>1,826</b>	<b>(23,340)</b>	<b>2,126</b>	<b>(20,472)</b>



**2.4.2 June 2016 Financial Report (interim results) (Cont.)**

Financial Report for the period 1 July 2015 – 30 June 2016

**BUSINESS UNITS**

	FULL YEAR		
	ACTUAL	BUDGET	VARIANCE
	\$'000	\$'000	\$'000
<b>Income</b>			
Community Services Exec	-	-	-
Community Wellbeing	8,161	8,342	(181)
Community Care	12,248	12,473	(225)
Community Engagement	2,086	2,289	(203)
Comm. Sports & Recreation	894	847	47
<b>Total income</b>	<b>23,389</b>	<b>23,951</b>	<b>(562)</b>
<b>Expenses</b>			
Community Services Exec	602	613	11
Community Wellbeing	12,479	13,842	1,363
Community Care	15,015	15,028	13
Community Engagement	9,365	9,670	305
Comm. Sports & Recreation	7,142	7,838	696
<b>Total expenses</b>	<b>44,603</b>	<b>46,991</b>	<b>2,388</b>
<b>Net surplus (deficit)</b>	<b>(21,214)</b>	<b>(23,040)</b>	<b>1,826</b>

**Notes:****Income****Note 30 Grants – operating (recurrent) (\$286,000 favourable) - Favourable variance due to:***Unbudgeted grants received:*

- New Directions Mothers and Babies \$220,000
- MCH Refugee Health \$98,000
- Community Hub Early Years \$75,000
- Cultural Venues \$13,000
- Leisure Planning \$11,000
- Music Program \$10,000

*Additional grants received:*

- Immunisation \$81,000
- Playgroups Initiative \$43,000
- Jan Wilson Community Centre \$26,000
- Planned Activity Group \$25,000
- National Respite for Carers \$23,000
- Child First \$19,000
- Maternal and Child Health \$14,000

*Grants higher than budget for variable client based services:*

- Community Aged Care Packages \$66,000



**2.4.2 June 2016 Financial Report (interim results) (Cont.)**

Financial Report for the period 1 July 2015 – 30 June 2016

This favourable variance is partially offset by:

*Grants lower than budget for variable client based services:*

- Family Day Care \$380,000 (matched by lower than anticipated expenditure (Note 36).
- Home and Community Care \$46,000.

*Anticipated grant funding not received:*

- Right@Home \$30,000
- Enhanced MCH Program \$22,000

**Note 31 User fees (\$655,000 unfavourable)** – Unfavourable variance due to lower than expected income from client based services (Family Day Care \$349,000, Home and Community Care \$109,000, Commercial Aged Care \$62,000, Community Aged Care Packages \$57,000 and Food Services \$46,000).

The lower income for Family Day Care is matched by lower expenditure (refer Note 36).

**Note 32 Other income (\$183,000 unfavourable)** – Unfavourable variance due to Lunar Festival not being held this year and the income (and associated expenditure) for this event did not occur (Festival and Events \$128,000) as well as lower income from theatre venue hire (Drum Theatre \$88,000).

**Expenses**

**Note 33 Employee costs (\$1.49 million favourable)** - Favourable variance due mainly to delay in recruitment and delay in delivery of grant funded programs (Child First \$311,000, Preventative Health \$248,000\*, Library and Information Services \$163,000, Planned Activity Group \$145,000, Cultural Development \$114,000, Family Day Care \$113,000, Drum Theatre \$111,000, Dads in Dandenong \$106,000, National Respite for Carers \$86,000, Social Policy and Strategic Projects \$78,000, Youth Support Services \$74,000, Access and Quality Systems \$68,000, Youth Development \$66,000, Commercial Aged Care \$63,000, Community Facilities Management \$53,000, Maternal and Child Health \$49,000, Early Home Learning Study \$48,000, Family Support Services \$34,000 and Community Care Executive \$24,000).

This variance is partly offset by higher salary costs for Home and Community Care (\$212,000) and Community Aged Care Packages (\$86,000) due to service requirements. There are also additional salary costs for Immunisation (\$118,000) to deliver the Boostrix program.

The variance for the Drum Theatre is partly offset by additional expenditure in professional services.

**Note 34 Contract payments, materials (\$498,000 unfavourable)** – The majority of this unfavourable variance is due to higher than expected expenditure for Family Day Care (\$413,000) which is offset by lower expenditure in sponsorships (refer Note 36) and Community Aged Care Packages (\$106,000). These are client based services.

This variance is partly offset by lower expenditure for materials resulting from lower venue hire (Drum Theatre \$38,000).

\* The Preventative Health program continued in 2015-16 using funds carried over from 2014-15, and there are favourable variances in several expenditure categories at 30 June due to delay in commencement of programs. It is expected that the balance of these funds will be carried over to 2016-17 to finalise the program deliverables.



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2.4.2 June 2016 Financial Report (interim results) (Cont.)Financial Report for the period 1 July 2015 – 30 June 2016

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**Note 35 Occupancy costs (\$73,000 favourable)** – Favourable variance due to lower than anticipated expenditure for electricity and cleaning (Drum Theatre \$34,000, Y-Stop \$17,000, Warner Reserve \$14,000, Mills Reserve \$11,000, Distribution Centre \$8,000, The Castle \$6,000, Jan Wilson Community Centre \$6,000, Archive Hammond Road \$5,000 and Paddy O'Donoghue Centre \$5,000), minor asset purchases, equipment rental and accommodation costs (Library Services \$12,000 and Right@Home \$9,000).

This variance is partly offset by higher than anticipated expenditure for minor asset purchases (Maternal and Child Health \$30,000) and water costs (Cultural Venues \$24,000).

**Note 36 Grants and sponsorships (\$1.04 million favourable)** – The favourable variance is due to:

- Lower than anticipated payments to educators (Family Day Care \$995,000). This is a client based service that is partly offset by lower subsidy income (refer Note 30 and 31) and higher contract payments, materials (refer Note 34).
- Lower expenditure for Community Grants, Sponsorship and Donations (\$42,000).

**Note 37 Administration costs (\$289,000 favourable)** – The main items contributing to the favourable variances are:

- Printing and stationery – delay in commencement of programs (Preventative Health\* \$28,000).
- Community education – delay in commencement of programs (Community Development \$49,000 and Preventative Health\* \$28,000).
- Promotions and events – lower than anticipated expenditure (Drum Theatre \$34,000, Festival and Events \$12,000, Sports Program \$12,000 and Sports Planning \$10,000) and delay in commencement of programs (Preventative Health\* \$29,000).
- Meal entertainment – delay in commencement of programs (Preventative Health\* \$17,000).
- Lower than expected management fees (Child First \$20,000, Drug Strategy \$7,000, Drum Theatre \$7,000 and Dads in Dandenong \$5,000).
- Lower advertising costs (Home and Community Care \$10,000 and Right@Home \$5,000).
- Better than anticipated operating cost recoveries (Home and Community Care \$24,000).

\* The Preventative Health program continued in 2015-16 using funds carried over from 2014-15, and there are favourable variances in several expenditure categories at 30 June due to delay in commencement of programs. It is expected that the balance of these funds will be carried over to 2016-17 to finalise the program deliverables.



## 2.4.2 June 2016 Financial Report (interim results) (Cont.)



Financial Report for the period 1 July 2015 – 30 June 2016

## Non Directorate Operating Results

For the period 1 July 2015 – 30 June 2016

NON DIRECTORATE

FULL YEAR							ORIGINAL BUDGET \$'000
Notes	ACTUAL \$'000	MID YEAR BUDGET \$'000	VARIANCE \$'000	FORECAST \$'000	FORECAST vs ACTUAL VARIANCE \$'000		
<b>Income</b>							
Rates and charges	38	103,680	103,603	77	103,651	29	103,549
Grants - operating (recurrent)		5,321	5,321	-	5,321	-	10,506
User fees		-	-	-	-	-	-
Fines		-	-	-	-	-	-
Hire of facilities		-	-	-	-	-	-
Interest	39	2,828	2,142	686	2,240	588	2,142
Contributions - cash	40	3,764	1,500	2,264	2,380	1,384	1,500
Contributions - non-monetary assets	41	38,261	18,000	20,261	18,000	20,261	18,000
Asset sales	42	139	1,128	(989)	1,250	(1,111)	2,045
Other income	43	475	99	376	111	364	99
<b>Total income</b>		<b>154,468</b>	<b>131,793</b>	<b>22,675</b>	<b>132,953</b>	<b>21,515</b>	<b>137,841</b>
<b>Expenses</b>							
Employee costs	44	584	1,096	512	1,099	515	1,003
Contract payments, materials		80	110	30	110	30	20
Professional services		134	114	(20)	139	5	80
Occupancy costs		-	-	-	-	-	-
Grants and sponsorship		-	-	-	-	-	-
Administration costs		235	249	14	249	14	249
Bad and doubtful debts		-	-	-	-	-	-
Finance costs		4,034	4,034	-	4,034	-	4,057
Carrying amount of assets sold	45	4,317	655	(3,662)	655	(3,662)	898
Other expenses	46	915	408	(507)	399	(516)	386
Depreciation	47	27,513	30,559	3,046	30,559	3,046	30,559
<b>Total expenses</b>		<b>37,812</b>	<b>37,225</b>	<b>(587)</b>	<b>37,244</b>	<b>(568)</b>	<b>37,252</b>
<b>Net surplus (deficit)</b>		<b>116,656</b>	<b>94,568</b>	<b>22,088</b>	<b>113,709</b>	<b>2,947</b>	<b>118,589</b>

Non Directorate includes non attributable items such as rates income, fire services levy payable on Council properties, developer's contributions, interest income, gifted assets, carrying amount of assets disposed/written off and finance costs.



**2.4.2 June 2016 Financial Report (interim results) (Cont.)**

Financial Report for the period 1 July 2015 – 30 June 2016

**BUSINESS UNITS**

	FULL YEAR		
	ACTUAL	BUDGET	VARIANCE
	\$'000	\$'000	\$'000
<b>Income</b>			
Governance	-	1,127	(1,127)
Corporate Accounting	150,704	129,166	21,538
Planning and Design	3,764	1,500	2,264
<b>Total income</b>	<b>154,468</b>	<b>131,793</b>	<b>22,675</b>
<b>Expenses</b>			
Governance	636	799	163
Corporate Accounting	37,152	36,426	(726)
Planning and Design	24	-	(24)
<b>Total expenses</b>	<b>37,812</b>	<b>37,225</b>	<b>(587)</b>
<b>Net surplus (deficit)</b>	<b>116,656</b>	<b>94,568</b>	<b>22,088</b>

*Non Directorate includes non attributable items such as rates income, fire services levy payable on Council properties, developer's contributions, interest income, gifted assets, carrying amount of assets disposed/written off and finance costs.*

**Notes:****Income**

**Note 38 Rates and charges (\$77,000 favourable)** – The majority of this favourable variance is due to better than anticipated Keysborough South Development maintenance levy income received (\$73,000). This levy is transferred to reserves.

**Note 39 Interest (\$686,000 favourable)** – The favourable variance is due to higher interest on investments due to greater cash holdings held during the year resulting from the receipt of 50% of 2015-16 Victoria Grants Commission funds early in June and the timing of capital and operating cash outflows during the year.

**Note 40 Contributions - cash (\$2.26 million favourable)** – Better than anticipated income from public open space contributions. The nature of these receipts makes timing difficult to predict. These funds have been transferred to reserves.

**Note 41 Contributions – non-monetary assets (\$20.26 million favourable)** – Better than anticipated income from gifted assets particularly subdivisions mainly relating to land. The nature of these receipts makes timing difficult to predict. This is a non-cash accounting entry.

**Note 42 Asset sales (\$989,000 unfavourable)** – Unfavourable variance due to anticipated property sales (20 Dandenong Street and Scott Street car park) not eventuating in this financial year.



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2.4.2 June 2016 Financial Report (interim results) (Cont.)

Financial Report for the period 1 July 2015 – 30 June 2016

**Note 43 Other Income (\$376,000 favourable)** – The favourable variance is mainly due to a new income item called 'Fair value adjustments for investment property' of \$358,000, which is a non-cash item. This new item is the result of a reclassification of several land and building assets from 'Property, infrastructure, plant and equipment' to 'Investment property' as they are held primarily to earn rental income. Australian Accounting Standards require any revaluation of these assets to fair value to be recognised in the Comprehensive Income Statement, rather than in the Asset Revaluation Reserve like other fixed assets held at fair value by Council.

**Expenses**

**Note 44 Employee costs (\$512,000 favourable)** – Favourable variance due to year end adjustments to provision for employee entitlements (annual leave and long service leave) as at 30 June 2016.

**Note 45 Carrying amount of assets sold (\$3.66 million unfavourable)** – Unfavourable variance due mainly to works in progress that are not able to be capitalised to the asset register which includes works on non Council owned assets (eg. street lighting), and to the timing of write off/replacement of fixed assets (mainly footpaths and drainage). These are both non-cash accounting entries.

**Note 46 Other expenses (\$507,000 unfavourable)** – Variance due to contribution to Places Victoria to retain Lot 123 Metro 3175 as open space (which was funded from the open space reserve).

**Note 47 Depreciation (\$3.05 million favourable)** – Decrease in depreciation due mainly to the effects of infrastructure revaluations in 2014-15 and the revision of the expiry dates as part of the 2016 buildings revaluation.



## 2.4.2 June 2016 Financial Report (interim results) (Cont.)



Financial Report for the period 1 July 2015 – 30 June 2016

## Capital Works Program Operating Results

For the period 1 July 2015 – 30 June 2016

CAPITAL WORKS PROGRAM - INCOME						
Notes	FULL YEAR					ORIGINAL BUDGET \$'000
	ACTUAL \$'000	MID YEAR BUDGET \$'000	VARIANCE \$'000	FORECAST \$'000	FORECAST vs ACTUAL VARIANCE \$'000	
<b>Income</b>						
Rates and charges	-	-	-	-	-	-
Grants - capital (recurrent)	1,972	1,971	1	1,971	1	1,394
Grants - capital (non-recurrent)	3,077	3,103	(26)	3,107	(30)	2,984
User fees	-	-	-	-	-	-
Fines	-	-	-	-	-	-
Hire of facilities	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Contributions - cash	48 38	125	(87)	125	(87)	125
Contributions - non-monetary assets	-	-	-	-	-	-
Asset sales	-	-	-	-	-	-
Other income	-	-	-	-	-	-
<b>Total income</b>	<b>5,087</b>	<b>5,199</b>	<b>(112)</b>	<b>5,203</b>	<b>(116)</b>	<b>4,503</b>
<b>Expenses</b>						
Employee costs	25	-	(25)	-	(25)	-
Contract payments, materials	49 878	-	(878)	-	(878)	-
Professional services	19	-	(19)	-	(19)	-
Occupancy costs	50 102	-	(102)	-	(102)	-
Grants and sponsorship	51 2,201	-	(2,201)	-	(2,201)	-
Administration costs	38	-	(38)	-	(38)	-
Bad and doubtful debts	-	-	-	-	-	-
Finance costs	-	-	-	-	-	-
Carrying amount of assets sold	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-
<b>Total expenses</b>	<b>3,263</b>	<b>-</b>	<b>(3,263)</b>	<b>-</b>	<b>(3,263)</b>	<b>-</b>
<b>Net surplus (deficit)</b>	<b>1,824</b>	<b>5,199</b>	<b>(3,375)</b>	<b>5,203</b>	<b>(3,379)</b>	<b>4,503</b>



**2.4.2 June 2016 Financial Report (interim results) (Cont.)**

Financial Report for the period 1 July 2015 – 30 June 2016

**BUSINESS UNITS**

	FULL YEAR		
	ACTUAL \$'000	BUDGET \$'000	VARIANCE \$'000
<b>Income</b>			
Capital Works Program	5,087	5,199	(112)
<b>Total income</b>	<b>5,087</b>	<b>5,199</b>	<b>(112)</b>
<b>Expenses</b>			
Capital Works Program	3,263	-	(3,263)
<b>Total expenses</b>	<b>3,263</b>	<b>-</b>	<b>(3,263)</b>
<b>Net surplus (deficit)</b>	<b>1,824</b>	<b>5,199</b>	<b>(3,375)</b>

**Notes:****Income**

**Note 48 Contributions - cash (\$87,000 unfavourable)** – Unfavourable variance due to project contributions not received for Noble Park Football and Cricket club (\$70,000), Police Paddocks driveway and car park (\$50,000) and Shepley Oval (\$5,000).

**Expenses**

*The expenses shown in the table above have been budgeted under the Capital Works Program, but have been recognised as operating in nature. The expenditure relates to non-Council owned assets, non-capital expenditure or assets that could not be capitalised because the amounts fell below the capitalisation threshold for the relevant asset class.*

**Note 49 Contract payments, materials (\$878,000 unfavourable)** – Comprises expenditure that relates to repairs and maintenance or costs that do not satisfy asset recognition criteria.

- Dandenong Park Demolition Works \$243,000
- Municipal Wide – Footpath Renewal \$164,000
- Early Learning Facilities – Dandenong and Springvale \$154,000
- Municipal Wide, Kerb and Channel \$89,000
- Old Dandenong Library Car park – Stuart Street \$79,000
- Asbestos Audit and Rectification Works \$75,000

**Note 50 Occupancy costs (\$102,000 unfavourable)** – The majority of this variance is due to the hire of portable buildings at Tatterson Park during the construction of the new pavilion (\$52,000) which are not capital costs.

**Note 51 Grants and sponsorship (\$2.20 million unfavourable)** – The majority of this variance is due to the contribution of energy efficient globes on non-Council owned assets (Street Lighting – install and replace \$2.09 million). This cost cannot be capitalised.



**2.4.2 June 2016 Financial Report (interim results) (Cont.)**



Financial Report for the period 1 July 2015 – 30 June 2016

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## Appendix 4

### Capital and Operating Carry Over's from 2015-16 to 2016-17



## 2.4.2 June 2016 Financial Report (interim results) (Cont.)



Financial Report for the period 1 July 2015 – 30 June 2016

## OPERATING CARRY OVERS TO 2016-17

DESCRIPTION	SUB ACTIVITY	NET TOTAL EXPENDITURE \$
<b>COMMUNITY SERVICES</b>		
<b>Community Arts, Culture and Libraries</b>		
Library Services - Let's Read Grant	3003	5,188
Drum Theatre - Toyota Sponsorship Income	3510	6,250
Arts and Cultural Development - Stronger Communities Grant	3602	13,238
		<b>24,676</b>
<b>Community Development, Facilities and Recreation</b>		
Leisure Planning - Walk to School Grant	2219	10,000
Community Development - Aboriginal Trainee Grant	3503	15,702
Community Development - NAIDOC Event Grant	3503	1,000
Preventative Health	3522	379,136
		<b>405,838</b>
<b>Community Wellbeing</b>		
Playgroups Initiative - Supported Playgroup Grant	2915	102,601
Child First	2917	366,338
Dads in Dandenong	2918	126,176
Youth Leadership - Blood Bourne Virus Grant	2922	12,284
Kindergarten Planning and Change Management - Central Enrolment	2950	9,516
Best Start - Early Years Award	2959	5,996
Drug Strategy	2960	55,583
Learning Driver Mentor Program	2973	4,869
Community Hub Early Years	2977	11,016
Living Safe Together	2979	21,824
Right @ Home	3404	63,059
New Directions - Mothers and Babies	3406	182,671
Maternal and Child Health - Refugee Health	3407	81,566
Immunisation - Noble Park English Language School Grant	3489	71,683
Immunisation - Catch up Immunisations in Dandenong Grant	3489	12,168
		<b>1,127,350</b>
<b>CITY PLANNING, DESIGN AND AMENITY</b>		
<b>Regulatory Services</b>		
Planning Enforcement - Living Rivers Grant	2600	6,000
Residential Amenity Administration - Living Rivers Grant	3450	48,000
		<b>54,000</b>
<b>GREATER DANDENONG BUSINESS</b>		
<b>Activity Centre's Revitalisation</b>		
Public Art Income Contribution (transferred from Community Services - Festivals and Events)	2250	13,636
		<b>13,636</b>
<b>ENGINEERING SERVICES</b>		
<b>Infrastructure Services</b>		
Emergency Management Grant	0802	60,000
Asset Planning - Living Rivers Grant	2220	12,500
Parks Services - Corridors of Green Contribution	2643	6,000
Parks Services - Living Rivers Grant	2643	9,051
		<b>87,551</b>
<b>Total operating carry overs from 2015-16 to 2016-17</b>		<b>1,713,051</b>



## 2.4.2 June 2016 Financial Report (interim results) (Cont.)



Financial Report for the period 1 July 2015 – 30 June 2016

## CAPITAL CARRY OVERS TO 2016-17

PROJECT DESCRIPTION	SUB ACCT	FUNDING SOURCE		EXPEND-ITURE \$	NET TOTAL \$
		RESERVES \$	INCOME \$		
HACC Minor works	1188			73,035	73,035
Coomoora Reserve Clubroom Extension	3002			25,573	25,573
Robert Booth Reserve Pavilion	3015		90,000	0	90,000
Bicycles/Shared User Path Network	3026			101,905	101,905
Municipal Building Project - Springvale	3043			532,120	532,120
Old Dandenong Civic Office - 39 Clow Street	3050			33,995	33,995
Lyndale Pavilion	3068			39,701	39,701
Drainage Program	3129			334,010	334,010
Princes Highway and Robinson Street	3133			499,933	499,933
Sandown Road Streetscape Springvale Road	3135			326,701	326,701
Walker Street Car Park Refurbishment	3140			137,995	137,995
Thomas Street Precinct Enhancement (Afghan)	3141			96,871	96,871
Pultney Triangle Construction	3142			306,732	306,732
Kindergarten Expansion Grant	3146			56,403	56,403
Parking Management Equipment	3147			495,318	495,318
Dandenong Park Demolition Works	3149			11,994	11,994
Black Spot Program - Railway Parade, Noble Park	3159		(409,000)	370,347	(38,653)
Black Spot Program - Athol Road / Noble Street, Noble Park	3161		(258,000)	263,884	5,884
Black Spot Program - Corrigan Road / Henderson Road, Noble Park	3162			219,291	219,291
Black Spot Program - James Street / David Street, Dandenong	3163			27,872	27,872
Safe City CCTV System and Hemmings Street	3184			41,628	41,628
Douglas Street Streetscape	3192			290,482	290,482
Masonic Hall	3200	(16,105)		16,105	0
Booking System Implementation	3202			41,018	41,018
Implementation of Shared Path - Brady Road	3214			140,875	140,875
Greaves Reserve - Alan Carter Pavilion	3221			17,416	17,416
Walker and Thomas Street Car Park	3226			25,099	25,099
Local Road Upgrade and Reconstruction	3231			71,072	71,072
Alex Nelson Reserve	3235		90,000	0	90,000
Little India	3243			40,000	40,000
Dandenong Market Retaining Wall	3265			156,781	156,781
YStop Refurbishment	3292			169,433	169,433
Police Paddocks - Soccer Complex Floodlight Installation	3297			156,427	156,427
Dandenong Basketball / Volleyball Centre - Master	3300			23,100	23,100
Dandenong Market - Roof, Reconfiguration and Wall Drainage	3302			602,640	602,640
Noble Park Community Centre - Car Park	3303			50,000	50,000
Tatterson Park Pavilion	3305		390,000	0	390,000
Shepley Oval (Pultney Street)	3359			15,000	15,000
Springers Leisure Centre - Various Works	3361			78,089	78,089
Living Treasures Interpretive Signage	3400			12,130	12,130
Municipal Wide LATM Post Audit	3418			165,703	165,703
Dandenong Wetlands Master Plan Implementation	3446			97,130	97,130
Walker Street Dandenong - Streetscape	3498			53,000	53,000
Keysborough South Community Hub Development	3548	(3,000,000)		3,146,491	146,491
Noble Park Tennis Club	3621			21,300	21,300
Dandenong Park Master Plan	3631	(38,000)		38,000	0
Springvale Activity Centre - Laneways	3651			15,000	15,000
Metro 3175 Temporary Car Park	3662	(1,060,979)		1,060,979	0
Clow Street Maternal and Child Health	3703			195,016	195,016
Major Stormwater Works	3729			132,714	132,714
Drum Theatre - External Lighting and Signage	3740			120,557	120,557
Dandenong Civic Centre, Levels 4 and 5 Fitout	3784			797,667	797,667
Dandenong Library - Revolving Door	3785			160,000	160,000
Barry Powell Reserve Shade Structure	3786			36,000	36,000
DCP - Abbotts Road Bridge Duplication	3994	(1,437,758)		1,437,758	0
<b>Total capital carry overs from 2015-16 to 2016-17</b>		<b>(5,552,842)</b>	<b>(97,000)</b>	<b>13,378,290</b>	<b>7,728,448</b>



## **2.5 POLICY AND STRATEGY**

### **2.5.1 Council Investment Policy**

File Id:

Responsible Officer:

Director Corporate Services

Attachments:

Review of NSW Local Government Investments  
April 2013  
Yarra City Council Ethical  
Procurement and Investment Commitment  
Examples of previous issues of Green Bonds  
Investment Policy

---

### **Report Summary**

At the Council meeting held 27 June, 2016, Council moved the following resolution:

*That:*

1. *the Fixed Asset Accounting and Investment Policies be re-adopted as recommended; and*
2. *Council officers prepare a report for the Council meeting of 12 September 2016 on options for the Council Investment Policy for socially responsible banking and investment to achieve outcomes of Council's policies, plans and strategies, including a review of approaches of other Councils.*

This Council report responds to the request for further information in respect of options for socially responsible investments.

### **Recommendation Summary**

This report recommends that Council adopts the revised Investment Policy as attached to this report and that where Council can satisfy its priority investment objectives; Council further investigates investing funds in a future green bond.



**2.5.1 Council Investment Policy (Cont.)****Background**

There are a number of features to this report that need to be considered in respect of any future approach that Council may adopt in regard to pursuing an investment framework based on social responsibility.

The areas canvassed in this report are:

- Background to Councils current investment portfolio
- Council's investment imperatives
- A review of approaches at other Councils
- Screening Council investments by either:
  - Social responsibility of investment institutions
  - Socially responsible investment products

***Background to Councils current investment portfolio***

The City of Greater Dandenong has significant cash investments due largely to its policy of maintaining liquid assets to cash back the following:

- All employee entitlements (Annual Leave and Long Service Leave)
- Trust funds (held on behalf of others)
- All Reserve Funds (both discretionary and statutory)
- Unspent capital funds carried over from the prior year (until expended)
- Unspent operational grants carried over from the prior year (until expended)

As at 30 June 2016 Council held \$83.6 million on investment.

These funds were invested in the following investment products:

- At Call (funds where Council can draw on immediately) – 9%
- Term Deposits – 91%

The financial institutions with which the funds are invested were:

- Commonwealth Bank – 76%
- National Australia Bank – 19%
- Westpac -5%

In 2015-16, the financial return from invested funds was \$2.27 million. It is therefore an extremely important revenue source in Council's financial structure.



**2.5.1 Council Investment Policy (Cont.)*****Council investment imperatives***

Prior to the consideration of investments based on social responsibility, it is strongly recommended to Council that three key investment imperatives must firstly be met. They are:

1. Protection of Council's principal funds;
2. Achieving a maximum return on investment on these funds; and
3. Ensuring Council maintains appropriate liquidity to meet its short term obligations.

In terms of the primary goal, Council's ability to invest is governed by Section 143 of the Local Government Act.

In essence, Council may invest in government securities issued by both the Commonwealth and Victorian governments and in financial institutions that are guaranteed by the Victorian government. It is important to note however that the government will only guarantee the first \$250,000 of any funds invested in these financial institutions with the balance of funds therefore 'at risk'.

Protection of public money must be paramount to any Council. Whilst Victorian investment legislation is quite restrictive in terms of the types of investment products Council can invest in, recent examples in NSW highlight Councils realised investment losses of approximately \$362 million in the period up to 2013 from failed investments in 'CDO's' (consolidated debt obligations) arising from the global financial crisis prior to this point. (Attachment 1)

Council currently manages its investment risk by an investment framework based on Standard and Poor's credit rating. The below table extracted from the current investment policy highlights investment limits that can be held in institutions based on credit ratings.



**2.5.1 Council Investment Policy (Cont.)**

Investment Grade	S&P Short Term Rating	S&P Long Term Rating	Investment Maximum %
Superior	A1+	AAA	100%
Superior	A1	AA+, AA,AA-	80%
Strong	A2	A+,A,A-	60%
Acceptable	A3	BBB+	10%

Putting the above table in context the following highlights the respective credit ratings of major financial institutions:

Lending Institution	S&P's Short term rating	S&P's Long Term Rating
CBA, Westpac, ANZ, NAB	A1+	AA-
Macquarie Bank	A1	A
Bendigo Bank	A2	A-
Bank of Queensland	A2	A-
ME Bank	A2	BBB+
Bank Australia (MECU)	A2	BBB+
CUA	A2	BBB+

Whilst Council's current investment policy would allow Council to invest funds in credit unions such as Bank Australia (MECU) and CUA (to a maximum of 10% of its total investment funds), Council has to this point avoided any investments in these bodies based on ensuring the highest level of protection of public funds.

A related concern to this is that if the Australian government loses its current AAA rating it will have a flow on impact to all banks with their rating also being reduced. An investment in an institution rated BBB+ may at some future point become non-compliant with Council's existing policy.

The second imperative is one of maximising the financial return to Council. As previously noted in this report, in 2015-16 Council received \$2.27 million from its investment of cash funds. Continuing to maximise investment revenues remains paramount for Council in a financial environment where Council will face tight constraints into the future.

Whilst Council may debate its willingness to forgo some investment return on the basis of being socially responsible, there are options canvassed later in this report where Council can achieve aspects of social responsibility without compromising return on investment.



**2.5.1 Council Investment Policy (Cont.)*****Review of approaches at other Councils***

The inclusion of social responsibility in Council investment policies is an approach that is still very much in its infancy with the majority of other Councils not considering this approach. The below table summarises the approach at other eastern metropolitan Councils.

Municipality	Social responsibility in Investment Policy?
Casey	No
Frankston	No
Kingston	No
Monash	No
Bayside	Yes
Knox	No
Maroondah	N
Manningham	No
Whitehorse	Yes
Glen Eira	Yes
Boroondara	No

As noted only Bayside City Council, Whitehorse and Glen Eira have considered this issue at this point. There are however a number of Councils that have social responsibility matters noted in their Investment Policy. In addition to these Councils, the investment policies of the following Councils include an element of social responsibility:

- Yarra City Council
- Wodonga City Council
- Macedon Ranges
- Moreland City Council
- Stirling City Council (WA)



**2.5.1 Council Investment Policy (Cont.)**

Some of the key learnings from the approaches adopted by these Councils are:

*Yarra City Council*

Yarra City Council's current Investment policy provides five primary objectives of funds investment with the fourth objective being 'Ethical Investment which states *'investments must conform with accepted business practices and complement Council's wider operational sustainability goals which are included in the Annual Plan and forward strategic plan'*

The current investment approach at Yarra still sees all investment funds placed with the four major banks in either at call or short duration term deposits.

At its Council meeting held 23 August, 2016, Yarra City Council further considered an Ethical Procurement and Investment Commitment which is included in this report as attachment 2. This commitment sits above the investment policy and describes the values that Council will consider in making investment and procurement decisions, including positive and negative screening that will be applied.

*Wodonga City Council*

Wodonga City Council's Investment Policy has four primary objectives, the third of which states *'Ensure that responsible investment principles, incorporating environmental, social, governance and ethical considerations have been used by ensuring a proportion of funds are held in investments with Responsible Investment Association Australasia (RIAA) members and/or investment products certified by them'*

Discussions with Wodonga City Council indicated that at 30 June 2016, Council had 53% of its investment portfolio with financial institutions that met the RIAA criteria. Funds of this nature were invested with ME Bank, Bank of Queensland and Rural Bank with the remaining funds with the major four banks. Whilst they presently have no percentage threshold, Council noted that that they will consider a 50% threshold of funds held in RIAA approved institutions when the policy is reviewed in the future.

*Macedon Ranges Council*

Macedon Ranges have four investment objectives, the third of which states *'be cognisant of Councils social and environmental responsibilities by giving preference to investing Council funds in banks and financial institutions that do not invest in or finance the fossil fuel industry'*.

Discussions with Macedon Ranges indicate that there is no percentage threshold established and they have a cap on ethical investments of \$2 million. In addition to the four major banks, they invest with Bendigo Bank, Bank of Queensland and Members Equity in order to meet their criteria. All funds are either at call or short duration term deposits.



**2.5.1 Council Investment Policy (Cont.)***Moreland City Council*

Investment in socially responsible institutions is not noted in Moreland's primary investment objectives but in their factors to consider when investing, they note ethics and sustainability as factors to consider.

*Bayside City Council*

Similar to Moreland City Council, socially responsible investment is not noted in the primary objectives of Bayside Councils Investment policy but under the selection of fund managers section of the policy they note access to socially responsible investments as a consideration.

*Stirling City Council (WA)*

Stirling City Council in Western Australia has an investment policy where the fourth objective states *'the investment should align to Council values through environmentally responsible investment and socially responsible investment in line with the other objectives of the policy'*. The Council further notes a preference to invest in institutions that do not invest in or finance the fossil fuel industry provided that the investment is compliant with other areas of the policy and does not compromise Councils investment rate of return.

Discussions with Stirling indicate that they currently have 71% of funds invested in institutions that do not invest in or finance the fossil fuel industry. Banks that this Council invests with include Bank of Queensland, CBA, Westpac, Bendigo Bank, ME Bank, NAB, Rural Bank and Sun Corp.

*Glen Eira City Council*

Glen Eira's investment policy contains the statement *"Council will not invest directly in fossil fuel assets, carbon-heavy investments or high carbon intensive industries or other uses which are contrary to Council policies."* Glen Eira confirmed that this clause does not restrict Council from its indirect investments which are held with the four major banks.

*Whitehorse City Council*

Whitehorse City Council's investment policy contains five primary investment objectives which do not include social responsibility. Under the selection of investments, Council includes a statement that *says when evaluating potential investments the Senior Finance Officer will consider financial institutions that are both committed to supporting community activities, committed to sustainable and responsible practices and/or offer ethical investment options. Council will positively view financial institutions that demonstrate a commitment to the principles for responsible investment reinforced by the UN Global Compact Finance initiative.*

The Whitehorse investment policy does however state that the above criteria must not be in conflict with the five primary objectives of the Investment Policy.



**2.5.1 Council Investment Policy (Cont.)**

***Investment Screening approaches for social responsibility***

In the event that the City of Greater Dandenong wishes to pursue an investment approach that includes elements of socially responsible investment, there are two potential ways of screening investments to achieve this outcome.

They are:

1. Screening by financial institution
2. Screening by investment product

The following sections outline the relative merits of these approaches.

***Screening by financial institution***

The majority of Councils that have to this point moved down a path of socially responsible investment have used the screening approach of identifying which lenders meet their criteria of social responsibility.

To this end however, most have simply based their approach on whether a financial institution has invested indirect funding in the fossil fuel industry based on the Market Forces website.

<http://www.marketforces.org.au/banks/compare>

Using this approach alone, all of the four major banks in Australia have significant indirect investments in the fossil fuel industry. The reality is however social responsibility is a much wider issue than fossil fuels.

In preparing this report for Council, City of Greater Dandenong contacted the Responsible Investment Association Australasia (RIAA) to enquire whether this body had a rating approach to assess each financial institution more globally as to its level of social responsibility.

The RIAA directed Council's enquiry to Corporate Analysis Enhanced Responsibility (CAER) to provide a more comprehensive score check on the social responsibility of various institutions. CAER prepared a report for Council including corporate monitor reports for the following institutions:

- Commonwealth Bank
- ANZ
- Westpac
- NAB
- Bendigo Bank



**2.5.1 Council Investment Policy (Cont.)**

The approach undertaken by the corporate monitor reports is much more comprehensive than simply fossil fuels and ranks each institution across a range of features under three broad categories of environment, governance and social.

The outcomes of the rankings provided by the corporate monitor reports were:

Financial Institution	Ranking
Commonwealth	74%
ANZ	94%
Westpac	100%
NAB	100%
Bendigo Bank	71%

The CAER report further highlights that these banks on average achieve rankings out of nearly 4.5/5 (for environmental, social and governance) which compares to the average of approximately 3/5 for all other business sectors in the Australian market place.

It is recommended to Council that screening by financial institutions is problematic on several fronts. Companies performance will change from year to year and the indirect funding that each bank provides is not tracked other than fossil fuels. Various banks for example will fund institutions that are invested in the gaming industry but this is not tracked or reported.

Rather than a negative screening approach, the alternative option below outlines a positive screening approach.

***Screening by investment product***

As noted earlier in this report, all current investments held by the City of Greater Dandenong are either in 'at call' investments where funds can be accessed the same day or in term deposits typically ranging in length between 30-90 days to maturity. These approaches provide both the highest return to Council with the most flexibility in terms of managing our liquidity needs.

Council does however have a core amount of funds which could be invested for far longer terms given that these funds will not be required in the short-term. Council's employee entitlements for long service leave for example continue to increase year on year without reduction and could safely be invested for longer periods.

In terms of positive screening of investment products, there is a move by all of the four major banks to periodically offer what are called either 'green bonds' or 'climate bonds'. Examples of previous issues of green bonds are included as Attachment 3.



**2.5.1 Council Investment Policy (Cont.)**

Green bonds allow Council to positively support climate initiatives such as wind, solar and low carbon buildings through raising funds by investing in these bonds.

The challenge for Council to meet in considering green bonds is that the investment horizon is typically a minimum of five years with interest returns generally being similar to that which Council receives for 90 day term deposits. Whilst the financial environment is in a declining interest rate environment, the financial risks to Council investing long-term are relatively slight. Should however interest rates begin to move higher, Council runs the risk of being in a fixed interest rate environment for a long period potentially below the market investment rate.

Council's current Investment Policy limits the maximum duration of investments to 36 months which would require amendment to five years should Council wish to consider investing in green bonds.

Discussions held with the Commonwealth Bank have indicated that there is a high likelihood of this bank issuing a green bond prior to the end of this calendar year for a five year period.

**Proposal**

Council's current investment policy is very sound in comparison to other policies reviewed from other Councils but could be further enhanced by the inclusion of the key investment imperatives as outlined earlier in this report (protection of principal, maximising returns and retention of appropriate liquidity) together with a fourth imperative on seeking to invest in a socially responsible manner where these first three objectives can be met.

It is recommended therefore that the Policy be amended to include the four investment objectives and include further reference under the selection of investments to include a further point on socially responsible investments.

Proposed revisions to the current investment Policy are included as attachment 4.

Whilst not part of the Policy wording, it is also recommended that Council further investigates the investment of funds in a future green bond where the first three investment imperatives can be achieved.

**Community Plan 'Imagine 2030' and Council Plan 2013-2017 – Strategic Objectives, Strategies and Plans**

After consultation with the Greater Dandenong community on what kind of future they wanted to see for themselves and the City in 2030, the result was the Greater Dandenong Community Plan 'Imagine 2030'. This report is consistent with the following community visions:

**Community Plan 'Imagine 2030'****Opportunity**

- *Leadership by the Council* – The leading Council



### **2.5.1 Council Investment Policy (Cont.)**

#### **Council Plan 2013-2017**

The Council Plan describes the kind of future the Council is working for, and how Council will do this over four years. This report is consistent with the following goals:

##### Place

- An environmentally sustainable city

##### Opportunity

- A thriving and resilient economy

#### **Financial Implications**

From a purely economic standpoint, the existing investment approach and policy best serves the City of Greater Dandenong in terms of placing investments in the most secure fashion, maximising the investment return and maintaining the highest level of liquidity given all investments are short-term in nature.

This report notes that should Council wish to add an element of investment in responsible investment products, this can be achieved without impact on investment security and at interest returns which are equivalent to what Council currently receives with its term deposits.

Investment in green bonds will however require Council to invest funds for a five-year time period which carries with it a financial risk both positive and negative. In a falling interest rate environment, a green bond may in fact provide Council with a higher rate of return and should interest rates rise during the term, it may be locking Council into a lower rate of return.

#### **Consultation**

Council has held discussions with representatives from the City of Yarra, Macedon Ranges Shire Council, Wodonga City Council, Stirling City Council, Glen Eira City Council, Whitehorse City Council, Responsible Investment Association Australasia, CAER, National Australia Bank, Bendigo Bank and Commonwealth Bank of Australia in the preparation of this report.

The draft Council report was presented to the Audit Advisory Committee on Friday 2 September, 2016. The Audit Advisory Committee noted the revised Policy rather than recommending it for adoption and expressed some concerns in regard to Council investing in a five-year fixed interest product which from a pure financial management view, has no tangible benefits to Council.

The Committee did however note and respect the role of Council to take account of other aspects other than just financial management in setting the investment policy.



**2.5.1 Council Investment Policy (Cont.)****Conclusion**

As noted in this report, the investment of Council funds is an extremely important function of Council and one which provides Council with a significant annual return which assists Council in offsetting funds required from rates.

The current investment policy adopted by Council provides the highest level of protection of Councils principal investment funds, maximising the returns and maintaining a high level of liquidity through a short-term investment horizon.

The adoption of a social responsibility consideration in local government investment strategies is still very much in its infancy with the vast majority of Councils yet to consider this issue or alternatively not endorsing a change in existing investment practices. There are however some Councils that have moved down this path which are outlined in the report.

In adopting an approach to socially responsible investment, there would appear to be two viable alternatives which are to screen investments by the financial institution (giving preference to those institutions that meet a particular Council's criteria) or to seek to invest a portion of Council funds in investment products that support the goals and objectives of Council.

As noted in this report, assessing financial institutions is problematic unless Council wishes to only adopt a simple approach such as those banks which are indirectly invested in the fossil fuel industry. This approach ultimately fails to consider the much broader issues of social responsibility and is not recommended.

The issue of social responsibility remains high in the minds of the various financial institutions with three of the four major banks releasing green or climate bonds in the past three years and with Commonwealth Bank likely to do so before the end of 2016.

Whilst participating in a green bond carries with it some financial risk in terms of movements in interest rates over a five year period, this report recommends amendments to the Investment Policy which would allow Council to invest in such products when they become available.

**Recommendation****That Council:**

- 1. adopts the revised Investment Policy as attached to this report; and**
- 2. seeks to further investigate and where appropriate implement the investment of Council funds in a green bond investment product subject to satisfying its other investment objectives of protection of its principal investment, maximising returns and maintenance of adequate liquidity.**



**2.5.1 Council Investment Policy (Cont.)**

**MINUTE 1515**

Moved by: Cr Matthew Kirwan

Seconded by: Cr Youhorn Chea

**That Council:**

- 1. adopts the revised Investment Policy as attached to this report; and**
- 2. seeks to further investigate and where appropriate implement the investment of Council funds in a green bond investment product subject to satisfying its other investment objectives of protection of its principal investment, maximising returns and maintenance of adequate liquidity.**

**CARRIED**



**2.5.1 Council Investment Policy (Cont.)**

**POLICY AND STRATEGY**

**COUNCIL INVESTMENT POLICY**

**ATTACHMENT 1**

**REVIEW OF NSW LOCAL GOVERNMENT  
INVESTMENTS APRIL 2013**

**PAGES 2 (including cover)**

*If the details of the attachment are unclear please contact Governance on 8571 5235*



**2.5.1 Council Investment Policy (Cont.)**

 <b>Premier &amp; Cabinet</b> Division of Local Government	<b>Review of NSW Local Government Investments</b> <b>April 2013</b>
--	--

**Executive Summary**

An independent review of council investments was conducted in early 2008 by Michael Cole (the Cole Report). Since the release of the report, a number of councils across NSW have realised investment losses in respect to their holdings of structured financial products and continue to do so. The current review of local government investments undertaken by the Investigations and Performance Group of the Division of Local Government provides an update on the gains and losses on structured financial products.

**1. Key findings**

The key findings of the review were:

- Councils have reduced their exposure to structured financial products from approximately \$1<sup>1</sup> billion in 2007 to \$395 million at 30 June 2012, thereby reducing uncertainty and the potential for further losses;
- Over the past four financial years, councils have realised losses of approximately \$192 million, \$160 million in CDOs and \$32 million in Capital protected products;
- As at 30 June 2012, councils anticipate further (unrealised) losses of \$170 million, \$155 million in CDOs and \$15 million in Capital protected products;
- Total losses (both realised and unrealised) at 30 June 2012 was \$362 million<sup>2</sup> from structured financial products (Cole Report estimated a loss/shortfall of \$250 million);
- Councils' reserves have been depleted by as much as \$50 million over the past four financial years as a result of interest not being received from CDOs and Capital protected products; and
- The largest losses recorded by individual councils were Gosford City Council (\$42M), Wingecarribee Shire Council (\$19M), Ryde City Council (\$15M), Woollahra Municipal Council (\$10M) and Moree Plains Shire Council (\$9M).

The report has also identified a number Councils at risk of investment defaults, being Broken Hill Council, Yass Valley Council, Singleton Council, Richmond Valley Council, Canterbury Council, Armidale Dumaresq Council and Port Macquarie Hastings Council.

<sup>1</sup> 'Short scale' a billion is 1000 million as used as opposed to 'long scale' a billion is a million million.

<sup>2</sup> (\$192 million plus \$170 million)



**2.5.1 Council Investment Policy (Cont.)**

**POLICY AND STRATEGY**

**COUNCIL INVESTMENT POLICY**

**ATTACHMENT 2**

**YARRA CITY COUNCIL ETHICAL  
PROCUREMENT AND INVESTMENT  
COMMITMENT**

**PAGES 3 (including cover)**

*If the details of the attachment are unclear please contact Governance on 8571 5235*



**2.5.1 Council Investment Policy (Cont.)**

## Yarra City Council Ethical Procurement and Investment Commitment

### **Preamble**

As a major provider of services and infrastructure Council procures and contracts a significant number of goods and services on an annual basis. Yarra has a long and proud history of being leaders in delivering social, economic, environment and cultural outcomes for our Community. In adopting this ethical investment and procurement commitment Council will put in place a mechanism to ensure that companies that provide goods and services to or on behalf of Yarra City Council, along with any future investments will, as a minimum not have a significant negative impact on the community and wherever possible have a net positive impact on the social, economic and environmental future of the City.

Positively, this will drive Council to, where possible, invest its financial resources in areas which promote human welfare, dignity and respect, and the best interests of the Yarra community.

Negatively, this perspective will proscribe the avoidance of investment in and procurement from enterprises whose products or practices cause or perpetuate injustice and suffering, infringe fundamental human rights or cause unacceptable damage to the natural environment.

This commitment will act as an overarching statement and approach for Council's key decisions as it relates to procurement and investment, including but not limited to major tenders, cash and share investments and be embedded into Council's Investment Policy and Council's Procurement Policy and practices.

### **Investment and procurement process**

The investment and procurement process will ensure that all investment and procurement decisions are made having regard to the values expressed in the preamble, the Council plan and relevant policy positions and to Council's requirement to exercise effective financial stewardship. Effective financial stewardship can be achieved by the evaluation of negative and positive screens together with a focus on appropriate economic returns, investment risks and sustainability. Council will, where appropriate, undertake a process of engagement with companies involved in unacceptable activities to attempt to drive improved practices. Council will participate as socially responsible investors and procurers by membership of relevant industry bodies and the utilisation of industry standards to support decision making.

### **Positive screen**

Council seeks to invest in and procure from companies which promote human welfare, dignity and respect, and the general benefit to the community. Examples include companies produce goods or services which enhance the health and welfare of individuals and communities, and companies which produce goods or services which preserve the environment.



### 2.5.1 Council Investment Policy (Cont.)

#### **Negative screen**

Council will, wherever possible avoid investing in companies whose products, services or practices cause or perpetuate injustice and suffering, infringe human rights, specifically slave or child labour or cause unacceptable damage to the natural environment. Industries included are:

- Armaments
- Uranium
- Gambling
- Thermal coal
- Offshore and onshore immigration processing
- Unconventional oil and gas production
- Tobacco manufacturing
- Pornography

Companies are also excluded where their practices are unacceptable in areas such as human rights, occupational health and safety, environmental management and wherever companies support oppressive regimes.

Council recognises that there will be occasions when companies inadvertently breach some of the principles and where genuine efforts are made to rectify the breaches. Council will not prohibit investment in a company where a breach of the principles, in relation to its products or services, is immaterial; the breach may also be balanced by other positive actions. The materiality of the breach is determined by reference to its proportion of the company's activities, the proportion of the industry in which the excluded activity operates, and/or whether the activity is clearly of an egregious nature regardless of this proportion.

Council acknowledges that decisions may be complex involving a balance between positive and negative factors and may require expert assistance to make this determination.

#### **Neutral**

Some investments and procurement will be from companies which are considered to be neutral in terms of the positive and negative screens. Such investment and procurement will be made on the basis of investment and procurement criteria contained within the assessment processes. This will assist Council to exercise effective financial stewardship and provide a reliable source of income and capital growth to support our growing community with a diverse range of needs. The effective use of resources is, in itself, an ethical outcome.



**2.5.1 Council Investment Policy (Cont.)**

**POLICY AND STRATEGY**

**COUNCIL INVESTMENT POLICY**

**ATTACHMENT 3**

**EXAMPLES OF PREVIOUS ISSUES OF  
GREEN BONDS**

**PAGES 9 (including cover)**

*If the details of the attachment are unclear please contact Governance on 8571 5235*



## 2.5.1 Council Investment Policy (Cont.)

NAB launches Australian and world first green bond | NAB News

Page 1 of 2



## NAB LAUNCHES AUSTRALIAN AND WORLD FIRST GREEN BOND

20 Jul 2016

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National Australia Bank's launch of the Victorian Government Green Bonds, issued on 19 July, has raised \$300 million, helping to finance and refinance Victorian State investments in energy efficiency, renewable energy generation, low carbon public transport and energy efficient water treatment.

The ground-breaking green bond, an Australian and world-first, was issued by the Treasury Corporation of Victoria (TCV). NAB is the Sole Arranger, Green Bond Structuring Agent and Lead Manager for TCV on the issue.

Projects that will benefit from the transaction will include LED traffic lights, hydroelectric power stations, low-carbon buildings at Federation Square, the Melbourne Metro Tunnel, the Mernda Rail extension and the development of a large-scale renewable energy power station.

Executive General Manager Capital Financing, Steve Lambert, said the landmark transaction further demonstrates NAB's long-term commitment to green bonds and renewable energy.

"We are very proud to have led this green bond, which will help finance a number of energy efficient, critical infrastructure projects throughout Victoria.

"NAB is committed to helping finance \$18 billion of renewable energy projects over the next seven years and this world-first for NAB in the green bond market is another step towards achieving that goal.

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<http://news.nab.com.au/nab-launches-australian-and-world-first-green-bond/> 23/08/2016



## 2.5.1 Council Investment Policy (Cont.)

## NAB launches Australian and world first green bond | NAB News

Page 2 of 2

"This is the world's first Climate Bond Standard Certified Green Bond issued by a semi-government authority, and the first Australian green bond issued by a government."



"This transaction follows our own inaugural Climate Bond Certified issuance in 2014 as well as the world first Climate Bond Certified Green ABS securitisation transaction for FlexiGroup Limited in April this year, for which NAB was the Sole Arranger and Joint Lead Manager," he said.

Victorian Treasurer, Tim Pallas, said the transaction will allow investors to play a major role in delivering significant renewable energy projects and environmentally-friendly infrastructure to Victoria.

"Victorian Green Bonds offer investors the confidence of a AAA-rated government security, with the assurance that the funds will be used for ethical investments that deliver important environmental or climate change outcomes," he said.

**Social Innovation at NAB**

Impact investment is a developing global market, creating opportunities for investors seeking to address social or environmental challenges and generate a financial return. NAB believes impact investment plays an integral role in building a strong economy and delivers innovative financial solutions for current and prospective customers to demonstrate the potential ways impact investment can be used to address long-standing societal issues. NAB is the founding partner of Impact Investing Australia and has committed \$2 million to capacity building grants to support mission-led organisations seeking to scale their impact.

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## 2.5.1 Council Investment Policy (Cont.)

NAB launches first Australian climate bond - ABC News (Australian Broadcasting Co... Page 1 of 1



## NAB launches first Australian climate bond

By business reporter Stephen Letts

Updated Fri 5 Dec 2014, 10:12am

**Australian renewable energy investment has received a \$150 million boost with the release of the first local "climate bond" to finance local projects.**

National Australia Bank says proceeds from bond issue have been ring fenced to finance both wind and solar projects in Victoria, South Australia, Tasmania, Western Australia, New South Wales and the ACT.

The bulk of the 17 projects are already operational, while three are still under construction.

The NAB says the climate – or green – bond is the first bank-issued bond to be certified in compliance with international Climate Bonds Standards, a benchmark to assist investors prioritise investments that finance climate change solutions.

The World Bank – backed by Westpac and local institutional investors and super funds – released a \$300 million issuance last year, although those funds were more focused on building renewable energy projects in developing nations.

The global green bond market has been experiencing strong growth in the past couple years.

In the first six months of 2014, green bond issuance totalled \$US18.4 billion - a 67 per cent increase on 2013.

All up green bonds raised more than \$US40 billion worldwide this year.

Investor Group on Climate Change chief executive Nathan Fabian said it shows the banks are getting strong signals from institutional investors wanting "low carbon" and green products.

He said that, while the bond issue is a vote of confidence in existing projects, the potential growth in the sector is dependent on the outcome of the current political debate on renewable energy.

"Investors are going to look around the world for the best products," he argued.

"It's unclear whether Australia is going to be a good destination in the medium term for low carbon and green investments."

NAB says the renewable energy assets financed by the climate bond are expected to have an installed capacity of over 1.5 gigawatts of electricity in aggregate – the equivalent of an estimated 3.9 million tonnes of avoided greenhouse gas emissions.

The bond is smaller and less liquid than a typical major bank issuance, but it reflects the fact that superannuation and institutional funds increasingly have mandates demanding a percentage of investments are "clean and green".

"This provides investors the opportunity to invest in a bond with the same features of any senior, unsecured NAB bond – but with the additional benefit of being dedicated to financing climate change solutions," said NAB group executive for product and markets Antony Cahill.

Topics: banking, climate-change, emissions-trading, australia

First posted Fri 5 Dec 2014, 9:18am



PHOTO: Most of the money raised by the bond is going towards existing renewable energy projects. (7pm TV News SA)

MAP: Australia



2.5.1 Council Investment Policy (Cont.)

ANZ deepens Australia's fledgling Green bond market | Reuters

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BONDS NEWS | Thu May 28, 2015 10:44pm EDT

## ANZ deepens Australia's fledgling Green bond market

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### EDITOR'S PICK

<http://www.reuters.com/article/asia-bonds-idUSL3N0YJ26C20150529> 23/08/2016 01:50:13



## 2.5.1 Council Investment Policy (Cont.)

ANZ deepens Australia's fledgling Green bond market | Reuters

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By John Weavers

SYDNEY, May 29 (IFR) - Australia and New Zealand Banking Group received a robust response to its inaugural Green offering on Wednesday with a A\$600m (US\$458m) five-year bond, but some observers said the fledgling market might struggle to broaden greatly in the absence of a related premium.

There was nothing wrong with the execution of the deal as the Aa2/AA-/AA- rated ANZ combined the biggest such domestic issuance with the year's largest senior unsecured fixed-income bank trade, green or otherwise, in Australian dollars.

LIVE: Election 2016

Australia's state-owned Clean Energy Finance Corporation provided a cornerstone commitment of up to A\$75m for the bond, but this was not required as 46 private sector investors made for an order book of A\$725m.

SPONSORED TOPICS

Around a fifth of these investors (mainly councils, middle market and ethical funds) purchased ANZ bonds for the first time, buying about 7% of the deal.

Australian accounts were allocated 92% of the bonds and Asia 8%. Asset managers took 56%, insurance companies 21%, middle market 7%, banks 3%, local councils 3%, central banks 3%, state governments 3% and private banks 1%.

ANZ's 3.25% June 3 2020s priced at 99.384 for a yield of 3.385%, equivalent to 80bp over asset swaps, equalling the three-month plus 80bp margin for identically rated National Australia Bank's A\$1.9bn floating-rate sale a day earlier.

Ultimately, however, the Green market may need investors to pay a "good cause" premium over conventional bonds to persuade more issuers to access the sector and help it take off.

In a report issued on the day of ANZ's debut, Moody's senior vice president Falk Frey cited the lack of pricing benefits over standard bonds to explain this year's drop in the issuance levels of companies and municipalities, which sold 46% of 2014's US\$37bn total.

Nevertheless, Frey predicts further overall growth in the global Green bond market from 2015's expected US\$100bn supply as more issuers emerge, particularly in countries like China and India, which are edging towards more eco-friendly economies.

Australia has lagged offshore markets as ANZ is only the fourth Australian dollar Green or Climate bond issuer and the second bank after NAB, which priced a 4.0% A\$300m seven-year MTN on December 4 2014 to yield 100bp wide of swaps.

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**Mexican development bank to issue first local green bonds**

The other two trades were from Triple A rated sovereign, supranational and agencies. International Bank for Reconstruction and Development (part of the World Bank Group) was the first to print a Green Kangaroo on April 16 last year with a 3.5% A\$300m five-year bond and Germany's KfW followed on March 25 this year with a A\$600m 2.4% 5.25-year sale.

An Australian origination manager said he had been working closely with one potential corporate issuer and pointed out that local property group Stockland, rated A- (S&P), sold a 300m (US\$327m) seven-year Green Eurobond last October.

"For many Australian corporations, Green bonds are a good fit because they have natural green assets that can be ring-fenced for these instruments," he said.

"As far as pricing is concerned, I do not expect a differential to develop between Green and standard



## 2.5.1 Council Investment Policy (Cont.)

ANZ deepens Australia's fledgling Green bond market | Reuters

Page 3 of 4

bonds with the growth of the Green market likely to happen naturally as more investors participate in a widening array of Green-specific projects."

ANZ worked with third-party verifier Ernst & Young and the Climate Bonds Initiative to identify A\$1.1bn of ANZ loans made to wind farms, solar energy firms and green buildings in Australia, New Zealand and parts of Asia that met the CBI's Green criteria.

Proceeds from the bond will finance this portfolio of loans and will also be allocated for investment in future green projects, potentially including geothermal power and fuel efficient transport sectors. (Reporting By John Weavers, edited by Dharsan Singh, Vincent Baby and Daniel Stanton)

## NEXT IN BONDS NEWS

## Argentina says July primary deficit \$1.71 bln

BUENOS AIRES, Aug 22  
Argentina's primary budget deficit was 25.71 billion pesos (\$1.71 billion) in July versus a surplus of 791.5 million pesos in the same month last year, the economy ministry said on Monday.



## Bank of Japan's rush into stocks raises fears of market distortions

\* BOJ annual ETF buying jumps to 6 trln yen from 3.3 trln yen



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**2.5.1 Council Investment Policy (Cont.)**

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**2.5.1 Council Investment Policy (Cont.)**

Westpac Raises \$360 Millon for Renewable Energy, Green Buildings - Bloomberg

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## Westpac Raises \$360 Millon for Renewable Energy, Green Buildings

Jessica Shankleman

Jess\_Shankleman

May 26, 2016 — 10:17 PM AEST

Westpac Banking Corp. Australia's fourth-largest lender by assets, raised A\$500 million (\$360 million) through its first green bond sale to fund renewable-energy projects and low-energy commercial buildings.

The Clean Energy Finance Corp. said it was an investor in the bond, the proceeds of which will finance Westpac's A\$1 billion clean-energy portfolio for projects in Australia, according to a statement Thursday.

"The strong response" to the bond reflects "continuing growth we're seeing in investors' and customers' appetite for products that have a positive impact on the economy and environment," said Siobhan Toohill, Westpac group head of sustainability.

Demand for climate-friendly bonds is surging and issuance is expected to reach a record \$56 billion this year, topping last year's peak of \$46 billion, according to Bloomberg New Energy Finance.

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**2.5.1 Council Investment Policy (Cont.)**

**POLICY AND STRATEGY**

**COUNCIL INVESTMENT POLICY**

**ATTACHMENT 4**

**INVESTMENT POLICY**

**PAGES 14 (including cover)**

*If the details of the attachment are unclear please contact Governance on 8571 5235*



**2.5.1 Council Investment Policy (Cont.)**

# Greater Dandenong Policy

## INVESTMENT POLICY

Policy Endorsement	Endorsement required by Council		
File Number:	A2915998	Authority:	Council
Directorate:	Corporate Services	Responsible Officer:	Manager Financial Services
Policy Type:	Discretionary	Version No:	003
1 <sup>st</sup> Adopted by Council	14 April 2009 Minute No. 118	Last Adopted by Council:	27 July 2016 Minute No. 1421
Review Period:	Every 3 Years	Next Review:	June 2019

### 1. Purpose

This policy provides a framework within which the investment of Council funds is to be undertaken by authorised Council officers. It provides a set of guidelines to ensure that investment management of surplus cash funds is made with prudence, consideration of acceptable risk and relevant applicable legislation. It is also to safeguard Council's cash assets, and meet Council's objectives in generating maximum value to ratepayers.

### 2. Background

The policy was developed to provide guidance to staff undertaking investment of Council funds.

### 3. Scope

This policy will apply to all funds invested on behalf of City of Greater Dandenong.

### 4. References

Council will comply with the following in relation to investments:

- **Local Government Act 1989 ("the Act")** – Sections 136 requires Council to "manage its financial risks prudently with due regard to economic circumstances". Section 143 gives guidelines on the specific types of financial instruments that Council could invest in. (**See Appendix**)
- **Australian Accounting Standards** – Council will account for its investments in accordance with these Standards. They also require Council to disclose its exposure to risk, and provide guidelines for valuation of investments, and reporting Council's performance of its investment funds.



**2.5.1 Council Investment Policy (Cont.)**

# Greater Dandenong Policy

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**5. Definitions**

- **Principal Accounting Officer:** The Principal Accounting Officer is the Finance Manager of Council.
- **Coordinator Financial Accounting:** Responsibility for the investment program is held by Council and delegated by the Principal Accounting Officer to the Coordinator Financial Accounting. The Coordinator Financial Accounting is responsible for investment decisions and activities and administration of investment funds under the direction of the Finance Manager. The Coordinator Financial Accounting is responsible for having cash available to meet day-to-day demands and to invest all excess cash into appropriate investments as per this policy.
- **Responsible investment** is a process that takes into account environmental, social and governance (ESG) and ethical issues into the investment process of research, analysis, selection and monitoring of investments.

**6. Council Policy****Investment Objectives**

In investing Council funds, Council must meet the following objectives;

1. Safety of principal – the preservation of capital and protection of principal is the foremost objective of the investment program. Investments made by Council shall be undertaken in accordance with the approved investments and with regard to ensuring the protection of Council funds;
2. Return on Investment – within the boundaries of meeting the safety objective, Council will seek to maximize the return on investment funds;
3. Maintenance of Liquidity – investment decisions will at all times have regard for the future liquidity requirements of Council and maintain flexibility for Council to meet its short-term funding requirements.
4. Where the above three criteria can be met, Council may seek to invest a portion of its investment portfolio in a responsible investment approach and which meets the goals and objectives of Council.

**Approved Investments:**

Council will invest its surplus funds within the guidelines and restrictions contained in S.143 of the Act.

Council will invest in any of the investments listed below subject to the limits mentioned in this Policy, and subject to the specific requirements of the Act. Different investment products will have differing levels of use, practicality and desirability at different times of the economic cycle. The decision regarding investment types will be made with regard to the prevailing economic and market conditions, the liquidity requirements of Council and the rates of return applicable at the time.



## 2.5.1 Council Investment Policy (Cont.)



# Greater Dandenong Policy

Investment	Description	Features	Benchmark	Horizon*
<b>At call deposit</b>	Cash funds invested on overnight deposit.	Ready access to funds. No fees. Interest rate usually 0.10% below the Reserve Bank cash rate.	Reserve Bank cash rate less 0.10% (10 basis points)	ST
<b>Commercial bill</b>	Highly negotiable products sold at a discount to their face value. The bank undertakes to pay the investor the face value upon maturity.	Highly liquid product which can be redeemed at any time by selling back to the bank.	UBSA Bank Bill Index	ST
<b>Floating rate notes</b>	FRNs are available for terms ordinarily of 1-3 years with regular coupons (interest) usually paid quarterly.	Interest rate is set at the beginning of the period and is paid in arrears. It is normally set at a margin over the 90 day Bank Bill Swap Rate (BBSW).	90 day BBSW + appropriate margin (agreed at the time of investment)	LT
<b>Government and Semi-Government bonds</b>	Long dated maturities with a sovereign debt rating. Considered to be the most resilient investments in regards to adverse market movements.	As a result of the extremely high credit ratings, these bonds have a low return in terms of yield.	UBSA Composite Bond Index	LT
<b>Managed funds with a minimum AAf rating</b>	Enhanced cash funds independently managed by fund managers.	Rate of return is benchmarked against the UBS 90 day Bank Bill index.	UBS Bank Bill index + 0.20% (20 basis points)	ST / LT

\*ST refers to investment horizons up to 12 months and LT over 12 months.

When considering investments in managed funds, enquiries will be made regarding the investments made by the fund and independent external advice will be sought.



**2.5.1 Council Investment Policy (Cont.)**

# Greater Dandenong Policy

**Risk Management:**

Council will actively manage the different types of risks relating to investments through the following means:

- Avoid speculative instruments
- Match rate of return expectations with levels of risk
- Avoid leveraging of investments – i.e. not used for the purpose of obtaining borrowings.
- Diversification – across asset classes and within asset classes subject to limitations contained in the Act
- Diversification – across counterparties, thereby limiting exposure to individual counterparties/institutions, subject to acceptable credit ratings
- Monitor credit ratings of counterparties regularly
- Set maturity limits for different investments and counterparties to a maximum of 5 years, unless approved by Council.
- Monitor investment performances against **Benchmark** for that category of investments. Investments that consistently perform below benchmark will be invested in alternative instruments
- Segregation of investment functions – No Council officer will both approve and invest funds

**Diversification by Credit Rating and Financial Institution:**

Council will control the credit quality on the investment portfolio by applying the following credit framework. This limits the percentage of the portfolio exposed to any particular credit rating category.

Investment Grade	S&P Short Term Rating*	S&P Long Term Rating*	Investment Maximum %
Superior	A1+	AAA	100%
Superior	A1	AA+, AA & AA-	80%
Strong	A2	A+, A & A-	60%
Acceptable	A3	BBB+	10%

When placing an investment, no single institution / corporation shall comprise more than 35% of the total investment portfolio, unless the investment is with the Council's transaction banker. Where the exposure limit of an investment category is exceeded as a result of an investment being redeemed, the exposure limits will be adjusted at the next available opportunity when funds are able to be reinvested.

If any of the investments are downgraded such that they no longer fall within this investment policy, they will be divested as soon as practicable.

In addition to the above requirements, any single investment in a AA rated managed fund will represent no more than 40% of the investment portfolio.



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2.5.1 Council Investment Policy (Cont.)



## Greater Dandenong Policy

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### Selection of Investments

- At least three (3) quotes are to be obtained from authorised financial institutions for any new investment, unless alternatives are not available.
- The Coordinator Financial Accounting is to prepare investment recommendation for approval by either the Finance Manager or the Director Corporate Services.
- Following approval the Coordinator Financial Accounting is to prepare documentation for funds transfer.
- Funds transfer to be authorised by two account signatories.
- Selection and acceptance of an investment offer will have regard to types allowed within this policy, rate of return, term, administrative costs, cash flow requirements and also need for diversity in investment of Council funds.
- Where primary investment objectives of safety, return and liquidity can be met, Council may seek to invest a portion of its investment portfolio in responsible investment products.

### Selection of Funds Managers

Fund managers will be selected using the following criteria:

- Standard & Poors long term rating AA or equivalent in other ratings categories.
- Certification of having read and understood relevant legislation including:
  - the Local Government Act Section 143 pertaining to local government investments
  - any Ministerial Releases in relation to investments for local government
  - City of Greater Dandenong Investment Policy

### Cash Management

The following principles apply to ensure efficient management of Council's cash resources:

- Cash flows and cash balances will be reviewed daily.
- Current balances will be maintained with the principle of achieving a minimum balance (ideally zero balance) once current cash flow commitments are met.
- Sufficient funds to meet short term cash requirements will be invested in an "at call" account with the Council's transactional banker.
- The balance of funds considered to be surplus to the Council's immediate cash requirements will be invested in accordance with the guidelines in this policy.



**2.5.1 Council Investment Policy (Cont.)**

## Greater Dandenong Policy

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- All investments including rolling movements will be recorded in Councils investment register.

**Investments Advisor:**

An investment advisor, if appointed must be approved by Council and licensed by the Australian Securities and Investment Commission. The advisor must be an independent person who has no actual or potential conflict of interest in relation to investment products being recommended.

**Federal Government Investment Guarantee**

Effective 1 February 2012 the Federal Government investment guarantee was reduced to a new permanent cap of \$250,000 per authorised deposit-taking institution (ADI) pursuant to the Financial Claims Scheme (FCS).

For investments in excess of \$250,000 in Australia's four major banks (National, Commonwealth, ANZ and Westpac), building society or credit unions access to the Federal Government Investment Guarantee is not required due to the financial soundness of these institutions. For investments beyond these banks, in excess of \$0.25 million, an investment guarantee should be sought.

**Annual Review:**

The Coordinator Financial Accounting will maintain a system of written internal controls, which shall be reviewed and tested by the internal auditor at least annually or upon any extraordinary event, i.e. turnover of key personnel, the discovery of any inappropriate activity. The Principal Accounting Officer shall also act in an internal control capacity.

**Performance and monitoring and reporting:**

Council's quarterly financial reporting will include a section on investments including:

- investments held;
- investment ratings;
- investment performance against relevant benchmarks and investment maturity dates.

Documentary evidence will be held for each investment, and the details thereof maintained in an Investment Register.

**Investment Maturity:****Maturity Limitations:**

Maturity Limitations **will** depend upon whether the funds being invested are considered short term or long term funds. All funds will be considered short term except **where cash outflows associated with funds are identified as being long term in nature. Any longer term investment must align with expected future cash outflows.**

**Short Term Portfolio:**

Investment maturities for operating funds shall be scheduled to coincide with projected cash flow needs.



### 2.5.1 Council Investment Policy (Cont.)



## Greater Dandenong Policy

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Maturity **will** also be laddered to provide for interest rate fluctuations and to minimize investment interest risk. Careful monitoring of interest rate fluctuation will provide a basis for evaluating risk and return.

Long Term Portfolio:

For the purpose of this policy, investments with a maturity date past one year are classified as long term. The purpose of such investments is to take advantage of rate movements at different times of the economic cycle.

**Review:**

This policy is reviewable after 3 years of its adoption or earlier in the event of legislative changes.



**2.5.1 Council Investment Policy (Cont.)**



# Greater Dandenong Policy

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## 7. Related Documents:

- Financial Management Policy
- Local Government Act 1989
- Annual Report

## 8. Appendix

### Principles of Sound Financial Management (section 136 LGA)

1. A Council must implement the principles of sound financial management.
2. The principles of sound financial management are that a Council must:
  - (a) manage financial risks faced by the Council prudently, having regard to economic circumstances;
  - (b) pursue spending and rating policies that are consistent with a reasonable degree of stability in the level of the rates burden;
  - (c) ensure that decisions are made and actions are taken having regard to their financial effects on future generations;
  - (d) ensure full, accurate and timely disclosure of financial information relating to the Council.

### Investments (section 143, LGA)

A Council may invest any money:

- (a) in Government securities of the Commonwealth;
- (b) in securities guaranteed by the Government of Victoria;
- (c) with an authorised deposit-taking institution;
- (d) with any financial institution guaranteed by the Government of Victoria;
- (e) on deposit with an eligible money market dealer within the meaning of the Corporations Act;
- (f) in any other manner approved by the Minister after consultation with the Treasurer either generally or specifically, to be an authorised manner of investment for the purposes of this section.



**2.5.1 Council Investment Policy (Cont.)**



# Greater Dandenong Policy

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**The Minister for Local Government authorised the following investments for the purposes of section 143(f) in July 2007:**

- Certificates of deposit and bills of exchange
- Investments in the Treasury Corporation of Victoria
- Investments in managed investment schemes with a rating of AAm or AAF from Standard and Poors Australian Ratings
- Fixed interest securities of an Australian Authorised Deposit Taking Institution and Shares listed on the Australian Stock Exchange, subject to certain conditions. These conditions include compliance with the Prudential Statement issued by the Minister for Local Government and approval of such investments under an appropriate plan by the Department of Treasury & Finance.



2.5.1 Council Investment Policy (Cont.)



# Greater Dandenong Policy



## Department for Victorian Communities

1 Spring Street  
Melbourne Victoria 3000  
GPO 2392  
Melbourne Victoria 3001  
Telephone: (03) 9208 3333  
Facsimile: (03) 9208 3680  
[www.dvc.vic.gov.au](http://www.dvc.vic.gov.au)

Circular No. 14/2007

The Chief Executive Officer  
All Councils and Regional Library Corporations  
(As addressed)

Dear Sir/Madam

### AUTHORISED INVESTMENTS – SECTION 143, LOCAL GOVERNMENT ACT 1989

I wish to advise that on 19 July 2007, the Minister for Local Government, the Hon. Richard Wynne MP, following consultation with the Treasurer, the Hon. John Brumby MP, approved a new form of investment as an authorised investment for the purposes of section 143(f) of the *Local Government Act 1989* (the Act). This approval was published in the Government Gazette of 26 July 2007, G30 (copy of approval attached).

The Minister has now approved the direct investment in fixed interest securities of the other Australian States and Territories subject to these securities being issued and guaranteed by a State or Territory Government and which have a credit rating equivalent to a Standard & Poor rating of AA or better as an authorised investment for the purposes of section 143(f) of the Act.

You will note that the power to invest in fixed interest securities of the other Australian State and Territories is not new. In 1998, these investments were similarly approved along with investments in shares in corporations listed on the Australian Stock Exchange (the ASX). However, under the 1998 approval, investments could only be made at arms length through a managed fund and only after a council had:

- lodged a report on financial and investment objectives and investment strategies under Section 6 of the Prudential Statement on Investment Powers of Councils dated February 1998; and
- received confirmation from the Department of Treasury and Finance that the council complies with the requirements of the Prudential Statement.

The approval of 19 July 2007 will enable councils to invest directly in fixed interest securities of the other Australian States and Territories. It should be noted however that investments in shares of a corporation listed on the ASX continue to be restricted consistent with the 1998 approval.

The new approval has provided the opportunity to remove previously authorised investments, which had, with the passage of time, become redundant.





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2.5.1 Council Investment Policy (Cont.)



## Greater Dandenong Policy

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- 2 -

The Minister's approval of 19 July 2007 therefore revokes all previously authorised general investments and restates those that continue to apply, including the new investments.

The Minister's approval of 19 July 2007 provides a single list of all investments authorised generally to apply to all councils and regional library corporations under section 143(f) of the Act.

Please feel free to contact Paul Rozario, Analyst Governance & Legislation on 9208 3611 or by e-mail at [paul.rozario@dvc.vic.gov.au](mailto:paul.rozario@dvc.vic.gov.au) should you have any queries in relation to this matter.

Yours sincerely

A handwritten signature in black ink that reads 'Prue Digby'.

Prue Digby  
Executive Director  
Local Government, Employment and Adult Education

25 July 2007

Encl.



2.5.1 Council Investment Policy (Cont.)



# Greater Dandenong Policy

## Local Government Act 1989

### APPROVAL OF AUTHORISED MANNERS OF INVESTMENTS FOR THE PURPOSES OF SECTION 143(F) OF THE LOCAL GOVERNMENT ACT 1989

I, Richard Wynne MP, Minister for Local Government, pursuant to section 143(f) of the *Local Government Act 1989* (the Act), hereby revoke all investments previously authorised generally to apply to all councils and regional library corporations under this provision.

Pursuant to section 143(f) of the Act, I authorise as approved manners of investment to apply generally to all councils and regional library corporations:

**1. *Certificates of Deposit and Bills of Exchange***

- (a) a certificate of deposit, whether negotiable, convertible or otherwise, issued by an authorised deposit taking institution as defined by section 3 of the *Trustee Act 1958*;
- (b) a bill of exchange which at the time of acquisition has a maturity date of not more than 200 days and which if purchased for value confers on the holder in due course a right of recourse against an authorised deposit taking institution, as defined by section 3 of the *Trustee Act 1958*, as the acceptor or endorser of the bill for an amount equal to the face value of the bill.

**2. *Investments in the Treasury Corporation of Victoria.***

**3. *Investment in managed investment schemes***

Investments in managed investment schemes which:

- have a rating of AAm or a rating of AAf from Standard and Poors Australian Ratings;
- are registered under section 601EB of the *Corporations Law 2001* (Commonwealth); and
- are liquid within the meaning of section 601KA(4) of the *Corporations Law 2001* (Commonwealth) and have a constitution that provides for members to withdraw from the scheme.



**2.5.1 Council Investment Policy (Cont.)**



## Greater Dandenong Policy

**4. Fixed interest securities of an Australian Authorised Deposit Taking Institution and Shares listed on the Australian Stock Exchange**

Investments in:

1. fixed interest securities of or guaranteed by an Australian authorised deposit taking institution; and
2. shares of a corporation listed on the Australian Stock Exchange.

Investments in fixed interest securities of an Australian authorised deposit taking institution and shares listed on the Australian Stock Exchange are subject to the following terms and conditions

**Terms and Conditions**

These investment powers may only be used by councils which have:

- [a] lodged a report on financial and investment objectives and investment strategies under Section 6 of the Prudential Statement on Investment Powers of Councils dated February 1998; and
- [b] received confirmation from the Department of Treasury and Finance that the council complies with the requirements of the Prudential Statement.

Investments must not be made directly but only through trust vehicles managed by the Victorian Funds Management Corporation or a private sector fund manager with specialist expertise in investment.

**5. Fixed interest securities of the Australian States and Territories**

Investments in the fixed interest securities of the other Australian States and Territories subject to these securities being:

- issued and guaranteed by a State or Territory Government; and
- which have a credit rating equivalent to a Standard & Poor rating of AA or better.

Dated 19 July 2007

**RICHARD WYNNE MP**  
Minister for Local Government



## **2.5.2 Review of Council's Flag Flying Policy**

File Id:

Responsible Officer:

Director Corporate Services

Attachments:

Superseded Flag Flying Policy  
Amended Flag Flying Policy

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### **Report Summary**

Council establishes a number of policies and codes of practice to guide the various operations of the Greater Dandenong City Council. Existing policies and codes of practice are subject to an ongoing review process to ensure that they comply with current legislation and adequately reflect Council's operational requirements. Any changes to existing policies are subject to Council approval.

Council's Flag Flying Policy has been recently reviewed in detail subsequent to a number of Council resolutions impacting the operational requirements for civic and community flags flown at Council sites. The superseded policy has been provided in Attachment 1 and the new policy for adoption has been provided in Attachment 2 to this report.

### **Recommendation Summary**

This reports recommends that Council's superseded Flag Flying Policy be abolished and replaced with the new policy (as amended) provided in Attachment 2.



**2.5.2 Review of Council's Flag Flying Policy (Cont.)****Background**

Policies establish clear processes and procedures by which Council conducts its business and activities and ensures that the decision making process is consistent.

Council has established a number of policies to guide the various functions of the City. Existing policies are subject to an ongoing review process to ensure they comply with current legislation and adequately reflect Council's operational requirements.

When Council resolves to adopt a policy and/or code of practice, in the absence of a sunset date, the policy or code remains current until Council resolves to abolish it.

It is critical that Council policies and codes of practice fully reflect the principles, values and issues that Council believes are important as outlined in the Council Plan. Following a detailed review of a Council policy or code of practice it will be submitted to Council for either readoption or abolition to ensure all policies and codes of practice remain current.

A database of all Council policy documents is maintained by the Governance Business Unit.

**Council Resolutions Made Impacting Policy**

At its Council meeting of 14 December 2015, Council resolved on two Notices of Motion as follows:

Notice of Motion No. 80 - Recognition of the Vietnamese Heritage Flag by Greater Dandenong City Council.

*Part A*

*That Council once again reviews and amends its 'Flag Flying Policy' to incorporate the following suggestions made by the South Eastern Melbourne Vietnamese Associations' Council:*

- 1. the Vietnamese Heritage Flag is flown at those Council-organised events where other community flags are flown;*
- 2. the Vietnamese Heritage Flag is flown at those Council-owned or -run premises where and when other community flags are flown;*
- 3. the Vietnamese Heritage Flag is shown on publications and online sites where*

*Council shows other community flags; and*

- 4. Council will welcome it if any business or body – for example, a state school – wants to fly the Vietnamese Heritage Flag.*



**2.5.2 Review of Council's Flag Flying Policy (Cont.)**

*Part B*

*That Council:*

1. *supports the 40th anniversary year of Vietnamese refugee settlement in Australia by recognising the yellow 'Co Vang' flag (the Vietnamese Heritage Flag) as a symbol of the Australian Vietnamese community and their refugee experience; and*
2. *considers upon request that the yellow 'Co Vang' flag be on display on days of cultural significance (for example TET - 30 April, ANZAC Day, Vietnamese Veterans Day – 19 June and Vietnam Veterans Day - 18 August).*

Notice of Motion No. 81 – Recognition of the Aboriginal Flag at Dandenong Civic Centre

*That a report be brought forward as soon as practicable regarding the following expectations and that this report includes engagement with the Aboriginal community leaders on this matter and considers other example jurisdictions where this has been implemented:*

1. *Council erecting a third flagpole near the other two at Council's Civic Centre in Dandenong; and*
2. *Council flying the Aboriginal flag daily to recognise the original settlers of Australia.*

At its Council Meeting of 8 February 2016, Council made a further resolution on a Notice of Motion as follows:

*That:*

1. *Council commits to treating community flags from different cultures equally, recognising that we are in a municipality of over 150 different cultures;*
2. *a new Flag Flying Policy be developed and presented to Council by end of April 2016 with procedures to allow any cultural group to submit applications for Council consideration to have their community flag flown by Council;*
3. *there be urgent provision for permanent and/or ongoing temporary infrastructure to support these changes and that temporary flag poles are used until then; and*
4. *Council considers building a permanent flag pole in Springvale's Multicultural Square.*

As a result of the Notices of Motion above, Council officers conducted significant studies in what constitutes a community flag, the flag flying policies of nine other councils and the budget implications for installing additional flagpoles for community flags at Harmony Square, Dandenong and Multicultural Place, Springvale, and for installing an additional flagpole for the Aboriginal flag to be flown permanently at Council's Civic Centre in Dandenong.



**2.5.2 Review of Council's Flag Flying Policy (Cont.)**

These findings were discussed with Councillors at a Councillor Briefing Session on 16 May 2016 and subject to budget funding being accepted in the 2016-2017 budget process, works would be scheduled to accommodate the following:

- One permanent flagpole would be erected for specifically flying community flags within Harmony Square, Dandenong;
- One permanent flagpole would be erected for specifically flying community flags within Multicultural Place, Springvale.
- One additional flagpole would be erected at the main entrance to Harmony Square, Dandenong Civic Centre to allow for the permanent flying of the Aboriginal flag along with the Australian and Greater Dandenong flags, in accordance with Commonwealth and Victorian flag flying protocol.

The completion of these works would then require that Council's Flag Flying Policy be altered to reflect the changes and allow for the application to fly community flags at Council's community flagpole sites.

At the time of writing this report, these works were scheduled for early September 2016. Note that the changes to this policy cannot actually be effected until the scheduled works have been completed.

**Proposal**

The changes required to the existing flag flying policy to accommodate the flying of community flags at Harmony Square, Dandenong and Multicultural Place, Springvale, and the permanent flying of the Aboriginal flag at the Dandenong Civic Centre site, have been indicated in red in Attachment 2. If endorsed by Council, these will come into force as soon as the scheduled works are completed and the proposed new flagpoles are in place. Note that the new policy purposefully separates community flagpole sites from civic flag pole sites to ensure that Commonwealth and Victorian Flag protocol is always strictly maintained at Council's civic flagpole sites.

In addition to this, Council's website will be updated with new information about community flag flying opportunities.

**Community Plan 'Imagine 2030' and Council Plan 2013-2017 – Strategic Objectives, Strategies and Plans**

After consultation with the Greater Dandenong community on what kind of future they wanted to see for themselves and the City in 2030, the result was the Greater Dandenong Community Plan 'Imagine 2030'. This report is consistent with the following community visions:

**Community Plan 'Imagine 2030'****Opportunity**

- *Leadership by the Council* – The leading Council



### **2.5.2 Review of Council's Flag Flying Policy (Cont.)**

#### **Council Plan 2013-2017**

The Council Plan describes the kind of future the Council is working for, and how Council will do this over four years. This report is consistent with the following goals:

##### People

- A city that celebrates its diversity with pride
- A Council that listens and leads

#### **Victorian Charter of Human Rights and Responsibilities**

The Victorian Charter of Human Rights and Responsibilities has been considered in the preparation of this report but is not relevant to its contents.

#### **Financial Implications**

The cost of installation for three new flagpoles was considered within the 2016-2017 budget process. The on-going resource costs for the raising and lowering of community flags when required will be absorbed by existing operational budgets.

#### **Consultation**

Council officer and Councillors extensively discussed these policy changes at its Councillor briefing Session held on 16 May 2016.

#### **Conclusion**

The amended policy provided in Attachment 2 has been extensively reviewed subsequent to the Notices of Motion detailed in this report and is consistent with current legislation and Council's operational needs and is submitted to Council for adoption. Note that the changes to this policy cannot actually be effected until the scheduled works have been completed.

#### **Recommendation**

That:

1. the superseded Flag Flying Policy provided in Attachment 1 be abolished;
2. the amended Flag Flying Policy provided in Attachment 2 be adopted; and
3. Council notes that the changes to the amended policy in Attachment 2 cannot actually be effected until the scheduled works as detailed in this report have been completed.



**2.5.2 Review of Council's Flag Flying Policy (Cont.)**

**MINUTE 1516**

Moved by: Cr Maria Sampey

Seconded by: Cr Sean O'Reilly

**That:**

1. the superseded Flag Flying Policy provided in Attachment 1 be abolished;
2. the amended Flag Flying Policy provided in Attachment 2 be adopted; and
3. Council notes that the changes to the amended policy in Attachment 2 cannot actually be effected until the scheduled works as detailed in this report have been completed.

**CARRIED**



**2.5.2 Review of Council's Flag Flying Policy (Cont.)**

**POLICY AND STRATEGY**

**REVIEW OF COUNCIL'S FLAG FLYING POLICY**

**ATTACHMENT 1**

**SUPERSEDED FLAG FLYING POLICY**

**PAGES 8 (including cover)**

*If the details of the attachment are unclear please contact Governance on 8571 5235.*



**2.5.2 Review of Council's Flag Flying Policy (Cont.)**

# Greater Dandenong Policy

## Flag Flying Policy

File Number:	A37096	Authority:	Council
Directorate:	Corporate Services	Responsible Officer:	Manager, Governance & Commercial Property
Policy Type:	Discretionary	Version No:	003
1 <sup>st</sup> Adopted by Council	9 June 2009 Minute No. 171	Last Adopted by Council:	9 June 2015, Minute No. 967
Review Period:	Every Four (4) Years	Next Review:	June 2019

### 1. Purpose

The purpose of this policy is to provide consistent guidelines for the flying of flags at council's civic flagpole sites and ensures that Council complies with flag protocols issued by the Department of Premier and Cabinet – Protocols Unit.

This Policy also specifies the flags to be flown at each of the civic flag pole sites and provides for specific arrangements for flying flags at half mast on days of significance or in remembrance of persons or events.

### 2. Background

The City of Greater Dandenong as an expression of its governance responsibilities flies flags at each of its civic flag pole sites. Council's Governance & Commercial Property Unit is responsible for ensuring that the flags displayed are acknowledged with due diligence, dignity and attention to position.

The locations of Council's five (5) civic flagpole sites are as follows:

- Springvale Road Shopping Centre (six flagpoles outside Australia Post)
- Corner Lonsdale and Langhorne Streets Dandenong (three flagpoles)
- Springvale Council offices (two flagpoles)
- Dandenong Civic Centre (two flagpoles)
- Drum Theatre (former Dandenong Town Hall) (one flagpole)

From time to time, Council may receive requests for flags to be flown on specific flag poles, however Council must at all times observe the Federal and State Government flag protocols and the guidelines set out in this policy.

Further information or clarification on flag flying protocols can be accessed at [www.austalianflag.org.au/protocol.php](http://www.austalianflag.org.au/protocol.php)



## 2.5.2 Review of Council's Flag Flying Policy (Cont.)



# Greater Dandenong Policy

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## 3. Scope

**This Policy applies to Council's five civic flagpole sites** as listed above. These civic flagpole sites are maintained by the Governance and Commercial Property Unit.

**This Policy does not apply to the promotional gateway banner pole sites** which are located at:

- Springvale Road, Springvale (near Boulton St)
- Princes Hwy, Dandenong (opposite Robinson St)
- Princes Hwy, Dandenong (near Peter Stevens Motorcycles)
- Douglas St and Heatherton Rd, Noble Park
- Menzies Ave, Dandenong
- Brady Rd, Dandenong North
- Princes Hwy, Sandown (near Racecourse).

These banner pole sites are maintained by the Media and Communications Unit within Council and are used solely for the purpose of promoting the city and events.

The flag poles located at the Pillars of Freedom, on the corner of Lonsdale and Clow Streets, near the Palm Plaza is a monument of the Dandenong RSL and is maintained by the RSL.

## 4. References

- This Policy supersedes Council's Flying of Aboriginal Flag Policy which was last endorsed by Council on 13 December 2004.
- Flags Act 1953



**2.5.2 Review of Council's Flag Flying Policy (Cont.)**

# Greater Dandenong Policy

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## Council Policy

### Flying of Flags at Civic Flag Poles

Council must strictly adhere to the flag protocol of the Federal and State Governments and as such, will display and fly only official flags of recognised states at council flagpole sites. These include the:

- Australian flag;
- Victorian flag;
- Aboriginal flag;
- United Nations flag;
- City of Greater Dandenong house flag (pennant);
- Charitable House Flags; and
- Any other flag prescribed by the State and Federal Government's flag protocols.

The following civic flag pole sites will fly the following flags:

- Springvale Road Shopping Centre, where there are six flagpoles located outside of Australia Post Council will fly two Australian flags, two Aboriginal flags and two City of Greater Dandenong house flags;
- Corner Lonsdale and Langhorne Streets Dandenong, where there are three flagpoles, Council will fly the Australian, Aboriginal and City of Greater Dandenong house flags;
- Springvale Civic Precinct, where there are two flagpoles, the Australian and City of Greater Dandenong house flags will be flown;
- Dandenong Civic Centre, where there are two flagpoles, the Australian and City of Greater Dandenong house flags will be flown; and
- Drum Theatre where there is one flag pole will fly the Australian Flag.

The Australian flag at Council's office locations will always be flown in the pre-eminent position unless otherwise requested by the Federal or State Government to fly another official flag.

Where declared by the Federal or State Government, a special flag or flags may be flown. When Council receives advice on special declarations by the government the City of Greater Dandenong flag would be replaced with the special flag.

Council will not fly or display flags of former regimes or countries that are not recognised by the Australian Government.

Council restricts the flying of unofficial flags at its civic flagpole sites to ensure that the representation of the city's cultural and ethnic diversity is not compromised and that no particular group within our city is either highlighted or disappointed.

This Policy does not restrict any community group from flying unofficial flags at their own private community events for the duration of that event.



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2.5.2 Review of Council's Flag Flying Policy (Cont.)



## Greater Dandenong Policy

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Council will not:

- fly flags at, or maintain, a flagpole site outside its five civic centers or other sites specified in this policy; and
- remove flags from its existing civic flagpole sites for any commercial or decorative reasons.
- provide flags to groups within the community.

### **Guidelines to display the Australian National Flag**

The Australian flag will be flown at Council's five civic flag pole sites on a permanent basis. The Australian National flag takes precedence over all other flags.

The Australian flag should never be flown when it is in damaged, faded or dilapidated condition. When the material of a flag deteriorates to a point where it is no longer suitable for use, it should be destroyed privately and in a dignified way.

The flag should always be flown aloft and free as close as possible to the top of the flag mast, with the rope tightly secured.

The canton (Union Jack) should be in the uppermost left quarter as viewed by the person facing the flag.

The flag may only be flown at night when illuminated. In Accordance with National Flag Protocols, street lighting is considered appropriate illumination when the flag(s) are clearly visible.

The flag should not be allowed to fall or lie flat on the ground.

The flag should not be used to cover a statue, monument or plaque for an unveiling ceremony, or to cover a table or chair or any other furniture.

The Australian National flag must be flown as determined under national protocols. For further information go to [www.austalianflag.org.au/protocol.php](http://www.austalianflag.org.au/protocol.php)

### **Flying the Aboriginal Flag**

The Australian Aboriginal flag was proclaimed as a flag of Australia under Section 5 of the Flags Act 1953 (14 July 1995).

Council will fly the Aboriginal flag in Lonsdale Street, Dandenong and Springvale Road, Springvale permanently in recognition of Aboriginal people as the traditional owners of the land on which the City of Greater Dandenong is located.

Council will fly the Aboriginal flag at council offices during Reconciliation and NAIDOC weeks and at other times as required to mark any other key indigenous events.

Council will fly the Aboriginal flag at half mast at council offices to mark the passing of an esteemed local elder or Aboriginal leader, following a request from the relevant local Aboriginal community organisation.



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2.5.2 Review of Council's Flag Flying Policy (Cont.)



## Greater Dandenong Policy

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### **Flying the Victorian State Flag**

The Victorian State flag was originally proclaimed on 10 February 1870.

Council will fly the Victorian State Flag at the Dandenong Civic Centre annually on the 10 February to recognize the anniversary of the first proclaimed Victorian Flag.

Council will fly the Victorian State Flag at the Dandenong Civic Centre upon any known visits to the City by Victorian Dignitaries.

### **Flying of Flags at Half Mast**

Flags are flown in the half-mast position as a sign of mourning.

To bring the flag to the half-mast position, the flag must be raised to the top of the mast, then immediately lowered slowly to the half mast position. An acceptable position would be when the top of the flag is a third of the distance down from the top of the flag pole.

When flying the Australian National flag at half-mast with other flags, all flags in the set should be flown in the same position. The Australian National flag should be raised first and lowered last.

Under no circumstances should a flag be flown at half-mast at night.

The Protocol Unit of the Department of Premier and Cabinet provides notices to Council when all flags must be flown at half mast, such as on the death of a member of the Royal Family, the head of state, Governor-General or distinguished Australian citizen.

At the discretion of the Chief Executive Officer or in his/her absence the Manager, Governance & Commercial Property, the Australian flag will be flown at half mast to acknowledge the passing of a past Mayor or Councillor on the day of the funeral. Council will also acknowledge the death of a current Councillor, Council staff member or community leader and other esteemed community identities such as Living Treasures on the day of that person's funeral.

Following a request from the relevant local Aboriginal Community and at the discretion of the Chief Executive Officer or in his/her absence the Manager, Governance & Commercial Property, the Aboriginal Flag will be flown at half mast to mark the passing of a local elder or Aboriginal person who has contributed significantly to the community of the City of Greater Dandenong.

### **Significant Dates**

Australia Day – 26 January  
Commonwealth Day – 2<sup>nd</sup> Monday in March  
ANZAC day- 25 April (flags to be flown at half mast until 12 noon)  
Reconciliation Week (end of May)  
Queen's Birthday – 2<sup>nd</sup> Monday in June  
NAIDOC Week – nominated week in July  
Australian National Flag Day – 3 September  
United Nations Day – 24 October  
Remembrance Day – at half mast from 10.30am until 11.02am



## 2.5.2 Review of Council's Flag Flying Policy (Cont.)



# Greater Dandenong Policy

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### **Maintenance and Monitoring**

Council's Governance & Commercial Property Unit is responsible for coordinating the maintenance of civic flagpoles and sites and the monitoring of the flags condition while they are being displayed. If a flag suffers damage and is rendered unsuitable for display, the Governance & Commercial Property Unit is responsible for coordinating immediate replacement and disposal of the damaged flag. Cyclic replacement is also undertaken on a quarterly basis.



**2.5.2 Review of Council's Flag Flying Policy (Cont.)**



# Greater Dandenong Policy

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## 5. Related Documents

- The Australian Flags Act 1953 (Commonwealth)
- Office of the Premier and Cabinet - Protocol and Special Events Branch
- Australian Government "It's an Honour" Office Website –  
[www.itsanhonour.gov.au/flying\\_Flag.html](http://www.itsanhonour.gov.au/flying_Flag.html)
- [www.australianflag.org.au/protocol](http://www.australianflag.org.au/protocol)
- City of Greater Dandenong Indigenous Policy
-



**2.5.2 Review of Council's Flag Flying Policy (Cont.)**

**POLICY AND STRATEGY**

**REVIEW OF COUNCIL'S FLAG FLYING POLICY**

**ATTACHMENT 2**

**AMENDED FLAG FLYING POLICY**

**PAGES 11 (including cover)**

*If the details of the attachment are unclear please contact Governance on 8571 5235.*



**2.5.2 Review of Council's Flag Flying Policy (Cont.)**

# Greater Dandenong Policy

## Flag Flying Policy

File Number:	A37096	Authority:	Council
Directorate:	Corporate Services	Responsible Officer:	Manager, Governance & Commercial Property
Policy Type:	Discretionary	Version No:	003
1 <sup>st</sup> Adopted by Council	9 June 2009 Minute No. 171	Last Adopted by Council:	9 June 2015, Minute No. 967
Review Period:	Every Four (4) Years	Next Review:	June 2019

### 1. Purpose

The purpose of this policy is to provide consistent guidelines for the flying of flags at Council's civic and community flagpole sites throughout the municipality.

This Policy purposefully divides the civic and community flagpole sites into two distinct categories for flags to be flown as follows:

- at each of Council's civic flagpole sites. It ensures that Council complies with flag protocols issued by the Department of Premier and Cabinet – Protocols Unit and provides for specific arrangements for flying flags at half mast on days of significance or in remembrance of persons or events at these sites;
- at each of Council's community flagpole sites and provides for specific criteria for the provision of such flags by community groups and members to Council so that community flags can be flown at these sites.

### 2. Scope

This Policy applies to Council's five civic and two community flagpole sites as listed above. These civic flagpole sites are maintained by the Governance Unit.

#### Civic Flagpole Sites

The City of Greater Dandenong, as an expression of its governance responsibilities, flies flags at each of its civic flagpole sites. Council's Governance Unit is responsible for ensuring that the flags displayed are acknowledged with due diligence, dignity and attention to position.

The locations of Council's five (5) civic flagpole sites are as follows:

- Springvale Road Shopping Centre (six flagpoles outside Australia Post)
- Corner Lonsdale and Langhorne Streets Dandenong (three flagpoles)
- Springvale Council Customer Service offices (two flagpoles)



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2.5.2 Review of Council's Flag Flying Policy (Cont.)

## Greater Dandenong Policy

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- Dandenong Civic Centre (~~two~~ **three** flagpoles)
- Drum Theatre ('former Dandenong Town Hall') (one flagpole)

### Community Flagpole Sites

The City of Greater Dandenong, in recognising the diversity of communities within the municipality, also flies community flags at each of its community flagpole sites. Council's Governance Unit is responsible for ensuring that the flags displayed are acknowledged with due diligence, dignity and attention to position.

The locations of Council's two (2) community flagpole sites are as follows:

- Multicultural Place, Buckingham Avenue, Springvale (one flagpole)
- Harmony Square, Walker Street, Dandenong (one flagpole).

### When Policy Does Not Apply

This Policy does not apply to the promotional gateway banner pole sites which are located at:

- Springvale Road, Springvale (near Boulton St)
- Princes Hwy, Dandenong (opposite Robinson St)
- Princes Hwy, Dandenong (near Peter Stevens Motorcycles)
- Douglas St and Heatherton Rd, Noble Park
- Menzies Ave, Dandenong
- Brady Rd, Dandenong North
- ~~Princes Hwy, Sandown (near Racecourse)~~

These banner pole sites are maintained by the Media and Communications Unit within Council and are used solely for the purpose of promoting the city and events.

The flag poles located at the Pillars of Freedom, on the corner of Lonsdale and Clow Streets, near Palm Plaza is a monument of the Dandenong RSL and is maintained by the RSL. Council does assist the RSL from time to time in the maintenance of this monument and will replace the Australian flag prior to Anzac Day and Remembrance Day events.

- Flags Act 1953



**2.5.2 Review of Council's Flag Flying Policy (Cont.)**

# Greater Dandenong Policy

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## 3. Council Policy

### 3.1 Flying of Flags at Civic Flag Poles

Council ~~will must~~ at all times strictly adhere to the flag protocol of the Federal and State Governments and the guidelines set out in this policy and, as such, will display and fly only official flags of recognised states at Council's **civic** flagpole sites. (Further information or clarification on flag flying protocols can be accessed at [www.austalianflag.org.au/protocol.php](http://www.austalianflag.org.au/protocol.php)). These include the:

- Australian flag;
- Victorian flag;
- Aboriginal flag;
- United Nations flag;
- City of Greater Dandenong house flag (pennant);
- Charitable House Flags; and
- Any other flag prescribed by the State and Federal Government's flag protocols.

The following civic flag pole sites will fly the following flags:

- Springvale Road Shopping Centre, where there are six flagpoles located outside of Australia Post Council will fly two Australian flags, two Aboriginal flags and two City of Greater Dandenong house flags;
- Corner Lonsdale and Langhorne Streets Dandenong, where there are three flagpoles, Council will fly the Australian, Aboriginal and City of Greater Dandenong house flags;
- Springvale Civic Precinct, where there are two flagpoles, the Australian and City of Greater Dandenong house flags will be flown;
- Dandenong Civic Centre, where there are three flagpoles, the Australian, the Aboriginal and City of Greater Dandenong house flags will be flown; and
- Drum Theatre where there is one flag pole will fly the Australian Flag.

The Australian flag at Council's office locations will always be flown in the pre-eminent position unless the Federal or State Government requests another official flag be flown.

Where declared by the Federal or State Government, a special flag or flags may be flown. When Council receives advice on special declarations by the government, the City of Greater Dandenong flag would be replaced with the special flag.

Council will not fly or display flags of former regimes or countries **at its civic flagpole sites** that are not recognised by the Australian Government.

Council restricts the flying of unofficial flags at its civic flagpole sites to ensure that the representation of the city's cultural and ethnic diversity is not compromised and that no particular group within our city is either highlighted or disappointed.

This Policy does not restrict any community group from flying unofficial flags at their own private community events for the duration of that event.



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2.5.2 Review of Council's Flag Flying Policy (Cont.)



## Greater Dandenong Policy

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Council will not:

- fly flags at, or maintain, a flagpole site outside its five civic centers or other sites specified in this policy;
- remove flags from its existing civic flagpole sites for any commercial or decorative reasons; and
- provide flags to groups within the community.

### **Guidelines to display the Australian National Flag**

The Australian flag will be flown at Council's five civic flag pole sites on a permanent basis. The Australian National flag takes precedence over all other flags.

The Australian flag should never be flown when it is in damaged, faded or dilapidated condition. When the material of a flag deteriorates to a point where it is no longer suitable for use, it should be destroyed privately and in a dignified way.

The flag should always be flown aloft and free as close as possible to the top of the flag mast, with the rope tightly secured.

The canton (Union Jack) should be in the uppermost left quarter as viewed by the person facing the flag.

The flag may only be flown at night when illuminated. In accordance with National Flag Protocols, street lighting is considered appropriate illumination when the flag(s) are clearly visible.

The flag should not be allowed to fall or lie flat on the ground.

The flag should not be used to cover a statue, monument or plaque for an unveiling ceremony, or to cover a table or chair or any other furniture.

The Australian National flag must be flown as determined under national protocols. For further information go to [www.austalianflag.org.au/protocol.php](http://www.austalianflag.org.au/protocol.php)

### **Flying the Aboriginal Flag**

The Australian Aboriginal flag was proclaimed as a flag of Australia under Section 5 of the Flags Act 1953 (14 July 1995).

Council will fly the Aboriginal flag in Lonsdale Street, Dandenong and Springvale Road, Springvale permanently in recognition of Aboriginal people as the traditional owners of the land on which the City of Greater Dandenong is located.

Council will fly the Aboriginal flag at council offices during Reconciliation and NAIDOC weeks and at other times as required to mark any other key indigenous events.

Council will fly the Aboriginal flag at half mast at council offices to mark the passing of an esteemed local elder or Aboriginal leader, following a request from the relevant local Aboriginal community organisation.



**2.5.2 Review of Council's Flag Flying Policy (Cont.)**

## Greater Dandenong Policy

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**Flying the Victorian State Flag**

The Victorian State flag was originally proclaimed on 10 February 1870.

Council will fly the Victorian State Flag at the Dandenong Civic Centre annually on the 10 February to recognize the anniversary of the first proclaimed Victorian Flag.

Council will fly the Victorian State Flag at the Dandenong Civic Centre upon any known visits to the City by Victorian Dignitaries.

**Flying of Flags at Half Mast**

Flags are flown in the half-mast position as a sign of mourning.

To bring the flag to the half-mast position, the flag must be raised to the top of the mast, then immediately lowered slowly to the half mast position. An acceptable position would be when the top of the flag is a third of the distance down from the top of the flag pole.

When flying the Australian National flag at half-mast with other flags, all flags in the set should be flown in the same position. The Australian National flag should be raised first and lowered last.

Under no circumstances should a flag be flown at half-mast at night.

The Protocol Unit of the Department of Premier and Cabinet provides notices to Council when all flags must be flown at half mast, such as on the death of a member of the Royal Family, the head of state, Governor-General or distinguished Australian citizen.

At the discretion of the Chief Executive Officer or in his/her absence the Manager, Governance & Commercial Property, the Australian flag will be flown at half mast to acknowledge the passing of a past Mayor or Councillor on the day of the funeral. Council will also acknowledge the death of a current Councillor, Council staff member or community leader and other esteemed community identities such as Living Treasures on the day of that person's funeral.

Following a request from the relevant local Aboriginal Community and at the discretion of the Chief Executive Officer or in his/her absence the Manager, Governance & Commercial Property, the Aboriginal Flag will be flown at half mast to mark the passing of a local elder or Aboriginal person who has contributed significantly to the community of the City of Greater Dandenong.

**Significant Dates**

Australia Day – 26 January  
Commonwealth Day – 2<sup>nd</sup> Monday in March  
ANZAC day- 25 April (flags to be flown at half mast until 12 noon)  
Reconciliation Week (end of May)  
Queen's Birthday – 2<sup>nd</sup> Monday in June  
NAIDOC Week – nominated week in July  
Australian National Flag Day – 3 September  
United Nations Day – 24 October  
Remembrance Day – at half mast from 10.30am until 11.02am



**2.5.2 Review of Council's Flag Flying Policy (Cont.)**

# Greater Dandenong Policy

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**3.2 Flying of Flags at Community Flag Poles**

From time to time, Council receives requests for flags to be flown at specific civic flagpole sites, however Council must at all times observe the Federal and State Government flag protocols and the guidelines set out in this policy at those sites.

To accommodate such requests from the community, Council has made provision for two community flagpole sites in Springvale and central Dandenong.

Community flagpole sites have been installed as a means for different communities within Greater Dandenong to express and symbolise identity, pride and belonging which are celebrated at different and significant cultural and/or community or days and events.

**Criteria for Consideration of Flying a Community Flag**

Community flag flying requests will be forwarded and assessed by the Governance Unit and considered on a case by case basis. Only applications in writing from locally based communities for events or internationally recognized days and activities will be eligible to be considered. Where community, Council, State or Federal sensitivities are identified during an application assessment, approval may be referred to Council for resolution. Groups applying to have a community flag flown at Council's community flagpole sites will be required to provide the flag that is to be flown. All requirements and guidelines for an application to be made in writing are provided for in Appendix 1 to this policy.

The following criteria will be considered when a request to fly a community flag at its community flagpole sites during days of cultural or other significance is received by Council.

The flying of the community flag:

- promotes respect for all;
- is part of an event or ceremony;
- is consistent with Council's values and policies;
- embraces a sense of belonging and enhanced community life; and
- is not connected to individual advancement, political or cultural sensitivities nor exposure to adverse criticism of Council or the community as a whole.

On days where specific community flags are not flown at community flag pole sites, Council will fly its City of Greater Dandenong house flag at community flagpole sites. Council will also take priority at these sites, if it is holding a community event at either Multicultural Place in Springvale or Harmony Square in Dandenong.

**3.3 Maintenance and Monitoring**

Council's Governance Unit is responsible for coordinating the maintenance of civic flagpoles and sites and the monitoring of the flags condition while they are being displayed. If a flag suffers damage and is rendered unsuitable for display, the Governance Unit is responsible for coordinating immediate replacement and disposal of the damaged flag. Cyclic replacement is also undertaken on a quarterly basis.



## 2.5.2 Review of Council's Flag Flying Policy (Cont.)



# Greater Dandenong Policy

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## 4. Related Documents

- The Australian Flags Act 1953 (Commonwealth)
- Office of the Premier and Cabinet - Protocol and Special Events Branch
- Australian Government "It's an Honour" Office Website –  
[www.itsanhonour.gov.au/flying\\_Flag.html](http://www.itsanhonour.gov.au/flying_Flag.html)
- [www.australianflag.org.au/protocol](http://www.australianflag.org.au/protocol)
- City of Greater Dandenong Indigenous Policy

## 5. References

- This Policy supersedes Council's Flag Flying Policy which was last endorsed by Council on 9 June 2015.



**2.5.2 Review of Council's Flag Flying Policy (Cont.)**



# Greater Dandenong Policy

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**6. Appendix 1 – Application to Fly Community Flag at Council  
Community Flagpole Site**





Name of applicant, community group, organisation:			
Address:			
Postcode:			
Contact phone numbers:	1.	2.	3.
Email address:			
Community flagpole location site requested (tick relevant):		Multicultural Place, Springvale	Harmony Square, Dandenong
Description of community flag (add attachments if this assists you)			
Reason for display of community flag (tick relevant):		Community event	National event
		Day of significance	Other
Describe how this requests meets the criteria on the reverse of this application:			
The first date the community flag must be flown:			
The last date the community flag must be flown:			
Office Use Only:			



**2.5.2 Review of Council's Flag Flying Policy (Cont.)**

# Greater Dandenong Policy

**GUIDELINES****Eligibility**

Only applications in writing on this application form from locally based communities for events or internationally recognised days and activities will be eligible to be considered. Community flag flying requests must be forwarded to and assessed by the Governance Unit and will be considered on a case by case basis on a first come, first serve basis. Applications should be forwarded at least six weeks prior to the date when the community flag is intended to be flown.

**Criteria Considered in Applications**

The following criteria will be considered when a request to fly a community flag at its community flagpole sites during days of cultural or other significance is received by Council.

The flying of the community flag:

- promotes respect for all;
- is part of an event or ceremony;
- is consistent with Council's values and policies;
- embraces a sense of belonging and enhanced community life; and
- is not connected to individual advancement, political or cultural sensitivities nor exposure to adverse criticism of Council or the community as a whole.

**Other Considerations**

- Permission may be given to fly a community flag for a minimum of one day to a maximum of 7 days.
- If more than one community group or organisation wishes to utilise one community flagpole site on the same day, priority will be given the application that was received first. If more than one community group or organisation wishes to utilise one community flagpole site during the same week, then Council will use its best endeavours to accommodate all requests during that week.
- Where community, Council, State or Federal sensitivities are identified during an application assessment, approval may be referred to Council for resolution.
- A response to an application indicating approval or otherwise will be provided in writing signed by the Manager Governance within four weeks of receipt of the request unless approval is sought through a resolution of Council. If approval is sought through a resolution of Council, the applicant will be notified of the progress of the application and the proposed Council meeting date within two weeks of receipt of the application. Once Council has made a resolution, a response will be provided in writing signed by the Manager Governance indicating approval or otherwise.
- Where an application is approved, the applicant will be required to provide the flag that is to be flown. The flag must be new and be 1800mm wide by 900mm high. The flag must be provided to Council's Governance Business Unit at least one week prior to the date it is intended to be flown. The flag will be kept by the Governance Unit for the next time it is required unless it is picked up by the applicant.

**Council Event Priority**

On days where specific community flags are not flown at community flag pole sites, Council will fly its City of Greater Dandenong house flag, or other community flags at community flagpole sites at its discretion. Council will also take priority at these sites if it is holding a community event at either Multicultural Place in Springvale or Harmony Square in Dandenong.



## **2.6 OTHER**

### **2.6.1 Lyndale Community Reference Group Review**

File Id:

Responsible Officer:

Director Community Services

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#### **Report Summary**

In August 2013 the Menzies Avenue Community Strengthening Project Community Reference Group was formed. After consultation with the members the name of the group was changed to the Lyndale Community Reference Group. This name change more closely reflected their connection to the local community. A Terms of Reference for the Group was endorsed by Council in August 2013 for a period of 12 months fixed term which was subsequently extended to 24 months. At the end of this period a review was conducted and a report provided to Council.

The review of the Community Reference Group was conducted and included the following processes:

- Hosting of the Lyndale Community Forum in May 2015
- Consultation with group members at the June 2015 Community Reference Group meeting
- Ongoing discussions with Council officers in September 2015
- Correspondence with Group members in November 2015 requesting submissions regarding the future of the Community Reference Group
- Report to Council on the Lyndale Community Reference Group

The review formally recognised the work and outcomes of the Community Reference Group. Based on the review processes, the group concluded meeting in November 2015.

#### **Recommendation Summary**

This report recommends that Council notes the findings of the review of the Lyndale Community Reference Group and the conclusion of the Community Reference Group in favour of broad based community engagement and participation activities.



**2.6.1 Lyndale Community Reference Group Review (Cont.)****Background**

The Dandenong North Community Strengthening project was established to improve community wellbeing in and around the Menzies Avenue shopping precinct. Part of this project was to establish a Community Reference Group consisting of local community members. Over the period 2013 to 2015, there were a maximum of 12 community members involved in the Group. In 2015 participation declined to an average of five community members per meeting supported by three Council staff.

After a process of community consultation the Menzies Avenue Community Strengthening Project Community Reference Group formed in July 2013 and commenced meetings in August 2013. In the same year the members agreed to a name change to more closely reflect the local community and the Lyndale Community Reference Group was formed and governed by the Lyndale Community Reference Group Terms of Reference that were endorsed by Council in August 2013.

The Lyndale Community Reference Group focussed its activities on the Menzies Avenue Precinct in Dandenong North with the aim to:

- Encourage community connections and participation.
- Explore improvement opportunities to community buildings and public spaces.
- Strive to decrease rates of crime and improved feelings of safety.
- Support initiatives that improve education and employment outcomes.

The work of the Lyndale Community Reference Group achieved the following outcomes:

- Advocating for the development of a community garden.
- Assisting in identifying priorities for a National Crime Prevention Fund grant to develop improved infrastructure in Menzies Park and assisting with communication on its roll out in the Menzies Avenue Precinct.
- Developing the Lyndale Community Survey to assist in understanding community needs in Lyndale/Dandenong North.
- Engagement with the community through Youth Dance, Clean up Australia Day and Garage Sale Trail events in 2014-15.
- Liaising with Council and stakeholders regarding traffic and transport issues.
- Advocating for program delivery in the area such as the Calisthenics School Holiday Program.
- Developing and running of the Lyndale Community Forum in May 2015.
- Facilitating information sharing amongst key community stakeholders and members.



### 2.6.1 Lyndale Community Reference Group Review (Cont.)

#### Proposal

In undertaking the review of the Community Reference Group at the end of the fixed term, feedback was sought from Community Reference Group members, Council officers and the community through the following ways:

- Survey of local residents and Reference Group members.
- Reference Group meetings.
- Community activities and events.

Feedback received included the following:

- The infrastructure upgrades and landscaping has greatly improved the look and feel of the shopping strip and general area. This has increased the number of people utilising the space, especially children, resulting in improved perceptions of safety and people connecting to others.
- The Community Reference Group provided an opportunity for a small number of residents of the community to be involved with Council and other stakeholders on local priorities.
- An ongoing need for community engagement with the Dandenong North area.
- The opportunity for the Community Reference Group to become a group that operates independent of Council.
- The work of the Group has assisted Council by providing an added source of advice to assist in the application of Council capital funds including the development of a community garden.
- There is a benefit from community engagement about community needs to assist in Council consideration of budget priorities and resource allocation.

As a result of the consultation and review of the Lyndale Community Reference Group the following points summarise the outcomes:

- The Group has added value as an additional source of engagement for Council and the community in relation to identifying community concerns and how Council resources can be used to respond to those concerns.
- There is limited interest to make the Group independent of Council and that broad based community engagement and interest in the Group has been a challenge to maintain.
- For the period of time (two years) that the group has operated it has added value to the engagement process however, this has been resource intensive from a Council staff (3) perspective.
- The Group agreed that it was best to conclude meeting from November 2015 and encouraged Council to continue to engage with the community on concerns as they arise over time.



**2.6.1 Lyndale Community Reference Group Review (Cont.)**

**Community Plan 'Imagine 2030' and Council Plan 2013-2017 – Strategic Objectives, Strategies and Plans**

After consultation with the Greater Dandenong community on what kind of future they wanted to see for themselves and the City in 2030, the result was the Greater Dandenong Community Plan 'Imagine 2030'. This report is consistent with the following community visions:

The Council Plan describes the kind of future the Council is working for, and how Council will do this over four years. This report is consistent with the following goals:

People

- A healthy, active and safe community
- A city that celebrates its diversity with pride

Place

- An environmentally sustainable city
- A city planned for the future

Opportunity

- A thriving and resilient economy
- A Council that listens and leads

The strategies and plans that contribute to these outcomes are as follows:

- Council Plan 2013-17
- Community Wellbeing Plan 2013-17

**Related Council Policies**

- Community Engagement Policy

**Victorian Charter of Human Rights and Responsibilities**

All matters relevant to the Victorian Human Rights Charter have been considered in the preparation of this Policy and are consistent with the standards set by the Charter.

**Financial Implications**

There are no financial implications associated with this report.



**2.6.1 Lyndale Community Reference Group Review (Cont.)****Consultation**

The review of the Lyndale Community Reference Group was undertaken following consultation with members of the Group and relevant Council Officers. Consultation activities included:

1. Feedback from Community Reference Group at the Lyndale Community Forum in May 2015.
2. Feedback from the Lyndale Community Reference Group meeting in June 2015.
3. Individual responses from Reference Group members in November 2015.
4. Feedback from Council staff to evaluate the use of community reference groups as a tool for engagement in Dandenong North.

**Conclusion**

A review of the Lyndale Community Reference Group was conducted in 2015. The review found that significant progress had been made in achieving the objectives of the group, in particular, the successful completion of the Menzies Avenue Safety Infrastructure Improvement Project and increased participation and use of the facilities in the precinct.

Based on the findings of the review and the outcomes achieved, the Lyndale Community Reference Group concluded meeting in November 2015.

The Group members decided that maintaining community interest to join and contribute to the Group was difficult. The Group also required an element of staff resource to maintain the group functions and that this resource would be more effectively committed to City wide community development projects including the Menzies Avenue area when circumstances arose. However, given the circumstances of the area at the time of formation in 2013, it was appropriate to have a dedicated focus for a fixed period to enhance the perception of community safety.

**Recommendation****That Council:**

1. **notes the conclusion of the Lyndale Community Reference Group and the findings of the review contained within this report; and**
2. **endorses the Mayor signing a letter of appreciation to the members of the Lyndale Community Reference Group thanking and congratulating them on their achievements.**



**2.6.1 Lyndale Community Reference Group Review (Cont.)**

**MINUTE 1517**

Moved by: Cr Matthew Kirwan

Seconded by: Cr Angela Long

**That Council:**

1. notes the conclusion of the Lyndale Community Reference Group and the findings of the review contained within this report; and
2. endorses the Mayor signing a letter of appreciation to the members of the Lyndale Community Reference Group thanking and congratulating them on their achievements.

**CARRIED**



## **2.6.2 Proposal to Lease Part of Level 5, 225 Lonsdale Street, Dandenong**

File Id:

Responsible Officer:

Director Corporate Services

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### **Report Summary**

This report addresses a proposal to enter into a lease with RMBL Investments Limited for part of Level 5 at 225 Lonsdale Street, Dandenong (known as the Dandenong Civic Centre).

Council is required to carry out statutory procedures in accordance with sections 190 and 223 of the *Local Government Act 1989* (LGA) in order to make a decision to lease the premises.

### **Recommendation Summary**

This report recommends that Council gives public notice of the intention to lease part of Level 5, 225 Lonsdale Street, Dandenong to RMBL Investments Limited. Subsequent to the notification period, if submissions are received, Council will establish a Special Committee to hear such submissions and a further report will be provided to Council for consideration. If no submissions are received, Council will authorise the execution of the lease.



**2.6.2 Proposal to Lease Part of Level 5, 225 Lonsdale Street, Dandenong (Cont.)****Background**

Section 190 of the LGA provides a restriction on the power of Council to lease land. If the lease is to be one year or more and the rent for any period of the lease is \$50,000 or more a year, or the current rental value of the land is \$50,000 or more a year; or the lease is for 10 years or more; Council must publish a public notice of the proposed lease at least four weeks before the lease is made. The LGA also provides that a person has a right to make a submission under section 223 on the proposed lease.

Council built the Dandenong Civic Centre in 2012-2013 and moved into the premises in March 2014. Two areas on levels 4 & 5 (of 553 and 514 square metres respectively) were vacant, cold-shell office spaces and were provided as future growth space for the Civic Centre for the significant long term. Council has fitted them out to a degree whereby they are now receiving interest from prospective corporate tenants and Council is ready to pursue a commercial return and financial benefit for this commercial asset.

The level 5 office space proposed within this lease has an area of 514 square metres at the eastern side of the Civic Centre building. The tenant has secure access to its own space and has no access to Council offices. Amenities in the eastern end of the building would be shared between a proposed tenant and Council officers.

RMBL Investments Limited is an Australian Financial Services licensed contributory mortgage investment manager that has been in operation for over 50 years. This proposed lease will provide it with a more prominent location within the Dandenong CBD and a location that suits both its corporate image and immediate long term plans to serve the heart of Melbourne's south east district well into the future.

**Proposal**

The following lease terms and conditions are proposed:

Commencement Date:	1 February 2017
Term:	5 years + options of 3 x 5 years terms thereafter
Commencing annual rental:	\$141,350 pa plus GST with a four month rent free period at the commencement of the lease in lieu of tenancy fit-out costs.
Annual increase:	CPI at each anniversary of the commencement date during the term and any further term other than market rental review dates.
Additional conditions:	3 parking spaces in Civic Centre basement car park (on a permit fee basis)  14 spaces in Council's Walker Street multi-deck car parking facility (on a permit fee basis)



**2.6.2 Proposal to Lease Part of Level 5, 225 Lonsdale Street, Dandenong (Cont.)**

The rental has been independently assessed as representing current market value for new office spaces in central Dandenong.

**Community Plan ‘Imagine 2030’ and Council Plan 2013-2017 – Strategic Objectives, Strategies and Plans**

After consultation with the Greater Dandenong community on what kind of future they wanted to see for themselves and the City in 2030, the result was the Greater Dandenong Community Plan ‘Imagine 2030’. This report is consistent with the following community visions:

**Community Plan ‘Imagine 2030’**People

- *Pride* – Best place best people

Place

- *Sense of Place* – One city many neighbourhoods
- *Appearance of Places* – Places and buildings
- *Travel and Transport* – Easy to get around

Opportunity

- *Jobs and Business Opportunities* – Prosperous and affordable
- *Central Dandenong* – Regional capital Dandenong

**Council Plan 2013-2017**

The Council Plan describes the kind of future the Council is working for, and how Council will do this over four years. This report is consistent with the following goals:

People

- A healthy, active and safe community

Place

- A city planned for the future

Opportunity

- A thriving and resilient economy

**Related Council Policies**

Council’s Leasing and Licensing of Commercial Properties Policy provides for an equitable and consistent approach for leasing Council owned commercial property consistent with Council’s Corporate Plan.



**2.6.2 Proposal to Lease Part of Level 5, 225 Lonsdale Street, Dandenong (Cont.)**

**Victorian Charter of Human Rights and Responsibilities**

The Victorian Charter of Human Rights and Responsibilities has been considered in the preparation of this report but is not relevant to its contents.

**Financial Implications**

Since Council commenced its occupation of the Council building at 225 Lonsdale Street, there has been little commercial interest in leasing the vacant office space due to the significant costs associated with the conversion of the space from a cold shell into a usable office standard.

In order to address this outcome, Council has invested significant capital funding to fit out both levels 4 and 5 in order to attract commercial tenants.

In September-November, level 4 will serve as the headquarters of the Victorian Electoral Commission, saving council approximately \$50,000 which it would've incurred had a separate private venue been sourced.

The proposed commercial lease of Level 5 for \$141,350 per annum commences a process where not only will Council recover its capital investment to fit out the vacant space but will ultimately deliver a financial return to Council in an ongoing fashion well beyond this break-even point.

**Consultation**

A public consultation process will be commenced as required under sections 190 and 223 of the LGA. Public notice of the intention to execute a lease for Part of Level 5, 225 Lonsdale Street, Dandenong will be given in local papers and interested parties will be given the opportunity to make submissions for 28 days.

**Conclusion**

It is considered that the proposal to lease the vacant office space on Level 5, 225 Lonsdale Street, Dandenong for office purposes is in line with the intention of the development and complements corporate activities in the new Civic Centre in Dandenong.



**2.6.2 Proposal to Lease Part of Level 5, 225 Lonsdale Street, Dandenong (Cont.)**

**Recommendation**

**That Council, being of the opinion that it is suitable to proceed with a proposal to lease Part Level 5, 225 Lonsdale Street, Dandenong to RMBL Investments Limited for use as an office for a term of five years with three further five year term options resolves:**

- 1. to give public notice of the intention to lease this office premises in accordance with sections 190 and 223 of the Local Government Act 1989;**
- 2. if submissions are received, and any request to be heard is made, a Special Committee of Council made up of the Red Gum Ward Councillors, be established to hear submissions (with submitters being notified of the time and place of the Special Committee meeting); and**
- 3. that, if no submissions are received, Council authorises the signing and sealing of all documentation associated with the lease.**

**MINUTE 1518**

Moved by: Cr Angela Long

Seconded by: Cr John Kelly

**That Council, being of the opinion that it is suitable to proceed with a proposal to lease Part Level 5, 225 Lonsdale Street, Dandenong to RMBL Investments Limited for use as an office for a term of five years with three further five year term options resolves:**

- 1. to give public notice of the intention to lease this office premises in accordance with sections 190 and 223 of the Local Government Act 1989;**
- 2. if submissions are received, and any request to be heard is made, a Special Committee of Council made up of the Red Gum Ward Councillors, be established to hear submissions (with submitters being notified of the time and place of the Special Committee meeting); and**
- 3. that, if no submissions are received, Council authorises the signing and sealing of all documentation associated with the lease.**

**CARRIED**

For the Motion: Cr Roz Blades AM, Cr Peter Brown, Cr Youhorn Chea, Cr John Kelly, Cr Angela Long (called for division), Cr Jim Memeti, Cr Sean O'Reilly, Cr Heang Tak, Loi Truong

Against the Motion: Cr Matthew Kirwan, Cr Maria Sampey



### **2.6.3 Report on Matters Discussed at Councillor Briefing Sessions - 8,15 & 22 August 2016**

File Id: fA25545

Responsible Officer: Director Corporate Services

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#### **Report Summary**

As part of Council's ongoing efforts to improve transparency in Council processes, matters discussed at Councillor Briefing Sessions (other than those matters designated to be of a confidential nature) are reported on at ordinary Council meetings.

The matters listed in this report were presented to Councillor Briefing Sessions in August 2016.

#### **Recommendation Summary**

This report recommends that the information contained within it be received and noted.



**2.6.3 Report on Matters Discussed at Councillor Briefing Sessions - 8,15 & 22 August 2016 (Cont.)****Matters Presented for Discussion**

Item		Briefing Session
<b>1</b>	<p><b><i>Executive Updates/Discussion</i></b></p> <p>Councillors and Council officers briefly discussed the following topics:</p> <p>a) Lyndale Secondary College's request for Council support for proposed development at the existing school (CONFIDENTIAL).</p> <p>b) Local Government Act Review and a proposed visit from the Victorian Local Governance Association (VLGA) so that Councillors can understand its view on the recommended changes.</p> <p>c) Recent Level Crossing Removal Authority activities.</p> <p>d) Agenda items for the Council Meeting of 8 August 2016.</p>	<b>8 August 2016</b>
<b>2</b>	<p><b><i>Keeping our Memories Alive – Recognition of Living Treasures and Significant Community Members</i></b></p> <p>Councillors were presented with the proposed 'Keeping our Memories Alive' permanent marker and associated sketch concept designs.</p>	<b>15 August 2016</b>
<b>3</b>	<p><b><i>Walker Street Car Park Artwork</i></b></p> <p>Councillors were informed of the five artists' visual concepts which have been received and will be used to invite stakeholder feedback over the August/September 2016 period as an input into the tender assessment process.</p>	<b>15 August 2016</b>
<b>4</b>	<p><b><i>Review of the Local Government Act</i></b></p> <p>Councillor's views were sought on the proposed Council submission points to be included in relation to the Local Government Act Review. Discussions were held with representatives from the Victorian Local Governance Association (VLGA) on the recommended changes. A draft Council submission will be tabled to the Council meeting to be held 12 September 2016.</p>	<b>15 August 2016</b>



**2.6.3 Report on Matters Discussed at Councillor Briefing Sessions - 8,15 & 22 August 2016 (Cont.)**

<b>5</b>	<p><b><i>Springvale Community Precinct Project – Tender Processes and Outcomes</i></b></p> <p>Councillors were provided with an update on the final stages of the tender process for the preferred construction contractor proposed to be engaged to undertake works to the Springvale Town Hall. Councillors also discussed the report to Council outlining the recommendations of the Panel on the Precinct Project Design Tender Competition for the Library and Community Hub and this aspect was CONFIDENTIAL.</p>	<b>15 August 2016</b>
<b>6</b>	<p><b><i>Executive Updates/Discussion</i></b></p> <p>Councillors and Council officers briefly discussed the following topics:</p> <p>a) Noble Park Aquatic Centre tiling issues and discussions taking place with contractor.</p> <p>b) Level Crossing Removal Authority and removal of trees already undertaken.</p> <p>c) Agenda items for the Council Meeting of 22 August 2016.</p>	<b>15 August 2016</b>
<b>7</b>	<p><b><i>Executive Updates/Discussion</i></b></p> <p>Councillors and Council officers briefly discussed the following topics:</p> <p>a) Recent Abbott's Road level crossing business liaison meeting held with the Level Crossing Removal Authority.</p> <p>b) Council's next round of Community Response Grants.</p> <p>c) Agenda items for the Council Meeting of 22 August 2016.</p>	<b>22 August 2016</b>

**Apologies**

- Councillor Loi Truong submitted an apology for the Councillor Briefing Session on 8 August 2016.
- Councillor Roz Blades AM submitted an apology for the Councillor Briefing Session on 15 August 2016.
- Councillor Peter Brown submitted an apology for the Councillor Briefing Session on 22 August 2016.



**2.6.3 Report on Matters Discussed at Councillor Briefing Sessions - 8,15 & 22 August 2016 (Cont.)**

**Recommendation**

**That:**

- 1. the information contained in this report be received and noted; and**
- 2. the information discussed at the above listed Councillor Briefing Sessions that was declared confidential in Item 1(a) & Item 5 by the Chief Executive Officer under Sections 77 and 89 of the Local Government Act remain confidential until further advisement unless that information was the subject of a subsequent Council report.**

**MINUTE 1519**

Moved by: Cr Roz Blades AM

Seconded by: Cr Jim Memeti

**That:**

- 1. the information contained in this report be received and noted; and**
- 2. the information discussed at the above listed Councillor Briefing Sessions that was declared confidential in Item 1(a) & Item 5 by the Chief Executive Officer under Sections 77 and 89 of the Local Government Act remain confidential until further advisement unless that information was the subject of a subsequent Council report.**

**CARRIED**



## **2.6.4 Response to Notice of Motion No. 37 - Evaluating the Current City of Greater Dandenong Fair Trade Program**

File Id:

Responsible Officer:

Director City Planning Design & Amenity

Attachments:

Council Report on Fair Trade Communities Program – 12 July 2010  
Notice of Motion No. 37 - Evaluating the Current City of Greater Dandenong Fair Trade Program

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### **Report Summary**

At the Council meeting of 28 October 2013, Council endorsed Notice of Motion No. 37, which requested Council Officers prepare a report on the following:

1. An evaluation of the current Fair Trade program for Greater Dandenong
2. Consideration including options and recommendations of potential next steps including but not limited to:
  - a Inclusion of Fairtrade products in the Council purchasing policy; and
  - b Consideration of the benefits of now seeking accreditation in the Fair Trade Workplace Program and/or the Fair Trade Council Program.

This report has been drafted in response to Notice of Motion No. 37.

It includes an evaluation of the Council's current Fair Trade program, led by Community Services and supported by Corporate Services and Greater Dandenong Business, and a series of recommendations for implementation.

### **Recommendation Summary**

This report recommends that after reviewing the current FairTrade program for Greater Dandenong:

1. Council commits to becoming an accredited Fair Trade Workplace in 2016-17.
2. Council commits to investigating the resource and financial implications of becoming an accredited Fair Trade Council in 2017-18.
3. Council commits to reviewing and updating its existing procurement policy to align it with the MAV's Model Procurement Policy. \



**2.6.4 Response to Notice of Motion No. 37 - Evaluating the Current City of Greater Dandenong Fair Trade Program (Cont.)**

**Background**

**Introduction of Fair Trade to the City of Greater Dandenong**

At the Council Meeting of the 12 July 2010, the Community Services Directorate provided Councillors with a Council Report on the Fair Trade Program, and its relevance for the City of Greater Dandenong.

The Council Report recommended that Council support the principles of Fair Trade and considers opportunities, where appropriate, to obtain Fairtrade products within existing resources.

For further details on this report refer to Attachment 1 - Council Report on Fair Trade Communities Program – 12 July 2010: File No. qA231443

**Notice of Motion No. 37**

At the Council Meeting on 28 October 2013 Councillors discussed use of Fairtrade products by Council over the previous three years. Council then passed Notice of Motion No. 37 that requested the preparation of a Council Report that:

1. Evaluates the current Fair Trade program for Greater Dandenong.
2. Considers the options and recommendations of potential next steps including but not limited to:
  - a Inclusion of Fairtrade products in the Council purchasing policy; and
  - b Consideration of the benefits of now seeking accreditation in the Fair Trade Councils Program and/or the Fair Trade Workplace Program.

For further details on the NoM refer to Attachment 2 - Notice of Motion No.37 – 28 October 2013: Council Fair Trade Program (A2149065)

**What is Fair Trade?**

Fair trade represents an alternative approach to conventional trade and is based on a partnership between producers and traders, businesses and consumers. It advocates for the payment of higher prices to exporters, as well as higher social and environmental standards.

It is the intention of fair trade to promote greater equity in international trading partnerships, sustainable development and to ensure producers earn an income when a market is over or undersupplied. Products and commodities that are typically exported from developing countries as part of the fair trade movement include coffee, cocoa, sugar, tea and cotton.

**Fair Trade and Fairtrade**

When written as two words, Fair Trade refers to the social movement for organisations that seeks to actively engage in supporting producers, raising awareness of and in campaigning for changes in the rules and practices of conventional international trade.



#### **2.6.4 Response to Notice of Motion No. 37 - Evaluating the Current City of Greater Dandenong Fair Trade Program (Cont.)**

Fair Trade also refers to a number of different organisations including the Fair Trade Association of Australia and New Zealand (FTA-ANZ) and the World Fair Trade Organization (WFTO).

When written as one word, Fairtrade refers to the product certification label. A business can use the Fairtrade Label on products following a certification process administered by the Fairtrade Labelling Organisation International (FLO-I).

Despite their differences, Fair Trade for organisations and Fairtrade for products share the same mandate, and are broadly committed to the same principles.

#### **The Fair Trade Community Program**

The Fair Trade Community Program has a set of standards to guide purchasing processes of organisations to promote ethical standards ensuring 'fair trade' between consumers and producers.

In Australia, the Fair Trade Community Program is administered by an independent trade association, called the Fair Trade Association of Australia and New Zealand (FTA-ANZ), which guarantees that a percentage of the sale price for goods is returned to farmers and growers co-operatives. The program engages businesses, schools, community groups and Councils in supporting fair trade locally.

#### **Fair Trade Community Program for Workplaces**

The Fair Trade Workplace Program is one that enables Council to become recognised in isolation. Certification is not dependent on the establishment of a committee or membership of any external bodies.

In order to become a Fair Trade Workplace, Council would be required to ensure at least two Fairtrade products are used as part of workplace activities, e.g. the tea and coffee served in kitchens, canteens, at meetings and at other events where tea and coffee is available.

Council must also promote fair trade to employees and customers through the use of fair trade promotional materials such as posters and brochures and host at least one fair trade focused workplace event each year. While annual reporting is not a mandatory component of this program it is encouraged.

There is an annual fee of \$1500 payable to the FTA-ANZ to be a Fair Trade Workplace.

#### **Fair Trade Community Program for Councils**

Being recognised as a Fair Trade Council means making a commitment to supporting fair trade through the use of Fairtrade products and undertaking awareness raising activities across the municipality. There are currently 12 local government Fair Trade Councils, three of which are based in Victoria (City of Yarra, City of Whitehorse and Manningham City Council).

In order to become a Fair Trade Council, Council would be required to undergo a 12 month certification process. This involves a number of steps such as endorsing a Council resolution, stocking Fairtrade tea and coffee in all Council venues and convening a Community Steering Committee comprising Council Officers, local business and organisations.



**2.6.4 Response to Notice of Motion No. 37 - Evaluating the Current City of Greater Dandenong Fair Trade Program (Cont.)**

Following certification, Council would be required to report annually on fair trade activities, including details of Fairtrade products stocked by Council, Fairtrade retailers in the municipality and the actions of the Community Steering Committee.

There is an initial upfront fee of \$1500 to be an accredited Fair Trade Council and an annual fee of \$900 payable to the FTA-ANZ.

**Existing Strategy and Policy Support for Fair Trade****Greater Dandenong Procurement Policy (May 2014)**

Council's Procurement Policy has a general provision that indirectly supports the procurement of Fairtrade products through the mention of its corporate social responsibility.

*Council will ensure that Contracting, Purchasing and Contract Management activities:*

- *support Council's corporate strategies, aims and objectives including, but not limited to those related to sustainability, protection of the environment, and corporate social responsibility.*

An amendment to Council's Procurement Policy would provide an opportunity for Council to strengthen its commitment to Fair Trade and the broader concept of Corporate Social Responsibility.

The Municipal Association of Victoria's (MAV) Model Procurement Policy could be used as a template from which Council could incorporate clauses on Fair Trade and Corporate Social Responsibility into the Greater Dandenong Procurement Policy.

Relevant clauses from the MAV Procurement Model have been highlighted below:

**3.4 Corporate Social Responsibility (CSR)** *is about taking positive action to demonstrate the Council's commitment to the local community and environment on which it impacts. This means the Council maximising the benefits of the services they provide across the community and minimising the negative aspects of their activities.*

**3.4.1 Social Procurement** *generates positive outcomes by building on initiatives already undertaken by the Council in enhancing sustainable and strategic procurement practice, further enabling procurement to effectively contribute towards building stronger communities and meeting the social objectives of the Council.*

**3.5.2 Sustainable Procurement** *Council recognises it has an implicit role in furthering sustainable development, through its procurement of goods, and services and works. Council aims to achieve this by:*

- *Giving a preference to Fairtrade, or equivalent, and ethically sourced and produced goods and services.*



**2.6.4 Response to Notice of Motion No. 37 - Evaluating the Current City of Greater Dandenong Fair Trade Program (Cont.)****Sustainability Strategy 2016-30**

Council's Sustainability Strategy has a number of provisions that support the Fair Trade principles. It references Fair Trade within the key corporate priority and the key corporate objective listed below:

1. Key Corporate Priorities in the Sustainability Strategy states that Council will:
  - *Investigate how Council might become recognised as a Fair Trade Council.*
2. Objective BE-1.2 in the Local Business & Economy Theme states that Council will:
  - *Investigate how to incorporate Fair Trade into Council's procurement policy.*

**Pros and Cons of Fair Trade for Greater Dandenong****Pros of Fair Trade**

- The City of Greater Dandenong is the most culturally diverse municipality in Victoria. The countries that benefit from fair trade practices are represented in high numbers of residents in the municipality. Adopting practices that promote fair trade sends a positive message to these communities.
- Fair trade is in line with Council's corporate social responsibility and values.
- Promoting fair trade across the municipality may encourage sustainable business practices and social enterprise growth.
- Purchasing Fairtrade goods will allow Council to contribute to supply chains that adhere to ethical local, national and international labour standards.

**Cons of Fair Trade**

- The Fairtrade certification label for products labelling does not vouch for the general business practices of the companies that trade and sell Fairtrade-labelled products.

E.g. Coles may sell Fairtrade certified products, such as tea and coffee, but is not an accredited Fair Trade organisation.

- Fairtrade only caters to a small component of the overall market leaving the bulk of smallholder producers still supplying their coffee through conventional channels.
- Any Fairtrade products purchased by Council would come at an increased cost and may impact on existing Council procurement contracts.
- Consumers may believe more of the premium being paid for Fairtrade products is reaching farmers than actually is. While farmers receive a set amount for their produce, retailers can charge extra if they feel a consumer will pay a premium because the product is Fairtrade.
- It encourages greater overproduction rather than diversification into better products. For example, if more people produce coffee then the price goes down. The Fairtrade coffee producers keep a steady, but still very low, price and the non-Fairtrade producers just get poorer.



**2.6.4 Response to Notice of Motion No. 37 - Evaluating the Current City of Greater Dandenong Fair Trade Program (Cont.)****Community Plan 'Imagine 2030' and Council Plan 2013-2017 – Strategic Objectives, Strategies and Plans**

After consultation with the Greater Dandenong community on what kind of future they wanted to see for themselves and the City in 2030, the result was the Greater Dandenong Community Plan 'Imagine 2030'. This report is consistent with the following community visions:

**Community Plan 'Imagine 2030'**People

- *Pride* – Best place best people
- *Cultural Diversity* – Model multicultural community
- *Outdoor Activity and Sports* – Recreation for everyone
- *Lifecycle and Social Support* – The Generations supported

Place

- *Sense of Place* – One city many neighbourhoods
- *Safety in Streets and Places* – Feeling and being safe
- *Appearance of Places* – Places and buildings
- *Travel and Transport* – Easy to get around

Opportunity

- *Education, Learning and Information* – Knowledge
- *Jobs and Business Opportunities* – Prosperous and affordable
- *Central Dandenong* – Regional capital Dandenong
- *Leadership by the Council* – The leading Council

**Council Plan 2013-2017**

The Council Plan describes the kind of future the Council is working for, and how Council will do this over four years. This report is consistent with the following goals:

People

- A healthy, active and safe community
- A city that celebrates its diversity with pride

Place

- An environmentally sustainable city
- A city planned for the future



**2.6.4 Response to Notice of Motion No. 37 - Evaluating the Current City of Greater Dandenong Fair Trade Program (Cont.)**

Opportunity

- A thriving and resilient economy
- A Council that listens and leads

The strategies and plans that contribute to these outcomes are as follows:

- Council Plan 2013-17
- Community Wellbeing Plan 2014-17
- Asylum Seekers and Refugee Communities Action Plan 2014-17
- Local Economic and Employment Development Strategy 2011-15
- Sustainability Strategy 2016-2030

**Related Council Policies**

- City of Greater Dandenong Diversity, Access and Equity Policy (2015)
- City of Greater Dandenong Procurement Policy (2014)
- City of Greater Dandenong Local Economic and Employment Development Policy (2016)

**Victorian Charter of Human Rights and Responsibilities**

All matters relevant to the Victorian Human Rights Charter have been considered in the preparation of this Policy and are consistent with the standards set by the Charter.

**Financial Implications**

This report identifies a number of strategic actions which could be implemented over the 2016-17 and 2017-18 financial years. While some of these actions can be implemented within existing resources, others will require additional funding. The below have been identified as the key costs if Council is to become an accredited Fair Trade Workplace.



**2.6.4 Response to Notice of Motion No. 37 - Evaluating the Current City of Greater Dandenong Fair Trade Program (Cont.)**

**Cost of Fair Trade Community Certification**

Fair Trade Workplace Accreditation

- \$1500 - Annual Fair Trade Workplace accreditation fee.

Fair Trade Council Accreditation

- \$1500 – Initial Fair Trade Council accreditation fee.
- \$900 – Annual Fair Trade Council accreditation fee.

**Cost of Fairtrade Products (Tea and Coffee)**

Fairtrade Coffee

- \$23.67 per 500g – Coffee currently purchased by Council.
- \$28.57 per 500g – Fairtrade certified coffee.

Fairtrade Tea

- \$36.95 per kg – Tea currently purchased by Council.
- \$49.22 per kg – Fairtrade certified tea.

**Cost of Promoting Fair Trade**

- FREE – Holding an event within Council Chambers.
- FREE – Running articles in City and Stakeholder magazines.
- \$300 – Putting information in the rates notice.
- \$750 – Printing 500 promotional flyers.
- \$1500 – Placing half page ad in local newspaper

**Labour and Resources**

The allocation of resources will be needed to ensure the successful implementation of the Fair Trade Community Program in the City of Greater Dandenong.

**Conclusion**

Greater Dandenong is home to Victoria's most diverse community with residents coming from 156 countries. Of note is that 10% of the population in the City of Greater Dandenong is born in a country that supply Fairtrade certified products.

Therefore it would be appropriate for Council to show its support for fair trade by becoming an accredited Fair Trade Community (Workplace or Council).



**2.6.4 Response to Notice of Motion No. 37 - Evaluating the Current City of Greater Dandenong Fair Trade Program (Cont.)**

**Recommendation**

**That:**

- 1. Council becomes an accredited Fair Trade Workplace in 2016-17 by:**
  - 1.1. submitting an application to the Fair Trade Association of Australia and New Zealand (FTA-ANZ) to become an accredited Fair Trade Workplace**
  - 1.2 paying the annual Fair Trade Workplace fee of \$1500, if accepted**
  - 1.3 ensuring at least two Fairtrade products are used in the workplace**
  - 1.4 promoting Fair Trade to employees, holding at least one Fair Trade workplace event and using authorised promotional material; and**
- 2. Council commits to reviewing and updating its existing procurement policy to align it, where applicable, with the MAV's Model Procurement Policy.**

**MINUTE 1520**

Moved by: Cr Matthew Kirwan

Seconded by: Cr Roz Blades AM

- 1. Council becomes an accredited Fair Trade Workplace in 2016-17 by:**
  - 1.1. submitting an application to the Fair Trade Association of Australia and New Zealand (FTA-ANZ) to become an accredited Fair Trade Workplace**
  - 1.2 paying the annual Fair Trade Workplace fee of \$1500, if accepted**
  - 1.3 ensuring at least two Fairtrade products are used in the workplace**
  - 1.4 promoting Fair Trade to employees, holding at least one Fair Trade workplace event and using authorised promotional material; and**
- 2. Council commits to reviewing and updating its existing procurement policy to align it, where applicable, with the MAV's Model Procurement Policy.**

**CARRIED**



**2.6.4 Response to Notice of Motion No. 37 - Evaluating the Current City of Greater Dandenong Fair Trade Program (Cont.)**

**OTHER**

**RESPONSE TO NOTICE OF MOTION NO. 37 - EVALUATING THE  
CURRENT CITY OF GREATER DANDENONG FAIR TRADE PROGRAM**

**ATTACHMENT 1**

**COUNCIL REPORT ON FAIR TRADE  
COMMUNITIES PROGRAM – 12 JULY 2010**

**PAGES 6 (including cover)**

*If the details of the attachment are unclear please contact Governance on 8571 5235.*



**2.6.4 Response to Notice of Motion No. 37 - Evaluating the Current City of Greater Dandenong Fair Trade Program (Cont.)**

COUNCIL MEETING MINUTES

12 JULY 2010

**5.7.2 Fair Trade Communities Program**

**File No:** qA231443

**Responsible Officer:** Director Community Services

**Report Summary**

Council has been made aware of the Fair Trade Communities Program. This program has a set of standards to guide purchasing processes of organisations such as municipal Councils. The program promotes ethical standards to ensure 'fair trade' between consumers and producers of agricultural products such as coffee, tea, sugar, chocolate and other goods in developing countries.

The Fair Trade Communities Program is administered by an independent trade association which guarantees that a percentage of the sale price for goods is returned to farmers and growers co-operatives. The improved income stream has direct benefits to those communities.

Victorian Councils are being invited to support the Fair Trade Communities Program to demonstrate community leadership and corporate social responsibility. Greater Dandenong is home to a diverse community from 156 different countries with nearly 10% of the local population born in countries where Fair Trade programs now operate in some form. The concept of promoting sustainable employment and consumer practices is part of Council's objective as noted in the Council and Community Plans and it would be appropriate for Council to show support for these communities by purchasing Fair Trade products.

**Recommendation Summary**

This report recommends that Council supports the principles of Fair Trade and consider opportunities where appropriate to obtain Fair Trade products within existing resources.



**2.6.4 Response to Notice of Motion No. 37 - Evaluating the Current City of Greater Dandenong Fair Trade Program (Cont.)**

COUNCIL MEETING MINUTES

12 JULY 2010

Fair Trade Communities Program (Cont.)

**Background**

The Fair Trade movement began in Europe over 20 years ago and has steadily gained momentum around the world largely as a result of consumers who have placed pressure on suppliers to deliver raw materials for their goods from ethical sources. Fair Trade products include coffee, tea, chocolate, sports balls, cotton items such as clothing and hand-made fashion accessories, jewellery and homewares.

Fair Trade certified products come from countries where growers are being supported to break out of a cycle of poverty within their communities. These growers have previously been affected by poor market rates for their crops, drought, environmental degradation and the use child labour for harvesting. Fair Trade provides an opportunity for these communities to have a greater say over the sale of their crops and to improve their community infrastructure for wider benefit.

Fair Trade is not about stopping the sale of non-Fair Trade products. Fair Trade is about increasing choice through the sale of products that are produced in an ethical and sustainable manner.

Victorian Councils are being invited to support the Fair Trade Communities Program to demonstrate community leadership and corporate social responsibility.

Victorian Councils which have signed up as supporters include the Cities of Whitehorse, Monash, Melbourne, Yarra and Hobson's Bay.

There are a number of ways that Council could support the concept:

- **Participate in structured programs** such as *Fair Trade Communities* or *Fair Trade Workplaces*, where Councils could become accredited by the Fair Trade Association of Australia and New Zealand (FTAANZ);
- **Obtain Fair Trade products** where appropriate;
- Regularly **review the sources of goods** for Council operations; and
- Continue to explore a range of **other initiatives** to support Fair Trade principles.

**Fair Trade Communities Program**

This is an accredited program where Councils that are involved must undertake Fair Trade procurement for their own operations and secondly, work with local businesses, organisations and individual consumers to promote the availability and use of Fair Trade products within the community.

There are prescribed goals that would need to be met by Council including the establishment of a designated Fair Trade committee, the production of a shopping guide and demonstrated increase in the supply and consumption of Fair Trade products across the municipality.

Full implementation of the *Fair Trade Communities Program* would be a significant step to achieve and may be more achievable over the longer term.



## 2.6.4 Response to Notice of Motion No. 37 - Evaluating the Current City of Greater Dandenong Fair Trade Program (Cont.)

COUNCIL MEETING MINUTES

12 JULY 2010

Fair Trade Communities Program (Cont.)

### Fair Trade Workplace

To be considered as a Fair Trade Workplace, Council would need to supply Fair Trade goods for its own consumption and promote the Program in the media and publications. To fulfil the requirements of this scheme, Council would be required to purchase all possible goods from Fair Trade sources.

### Other Initiatives

Council could promote the ideals of the Fair Trade movement through promotion at community events and festivals and at the Dandenong Market or other outlets. This could be additional to the use of Fair Trade products in Council's own operations. As catering or purchasing contracts come up for review, Fair Trade could be factored into the contract for Council consideration.

### **Proposal**

It is not necessary for Council to join a designated Fair Trade program to demonstrate support for the concept of Fair Trade. The sourcing and purchasing of products such as Fair Trade coffee and tea for Council's own operations is one way in which Council could demonstrate support for Fair Trade ideals. Council will be able to promote the concept through its publications, website and media. Further opportunities to support ethical trading can continue to be explored through events, festivals, the Dandenong Market and purchasing contracts as they come up for review.

### **Council Plan 2009-2013 Strategic Objectives, Strategies and Plans**

#### A Leading Council

##### *ENGAGING THE COMMUNITY*

5. 14. *Advocate effectively on matters of importance to the Greater Dandenong community.*

5. 15. *Ensure council's community engagement approach guides all levels of decision making which affects members of the community.*

##### *A HEALTHY COMMUNITY AND ENVIRONMENT*

*We work to create a healthy and connected community and a clean safe and friendly environment where people take responsibility for each other and how their lifestyles affect the rest of the world.*

*3.8 Promote actions which encourage environmentally friendly ways of living, working, producing and doing business.*

### **Related Council Policies**

- Community Grants Support Program - Policy
- Economic Development - Policy
- Purchasing – Policy



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**2.6.4 Response to Notice of Motion No. 37 - Evaluating the Current City of Greater Dandenong Fair Trade Program (Cont.)**

COUNCIL MEETING MINUTES

12 JULY 2010

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Fair Trade Communities Program (Cont.)**Victorian Charter of Human Rights and Responsibilities**

The principles of Fair Trade are enshrined in the Victorian Charter of Human Rights 2006 which states that all people should have:

- Protection from torture and cruel, inhuman or degrading treatment;
- Freedom from forced work, and
- A person must not be held in slavery or servitude.

**Financial Implications**

Fair Trade products have been only slightly more expensive than traditionally sourced products in the past. However, new products continue to come onto the market as the program gains more mainstream support and it is expected that the slight price difference will diminish over time.

**Consultation**

Internal consultation has occurred with the Business Development, Purchasing, Hallkeeping and Governance teams. A two week trial of Fair Trade tea, coffee and sugar has been conducted within the Council offices at Springvale, the Operations Centre and Dandenong. This trial was generally supportive of the program and indicated that the taste of the products was similar to current supplies in most cases.

**Conclusion**

Council can support the principles of Fair Trade by purchasing Fair Trade goods for use within its own operations where appropriate. Council can further promote the program in publications to encourage other residents and businesses to consider using Fair Trade products.

In taking this step Council is supporting the principles of Fair Trade and the enhancement of living conditions and the social and economic sustainability of those in developing countries. This sends a positive message to those residents in the City who have come from countries that are being supported through the Fair Trade program.

**Recommendation**

That:

1. Council endorses the principles of Fair Trade, consistent with the objectives of the Council Plan to enhance community and environmental sustainability;
2. in line with the endorsement of these principles, opportunities be explored for the supply of Fair Trade products where appropriate for Council operations; and
3. Council promotes Fair Trade in media and publications to encourage residents and businesses to learn more about Fair Trade products and to support the program.

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Page 4086



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**2.6.4 Response to Notice of Motion No. 37 - Evaluating the Current City of Greater Dandenong Fair Trade Program (Cont.)**

COUNCIL MEETING MINUTES

12 JULY 2010

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Fair Trade Communities Program (Cont.)

**MINUTE**

541

Moved by: Cr Roz Blades

Seconded by: Cr Pinar Yesil

That:

1. Council endorses the principles of Fair Trade, consistent with the objectives of the Council Plan to enhance community and environmental sustainability;
2. in line with the endorsement of these principles, opportunities be explored for the supply of Fair Trade products where appropriate for Council operations; and
3. Council promotes Fair Trade in media and publications to encourage residents and businesses to learn more about Fair Trade products and to support the program.

CARRIED



**2.6.4 Response to Notice of Motion No. 37 - Evaluating the Current City of Greater Dandenong Fair Trade Program (Cont.)**

**OTHER**

**RESPONSE TO NOTICE OF MOTION NO. 37 - EVALUATING THE  
CURRENT CITY OF GREATER DANDENONG FAIR TRADE PROGRAM**

**ATTACHMENT 2**

**NOTICE OF MOTION NO. 37 - EVALUATING  
THE CURRENT CITY OF GREATER  
DANDENONG FAIR TRADE PROGRAM**

**PAGES 3 (including cover)**

*If the details of the attachment are unclear please contact Governance on 8571 5235.*



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**2.6.4 Response to Notice of Motion No. 37 - Evaluating the Current City of Greater Dandenong Fair Trade Program (Cont.)**

City of Greater Dandenong

ORDINARY COUNCIL MEETING MINUTES

MONDAY 28 OCTOBER 2013

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**3.2 Notice of Motion No. 37 - Evaluating the Current City of Greater Dandenong Fair Trade Program**

Author:

Cr Matthew Kirwan

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**Preamble**

At the Council Meeting on 12 July 2010, Council considered a report regarding Fair Trade products and specifically endorsed the following recommendations:

1. Council endorses the principles of Fair Trade, consistent with the objectives of the Council Plan to enhance community and environmental sustainability;
2. In line with the endorsement of these principles, opportunities be explored for the supply of Fair Trade products where appropriate for Council operations; and
3. Council promotes Fair Trade in media and publications to encourage residents and businesses to learn more about Fair Trade products and to support the program.

Now that Council has been using Fair Trade products for three years it is a good time to evaluate Greater Dandenong's involvement so far including if further steps at this stage would be beneficial.

**Motion**

**That Council prepares a report for the first Council meeting in March 2014 including:**

1. **An evaluation of the current Fair Trade program for Greater Dandenong.**
2. **Consideration including options and recommendations of potential next steps including but not limited to:**
  - a) **Inclusion of Fair Trade products in the Council purchasing policy; and**
  - b) **Consideration of the benefits of now seeking accreditation in the Fair Trade Communities program and/or the Fair Trade Workplace Program.**

**MINUTE 366**

Moved by: Cr Matthew Kirwan

Seconded by: Cr Roz Blades

**That Council prepares a report for the first Council meeting in March 2014 including:**

1. **An evaluation of the current Fair Trade program for Greater Dandenong.**



**2.6.4 Response to Notice of Motion No. 37 - Evaluating the Current City of Greater Dandenong Fair Trade Program (Cont.)**

City of Greater Dandenong

ORDINARY COUNCIL MEETING MINUTES

MONDAY 28 OCTOBER 2013

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**3.2 Notice of Motion No. 37 - Evaluating the Current City of Greater Dandenong Fair Trade Program (Cont.)**

2. Consideration including options and recommendations of potential next steps including but not limited to:
  - a) Inclusion of Fair Trade products in the Council purchasing policy; and
  - b) Consideration of the benefits of now seeking accreditation in the Fair Trade Communities program and/or the Fair Trade Workplace Program.

**CARRIED**



## **2.6.5 List of Registered Correspondence to Mayor and Councillors**

File Id:	qA283304
Responsible Officer:	Director Corporate Services
Attachments:	Correspondence Received 8-26 August 2016

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### **Report Summary**

Subsequent to resolutions made by Council on 11 November 2013 and 25 February 2014 in relation to a listing of incoming correspondence addressed to the Mayor and Councillors, Attachment 1 provides a list of this correspondence for the period 8-26 August 2016.

### **Recommendation**

**That the listed items provided in Attachment 1 for the period 8-26 August 2016 be received and noted.**

### **MINUTE 1521**

Moved by: Cr John Kelly  
Seconded by: Cr Angela Long

**That the listed items provided in Attachment 1 for the period 8-26 August 2016 be received and noted.**

**CARRIED**



**2.6.5 List of Registered Correspondence to Mayor and Councillors (Cont.)**

**OTHER**

**LIST OF REGISTERED CORRESPONDENCE TO MAYOR AND  
COUNCILLORS**

**ATTACHMENT 1**

**CORRESPONDENCE RECEIVED 8-26  
AUGUST 2016**

**PAGES 2 (including cover)**

*If the details of the attachment are unclear please contact Governance on 8571 5235.*



## 2.6.5 List of Registered Correspondence to Mayor and Councillors (Cont.)

## Objective

CONNECTED. COLLABORATIVE. COMMUNITY.

Correspondences addressed to the Mayor and Councillors received between 08/08/2016 & 26/08/2016 - for officer action - total = 1

Department: Mayor and Councillors				
Category: Mayor & Councillors General Correspondence				
Correspondence Name	Date Created	Objective ID	User Assigned	
Letter from a South Melbourne resident encouraging domestic tree and shrub planting in the Keysborough area and Council's plans for planting the area 10-08-2016 09:41:51	10-Aug-16	FA112398	Mayor and Councillors EA	

## Objective

CONNECTED. COLLABORATIVE. COMMUNITY.

Correspondences addressed to the Mayor and Councillors received between 08/08/2016 & 26/08/2016 - for information only - total = 1

Correspondence Name	Date Created	Objective ID	User Assigned	
Request from Silvertown Primary School for assistance in raising funds for the installation of shade sails	9-Aug-16	A3916300	Mayor and Councillors EA	



## **2.6.6 Community Response Grants Program Applications 12 September 2016 Batch**

File Id:

Responsible Officer:

Director Community Services

Attachments:

Community Response Grants Program 12  
September 2016 List of Recommended  
Applications

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### **Report Summary**

This report summarises the recommended grants from the Community Response Grants Program.

All applications have been reviewed by Council Officers and details of eligible applications have been distributed to Councillors for consideration. The applications recommended for funding are presented in this report.

### **Recommendation Summary**

This report recommends that Council endorse the recommendations for Community Response Grants as outlined in the Attachment to this report.



**2.6.6 Community Response Grants Program Applications 12 September 2016 Batch (Cont.)**

**Background**

Applications to the Community Response Grants Program can be made by individuals or community groups.

**Individual Applications**

For an individual applicant to be considered eligible they must:

- Be a resident of Greater Dandenong
- Be participating in an activity in an unpaid capacity and not as part of their education or employment
- Have complied with the conditions of any previous Council grants.

Individuals can apply for up to \$750 to assist them to:

- Participate in an elite level sporting tournament, artistic or cultural performance, community sector or civil society forum, or to receive a highly esteemed individual award
- Perform or produce a work of art in Greater Dandenong
- Provide volunteer services that enhance the health and wellbeing of other members of the local community
- Enrol in a training course that will provide them with the skills to serve the community in a voluntary capacity (not including vocational training or government funded or subsidised training).

When assessing an individual application Council has taken into consideration:

- The individual's social and financial circumstances
- The distance and duration of any travel
- How many other local residents will also benefit.

**Community Group Applications**

Applications from community groups are eligible if the group:

- Is a not-for-profit organisation
- Has a bank account in the group's name, or nominates another group to receive the grant on its behalf
- Has not already been funded for the activity and the activity isn't normally funded by State or Federal Government
- Has complied with the conditions of any previous Council grants.

In addition, primary and secondary schools are also considered eligible to apply to the Community Response Grants Program, provided that the purpose of the application is outside of the school's core curriculum responsibilities.



**2.6.6 Community Response Grants Program Applications 12 September 2016 Batch (Cont.)**

Community groups can apply for up to \$1,000 to assist with:

- Community forums, information sessions or training programs
- Community events or celebrations that encourage wider community engagement
- Regular social and support activities for senior citizens, people with a disability or other isolated and/or disadvantaged groups
- Events that raise funds for charitable purposes or for international disaster relief (funds must be directed through a recognised relief agency)
- Activities that increase participation in sport, the arts, civic or community activities
- Purchasing items of equipment that allow the group to serve the community in a voluntary capacity
- Travel costs for sports teams or similar groups to participate in elite level competitions or similar events.

When assessing an application Council has taken into consideration:

- Community development and community wellbeing outcomes
- The number of residents that will participate
- The participants' social and financial circumstances
- The financial capacity of the group
- Other more suitable sources of funding.

**Other Eligibility Factors**

Applications are not accepted from:

- Government agencies (with the exception of schools)
- Profit-making enterprises.

Applications will not be accepted for:

- Activities that have already taken place (prior to the submission of the application)
- Community events or celebrations taking place outside the City of Greater Dandenong
- Activities that promote specific political or religious views
- Capital works, renovations, fixtures and fittings.



**2.6.6 Community Response Grants Program Applications 12 September 2016 Batch (Cont.)**

**Assessment of Applications Received**

Council has been receiving applications to the Community Response Grants Program over the past few months.

Council officers have checked all applications to ensure compliance with the eligibility criteria for the program.

Eighteen eligible applications seeking funding of \$16,405 were considered by officers for assessment in accordance with the endorsed operating procedures that accompanied the Community Response Grant Policy 2014. The procedures list the following considerations for assessing applications:

For individual applications:

- Higher priority for children, full-time students, people with a disability, senior citizens, single parents, recently arrived refugees and asylum seekers and low income health-care holders.
- Distance (within Victoria, interstate or overseas) and duration of activities involving travel.
- Number of residents who may benefit from the activity.

For community group applications:

- Community development and community wellbeing outcomes.
- The number of residents who will participate.
- Higher priority where participants are children, full-time students, people with a disability, senior citizens, single parents, recently arrived refugees and asylum seekers and low income health-care holders.
- Financial capacity of group to fund activity without Council support.
- Suitability of other sources of funding.

Councillors considered the advice from officers regarding eligible applications. Following this it is recommended that 18 applications be funded to a total amount of \$12,290.

The attachment contains a list of all recommended Community Response Grants Program applications with recommended funding amounts.

**Proposal**

It is proposed that Council endorse the recommendations as shown in the attachment for funding through the Community Response Grants Program.



**2.6.6 Community Response Grants Program Applications 12 September 2016 Batch (Cont.)****Community Plan 'Imagine 2030' and Council Plan 2013-2017 – Strategic Objectives, Strategies and Plans**

After consultation with the Greater Dandenong community on what kind of future they wanted to see for themselves and the City in 2030, the result was the Greater Dandenong Community Plan 'Imagine 2030'. This report is consistent with the following community visions:

**Community Plan 'Imagine 2030'**People

- *Pride* – Best place best people
- *Cultural Diversity* – Model multicultural community
- *Outdoor Activity and Sports* – Recreation for everyone
- *Lifecycle and Social Support* – The Generations supported

Place

- *Sense of Place* – One city many neighbourhoods
- *Safety in Streets and Places* – Feeling and being safe

Opportunity

- *Education, Learning and Information* – Knowledge

**Council Plan 2013-2017**

The Council Plan describes the kind of future the Council is working for, and how Council will do this over four years. This report is consistent with the following goals:

People

- A healthy, active and safe community
- A city that celebrates its diversity with pride

Place

- An environmentally sustainable city

**Related Council Policies**

- Community Response Grants Policy
- Community Support Grants Policy
- Sponsorships Policy



**2.6.6 Community Response Grants Program Applications 12 September 2016 Batch (Cont.)**

**Victorian Charter of Human Rights and Responsibilities**

The Victorian Charter of Human Rights and Responsibilities has been considered in the preparation of this Policy but is not relevant to the content of the Policy.

**Financial Implications**

The funding recommendations made in this report can be contained within the budgetary parameters of the Community Response Grants Program for 2016-17.

The Community Response Grants Program has a budget of \$88,938 available for applications during the 2016-17 financial year.

It is expected that there will be eight batches considered during the 2016-17 financial year. The average allocation per batch should be \$11,117.

During 2016-17, the assessment of one batch has already been completed with an amount of \$8,590 allocated.

If the recommendations of this Report are endorsed with grants totalling \$12,290 being allocated, funding of \$68,058 would remain available for allocation in the remaining batches throughout 2016-17.

**Consultation**

During the assessment process, Council officers consulted with staff from across the organisation to seek information and advice regarding the merits of all funding applications.

**Conclusion**

This report contains the recommendations for funding through the Community Response Grants Program.

These recommendations are presented to Council for consideration and endorsement.

**Recommendation**

**That Council endorses the recommendations as detailed in the attachment of the report titled “Community Response Grants Program 12 September 2016 List of Recommended Applications” for the allocation of a total of \$12,290 to 18 applications for the Community Response Grants Program.**



**2.6.6 Community Response Grants Program Applications 12 September 2016 Batch (Cont.)**

**MINUTE 1522**

Moved by: Cr Roz Blades AM

Seconded by: Cr Maria Sampey

**That Council endorses the recommendations as detailed in the attachment of the report titled “Community Response Grants Program 12 September 2016 List of Recommended Applications” for the allocation of a total of \$12,290 to 18 applications for the Community Response Grants Program.**

**CARRIED**



**2.6.6 Community Response Grants Program Applications 12 September 2016 Batch (Cont.)**

**OTHER**

**COMMUNITY RESPONSE GRANTS PROGRAM APPLICATIONS  
12 SEPTEMBER 2016 BATCH**

**ATTACHMENT 1**

**COMMUNITY RESPONSE GRANTS  
PROGRAM 12 SEPTEMBER 2016 LIST OF  
RECOMMENDED APPLICATIONS**

**PAGES 3 (including cover)**

*If the details of the attachment are unclear please contact Governance on 8571 5235.*



**2.6.6 Community Response Grants Program Applications 12 September 2016 Batch (Cont.)****Community Response Grants Program 2016-17****List of Approved Grants**

Applicant Name	Project Title	Amount Granted
Calvin Anthony Martinz	Hockey Australian Championships	\$500
Hiba Hammoud	Travel costs	\$460
Jayden van Geelen	Pan American Championships	\$480
Nicholas Galileos	School Sport Australia Swimming Championships 2016	\$520
Action on Disability Within Ethnic Communities Inc.	Double Ninth Festival for Chinese Carers Group	\$890
Australia - Ceylon Fellowship Incorporated	Pre X'mas Lunch	\$890
Challenge Ministries Inc.	Establishing a New Playgroup	\$750
Chanh Dao Parents and Friends Community Support Association Inc.	Children's Full Moon Festival	\$830
Endeavour Ministries Inc.	Meals Program and Christmas Lunch	\$900
Italo-Spanish Club Inc.	31st Anniversary Celebration	\$650
Jesuran Welfare Services Inc.	Create a Tamil Cookbook	\$740
Lions Club of Dandenong Inc.	Holiday Camp for Disadvantaged Children	\$750
Napoli Family Dandenong Inc.	Father's Day Celebration	\$790
Springvale Christian Community Centre Inc.	The Noble Park Soup Kitchen	\$760
The Little Hobby Group	Craft Materials for The Little Hobby Group	\$570
The Macedonian Senior Citizens Group of the City of Greater Dandenong St Dimitrija Inc.	Macedonian National Day Celebration	\$470

**List of Recommended Applications**

Wednesday, 14 September

Page 1 of 2



**2.6.6 Community Response Grants Program Applications 12 September 2016 Batch (Cont.)****Community Response Grants Program 2016-17****List of Approved Grants**

Applicant Name	Project Title	Amount Granted
U3A Dandenong Inc.	Annual Art and Craft Show	\$800
Women's Federation for World Peace, Victoria Inc.	Dignity Project Forum	\$540
<b>GRAND TOTAL</b>	<b>(18 applications)</b>	<b>\$12,290</b>

**List of Recommended Applications**

Wednesday, 14 September

Page 2 of 2



## **2.6.7 Response to NoM 99 - Greater Dandenong Multicultural Network**

File Id:

Responsible Officer:

Director Community Services

Attachments:

Agreed Meeting Etiquette  
Greater Dandenong Multicultural Advisory  
Committee, Terms of Reference  
Notice of Motion No. 99 - Greater Dandenong  
Multicultural Network

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### **Report Summary**

Council endorsed Notice of Motion No.99 – Greater Dandenong Multicultural Network on 25 July 2016 requesting that Council officers prepare a report, exploring the structure and format of a Great Dandenong Multicultural Network.

Various options have been investigated and are presented within this report.

### **Recommendation Summary**

This report recommends that Council endorse the Greater Dandenong Multicultural Advisory Committee and the Terms of Reference (Attachment 1), to facilitate ongoing dialogue between Council and multicultural community members, groups and leaders.



**2.6.7 Response to NoM 99 - Greater Dandenong Multicultural Network (Cont.)****Background**

Greater Dandenong is the most culturally diverse community in Victoria and has a long and strong history of welcoming new and emerging communities. With approximately 60% of residents born overseas from over 150 different birthplaces and 55% from non-English speaking backgrounds, Council recognises that this broad mix of nationalities enriches the diversity of the community.

On Friday 24 June 2016 a Mayoral Forum titled “Social Cohesion – Celebrating Multiculturalism in Greater Dandenong” was held. The aim of the Forum was to promote, engagement and collaboration across multicultural communities to improve community wellbeing, harmony and prosperity.

The Forum’s aim was to seek views from the individual community leaders about the direction Council could take in relation to strengthening its capacity to have an open dialogue and enhance the positive attributes of a diverse multicultural community.

The Forum was attended by approximately 100 invited multicultural community leaders as well as Councillors, Australia Day awardees and special guests including the Honourable Robin Scott, Minister for Multicultural Affairs, Gabrielle Williams MP and Nina Springple MP. Inga Peulich, Shadow Minister for Multicultural Affairs was an apology for the day.

The Forum included an opportunity to provide feedback through an interactive online survey and 60 community leaders took part. There was a strong support (88%) of participants stating that they would like to be part of an ongoing dialogue regarding multicultural issues in Greater Dandenong. A further 8% stated that they might like to be involved however not on a regular basis. Most participants preferred biannual and quarterly meetings.

To enable ongoing dialogue with multicultural community members, groups and leaders, investigations have been undertaken to identify appropriate engagement methods. Particular consideration has been given to avoid duplication of effort and resources while complementing existing networks and groups.

Exploration of an appropriate structure and format included:

- Benchmarking best practices with other comparable local governments.
- Investigating relevant networks and committees with the City of Great Dandenong.



**2.6.7 Response to NoM 99 - Greater Dandenong Multicultural Network (Cont.)**Local Government Benchmarking

Across the Melbourne metropolitan area, three councils were identified as having Multicultural Advisory Committees. Monash City Council, Knox City Council and the City of Stonington all have advisory committees which:

- Inform Council about multicultural issues affecting the diverse community and providing feedback and advice to Council on its policies, strategies, actions and services that impact on the multicultural community.
- Advise Council with its communication, engagement and consultation with multicultural communities.
- Promote awareness and understanding of cultural diversity among the wider community.
- Identify issues and opportunities affecting people from multicultural backgrounds
- Advocate for increased understanding of and opportunities for multicultural communities.

Relevant networks and committees within City of Great Dandenong

There are two groups identified that would relate to the proposed Multicultural Advisory Committee. These are the Interfaith Network of the City of Greater Dandenong which is an independent group from Council and the Council supported Asylum Seeker and Refugee Advisory Committee. The following is a summary of the two groups.

**Interfaith Network of the City of Greater Dandenong**

- Established by Council in 1989, the Group is made up of diverse cultural and religious faiths and spiritual organisations who work in equal but independent partnership with Council.
- A sub-executive group leads the direction of the Interfaith Network.
- Meetings are held monthly and include a rotating roster of Community Services staff.

**Asylum Seeker and Refugee Advisory Committee**

- The Committee aims to achieve sustainable and improved outcomes for people seeking asylum and people of refugee backgrounds.
- Established in November 2014, the Advisory Committee supports the delivery of the Asylum Seeker and Refugee Communities Action Plan 2014-17.
- Representatives are appointed for a period of two years and meet every two months.
- Council provides program and administrative support and ensures the timely preparation and distribution of agendas and minutes.

Both these groups are an important part of an overall approach to engage with the community, regarding multicultural issues and strengthening a positive approach. The proposed Multicultural Advisory Committee is intended to provide a greater opportunity for Council to receive advice on multicultural issues and complement the work of the Interfaith Network of the City of Greater Dandenong and the Asylum Seeker and Refugee Advisory Committee.



**2.6.7 Response to NoM 99 - Greater Dandenong Multicultural Network (Cont.)**

The investigation undertaken in responding to this Notice of Motion coupled with Greater Dandenong's extensive experience in supporting multicultural communities has affirmed, that engagement structures which enable opportunity for participation while acting in a formal advisory capacity, have been successful in responding to the needs of multicultural communities.

Therefore, the observation made by officers in reviewing the work of other Councils is that an Advisory Committee would be the preferred direction in response to the Notice of Motion recommendations.

**Proposal**

It is proposed that a Greater Dandenong Multicultural Advisory Committee be formed to facilitate engagement and collaboration across the City of Greater Dandenong's multicultural communities.

In addition, to the functions of an Advisory Committee the Greater Dandenong Multicultural Advisory Committee would engage with multicultural community members, groups, leaders, industry representatives, practitioners and qualified expert's through periodic forums. This will ensure inclusion of broader community voices. The objective of the forums would be to identify priority themes or action areas as a focus for the proposed Greater Dandenong Multicultural Advisory Committee. Along with other engagement strategies, this would ensure representation from all sectors and groups within the community.

The Committee will add value to other forms of community engagement used by Council to consult with and engage the multicultural community. The purpose and function of the Advisory Committee would be aligned with Council's plans and priorities.

Terms of Reference for the Multicultural Advisory Committee have been drafted and include a process to assist in the establishment of the Committee (Attachment 1).

**Membership of the Greater Dandenong Multicultural Advisory Committee**

The Greater Dandenong Multicultural Advisory Committee is proposed to consist of up to eleven members, excluding Councillor representation, and include representatives as follows:

- A Council senior officer from the Community Services Directorate
- Up to five representatives from service providers, community organisations and agencies who have an interest, skill sets and experience within the multicultural community
- Up to five broader community members that have an interest and experience and/or involvement within multicultural community groups and organisations.
- Councillor representative/s (appointed as part of the annual statutory process)



**2.6.7 Response to NoM 99 - Greater Dandenong Multicultural Network (Cont.)**

Membership of the Greater Dandenong Multicultural Advisory Committee is voluntary and all members must be over 18 years of age. Young people aged 18-25 years old will be encouraged to participate.

It is proposed to publicly seek nominations for the Advisory Committee with recommendations to Council on the proposed membership. Selection of the proposed members would be based on the criteria associated with the proposal of the Advisory Committee.

The objectives of the Greater Dandenong Multicultural Advisory Committee will be to:

- Consider and provide advice on key Government initiatives, issues, programs and reviews.
- Provide advice to Council on its policies, plans and services that impact our multicultural communities.
- Raise awareness of the issues impacting people from a multicultural background.
- Provide a medium that supports social interaction and capacity building amongst people from a multicultural background.
- Consider funding and other opportunities as they may arise.
- Celebrate and raise awareness of the achievements of multicultural communities.

**Responsibilities of the Greater Dandenong Multicultural Advisory Committee**

Through advice and timely information from the proposed Greater Dandenong Multicultural Advisory Committee, Council will be better informed of the issues, aspirations, and expectations of the multicultural community as a whole. The Advisory Committee will act as a mechanism through which Council can engage with multicultural communities during strategy development, direction setting and policy formation.

Specific responsibilities of the Greater Dandenong Multicultural Advisory Committee are to:

- Develop strategic partnerships in the multicultural communities sector, strengthening advocacy efforts for improved or new services.
- Act in a primary partnership role with Council and the multicultural community and endeavour to increase the understanding issues facing multicultural communities.
- Represent the interests of all members of the multicultural community including new and emerging and existing groups.
- At all times, act in the best interests of the Council.
- Provide advice to Council through its communication, engagement and consultation with multicultural communities.

It is proposed that Council endorse the establishment of a Greater Dandenong Multicultural Advisory Committee, together with the Terms of Reference, to enable ongoing dialogue between Council and multicultural community members, groups and leaders.



**2.6.7 Response to NoM 99 - Greater Dandenong Multicultural Network (Cont.)****Community Plan 'Imagine 2030' and Council Plan 2013-2017 – Strategic Objectives, Strategies and Plans**

After consultation with the Greater Dandenong community on what kind of future they wanted to see for themselves and the City in 2030, the result was the Greater Dandenong Community Plan 'Imagine 2030'. This report is consistent with the following community visions:

**Community Plan 'Imagine 2030'**People

- *Pride* – Best place best people
- *Cultural Diversity* – Model multicultural community
- *Lifecycle and Social Support* – The Generations supported

Place

- *Sense of Place* – One city many neighbourhoods
- *Safety in Streets and Places* – Feeling and being safe

Opportunity

- *Education, Learning and Information* – Knowledge
- *Leadership by the Council* – The leading Council

**Leadership by the Council – The leading Council Plan 2013-2017**

The Council Plan describes the kind of future the Council is working for, and how Council will do this over four years. This report is consistent with the following goals:

People

- A healthy, active and safe community
- A city that celebrates its diversity with pride

Place

- A city planned for the future



**2.6.7 Response to NoM 99 - Greater Dandenong Multicultural Network (Cont.)**

Opportunity

- A thriving and resilient economy
- A Council that listens and leads

The strategies and plans that contribute to these outcomes are as follows:

**Related Council Policies**

- Diversity Access and Equity Policy 2010
- Community Engagement Policy 2013

**Victorian Charter of Human Rights and Responsibilities**

All matters relevant to the Victorian Human Rights Charter have been considered in the preparation of this Policy and are consistent with the standards set by the Charter.

**Financial Implications**

There are no financial implications associated with this report. Existing resources within the Community Wellbeing Department can be allocated to support the recommendations.

**Consultation**

Exploration of an appropriate structure and format included:

- Benchmarking best practices with other comparable local governments.
- Investigating relevant networks and committees with the City of Great Dandenong.

**Conclusion**

Greater Dandenong is a leader in welcoming and proactively engaging with multicultural communities to support social cohesion, harmony and collaboration.

Acknowledging the community's desire for ongoing dialogue with Council and each other, it is proposed that a Greater Dandenong Multicultural Advisory Committee would effectively provide such a platform. The Advisory Committee would serve as an effective tool to listen to community voices, reinforce relationships, strengthen the support for multicultural community and help identify priorities for Greater Dandenong.



**2.6.7 Response to NoM 99 - Greater Dandenong Multicultural Network (Cont.)**

**Recommendation**

**That Council:**

1. **endorses the establishment of the Greater Dandenong Multicultural Advisory Committee, through a public call for nominations; and**
2. **endorses the Greater Dandenong Multicultural Advisory Committee Terms of Reference.**

**MINUTE 1523**

Moved by: Cr Roz Blades AM  
Seconded by: Cr Youhorn Chea

**That Council:**

1. **endorses the establishment of the Greater Dandenong Multicultural Advisory Committee, through a public call for nominations; and**
2. **endorses the Greater Dandenong Multicultural Advisory Committee Terms of Reference.**

**CARRIED**



**2.6.7 Response to NoM 99 - Greater Dandenong Multicultural Network (Cont.)**

**OTHER**

**RESPONSE TO NOM 99 - GREATER DANDENONG MULTICULTURAL  
NETWORK**

**ATTACHMENT 1**

**GREATER DANDENONG MULTICULTURAL  
ADVISORY COMMITTEE - TERMS OF  
REFERENCE**

**PAGES 6 (including cover)**

*If the details of the attachment are unclear please contact Governance on 8571 5235.*



**2.6.7 Response to NoM 99 - Greater Dandenong Multicultural Network (Cont.)**

**Attachment 1**



**Greater Dandenong Multicultural Advisory Committee  
Terms of Reference**

**PURPOSE**

The Advisory Committee will add value to other forms of community engagement used by Council to consult with and engage the community on issues impacting on the multicultural, refugee or asylum seeker communities.

The Greater Dandenong Multicultural Advisory Committee will maintain a collaborative approach, seeking to engage with existing and established groups.

**OBJECTIVES**

The objectives of the Greater Dandenong Multicultural Advisory Committee are to:

- Provide advice to Council on its policies, plans and services that impact our multicultural communities
- Consider and provide advice on key Government initiatives, issues, programs and reviews
- Raise awareness of the issues impacting people from a multicultural background
- Provide a medium that supports social interaction and capacity building amongst people from a multicultural background
- Consider funding and other opportunities as they may arise
- Celebrate and raise awareness of the achievements of multicultural communities.

**REPORTING REQUIREMENT**

In accordance with Council's statutory reporting, a periodic report will be submitted to Council about the work of the Committee in relation to the goals, objectives and progress.

**TERM OF APPOINTMENT**

The Greater Dandenong Multicultural Advisory Committee will be appointed for a period of two years. Should there be a need for the Greater Dandenong Multicultural Advisory Committee to continue beyond this time, a re-appointment process will be undertaken for all members in accordance with the selection process outlined in these Terms of Reference.

**MEMBERSHIP**

The Greater Dandenong Multicultural Advisory Committee will consist of up to eleven members, excluding Councillor representation, and will include representatives as follows:

- A Council senior officer from the Community Services Directorate
- Up to five representatives from service providers, community organisations and agencies who have an interest, skill sets and experience within the multicultural community



**2.6.7 Response to NoM 99 - Greater Dandenong Multicultural Network (Cont.)****Attachment 1**

- Up to five broader community members that have an interest and experience and/or involvement within multicultural community groups and organisations.

Membership of the Greater Dandenong Multicultural Advisory Committee is voluntary and all members must be over 18 years of age. Young people aged 18-25 years old will be encouraged to participate.

**ROLE OF THE COUNCILLOR**

Should a Councillor/s be nominated on the Greater Dandenong Multicultural Advisory Committee, the Councillor:

- Is appointed by Council in accordance with the annual statutory Council appointments
- Acts as a link between Council and the Greater Dandenong Multicultural Advisory Committee
- At all time act in accordance with the Code of Conduct – Councillors, 12<sup>th</sup> Edition.

**SELECTION PROCESS**

In accordance with Council's Advisory Committee Guidelines, membership of the Greater Dandenong Multicultural Advisory Committee will be achieved by calling for nominations.

An advertisement will be placed in the local media, on Council's website and circulated via email to local networks and groups. Selected representatives may also be invited to nominate. A nomination form must be completed by interested representatives and all nominations will be assessed against the Criteria for Membership.

**CRITERIA FOR MEMBERSHIP OF THE GREATER DANDENONG MULTICULTURAL ADVISORY COMMITTEE**

Nominees for membership must be able to demonstrate:

- Strong networks and linkages in the City of Greater Dandenong multicultural community
- An ability to represent a broad range of views that reflect the cultural diversity of the community
- Current involvement in the community in the area of multicultural services, policy development and/or planning
- A strong understanding of the local multicultural issues that are relevant to our diverse community
- A willingness to commit and contribute positively to meetings in a fair and unbiased manner
- An ability to look beyond personal interests for the benefit of the community and residents of the City of Greater Dandenong
- A strong understanding of the local community and its social, environmental and economic influences
- Endorsement by their organisation as necessary, or appropriate.

**SELECTION PANEL**

A selection panel consisting of the Director Community Services, Manager Community Wellbeing, Council senior staff member from the Community Services Directorate will consider the nominations received with a recommendation about the membership of the Greater Dandenong Multicultural Advisory Committee being made for the endorsement of Council. All nominations will be assessed against the selection criteria and for consideration by the selection panel.

It is noted that once the Greater Dandenong Multicultural Advisory Committee has been appointed, this selection panel will be disbanded.



**2.6.7 Response to NoM 99 - Greater Dandenong Multicultural Network (Cont.)****Attachment 1**

Members of the Greater Dandenong Multicultural Advisory Committee are free to resign at any time. Should vacancies arise, due to resignation or inability to attend the minimum number of meetings, during the life of this Advisory Committee, these shall be addressed through the formation of the Selection Panel and the Selection Process.

The term for any member appointed part way through the life of the Greater Dandenong Multicultural Advisory Committee shall expire in line with the other members of the Advisory Committee.

**RESPONSIBILITIES OF THE GREATER DANDENONG MULTICULTURAL ADVISORY COMMITTEE**

Through advice and timely information from the Greater Dandenong Multicultural Advisory Committee, Council will be better informed of the issues, aspirations, and expectations of the multicultural community as a whole. The Advisory Committee will act as a mechanism through which Council can engage with multicultural communities during strategy development, direction setting and policy formation.

Specific responsibilities of the Greater Dandenong Multicultural Advisory Committee are to:

- Develop strategic partnerships in the multicultural communities sector, strengthening advocacy efforts for improved or new services
- Act in a primary partnership role with Council and the multicultural community and endeavour to increase the understanding of the wider community
- Represent the interests of all members of the multicultural community
- At all times, act in the best interests of the Council and community
- Provide advice to Council through its communication, engagement and consultation with multicultural communities.

**MEETINGS OF THE GREATER DANDENONG MULTICULTURAL ADVISORY COMMITTEE**

Meetings of the Greater Dandenong Multicultural Advisory Committee will be held quarterly for a maximum duration of two hours or less, as required.

A schedule of meetings will be developed and agreed to annually. Under special circumstances a meeting may be cancelled or re-scheduled.

All meetings shall be held in a central Council venue to be decided by the City of Greater Dandenong members of the Greater Dandenong Multicultural Advisory Committee.

To ensure inclusion of broader community voices, the Greater Dandenong Multicultural Advisory Committee would engage with multicultural community members, groups, leaders, industry representatives, practitioners and qualified experts through periodic forums. The objective of this process would be to identify priority themes or action areas as a focus for the proposed Greater Dandenong Multicultural Advisory Committee. Consideration will also be given to the times at which forums are held to ensure that as many people as possible have the opportunity to attend.

**WORKING GROUPS**

Working Groups of the Advisory Committee may be established at the discretion of the Advisory Committee.

Working Groups may be developed in to implement particular actions or roles of the Advisory Committee. The establishment of working groups will be conducted under specific objectives and/or expected outcomes. These objectives and/or expected outcomes will be determined by the Advisory Committee.

The role and responsibility of convening and resourcing working groups would be in negotiation with members of the Advisory Committee.



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**2.6.7 Response to NoM 99 - Greater Dandenong Multicultural Network (Cont.)**

**Attachment 1**

The Advisory Committee retains the ability to conclude a working group or its formal relationship with the Committee at its discretion and/or at the achievement of its objectives and/or expected outcomes.

**ATTENDANCE AND RECORD OF MEETINGS**

All meetings will have an agenda with a document recording actions, attendees, apologies, decisions and outcomes.

The Chairperson will oversee the preparation of the agenda in consultation with Council staff. It is noted that any member can submit agenda items prior to the finalisation and distribution of the agenda.

Council staff representatives will provide program and administrative support to the Greater Dandenong Multicultural Advisory Committee and will ensure the timely preparation and distribution of agendas and minutes.

Advisory Committee members will be expected to demonstrate their commitment and due diligence by the preparation for, attendance at, and active participation in, Committee meetings.

The Advisory Committee will be transparent and all goals, minutes and activities be available in print and on the City of Greater Dandenong website.

**CHAIRPERSON**

The Chairperson shall be one of the independent Advisory Committee members and determined through a vote or consensus among the independent members. The term of the chair is aligned with the term of the Committee.

The appointed Chairperson is responsible for the conduct of meetings, ensuring fair and equitable opportunities for views and opinions to be voiced and discussed by the Advisory Committee.

**QUORUM AND VOTING**

Decisions require more than half of the membership of the Greater Dandenong Multicultural Advisory Committee to be present at meetings, with a majority being non-City of Greater Dandenong members.

It is preferable that decisions of the Greater Dandenong Multicultural Advisory Committee are made by consensus, however there may be circumstances where a matter is decided by a vote. Each member is entitled to one vote, except that the Chairperson may exercise a casting vote should this be necessary.

**CONFLICT OF INTEREST**

Any matter deemed by a member to represent a Conflict of Interest shall be reported to the Chairperson either prior to a meeting or before the specific item is discussed.



**2.6.7 Response to NoM 99 - Greater Dandenong Multicultural Network (Cont.)**

**Attachment 1**



**Code of Conduct for members of Advisory Committees**

I agree to:

- Attend Advisory Committee meetings and provide apologies in advance where attendance is not possible;
- Act in an advisory capacity by disseminating authorised information within the community and provide insight and advice into community perspectives of the project;
- Seek at all times to obtain and represent the views of the broader community;
- Respect the ideas and beliefs of all members and provide an atmosphere where all members feel comfortable to participate;
- Contribute in a positive way to finding solutions to issues or concerns;
- At all times act in good faith, with honesty and integrity and apply the skills and expertise I possess with diligence and care;
- Represent the views of my organisation, interest group or community and not individual views at odds with my organisation or group;
- Notify Council of any potential conflict of interest that may arise with respect to my participation on the Advisory Committee;
- Allow Council to promote my participation in the Advisory Committee in order to facilitate community feedback and participation;
- Not disseminate confidential information that is discussed at the Advisory Committee meetings as advised by the Advisory Committee chair; and
- Not make any media comment on behalf of the Advisory Committee in relation to the project unless approved by the Advisory Committee chair;
- At all times act in accordance with the Agreed Meeting Etiquette (Attachment 1a).

Signed: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_

Advisory Committee: \_\_\_\_\_



**2.6.7 Response to NoM 99 - Greater Dandenong Multicultural Network (Cont.)**

**OTHER**

**RESPONSE TO NOM 99 - GREATER DANDENONG MULTICULTURAL  
NETWORK**

**ATTACHMENT 2**

**AGREED MEETING ETIQUETTE**

**PAGES 2 (including cover)**

*If the details of the attachment are unclear please contact Governance on 8571 5235.*



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2.6.7 Response to NoM 99 - Greater Dandenong Multicultural Network (Cont.)



## AGREED MEETING ETIQUETTE



### Meeting Attendance

- \* Come to the meeting with good intention, good will and acting in the best interests of your community(ies).
- \* Only use your mobile phones if necessary and take it outside the meeting if you receive an urgent call.
- \* Leave past grievances at the door and focus on the positive.
- \* Respect the professionalism, integrity and time restraints of those presenting information to you.
- \* Come with a commitment to the principles of the Code of Conduct.



### Speaking Responsibly

- \* Share air time – remember everyone has a voice and an opinion.
- \* Express yourself clearly so others can understand your point of view.
- \* Address the issue at hand, debate the issue vigorously but don't attack others personally.
- \* Be aware of your body language and speak calmly and respectfully at all times.



### Listening

- \* Listen to understand, listen actively and without preconceptions.
- \* Be open to new ideas.
- \* Respect all parties and differing points of view.
- \* Avoid side-conversations and interjections.



### Process

- \* Council recognises the role of the Chairperson as facilitator and gives permission to the Chair to intervene and guide the group and individuals back from inappropriate behaviour.
- \* The Chair has the right to adjourn the meeting to address such behaviours.

The Chairperson will:

- \* encourage a collaborative approach to the meeting.
- \* ensure that each person has a chance to contribute during discussion and/or debate.
- \* clarify the outcomes at the conclusion of each item.
- \* ensure that the meeting is not dominated by any individual.

While the Chairperson facilitates the meeting, every Councillor is responsible for maintaining good conduct and behaviours within the meeting. Don't be afraid to call someone out.



### Confidentiality

- \* What happens in a meeting stays in a meeting.

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References: <http://braidwood.nsw.greens.org.au>– Letter to Councillors re safe meeting procedure and <http://www.asiapacificgreens.org> – Meeting Rules

Note: This is a dynamic document and can be altered without resolution of Council.



**2.6.7 Response to NoM 99 - Greater Dandenong Multicultural Network (Cont.)**

**OTHER**

**RESPONSE TO NOM 99 – GREATER DANDENONG MULTICULTURAL  
NETWORK**

**ATTACHMENT 3**

**NOTICE OF MOTION NO. 99 – GREATER  
DANDENONG MULTICULTURAL NETWORK**

**PAGES 3 (including cover)**

*If the details of the attachment are unclear please contact Governance on 8571 5235.*



**2.6.7 Response to NoM 99 - Greater Dandenong Multicultural Network (Cont.)**

City of Greater Dandenong

ORDINARY COUNCIL MEETING MINUTES

MONDAY 25 JULY 2016

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**3 NOTICES OF MOTION**

A notice of motion is a notice setting out the text of a motion proposed to be moved at the next relevant meeting. It must be in writing, signed by a Councillor, and be lodged with the Chief Executive Officer in sufficient time for him or her to give each Councillor at least 72 hours notice of such notice.

The guidelines for submitting a notice of motion to a Council meeting are included in the current Meeting Procedure Local Law.

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**3.1 Notice of Motion No. 99 - Greater Dandenong Multicultural Network**

Author:

Cr Heang Tak

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**Preamble**

A Mayoral Forum titled "Social Cohesion – Celebrating Multiculturalism in Greater Dandenong" was held on Friday 24 June, 2016 at the Dandenong Civic Centre. The Forum successfully promoted engagement and collaboration across multicultural communities to improve community wellbeing, harmony and prosperity.

The forum was attended by approximately 100 multicultural community leaders as well as Councillors, Australia Day awardees and special guests including the Hon. Robin Scott Minister for Multicultural Affairs, Gabrielle Williams MP and Nina Springle MP.

Feedback received at the Forum was overwhelmingly positive with the majority of participants responding that they would like to build on this success and continue to take part in ongoing dialogue with Council.

To continue this momentum, I request that consideration be given to the establishment of a Greater Dandenong Multicultural Network to enable ongoing dialogue by Council with multicultural groups and community leaders.

An appropriate format for engagement could include an executive committee that sets the agenda for open forums of a proposed Network. The structure could be similar to that of the Greater Dandenong Interfaith Network.



**2.6.7 Response to NoM 99 - Greater Dandenong Multicultural Network (Cont.)**

City of Greater Dandenong

ORDINARY COUNCIL MEETING MINUTES

MONDAY 25 JULY 2016

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**3.1 Notice of Motion No. 99 - Greater Dandenong Multicultural Network (Cont.)**

**Motion**

**That Council:**

1. **investigates options for the structure and format of a Greater Dandenong Multicultural Network; and**
2. **suggests a proposed format for the Greater Dandenong Multicultural Network which comes back to the Council meeting of 12 September 2016.**

**MINUTE 1465**

Moved by: Cr Heang Tak

Seconded by: Cr Roz Blades AM

**That Council:**

1. **investigates options for the structure and format of a Greater Dandenong Multicultural Network; and**
2. **suggests a proposed format for the Greater Dandenong Multicultural Network which comes back to the Council meeting of 12 September 2016.**

**CARRIED**

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The Mayor, Cr Heang Tak resumed the Chair after discussion of this item.



## 2.6.8 Neighbourhood House Strategic Direction

File Id:

Responsible Officer:

Director Community Services

Attachments:

Summary of Community Feedback and Responses

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### Report Summary

In September 2015, Council endorsed in principle, key areas for review for the six Neighbourhood Houses in Greater Dandenong. These areas would inform strategic directions and include alignment with Council Plans, governance practices, sustainable organisations, partnerships and alliances, management of facilities, responding to community needs and the profile of neighbourhood houses.

Council also endorsed the establishment of a Working Group with Neighbourhood Houses, Council officers and Councillor Representatives to develop a strategic direction and partnership with a report back to Council within six months.

This report summarises the outcomes of the Working Group deliberations and provides strategic directions to inform the ongoing strategic partnership and increased connectivity between Neighbourhood Houses and Council.

### Recommendation Summary

This report recommends that Council endorses the shared vision and Strategic Directions for Neighbourhood Houses as the basis for Council's strategic partnership to work closely with Neighbourhood Houses to achieve more viable and sustainable organisations that are equipped to provide greater opportunities for the Greater Dandenong community.



**2.6.8 Neighbourhood House Strategic Direction (Cont.)****Background**

The key areas for review for Neighbourhood Houses were developed to provide a basis for discussion with Neighbourhood Houses through the establishment of a Working Group, individual discussions with each Neighbourhood House Board of Management and a community engagement process.

Neighbourhood Houses contribute to social inclusion and improved health and wellbeing outcomes of the Greater Dandenong community. This is achieved through the provision of key community activities for residents that range across all life stages including a focus on adult education, lifelong learning and pathways to employment, volunteer engagement and social and recreational programs.

The six Neighbourhood Houses that have been engaged in this process are:

- Dandenong Neighbourhood House
- Springvale Neighbourhood House
- Springvale Learning and Activities Centre
- Noble Park Community Centre
- Keysborough Learning Centre
- Wellsprings for Women

Council provides annual operational funding of \$377,500 through the Community Partnerships Funding Program to support the six Neighbourhood Houses, plus \$484,553 per year for building maintenance. This represents a total of \$862,053. Additional one-off funding and in-kind support from Council staff is also provided to Neighbourhood Houses.

The six Neighbourhood Houses supported by Council also receive other forms of Government funding for services totalling over \$1million. This includes funding from the Department Health and Human Services and the Department Education and Training and provides for the range of community engagement and development programs, adult education and pre employment programs.

In return for this investment by Council and State Government, Neighbourhood Houses provide a wide range of programs and activities covering areas such as workplace and vocational training, language and literacy programs, administration and information technology, leisure and recreation, social support and self help, men's sheds and community gardens. Space in Neighbourhood Houses is also provided for various community groups to conduct meetings and activities.

With more challenging financial times ahead, Council's current investment in Neighbourhood Houses may need to be reviewed in future years. Council has been developing a preferred position of establishing integrated community hubs to replace ageing stand-alone buildings. As a result of these factors, Neighbourhood Houses have an opportunity to consider current practices and approaches in managing their services to more closely align with Council's future directions.

The key areas for review were provided to each of the six Neighbourhood Houses for discussion and consideration by each of the Boards/Committees. A Working Group was formed and met three times to discuss each of the key areas for review. In addition, a community consultation process was



**2.6.8 Neighbourhood House Strategic Direction (Cont.)**

undertaken to seek community feedback on the effectiveness of Neighbourhood Houses in Greater Dandenong. This consultation was conducted in accordance with the Community Engagement Framework and included:

- Feedback Forms distributed through a range of customer services centres and community facilities and events.
- Information provided through The City Magazine and on Council's website.
- Invitation to participate in the 'Our Say' online feedback process on Council's website.

**Proposal**

At the conclusion of the community consultation period a total of 182 feedback forms were received. Six responses were posted on the 'Our Say' online forum on Council's website and four email comments were received.

In addition during this time, three meetings of the Working Group were held and through direct communication with all Boards/Committees, individual responses were received from each of the six Neighbourhood Houses.

The community feedback reflects a range of views, interest areas and ideas to further enhance Neighbourhood Houses in Greater Dandenong.

The findings of the consultation process reflect the 'Opportunity' objective in the Council Plan. These responses aligned to the priority areas of: education and learning, knowledge and jobs and business opportunities.

The top six survey results highlighted the need for more services and programs across the following areas:

Question/Topic	Responses	Number of Responses
What Neighbourhood House programs would you like to do?	Adult Education programs	62
	English programs	60
	Computer programs	45
	Volunteering	41
	Social activities	40
	Skill development and employment programs	22

A document (Attachment 1 – Summary of Community Feedback and Responses) summarises community views and ideas.

All views have been considered by the Working Group prior to finalising the Strategic Directions for Council endorsement.



**2.6.8 Neighbourhood House Strategic Direction (Cont.)**

The following shared vision has been developed by Council in previous consultation with Neighbourhood Houses and it is proposed that Neighbourhood Houses will be:

‘Integrated places for learning and social connection where all people in the Greater Dandenong community can participate, contribute and realise aspirations.’

The Working Group considered each of the key areas for review and while there was general agreement about each of the statements, minor amendments have been suggested that provide more clarity and recognise the achievements of Neighbourhood Houses to date. The following amendments are recommended.

<b>Area for Review agreed in principle by Council in September 2015</b>	<b>Strategic Direction agreed by Neighbourhood Houses for Council Endorsement</b>
Commitment to align with Council Plans	Commitment to align with Council Strategy
Contemporary governance practices	Contemporary governance practices
Stronger and more responsive and sustainable organisations	Strong, adaptive, responsive and sustainable organisations
Strategic partnerships and alliances	Build and maintain strategic partnerships and alliances
Facility management practices	Key stakeholders in the management of integrated community sites
Responses to changing community needs	Responses to changing community needs
A profile or ‘brand’ for Neighbourhood Houses	Develop a profile and brand for Neighbourhood Houses

These strategic directions provide an opportunities to continue to strengthen the partnerships between Council and the Neighbourhood Houses through targeted service and program delivery. In addition, undertaking a stronger and more directed advocacy role by Council to enhance the capacity and resources for this sector will achieve greater community outcomes and strategically align to Council priorities.

In response to the proposed strategic directions, Neighbourhood Houses have commenced the development of a profile and brand for the sector. This process will develop a collective profile for Neighbourhood Houses whilst still recognising their individual diversity, strengths and characteristics.

### **Community Plan ‘Imagine 2030’ and Council Plan 2013-2017 – Strategic Objectives, Strategies and Plans**

After consultation with the Greater Dandenong community on what kind of future they wanted to see for themselves and the City in 2030, the result was the Greater Dandenong Community Plan ‘Imagine 2030’. This report is consistent with the following community visions:



## 2.6.8 Neighbourhood House Strategic Direction (Cont.)

### **Community Plan 'Imagine 2030'**

#### People

- *Pride* – Best place best people
- *Cultural Diversity* – Model multicultural community
- *Lifecycle and Social Support* – The Generations supported

#### Place

- *Sense of Place* – One city many neighbourhoods
- *Appearance of Places* – Places and buildings
- *Travel and Transport* – Easy to get around

#### Opportunity

- *Education, Learning and Information* – Knowledge
- *Jobs and Business Opportunities* – Prosperous and affordable

### **Council Plan 2013-2017**

The Council Plan describes the kind of future the Council is working for, and how Council will do this over four years. This report is consistent with the following goals:

#### People

- A healthy, active and safe community
- A city that celebrates its diversity with pride

#### Place

- An environmentally sustainable city
- A city planned for the future

#### Opportunity

- A thriving and resilient economy
- A Council that listens and leads

The strategies and plans that contribute to these outcomes are as follows:

- Council Plan 2013-17
- Community Wellbeing Plan 2013-17



#### **2.6.8 Neighbourhood House Strategic Direction (Cont.)**

##### **Related Council Policies**

- Community Partnerships Funding Policy 2013
- Diversity, Access and Equity Policy 2015

##### **Victorian Charter of Human Rights and Responsibilities**

All matters relevant to the Victorian Human Rights Charter have been considered in the preparation of this Policy and are consistent with the standards set by the Charter.

##### **Financial Implications**

There are no financial implications associated with this report. It is anticipated that future Community Partnerships Funding for Neighbourhood Houses will be considered on the basis of each organisations demonstrated outcomes and alignment with Council's strategic direction and objectives for Neighbourhood Houses.

Neighbourhood Houses are part of the broader Community Partnership Funding Program in Council are in the final year of a three partnership funding agreement which concludes in June 2017. The approach is to establish strategic directions for the funding to Neighbourhood Houses as a significant component of the broader Community Partnership Program to allow each Neighbourhood House to consider how it can more closely align Council funding and program or organisational outcomes.

##### **Consultation**

The development of the Strategic Directions has been achieved through the establishment of a Working Group and a range of community consultation activities.

The Working Group, consisting of members of the Boards and the Managers of Neighbourhood Houses, along with Councillors and Council officers met to discuss the key areas for review and agreed on the methods for community consultation.

Meetings with individual Boards and managers have been held to allow for feedback based on the individual nature of each Neighbourhood House and how the strategic directions can be incorporated into their strategic and business planning.

Face to face community consultation has been undertaken with the support of Council's volunteer Ambassadors at the Dandenong Show, the Australia Day Festival and at the Dandenong Market.

Feedback forms were also made available to the community through the Customer Service Centres and the Springvale and Dandenong Libraries.

Feedback forms were provided to each Neighbourhood House to encourage current, new and past members to provide feedback on their own experiences.

Promotion of the community consultation process and timeframe were advertised in The City Magazine and an online 'Our Say' survey was offered on Council's website.



**2.6.8 Neighbourhood House Strategic Direction (Cont.)**

**Conclusion**

The shared vision and Strategic Directions for Neighbourhood Houses articulates the key areas that will build on the strengths and opportunities currently available to the Greater Dandenong community.

The results of the community consultation process further supports this direction and provides areas for future development. The process of engagement and consultation was tailored to provide opportunities for input from the community.

The Strategic Directions that were agreed by consensus by the Working Group will form the basis for Council's ongoing strategic partnership with Neighbourhood Houses on an individual basis and as a sector that delivers valuable outcomes for the Greater Dandenong community.

A key outcome of the Working Group process has been the commitment from both Council and the Neighbourhood Houses to work in a strong and sustainable way to meet the current and future needs of the community.



**2.6.8 Neighbourhood House Strategic Direction (Cont.)**

**Recommendation**

**That Council:**

- 1. endorses the shared vision for Neighbourhood Houses as: ‘Integrated places for learning and social connection where all people in the Greater Dandenong community can participate, contribute and realise aspirations.**
- 2. endorses the following Strategic Directions for Neighbourhood Houses as a basis for Council’s strategic partnership with Neighbourhood Houses:**
  - 2.1. commitment to align with Council Strategy**
  - 2.2 contemporary governance practices**
  - 2.3 strong, adaptive, responsive and sustainable organisations**
  - 2.4 build and maintain strategic partnerships and alliances**
  - 2.5 key stakeholders in the management of integrated community sites**
  - 2.6 responses to changing community needs**
  - 2.7 develop a profile and brand for Neighbourhood Houses**
- 3. writes to the Boards and invite them to respond to the strategic directions and how they can further develop the strategic partnerships with Council and build a stronger relationship for the long term; and**
- 4. increases its advocacy for Neighbourhood Houses to build the capacity and resources to achieve greater outcomes and benefit for the community.**

**MINUTE 1524**

Moved by: Cr Matthew Kirwan

Seconded by: Cr Sean O'Reilly

**That Council:**

- 1. endorses the shared vision for Neighbourhood Houses as: ‘Integrated places for learning and social connection where all people in the Greater Dandenong community can participate, contribute and realise aspirations.**
- 2. endorses the following Strategic Directions for Neighbourhood Houses as a basis for Council’s strategic partnership with Neighbourhood Houses:**
  - 2.1. commitment to align with Council Strategy**
  - 2.2 contemporary governance practices**



**2.6.8 Neighbourhood House Strategic Direction (Cont.)**

- 2.3 strong, adaptive, responsive and sustainable organisations**
- 2.4 build and maintain strategic partnerships and alliances**
- 2.5 key stakeholders in the management of integrated community sites**
- 2.6 responses to changing community needs**
- 2.7 develop a profile and brand for Neighbourhood Houses**
- 3. writes to the Boards and invite them to respond to the strategic directions and how they can further develop the strategic partnerships with Council and build a stronger relationship for the long term; and**
- 4. increases its advocacy for Neighbourhood Houses to build the capacity and resources to achieve greater outcomes and benefit for the community.**

**CARRIED**



**2.6.8 Neighbourhood House Strategic Direction (Cont.)**

**OTHER**

**NEIGHBOURHOOD HOUSE STRATEGIC DIRECTION**

**ATTACHMENT 1**

**SUMMARY OF COMMUNITY FEEDBACK AND  
RESPONSES**

**PAGES 2 (including cover)**

*If the details of the attachment are unclear please contact Governance on 8571 5235.*



## 2.6.8 Neighbourhood House Strategic Direction (Cont.)

## Attachment 1

Neighbourhood House Strategic Directions 2016  
Summary of Community Feedback and Responses

Feedback Methods		General comments
<b>Feedback Forms</b>		
182 forms received through the Neighbourhood Houses		<ul style="list-style-type: none"> <li>Improved promotion and marketing is required</li> <li>Better promotion and information via social media and local papers</li> <li>Up to date website content including information on memberships and program timetables</li> <li>More low cost/free programs</li> <li>More computer classes</li> <li>Programs offered on weekends and after hours</li> </ul>
<b>Our Say Online Responses</b>		
6 Online Responses		<ul style="list-style-type: none"> <li>More health and lifestyle education programs</li> <li>Youth programs</li> <li>More information available on websites – governance and membership, timetables</li> <li>Better promotion through social media and local papers</li> <li>Better utilisation of infrastructure – packing and collecting organic produce</li> <li>Programs offered on weekends and after hours</li> </ul>
<b>Face to Face Feedback Forms</b>		
20 Responses: <ul style="list-style-type: none"> <li>Dandenong Market</li> <li>Dandenong Show</li> <li>Australia Day Festival</li> </ul>		<ul style="list-style-type: none"> <li>More computer classes</li> <li>Better promotion – websites and local papers</li> <li>Low cost/free programs</li> <li>Easy accessibility via public transport</li> </ul>
<b>Email Feedback</b>		
4 Responses		<ul style="list-style-type: none"> <li>Programs offered on weekends and after hours</li> <li>Better promotion through social media and local papers</li> <li>More information available on website - governance and membership</li> <li>Improved signage</li> <li>Programs that respond to changing needs</li> <li>'Come and try' activities</li> <li>Access to Men's Sheds by women</li> </ul>



## 2.6.9 Review of the Local Government Act 1989

File Id:

Responsible Officer:

Director Corporate Services

Attachments:

Local Government Act Review Directions Paper  
Submission Greater Dandenong

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### Report Summary

Local Government Victoria (LGV) is currently undertaking a comprehensive review of the *Local Government Act 1989*.

LGV has released a Directions Paper outlining the key changes that they are considering in the development of a new Local Government Act and have sought submissions on this paper.

This report seeks Council adoption of our submission prior to lodging with LGV.

### Recommendation Summary

This report recommends that Council endorse the City of Greater Dandenong submission on the review of the Local Government Act.



**2.6.9 Review of the Local Government Act 1989 (Cont.)****Background**

Local Government Victoria (LGV) is currently undertaking a review of the *Local Government Act 1989* with a view to establishing a new Act which is likely to be considered by State Government in early 2018.

LGV has previously undertaken a first round of community consultation and has released a Directions paper which outlines 157 proposed directions to include in the new Act. LGV has sought submissions from Councils and the community which close on Friday 16 September, 2016.

Following consideration of these submissions, LGV will then release draft legislation in 2017 and then undertake a third and final round of consultation with the industry and community.

The purpose of this report is to consider a Council submission in response to the proposed directions put forward.

In summary, there are many proposed directions in the Directions paper to which Council either agrees with or has no comment at this point in time. The new Act is based more on establishing principles upon which local government should be administered with much of the detail in the existing Act either being removed or relocated to regulations and best practice guides.

Other principle areas of change proposed are:

- Greater clarity around the role of Council;
- Strengthening the role of Mayor and more clarity between this role and the CEO;
- Providing for greater consistency in Local Laws
- Reducing the grounds on which Council can consider confidential business;
- Implementing a standard formula to determine Councillor numbers and increasing the maximum number of Councillors to 15;
- Consistency in Council ward structures and voting methods;
- Removing complexities in voting entitlements;
- Requiring greater community engagement and consultation in the formulation of key strategic framework documents;
- Increased transparency in terms of documents and registers to be available on-line;
- Clearer conflict of interest rules;
- Removal of ministerial approval requirements in some instances;
- Requirement to produce ten year community, financial and asset management plans;
- Increased flexibility to establish corporate entities;
- Increased oversight of Council from the Audit Advisory Committee;
- Requirement to produce a Revenue and Rating Policy;
- All Councils to use the same valuation methodology in raising rates



**2.6.9 Review of the Local Government Act 1989 (Cont.)**

In general as noted in this report, Council is supportive of the majority of changes outlined in the Directions paper. There are however a number of areas which Council's submission raises concern with. Some of these are:

- The mandating that Council Mayoral terms be for a minimum of two years. Council believes that this recommendation actually reduces the number of candidates who could stand for the position of Mayor – particularly those that presently work full time – and limits the ability for the majority of Councillors to experience this role over time.;
- Providing the capacity for the Mayor to solely determine Committee appointments and set the Agenda for Council in conjunction with the CEO. Both of these roles are presently played by Council as a whole and it is view of this Council that should remain the case.
- The application of deliberative community engagement for all aspect of Council's strategic planning framework as compared to ensuring that Councils have in place a comprehensive community consultation and engagement policy.
- The movement from the Audit Advisory Committee from a committee which seeks to enhance Council's performance to one which will largely be based on compliance auditing and certifying Councils performance against key policies;
- The requirement to produce a Workforce plan outlining future staffing needs and the inability to readily change this plan – in a rate capping environment where it is unknown at this point the level of operational reductions that may be required based on the rate cap set;
- The proposed extension of time for Council to develop a new Council Plan following the election to 31<sup>st</sup> December of the next year (currently 30 June). This would lead to an Annual Budget being developed in a vacuum and not allow funding to be linked to new Council Plan initiatives until 20 months after the election.
- The treatment of all requests for service as a 'complaint'.

Attached to this Agenda item is a draft of Council's submission in the template format sought by LGV.

**Proposal**

That Council endorse the submission from City of Greater Dandenong in respect of the review of the Local Government Act

**Community Plan 'Imagine 2030' and Council Plan 2013-2017 – Strategic Objectives, Strategies and Plans**

After consultation with the Greater Dandenong community on what kind of future they wanted to see for themselves and the City in 2030, the result was the Greater Dandenong Community Plan 'Imagine 2030'. This report is consistent with the following community visions:

**Community Plan 'Imagine 2030'****Opportunity**

- *Leadership by the Council* – The leading Council



**2.6.9 Review of the Local Government Act 1989 (Cont.)**

**Council Plan 2013-2017**

The Council Plan describes the kind of future the Council is working for, and how Council will do this over four years. This report is consistent with the following goals:

Opportunity

- A Council that listens and leads

**Financial Implications**

There are no financial implications associated with this report at present. Some of the proposed directions have the potential to increase cost to Council in the future but this will be further explored at the point draft legislation is established.

**Consultation**

Council has received a briefing on this matter from the Victorian Local Government Association (VLGA) and from Council staff.

**Conclusion**

In general, this report proposes that Council be in agreement with many of the proposed directions contained in the Directions paper. There are however a number of areas that Council has concerns with and these are documented in the proposed submission from Council.

**Recommendation**

**That Council endorses the proposed submission from the City of Greater Dandenong to the review of the Local Government Act and that the submission be lodged with Local Government Victoria and placed on Council's website.**

**MINUTE 1525**

Moved by: Cr Sean O'Reilly

Seconded by: Cr Roz Blades AM

**That Council endorses the proposed submission from the City of Greater Dandenong to the review of the Local Government Act and that the submission be lodged with Local Government Victoria and placed on Council's website.**

**CARRIED**



**2.6.9 Review of the Local Government Act 1989 (Cont.)**

**OTHER**

**REVIEW OF THE LOCAL GOVERNMENT ACT 1989**

**ATTACHMENT 1**

**Local Government Act Review Directions  
Paper Submission Greater Dandenong**

**PAGES 46 (including cover)**

*If the details of the attachment are unclear please contact Governance on 8571 5235.*



## 2.6.9 Review of the Local Government Act 1989 (Cont.)



## Act for the Future - Directions for a new Local Government Act Submission Template

Name	Mick Jaensch
Suburb	
Age*	
Gender*	

*\*Please see the last page of this document for our terms and conditions around privacy of your information*

If you work in an organisation or council, please provide the following information:

Organisation or council name	City of Greater Dandenong
Position	Director Corporate Services
Are you providing this submission on behalf of the organisation or council?	Organisation

### Key information about making a submission

#### Who can make a submission?

Anyone is able to make a submission to the Local Government Act review Directions Paper - whether you're responding yourself, or on behalf of a community group or local council.

#### How will submission be used?

All submission received will be considered and used to inform the next stages of the review.

#### Will submissions be made publicly available?

Written submissions (electronic and physical) will be made publicly available unless confidentiality is requested, and granted by the Local Government Act Review Advisory Committee, or if the committee determines the material should remain confidential. Submissions that are defamatory or offensive will not be published.

#### Can I provide a submission in another format?

It is strongly preferred for submissions to be made through the online form or by completing this form. However, if another format suits your needs or the requirements of your organisation you are welcome to use another format.

#### Do I have to respond to all of the questions in the template?

You're welcome to respond to as many, or as few, of the questions as you would like.

#### How do I make a submission?

Submissions can be made in three ways:

- ➔ **Online** via the online submission form, or by uploading your completed submission form
- ➔ **Email** your completed form to [local.government@delwp.vic.gov.au](mailto:local.government@delwp.vic.gov.au)
- ➔ **Post** your completed form to:  
Local Government Act Review Secretariat  
C/o Local Government Victoria,  
PO Box 500, Melbourne VIC 3002



**2.6.9 Review of the Local Government Act 1989 (Cont.)****Chapter 2: Contemporary councils capable of meeting future challenges****Direction 1 proposes to:**

Require councils to take the following principles into account when performing their functions and exercising their powers:

- the need for transparency and accountability
- the need for deliberative community engagement processes
- the principles of sound financial management
- the economic, social and environmental sustainability of the municipality
- the potential to cooperate with other councils, tiers of government and organisations
- plans and policies about the municipality, region, state and nation
- the need for innovation and continuous improvement
- any other requirements under the Act or other state or federal legislation.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

There are some concerns with the extent to which deliberative community engagement has been built into several aspects of the revised Act and the time and cost that this will add to making local government decisions in the future. Certainly when completing a Council Plan and Community Plan following an election a deliberative community engagement process is warranted – for reviews and updates this should however not be required. Similarly the Long Term Financial Plan and Asset Plan should simply benefit from community engagement rather than a deliberative requirement.

**Direction 2 proposes to:**

Provide that the role of a council is to:

- plan for and ensure the delivery of services, infrastructure and amenity for its municipality, informed by deliberative community engagement
- collaborate with other councils, tiers of government and organisations
- act as an advocate for its local community
- perform functions required under the Act and any other legislation.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 3 proposes to:**

Provide that councils have the powers described in the Act and in other legislation.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**



**2.6.9 Review of the Local Government Act 1989 (Cont.)****Direction 4 proposes to:**

Make the following reforms to the election of mayors:

- Elect all mayors for two-year terms
- Retain election of the mayor by their fellow councillors for most councils
- Provide the minister with power to approve the direct election of mayors for councils where:
  - the size of the council is sufficient to support the additional costs of direct election
  - the significance of the council in its own terms or in terms of the region in which it is situated supports a directly elected mayor
  - community consultation provides evidence of strong support for a directly elected mayor, recognising the additional costs to the community.
- Should the minister approve direct election of a mayor for a municipality, the City of Melbourne model will apply. This is that the mayor and deputy mayor are jointly elected by voters and councillors are elected at large to represent the entire municipality.

**Do you support this direction?** ☐ Yes ☒ No

**What other comments would you make for this proposal?**

Council does not support the election of a Mayor for a two year term. Council believes this will actually act as a disincentive for prospective Councillors to run for the office of Mayor particularly where they are in full time employment. The opportunity to be Mayor should also remain available for the widest number of candidates during the four year term. Council supports the retention of the election of the Mayor by fellow Councillors.

**Direction 5 proposes to:**

Expand the role of the mayor to include the following powers and responsibilities:

- to lead engagement with the community on the development, and the reporting to the community at least annually about the implementation, of the council plan
- to require the CEO to report to the council about the implementation of council decisions
- to appoint chairs of council committees and appoint councillors to external committees that seek council representation
- to support councillors—and promote their good behaviour—to understand the separation of responsibilities between the elected and administrative arms of the council
- to remove a councillor from a meeting if the councillor disrupts the meeting
- to mutually set council meeting agendas with the CEO
- to be informed by the CEO before the CEO undertakes any significant organisational restructuring that affects the council plan
- to lead and report to council on oversight of the CEO's performance
- to be a spokesperson for the council and represent it in conduct of public civic duties.

**Do you support this direction?** ☐ Yes ☒ No

**What other comments would you make for this proposal?**

Council supports several aspects of this proposal but has concerns with the Mayor appointing committee representation compared to this being a Council decision as a whole. Similarly the reviewing of forward Council agendas should be a role that is performed by all Councillors and not simply the Mayor.



**2.6.9 Review of the Local Government Act 1989 (Cont.)****Direction 6 proposes to:**

Review the formula for setting mayoral allowances in light of the proposed expanded role of mayors.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

--

**Direction 7 proposes to:**

Formalise the status of the Local Government Mayoral Advisory Panel (LGMAP) by making it a statutory advisory board to the minister under the Local Government Act.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

Provided the Advisory Panel has its membership based on a representative model that is subject to further consultation with the industry and that this Panel is not used as a replacement for genuine consultation between the State Government and local government.
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**Direction 8 proposes to:**

Require all councils to appoint a deputy mayor elected in a manner consistent with the mayor. That is:

- where councillors elect their mayor, councillors elect the deputy mayor for the same two-year period
- where the mayor is directly elected, a deputy mayor is jointly elected with the mayor on the same ticket.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

Currently this Council has an existing policy of the immediate past Mayor performing this role.
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**Direction 9 proposes to:**

Consider deputy mayoral allowances in light of the expanded role of deputy mayors.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

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**Direction 10 proposes to:**

Require councillors to actively participate in engagement processes mandated by the Act.

**Do you support this direction?** ☐ Yes ☒ No

**What other comments would you make for this proposal?**

As per earlier comments, Council has concerns about the mandating of a deliberative community engagement process for all aspects of the strategic planning framework. Council believes the Act should simply describe that all Councils are required to adopt comprehensive community consultation and engagement policies rather than prescribe the type of engagement to be used. The requirements on
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**2.6.9 Review of the Local Government Act 1989 (Cont.)**

individual Councillors to participate needs greater clarity.

**Direction 11 proposes to:**

Require councillors to recognise and support the role of the mayor specified in the Act.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 12 proposes to:**

Provide that councillors are entitled to all relevant entitlements consistent with other significant public offices (such as for disability support, maternity leave and childcare).

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 13 proposes to:**

Require the CEO to provide support to the mayor by:

- consulting the mayor when setting council agendas
- keeping the mayor informed about progress implementing significant council decisions, including reporting on implementation when asked to do so
- providing information the mayor requires to meet the responsibilities of the role
- informing the mayor before making significant organisation changes that that affect the council plan
- supporting the mayor in their leadership role (such as by ensuring adequate council resources and access to staff for the proper conduct of council meetings and for civic engagements).

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

With the proviso that the CEO should establish a process where all Councillors are able to review the forthcoming Council Agenda and not simply the Mayor.

**Direction 14 proposes to:**

Require all councils to have a CEO remuneration policy that broadly aligns with the Remuneration Principles of the Victorian Public Sector Commission's *Policy on Executive Remuneration for Public Entities in the Broader Public Sector*.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**



**2.6.9 Review of the Local Government Act 1989 (Cont.)****Direction 15 proposes to:**

Require the audit and risk committee to monitor and report on a council's performance against the remuneration policy.

**Do you support this direction?** ☐ Yes ☒ No

**What other comments would you make for this proposal?**

There are several aspects within the Directions Paper where the new Act proposes to turn the Audit Committee into a policing mechanism. This will both drive up audit costs – as Audit Committee members seek to have these areas internally audited to provide them with assurance – and reduce Council's ability to have internal audit focussed on service improvements rather than compliance. In each of these cases, Council should simply be required to certify it has complied rather than have sign off by the Audit Committee.

**Direction 16 proposes to:**

Require the mayor to get independent advice in overseeing CEO recruitment, contractual arrangements and performance monitoring.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 17 proposes to:**

Remove detailed prescription about council decision-making processes from the Act.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

But with the concern that this detail will simply appear later in regulation which Council cannot comment on at this point.

**Direction 18 proposes to:**

Include high-level principles about council decision-making processes: namely, that they be open and accountable.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 19 proposes to:**

Require councils to adopt rules about internal council processes that are consistent with the high-level principles in the Act.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

Noting that these internal rules will still require a great deal of prescription in order to deal with the



**2.6.9 Review of the Local Government Act 1989 (Cont.)**

complexities currently contained in the Meeting Procedure Local Law.

**Direction 20 proposes to:**

Include in the new Act that a council may determine that information is confidential if:

- it affects the security of the council, councillors or council staff
- it would prejudice enforcement of the law
- it would be privileged from production in legal proceedings
- it would involve unreasonable disclosure of a person's personal affairs
- it relates to trade secrets or would disadvantage a commercial undertaking.

**Do you support this direction?** ☐ Yes ☒ No

**What other comments would you make for this proposal?**

Council has some concerns with above. As a Council, Greater Dandenong seldom goes in-camera to make decisions. On many occasions however information is deemed as confidential by the CEO for the purposes of briefing Council on development proposals and other matters at Council briefing sessions. The removal of the development proposal item from the previous list is concerning. Development proposals and matters of contractual natures should be included in the fifth point above.

**Direction 21 proposes to:**

Require a committee to which a council may delegate any of its powers to be known as a special committee and require it to include at least two members who are councillors.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 22 proposes to:**

Allow councils to establish administrative committees to manage halls and reserves, with limited delegated powers including limits on expenditure and procurement; and for councils to approve annually committee rules that specify the roles and obligations of administrative committee members.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 23 proposes to:**

Apply legislative provisions exclusively to special committees that have delegated council powers and to administrative committees (as described in the proposed direction above).

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**



**2.6.9 Review of the Local Government Act 1989 (Cont.)****Direction 24 proposes to:**

Remove from the Act provisions regulating assemblies of councillors, leaving councils to deal with issues of public transparency about these or any other advisory committees as part of the council's internal rules.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 25 proposes to:**

Remove matters about employing council staff from the Act.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 26 proposes to:**

Require the CEO to establish a workforce plan that describes the council's staffing structure including future needs; that the plan include a requirement that it can only be changed in consultation with staff; and that the plan be available to the mayor and to staff.

**Do you support this direction?** ☐ Yes ☒ No

**What other comments would you make for this proposal?**

In a rate capping environment, Council will need to dynamically respond to opportunities and challenges to meet a very constrained environment. In these circumstances it is almost impossible to accurately forecast future staffing needs as Council will need to continue to reduce staffing levels depending on the comparison between future Enterprise Agreements and the rate cap set by the Minister. It is completely unrealistic to 'lock-in' a Council to a workforce plan that cannot be met and cannot be changed without a consultation process. This should be removed from the draft Act.

**Direction 27 proposes to:**

Require a council CEO to consult the staff if there is a major organisational restructure.

**Do you support this direction?** ☐ Yes ☒ No

**What other comments would you make for this proposal?**

This area is already covered by the Fair Work Act and in enterprise agreements. Having such a clause in the Act is at odds with a principle based Act where employee provisions have been removed.

**Direction 28 proposes to:**

Require a community consultation process before making or varying a local law.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

Provided there is a threshold test that where variations are minor and inconsequential, a community engagement process is not required.

**Direction 29 proposes to:**



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**2.6.9 Review of the Local Government Act 1989 (Cont.)**

Include in the Act principles that local laws must meet and require that a council, after receiving advice from an appropriately qualified person, certify that the local law meets these principles.

Do you support this direction? ☒ Yes ☐ No

What other comments would you make for this proposal?

**Direction 30 proposes to:**

Retain the power of the Governor in Council, on the recommendation of the minister, to revoke a local law that is inconsistent with the principles.

Do you support this direction? ☒ Yes ☐ No

What other comments would you make for this proposal?

**Direction 31 proposes to:**

Note that model local laws may be issued as guidelines on various matters to achieve greater quality, consistency and scrutiny. These would be based on best-practice local laws.

Do you support this direction? ☒ Yes ☐ No

What other comments would you make for this proposal?

**Direction 32 proposes to:**

Consult to determine the appropriate value of a penalty unit for local laws and whether the value should be indexed annually.

Do you support this direction? ☒ Yes ☐ No

What other comments would you make for this proposal?

**Direction 33 proposes to:**

Remove the requirement to submit local laws to the minister.

Do you support this direction? ☒ Yes ☐ No

What other comments would you make for this proposal?



**2.6.9 Review of the Local Government Act 1989 (Cont.)****Chapter 3: Democratic and representative councils****Direction 34 proposes to:**

Extend the band (currently 5–12) for the number of councillors per council to 5–15 and provide the minister with the power to increase the number of councillors per council within this band after receiving advice of the VEC.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

Endorse the concept with caution however as Council is yet to understand on what basis the formula will be established and what if any impact that this will have on City of Greater Dandenong. Council has concerns that having up to 15 Councillors may increase the opportunity of discord at these Councils and may impact on the good governance.

**Direction 35 proposes to:**

Include in Regulations a formula for determining councillor numbers and require that the VEC consistently apply it. Base the formula on the ratio of councillors to residents, mediated by the geographic scale of the local government area, loading councillor numbers by one, two or three for geographically vast local government areas.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

With comments noted in direction 34.

**Direction 36 proposes to:**

Allow for one of two representative structures—unsubdivided or entirely uniform multi-member wards—to be applied in each municipality. (Option 1) or

Allow for one of three representative structures—unsubdivided, entirely uniform multi-member wards or entirely single-member wards—to be applied in each municipality. (Option 2)

Initially this would require the VEC to conduct representation reviews to arrive at new council structures for the first council elections after the Act is enacted.

**Do you support option 1?** ☐ Yes ☒ No

**Do you support option 2?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

Council has some concerns that for Councils like ours which has 11 Councillors (or for any others which end up having 10, 13, or 14) –the only option will be for either un-subdivided or single member wards.



**2.6.9 Review of the Local Government Act 1989 (Cont.)****Direction 37 proposes to:**

Subject to fixing councillor numbers by formula and reducing the range of representative structures, conduct future electoral representation reviews by exception when the minister directs the VEC to conduct a review on the basis of:

- evidence of a marked increase in population in a municipality
- a request to the minister from a council or members of the community supported by evidence of the need for a review
- in response to a recommendation from the VEC
- on any grounds determined by the minister published in the government gazette.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 38 proposes to:**

Introduce partial preferential voting, consistent with Victorian Legislative Council elections, for multi-member wards and unsubdivided elections, such that the voter is only required to mark the ballot paper with the number of consecutive preferences for which there are vacancies to be filled.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 39 proposes to:**

Implement a countback method to fill casual vacancies between general elections by which all valid votes cast at the general election would be counted, not just those of the vacating councillor (excluding the votes that made up the quotas of the continuing councillors).

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 40 proposes to:**

Consolidate all electoral provisions in a schedule to the Act, arranged according to the model provided by the Electoral Act 2002; retain most provisions in the current electoral regulations; and retain procedural matters (such as prescribing forms and setting fees) in Regulations.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**



**2.6.9 Review of the Local Government Act 1989 (Cont.)****Direction 41 proposes to:**

Make the entitlement to vote in a council election to be on the register of electors for the Victorian Legislative Assembly (the state roll) for an address in their municipality. Grandfather the voting entitlement of existing property-franchise voters in that municipality. Institute compulsory voting for all enrolled voters.

**(Option 1)** or

Maintain the existing franchise but cease automatic enrolment of property owners and require these voters to apply to enrol for future council elections if they choose to do so. Institute compulsory voting for all enrolled voters. **(Option 2)**

**Do you support option 1?** ☐ Yes ☒ No

**Do you support option 2?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 42 proposes to:**

Require the VEC to revise the candidate's nomination form to require candidates to explicitly state that no disqualification conditions apply to them.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 43 proposes to:**

Require a council CEO to complete a police check and a check of the Australian Securities & Investments Commission (ASIC) register of persons disqualified under the *Corporations Act 2001* for elected candidates within three months after the general election. **(Option 1)** or

Require each candidate to submit a completed ASIC and police check when nominating. **(Option 2)**

**Do you support option 1?** ☐ Yes ☒ No

**Do you support option 2?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

Having the CEO complete this process after the election makes little sense. These checks should be completed prior to a poll being declared.

**Direction 44 proposes to:**

Require adoption of a uniform voting method for council elections as determined by the minister after receiving advice from the VEC. Have the minister publish the method to be used in the government gazette 12 months before the general elections.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**



**2.6.9 Review of the Local Government Act 1989 (Cont.)****Chapter 4: Councils, communities and participatory democracy****Direction 45 proposes to:**

Include deliberative community engagement as a principle in the Act and include in the role of a councillor the requirement to participate in deliberative community engagement, leaving the method to be determined by each council.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

But noting comments made earlier in this submission about restricting when deliberative community engagement must be used and to allow Councils flexibility in how it engages with its community at other points – combined with Councils being required to demonstrate a comprehensive community consultation and engagement policy is in place.

**Direction 46 proposes to:**

Require a council to prepare a community consultation and engagement policy early in its term to inform the four-year council plan and ten-year community plan.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 47 proposes to:**

Require a council to conduct a deliberative community engagement process to prepare its council plan and to demonstrate how the plan reflects the outcomes of the community engagement process.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 48 proposes to:**

Include in regulations that an engagement strategy must ensure:

- the community informs the engagement process
- the community is given adequate information to participate
- the scope/remit of the consultation and areas subject to influence are clear
- those engaged are representative of the council's demographic profile.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**



**2.6.9 Review of the Local Government Act 1989 (Cont.)****Direction 49 proposes to:**

Require a council to complete its council plan by 31 December in the second year of its term, recognising the time required to conduct a deliberative community engagement process.

**Do you support this direction?** ☐ Yes ☒ No

**What other comments would you make for this proposal?**

Whilst having a longer time period would seem ideal to appropriately complete the community engagement process, this should not come at the expense of Council adopting a Budget in June in the year following the election which is formulated in the absence of a Council Plan endorsed by the incoming Council. Where Council's appropriately plan an engagement strategy to commence prior to the election, an outcome can be achieved by 30 June the following year which has appropriate levels of deliberative engagement – yet meets the goal of allowing the incoming Council to implement their mandate. To do otherwise would mean the incoming Council waiting until 30 June -20 months after the election – to achieve funding to implement any desired actions through the Budget process.

**Direction 50 proposes to:**

Require the mayor to report to the community each year about how the council plan has implemented the community's priorities as directed through the deliberative community engagement process.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 51 proposes to:**

Require a council to publish on its website all documents and registers currently required to be kept on council premises and ensure this information is accessible to the public.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

Yes with the caution that many of these registers are currently updated only quarterly or twice yearly and there needs to be an acceptable standard where users of these registers understand that being on-line doesn't mean that Council can resource having these registers constantly updated.

**Direction 52 proposes to:**

Require a council to publish its CEO remuneration policy on its website.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**



**2.6.9 Review of the Local Government Act 1989 (Cont.)****Direction 53 proposes to:**

Regulate for minimum standards and include in guidelines best-practice processes for ensuring transparency and accountability in council operations and administration, basing the guidelines on current Melbourne City Council practices.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

Subject to seeing the final criteria and the resourcing levels to achieve this. Council has some concerns for example at listing all expenditures over \$500k per quarter and how this is defined in terms of accumulated spending or single transactions. It should be noted that City of Greater Dandenong has long webcast its Council meetings and this should be a consideration for all Councils rather than simply an audio recording which should not suffice in this digital age.

**Direction 54 proposes to:**

Include in the Act a definition of a customer complaint consistent with the Ombudsman's recommendation of as it an 'expression of dissatisfaction with the quality of an action taken, decision made or service provided by a council or its contractor or a delay or failure in providing a service, taking an action or making a decision by a council or its contractor, but with the addition that the customer has been directly affected by the action.

**Do you support this direction?** ☐ Yes ☒ No

**What other comments would you make for this proposal?**

Council's definition of a complaint has a distinction between a first request for service and then where a customer is not happy with how Council has responded (complaint). The Ombudsman's definition is far too restrictive where these initial requests for service are classified as a complaint under their approach.

**Direction 55 proposes to:**

Require a council to develop a policy about customer complaints that includes a process for dealing with customer complaints, and that the process contains an avenue for independent review that is clearly accessible to the public. Policy and statutory decisions of the council would not be subject to the complaints policy.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**



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2.6.9 Review of the Local Government Act 1989 (Cont.)

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**Chapter 5: Strong pobity in council performance**

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**Direction 56 proposes to:**

Incorporate the current councillor conduct framework largely unamended in the Act, including:

- the definitions
- the principal requirements imposed on councils and councillors, relevant statutory officers, principal councillor conduct registrars
- the role and powers of the minister and ministerial monitors and the Chief Municipal Inspector (CMI).

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 57 proposes to:**

Include in Regulations all the processes specified in the current councillor conduct framework.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 58 proposes to:**

Extend the offence of release of confidential information to council staff who unlawfully disclose confidential information.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 59 proposes to:**

This will make councillors and council staff liable to criminal prosecution for more serious disclosures and liable to disciplinary action—councillors for serious misconduct through the councillor conduct panel process and council staff under their contract of employment—for less serious breaches.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**



**2.6.9 Review of the Local Government Act 1989 (Cont.)****Direction 60 proposes to:**

Provide that a conflict of interest exists where:

- the councillor or a person with whom they are closely associated stands to gain a benefit or suffer a loss depending on the outcome of the decision (a 'material conflict of interest') the councillor has, or could reasonably be taken to have, a conflict between their personal interests and the public interest that could result in a decision contrary to the public interest.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

Supported but need to have clarification around how this will be applied to several situations where the existing more detailed approach provides clear guidance.

**Direction 61 proposes to:**

Make a breach of conflict of interest subject to disciplinary action for serious misconduct through a councillor conduct panel, at the discretion of the CMI. The maximum penalty a councillor conduct panel can impose for serious misconduct is six month suspension from office and loss of a councillor allowance for that period.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 62 proposes to:**

Retain the capacity to prosecute a person in court for a conflict-of-interest breach when it involves failure to disclose a 'material conflict-of-interest'. This is a criminal offence with a maximum fine of 120 penalty units and an associated disqualification from being a councillor for eight years.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 63 proposes to:**

Retain the current legislative provision on misuse of position.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**



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**2.6.9 Review of the Local Government Act 1989 (Cont.)**



**Direction 64 proposes to:**

Retain the current legislative provisions on improper direction, noting they will be supported by the further legislative measures to clarify the roles and responsibilities of councillors, mayors and CEOs set out in Chapter 2 of this paper.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 65 proposes to:**

Retain the current enforcement role, functions and powers of the CMI and the inspectorate.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**



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2.6.9 Review of the Local Government Act 1989 (Cont.)

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**Chapter 6: Ministerial oversight of councils**

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**Direction 66 proposes to:**

Include in the Act principles to apply to a proposal to create a new municipality, that:

- each new municipality shall be viable and sustainable in its own right
- the allocation of revenues and expenditures between municipalities being separated shall be equitable for the residents of each municipality
- the views of the communities affected by the restructuring shall be taken into consideration
- each new municipality shall have sufficient financial capacity to provide its community with a comprehensive range of municipal services and to undertake necessary infrastructure investment and renewal.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 67 proposes to:**

Other than the proposed direction above, retain the current provisions (in Part 10A) about altering external municipal boundaries.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 68 proposes to:**

Retain the power of the minister to:

- appoint a municipal monitor in a manner and with the role and powers as currently set out in the Act
- issue a governance direction to a council, noting that other powers of the minister to direct councils (such as the power to direct a council to submit financial statements under section 135) be included in this general power
- stand down a councillor as currently set out in the Act.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**



**2.6.9 Review of the Local Government Act 1989 (Cont.)****Direction 69 proposes to:**

Empower the minister to recommend that a councillor be suspended by an order in council where the councillor is contributing to or causing serious governance failures at a council. This power to only be exercisable in exceptional circumstances in that:

- the councillor has caused or substantially contributed to a breach of the Act or Regulations by the council or to a failure by the council to deliver good government and
- a council (by resolution), a municipal monitor, the CMI, the Ombudsman or the Independent Broad-based Anti-corruption Commission have recommended that the minister suspend the councillor on these grounds and
- the council, the municipal monitor, the CMI, the Ombudsman or the Independent Broad-based Anti-corruption Commission have satisfied the minister that the councillor has been provided with detailed reasons for the recommendation and was given an opportunity to respond to their recommendation and
- the minister is satisfied that if the councillor is not suspended that there is an unreasonable risk that the council will continue to breach the Act or continue to be unable to provide good government for its constituents.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

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**Direction 70 proposes to:**

Retain the provisions in the Act about the suspension and dismissal of a council in their current form, including the provisions allowing appointment of administrators.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

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**Direction 71 proposes to:**

Streamline the minister's power to conduct inquiries into councils into a single power to appoint commissions of inquiry consisting of one or more commissioners to inquire into and make recommendations to the minister about any matter as requested by the minister. This will include, but not be limited to:

- governance issues
- financial probity issues
- disputes between councils and between councils and other parties.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

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**2.6.9 Review of the Local Government Act 1989 (Cont.)****Direction 72 proposes to:**

Retain the existing power to forbid a council from employing a new CEO or entering into a new contract with an existing CEO but amend the power to provide that it can only be exercised on the recommendation of a municipal monitor or the CMI.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 73 proposes to:**

Remove the power relating to senior officers from the new Act as all staff employment matters should be dealt with by relevant employment laws.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 74 proposes to:**

Bring all provisions (and all other elements) of the Fair Go Rates System into the new Act consistent with the legislative hierarchy in Chapter 10.

**Do you support this direction?** ☐ Yes ☒ No

**What other comments would you make for this proposal?**

Council does not support the rate capping regime and believes this should be reconsidered.

**Direction 75 proposes to:**

Retain the general power for the minister to recommend regulations to give effect to the Act and empower the minister to relieve a council of requirements to follow processes set out in Regulations.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 76 proposes to:**

Empower the minister to issue non-regulatory guidelines on any matter under the Act.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**



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**2.6.9 Review of the Local Government Act 1989 (Cont.)**



**Direction 77 proposes to:**

Remove the requirement to request ministerial exemption from public tenders, as explained in Chapter 8.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 78 proposes to:**

Remove the power requiring a contract for a senior officer: all employment matters for council staff will now be subject to employment law.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 79 proposes to:**

Explore an alternative method for handling instances of a majority of councillors having a conflict of interest preventing them voting on a planning scheme amendment.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**



**2.6.9 Review of the Local Government Act 1989 (Cont.)****Chapter 7: Integrated planning****Direction 80 proposes to:**

Include an integrated strategic planning and reporting framework in the Act that identifies the four-year council plan as a council's central strategic planning instrument, and also requires long-term (10 year) plans—being a community plan, financial plan and asset plan—and short-term (1 year) reporting documents—being the budget and annual report (containing all performance reporting).

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 81 proposes to:**

Include in Regulations and guidelines details about the information a council will include in each plan.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 82 proposes to:**

Require:

- a council to prepare and adopt a four-year council plan by 31 December of the second year after a general election
- preparation of the council plan to be informed by the deliberative community engagement process described in Chapter 4
- the council plan to include information about services, infrastructure and amenity priorities for the council term.

**Do you support this direction?** ☐ Yes ☒ No

**What other comments would you make for this proposal?**

As noted previously, Council submits that the present date for adoption of a new Council plan should remain 30 June in the year following the election.

**Direction 83 proposes to:**

Remove the requirement to submit a copy of the council plan to the minister and replace it with a requirement to publish it on the council website and to have the mayor report annually to the community on the achievement of the council plan.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**



**2.6.9 Review of the Local Government Act 1989 (Cont.)****Direction 84 proposes to:**

Require a council to prepare and adopt a rolling community plan of at least 10 years by 31 December of the second year after a general election to guide strategic planning and inform the preparation of the council plan. Require preparation of the community plan to be informed by the deliberative community engagement process that also underpins the council plan.

**Do you support this direction?** ☐ Yes ☒ No

**What other comments would you make for this proposal?**

This Council currently has a long-term community vision (Imagine 2030). This plan is however NOT rolling in that it is set by the incoming Council and is not revised during the term of the Council. These plans are high level and very broad. It is the Council Plan that is revised annually – not the community plan.

**Direction 85 proposes to:**

Set out in Regulations and guidelines what is to be included in the community plan, including a community vision statement.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 86 proposes to:**

Require all councils to prepare and adopt a rolling financial plan of at least ten years by 31 December of the second year after a general election, in accordance with the principles of sound financial management, and for council to review and approve this plan annually.

**Do you support this direction?** ☐ Yes ☒ No

**What other comments would you make for this proposal?**

Council understands the industry trend towards ten year financial plans but submits that aside from asset management and debt management – very few areas can be reliably forecast beyond a five year period and that year's 6-10 of any plan will essentially be only financial models prepared at a high level by finance staff. This is particularly so in an environment where Council cannot set its own revenue levels due to rate capping.

**Direction 87 proposes to:**

Remove the requirement for a council to prepare a strategic resource plan.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**



**2.6.9 Review of the Local Government Act 1989 (Cont.)****Direction 88 proposes to:**

Require the financial plan to:

- guide financial planning and inform the council plan
- provide the community with prescribed information about the human resource and capital works assumptions and decision-making underlying financial forecasts
- be informed by the deliberative community engagement process.

**Do you support this direction?** ☒ Yes ☐ No**What other comments would you make for this proposal?**

Supported in part only. There is a strong argument that the financial plan should be subject to community engagement of type and style of Council's choice rather than prescribing it to be deliberative in nature. Council strongly believes that community engagement should only apply to the initial development of the plan following the election and future revisions should not require on-going engagement every year.

**Direction 89 proposes to:**

Require all councils to prepare and adopt a rolling asset plan of at least ten years by 31 December of the second year after a general election, in accordance with the principles of sound financial management, and for a council to review and approve this plan annually. This plan will guide asset planning and inform the council plan.

**Do you support this direction?** ☒ Yes ☐ No**What other comments would you make for this proposal?****Direction 90 proposes to:**

Require the asset plan to include information about new assets, asset retirement, maintenance and renewal requirements for each class of infrastructure assets and to be informed by the deliberative community engagement process.

**Do you support this direction?** ☒ Yes ☐ No**What other comments would you make for this proposal?**

Supported in part only. There is a strong argument that the asset management plan should be subject to community engagement of type and style of Council's choice rather than prescribing it to be deliberative in nature. Council strongly believes that community engagement should only apply to the initial development of the plan following the election and future revisions should not require on-going engagement every year.

**Direction 91 proposes to:**

Set out requirements for what is to be included in the financial and asset plans in Regulations and guidelines.

**Do you support this direction?** ☒ Yes ☐ No**What other comments would you make for this proposal?**



**2.6.9 Review of the Local Government Act 1989 (Cont.)****Direction 92 proposes to:**

Require a council to prepare a budget annually and to review it mid-cycle at 31 December each year.  
Require the CEO to report the results and to explain material budget variations, including whether a revised budget is required, to council.

**Do you support this direction?** ☒ Yes ☒ No

**What other comments would you make for this proposal?**

The wording of this section should allow Councils to conduct a MY Budget prior to 31 December. Further however, Council contests that this section represents over prescription and that all Councils who are fulfilling the principles of sound financial management will actively be managing their budgets throughout the year. This style of direction is better suited in best practice guidelines and not in the Act.

**Direction 93 proposes to:**

Include in the Act a clearer definition of material variation in order to clarify when a revised council budget must be struck.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?****Direction 94 proposes to:**

Remove the requirement to submit a copy of the adopted budget to the minister.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?****Direction 95 proposes to:**

Require all councils to establish an audit and risk committee with an expanded oversight of:

- the integrated strategic planning and reporting framework and all associated documents
- financial management and sustainability
- financial and performance reporting
- risk management and fraud prevention
- internal and external audit
- compliance with council policies and legislation
- service reviews and continuous improvement
- collaborative arrangements
- the internal control environment.

**Do you support this direction?** ☐ Yes ☒ No

**What other comments would you make for this proposal?**

As with earlier comments related to the audit committee, this direction is vastly increasing the compliance role of the committee which will a) require Council to meet this with an equally increased fund allocation or b) consume the majority of internal auditing in a compliance role rather than adding value to Council in



**2.6.9 Review of the Local Government Act 1989 (Cont.)**

service reviews.

In particular, compliance with Council policies would require the committee to engage an extensive internal audit. Service reviews should not be the domain of the Audit Committee but rather a Council responsibility.

**Direction 96 proposes to:**

Require the audit and risk committee to include a majority of independent members and include councillors, but not council staff.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 97 proposes to:**

Require the audit and risk committee to report to the council biannually and require each council to table the biannual audit and risk committee report at a council meeting.

**Do you support this direction?** ☐ Yes ☒ No

**What other comments would you make for this proposal?**

Requiring the Audit Committee to report formally to Council once per annum should suffice. In addition to this, minutes of each meeting of the Audit Committee should be available to all Councillors and adopted by Council following each Committee meeting.

**Direction 98 proposes to:**

Continue to require a council to include information in its annual report of operations about achievements against its council plan, community plan, financial plan, asset plan and budget.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 99 proposes to:**

Remove the requirement for a council to submit a copy of its annual report to the minister.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 100 proposes to:**

Require a council to present its annual report at an annual general meeting at which the mayor must report progress on implementing the council plan.

**Do you support this direction?** ☐ Yes ☒ No

**What other comments would you make for this proposal?**



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**2.6.9 Review of the Local Government Act 1989 (Cont.)**



Council adopting the Annual Report at an ordinary meeting is sufficient.
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**Direction 101 proposes to:**

Require that in developing its council plan, a council take account of relevant aspects of regional and state plans that affect the municipality.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

This is supported in principle but with some concerns about how it may be applied?
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**2.6.9 Review of the Local Government Act 1989 (Cont.)****Chapter 8: Sustainable finances for innovative and collaborative councils****Direction 102 proposes to:**

Require a council to embed the principles of sound financial management in its council plan, community plan, financial plan and asset plan.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

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**Direction 103 proposes to:**

Include in the Act the following principles of sound financial management:

- manage financial risks prudently, having regard to economic circumstances
- align income and expenditure policies with strategic planning documents
- undertake responsible spending and investment for the benefit of the community to achieve financial, social and environmental sustainability over the long term
- provide value-for-money services and infrastructure which are accessible and responsive to the community's needs
- ensure that decisions are made and actions are taken having regard to their financial effects on future generations
- ensure full, accurate and timely disclosure of financial information about the council
- undertake regular stress testing and evaluation of financial risk management.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

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**Direction 104 proposes to:**

Remove the current best value provisions, as value for money is included in the new principles of sound financial management.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

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**2.6.9 Review of the Local Government Act 1989 (Cont.)****Direction 105 proposes to:**

Require a council at the start of the council term to develop and adopt a procurement policy that is consistent with the principles of sound financial management and require that all council procurement practices and contracts comply with this policy.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 106 proposes to:**

Specify in Regulations what must be included in a procurement policy, including when council will go to tender for the provision of goods and services (including thresholds), the process for going to tender and what collaborative arrangements have been explored to deliver value for money for the council.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 107 proposes to:**

Require the audit and risk committee to review compliance with the procurement policy and require a council to report in its annual report any non-compliance with its procurement policy.

**Do you support this direction?** ☐ Yes ☒ No

**What other comments would you make for this proposal?**

As per earlier comments – Council should be able to certify compliance without the Audit committee.

**Direction 108 proposes to:**

Require a council to make its procurement policy available on its website.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 109 proposes to:**

Remove the requirement for an annual review of the procurement policy and the requirement to obtain ministerial exemptions for failure to go to tender in certain circumstances.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**



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2.6.9 Review of the Local Government Act 1989 (Cont.)**Direction 110 proposes to:**

Provide councils with automatic access to state purchase contracts, whole-of-Victorian-Government contracts and the *Construction Suppliers Register* to save time, strengthen standards and improve efficiency.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 111 proposes to:**

Require councils to develop and adopt an investment policy in accordance with the principles of sound financial management and require all council investment decisions to be made in accordance with that policy.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 112 proposes to:**

Require the audit and risk committee to review compliance with the investment policy and require a council to report any non-compliance with its investment policy in its annual report.

**Do you support this direction?** ☐ Yes ☒ No

**What other comments would you make for this proposal?**

As per earlier comments. The role of the Audit Committee should instead be to review the Investment Policy and recommend its adoption to Council with or without changes – not to play a compliance role.

**Direction 113 proposes to:**

Require a council to develop and adopt a debt policy in accordance with the principles of sound financial management and only enter into debt in accordance with that policy.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 114 proposes to:**

Require the audit and risk committee to review compliance with the debt policy and require a council to report any non-compliance with its debt policy in its annual report.

**Do you support this direction?** ☐ Yes ☒ No

**What other comments would you make for this proposal?**

As per earlier comments. The role of the Audit Committee should instead be to review the Debt Policy and recommend its adoption to Council with or without changes – not to play a compliance role.



**2.6.9 Review of the Local Government Act 1989 (Cont.)****Direction 115 proposes to:**

Remove the overdraft provisions and remove the requirement for the minister to approve the repayment of an overdraft from its borrowings.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 116 proposes to:**

Require councils to expressly describe in their budgets any intention to sell, exchange or lease land. This will enable consultation with the community during the budget process.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

Supported but noting that many lease, sale opportunities will arise outside of the annual budget window for inclusion in this document.

**Direction 117 proposes to:**

Remove the requirement for a council to allow a person to make a submission under the Act in relation to the sale, exchange or lease of land where the matter has been considered as part of the budget consultation.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 118 proposes to:**

Remove from the Act the requirement for councils to have public liability and professional liability insurance. As a body corporate and organisation with a number of roles and responsibilities to the community and its staff, it is expected as a matter of course that councils take out appropriate insurance policies consistent with effective risk management as well as with the sound financial management principles in the Act.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 119 proposes to:**

Remove the entrepreneurial powers in the Act and include revised powers to allow councils to participate in the formation and operation of an entity (such as a corporation, trust, partnership or other body) in collaboration with other councils, organisations or in their own right for the delivery of any activity consistent with the revised role of a council under the Act.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**



2.6.9 Review of the Local Government Act 1989 (Cont.)



**Chapter 9: Fair rates and sustainable and efficient councils**

**Direction 120 proposes to:**

Require a council to prepare a revenue and rating strategy that:

- is for at least four years
- outlines its pricing policy for services
- outlines the amount it will raise through rates and charges
- outlines the rating structure it will use to allocate the rate burden to properties.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 121 proposes to:**

Require a council to align the strategy to its financial plan and to review and adopt it after each general revaluation of properties.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**



**2.6.9 Review of the Local Government Act 1989 (Cont.)****Direction 122 proposes to:**

Define all land as rateable except for the following four categories of land that would be exempt:

- land of the Crown, public body or public trustee that is unoccupied or used exclusively for a public or municipal purpose (to be defined to mean to perform public functions for the common good)
- land vested or held in trust for any charitable not-for-profit organisation and used exclusively for a charitable purpose (to be defined to mean the relief of poverty, the advancement of education, the advancement of religion or for other purposes beneficial to the community and the environment)
- land vested or held in trust for any religious not-for-profit body and used exclusively as a residence of a minister of religion or place of worship or for the education to be a minister of religion
- land held in trust and used exclusively as a not-for-profit club for persons who performed service duties under the *Veterans Act 2005*. **(Option 1)** or

Include land subject to a lease, sublease, licence or sublicense that is used for the purposes in Option 1, provided the lease, sublease, licence or sublicense is for a nominal amount (that is, the lease or rental amount is very small compared with the actual market lease or rental amount: commonly called a peppercorn rent).

Make land rateable that is:

- owned by a for-profit organisation but leased to a charitable organisation
- used exclusively for mining purposes. **(Option 2)**

Do you support option 1? ☐ Yes ☐ No

Do you support option 2? ☒ Yes ☐ No

What other comments would you make for this proposal?

**Direction 123 proposes to:**

Retain the capacity for councils to grant rebates and concessions and apportion rates based on separate occupancies or activities.

Do you support this direction? ☒ Yes ☐ No

What other comments would you make for this proposal?

**Direction 124 proposes to:**

Require councils to apply capital improved value as the single uniform valuation system for raising general rates. The City of Melbourne would be exempt from this provision.

Do you support this direction? ☒ Yes ☐ No

What other comments would you make for this proposal?



**2.6.9 Review of the Local Government Act 1989 (Cont.)****Direction 125 proposes to:**

Fix the municipal charge at a maximum of 10% of the total revenue from municipal rates and general rates in the financial year, divided equally among all rateable properties.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 126 proposes to:**

Retain differential rates in their current form. Continue through ministerial guidelines to advise that farm land and retirement villages are appropriate for the purposes of levying differential rates at the discretion of councils.

**Do you support this direction?** ☐ Yes ☒ No

**What other comments would you make for this proposal?**

Don't believe it's appropriate to have guidelines 'encouraging' certain types of differentials – this should be a decision for individual Councils to assess.

**Direction 127 proposes to:**

Require councils to clearly specify how the use of differential rating contributes to the equitable and efficient conduct of council functions compared to the use of uniform rates (including specification of the objective of and justification for the level of each differential rate having regard to the principles of taxation, council plans and strategies and the effect on the community).

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 128 proposes to:**

Retain the requirement that the highest differential rate must be no more than four times the lowest differential rate.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

The use of differential rates is extremely important to the City of Greater Dandenong. Council currently has its highest rate (industrial) which is presently 3.75 times the lowest rate (farm rate). Council's differential rating structure supports lower residential rates in an area where rate affordability is a crucial issue. Should the flexibility afforded by the above rule be lowered, the financial impact on a low socio-economic community will be quite enormous.

Whilst Council therefore strongly supports the retention of the rule – it does however question why there needs to be any documented ceiling in the Act – provided that Council can demonstrate it is complying with the financial principles outlined in the Act.

**Direction 129 proposes to:**

Retain service rates and charges, renamed 'service charges' but remove their application to the provision of water supply and sewage services.



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2.6.9 Review of the Local Government Act 1989 (Cont.)

Do you support this direction? ☒ Yes ☐ No

What other comments would you make for this proposal?

**Direction 130 proposes to:**

As part of these changes, provide the minister with the power to prescribe the setting of other service charges in Regulations.

Do you support this direction? ☒ Yes ☐ No

What other comments would you make for this proposal?

**Direction 131 proposes to:**

Retain special rates and charges, but provide clearer guidance in the Act about the purpose of special rates and charges, and about the criteria councils should use when declaring them and determining the benefit ratio.

Do you support this direction? ☒ Yes ☐ No

What other comments would you make for this proposal?

**Direction 132 proposes to:**

Allow councils to offer ratepayers the ability to pay by lump sum or more frequent instalments on a date or dates determined by a council, provided all ratepayers have the option to pay in four quarterly instalments. Penalty interest when it is charged is to be charged on any late payment from the respective instalment due date.

Do you support this direction? ☒ Yes ☐ No

What other comments would you make for this proposal?

The Act needs to be much clearer in this section. Council currently uses the mandatory instalment option and at present cannot use the words pay in lump sum for fear of triggering the 15 February date. Council needs to be able to provide clear guidance to those residents who do not wish to pay by instalments that they can make a single payment on the date on which the first instalment would otherwise be payable.

**Direction 133 proposes to:**

Allow a council to use rebates and concessions to support the achievement of their council plan's strategic objectives, provided that the purpose is consistent with their role

Do you support this direction? ☒ Yes ☐ No

What other comments would you make for this proposal?

**Direction 134 proposes to:**



2.6.9 Review of the Local Government Act 1989 (Cont.)



Clarify in the Act that, where a ratepayer successfully challenges the rateability of land, a refund of rates may only be backdated to the date of most recent ownership.

Do you support this direction? ☒ Yes ☐ No

What other comments would you make for this proposal?

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**Direction 135 proposes to:**

Establish a uniform process and timeline for people wanting a review or to appeal a rates or charges decision.

Do you support this direction? ☒ Yes ☐ No

What other comments would you make for this proposal?

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**Direction 136 proposes to:**

Incorporate the municipal council rating provisions in the *Cultural and Recreational Lands Act 1963* in the Local Government Act. Require in the Act that councils disclose the rates that are struck for cultural and recreational lands.

Do you support this direction? ☒ Yes ☐ No

What other comments would you make for this proposal?

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**Direction 137 proposes to:**

Incorporate the municipal council rating provisions in the *Electricity Industry Act 2000* in the Act.

Do you support this direction? ☒ Yes ☐ No

What other comments would you make for this proposal?

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2.6.9 Review of the Local Government Act 1989 (Cont.)

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**Chapter 10: A rational legislative hierarchy**

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**Direction 138 proposes to:**

Create a systematic legislative hierarchy comprising new principle-based provisions in the Act and new Regulations setting out the processes required to meet the obligations set out in the Act, and with the capacity for the minister to issue ongoing non-statutory sector guidance as required about any aspect of the Act.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 139 proposes to:**

Include an overarching statement of the Act's objectives, intended outcomes and a plan of the remaining provisions in the Act.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 140 proposes to:**

Include high-level statements to frame the structure, language and content of the remainder of the Act, including new sections setting out the roles and functions and powers of councils.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 141 proposes to:**

Include a general power for the minister to make Regulations setting out the requirements councils must meet when exercising their powers or discharging their responsibilities under the Act (for example, requirements about the conduct of elections and mandated obligations under the councillor code of conduct framework). Include in this power capacity for other relevant subordinate legislation (such as legislative instruments like ministerial orders and governor-in-council orders) with the subordinate legislation only relating to matters permitted by the Act.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**



**2.6.9 Review of the Local Government Act 1989 (Cont.)****Direction 142 proposes to:**

Empower the minister to release a council from the processes set out in Regulations if the council can show it is successfully discharging its obligations under the Act using different processes.

**Do you support this direction?** ☐ Yes ☒ No

**What other comments would you make for this proposal?**

Uncertain about how this would be applied and when. Further information is required.

**Direction 143 proposes to:**

Include a general power for the minister to make guidelines to supplement Regulations on any issue related to the Act (such as best-practice versions of documents councils must adopt like councillor codes of conduct, budget documents, meeting procedures and councillor briefing processes). The presumption would be that, by adopting these best-practice documents, a council would comply with the Act and Regulations.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 144 proposes to:**

Empower the minister through the ministerial directions power to require a council to adopt these best-practice policies and procedures where there have been governance failures.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

Definition of 'governance failures' needs to be made clear.

**Direction 145 proposes to:**

Require councils to take the following principles into account when performing their functions and exercising their powers:

- the need for transparency and accountability
- the need for deliberative community engagement
- the principles of sound financial management
- the economic, social and environmental sustainability of the municipality
- the potential for cooperation with other councils, tiers of government or other organisations
- plans and policies in relation to the municipality, region, state and nation

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**



**2.6.9 Review of the Local Government Act 1989 (Cont.)****Direction 146 proposes to:**

Retain the current power of the minister to intervene where a council does not comply with the obligations set out in the Act or regulations by imposing a municipal monitor or by issuing a ministerial governance direction.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 147 proposes to:**

Include a general power for the minister to make Regulations setting out the detailed requirements of councils when exercising their powers or discharging their responsibilities under the Act (such as requirements about the conduct of elections and mandated obligations under the councillor code of conduct framework). Include in this power other relevant subordinate legislation.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 148 proposes to:**

Empower the minister to release a council from the processes set out in Regulations if the council can show it is successfully discharging its obligations under the Act using different processes.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

But similar concerns to Direction 142

**Direction 149 proposes to:**

Provide guidance to the sector in relation to governance, compliance and best practice. This guidance will be in the form of guidelines and formal and informal advice to the sector.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

**Direction 150 proposes to:**

Create best-practice versions of essential documents that councils are required to adopt. Adoption of these best-practice documents will constitute compliance.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**



**2.6.9 Review of the Local Government Act 1989 (Cont.)**

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**Direction 151 proposes to:**

The minister will have a power under the new Act to require the council to adopt best-practice policies and procedures as part of a governance order where governance issues have been identified.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

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**Direction 152 proposes to:**

Incorporate relevant portions of Part 9, Division 2 and schedules 10 and 11 of the current Act into the *Road Management Act 2004* (or other relevant legislation), to better consolidate the legislation dealing with road management.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

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**Direction 153 proposes to:**

Clarify the role of councils in local drainage, waterways and flood management. Consult about whether these are included in the new Act or in the *Water Act 1989*.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

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**Direction 154 proposes to:**

List all Acts that impose obligations on councils in a schedule in the new Act, to be updated as new legislation is enacted.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

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**Direction 155 proposes to:**

Repeal the *City of Greater Geelong Act 1993* and include relevant provisions in the new Act.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

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2.6.9 Review of the Local Government Act 1989 (Cont.)



**Direction 156 proposes to:**

Retain the *City of Melbourne Act 1993* as a separate Act with the City of Melbourne retaining its distinct electoral provisions. Consider ways to modernise the Act and remove redundant or outdated provisions.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

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**Direction 157 proposes to:**

Consider matters relating to the *Municipal Associations Act 1907* independently of this directions paper in consultation with the Municipal Association of Victoria.

**Do you support this direction?** ☒ Yes ☐ No

**What other comments would you make for this proposal?**

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## 2.6.9 Review of the Local Government Act 1989 (Cont.)



### Terms and conditions of this submission paper

#### **Privacy Policy**

Bang the Table Pty Ltd (Bang the Table) manages the website on which this consultation takes place – on behalf of DELWP (Review of Local Govt Act 1989).

Bang the Table takes the privacy of the participants using this site very seriously.

Our collection, use and disclosure of your personal information is regulated by the National Privacy Principles under the *Privacy Act 1988*, as amended from time to time and also by the relevant State legislation (depending on the State in which the client is located). You can find more information about your privacy rights at the Privacy Commissioner's web site, <http://www.privacy.gov.au>

Note: This Privacy Policy applies to the Bang the Table's behaviour and treatment of your information and should be read in conjunction with the DELWP (Review of Local Govt Act 1989) Privacy Policy.

#### **DELWP (Review of Local Govt Act 1989) - Privacy Policy**

##### **Who do I contact for more information?**

Bang the Table may be contacted in relation to privacy policy issues by email at [myprivacy@bangthetable.com](mailto:myprivacy@bangthetable.com) or addressed to Bang the Table Pty Ltd, Suite 15, 104 Moor Street Fitzroy VIC 3065 Australia.

##### **What information do we collect?**

##### ***Basic Identifying Information***

We collect information from you when you register to use the website [www.yourcouncilyourcommunity.vic.gov.au](http://www.yourcouncilyourcommunity.vic.gov.au). This information may vary depending on the specific needs of DELWP (Review of Local Govt Act 1989), however, at a minimum it includes your:

- Screen Name
- Email Address

##### ***Demographic Information***

Additional demographic information such as your age, sex, suburb and interests may also be collected at this time.

##### **Why do we collect this information?**



**2.6.9 Review of the Local Government Act 1989 (Cont.)*****To Collect and Collate your Feedback to Inform Better Policy***

The principle reason for collecting this information is to help inform the creation of better policy. The information is therefore provided to DELWP (Review of Local Govt Act 1989) for analysis and interpretation at their discretion.

***To Send you Periodic Emails***

The email address you provide for registering on the site may be used by either Bang the Table or DELWP (Review of Local Govt Act 1989) to send you information and updates pertaining to the issues discussed on this site or any other site that we feel may be of interest to you.

Note: If at any time you would like to unsubscribe from receiving future emails, we include a simple unsubscribe link at the bottom of each email.

***To Protect the Integrity of the Discussion***

By monitoring the information you provide we are able to protect the integrity of the discussion from individuals and groups who may attempt to unduly influence the outcomes of the consultation process.

***To Improve the Website & Software***

The principle use of this information by Bang the Table is to help us to improve this website and the software that underpins it. We are continually striving to improve the experience of our participants based on your feedback.

***Who has access to this information?***

When you sign up for a user account you provide three types of information:

1. Publicly available information
2. Information available to both DELWP (Review of Local Govt Act 1989) and Bang the Table
3. Information available to Bang the Table only

***Publicly Available Information***

Publicly available information is limited to your screen name and any comments you leave under that name in the forums or other tools on the site.

Note: We strongly recommend use of an anonymous screen name.

Individual survey responses, voting patterns and quick poll responses will not immediately be made available publicly on the site, however, feedback (including overall results of polls and surveys, and in some instances, unidentifiable and randomly chosen quotes or comments from surveys) may be published in publicly available reports at the end of the consultation period.



**2.6.9 Review of the Local Government Act 1989 (Cont.)**

Please also keep in mind, however, that under most local Freedom of Information laws formal submissions uploaded to this site can be made available for public viewing by DELWP (Review of Local Govt Act 1989) at its own volition or at the request of a member of the public.

***Information available to both DELWP (Review of Local Govt Act 1989) and Bang the Table includes:***

- All information from the Sign Up form.
- Comments
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### 3 NOTICES OF MOTION

#### 3.1 Notice of Motion No. 105 - Internet and Mobile Telecommunication issues in new estates in Dandenong and Keysborough

Author:

Cr Matthew Kirwan

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#### Preamble

Residents in the Meridian Estate, Dandenong and the new estates in Keysborough are frequently reporting lack of choice and performance issues with their Internet. Being new estates, unlike other areas of Greater Dandenong, many are locked into one or a small number of providers and also unlike other some other parts of Greater Dandenong they also have no access to the NBN or is there any future rollout of NBN scheduled in that area, despite the high potential demand. They are reporting frequent drop outs and slow performance. In the case of the new estates of Keysborough, this at least partly due to Telstra not upgrading the local exchange to cater for population growth in the new estates of Keysborough. As well as recreational use, many operate businesses from home which are impacted by this affecting the growth of their businesses. In terms of mobile reception, since the implementation of the sound barriers on the Dandenong Bypass, residents in the new estates of Keysborough are frequently reporting they have little to no mobile coverage inside their homes and are resorting to standing outside to make/receive calls for both business and personal calls. One provider has confirmed that a tower upgrade at Parkmore is not due for at least 18 months.

#### Motion

That:

1. **Council writes to the Federal Government, relevant telecommunication authorities and relevant telecommunication providers asking for action on the issues of internet choice and performance and mobile reception, copying the correspondence to the local Federal Member for Isaacs; and**
2. **the Advocacy page on Council's website be revised to include information on what action Council has undertaken and all necessary contact details of the relevant authorities, providers and members of Parliament so that residents know who to contact themselves.**



**3.1 Notice of Motion No. 105 - Internet and Mobile Telecommunication issues in new estates in Dandenong and Keysborough (Cont.)**

**MINUTE 1526**

Moved by: Cr Matthew Kirwan

Seconded by: Cr Angela Long

**That:**

1. **Council writes to the Federal Government, relevant telecommunication authorities and relevant telecommunication providers asking for action on the issues of internet choice and performance and mobile reception, copying the correspondence to all Federal Members within the City of Greater Dandenong; and**
2. **The Advocacy page on Council's website be revised to include information on what action Council has undertaken and all necessary contact details of the relevant authorities, providers and members of parliament so that residents know who to contact themselves.**

**CARRIED**



### **3.2 Notice of Motion No. 106 - Re-establishment of the International Multicultural Senior Citizens' Dance**

Author:

Cr Maria Sampey

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#### **Preamble**

The International Multicultural Senior Citizens' Dance was a much loved function supported by Council over many years. Older residents have been telling me it was a highlight of their year, and from a Council perspective it was in line with Council's Positive Ageing Policy – reducing social isolation – and also allowed different senior citizens groups – some of them ethno-specific meeting together in a social environment once a year.

#### **Motion**

**That costing options be prepared for consideration for the 2016/17 mid-year budget for re-establishment of the International Multicultural Senior Citizens Dance in 2017.**

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**Cr Loi Truong left the Chamber at 8:08pm.**

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#### **MOTION**

Moved by: Cr Sean O'Reilly

**That costing options be prepared for consideration for the 2017/18 budget for re-establishment of the IMSC Dance in 2017.**

**MOTION LAPSED FOR WANT OF A SECONDER**

#### **MINUTE 1527**

Moved by: Cr Maria Sampey

Seconded by: Cr Roz Blades AM

**That costing options be prepared for consideration for the 2016/17 mid-year budget for re-establishment of the International Multicultural Senior Citizens Dance in 2017.**

**CARRIED**



## **4 REPORTS FROM COUNCILLORS/DELEGATES AND COUNCILLORS' QUESTIONS**

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**Cr Roz Blades AM left the Chamber at 8.17pm.**

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### **Comment**

#### **Cr Angela Long**

These are some of the events I have attended since my last formal meeting.

On Thursday 25 August 2016, I attended the Dandenong West Primary School Girl Guides Promise Ceremony.

On Saturday 27 August 2016, I attended the "Opening of the Greens" at Keysborough Bowls Club.

On Monday 29 August 2016, I attended the Community Safety in Springvale Forum hosted by the Springvale Asian Business Association (SABA) and the Victorian Police.

On Wednesday 31 August 2016, I attended the Municipal Association of Victoria (MAV) Local Government Multicultural Policy Development Conference. Later that day, I celebrated Fathers' Day with the Italo-Spanish Club.

On Saturday 3 September 2016, I attended the soccer match between Dandenong City and Box Hill United soccer teams. The score was Box Hill 1-0 when I left halfway through the game. Box Hill defeated Dandenong City. The final score was 3-2. I then attended the match between Dandenong Thunder and the Springvale White Eagles soccer teams. Dandenong Thunder won 2-0. That night, I attended both the Fathers' Day celebrations with the Italian Honour Guards and the Fathers Day dance with the Mauritians respectively.

On Monday 5 September 2016, I attended the Riverend Road Tourism Briefing at Nine Dragons.

On Tuesday 6 September 2016, I attended the official opening of the Abbots Road Bridge, Dandenong South.

On Wednesday 7 September 2016, I attended the multi-faith blessing of the Interfaith Office. That afternoon I attended a briefing on the Melbourne Cable Water Ski Park at the City of Kingston. That evening, I attended the Annual General Meeting (AGM) of the Dandenong & District Scouting Association.

On Thursday 8 September 2016, I attended the Springvale Asian Business Association (SABA) inaugural dinner and the launch of the 2017 Lunar New Year Festival.



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**4 REPORTS FROM COUNCILLORS/DELEGATES AND COUNCILLORS' QUESTIONS (Cont.)**

On Saturday 10 September 2016, I attended the wheelchair soccer grand final at Springers between the Glen Eira Falcons and Knox United soccer teams. Glen Eira Falcons won in a shootout, 1-0. That night, I attended the Italo-Spanish spring dance.

On Sunday 11 September 2016, I attended the 2016 Children's Lantern Festival hosted by the South Eastern Melbourne Vietnamese Associations' Council (SEMVAC).

**Question**

**Cr Angela Long**

I would like to ask a question relating to the unfinished units at 79 Gladstone Road, Dandenong. The residents of McNab Court and Wanke Crescent would like to know what is happening. One of the residents spoke to the Planning Department on 18 May 2016 and was told that either the owner or the finance company that took over possession of them would have them finished in six weeks. There has not been one worker there and now it is 12 September 2016, four months later. Rubbish has been on the nature strip in front of Unit 4 and has been there for five months or more. There were people living in these units and they were not even completed. They have now been evicted from there. The planning permit for this property was issued on 26 July 2011. Was there an extension applied for? If not, why have the units not been completed in more than the four years that is allowable?

**Response**

**Jody Bosman, Director City Planning, Design & Amenity**

Councillor Long can send me the details which I will happily look up. The general condition on a permit is that developments have got to be started within two years and completed within four. Whether there has been an extension of time on either the starting period or the completion period I would have to follow up. In respect of any other residential amenity issues, I will take note of those as well.

**Comment**

**Cr Matthew Kirwan**

Since the last Council Meeting, these are some of the events and meetings I have attended.

On Wednesday 24 August 2016, I attended the opening of the new mental health service at South Eastern Private Hospital with Mayor Heang Tak, Councillor Blades, Councillor Long, and Councillor Sampey. I also attended the Wooranna Park Primary School reading event. That was a great event in the evening.

On Thursday 25 August 2016, I attended the Dandenong West Primary School Girl Guides Promise Ceremony with Mayor Heang Tak and Councillor Long. This was followed by a meeting of the Positive Ageing Committee where we started to work on the draft of the New Positive Ageing Strategy.

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**Cr Loi Truong returned to the Chamber at 8.23pm.**



**4 REPORTS FROM COUNCILLORS/DELEGATES AND COUNCILLORS' QUESTIONS (Cont.)**

On Tuesday 30 August 2016, I attended the pre-conference dinner for the Municipal Association of Victoria (MAV) conference "From Multiculturalism to Inclusion", hosted by the City of Greater Dandenong.

On Wednesday 31 August 2016, I attended the "From Multiculturalism to Inclusion" conference itself, together with Mayor Heang Tak, Councillor Blades and Councillor Long. It was a great conference and there was positive feedback in relation to Council's role in hosting this event and our commitment as a Council to multiculturalism. I would like to thank Councillor Blades for her initiative in getting that conference to Dandenong.

On Tuesday 6 September 2016, I attended the official opening of the Abbotts Road Upgrade with the Mayor Heang Tak, Councillor Long, Councillor Memeti and Councillor Sampey. As all Councillors know, that is a very important project to relieve traffic congestion for the Dandenong South industrial community.

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**Cr Roz Blades AM returned to the Chamber at 8.25pm.**

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On Wednesday 7 September 2016, I attended the Greater Dandenong Scout Annual Report and Presentation evening. As a former member myself of the now unfortunately defunct first Keysborough Scout Group, it was good to see their flag still up on the Scout Hall. Attending this annual meeting always takes me down memory lane and it is great to see people like Dot Burton still involved in the movement. I can remember her assessing my badges when I was younger.

On Sunday 11 September 2016, I attended the Keysborough Country Fire Authority (CFA) Open Day which was a very successful day with over 600 visitors, mainly comprising of families. Later that afternoon, I attended the 2016 Children's Lantern Festival in Springvale hosted by the South Eastern Melbourne Vietnamese Associations' Council (SEMVAC) together with a number of Councillors, where families attending were having a great time.

**Question****Cr Matthew Kirwan**

My first question refers to an earlier item tonight, Item 2.6.5, List of Registered Correspondence to Mayor and Councillors. There was a letter from a resident encouraging more domestic tree and shrub planting in the Keysborough area and enquiring what Council plans to plant in this area. What was the nature of their underlying concern and what was the response from Council officers?

**Response****Oliver Vido, Acting Director Engineering Services**

The letter referred to what was very much centred on what Council is doing in regard to community encouragement in planting trees around the municipality. Council has a number of actions that it undertakes to encourage plantings, including Council via the parks team conducting community and school environmental educational programs which teach the importance of native vegetation.

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**4 REPORTS FROM COUNCILLORS/DELEGATES AND COUNCILLORS' QUESTIONS (Cont.)**

Council itself plants more than 20,000 indigenous plants in its parks and reserves each year and 1,200 street trees. Council is currently reviewing the street tree strategy which will enable better understanding of the canopy cover within the city which will then target future programs.

In addition to that, in the planning sphere of my colleague, Mr Bosman, any ResCode permit requires a landscaping plan to indicate plantings of any new trees and any new developing green fill areas also requires landscaping plans to indicate new plantings. As stated, Council undertakes a number of initiatives to encourage the community to plant trees and shrubs.

**Question**

**Cr Matthew Kirwan**

My second question relates to the Greater Dandenong Artist Network. When this was set up, the aim was to enable artists within Greater Dandenong to network among themselves. In the response report that came to Council in 2014, an online database was proposed as a means to deliver that. Can the relevant officer please give an update on what the network is doing to enable artists within Greater Dandenong to network amongst themselves and also, what is the status of the online database idea?

**Response**

**Mark Doubleday, Director Community Services**

The Hive Artist Network was established to provide face-to-face and digital networking opportunities for local artists. The Hive as it is called, uses social media to connect with artists and has established a closed Facebook page for digital conversations between artists. The Hive has an online community of more than one thousand people and this is complemented by various activities where artists can get to meet face-to-face at seminars and exhibitions. The development of a dedicated online database was to be the second phase of The Hive's development and the intention is to have capacity to uploaded content from users into a shared database and this is currently being researched and will be listed as a City Improvement Program (CIP) bid for consideration in next year's budget.



**4 REPORTS FROM COUNCILLORS/DELEGATES AND COUNCILLORS' QUESTIONS (Cont.)****Question****Cr Matthew Kirwan**

When is new signage expected to be erected on or around the former Dandenong Council building in Clow Street? I receive questions about this from residents. I have been telling them that building is going to have multiple tenants but at the moment, only the Southern Migrant and Refugee Centre are listed as tenants. When is signage expected to be installed so that people know the full group of tenants in that building?

**Response****Mark Doubleday, Director Community Services**

Councillors have been briefed about the occupants of that building so it is not multiple. There are quite prescribed occupants that have been agreed through this chamber about who will take up residency there. Council officers have consulted with all those tenants regarding signage of what is regarded as the former Council office at 39 Clow Street, Dandenong. The signage is being designed and will be installed as part of the building works which are currently under way with existing capital funding and will be associated with the relocation of Council's Maternal and Child Health Service from current facilities on Stuart Street, into this facility. The works are due for completion in October of this year.

**Question****Cr Matthew Kirwan**

In the response report to "Notice Of Motion No. 33 - Enhancing Greater Dandenong Australia Day Awards" that came to Council on 26 May 2014, it was recommended, and I am referring to page 10206 of those minutes, that award winners would be recognised in perpetuity. This would be by an interactive digital display that enables the public to select a year to read about the achievements of previous recipients. This would include video stories, newspaper articles, photographs and secondly, a physical honour board that would be updated each year. What is the status of this?

**Response****Mark Doubleday, Director Community Services**

Council was briefed on 15 August 2016 about an initial concept to incorporate the Australia Day honour board with living treasures honour board recognising both as distinct awards or recognitions. Councillors were able to consider the concepts that were put forward. Officers are now meeting with designers to come up with a concept and location for the honour board for Australia Day alone, without the living treasures component which will be a separate project which was an outcome of the briefing session with Councillors. Ideas for the Australia Day honour board design will be developed in the latter part of this year and the City Improvement Program (CIP) bid will be made for the funding to deliver on that preferred concept. If capital works funding is secured, the honour board can be installed in the second half of 2017.



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**4 REPORTS FROM COUNCILLORS/DELEGATES AND COUNCILLORS' QUESTIONS (Cont.)**

**Question**

**Cr Matthew Kirwan**

On Monday 14 December 2015, when the community hubs and community development framework were adopted by Council, a recommendation was moved to consider the presentation of a report on the advantages, disadvantages and recommendations on how school based community hubs could be used effectively for community development and any other opportunities for service delivery. What is the progress status on this report?

**Response**

**Mark Doubleday, Director Community Services**

I will take that question on notice

I can say there is every intention Council can be briefed at any stage about development. Council is not responsible for funding or development of school based community hubs. There is a philanthropic body and a State and Commonwealth government that have a funding program for pilot sites within Australia of which schools within this Council or this municipality have been the recipient. I would like to make it clear that this Council is not responsible for receiving that funding, administering or delivering on it. It is an area where information can be provided to Council in various ways.

**Comment**

**Cr Matthew Kirwan**

I recall that the report was about how Council could work collaboratively for mutual benefit not about it providing funding. That was in the recommendation for December 2015.

**Question**

**Cr Matthew Kirwan**

I have received concerned feedback from Keysborough residents regarding the safety of the Keylana Drive section of the new 709 bus route. That is the small section between Lakeview Boulevard and Chapel Road. Residents have commented that there are no bus shelters in this section, which is a common issue across that bus route, but they have talked about that section in particular. The narrowness of the road is a hazard for both bus drivers and other car users as this section gets clogged with traffic in the afternoon due to its narrowness. There is no crossing near bus stops so that people can get safely across what is being an increasingly busy road and it is now a busier road due to the bus route. There is inadequate lighting for people getting on and off in the early mornings and evenings.

**Response**

**Oliver Vido, Acting Director Engineering Services**

I will take that question on notice.

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**Cr Matthew Kirwan left the Chamber at 8.34pm.**



**4 REPORTS FROM COUNCILLORS/DELEGATES AND COUNCILLORS' QUESTIONS (Cont.)****Comment****Cr Peter Brown**

On Thursday 8 September 2016, Councillor Sampey and I attended the Municipal Association of Victoria (MAV) Annual Dinner as Council's representatives for the MAV along with Mr Martin Fidler, Manager Community Wellbeing and Ms Michelle Smith, Team Leader Community Development. I would like to mention that both Council officers were the driving force for the Award that Council received recognising healthy communities. One of the significant contributing factors to winning the award has been the wonderful work done in Ross Reserve, Noble Park, encouraging people, particularly youth, to engage in exercises.

Councillor Sampey will speak on this item in more detail which will be of interest to everyone. I would like to once again thank the two Council officers previously mentioned for the work they had done and for the support of the relevant directors and Council staff, which has led to the award in the form of a glass plaque and a cheque for \$2,000 which was also received from the National Heart Foundation. At the Councillor briefing session tonight, discussion on how to utilise the funds was held. There were a number of ideas put forward but the general thoughts were that Council purchases a defibrillator in the name of the National Heart Foundation as the sponsor in a community service yet to be identified by Council. A final decision will be made in due course as to how this Heart Foundation Award can best be extended further into the Greater Dandenong community.

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**Councillor Brown tabled an award from the National Heart Foundation, in recognition of the City of Greater Dandenong as a State Winner for its contribution to recognising healthy communities.**

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**Comment****Cr Maria Sampey**

Further to what Councillor Brown has mentioned, I would like to add that being the recipient of this award, the City of Greater Dandenong is now eligible to be selected as a national winner which will be announced later this year. I would like to thank Mark Doubleday, Director Community Services and his staff for their hard work. It was a real thrill when the name City of Greater Dandenong was announced. I was jumping up and down with joy.

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**Cr Matthew Kirwan returned to the Chamber at 8.38pm.**



**4 REPORTS FROM COUNCILLORS/DELEGATES AND COUNCILLORS' QUESTIONS (Cont.)****Comment****Cr Maria Sampey**

I have also received a letter from a teacher at Lyndale Secondary College, Dandenong stating that the students of Lyndale Secondary School are encouraged to write to a Member of Parliament or a local Councillor about issues that are important to them.

A Year 10 student at Lyndale Secondary College wrote: *"There is an issue of the parking around Dandenong. It is very important and very helpful to many people to have free parking around the City of Greater Dandenong. It is quite effective on everyone in the community. Sometimes you forget to get a ticket for the parking and sometimes you have the parking ticket but you are just a little late from your appointment or somewhere. You come and see the infringement notice on the car. Sometimes it is just so frustrating when you have to pay the penalty while you're struggling with economic issues and you are unable to pay. It is going to be a great change to residents of Dandenong if they could get free parking and thanks for your time reading this letter. I look forward to hear from you."*

I would like to table these two letters and ask the relevant officer to respond with regard to the parking issues.

**Comment****Cr Peter Brown**

I attended a meeting at Drum Theatre along with Mark Doubleday, Director Community Services and a number of Council staff. As Council's representative on the Drum Theatre Advisory Committee, it was interesting to note staff restructuring happening to effectively bring the costs down. I think it is no surprise to Councillors and officers the high cost of running the Drum Theatre and that new staffing strategy, management practices and further options are being explored in the management of Drum Theatre to reduce the costs to Council and improve Council's cashflow.

**Question****Cr Roz Blades AM**

I am sad to report on the recent passing of Joyce Ravero. I am not sure how many of those present here tonight knew Joyce Ravero. She was a wonderful community member of this Council who did a huge amount of work in terms of multiculturalism, access and equity. She was a quiet achiever so it is with great sadness that I speak about this. Could the Mayor write a letter of condolence to the family please and also obtain details of the funeral service?

**Comment****Cr Roz Blades AM**

I would like to thank Mark Doubleday, Director Community Service's staff for the excellent work that was done at the Local Government Conference held in Dandenong on Wednesday 31 August 2016. People from everywhere attended and food was provided and organised through Chisholm Institute in Dandenong. It has been a long time coming, other cities have hosted previously so Council grasped the opportunity with open hands.



**4 REPORTS FROM COUNCILLORS/DELEGATES AND COUNCILLORS' QUESTIONS (Cont.)**

I have received emails regarding the intersection of Chandler Road and Cheltenham Road, Keysborough. I have been speaking to residents and they do not think the response from the regulator is adequate. Council is attempting to represent this difficult issue and I advised that I would be elevating this to a Council meeting. It may be that the media could help with this as well. The residents have got some very real concerns and I have been there to investigate and it is awful. If action is not taken in relation to a north bound left turn lane at that intersection there is going to be an accident one day. I know everyone says that but people have been asking and representing a long time so I will forward the emails to the Acting Director Engineering Services.

In relation to wheelchair access at 443 Princes Highway, Noble Park, Maxi Taxis cannot access this area to pick up disabled people and some of these are quite profoundly disabled people. I will forward this issue to Acting Director Engineering Services.

**These questions were taken on notice.**

**Question****Cr Sean O'Reilly**

I have a question for the Acting Director of Engineering Services about rubbish bins and how Council allocates and maintains the positions of rubbish bins. There are quite a number of enquiries from residents so it would be good to have it clarified so I can explain it when I receive the enquiries. There are rubbish bins at street level and in parks. How does Council review which bins are not used much and can be removed and where new bins should be located? How often does this review happen? Is it done in a cycle? When are too many bins too many? Residents generally want more bins in parks and gardens and at street level. When does Council think that there are too many bins? Are bins geo-mapped?

**Response****Oliver Vido, Acting Director Engineering Services**

There are a couple of ways the bins are reviewed. Firstly in an informal way, the garbage collectors that do their job every day will look at the usage of the bins and make some recommendations back to management. In a more formal sense, an audit is conducted every four years at the same time as the asset management plans are reviewed for bins. Part of that is to look at the volumes of rubbish that are in the bins and assess if the number is correct or whether more or less bins are required? That is a formal review process. The last audit was conducted in May 2016 so changes may occur shortly as the services are reviewed in relation to those bins.

In terms of new bin requests, a very structured process is followed in determining whether bins should be placed or removed. The sort of things considered is if the littering is a one off incident or an ongoing issue. The accessibility and the safety for collectors is also considered. If a bin is placed in the middle of a park reserve and the trucks cannot access it that is a concern. Similarly, a bin may not be placed on an intersection corner where it might be a safety hazard for the collectors to pick up the bins at that location.

Bins are regularly reviewed on a four year cycle. In terms of the geomapping, all bins are now mapped on Council's Geographic Information System.



**4 REPORTS FROM COUNCILLORS/DELEGATES AND COUNCILLORS' QUESTIONS (Cont.)**

**Question**

**Cr Loi Truong**

Council agreed to have a drop off and pick up area for assisted parking spaces in the Springvale Shopping Centre for people who have difficulty shopping there. I would like to know how many car parking spaces are used for drop off and pick up and their location?

**Response**

**Oliver Vido, Acting Director Engineering Services**

I will take that question on notice.

**Comment**

**Cr Jim Memeti**

I attended a few functions over the last fortnight and will mention some:

On Wednesday 7 September 2016, I attended the multi-faith blessing of the Interfaith office at the previous Council building in Clow Street, Dandenong where all religious leaders of this City came together which is fantastic. Although the Interfaith Network now have their own office, speaking to Helen Heath who is a paid worker at the Interfaith Network, the Network would love to have their own building in Dandenong one day to accommodate all the religious leaders in this community. The Springvale Council was one of the first councils in Australia to have an Interfaith Network over 25 years ago and these days many Councils throughout Australia are copying what the Springvale Council started 25 years ago and it is working really well right throughout many municipalities. This Council is very proud that this Network is continuing and has in excess of 300 meetings over time. I was in attendance a couple of years ago at their 300th meeting. They are going strong, they have their own home now and it is located in the previous Council building. I am sure when Council installs signage their name will be visible on the board also.

On Thursday 8 September 2016, I attended the Springvale Asian Business Association (SABA) inauguration dinner and also the preparation for the 2017 Lunar New Year Festival. Daniel Chang will be president for the upcoming year again. This is his second time around and I look forward to working with SABA if I am re-elected. They do a great job and I congratulate them on what they are doing.

On Tuesday 6 September 2016, I attended the opening of the Abbots Road upgrade and the new bridge on Abbots Road. It was a \$5.5 Million dollar investment of which approximately four million or so was contributed by Council and I think the remainder from the Federal Government. This will help ease congestion on Abbots Road in Dandenong South.



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**4 REPORTS FROM COUNCILLORS/DELEGATES AND COUNCILLORS' QUESTIONS (Cont.)**

**Question**

**Cr Jim Memeti**

Abbotts Road when it comes to peak time is a very, very busy road. I think the State Government has not made a decision on whether the railway will go underground or overground or what will happen in relation to Remington Drive. What is happening with that option?

**Response**

**Kevin Van Boxtel, Acting Group Manager Greater Dandenong Business**

I will take that question on notice.

**Comment**

**Cr Jim Memeti**

I recall a meeting with the businesses owners around that area and I have not had any feedback since.

On Friday 9 September 2016, I attended the opening of the Royal Golden Reception located on Level one, 255-263 Lonsdale Street, Dandenong. It is a beautiful reception venue opened up only last week. The restaurant is open on Wednesday, Thursday and Friday and I think Saturday is a booking night. It was lovely food and it is great to see another restaurant reception open up in Dandenong. Five to ten years ago there were only one or two places to eat in Dandenong and now there are multiple places to eat.

I also want to encourage people to attend at ten o'clock tomorrow the Dandenong Market 150 year anniversary. There is a mural unveiling and a book launch. 150 years of Dandenong Market and it has not been in the same location but the current location I think will remain for at least another 150 years. To residents who are watching through the webcast or in the gallery, I urge you to attend the celebrations at the Dandenong Market tomorrow.

To all the people in the community who celebrate the Muslim event Eid today I am going to be in a lot of trouble and I will have to make it up to my wife because I have been celebrating here tonight. So Eid Mubarak to the community who are celebrating today.

**Question**

**Cr Youhorn Chea**

Is it free to park in the Warwick Avenue car park, Springvale on Sunday?

**Response**

**Jody Bosman, Director City Planning, Design and Amenity**

As far as I know it is however I will confirm this information.



**4 REPORTS FROM COUNCILLORS/DELEGATES AND COUNCILLORS' QUESTIONS (Cont.)**

**Question**

**Cr Youhorn Chea**

Have the car parking rates in Warwick Avenue, Springvale increased recently?

**Response**

**Jody Bosman, Director City Planning, Design and Amenity**

I will take this question on notice.

**Comment**

**Cr Youhorn Chea**

Thank you for checking that information for me as under Council's budget it was stated that there is no increase to car parking fees in Springvale.

I would request that Council sends condolences to Joyce Ravero's family as I am aware Joyce Ravero used to work in the City of Springvale and she is one of the officers who created the Interfaith committee and worked very hard for the Interfaith community.

On Thursday 8 September 2016, I attended the Springvale Asian Business Association (SABA) Lunar New Year Festival lunch along with with Councillor Jim Memeti, Councillor Sean O'Reilly, Councillor Roz Blades AM, and Councillor Angela Long. This event included the presentation of the new committee and I congratulate the returning president as he works very hard for all of the community and for the business people also.

On Sunday 11 September 2016, I attended the 2016 Children Lantern Festival hosted by South Eastern Melbourne Vietnamese Associations' Council (SEMVAC).

**Comment**

**Cr John Kelly**

I think those who have been in the Council chamber for a few years and involved with the city, would remember Roy Aspinall who was certainly very involved in the lawn bowls business across the road for some 30 odd years. He was also involved with the retail association for over 16 years and left his mark and worked extremely hard for the retail people within this

City over many years. He was also a respected turf reporter on the horseracing and Councillor Brown would certainly have read a numerous number of his reports I am sure. His passing is a sad loss to the City, a sad loss to the racing fraternity as he was a very respected man within this City.



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**4 REPORTS FROM COUNCILLORS/DELEGATES AND COUNCILLORS' QUESTIONS (Cont.)**

**Comment**

**Cr Heang Tak, Mayor**

Council will send a letter of condolence to the family.

I would like to report a few of the events that I attended.

On Wednesday 31 August 2016, I attended the 2016 Municipal Association of Victoria (MAV) Local Government Multicultural Policy Development Conference. I think it is a fantastic event to showcase that City of Greater Dandenong, one of the most multicultural cities. Credit goes to Councillor Roz Blades and the Council officers who made this event happen and to all the councils who participated and attended on the day. I think it is a fantastic showcase for other council's, community leaders, Councillors and Mayors to see what Dandenong has to offer.

I think food is one of the languages that can go across the board. I take this opportunity to thank all the Councillors and Director Community Services and his staff to make the event happen in terms of the response to Notice of Motion Number 99 Greater Dandenong Multicultural Network. 25 years ago there was an Interfaith Network and now there is a Multicultural Network, another milestone for the City.

I will table the rest of the events that I attended:

**Wednesday 24 August 2016**

- Wooranna Park Primary School Book Week celebration: Family Storytelling Night

**Thursday 25 August 2016**

- Dandenong West Primary School Girl Guides Promise Ceremony
- Official Opening of the Fort Knox Self Storage facility, Keysborough

**Friday 26 August 2016**

- Tour of Riverend Road Tourism Precinct

**Monday 29 August 2016**

- Community Information Session hosted by SABA: Council's Proposed Major Projects for Springvale
- Community Safety in Springvale Forum hosted by SABA with Vic Police

**Tuesday 30 August 2016**

- Municipal Association of Victoria (MAV) From Multiculturalism to Inclusion: Pre-Conference Dinner & Nocturnal Tour, Dandenong



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**4 REPORTS FROM COUNCILLORS/DELEGATES AND COUNCILLORS' QUESTIONS (Cont.)**

**Wednesday 31 August 2016**

- 2016 Municipal Association of Victoria (MAV) Local Government Multicultural Policy Development Conference: From Multiculturalism to Inclusion

**Monday 5 September 2016**

- Councillor Briefing Session

**Tuesday 6 September 2016**

- Abbots Rd upgrade/bridge opening ceremony
- Judging Panel for Wallara's 'Picture This' art competition

**Wednesday 7 September 2016**

- Father's Day Celebration hosted by the Vietnamese Australian Seniors Association
- Multifaith Blessing of the Interfaith Office
- Greater Dandenong District Scout Annual Report and Presentation evening

**Thursday 8 September 2016**

- SABA Inauguration Dinner & 2017 Lunar New Year Festival launch

**Sunday 11 September 2016**

- 2016 Children's Lantern Festival hosted by South Eastern Melbourne Vietnamese Associations' Council (SEMVAC).
- United Chinese Commerce Association of Australia Inauguration dinner & Shine Yang World Tour Concert

**Monday 12 September 2016**

- Councillor Briefing Session and Council Meeting

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**John Bennie PSM, Chief Executive Officer tabled a listing of responses to questions taken on notice at the previous Council meeting. A copy of the responses is provided as an attachment.**



**4 REPORTS FROM COUNCILLORS/DELEGATES AND COUNCILLORS' QUESTIONS (Cont.)****COUNCILLORS' QUESTIONS TAKEN ON NOTICE**

<b>Date of Council Meeting</b>	<b>Question Asked By</b>	<b>Subject &amp; Summary of Question</b>	<b>Responsible Officer</b>	<b>Date of Response</b>	<b>Summary of Response</b>
22/08/16 CQT3	Cr Jim Memeti	<b>Burnt Down Building at Corner of Langhorne and Foster Streets, Dandenong</b> Approximately 12 to 18 months ago, the building located at the corner of Langhorne and Foster Streets, Dandenong got burned down. It has since been hoarded up with some fencing. What is the update on that building? I know it is not Council's building but for how long can they leave that hoarding up there? I think the building needs to be pulled down. Can I have an update on that?	Director City Planning, Design and Amenity	26/08/16	There was a fire in the building on the corner of Foster and Langhorne Streets, Dandenong on 16 November 2015. The damage was restricted to internal, some windows and doors and roof. An emergency Order was issued on the owner requiring a 1.8m high safety fence be immediately installed and within 24 hours shutters being provided over all openings. This was carried out by the owner within the time prescribed which satisfied the requirements of the Order.  The Building Act and Regulations have provisions to ensure the safety of buildings when they become dangerous due to factors like structural instability or unsuitable for habitation due to a fire. The requirements initially are to make the building safe either by restricting access or in extreme cases requiring the building to be demolished. In this case the structure of the building has not been compromised sufficiently to warrant an order to demolish the building. As the site was made safe, there are no restrictions on the time that a building, which does not pose an immediate danger, can remain indefinitely on the site. Council's Building and Residential Amenity departments both play a role in monitoring these sites for any

Reports from Councillors/Delegates &amp; Councillors' Questions – Questions Taken on Notice

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**4 REPORTS FROM COUNCILLORS/DELEGATES AND COUNCILLORS' QUESTIONS (Cont.)**

<b>Date of Council Meeting</b>	<b>Question Asked By</b>	<b>Subject &amp; Summary of Question</b>	<b>Responsible Officer</b>	<b>Date of Response</b>	<b>Summary of Response</b>
22/08/16 Cqt2	Cr Jim Memeti	<b>Missing Bike Racks on Lonsdale Street, Dandenong</b> On my way to the Council building today, I noticed that a few of the bike racks on Lonsdale Street near Foster Street, Dandenong are missing. It may have happened last night because I remember seeing them there early last week. There seems to be a lot of problems in Lonsdale Street and Thomas Street, Dandenong so I would like to report it to Council.	Director Engineering Services	23/08/16	changing conditions and if required will take the appropriate action to bring the site into compliance.  Council has been advised that the damaged bike racks on the corner of Lonsdale and Foster Streets, Dandenong were first reported to the Works Service Unit on Monday 22 August 2016 and were replaced the next day.

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**At the Ordinary meeting of Council on Monday, 24 March 2014, Council resolved to change the way Councillor and public questions taken on notice are answered and recorded from 14 April 2014 meeting of Council onwards.**

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## **5 QUESTION TIME - PUBLIC**

### **Question**

**Gaye Roberts, Dandenong North**

Now that the Dandenong Council underground car park is remaining open, which is great, when will there be signage put up to the car park on Thomas Street so people can find it more easily and when will the promised new arrangement inside the car park start?

### **Response**

**John Bennie PSM, Chief Executive Officer**

Council has recently considered motions related to the underground car park. None of these motions were carried so the open status quo nature of the car park remains. Notwithstanding, Councillors have requested further discussion at a future Councillor Briefing Session on operational issues at which time Council can outline operation changes or opportunities for the car park. The answers to the questions posed should arise out of that discussion. That discussion is listed to occur in early October 2016.



## **6 URGENT BUSINESS**

No urgent business was considered.

The meeting closed at 9.01PM.

Confirmed: / /

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CHAIRPERSON