



# MINUTES

## ORDINARY MEETING OF COUNCIL

**Wednesday, 26 April 2017**

Held at the  
Council Conference and Reception Centre  
City Hall, Little Malop Street, Geelong  
commencing at 6.30p.m.

**ADMINISTRATORS:**

Dr Kathy Alexander (Chair)  
Laurinda Gardner  
Peter Dorling

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**MINUTES OF THE ORDINARY MEETING  
OF THE GREATER GEELONG CITY COUNCIL  
HELD AT THE COUNCIL CONFERENCE AND RECEPTION CENTRE  
CITY HALL, LITTLE MALOP STREET, GEELONG  
WEDNESDAY, 26 APRIL 2017  
COMMENCING AT 6.30P.M.**

**PRESENT:** Dr K Alexander (Chair), L Gardner, P Dorling

**Also present:** K Spiller (Chief Executive Officer), P Bettess (Director Planning and Development), B Luxford (Director Investment & Attraction), W Tieppo (Director City Services), M Kuhn (Acting Director Community Life), J Moloney (Director Finance & Strategy), A Keen (Executive Manager People and Organisational Development), R Leonard (Snr Manager Legal Services & Governance)

**OPENING:** The Chair declared the meeting open at 6.30pm

*Kathy Alexander (Chair) commenced the meeting by expressing her thanks to the more than 100 Council staff who spent this week assisting with the emergency response to Monday evening's storm.*

*The unseasonable deluge severely stretched our stormwater system capacity and as a result there was significant drain excess water on our roads and streets.*

*Kathy also recognized the City's staff for their tireless work in assisting with incident management, working with SES on more than 200 call outs, and helping to co ordinate other emergency services at our local incident control centre. She also thanked those community members who were using Council facilities who helped in the clean up.*

*Peter Dorling added how fantastic it was to see thousands of Greater Geelong residents out and about yesterday, despite the poor weather, showing their respect for Anzac Day.*

**ACKNOWLEDGEMENTS:**

Council acknowledged Wadawurrung Traditional Owners of this land and all Aboriginal and Torres Strait Islander People who are part of the Greater Geelong community today.

**APOLOGIES:** Nil

**CONFIRMATION OF MINUTES:**

**L Gardner moved, P Dorling seconded -**

**That the Minutes of the Ordinary Meeting held on 28 March 2017 be confirmed.**

**Carried.**

**PRESENTATION:**

Peter Dorling presented the Chair with a Certificate of Appreciation from the Leopold War Memorial Committee Inc in recognition of the City's generosity and support in the establishment of the Leopold War Memorial.

**DECLARATIONS OF CONFLICTS OF INTEREST:** Nil.

**QUESTION TIME:**

*Question Time is an opportunity for questions to be addressed to Council and while the minutes record the general content, they do not purport to be a transcript of what was said by individuals. Likewise, the Interim Administrator or Officer verbal responses are in summary form only. Views expressed may not be the views of Council.*

*Council's practice is to provide a separate document on its website setting out questions and responses including any more detailed written responses which may be provided subsequent to the meeting.*

**Graeme Duff** submitted questions in relation to Tender T1700018 Cleaning Services for Leisure Centres and the Geelong Arena. The Chair asked Jo Moloney (Director Finance and Strategy) to respond to Mr Duff after a decision has been made on the awarding of the contract later this evening.

**Vicki Perrett** asked the following in relation to the Zero Carbon Emissions Strategy:

1. Does Council accept its responsibility to lead the Geelong community towards a zero carbon future and to provide support for households and businesses?
2. Will Council assign resources to enable the collaborative development of the Community Zero Carbon Action Plan?

*William Tieppo responded that the answer is "yes" to questions 1 and 2.*

3. Will Council commit to developing measurable and substantial emission reductions targets for residents and businesses?

*William Tieppo added funding for the above will be considered as part of the 2017/18 budget process. One of the things we do rely on is partnering with the community to encourage sustainable design and reduce resource consumption.*

**Guy Hampshire** submitted a question in relation to the Additional Bin Service.

*A written response will be provided.*

**Review of the City of Greater Geelong Library Network:**

**Kathy Alexander** reassured all persons who wrote to Council in relation to the Library Network that all the Administrators have read the letters and know all the sites in question, and had received input from MP's on behalf of their electorates and have consulted with the Geelong Regional Library Corporation.

**Bronwyn McIntyre** asked:

Can you highlight in your library review how you have calculated the value of the following examples:

- 1) People having a safe, welcome place to go to connect young children about the importance of libraries, reading, learning and connection with their community?
- 2) Alternatively, the negative message sent to children when you take such an important community service away?
- 3) Free access to knowledge and information and other resources for all members of our community/
- 4) The ability of a citizen with restricted mobility to get out of the house and visit a library to have a chat, read a paper and get some air?
- 5) The option for a parent with young children to take a pram ride to the children's story and rhyme session to let a toddler get some energy out and connect with others as they experience the joy of reading, singing, cutting and pasting, all whilst their baby sibling has a nap and a feed, without having to do the dreaded transfer from car to pram?
- 6) A high school student needing a quiet space to study and learn?
- 7) Finding a shared space which nurtures connections across generations.?

*Kathy Alexander responded that she is unable to calculate the value of the issues raised and added that they be deferred until discussion of the item.*

**Rebecca Dalton** asked why Council is ignoring the multitudes of positive social impacts that Barwon Heads Community Library offers? The information and data which led to the recommendation to close the Barwon Heads Community Library has not been made available to the community. Why was this information not proactively provided to the community to allow for proper analysis, scrutiny and understanding?

*Kathy Alexander responded the information has been displayed on Council's website for ten days, and has also appeared on various agendas over the last five years or so.*

**Karen Firth** asked if Council would delay making the decision to close the Barwon Heads Library?

*Kathy Alexander deferred the question until further discussion of Agenda Item 1.*

**Annabel Gill** asked why can't a decision wait until the outcome of the Barwon Heads Structure Plan and the election of our Councillors.?

*Kathy Alexander advised that the Administrators have been delegated the responsibility under the Act to carry out all decisions of Council.*

**Rebecca Martin** recognised that the Barwon Heads Library has been under review previously, however, can you explain why you did not consult with the community on this occasion and detail why you think that you have met your obligations, and ensured natural justice and procedural fairness on this occasion.

*Kathy Alexander advised Council has not made a decision as yet and will defer the question until we consider the item.*

**Mandy Bridges** submitted questions in relation to the Barwon Heads Library which will be responded to in writing.

**Sarah Henderson MP** provided a letter of support for the continuing operation of the Barwon Heads and Highton Libraries in her electorate.

**Lex Chalmers** asked what costs will be incurred in selling the Old Geelong Gaol when Council has not assessed its potential through adequate research, and has not maintained it?

*Joanne Moloney advised the report is only calling for Expressions of Interest to sell and is not set in concrete. The report provides for public submissions and an opportunity to be heard.*

**Lester Wissing** asked the following questions in relation to the Highton Library:

The Highton Library should not close. There are more and more people coming all the time.

Problems:

- a) The Highton Library is closed half the week, i.e. only open between 2pm - 5pm every second day;
- b) Many people come to the Library and find it closed on those days, i.e. in the times of 9am – 2pm.
- c) Many older people will find it hard to get to Belmont Library or Warn Ponds, i.e. no bus direct to Belmont or easy access from Waurn Ponds.

*Kathy Alexander thanked Mr Wissing for his comments.*

**Sandra Gatehouse** asked questions regarding the Barwon Heads Outfall Planning Permit Application PP-1480-2016:

- 1) Can you please confirm which entity is responsible for monitoring the health of the water in the Barwon River at Barwon Heads?
- 2) How can we get them to do baseline testing and establish standards for quality of the water?
- 3) How much of the catchment area in Barwon Heads drains to the pump station?
- 4) What is proposed to manage litter entering the drainage system downstream of the pump station?
- 5) Can Council provide a report on the Gross Pollutant trap options considered for the outfall?
- 5) Has DWELP approved the project?

*Flood Plains – Barwon Heads Road:*

The latest area of land on the Barwon Heads Road that has been approved for housing development is currently a lake “rainbow riders site”. Is the Council confident that it has adequate planning in place for future development? Where is the comprehensive drainage plan?

*William Tieppo responded the questions be taken on notice for a future conversation with Ms Gatehouse.*

**PETITIONS:** Nil.

## **1. REVIEW OF THE CITY OF GREATER GEELONG LIBRARY NETWORK**

**Source:** Investment and Attraction / Arts & Culture  
**Director:** Brett Luxford  
**Index Reference:** SUB-16-1219 : Geelong Regional Library Corporation

### **Purpose**

To recommend that Council close three (3) Geelong Regional Library Network branches and that the municipal contribution to the Geelong Regional Library Service 2017-2018 budget is set at a 2% increase.

### **Background**

The Geelong Regional Library Corporation (GRLC) provides library services to the residents of the City of Greater Geelong (CoGG), Surf Coast Shire, Borough of Queenscliffe and Golden Plains Shire.

The CoGG municipality is serviced by thirteen (13) static libraries and a mobile library service.

Periodic strategic reviews of the library branch network in the city, have been commissioned by Council and the GRLC since 1999. Findings have been consistent and recommend the Chilwell, Highton and Barwon Head branches are closed due to their continuing low assessment against industry accepted key viability measures.

### **Key Issues**

- The City of Greater Geelong strongly believes in the value of libraries in communities as evidenced by the significant funds invested by Council into our library service with operational funding currently at just over \$10m per annum and capital funding of over \$54m in ten years.
- Access to the City's libraries is no longer equitable. Populations in growth areas also need access to library services.
- Five (5) strategic reviews have identified Chilwell, Highton and Barwon Heads library branches as predominantly non-viable against the following key measures: over service within catchment (close proximity to other libraries); capacity; usage including visits per hours, loans per hours, internet sessions and collections turnover.
- Affected library staff will fill existing vacancies in other branches.
- The loss will be felt by community members who have had historic access to these three libraries, however the majority of members of each library already use other branches. Alternatives are available for library members to access library services nearby and other supports will be identified for those impacted.
- The GRLC budget must be adopted by 30 June 2017, in accordance with the Local Government Act and the Corporation's Board has recommended the City of Greater Geelong implement the recommendations of the Branch Review 2015.

**L Gardner moved, P Dorling seconded –**

**That Council:**

- 1) note the advice and resolution of the Geelong Regional Library Corporation from its meeting on 3 April 2017;**
- 2) cease to provide a library branch at Chilwell, Highton and Barwon Heads in accordance with the Strategic Review findings;**
- 3) close the Chilwell and Highton branches of the Geelong Regional Library Corporation by 30 June 2017;**
- 4) continue to operate the Barwon Heads branch until 30 September 2017 to allow time for consultation with the community to identify appropriate community space(s) and/or support(s) required to meet and connect;**
- 5) commence a consultation and communication process to identify suitable transition and support arrangements for continuing access to City of Greater Geelong library services and identify any additional supports required;**
- 6) determine the City of Greater Geelong's financial contribution to the GRLC for 2017/18 at a 2% increase or \$186,000;**
- 7) allocate an additional \$15,000 in the 2017/18 budget to allow for the additional three (3) months of operation of the Barwon Heads Library.**

**Carried.**

## **Attachment 1**

### ***Discussion***

The Geelong Regional Library Corporation (GRLC) has been identified for three (3) years running as the number one performing library service in the State, achieving high levels of service and community participation at industry average cost.

However, at sixteen (16) libraries and two (2) mobile libraries, it has the highest number and concentration of library branches of all public libraries in Victoria - with thirteen (13) of the static libraries in the municipality of Geelong.

As early as 1999, the Greater Geelong Branch Library Network Review identified that inter-network competition or catchment overlap, was a major issue for the ongoing viability of the whole library service. This has been confirmed by each subsequent review as illustrated by the GRLC CEO report 'Summary of Reviews and Usage Data Related to the City of Greater Geelong Network of Libraries' (Attachment 2).

The City of Greater Geelong (CoGG) has strongly affirmed the value of libraries in communities and should continue to invest in their operation and development each year. The opening of the \$45.5m multi-award winning Geelong Library & Heritage Centre (GLHC) in November 2015, is a demonstration of Council's commitment to libraries.

Libraries are a service which contribute to creating informed communities, provide equitable and free access to information sources and universal access to technology resources. They also provide opportunities for lifelong learning, including self-directed learning, programmed information, reading and digital literacy activities. Libraries build community by providing welcoming, neutral, community space that is open to all members of the community.

However, Barwon Heads, Chilwell and Highton libraries continue to demonstrate low performance on a number of industry accepted viability measures including, visits per hour, loans per hour, internet sessions per PC and collections turnover.

The viability measures quantify the extent to which branches appeal to users and perform their core function. They can guide improvement or change, and reveal the capacity of branches to deliver the level of service the GRLC seeks to provide. The viability measures show where branches are providing good value and what success looks like. They also reveal branches operating well below average where questions about ongoing viability must be asked.

Proximity to other larger libraries is also a key measure for viability. Each of the libraries are located very close to other libraries and are all serviced by public transport (Attachments 3 and 4):

- Chilwell Library is within 3km or a 6 minute drive of the Geelong Library & Heritage Centre, Geelong West and Belmont libraries;
- Highton Library is within 2km of the Belmont Library and within 4km of the Waurin Ponds Library; *and*
- Barwon Heads Library is 4.2km from the Ocean Grove Library.

The majority of members of all three (3) libraries already use other branches within the library network. Members at Chilwell have increased their use of the central library (now the GLHC) from 1.54% of checkouts to 18.42%, at Highton from 1.42% to 12.98% and Barwon Heads from 0.7% to 7.5%.

In recommending the closure of the three (3) libraries, both Council and the Geelong Regional Library Corporation are responding to changing demographics and the need to service growth areas in the municipality in a time of constrained budget.

Council has invested in the development of a library at Leopold, due to open in 2018 and plans are underway for improved services in the growing population area of Drysdale and a new library at Armstrong Creek.

In addition, the closure of three (3) low performing branches of the network enables savings within the financial constraint of the rate-capping environment in which Council now operates. It is therefore proposed they cease operation at the end of the current financial year.

### ***Financial Implications***

Council makes an annual recurrent member contribution to the GRLC as well as its disbursement for all operational costs associated with our static libraries and the mobile library service within the municipality.

Council's contribution makes up the majority of the funding for the GRLC service due to the quantity of libraries and use. In the 2016/2017 budget, Council's recurrent contribution to the GRLC is \$9,283,000. Other costs met by Council include cleaning, security and utilities bringing the total cost in 2016/17 to just over \$10m.

In its draft budget for 17/18, the GRLC identified that a 5.1% or \$476,000 increase to recurrent funding was required to maintain all services at the current level.

It has been established, savings from the closure of the three (3) library branches will total \$300,000 in 17/18, plus additional savings in costs such as utilities and cleaning. A one off cost for the decanting and relocation of collection items and equipment will be required.

The budget for 2017/18 is therefore proposed to increase by 2% or \$186,000 bringing Council's contribution to the GRLC \$9,469,000.

The Chilwell and Highton Libraries are located on Council owned land and are recognised Council assets, maintained by Council. The Barwon Heads Library is located in the grounds of the Barwon Heads Primary School and is not a Council asset.

Closure of the Council owned libraries will initiate an asset assessment including investigations into the potential reuse of the buildings for Council purposes. Both the Highton and Chilwell libraries are zoned Public Park and Recreation Zone (PPRZ) and both occupy land which is largely used as parkland. The Chilwell Library is co-located with the Newtown Maternal and Child Health centre.

### ***Stakeholder Consultation and Communication***

A Communications Strategy has been developed to ensure the social and economic reasoning for this report's recommendations are able to be communicated to all key stakeholders.

Current members of the three (3) libraries proposed to close will be directly contacted by the GRLC if the recommendations of this report are adopted.

Information on alternative library options in their vicinity, public transport, opportunities available on-line (giving all library members access to the entire GRLC Collection) and the Community Library Service for library members physically unable to access other libraries due to frailty or disability, will all be explained with print copies also made available (Attachment 4).

Discussions with the Barwon Heads Primary School have been held outlining the rationale and recommendation. Additional bulk loans would be offered to the school to minimise impact. Other options may be identified from discussions between the GRLC, Council and affected members.

***Policy/Legal/Statutory Implications***

At the 6 February 2016 meeting, the Board of the Geelong Regional Library Corporation considered the GRLC Branch Review and resolved that GRLC Officers update figures of the 2015 branch review document, review recommendations accordingly, discuss with member councils and report at the next meeting.

At the meeting, the Board also reviewed the draft GRLC budget and requested the GRLC work with Council to identify budget options.

At its meeting of 3 April 2017, the Board gave due consideration to:

1. the long term sustainability of the CoGG Library Network;
2. identified inefficiencies and duplication in the CoGG Library Network; and
3. the current cap on rates imposed by State Government;

The GRLC board recommends that the City of Greater Geelong implement recommendations of the GRLC Branch Review 2015.

***Alignment to City Plan***

The provision of library services and the programs offered by GRLC in the City of Greater Geelong aligns directly to City Plan's Strategic Directions 'Community Wellbeing' (Priority Areas: Connected, Creative and Strong communities) and 'Growing our Economy' (Priority Areas: A prosperous and innovative Geelong, a successful vibrant city centre, and Greater Geelong is a leading city of tourism, arts culture and events).

***Conflict of Interest***

There is no direct or indirect interest by Council Officers involved in the preparation of this report.

Section 196(7A) of the Local Government Act exempts a member of the governing body of a regional library from having a conflict of interest if their only interest is as a Councillor or member of Council staff, who was appointed to the board by Council.

***Risk Assessment***

Some library members will be directly affected by closure of a familiar service they have been able to access for a number of years and feel a strong attachment for.

The majority are able to, and indeed already do access other branch libraries within their catchment. However, those who are unable to physically access other libraries can be directly supported by the Community Library Service. Support for changes to existing patterns of borrowings and returns will also be provided.

## SUMMARY OF LIBRARY REVIEWS AND USAGE DATA RELATED TO THE CITY OF GREATER GEELONG NETWORK OF LIBRARIES

**Chief Executive Officer  
Geelong Regional Library Corporation (GRLC)**

### **PURPOSE OF THE REPORT**

- This report has been provided to summarise the findings of the five reviews which have made recommendations for the GRLC branch network. They particularly focus on the City of Greater Geelong (CoGG).
- A number of strategic reviews of the library network have been undertaken that recommend Chilwell, Highton and Barwon Heads library branches be considered for closure due to non-viability.
- These three libraries do not meet a number of minimum library standards in terms of floor area, collection size and usage.
- The strategic reviews have also found that there is significant overlap in library catchments in the inner Geelong area and in Ocean Grove/Barwon Heads.
- New libraries are in development to address population growth. Leopold Library will open in late 2018 and will require additional operating funds. Planning is underway for new Armstrong Creek and Drysdale Libraries.
- The recently introduced rate cap environment has heightened the need to address operational and financial efficiencies in order to sustainably maintain the library network and deliver library services equitably to all City of Greater Geelong residents.

### **SUMMARY OF REVIEWS AND FINDINGS**

A number of strategic reviews have been commissioned by the CoGG and GRLC over recent years and provide similar findings. Specific reviews undertaken:

1. Geelong Regional Library Corporation Network Review - SMH Management & Consulting Services, January 2015
2. Geelong Regional Library Corporation Comment re GRLC Financial Position and Industry Standing – JL Management Services, November 2010
3. City of Greater Geelong Public Library Buildings Development Strategy – CoGG and GRLC, September 2009
4. Comment re Geelong Regional Library Corporation's Request for Increased Funding – JL Management Services, January 2005
5. City of Greater Geelong and The Geelong Regional Library Corporation – *Review of the Greater Geelong Branch Library Network*, Library Consultancy Services - July 1999

## **1. Geelong Regional Library Corporation Network Review, SMH Management & Consulting Services, January 2015**

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The latest review recommended that the following actions for libraries, should changes in funding arrangements occur, or if further efficiencies were required:

*Reduce the number of static libraries in the network targeting the less viable branches. Those branches include:*

**a) Chilwell Library. The rationale for this recommendation is:**

- The Chilwell Library has achieved 3 to 4 non-viable measures in 2005, 2010 and 2014.
- The Chilwell Library catchment is over-serviced. Within 3km or a 6 minute drive of the library, are the GLHC, Geelong West and Belmont libraries.
- The Library is small with limited capacity to host the range of programs and activities being offered at the larger GRLC libraries.
- Over the last five (5) years, loans have continued to decline and visits are down by 12%.
- The collection is small and there are more items returned to this library than are borrowed.
- 35% of the members of Chilwell Library use other nearby libraries to borrow items.
- Redevelopment plans prepared in 2009 for the Library were not adopted by Council and there is no indication that the recommended investment in the building will occur. (Note the redevelopment plans referred to relate to the possible co-location of a Maternal and Child Health Service and community amenities at this site which were not progressed).
- Evidence gathered through this process confirms the recommendations of the 1999 Review of the Greater Geelong Branch Library Network which concluded that, "continuation of the service represented an uneconomic utilisation of resources because of low usage and proximity to other larger libraries".

**b) Reduce community access to the Barwon Heads Library and examine alternative service delivery models. The rationale for this recommendation is;**

- In 2005, 2010 and 2014 Barwon Heads Library was the only library in the network that was non-viable across all four measures. It has the lowest visits per hour open, loans per hour open, internet sessions per hour open and stock turnover of any branch in the network.
- The library is very small and is located in a primary school with limited community opening hours - thirteen (13) per week. The small space limits the collection size to just over 6000 items, which is less than recommended for a viable library.
- There is another branch in the catchment. Ocean Grove Library is 4.2 km or a 7 minute drive away.
- The 1999 Review of the Greater Geelong Branch Library Network and the 2009 Development Strategy both recommended that Barwon Heads Library be closed.
- Alternate service delivery models could include improved digital access and the identification of locations for pick up and returns.

**c) Highton Library. The rationale for this recommendation is:**

- The library is the smallest in the network at 135sqm with a limited capacity to provide the range of services and programs identified in the Library Plan.

- The Highton Library catchment is over serviced. The Belmont Library is 1.8 km away from Highton and 4 km from the Waurm Ponds Library.
- The 1999 Review of the Greater Geelong Branch Library Network also made the above observation and noted the “doubtful” cost benefit of extensions or refurbishments to the building in a revitalised branch library network.
- 68% of members of this Library prefer other libraries to borrow items and many more items are returned to this library than are borrowed from it.
- Between 2010/11 and 2013/14 loans have fallen by 23%. Over the same period the visits to the library have also declined by 25%.
- It is likely that there will be a further decline in the patronage of this service when the GLHC opens in late 2015.
- The branch only marginally exceeds the visits and loans per hour non-viability.

## **2. Geelong Regional Library Corporation Comment re: GRLC Financial Position and Industry Standing – JL Management Services, November 2010**

This review was commissioned to update a similar report produced in 2005. It found that Barwon Heads indicated non-viability on all four measures, Chilwell was found to be non-viable on three of four measures and indicating slipping further into non-viability.

Highton was not considered non-viable at this time due to the fact that Belmont Library was closed for redevelopment from July 2009 to March 2010 and its members were using Highton as the alternative.

## **3. City of Greater Geelong Public Library Buildings Development Strategy – CoGG & GRLC September 2009**

This Strategy established principles and guidelines for shaping future building developments and set out a timeframe for reviewing the City of Greater Geelong library branches. Recommendations include:

<b>BARWON HEADS LIBRARY</b>	
<ul style="list-style-type: none"> <li>• A review of services, usage and suitability of current arrangements is required to determine future strategies for the provision of library services to this community. Given current innovations in the library industry there may be more cost effective ways to deliver library services that offer improved access.</li> <li>• Identify partnership opportunities to deliver to Barwon Heads residents in alternative ways.</li> <li>• Identify alternative models of service delivery and determine cost efficiencies against existing model.</li> <li>• Timeframe: Medium-term (5-10 years).</li> </ul>	Review of usage undertaken and found to be a non-viable library. At 3,600 population it is below catchment population minimum of 10,000 for a branch library.
<b>CHILWELL LIBRARY</b>	
<ul style="list-style-type: none"> <li>• Investigate feasibility of co-location with the Maternal Child Health Centre.</li> <li>• Timeframe: Medium-term (5-10 years).</li> </ul>	Feasibility undertaken by CoGG. Project not proceeding as non-feasible.
<b>HIGHTON LIBRARY</b>	
<ul style="list-style-type: none"> <li>• Investigate opportunities to redevelop / expand the library.</li> <li>• Timeframe: Medium-term (5-10 years).</li> </ul>	No action to date. Belmont Library (1.8kms from Highton Library) redeveloped and expanded. Waurm Ponds Library (3.5kms from Highton Library) opened December 2011

The strategy also documented preliminary planning for new libraries at Armstrong Creek, Lara, Leopold, Vines Road (as part of Western Heights Secondary College development) and Waurm Ponds. Lara, Vines Road and Waurm Ponds have been built and are operating.

#### **4. Comment re Geelong Regional Library Corporation's Request for Increased Funding - JL Management Services, January 2005**

This review was commissioned by the City of Greater Geelong to assess a request for increased funding from GRLC. It found that increased funding to the GRLC was warranted.

It also found that the Barwon Heads, Chilwell, Grovedale and Newtown Libraries exhibited clear indications of being non-viable and that there is an oversupply of libraries in the CoGG municipality.

#### **5. City of Greater Geelong and The Geelong Regional Library Corporation – Review of the Greater Geelong Branch Library Network, Library Consultancy Services - July 1999**

The following table lists the recommendations arising from this review and their current status.

<b>RECOMMENDATION</b>	<b>CURRENT STATUS</b>
Chilwell Library be closed (along with Newtown) and that the site be sold to assist in financing the redevelopment of the network (due to uneconomic utilisation)	Remains open
Highton and Grovedale Libraries be merged to form a library at Waurm Ponds	Waurm Ponds opened December 2011 Grovedale Library merged/closed. Highton Library remains open
Highton Library be sold to assist in financing the redevelopment of the branch library network	Remains open
Barwon Heads Library be discontinued	Remains open
The relocation of Corio Library to a Level 1 library facility (increased space and redevelopment) in or adjacent to Corio Village Shopping Village and that the current site be sold to finance redevelopment	Redeveloped 2005 in current site. Part of Northern Arc Project currently underway
The role of the North Geelong Community Library as part of the branch network be discontinued and that a phasing out process be implemented.	Completed and closed Dec 2001
Redevelopment of the City Library at a high profile site be given high priority by Council	GLHC Completed Nov 2015
Newtown Library be closed on the basis of low usage, hazardous nature of site and ohs issues and sold	Completed 2005
A refurbishment plan for Geelong West to be put into effect 1999/2000 year	Redevelopment completed 2008
Drysdale Library in co-location with Council's Customer Service be either expanded into adjoining shops to increase floor areas or re-located to shop front with larger floor area	Expansion and redevelopment in current location completed December 2011
Consideration be given to development of static library in Lara	Lara Interim Library opened 2012

## LIBRARY USAGE STATISTICS

This section provides an update of the data that was provided in the 2015 Branch Review.

The viability measures quantify the extent to which branches appeal to users and perform their core function. They can guide improvement or change, and reveal the capacity of branches to deliver the level of service the GRLC seeks to provide.

The viability measures show where branches are providing good value and what success looks like. They also reveal branches operating well below average where questions about ongoing viability must be asked.

## COMPARING THE 2013/14 AND 2015/16 DATA ON NON-VIABLE BRANCHES

Using the visitation measure to rank branches, the table below shows branches where there is one or more measure in the non-viability range.

The highlighted figures indicate non-viability or marginally above the non-viability threshold. These two tables illustrate the shift on the non-viability measures for the 3 branches between the two reporting periods.

Barwon Heads has declined slightly on all 4 measures; Chilwell has declined on 3 out of 4 measures; Highton has increased visits on average by 2 per hour since 2013/14; there is increased PC usage and stock turnover is slightly less.

NON – VIABLE BRANCHES 2013/14					
BRANCHES		Visit per hour open (<24)	Loans per Hour (<33)	Internet session per PC per hour (<.4)	Stock Turnover (<4.7)
1	Barwon Heads	10.16	19.46	.29	2.12
2	Chilwell	20.82	37.49	.42	4.17
3	Highton	25.24	39.1	.55	5.62

**Numbers** - denote non viability      **Numbers** – marginally exceed the non – viability measure

NON – VIABLE BRANCHES 2015/16					
BRANCHES		Visit per hour open (<24)	Loans per Hour (<33)	Internet session per PC per hour (<.4)	Stock Turnover (<4.7)
1	Barwon Heads	10.02	16.63	0.23	1.69
2	Chilwell	20.69	33.02	0.58	3.66
3	Highton	27.20	39.51	0.86	5.08

**Numbers** - denote non viability      **Numbers** – marginally exceed the non – viability measure

## DEMOGRAPHIC INFORMATION AND LIBRARY USAGE

The following information is an overview of the demographic characteristics of the Barwon Heads, Chilwell and Highton Library members. There is also information about the main uses of each library from the 2016 GRLC Customer Survey.

Age by decade at the Barwon Heads, Chilwell and Highton Libraries

AGE	BARWON HEADS	CHILWELL	HIGHTON
0-9	46	91	90
10-19	82	197	325
20-29	19	48	162
30-39	79	107	193
40-49	139	167	255
50-59	66	120	180
60-69	68	96	197
70-79	73	64	153
80-89	21	25	79
90+	3	3	14
Unknown	64	347	839
<b>Total Members</b>	<b>660</b>	<b>1,265</b>	<b>2,487</b>
<b>% of branch members who also borrow at other locations</b>	<b>82%</b>	<b>85%</b>	<b>88%</b>

## BRANCH CATCHMENTS AND OVERLAP

The 1999 Review of the Greater Geelong Branch Library Network, inter-network competition or catchment overlap was identified as a major issue for the ongoing viability of the whole library service, and smaller branches, particularly, in the centre of Geelong. The Review proposed reducing branches and developing new, larger and better located services to overcome the problem.

Despite the closure of Grovedale, Newtown and the North Geelong Community Libraries there is still a significant overlap in library catchments in the centre of Geelong.

Since the opening of the GLHC we have seen changes in the way the central library impacts on the borrowing patterns of members. Members at Chilwell, Highton and Barwon Heads have increased their use of the central library (GLHC) as the table below demonstrates.

COMPARISON OF % ITEMS CHECKOUT AT GEELONG LIBRARY 2014 VS 2016			
Membership Location	% CKO at GLHC		
	2014	2016	% Increase
Chilwell	1.54	18.42	16.88
Barwon Heads	0.7	7.51	6.81
Highton	1.42	12.9	11.56

The following table describes the travel time and distances between the relevant libraries.

<b>TRAVEL TIME AND DISTANCES</b>			
	<b>TRAVEL TIME CAR</b>	<b>DISTANCE</b>	
<b>Chilwell Library</b>	6 minutes	2.8 km	Belmont Library
	4 minutes	1.5 km	GLHC
	5 minutes	1.9 km	Geelong West Library
<b>Highton Library</b>	3 minutes	1.8 km	Belmont Library
	8 minutes	4 km	Waurm Ponds Library
	12 minutes	6 km	GLHC
<b>Barwon Heads Library</b>	7 minutes	4.2km	Ocean Grove

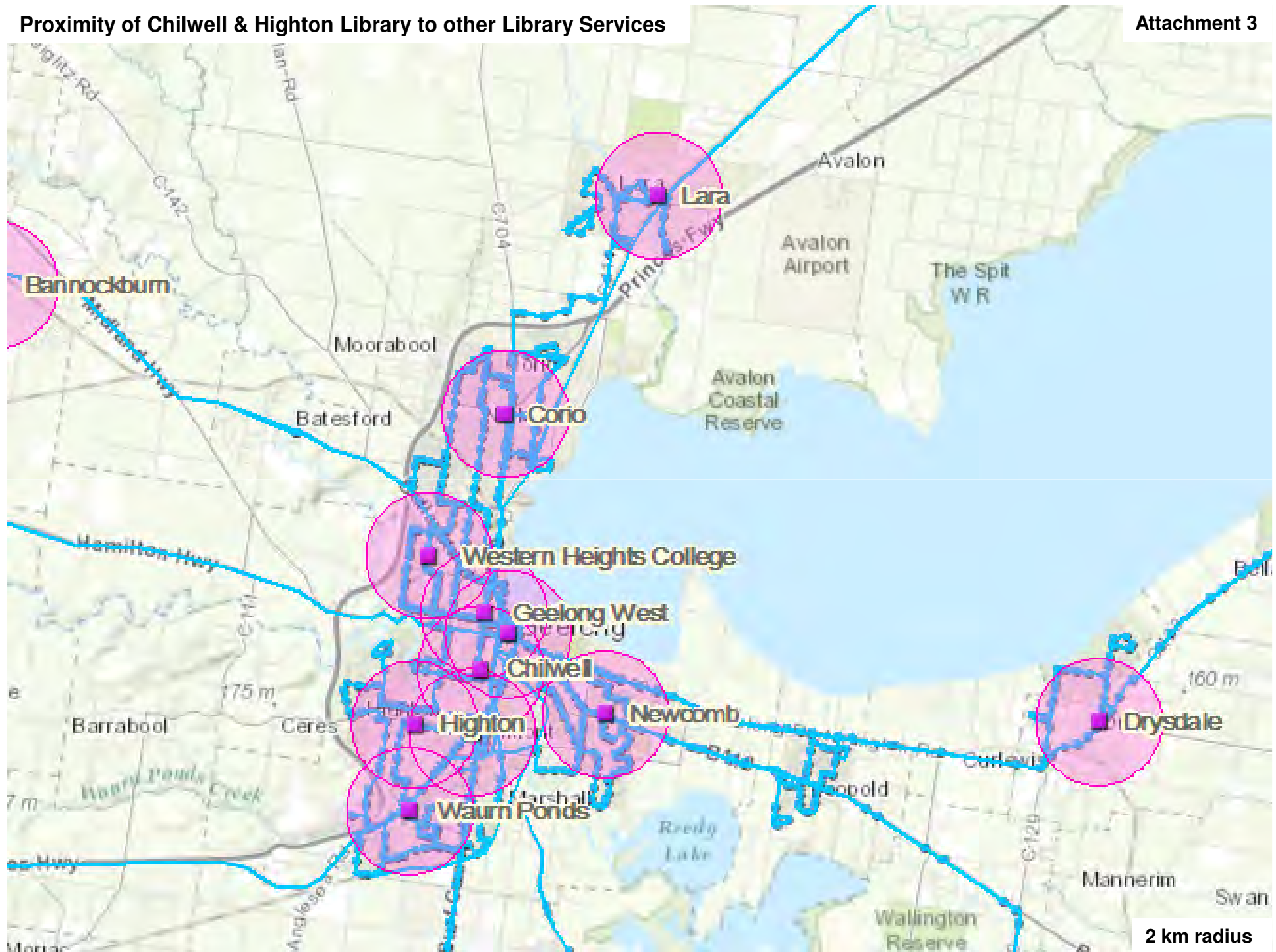
### **ADDRESSING 2017-18 FUNDING GAP AND IMPROVING ONGOING SUSTAINABILITY REPORT**

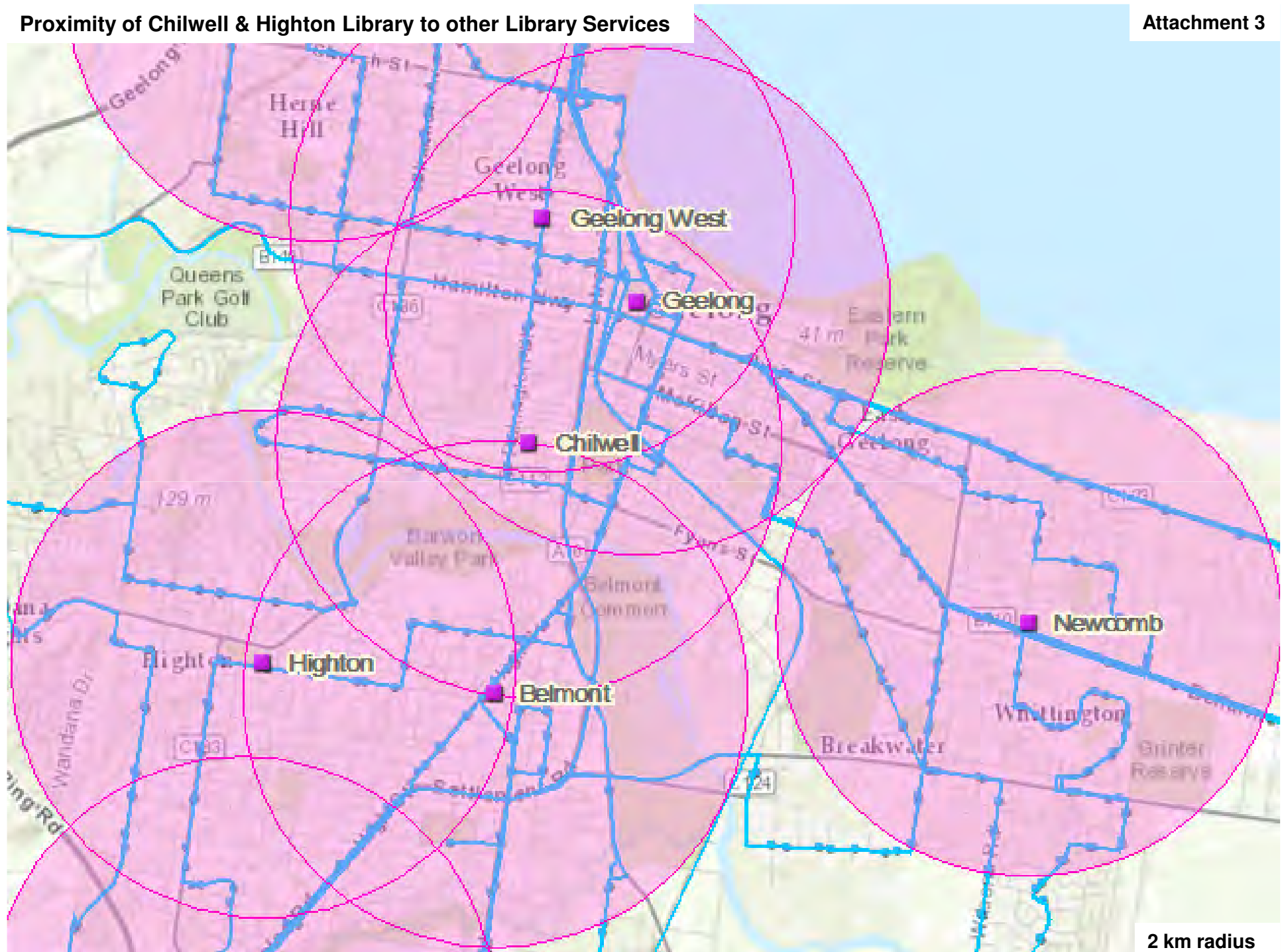
Options for savings in the GRLC budget have been investigated. Decreasing budgets further while maintaining current levels of branches, hours of opening and services would affect quality of service throughout the network.

The recommendations of the Branch Review of 2015, if implemented, would achieve a saving in the order of \$300,000 as detailed below:

<b>LIBRARY</b>	<b>ACTION</b>	<b>SAVINGS</b>	<b>CUMULATIVE</b>
<b>Chilwell Library *</b>	Cease service	\$109,748	\$109,748
<b>Highton Library *</b>	Cease service	\$131,756	\$241,504
<b>Barwon Heads *</b>	Cease service	\$ 58,169	\$299,673

# Proximity of Chilwell & Highton Library to other Library Services





## Possible Service Options during Transition

Library site	Options
Barwon Heads	<ul style="list-style-type: none"> <li>• Ocean Grove Library 4.2km</li> <li>• Public transport options to nearby library services i.e. public transport is available to the Ocean Grove Library via the number 55 bus</li> <li>• Bulk loans of collection materials to Primary School</li> <li>• Early years outreach programs for children</li> <li>• A continued returns service</li> <li>• In branch training to assist members to learn how to access online services</li> <li>• Community Library Service for those unable to physically access other libraries due to frailty or disability</li> <li>• Identification of alternate sites for free WiFi.</li> </ul>
Chilwell	<ul style="list-style-type: none"> <li>• Geelong West Library 1.9km</li> <li>• Geelong Library &amp; Heritage Centre 1.5km</li> <li>• Belmont Library 2.8km</li> <li>• Public transport options to nearby library services i.e. public transport is available to the GLHC and Wauron Ponds Libraries via the number 43 bus</li> <li>• A continued returns service</li> <li>• In branch training to assist members to learn how to access online services</li> <li>• Community Library Service for those unable to physically access other libraries due to frailty or disability</li> <li>• Identification of alternate sites for free WiFi.</li> </ul>
Highton	<ul style="list-style-type: none"> <li>• Belmont Library 1.8km</li> <li>• Wauron Ponds Library 4km</li> <li>• Geelong Library &amp; Heritage Centre 6km</li> <li>• Public transport options to nearby libraries i.e. public transport is available to the Belmont, Wauron Ponds and GLHC using numbers 16,42 or 43 buses. Number 51 connects to Belmont and GLHC.</li> <li>• A continued returns service</li> <li>• In branch training to assist members to learn how to access online services</li> <li>• Community Library Service for those unable to physically access other libraries due to frailty or disability</li> <li>• Identification of alternate sites for free WiFi.</li> </ul>

## **2. BORROWING POLICY**

**Source:** Finance & Strategy – Financial Services  
**Director:** Joanne Moloney  
**Index Reference:** Financial Management/Reporting

### **Purpose**

A Council borrowing policy, based on contemporary finance principles, ensures that future borrowings will be sustainable and comply with legislative requirements.

The policy sets the appropriate parameters for Council to undertake borrowings without compromising the application of sound fiscal management principals. The policy framework allows Council the flexibility to respond to funding requirements while minimising risk.

### **Background**

In April 2016 an independent Commission of Inquiry established by the Minister for Local Government reported on City of Greater Geelong against a framework for good governance.

As a result of the Commission of Inquiry, Administrators were appointed to perform the powers, functions and duties of the Council. In order to inform the Administrators an independent review of the financial position and strategies of Council was completed by Ernst & Young with 18 recommendations.

Two of the recommendations from Ernst & Young were for Council to develop a borrowing approach and policy based on contemporary finance principles.

### **Key Issues**

- Borrowings provide an important funding source for assets of a capital nature to be used by present and future ratepayers. Borrowings should not be used for operating expenditure.
- Borrowings will be considered through the annual budget process and Council's Strategic Resource Plan.
- The policy specifies loan type and interest rate based on classification of expenditure.
- New borrowings will be subject to a Public Tender process.
- Borrowing ratios and limits will be reported in the annual budget and annual report to ensure transparency and sustainability of Council resources.
- Assets which diminish in value quickly and will be disposed of in a short time frame will be subject to a lease versus buy analysis.

**L Gardner moved, P Dorling seconded -**

**That Council approve the Borrowing Policy (Attachment 2).**

**Carried.**

## **Attachment 1**

### ***Discussion***

The Ernst & Young Report made a number of recommendations in reviewing the financial position and strategies of Council. The overall objective being to develop a fully integrated approach to financial and business planning and reporting. Council will achieve this through the development of an overarching Financial Management Framework.

The Framework will provide guidance to ensure:

- Council's funding activities are in accordance with its legislative and statutory responsibilities.
- The management of Council resources are clearly linked to City Plan.
- The appropriate level of funds are available at the appropriate time to support the strategic objectives as outlined in the City Plan.
- Financially responsible and prudent financial management ensuring all risks are identified and managed.
- User pays principles are considered as part of determining the most appropriate way to fund activities.
- Full, accurate and timely disclosure of financial information.

The Borrowing Policy is part of the Framework and addresses the issue of the level of Council debt and how Council will manage the financial risks prudently having regard to economic circumstances.

### ***Financial Implications***

The Policy applies to Council in determining the annual budget in particular when:

- Considering new borrowings; and
- Refinancing existing borrowings (where long term benefits of refinancing are greater than the cost of exiting the loan).

### ***Stakeholder Consultation and Communication***

The Borrowing Policy has been developed based on the findings of the Ernst and Young Report and other local government policies (Mitchell Shire, Coffs Harbour and Moreland City Councils). The draft policy was sent to external parties for review with comments received taken into consideration when drafting the final policy.

### ***Policy/Legal/Statutory Implications***

The Policy complies with the Local Government Act 1989, specifically sections 144 to 148 which refer to borrowings. All legal and statutory obligations are referred to in the Policy.

### ***Alignment to City Plan***

This policy aligns to City Plan's objective on How We Do Business.

### ***Conflict of Interest***

There is no Council Officer direct or indirect interest involved in this report.

***Risk Assessment***

This policy exists to ensure Council's legislative compliance when undertaking borrowings.

***Environmental Implications***

There are no environmental issues arising from this report.

## COUNCIL POLICY



<b>Borrowing Policy</b>	Document No:	CPL510.4
	Approval Date:	<b>Draft</b>
	Approved By:	Council
	Review Date:	May 2019
Responsible Officer: <b>Manager – Financial Services</b>	Version No	01
Authorising Officer:		<b>Chief Executive Officer</b>

**1. PURPOSE**

Council recognises that borrowings, for capital works, provide an important funding source as the assets will be used by present and future ratepayers.

The Borrowing Policy provides the appropriate parameters for Council to undertake borrowings without compromising the application of sound fiscal management principals. The policy framework allows Council the flexibility to respond to funding requirements while minimising risk.

The Borrowing Policy<sup>1</sup> ensures that Council has a sound financial framework on which to:

- undertake borrowings;
- manage its loan portfolio; and
- adhere to the provisions of the Local Government Act 1989 (LGA).

**2. SCOPE**

The Policy applies to Council when considering and determining the annual budget.

Council officers must consider the application of this policy when:

- Considering new borrowings; and
- Refinancing existing borrowings (where long term benefits of refinancing are greater than the cost of exiting the loan).

**3. REFERENCES**

- Loan Council Allocation (LCA)
- Local Government Performance Reporting Framework (LGPRF)
- The *Local Government Act 1989*
- Victorian Auditor General's Office (VAGO)

<sup>1</sup> The effective date of the Borrowing Policy is the 2017-2018 budget process.

## 4. DEFINITIONS

- Capital project is a long term investment project requiring relatively large sums to acquire, construct and/or renew a capital asset (such as buildings) The project would result in a new, expanded or replaced asset.
- Developer Contribution Projects (DCPs) are projects which operate in line with section 173 Agreements and are in the defined Urban Growth Development areas of Armstrong Creek, Jetty Road and Lara West.
- Loan Book is the collective value of loans held by Council. The collective value of Council's Loan Book as published in 2015-2016 Annual Report (excluding Old Post Office and Geelong Gaol) is as follows:
- Loan Council Allocation (LCA) issues requests for advice of Council borrowing levels and approves borrowing requests as part of budget process.
- Local Government Performance Reporting Framework (LGPRF) outlines measures to be included in Council's performance report.
- Section 173 agreement is a legal agreement made between Council and another party or parties, under Section 173 of the Planning and Environment Act (1987).
- The *Local Government Act 1989* states that Council's power to borrow is subject to the principles of sound financial management. The Local Government Act 1989 (Vic) also, includes provisions regarding the circumstances in which: the power to borrow money may be exercised (s 145), use of loan funds for different purposes (s 147), securing borrowings (s 148) and overdrafts (s 150).
- Victorian Auditor General's Office (VAGO) examines and reports on the management of resources within the public sector.
- Defined benefit fund is a closed plan to new members from 31 December 1993. The future liabilities of the fund relative to investment performance may necessitate future funding calls.

## 5. COUNCIL POLICY

### 5.1. Policy Objectives

- 5.1.1. To ensure Council's new borrowings are sustainable and comply with legislative requirements.
- 5.1.2. Loan type and term of loan will be treated on a case by case basis in order to optimise Council's Loan book.
- 5.1.3. Manage cash flow.

### 5.2. Statement of Principles

Council's Borrowing Policy is in accordance with the Strategic Resource Plan and is underpinned by the following principles:

- 5.2.1. The Policy will be adhered to in developing Council's long term financial plan and all borrowings are to be identified in the plan.
- 5.2.2. Council will not borrow to fund operating expenditure. This type of expenditure is to be funded from operating revenue streams (rates, fees and charges etc.).

The exception to this principle is calls to 'defined benefit' Superannuation Fund. Large calls to 'defined benefit' fund will require a separate report to Council which will include recommended method of funding - use of working capital, Superannuation Fund or borrowings.

- 5.2.3. Council will not borrow to fund recurrent capital works which is inclusive of acquisition, replacement or renewal of assets (e.g. road resurfacing). This type of expenditure is to be funded from operating revenue streams.
- 5.2.4. Council will measure and report on renewal/upgrade expenditure relative to depreciation in order to highlight any renewal gap. This is to ensure assets are renewed as planned without the use of borrowings.
- 5.2.5. Borrowings are to be linked to the financing of capital project type.
- 5.2.6. Cash flows will be phased in order to consolidate the principle and interest requirements of approved capital projects.
- 5.2.7. The term of any loan should not exceed the expected economic life of the asset.

### 5.3. Borrowing Ratios and Limits

#### Victorian Auditor General Office requirements (VAGO)

- 5.3.1. VAGO reviews and reports on the financial sustainability of the local government sector. Two indicators best assess the financial sustainability risks associated with borrowing. Council will report on the following indicators:

Indicator	Formula	Description	Risk
Internal financing (%)	Net operating cash flow / net capital expenditure	<p>This measures the ability of an entity to finance capital works from generated cash flow.</p> <p>The higher the % the greater the ability of the entity to finance capital works from their own funds.</p> <p>Net operating cash flow and net capital expenditure are obtained from the cash flow statement</p>	<p>Less than 75% - High</p> <p>75-100% - Medium</p> <p>More than 100% - Low</p>
Indebtedness (%)	Non-current liabilities / own-sourced revenue	<p>Comparison of non-current liabilities (mainly comprising borrowings) to own-sourced revenue. The higher the % the less the entity is able to cover non-current liabilities from revenues the entity generates itself.</p> <p>Own source revenue is used rather than total revenue because it does not include grants or contributions</p>	<p>More than 60% - High</p> <p>40-60% - Medium</p> <p>40% or less - Low</p>

- 5.3.1. Council will operate within the low risk target ratio of more than 100% for internal financing in order to provide flexibility to respond to funding requirements for new or unplanned capital expenditure.
- 5.3.2. Council will report on the internal financing and indebtedness ratios as part of the budget process and in the annual report.

### **Local Government Reporting Performance Framework (LGPRF)**

- 5.3.3. LGPRF includes two additional ratios:
  - 5.3.3.1. **Debt Commitment Ratio** measured as interest and principal repayments on interest bearing loans/rate revenue (recommended target 0% to10%); and
  - 5.3.3.2. **Borrowing Rates Ratio** measured an interest bearing loans and borrowings/rate revenue (recommended target 0% to10%).
- 5.3.4. Council will operate within the target ratio as set by the LGPRF.
- 5.3.5. Council will report on debt commitment and borrowing rate ratios as part of the budget process and in the annual report.

### **Loan Council Allocation (LCA)**

- 5.3.6. Council is required to seek approval from the LCA for any borrowings identified during the budget process.

### **Credit rating**

- 5.3.7. Council's credit rating will be assessed by the Financial Institutions as part of the tender process for new borrowings and will be disclosed to Council.

## **5.4. Determination of loan term and interest rate type**

Council will complete an analysis of the market to enable a recommendation on the loan term (number of years) and the interest rate type (fixed or variable).

## **5.5. Determination of Lending Institution**

- 5.5.1. New borrowings will identified as part of the annual budget process and will be subject to Public Tender.
- 5.5.2. A Council report specifying length of loan, type of interest rate (fixed/variable) and delegation to Chief Executive Officer is required prior to commencing the procurement process. Under LGA section 98(1)(c) Council cannot delegate the power to borrow money.
- 5.5.3. The Public Tender process will be in accordance with Council's Procurement Policy (CPL565.3) and the Local Government Act.
- 5.5.4. This procurement process will be undertaken by the Financial Services Department and Council's Procurement Department.

## **5.6. Loan Type and Term**

- 5.6.1. Council borrowings for the following projects will be a mixture of interest only and principal and interest (P&I) based on the following table.
- 5.6.2. The classification loan type and term are based on Council's ability to recover the cost of the loan from the service/activity being borrowed for:
  - 5.6.2.1. DCPs;
  - 5.6.2.2. fees and charges from the service/activity where the financing costs are recoverable (e.g. Aquatic Centres, ICCs); and
  - 5.6.2.3. service/activity where there is the opportunity for cost reductions (e.g. renewables) and/or where a number of services/activities can be aggregated where there is an element of cost reduction.
- 5.6.3. The loan type and term may be varied in accordance with section 5.4.

Classification	Borrowing	Loan Type	Term of Loan	Rationale
DCP – fully funded	<b>DCP Projects</b> – land acquisition or where State/Federal contribution to Project provides funding	Interest only	Flexible	Income is to be received over a number of periods and the principal will be reduced accordingly
DCP - other	<b>DCP Projects</b> which create an asset with Council responsibilities	P&I	Up to 10 years	P&I repayments to be factored into budget estimates each year
Incremental Revenue – projects which provide Council revenue not linked to rates	<b>Community Asset Projects</b> Construction projects which create a community asset	P&I	Up to 10 years	P&I repayments to be factored into budget estimates each year
Incremental Revenue or Cost Reduction – projects which provide Council with revenue or cost savings not linked to rates	<b>General</b> Income or cost savings linked to a Capital Project (e.g. Landfill Cell, LED Street lighting)	Interest only Or P&I	Flexible	Interest to be charged and to form cost of service delivery.  Principal to be recovered and accounted for through identified cost savings.

### 5.7. Leases

Leasing as a funding option forms part of Council's overall borrowing strategy.

There are two types of lease:

- An **operating lease** is where Council hires the asset for a set fee per period and at the end of the agreed time ownership of the asset remains with the lessor or the hire company. Council can terminate the lease at any time without incurring a penalty.
- A **finance lease** is where Council agrees to a series of payments and a residual value for the asset. There is a penalty for terminating the agreement prior to the finishing date. At the end of the period it's expected that Council purchase the asset for the agreed residual value.

Council will undertake a lease versus buy analysis for assets:

- Which diminish in value quickly (e.g. motor vehicles, IT and Gym equipment);
- Where assets will be disposed of in a short timeframe; and
- Where the lease option transfers responsibilities to the asset owner for maintenance and disposal.

Council will not consider a Finance lease as an ownership option.

### 5.8. Cost allocation of borrowings

- 5.8.1. If the capital project is for a service that is funded by user charges (e.g. leisure services, waste) and borrowings are the agreed funding source then the user charges pricing model will be updated to reflect the total cost of the borrowings.
- 5.8.2. If the capital project is for a service that is **not** funded by user charges then borrowings should only be considered where the project is considered by Council to be beneficial to the majority of ratepayers and costs will not be directly attributed to a service.

**5.9. Restriction**

Council will abide by LGA section 146 whereby money cannot be borrowed unless details of the proposed borrowings are included in the annual budget or revised budget.

**5.10. Policy Review**

- 5.10.1. The Policy and Borrowing Strategy will be reviewed annually during budget development and endorsed by Council.
- 5.10.2. The review will include advice from appropriate financial institutions.

**5.11. Access**

- 5.11.1. The community will be able to access information about borrowings from Council's website in the annual budget and annual report documents.

**6. QUALITY RECORDS**

**Quality Records shall be retained for at least the period shown below.**

<b>Record</b>	<b>Retention/Disposal Responsibility</b>	<b>Retention Period</b>	<b>Location</b>
Adopted Budget	Manager – Financial Services		Corporate Records

**7. ATTACHMENTS - none**

### **3. ADOPT PROPOSED 2017-18 BUDGET & CITY PLAN 2017-18 UPDATE**

**Source:** Finance & Strategy – Financial Services  
**Director:** Joanne Moloney  
**Index Reference:** Financial Management / Budget – Fin Yr 2017-18

#### **Purpose**

Adopt the Proposed 2017-18 Budget and City Plan 2017-18 update to allow for a 28 day public submission period prior to adoption of the final budget.

#### **Background**

In accordance with Section 127 of the Local Government Act 1989 (LGA), Council is required to prepare a budget for each financial year and must ensure that it contains all required statements, reports and data as prescribed by the Act. The requirements are outlined in Appendix 1.

Under Section 125 of the LGA, Council must consider any adjustment in respect of the remaining period of the City Plan. As the City of Greater Geelong did not hold a Council Election in 2016, the Minister for Local Government has granted a twelve month extension on City Plan 2013-2017. Accordingly, the City will prepare and approve a new Council Plan by 30 June 2018, following the election of Council in October 2017.

#### **Key Issues**

- City Plan 2013-2017 has been reviewed and no changes to the Planning Framework, objectives and priority areas have been made. An annual update of initiatives to be undertaken to work towards achieving the priority areas is included in the Proposed Budget.
- The elements of the Proposed Budget are detailed in Appendix 1.
- Key outcomes achieved in the Proposed 2017-18 Budget are:
  - a) A strategic approach to the prioritisation and development of community infrastructure;
  - b) A focus on addressing social inequity in areas of most need;
  - c) Continued investment in the development and revitalisation of central Geelong;
  - d) A fair and transparent unified grants program which aligns with strategic priorities; and
  - e) An investment in business productivity improvement.
- As required under the LGA, a schedule declaring the differential rates and charges has been provided for public scrutiny and comment (Appendix 2).
- The Rating Strategy for 2017-18 contains Council Policy, Procedure, rate assistance and information on the City's approach to the raising of property rates updated to reflect the outcome of Council's budget deliberations.
- The Minister for Local Government announced on 19 December 2016 that all Victorian Councils would have a rate cap imposed, limiting any increases to a maximum of 2.0%. The City of Greater Geelong did not apply for a variation to the rate cap for 2017-18.

**K Alexander moved, L Gardner seconded -**

**That Council:**

- 1) Pursuant to Section 127 of the LGA, Council:**

  - (a) receive and consider the Proposed 2017-18 Budget and City Plan document, (Appendix 1), which includes the Budgeted Statements of Comprehensive Income, Cash Flows, Balance Sheet, Capital Works, Changes in Equity and Human Resources.**
  - (b) receive and consider the Four Year Strategic Resource Plan (Appendix 1, Section 3) including Budgeted Statements of Comprehensive Income, Cash Flows, Balance Sheet, Capital Works, Changes in Equity and Human Resources (under Section 126 of the LGA).**
  - (c) receive and consider the Rates, Municipal Charge, Waste Collection & Recycling charge and other income (required to meet the appropriate financial requirements as proposed in the 2017-18 Budget package).**
  - (d) receive and consider the proposed declaration of Rates and Charges (Appendix 2), for the purpose of:**
    - (i) public scrutiny and comment;**
    - (ii) inclusion within the Rating Strategy 2017-18 of Rate waivers under section 171 of the LGA as detailed therein; and**
    - (iii) inclusion within the Rating Strategy 2017-18 of Rate rebates, under section 169 of the LGA as detailed therein.**

- 2) advertise the Proposed Budget and make it available for inspection at Customer Service Centres and the Council website. The advertisement be placed in the Geelong Advertiser on Thursday, 27 April 2017 inviting written submissions from the public by 5pm on Wednesday, 24 May 2017.**
- 3) appoint a Budget Submissions Panel consisting of administrator(s) to hear submissions made in relation to the Budget and Differential Rating, such Panel to:**
  - a) consider any written submissions and to hear any person who wishes to address the Panel in support of a submission, on a date to be confirmed by administrator(s).**
  - b) report to Council in relation to the submissions that have been received and any recommended amendments to the Proposed Budget.**
- 4) after considering the report of the Budget Submissions Panel, adopt the Budget and declare the rates at a Council Meeting on Tuesday, 27 June 2017.**
- 5) advertise the adoption of the Budget and declaration of the rates following the Council meeting.**

**Carried.**

## **Attachment 1**

### ***Discussion***

The Proposed 2017-18 Budget and City Plan 2017-18 Update for the financial year commencing 1 July 2017 has been completed.

The Proposed 2017-18 Budget and City Plan Update document (Appendix 1) has been prepared on the basis of the Best Practice Guidelines as developed by a Local Government industry taskforce and issued to all municipalities across Victoria. The Proposed Budget document has been developed under the following sections:

- Overview;
- Budget Analysis;
- Budget Strategies;
- Appendices, including activities and initiatives linked with City Plan.

In accordance with the LGA, the Proposed 2017-18 Budget also includes clear linkages to Council's proposed "City Plan 2013-2017 (2017-18 Update)", and its supporting key strategies and actions.

Specific inclusions in the Proposed Budget are a summary by City Plan Strategic Directions:

- the activities and initiatives to be funded in the Budget;
- how the activities and initiatives will contribute to achieving the strategic objectives; and
- the service performance outcome indicators in relation to each strategic objective.

In addition, a component of the Proposed Budget is the setting of Rates and Charges. The Minister for Local Government announced on 19 December 2016 that the 2017-18 rate cap would be 2.0% for all Victorian Councils. The Declaration of Rates and Charges for 2017-18 is attached (Appendix 2).

The formal Rating Strategy document will be updated to reflect Council's statements of policy, procedure, general information and historical trends.

Council has declared a special rate in respect of the central business district of Geelong applicable to non-residential, non-exempt properties. The special rate is the Central Activities Area (CAA) Rate and is in addition to other rates and charges. The purpose of the special rate is to promote the CAA as a commercial shopping precinct using events, marketing and media.

### **Rating Strategy 2017-18**

The Rating Strategy document will be updated to reflect the outcome of Council's Budget deliberations.

Rates and Charges are the major source of Council revenue accounting for 63% of the total Council revenue annually. An increase in rate income is required to meet the objectives of Council aspirations and community expectations for new infrastructure.

The Minister for Local Government announced on 19 December 2016 that the 2017-18 rate cap would be 2.0% for all Victorian Councils.

Not all Council charges are included in the rate cap calculation.

- Rates and the Municipal Charge are included in the rate cap calculation.
- The Waste charge and the Fire Services Property Levy are not included in the rate cap calculation.

The 2016-17 base average rate is calculated as \$1,475.14 and the 2017-18 Budget proposes this will increase by 2.0% to \$1,504.64.

The rate cap calculation for 2017-18 is:

	2016-17	2017-18 2.0%
<b>Proposed Average Rate Increase all Rateable Property</b>		
Rates and Municipal Charge (adjusted for Supplementaries 2016-17)	176,671,824	180,205,260
Number of Rateable Properties	119,766	119,766
Base Average Rate (BAR)	1,475.14	1,504.64

The rates and charges for individual properties may have increased or decreased by a different percentage amount to the rate cap for the following reasons:

1. The valuation of a property relative to the valuation of another property in the municipal district;
2. The application of a differential rate based on land use;
3. The inclusion of other charges not included in the rate cap.

#### **Current Year Rate Increases**

Changes proposed for 2017-18 are:

1. The rate in the dollar for the Residential, Mixed Use, Farm and Cultural and Recreational differentials have increased in accordance with the 2% rate cap. Other differential rate in the dollar movement is as follows, Vacant land has increased by 1.5%, Commercial 4.3%, Industrial has decreased by (2%), and Petroleum has decreased by (9.2%).
2. The Municipal Charge represents a fee on all rateable assessments as a contribution to the fixed and unavoidable costs of governance. The Municipal Charge is to increase from \$96.65 to \$98.55 or 2.0%.
3. The Waste Collection Service charge is calculated based on a fee for service, including direct, indirect and overhead costs. The charge is impacted by cost estimates of EPA levy \$34.00 per tenement. The charge for 2017-18 will increase from \$270.50 to \$278.05 or 2.8%.
4. A Section 162 Service Charge known as Additional Bins Service was introduced in 2016-17. This is for families with six or more occupants within a household, who may apply for an additional garbage, recycling or green waste bin. The charges for 2017-18 are \$138.80 for a garbage bin, \$49.30 for a recycling bin and \$92.50 for a green bin.
5. The Farm rebate will be retained at 40% and represents a cost to Council of \$1.692M.
6. The Housing Support Waiver for eligible Charitable Housing will be maintained for 2017-18 and is available upon application.
7. A rates waiver introduced for the New Corio Estate from 2013-14 recognising this inappropriate subdivision and Planning Scheme Amendment C243 will be maintained.
8. The pensioner concession will increase from \$218.30 in accordance with movement in CPI for Melbourne as advised by the Australian Bureau of Statistics to an estimated \$222.65 (to be confirmed in May 2017).
9. The Industrial land use definition has been amended to include warehousing. This will align Council's definition with the Fire Services Property Levy classification to reduce confusion for the ratepayer.

10. For 2016-17 the Industrial rate in the dollar is 40% higher than the Commercial rate in the dollar. The relativity between the Industrial and Commercial differentials is to be more closely aligned commencing from 2017-18 and continuing in future years.
11. Council will revert to the definition of Cultural and Recreational Land use as per the Cultural and Recreational Lands Act 1963. Any disadvantaged properties will be eligible for a transitional rebate to the otherwise applicable rate. The transitional rebate is to be set at 75% for 2017-18.
12. The Automobile differential has been discontinued from 2017-18 since there are no properties that satisfy the land use description.
13. The Petroleum differential has been aligned to the Industrial rate in the dollar, as per Council's adopted Statement of Principle.

### Residential Rates and Charges

The average Capital Improved Value of residential properties within the municipality has increased from \$400,322 to **\$401,730**.

The total increase in rates and charges for the average residential property with a capital improved value of \$401,730 is \$35.39 or 2.41%. This increase is made up of \$25.94 for General Rates, \$1.90 for Municipal Charge and \$7.55 for the Waste Collection Service.

	2016-17	2017-18	
Residential Properties	Rates on Average	Budget Rates	Increase %
	CIV \$	on Average	
		CIV \$	
General Rates CIV x Rate in \$	1,096.41	1,122.35	2.36%
Municipal Charge	96.65	98.55	2.00%
<b>Total Rates including Municipal Charge</b>	<b>1,193.06</b>	<b>1,220.90</b>	<b>2.33%</b>
Waste Collection Service	270.50	278.05	2.80%
Total Rates & Charges	1,463.56	1,498.95	2.41%

The higher than 2% increase reflects movement in average CIV whilst the rate in the dollar has increased by 2%. The proposed average increase in rates for all rateable properties is 2%.

### Rate Waiver

Council declares a waiver under Section 171 of the LGA for residential land and farm land properties where the valuation of the assessment has increased between the 2014 valuation and the 2016 valuation by 50% or more and that increase is purely attributable to market factors, not attributable, in whole or in part, to improvements made to the assessment by the owner (or occupier). The amount of the waiver be set at:

1. between 25% and 49.99% of the general rates payable for the 2017-18 financial year, increasing pro rata according to the valuation increase, for valuation increases between 50% and 59.99%; and
2. 50% of the general rate payable for the 2017-18 financial year for valuation increases of 60% or more.

The waiver is designed to mitigate the impact of significant valuation increases and is only claimable once in a two year valuation cycle. 2017-18 is the second year of the valuation cycle.

Council declare a Housing Support waiver under section 171 of the LGA of 100% of general rates and municipal charge for the following types of housing. Transitional, Emergency, Crisis Housing, Housing for Legatees or War Widows provided by the Geelong Legacy Club or provided by RSL, and supported Housing for disabled people.

This waiver recognises that these properties provide specific needs within the community. Application can be made to Council to have land classified as being eligible for the waiver.

The New Corio Estate is an old and inappropriate subdivision within an established farming zone in Corio. Since the land is zoned as farming land it cannot be developed for residential use with no services available for the area.

There is no prospect of these services becoming available in the future. In addition, environment reports in recent years have shown that the land contains significant native vegetation which Council is obligated to protect for future generations. Council adopted Planning Scheme amendment C243 which formally protects the native vegetation and provides some certainty over the future of the land. This amendment was approved by the Minister of Environment & Climate Control on 30 April 2013.

From 2013-14 Council declared a waiver under section 171 of the LGA of 100% of general rates and municipal charge for privately owned properties in the New Corio Estate. This rates assistance waiver recognises the financial burden associated with ownership of the land and the encumbrances that prevents property owners from making any demands on Council services now and into the future.

#### **Rate Structure**

Council has 11 rating or tariff groups with the application of differential rates to each of these groups in accordance with Section 161 of the LGA. The finalised Ministerial Guidelines for Differential Rating were gazetted on 26 April 2013 and came into effect from 1 July 2013. The intention of the Guidelines is to provide clarity, consistency and transparency. Council needs to consider the objectives, the suitable uses and the types of classes of land when introducing a differential rate. The Guidelines establish three groups of types and classes of land categories for differential rates – those which are considered ‘appropriate’, those which must be ‘carefully considered’ by a council and those which would ‘not be appropriate’.

#### **Fire Services Property Levy**

The Fire Services Property Levy Act 2012 (FSPL) came into effect from 1 July 2013 and requires Local Government to bill, receipt and collect FSPL on rateable and non-rateable properties. The FSPL is billed on the annual rate notice in accordance with legislative requirements.

The FSPL rates applicable for 2017-18 will be released in May 2017. The levy amount to be remitted to the State Revenue Office in 2017-18 will be approximately \$27.7M.

#### **Financial Implications**

The budget has been prepared in accordance with the direction provided by Council at the rate cap of 2.0%. Changes in rates, fees and charges have been structured to meet the financial requirements as proposed for the 2017-18 financial year.

Expenditure includes the continuation of Council services to the community.

The Budget includes a recurrent operating surplus of \$0.9M.

The gross capital expenditure of \$81.1M includes new funding of \$10.2M on Infrastructure Leisure, \$28.1M on roads, footpaths, kerb & channel and drains and \$10.3M on buildings.

New loans of \$39.3M are proposed for 2017-18 including \$28.9M deferred loans from 2016-17. The projected total amount of borrowings as at 30 June 2018 is \$71.7M.

***Stakeholder Consultation and Communication***

A Public Notice will be published in the Geelong Advertiser on Thursday, 27 April 2017 advising that the Proposed 2017-18 Budget will be available for public scrutiny and inviting written submissions to be made.

Following the closing date for the written submissions on Wednesday, 24 May 2017 at 5.00pm, it is proposed to convene a Budget Submissions Panel on Tuesday, 30 May 2017 to review any submissions that have been received. A report will then be put forward to Council on any recommended amendments to the Proposed Budget.

Public Notice of the adopted budget and declaration of rates and charges will be advertised following the Council Meeting.

***Policy/Legal/Statutory Implications***

The annual budget is prepared to comply with the requirements of the Local Government Act 1989 and the Local Government (Planning and Reporting) Regulations 2014. The process also recognises the need to align the Annual Budget to the direction and allocation of resources identified within the proposed City Plan update.

***Alignment to City Plan***

This report identifies the activities and initiatives Council will undertake in 2017-18 which are aligned to achieving the objectives in City Plan 2013-2017.

***Conflict of Interest***

No Council officers involved in the preparation of this report have a direct or indirect interest in any matter to which this report relates.

***Risk Assessment***

Under Section 130 of the Local Government Act Council must adopt the Annual Budget by 30 June each year.

On 13 December 2016 Council adopted a budget timetable to include Community consultation, meetings of the Executive and Council to prepare the 2017-18 Budget/City Plan update. The timetable provides a framework to manage risk in order for Council to meet its statutory obligations and avoid adverse implications if the process is delayed.

These include:

1. A lack of internal control to monitor the financial position of the City into the new financial year.
2. Delays in commencing (and therefore completion) of projects identified within the Annual Budget.
3. Delaying the issuing of the first rate instalment notices (due in early September).

***Environmental Implications***

The Proposed Budget identifies the sources and allocation of the resources to implement the many environmental initiatives that impact on the community as outlined with Council's 2013-2017 City Plan, (2016-2018 Update).

**APPENDIX 1**

**2017-18  
PROPOSED BUDGET**

**2017-18 Proposed Budget forms part of this report. It is provided as a separate document.**

In accordance with Section 127 of the Local Government Act 1989 (LGA), Council is required to prepare a budget for each financial year and must ensure that it contains:

- (a) The budgeted statements in the form and containing the matters required by the regulations;
- (b) A description of the activities and initiatives to be funded in the budget;
- (c) A statement as to how the activities and initiatives described under paragraph (b) will contribute to achieving the strategic objectives specified in the Council Plan;
- (d) Separately identified Strategic Objectives to be undertaken during the financial year and service performance outcome indicators in relation to each Strategic Objective;
- (e) Any other details required by the regulations.

In addition, Council must ensure the budget considers the following:

- (a) The information the Council is required to declare under section 158(1);
- (b) If the Council intends to declare a differential rate under section 161, the details listed in section 161(2), and
- (c) If the Council intends to declare a differential rate under section 161A, the details listed in section 161(2).

## APPENDIX 2

### DECLARATION OF RATES & CHARGES

#### 1. **Amount Intended to be raised by General Rates, Municipal Charge, and Annual Service Charge for the period 1 July 2017 - 30 June 2018.**

An amount of \$210,248,889 be declared as the amount which Council intends to raise by General Rates, Municipal Charge and the Annual Service Charge, which amount is calculated as follows:

General Rates \$168,405,086

Municipal Charge \$11,803,003; and

Annual Service Charge \$30,040,800.

#### 2. **General Rates**

2.1 A general rate be declared for the period 1 July 2017 to 30 June 2018.

2.2 It be further declared that the general rate be raised by the application of differential rates.

2.3 A differential rate be respectively declared for rateable land having the respective characteristics specified below, which characteristics will form the criteria for each differential rate so declared.

##### 2.3.1. **Farm Land** – means any land which:

- i. is not less than 2 hectares in area; and
- ii. is used predominantly for the business of grazing (including agistment), dairying, pig-farming, poultry farming, fish farming, tree farming, bee-keeping, viticulture, horticulture, fruit growing or the growing of crops of any kind or for any combination of those activities; or
- iii. satisfies the criteria for municipal purpose benefit for large holdings to the extent that it is, for example, land that is predominantly used and maintained for heritage, cultural or environmental purposes, or land that is held as natural bushland under a trust for nature covenant, or land that is held under some other type of similar formal undertaking.

To avoid doubt, 'business' for the purposes of identifying Farm Land has the same meaning as that given to it by section 2(1) of the *Valuation of Land Act* 1960 for the same purpose, being a business that:

- a) has a significant and substantial commercial purpose or character; and
- b) seeks to make a profit on a continuous or repetitive basis from its activities on the land; and
- c) is making a profit from its activities on the land, or that has a reasonable prospect of making a profit from its activities on the land if it continues to operate in the way that it is operating.

##### 2.3.2 **Residential Land** - means any land:

- i. that is used exclusively for residential purposes; or
- ii. on which a habitable building is erected, which building is unoccupied, and which is zoned residential under the Greater Geelong Planning Scheme.

- 2.3.3 **Vacant Land** - means any land:
- i. that does not have the characteristics of Farm Land; and
  - ii. on which no building is erected, save for any uninhabitable shed or shelter, the size of which does not exceed 5% of the total area of the land.
- 2.3.4 **Petroleum Production Land** – means any land that is:
- i. used primarily for the production or conveyance of petroleum and/or petroleum by-products; and
  - ii. is described as such in Schedule A.
- 2.3.5 **Industrial Land** – means any land that:
- i. does not have the characteristics of
    - a) Vacant Land; or
    - b) Commercial Land; or
    - c) Petroleum Production Land; and
  - ii. is used predominantly for industrial purposes, which includes manufacturing, repairing, servicing, processing and reprocessing or warehousing.
- 2.3.6 **Commercial Land** – means any land that:
- i. does not have the characteristics of:
    - a) Farm Land; or
    - b) Industrial Land; or
    - c) Petroleum Production Land; and
  - ii. is used predominantly for the sale of goods or services or other commercial purposes; or
  - iii. on which a habitable building is erected, which building is unoccupied, and which is zoned other than residential under the Greater Geelong Planning Scheme.
- 2.3.7 **Mixed Use Land** – means any land that:
- i. has the characteristics of Residential Land combined with the characteristics of Commercial Land or Industrial Land; and
  - ii. is used partly for residential purposes and partly for commercial and/or industrial purposes.
- 2.3.8 **The Point – Residential Land** - means any land that:
- i. is used exclusively for residential purposes; or
  - ii. on which a habitable building is erected, which building is unoccupied, and which is zoned residential under the Greater Geelong Planning Scheme; and
  - iii. is described as such in Schedule A.

- 2.3.9 **The Point – Vacant Land** - means any land:
- i. that does not have the characteristics of Farm Land; and
  - ii. on which no building is erected save for any small uninhabitable storage shed or shelter, the size of which does not exceed 5% of the total land area; and
  - iii. is described as such in Schedule A.

- 2.3.10 **The Point – Commercial Land** - means any land that:
- i. does not have the characteristics of:
    - a) Farm Land; or
    - b) Industrial Land; and
  - ii. is used predominantly for the sale of goods or services, or other commercial purposes; or
  - iii. on which a habitable building is erected, which building is unoccupied, and which is zoned other than residential under the Greater Geelong Planning Scheme; and
  - iv. is described as such in Schedule A.

2.4 A rate pursuant to the Cultural and Recreational Lands Act 1963 be declared for rateable land having the respective characteristics specified below.

- 2.4.1 **Cultural and Recreational Land** -  
Any land which -
- (a) has the characteristics of Recreational land as defined by the Cultural and Recreational Lands Act 1963; and
  - (b) is described as such in Schedule A.

2.5 Each differential rate and Cultural and Recreation Lands Rate will be determined by multiplying the Capital Improved Value of each rateable land (categorised by the characteristics described in paragraph 2.3 and 2.4 by the relevant percentages indicated in the following table:

**CATEGORY %**

Farm Land .002794 (or .2794 percent of Capital Improved Value).

A rebate of 40% of the CIV by rate in dollar in accordance with Council policy for farm rating.

Residential Land .002794 (or .2794 percent of Capital Improved Value).

Vacant Land .004251 (or .4251 percent of Capital Improved Value).

The Point Residential Land .002794 (or .2794 percent of Capital Improved Value).

The Point Vacant Land .004251 (or .4251 percent of Capital Improved Value).

The Point Commercial Land .005725 (or .5725 percent of Capital Improved Value).

Petroleum Production Land .007530 (or .7530 percent of Capital Improved Value).

Industrial Land .007530 (or .7530 percent of Capital Improved Value).

Commercial Land .005725 (or .5725 percent of Capital Improved Value).

Mixed Use Land .004194 (or .4194 percent of Capital Improved Value).

Cultural and Recreational .001962 (or .1962 percent of Capital Improved Value).

- 2.6 It be recorded that Council considers that each differential rate will contribute to the equitable and efficient carrying out of Council functions; and that
- 2.6.1 the respective objectives of each differential rate be those specified in Schedule B;
  - 2.6.2 the respective types or classes of land which are subject to each differential rate be those defined in Schedule B;
  - 2.6.3 the respective uses and levels of each differential rate in relation to those respective types or classes of land be those described in Schedule B; and
  - 2.6.4 the relevant
    - (a) uses of; and
    - (b) geographical locations of; and
    - (c) planning scheme zonings of; and
    - (d) types of buildings on the respective types or classes of land be those identified in Schedule B; and
- 2.7 It be confirmed that no amount is fixed as the minimum amount payable by way of general rate in respect of each rateable land within the municipal district.

### **3. Rebates**

#### **3.1 Farm Rebate**

For 2017-18 Council declare a rebate under section 169 of the LGA of 40% for all land classified and rated as farm land. Properties defined as farms will be entitled to a rebate recognising that there is a benefit to the community in encouraging the retention of large lot primary producing holdings. An application can be made to Council to have land classified as Farm land.

#### **3.2 Cultural and Recreational Rebate**

For 2017-18 Council declare a transitional rebate under section 169 of the LGA for 75% of the difference between the Cultural and Recreational differential of the otherwise applicable differential. Properties that were eligible for the Cultural and Recreational differential in 2016-17 that are no longer eligible in 2017-18 will be encouraged to apply for this rebate.

### **4. Waivers**

#### **4.1 Rates Assistance Waivers**

Council declares a waiver of general rates under Section 171 of the LGA for the class of persons comprised of ratepayers in respect of assessments which are categorised as Residential Land or Farm Land where the valuation of the assessment has increased, between the 2014 valuation and the 2016 valuation, by 50% or more and that increase is purely attributable to market factors, not attributable, in whole or in part, to improvements made to the assessment by the owner (or occupier). The amount of the waiver is set at:

- 4.1.1 between 25% and 49.99% of the general rates payable for the 2017-18 financial year, increasing pro rata according to the valuation increase, for valuation increases between 50% and 59.99%; and

50% of the general rates payable for the 2017-18 financial year for valuation increases of 60% or more.

The waiver is designed to mitigate the rates shock of a valuation increase and can only be claimed in respect of an assessment once in a two year valuation cycle.

- 4.2 For 2017-18 Council declares a Housing Support waiver of 100% of general rates and municipal charge under section 171 of the LGA for the class of persons comprised of ratepayers in respect of assessments which contain the following types of housing:

- 4.2.1 transitional, emergency or crisis housing;
- 4.2.2 housing for Legatees or War Widows, provided by the Geelong Legacy Club or provided by RSL; and
- 4.2.3 supported housing for disabled people.

This waiver recognises that these properties provide for specific needs within the community. Application can be made to Council to have land classified as being eligible for the waiver.

- 4.3 New Corio Estate (Inappropriate Subdivision)

For 2017-18 financial year, Council declares a waiver of 100% of general rates and municipal charge under Section 171 of the LGA for the class of persons comprised of ratepayers in respect of assessments which are in private ownership within the inappropriate subdivision known as New Corio Estate. This rates assistance waiver recognises the financial burden associated with ownership of this land. Land within the New Corio Estate is zoned as farming land and the area has been determined to be an inappropriate subdivision due to the difficulty of providing utilities and drainage and due to its distance from other residential areas. The Minister for Environment & Climate Change has approved a native vegetation plan for this land in support of natural temperate grassland of the Victorian Volcanic Plains. The waiver recognises the ongoing encumbrances on the land that prevent owners from making any demands on Council services now and into the future.

## **5. Municipal Charge**

- 5.1 An annual municipal charge be declared for the period commencing 1 July 2017 to 30 June 2018.
- 5.2 The purpose of the municipal charge is to recover some of the administrative costs of the Council.
- 5.3 The charge be the sum of \$98.55 for each rateable property in the municipality.
- 5.4 Applications for exemption for farm land in accordance with section 159 of the LGA, is to be made within two months from the date of issue of annual rate notice.

## **6. Annual Service Charge**

- 6.1 An Annual Service Charge be declared for the period commencing 1 July 2017 to 30 June 2018.
- 6.2 The Annual Service Charge be declared for the collection and disposal of refuse.
- 6.3 The Annual Service Charge be \$278.05 for each rateable land and non-rateable land (or part) in respect of which the Annual Service Charge may be levied.
- 6.4 The criteria specified below, be the criteria, which form the basis of the Annual Service Charge, so declared:

Geographic existence within those areas of the municipal district in which Council provides a domestic refuse collection and disposal service. The charge will be raised irrespective of whether the service is used or not.

## **7. Annual Service Charge – Additional Bin Service**

- 7.1 An Annual Service Charge – Additional Bin Service, be declared for the period commencing 1 July 2017 to 30 June 2018.
- 7.2 The Annual Service Charge – Additional Bin Service, be declared for the collection and disposal of refuse.
- 7.3 New Service Charge to apply if additional services are requested by the property owners who meet eligibility criteria.
- 7.4 The criteria specified below, be the criteria, which form the basis of the Annual Service Charge – Additional Bin Service, so declared:

The additional bin service charge will be available via application, compliant with the following criteria:

- Families with six or more occupants within a household may apply for an additional garbage and/or recycling bin;
- The property owner or their authorised agent signs the additional bin application form, provides appropriate supporting evidence and agrees to the applicable service charge;
- For residential properties to be eligible for an additional green waste bin, the property must have a minimum area of 1,500m<sup>2</sup> (1 acre = 4,046m<sup>2</sup>);
- The green waste additional bin will only become available when the Anakie Road Green Organics processing facility is fully operational.
- In all cases of application for additional bins, Council reserves the right to inspect the applicant's existing bins to confirm that they are overloaded. If this cannot be confirmed, the additional bins will not be provided;.

Applications that meet the criteria will be billed via the Rate, Valuation & Charges notice.

If an application is received and approved in the first six months of the financial year, that is, from July to December, the full annual cost of the additional bin will be charged. If an application is received and approved in the second half of the financial year, that is January to June, half the annual cost will be charged.

The following costs will apply for the additional bin service:

- Garbage bin                    \$138.80 (for 2017-18)
- Recycling bin                 \$ 49.30 (for 2017-18)
- Green Waste bin             \$ 92.50 (for 2017-18)

## **8. Central Activities Area Rate**

Council has declared a special rate in respect of the central business district of Geelong applicable to non-residential, non-exempt properties. The special rate is the Central Activities Area (CAA) Rate and is in addition to other rates and charges. The purpose of the special rate is to promote the CAA as a commercial shopping precinct using events, marketing and media.

A special rate has been declared for the period commencing on 1 July 2016 and concluding on 30 June 2021. The second year of the scheme (2017-18) will raise \$1,066,024 (\$1,045,122 in 2016-17). The rate in the dollar for 2017-18 is set at \$0.0007560 and \$0.0002591 for Cultural & Recreation (Cultural and Recreation properties are charged a reduced CAA rate, in accordance with the ratio of the recreation rate to the commercial rate).

## **9. Incentives**

No incentives be declared as the incentives to be given by Council for the payment of General Rates, Municipal Charge and the Annual Service Charge (described earlier in this document) before the dates fixed for their payment under Section 167 of the LGA.

## **10. Consequential**

10.1 Notwithstanding anything said in any earlier Resolution of Council, the Geelong Advertiser be chosen, as the newspaper in which the public notice will appear.

10.2 The Responsible Officer of Council be authorised to levy and recover the General Rates, Municipal Charge and the Annual Service Charge described earlier in accordance with the LGA.

## **11. Interest**

Interest on unpaid rates and charges will be charged in accordance with Section 172 of the LGA. Interest will be charged at the penalty interest rate of 10% for 2017-18. In proven cases of hardship where Council allows rates to be deferred, interest will be charged at 5.18% for 2017-18.

## SCHEDULE A

### 1. Petroleum Production Land

All that land generally bounded more or less by Princes Highway, Shell Parade, Corio Bay Foreshore, Wharf Road, Station Road and neighbouring land.

### 2. The Point Residential Land

All the residential land formerly described in Certificate of Title Volume 09901 Folio 324 and also described as Lot B LP 214468, Lot B PS 635643, PS 640648Y, PS 722221H, PS 722220K, PS 743868K, PS 732908M, PS 638301D, PS 635642R, PS722215C and PS 722214E.

### 3. The Point Vacant Land

All the vacant land formerly described in Certificate of Title Volume 09901 Folio 324 and also described as Lot B LP 214468, Lot B PS 635643, PS 640648Y, PS 722221H, PS 722220K, PS 743868K, PS 732908M, PS 638301D, PS 635642R, PS722215C and PS 722214E.

### 4. The Point Commercial Land

All the commercial land formerly described in Certificate of Title Volume 09901 Folio 324 and also described as Lot B LP 214468, Lot B PS 635643, PS 640648Y, PS 722221H, PS 722220K, PS 743868K, PS 732908M, PS 638301D, PS 635642R, PS722215C and PS 722214E.

### 5. Cultural and Recreational Land

Any land reserved under the Cultural and Recreational Lands Act 1963 including the following:

Ratepayer Name	Property Address
Australian Croatian Sporting Centre	15 Gibbons Road, Lara VIC 3212
Bareena Bowling Club Incorporated	89 Noble Street, Newtown VIC 3220
Barwon Heads Bowling Club	18 Geelong Road East, Barwon Heads VIC 3227
Barwon Heads Golf Club Incorporated	Golf Links Road, Barwon Heads VIC 3227
Barwon Rowing Club Inc	2 Barwon Terrace, South Geelong VIC 3220
Beckley Park Committee of Management Inc	40 Broderick Road, Corio VIC 3214
Bell Park Sports Club Inc	515 Ballarat Road, Batesford VIC 3221
Belmont Bowling Club Incorporated	16-36 Reynolds Road, Belmont VIC 3216
Clifton Springs Bowling Club	Clifton Street, Clifton Springs VIC 3222
Clifton Springs Golf Club Incorporated	86-88 Clear Water Drive, Clifton Springs VIC 3222
Corio Bay Rowing Club	10 Barwon Terrace, South Geelong VIC 3220
Corio Bay Sailing Club	Foreshore Road, Corio VIC 3214
Drysdale Bowling & Croquet Club inc	19-29 Collins Street, Drysdale VIC 3222
East Geelong Golf Club	Eastern Park Circuit, East Geelong VIC 3219
East Geelong Recreation Reserve Committee	137-139 McKillop Street, Geelong VIC 3220
Eastern Park Bowling Club Inc	51-55 Garden Street, East Geelong VIC 3219
Geelong Agricultural & Pastoral Society	79 Breakwater Road, Breakwater VIC 3219
Geelong Bowls Club Incorporated	4-10 Sommers Street, Belmont VIC 3216
Geelong College Rowing Club	4 Barwon Terrace, South Geelong VIC 3220
Geelong Football Club Incorporated	360-380 Moorabool Street, South Geelong VIC 3220
Geelong Grammar School Rowing	6 Barwon Terrace, South Geelong VIC 3220
Geelong Lawn Tennis Club Incorporated	12-20 Sommers Street, Belmont VIC 3216
Geelong Pistol Club	70-80 Williams Road, Mount Duneed VIC 3216
Geelong Race Course Trustees	99 Breakwater Road, Breakwater VIC 3219
Geelong Rowing Association	8 Barwon Terrace, South Geelong VIC 3220
Geelong Trailable Yacht Club Inc	105 Mackey Street, North Geelong VIC 3215
Geelong Watersports Club Incorporated	493-499 Wilsons Road, St Albans Park VIC 3219
Geelong West Bowling Club Incorporated	12 Bowlers Avenue, Geelong West VIC 3218

<b>Ratepayer Name</b>	<b>Property Address</b>
Herne Hill Bowls Club Inc	180 McCurdy Road, Fyansford VIC 3221
Highton Bowling Club Inc	204 Roslyn Road, Highton VIC 3216
Indented Head Boat Club	The Esplanade, Indented Head VIC 3223
Indented Head Yacht Club	The Esplanade, Indented Head VIC 3223
Lagoon Boat Club Inc	Foreshore Road, Corio VIC 3214
Lara Bowling Club Inc	10 Alkara Avenue, Lara VIC 3212
Lara Sporting Club Incorporated	4 Walkers Road, Lara VIC 3212
Leopold Sportsmans Club Inc	131-139 Kensington Road, Leopold VIC 3224
Lonsdale Golf Club	31-69 Fellows Road, Point Lonsdale VIC 3225
Norlane Bowling Club Incorporated	26-36 St Georges Road, Corio VIC 3214
Ocean Grove Bowling Club	16-24 The Terrace, Ocean Grove VIC 3226
Ocean Grove Golf Club Incorporated	9 Guthridge Street, Ocean Grove VIC 3226
Portarlington Bowls Club Incorporated	Harding Street, Portarlington VIC 3223
Portarlington Golf Club	92-160 Hood Road, Portarlington VIC 3223
Portarlington Sailing Club	219 Point Richards Road, Portarlington VIC 3223
Royal Geelong Yacht Club	25 Eastern Beach Road, Geelong VIC 3220
Seabrae Boat Owners Club Inc	302 Clifton Avenue, Leopold VIC 3224
St Leonards Bowling Club	1274 Murradoc Road, St Leonards VIC 3223
St Leonards Yacht Club & Motor Squadron	Lower Bluff Road, St Leonards VIC 3223
Western Beach Boat Club Incorporated	74-90 Western Foreshore Road, Geelong VIC 3220

Properties potentially eligible for the Cultural and Recreational rebate are:

<b>Ratepayer Name</b>	<b>Property Address</b>
Geelong Speedway Drivers Club Inc	1/4 Wood Street, South Geelong VIC 3221
Wood Street Public Recreation Reserve COM Inc	2/4 Wood Street, South Geelong VIC 3221
Wood Street Public Recreation Reserve COM Inc	3/4 Wood Street, South Geelong VIC 3221
Geelong Transport Drivers Social Club Inc	4/4 Wood Street, South Geelong VIC 3221
Serbian Parish Youth Club	256 Plantation Road, Corio VIC 3214
Austrian Club Geelong Incorporated	258 Plantation Road, Corio VIC 3214
Geelong Bridge Club	148-152 Portarlington Road, Newcomb VIC 3219
Association of Ukrainians - Victoria	16-21 Monastery Court, Lovely Banks VIC 3213
Polish Community Association in Geelong	35 Ryrie Street, Geelong VIC 3220
Croatian Community Centre of Geelong (Inc)	172-178 Cox Road, Corio VIC 3214
Geelong & Dist Angling Club & Fish Protect Society	9 Yuille Street, Geelong West VIC 3218
Geelong Table Tennis Association	84-88 Church Street, North Geelong VIC 3215
Western District Car Club	55 Beach Road, Avalon VIC 3212
Belrec Incorporated	68 Calvert Street, Hamlyn Heights VIC 3214
North Shore Sports & Community Club Inc	39 Rose Avenue, Norlane VIC 3214
St Leonards Golf Club Inc	79-175 Harvey Road, St Leonards VIC 3223

## **SCHEDULE B**

### **1. Farm Land**

Rating Objectives:

- i. To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of Council generally, including the:
  - a) construction and maintenance of public infrastructure;
  - b) development and provision of health and community services; and
  - c) provision of general support services.
- ii. To encourage and support the business of primary production and, where appropriate, expand the business of primary production.

These objectives will be met by setting the Farm Land differential at 100% of the Residential Land differential and by the provision of a farm rebate under Section 169 of the LGA.

*Types and Classes*

Rateable land having the relevant characteristics described previously in 2.3.1

*Use and Level of Differential Rate*

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council.

The level of the differential rate less the applicable rebate is the level, which Council considers it necessary to achieve the objectives specified above.

*Geographic Location*

Wherever located within the municipal district.

*Use of Land*

Any use permitted under the Greater Geelong Planning Scheme.

*Planning Scheme Zoning*

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the Greater Geelong Planning Scheme.

*Types of Buildings*

All buildings which are now constructed on the land or which are constructed prior to 30 June 2018.

### **2. Residential Land**

Rating Objective:

To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of Council generally, including the:

- a) construction and maintenance of public infrastructure;
- b) development and provision of health and community services; and
- c) provision of general support services.

*Types and Classes*

Rateable land having the relevant characteristics described previously in 2.3.2

*Use and Level of Differential Rate*

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council.

The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

*Geographic Location*

Wherever located within the municipal district.

*Use of Land*

Any use permitted under the Greater Geelong Planning Scheme.

*Planning Scheme Zoning*

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the Greater Geelong Planning Scheme.

*Types of Buildings*

All buildings which are now constructed on the land or which are constructed prior to 30 June 2018.

**3. Vacant Land**

Rating Objectives:

- i. To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of Council generally, including the:
  - a) construction and maintenance of public infrastructure;
  - b) development and provision of health and community services; and
  - c) provision of general support services.
- ii. To encourage the prompt development of vacant land to attract new residents and businesses to the City of Greater Geelong.
- iii. To discourage untimely and unnecessary divisions of land.

These objectives will be met by setting the Vacant Land differential at 152% of the Residential Land differential.

*Types and Classes*

Rateable land having the relevant characteristics described previously in 2.3.3

*Use and Level of Differential Rate*

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council.

*Geographic Location*

Wherever located within the municipal district.

*Use of Land*

Any use permitted under the Geelong Regional Planning Scheme.

*Planning Scheme Zoning*

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the Geelong Regional Planning Scheme.

*Types of Buildings*

No building must be located on the land or constructed prior to 30 June 2018 save for any uninhabitable shed or shelter that does not exceed more than 5% of the total area of the land.

**4. Petroleum Production Land**

Rating Objective:

To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of Council generally, including the:

- a) construction and maintenance of public infrastructure;
- b) development and provision of health and community services; and
- c) provision of general support services.

The Petroleum Production Land differential is set at the Industrial Land rate differential from 2017-18.

*Types and Classes*

Rateable land having the relevant characteristics described previously 2.3.4.

*Use and Level of Differential Rate*

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council.

*Geographic Location*

As described in Schedule A.

*Use of Land*

Any use permitted under the Greater Geelong Planning Scheme.

*Planning Scheme Zoning*

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the Greater Geelong Planning Scheme.

*Types of Buildings*

All buildings which are now constructed on the land or which are constructed prior to 30 June 2018.

**5. Industrial Land**

Rating Objective:

To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of Council generally, including the:

- a) construction and maintenance of public infrastructure;
- b) development and provision of health and community services; and
- c) provision of general support services.

*Types and Classes*

Rateable land having the relevant characteristics described previously in 2.3.5

*Use and Level of Differential Rate*

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council.

*Geographic Location*

Wherever located within the municipal district.

*Use of Land*

Any use permitted under the Greater Geelong Planning Scheme.

*Planning Scheme Zoning*

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the Greater Geelong Planning Scheme.

*Types of Buildings*

All buildings which are now constructed on the land or which are constructed prior to 30 June 2018.

**6. Commercial Land**

Rating Objective:

To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of Council generally, including the:

- a) construction and maintenance of public infrastructure;
- b) development and provision of health and community services; and
- c) provision of general support services.

*Types and Classes*

Rateable land having the relevant characteristics described previously in 2.3.6

*Use and Level of Differential Rate*

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council.

*Geographic Location*

Wherever located within the municipal district.

*Use of Land*

Any use permitted under the Greater Geelong Planning Scheme.

*Planning Scheme Zoning*

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the Greater Geelong Planning Scheme.

*Types of Buildings*

All buildings which are now constructed on the land or which are constructed prior to 30 June 2018.

**7. Mixed Use Land**

Rating Objective:

To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of Council generally, including the:

- a) construction and maintenance of public infrastructure;
- b) development and provision of health and community services; and
- c) provision of general support services.

*Types and Classes*

Rateable land having the relevant characteristics described previously in 2.3.7.

*Use and Level of Differential Rate*

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council.

*Geographic Location*

Wherever located within the municipal district.

*Use of Land*

Any use permitted under the Greater Geelong Planning Scheme.

*Planning Scheme Zoning*

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the Greater Geelong Planning Scheme.

*Types of Buildings*

All buildings which are now constructed on the land or which are constructed prior to 30 June 2018.

**8. The Point – Residential Land**

Rating Objectives:

- i. To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of Council generally, including the:
  - a) construction and maintenance of public infrastructure;
  - b) development and provision of health and community services;
  - c) provision of general support services; and
  - d) management of environmentally sensitive land.
- ii. To ensure that, following the development of the Point Land, and transfer to Council of the management of environmentally sensitive land, including the provision of a range of services around an existing waterway, constructed lake and canal system, an equitable and efficient financial contribution to the cost of Council's management responsibilities will be made by the ratepayers in respect of that land.

*Types and Classes*

Rateable land having the relevant characteristics described previously in 2.3.8

*Use and Level of Differential Rate*

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council.

*Geographic Location*

As described in Schedule A.

*Use of Land*

Any use permitted under the Greater Geelong Planning Scheme.

*Planning Scheme Zoning*

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the Greater Geelong Planning Scheme.

*Types of Buildings*

All buildings which are now constructed on the land or which are constructed prior to 30 June 2018.

**9. The Point – Vacant Land**

Rating Objectives:

- i. To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of Council, generally including the:
  - a) construction and maintenance of public infrastructure;
  - b) development and provision of health and community services;
  - c) provision of general support services; and
  - d) management of environmentally sensitive land.
- ii. To ensure that, following the development of the Point Land, and transfer to Council of the management of environmentally sensitive land, including the provision of a range of services around an existing waterway, constructed lake and canal system, an equitable and efficient financial contribution to the cost of Council's management responsibilities will be made by the ratepayers in respect of that land.

*Types and Classes*

Rateable land having the relevant characteristics described previously in 2.3.9

*Use and Level of Differential Rate*

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council.

*Geographic Location*

As described in Schedule A.

*Use of Land*

Any use permitted under the Greater Geelong Planning Scheme.

*Planning Scheme Zoning*

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the Greater Geelong Planning Scheme.

*Types of Buildings*

All buildings which are now constructed on the land or which are constructed prior to 30 June 2018.

## **10. The Point – Commercial Land**

### Rating Objectives:

- i. To ensure that all rateable land makes an equitable and efficient financial contribution to cost of carrying out the functions of Council, generally including the:
  - a) construction and maintenance of public infrastructure;
  - b) development and provision of health and community services;
  - c) provision of general support services; and
  - d) management of environmentally sensitive land.
- ii. To ensure that, following the development of the Point Land, and transfer to Council of the management of environmentally sensitive land, including the provision of a range of services around an existing waterway, constructed lake and canal system, to ensure that an equitable and efficient financial contribution to the cost of Council's management responsibilities will be made by the ratepayers in respect of that land.

### *Types and Classes*

Rateable land having the relevant characteristics described previously in 2.3.10

### *Use and Level of Differential Rate*

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council.

### *Geographic Location*

As described in Schedule A.

### *Use of Land*

Any use permitted under the Greater Geelong Planning Scheme.

### *Planning Scheme Zoning*

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the Greater Geelong Planning Scheme.

### *Types of Buildings*

All buildings which are now constructed on the land or which are constructed prior to 30 June 2018.

## **11 . Cultural and Recreational Land**

Has the characteristics of Recreational land as defined by the Cultural and Recreational Lands Act 1963.

### *Types and Classes*

Rateable land having the relevant characteristics described previously in 2.4.1

### *Use and Level of Differential Rate*

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council.

### *Geographic Location*

As described in Schedule A.

### *Use of Land*

Any use permitted under the Greater Geelong Planning Scheme.

### *Planning Scheme Zoning*

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the Greater Geelong Planning Scheme.

### *Types of Buildings*

All buildings which are now constructed on the land or which are constructed prior to 30 June 2018.

#### **4. OLD GEELONG GAOL – PROPOSED SALE BY EXPRESSIONS OF INTEREST**

**Source:** Finance & Strategy - Property & Procurement  
**Director:** Joanne Moloney  
**Index Reference:** Land & Building Sales

##### **Purpose**

The purpose of this report is to recommend that Council commence the procedures to sell the Old Geelong Gaol (“the Gaol”) by Expressions of Interest (EOI).

##### **Background**

Following an approach by the Barwon Health Future Fund Foundation (BHFF) for the purchase the Gaol on 26 July 2016, Council resolved to sell the Gaol to Barwon Health and a notice of intention to sell was published. One submission was received.

In February 2017, BHFF advised Council that it was not in a position to proceed with the purchase of the Gaol.

Between 2013 and 2015, Council made three resolutions in relation to its future ownership of the Gaol including formation of a reference group, commencing procedures to sell the property and requesting a report on retention of the property for tourism purposes. The report on retention of the property for tourism purposes and the intended workshop process were set aside when Council resolved to sell the property to Barwon Health.

##### **Key Issues**

- Since Council took ownership in 1994, no significant improvements have been carried out apart from emergency maintenance. A backlog maintenance program of \$1.559m is required to address the identifiable works to stabilise key parts of the main structure. This program makes limited provision for building compliance work and does not make provision for either capital works to allow adaptive uses or any restoration and conservation works.
- Without a commitment to a maintenance program, access to various parts of the complex over time will be further prevented including the main cell block where the central wooden skylight structure continues to deteriorate.
- Research indicates that apart from those gaols well positioned in terms of heritage values or special interest, there are no examples of successful sustained investment in and adaptive use of cell block gaol buildings within Australia. State governments and one Council have divested themselves of ownership of old gaols.
- The current arrangement of having Rotary manage the Gaol through a lease with Council, while convenient, is neither generating sufficient funds to meet maintenance and compliance requirements, nor does it represent a sustainable model for long term management.
- Provision is made in the 2017/18 budget for the preparation of both a Masterplan for the Hospital precinct (which would include the Gaol) and a Municipal Heritage Strategy. The Hospital Precinct Masterplan will provide broad direction around land uses in the precinct and identify heritage, key transport network, landscape and urban design objectives. The Municipal Heritage Strategy will identify strategies for future heritage study reviews and implementation but is unlikely to make any specific recommendations about the Gaol.

- It is intended that the successful purchaser of the Gaol will participate in Hospital Precinct Masterplan process.

**P Dorling moved, L Gardner seconded -**

**That Council, in relation to the Old Geelong Gaol (“the Gaol”), at 202 Myers Street Geelong:**

- 1) notes that its decision to sell the Gaol to Barwon Health in March 2016 set aside the intended workshop process;**
- 2) offers the property for sale by Expressions of Interest;**
- 3) provides notice under section 189 of the Local Government Act 1989 (“the Act”) of its intention to sell the Gaol and that public notice of and the right of a person to make a submission be given in the Geelong Advertiser and the Geelong Independent;**
- 4) appoints the Submissions Review Panel to hear and report on any submissions;**
- 5) seeks a report from management on the outcome of the submissions process and any potential terms of the sale.**

**Carried.**

## Attachment 1

### ***Discussion***

*Further relevant information is provided in Attachment 2 including:*

- Rotary's financial statement 2015.
- Conservation Management Plan (CMP).
- Maintenance and cost projections.
- Summary of the KPMG investigation carried out in 2000.
- Adaptive uses of other Australian gaols.
- Grants and other income sources.
- Use of the Gaol as a tourist attraction.

The Council has considered its options for future ownership of the Gaol including on-going ownership or sale.

Should Council continue to own the complex and neither fund the works backlog nor implement a preventative maintenance program, access to various parts of the complex over time will be further prevented including the main cell block where the central wooden skylight structure continues to deteriorate. At a minimum it is likely that unsupervised public access to the main cell block will be restricted. This option does not present a sustainable approach to the ownership of the Gaol.

On going arms length management of the Gaol through a lease to Rotary is neither generating sufficient funds to meet maintenance and compliance requirements, nor does it represent a sustainable model for long term management.

On going ownership of similar disused prisons in Victoria has not been supported by either the State Government or Councils, with the State Government having sold many to private owners and the Mt Alexander Shire Council having disposed of the Castlemaine Gaol in 2012. (Bendigo Gaol is an exception) It is difficult to reconcile ownership of a disused Gaol with Council's primary role as a local government authority.

If Council continues to own the property and wants to develop it into a fully adapted use similar to that proposed by Rotary, it will need to budget for a project with an ultimate estimated capital cost of \$34.6m and provide for increased operating costs for the on-going maintenance of the property along with resourcing the management of the museum functions to be located in the main cell block. While a detailed business case for such a project has not been completed it is unlikely that financial returns will justify the costs.

Due to the cost exposures of ongoing ownership and the limited public benefit to be gained through ownership, it is recommended that the Council divest itself of ownership.

Sale by EOI as described below will allow Council to realistically test the potential for **private investment in the site**. The EOI process will proceed as follows:

1. Prepare an EOI document to the market based on the Council's standard EOI format providing key information to the market.
2. Advertise and market through an appointed estate agent.
3. Information to be sought in the process:
  - Price;
  - Maintenance program;
  - How public access to the cell block be provided;
  - Broad concept description (master plan);
  - Experience capability of purchaser; and

- Contract conditions requested.
4. Council Requirements:
    - Cell block open to the public; and
    - Implementation of maintenance program.
  5. EOI's to be assessed by a panel to be appointed.
  6. Assessment panel will recommend to Council a preferred purchaser. The EOI assessment process may be a single or two stage process depending on the number of responses and the level of information provided.
  7. Evaluation criteria will include:
    - Response to Council requirements;
    - Experience and capability;
    - Plan for use of the Gaol;
    - Compatibility of the Plan for the Gaol with the Hospital Precinct Masterplan; and
    - Purchase price.

The EOI process is a guide to Council's requirements and the conduct of the process. The Council may vary the terms and conditions of the EOI depending upon responses.

#### ***Financial Implications***

The Minister for Planning in June 2013 advised the Council that the interest free Government loan of \$360,000 taken out by the Council in 1996 for the purchase of the Gaol shall be repayable in full upon sale of the asset.

However, the Minister also advised that upon repayment of the loan, consideration will be given to establishing a Geelong Heritage Restoration Fund for the conservation of heritage places in the City of Greater Geelong.

#### ***Stakeholder Consultation and Communication***

All persons, including tenants, will be provided an opportunity to make a submission following the giving of notice of intention to sell the property under s189 of the Local Government Act. Anyone making a submission will have the opportunity to be heard.

In 2015 Council publically invited proposals for the future use of the Gaol indicating that interested parties would have an opportunity to workshop proposals prior to a further report to Council. Barwon Health expressed interest in the property at the time and Council resolved to sell the property to that authority giving public notice of its intention to do so in March 2016. In deciding to sell the property to Barwon Health Council set aside the workshop process.

#### ***Policy/Legal/Statutory Implications***

Under s189 of the Local Government Act 1989, Council is required to give notice of its intention to sell the Gaol. If submissions are received they are required to be heard and a further report will be put to Council prior to placing the property on the market.

The Council is also required to obtain a valuation within six months of the date of sale and have regard to that valuation when entering into a contract of sale.

#### ***Alignment to City Plan***

The recommendation supports the action priority relating to Responsible and Sustainable Financial Management by avoiding significant maintenance and capital costs through the continuing ownership of the Old Geelong Gaol.

***Conflict of Interest***

No officers or contractors involved in the preparation of this report have a direct or indirect interest in matters to which this report relates.

***Risk Assessment***

Ongoing ownership and arms length management of the property by the Council in the absence of a commitment to fund maintenance and improvements represents an unacceptable risk.

Should the Council continue to own the property, it will be accepting risk relating to the use of buildings for which they were not designed along with growing and unavoidable cost of maintenance and capital improvements.

The risks associated with the sale of the complex can be managed by obtaining appropriate advice and following normal management procedures.

***Environmental Implications***

While no environmental site assessment has been implemented, there are no known contamination issues on the site.

**Attachment 2**

**Relevant Supporting Information**

**1. Rotary Financial Statement 2015**

The following is a summary of Rotary's statement of income and expenditure for 2015 for the Old Geelong Gaol (rounded \$,000).

<b>Income</b>	<b>2015</b>
Rent from sub leases	\$117,000
Ticket Sales	\$20,000
Other	\$22,000
<b>Total Income</b>	<b>\$159,000</b>
<b>Expenditure</b>	
Rent (to Council)	\$29,000
Utilities	\$12,000
Other	\$7,000
<b>Total Expenses</b>	<b>\$48,000</b>

**2. Conservation Management Plan (CMP)**

Conservation consultant Ivar Nelson prepared a review of the CMP in 2014. The main purpose of the review was to take the original 1997 CMP and identify the significance of the structures and parts of structures within the complex.

The following table provides a snapshot of the allocation of significance levels of the building elements by the CMP.

<b>Level of Significance</b>	<b>Elements Included in level</b>
Significant Fabric (mandatory retention)	Original fabric and changes up to 1900 including: <ul style="list-style-type: none"> <li>• Cell block;</li> <li>• Perimeter and internal walls, watchtowers and front and rear entrances;</li> <li>• Governor's and warder's residences; and</li> <li>• Forecourt and SW yard.</li> </ul>
Fabric of some value (retention not mandatory, may be altered)	<ul style="list-style-type: none"> <li>• Laundry and boiler room.</li> <li>• Recreation building.</li> <li>• Trade workshop.</li> <li>• Showers.</li> <li>• Other yards.</li> </ul>
Fabric of little or no significance (removal recommended)	<ul style="list-style-type: none"> <li>• Courtyard porches.</li> <li>• SE yard cellblock porch.</li> <li>• E cellblock sheds.</li> <li>• SE courtyard WC.</li> </ul>

The CMP must be interpreted as a whole to understand how the future of the complex is to be managed to retain, maintain and enhance its heritage values. Significantly the review states:



The outcome of the KPMG report was to identify a preferred operating model rather than pass an opinion on the desirability or otherwise of the Council being actively involved in the museum and property business. Given the findings of the KPMG report and with the benefit of current knowledge, the following observations are made:

- Current Old Geelong Gaol visitation remains at a relatively modest level of less than 10,000 although the revenue would indicate between 2,000 and 3,000 paying fee paying visitors.
- Given the Geelong and Bellarine regions attracted 4.9 million overnight and day visitors in 2014, up considerably in the last 15 years, this increase is not being reflected in the visits to the Gaol.
- The capital and operating costs today are likely to be much higher, greatly increasing the projected operating deficit. The net revenue from tenancies is currently around \$100,000 which has increased from the estimated \$44,000 in 2000, however the growth in revenue appears to be less than the growth in costs.
- Increasing the visitation to the Gaol assumed a synergy with the Geelong Waterfront, National Wool Museum and the (former) Ford Museum. The attraction and profile of the Waterfront has advanced compared to that of the Gaol and the Ford Museum has closed.
- Funding sources identified in 2000 are either not available or more likely to be more modest or tied to Council funding if available (see Funding Sources below).

#### **5. Adaptive Use of Other Historic Gaols**

In order to gain information on the re-use of old gaols across Australia, research has been undertaken on a number of gaols that have been closed and redeveloped.

This research concludes cell block gaol buildings (as opposed to land and other associated buildings) in general are not generating positive incomes for owners and any adaptive use of Gaol buildings is difficult and limited. Private owners are pushing the limits of heritage controls and seeking to maximise demolition of gaol structures and maximise development outcomes. Apart from those gaols being well positioned in terms of heritage sites and special interest, there are no examples of successful sustained private investment and adaptive use of gaol cell block buildings within Australia (Bendigo gaol is an exception).

It is evident from this research that the re-development, or stabilisation works, of an old gaol can be time consuming, complex and expensive. In addition, there is no evidence to suggest that either the public or private sectors are better custodians of old gaols, and it is noted that the majority of old gaols in Victoria have been sold off to the private sector.

The Mount Alexander Shire Council sold the Castlemaine Gaol for \$500,000 in 2012 and the principle motivation behind the Council's decision to sell was the mounting cost of ownership. The Council encountered some community opposition to the sale during the public notification process under s189 of the Local Government Act.

The Bendigo Prison has been redeveloped for a community theatre which was built on vacant land within the complex and the new building incorporates a cell block building for associated services and entry. The project cost \$25m with the Council contributing \$3m.

At Pentridge, the vacant land associated with the complex has been developed and sold leaving the historic gaol buildings in the ownership of two developers. One developer, Valad, has successfully converted the workshop part of their site into apartments but several cell blocks remain undeveloped and are the continuing subject of conservation master plans that have not been realised. Both private developers have encountered financial difficulties in dealing with the heritage parts of their properties.

Examples of successful adaptive uses of former gaols include Port Arthur (more a penal colony), Old Melbourne Gaol and Freemantle Gaol. A common characteristic of these successfully reused gaols is their high level heritage or world heritage status, which supports the viable museum use.

The Gaol is similar in use and heritage status to the Adelaide Gaol in that they of similar design and both have relatively intact fabric, however they are not unique and their significance lies at the local and State level only. The Adelaide Gaol remains in the ownership and management of the State and achieves a modest visitation level of 15,000 per annum.

## **6. Grants and Other Income Sources**

External funding sources include State and Federal Government grant programs.

Commonwealth funding schemes include programs administered through the Commonwealth Department of the Environment.

- Community Heritage and Icons Grants
- Protecting National Historic Sites
- National Trusts Partnership Programs

The first two programs only allocate funding to buildings and sites on Australia's National Heritage List. The third program provides funding directly to State based National Trust organisations.

The Gaol is not eligible for funding from any of the Commonwealth's funding sources.

At the State level, there is the Victorian Heritage Register Places and Objects Fund providing grants of between \$20,000 and \$200,000 for places listed on the Victorian Heritage Register (which includes the Gaol – H991).

## **7. The Use of the Gaol as a Tourist Attraction**

The main cell block has been used as museum or tourist attraction since the Gaol was decommissioned. The cell block has not been improved and provides some low level interpretive information. It achieves an annual visitation of less than 10,000 generating and income of \$20,000 per annum.

Any plans to develop the cell block as a tourist attraction, in addition to the maintenance and compliance works previously detailed, will require considerable investment in building and fit-out to reach the required standards expected by the tourism market today. Professional management utilising some volunteer resources will also be required along with a dedicated marketing effort.

Any plans to develop the Gaol as a significant tourist attraction, in addition to the cost, introduces business risks evidenced by comparison with other successful Australian tourism based gaols which have either national or international recognition of their heritage fabric.

The Old Geelong Gaol is not significant at this level and is not unique within Victoria. Without the basic criteria of significance or uniqueness there is doubt that the Gaol will, even with the considerable investment in staffing, marketing, maintenance and capital, achieve a level of visitation and income to justify the application of resources. It is however acknowledged that visits could experience a modest increase through improved marketing and professional tours.

## **5. ADDITIONAL BIN SERVICE**

**Source:** Environment & Waste Services  
**Director:** William Tieppo  
**Index Reference:** Additional Bin Residential Waste Service

### **Purpose**

To adopt the revised Recycling and Waste Collection System Policy (CPL225.1) and to authorise the commencement of Phase 2 of the additional bins program, commencing on 1 January 2018.

### **Background**

- In March 2016, Council resolved to revise the Recycling and Waste Collection System Policy and introduced a user pays system for all new additional bins requests from July 2016.
- The criteria of having six or more in the household or a medical condition generating excess waste was required to be eligible for the user pays system. The additional bin annual cost for 2017-2018 is \$138.80 for 140 litre garbage bin, \$49.30 for a 240 litre recycling bin, \$92.50 for a 240 litre greenwaste bin and retaining a single garbage bin by changing a 140 litre to a 240 litre costs \$99.50.
- Under the recently introduced user pays system, additional bin growth is now approximately 220 per annum compared to 1,100 per annum when the additional bins were issued at no charge.

### **Key Issues**

- Council will spend an estimated \$618,000 for the 2016-17 financial year through providing free additional bin services. Additional bins are currently used by approximately 4.2% of residential properties, with 5,263 additional garbage and 3,786 additional recycling bins in service, being provided at no direct cost to the residents. The current cross subsidy paid by all residential properties for the provision of this service is \$5.80.
- The revised Policy will introduce a user pays system with no criteria required other than a willingness by the property owner to pay the Additional Bin Charges for the bin allocated to their property. The removal of criteria is designed to simplify the administration of the system, better cater for residents needs and also help deal with the growing number of stolen bins.
- The revised policy still retains the provision of a no cost additional bin based on medical grounds by the provision of a medical certificate.
- A sample survey of 15 regional, rural and metropolitan Councils showed that they all provided an additional garbage bin service including additional fee charges.

**P Dorling moved, L Gardner seconded -**

**That Council:**

- 1) adopts the revised Policy CPL225.1 – Recycling and Waste Collection System (refer Attachment 2) to introduce a user pays system on 1 January 2018;**
- 2) notify residential properties with a current non paying additional bin(s) that the non paying Additional Bin service will cease on 31 December 2017;**
- 3) undertake a program to retrieve additional bins presented that are not allocated to a residential property.**

**Carried.**

## **Attachment 1**

### ***Financial Implications***

The implementation of Phase 1 of the user pays system for Additional Bins has prevented the costs associated with the additional bin service from increasing from \$545,000 per annum to \$1.88 million per annum over the next 10 years.

With the adoption of a full user pays system for additional bins, there is expected to be a significant uptake to a paying service. If there was a 40% conversion to user pays charge this would equate to a potential income of \$360,000 per annum. If all bins were converted to a user pays system the income would be \$898,000 per annum.

In addition to this income there would also be a reduction in the costs of operating the additional bin service through returned bins not having to be collected. This potential income and cost reduction will offset some of the costs associated with implementing phase 2 of the program.

Additional resources will be required to retrieve the additional bins that do not change to a user pays system and the ongoing retrieval of stolen or non allocated bins. This is expected to cost \$252,500, which will be considered as part of the 2017/18 budget process. This cost will then reduce in following years once phase 2 is completed.

### ***Stakeholder Consultation and Communication***

Following the approval of this report, a letter will be sent in July 2017 to the properties that currently have a non paying additional bin. The initial letter will advise of the charges for additional bins and that the initial Additional Bin Charge will be a half yearly charge to apply from 1 January 2018.

Following the initial letter a second letter that includes a notice to all properties, will be sent in October 2017. The letter would include appropriate forms to allow the property owner to advise the City whether they:

- a. wish to continue with their additional bin(s) under a user pays system and pay the Additional Bin Charge; or
- b. intend to relinquish their additional bin(s) and not be charged.

The relinquished additional bin(s) will be collected from the kerbside by the City. The letter will also advise the property owner that if no response is received, the property will be automatically charged until their bin(s) are returned.

A final reminder letter will be sent in December 2017 to those properties that have not responded.

The retrieval of bins that are not allocated to a property will also be undertaken as part of this program. Ultimately if residents do not elect to request a user pays additional bin service and continue to present their unallocated bins for collection, a process of retrieval will need to be implemented.

### ***Policy/Legal/Statutory Implications***

The introduction of a user pays non criteria based charge, requires the current policy to be revised. The revised Policy in attachment 2, now incorporates a user pays model for additional bins.

***Risk Assessment***

There has been no negative publicity from the introduction of Phase 1, a user pays system for new additional bin(s) since July 2016.

The introduction of a user pays charge to properties with a "free" additional bin may result in an adverse reaction from the 4.2% of properties that have access to this free service.

**Attachment 2**



**COUNCIL POLICY**

<b>Recycling and Waste Collection System</b>	Document No:	CPL225.1
	Approval Date:	26 April 2017
	Approved By:	Council
	Review Date:	26 April 2020
Responsible Officer: <b>Manager Environment and Waste Services</b>	Version:	04
Authorising Officer: <b>Chief Executive Officer</b>		

**1. PURPOSE**

To outline the principles and processes for the operation of Council's kerbside residential recycling and waste collection system.

**2. SCOPE**

Applies to all properties with a residence that are charged the Waste Collection Charge.

**3. REFERENCES**

Neighbourhood Amenity Local Law 2014 – Part 1 and Clauses 29 to 31 *Your Waste Collection*

**4. DEFINITIONS**

- Garbage - means all waste generated or accumulated in or on any residential premises, but excludes any substance designated by Council from time to time not to constitute Waste for the purposes of Neighbourhood Amenity Local Law 2014;
- Green Waste - means any substance which the Council designates from time to time as green waste material for the purposes of Neighbourhood Amenity Local Law 2014;
- Litterbin - means a receptacle provided by Council, or with authority of Council, in a road, a reserve or other public place, for use by the public in depositing small items of litter;
- MGB – Mobile Garbage Bin, for Waste, Recycling or Green Waste;
- Recyclables - means any substances or articles, which the Council designates from time to time to be recyclables Neighbourhood Amenity Local Law 2014;
- Residential - includes all tenements used for residential purposes in whole or in part, and any other premise designated by Council from time to time;
- Tenement - means a building or part of a building in separate occupation which is, or is capable of being, rated separately by Council.

## 5. COUNCIL POLICY

The City of Greater Geelong provides a standard recycling and waste collection system that utilises a three (3) bin kerbside service for recycling, green waste and garbage that use mobile bins provided by the City. There are options for variations to this standard service to meet specific requirements enabling a universal (whole of life) service to be provided to all residential properties.

The following are key principles of the system.

- 5.1. All residential properties (dwellings) within the Municipality be charged for a standard three mobile garbage bin (MGB) service in line with “the City’s Rating Strategy”.
- 5.2. The standard domestic recycling and waste collection system is a weekly 140 litre MGB service, a fortnightly fully commingled recycling 240-litre MGB service and a fortnightly green waste 240 litre MGB service.
- 5.3. The Recycling and Waste Collection System must utilise MGB’s supplied by the City. Reference Neighbourhood Amenity Local Law 2014 – Part 1 clause 29(1) (a).
- 5.4. The recycling, green waste and garbage collection bins are allocated to and remain with the property as part of the residential garbage, recycling and green waste collection service.
- 5.5. A 120 litre MGB in lieu of 140-litre MGB can be provided to units to meet the specific needs of some residents for their garbage, recycling and green waste services.
- 5.6. Properties with flats or units may share a 240 litre bin for garbage, recycling and green waste. Each flat or unit entitled to a minimum equivalent capacity of 120 litres for garbage, recycling and green waste service of 120 litres per flat or unit per week.
- 5.7. Upon compliance with the conditions outlined in the “Guidelines for Provision of Additional Bins for Garbage, Recycling and Green Waste” a resident may be granted an Additional Garbage, Recycling or Green Waste bin or any combination thereof provided the appropriate Annual Service Charge for additional bins is paid. Additional bins are available and the property pays a Residential Waste Charge.  
  
For new additional bin deliveries, the charge will be applied from the time of delivery and will become an Additional Waste Collection charge on their rates notice until the additional bins are returned. The Additional Bin charge is a full year charge for bins delivered before 31 December or a half yearly charge for bins delivered after 01 January for the current financial year.
- 5.8. Additional Green Waste bins will only become available when the Green Organics processing facility is constructed and operational.
- 5.9. That a review of the collection system be undertaken on an annual basis to ensure that it continues to meet the needs of residents and that feedback be provided to Manager Environment and Waste Services and General Manager City Services on the overall performance of the system.
- 5.10. The body colour of the body of all residential MGB’s shall be dark green with lids coloured burgundy for garbage, yellow for recycling and nature green for green waste.

- 5.11. All residential MGB's will be appropriately marked with;
- 5.11.1.1. The City logo, a property address label and embossed marking to reflect type of bin and serial number;
  - 5.11.1.2. having stickers to denote an additional bin; and
  - 5.11.1.3. Stickers or embossing to provide information on contamination and type of material that can be placed in the MGB.
- 5.12. The rate notices to provide separate descriptions for the Residential Waste Charge and the Additional Bin Charge.
- 5.13. A Communication and Education Strategy be used to assist in the on-going operation of the system and to include:
- a) encouragement of responsible home composting;
  - b) information on drop off points for extra recyclables and waste during seasonal peaks; and
  - c) a communication and education program to promote the recycling of green waste and the positive impact on the environment.
- 5.14. All rural properties entitled to the standard domestic recycling and waste collection system service shall be entitled to green waste service regardless of property size.
- 5.15. Criteria for the provision of a Special Needs Service be developed and maintained in accordance with the principles of Council's Disability Action Plan.
- 5.16. Opportunity be provided for other properties (e.g. schools, small commercial business premises within collection areas) to be included within fully commingled recycling and green waste collection service on a fee for service basis. This fee will be a "commercial bin collection charge" billed via accounts receivable.
- 5.17. Council reserves the right to remove Additional Recycling and Green Waste MGB's where the additional bins contain ongoing and regular contamination.

## 6. QUALITY RECORDS

**Quality Records shall be retained for at least the period shown below.**

<b>Record</b>	<b>Retention/Disposal Responsibility</b>	<b>Retention Period</b>	<b>Location</b>
Council Property Database for Residential Properties (refer Items 5.1, 5.4, 5.5 & 5.6)	Finance Manager	7 years (i.e. duration of collection contracts)	Finance Department
File database for Additional Garbage and Recycling Services (refer Item 5.7)	Finance Manager	7 years (i.e. duration of collection contracts)	Finance Department
File database for Special Needs Service (refer Item 5.15)	Manager Environment and Waste Services	7 years (i.e. duration of collection contracts)	Waste Management Department

## 7. ATTACHMENTS

- 1) Guidelines for Provision of Additional Bins for Recycling, Garbage and Green waste.

**CITY OF GREATER GEELONG  
RECYCLING AND WASTE COLLECTION SYSTEM  
GUIDELINES FOR PROVISION OF ADDITIONAL BIN SERVICES  
FOR  
GARBAGE, RECYCLING AND GREEN WASTE**

Objectives

These guidelines have been prepared to:

- Ensure that the community is encouraged to embrace waste minimisation principles and maximise the separation of waste into the appropriate collection streams of recycling, green waste and waste;
- Provide flexibility in the provision of waste, recycling and green waste bins so that the each property has services that meet the needs of the occupants at any given time over a “whole of life concept”;
- Enable the City to deliver its recycling and waste collection services in a socially just manner to members of the community who seek additional support to meet their needs for reasons which are reasonably outside their control (e.g. medical conditions);
- Provide Residential Recycling and Waste Services to residents that reflect the costs to the users of the service; and
- Apply only to residential properties that use domestic MGB’s (2 wheel) and not Multi Unit developments that use industrial 4 wheel MGB’s.

Guidelines

The following Additional Bins will be supplied to a tenement providing:

- The property owner is willing to pay the appropriate Additional Bin Charge;
- All ongoing and administrative costs service charges being paid;
- Only one additional bin for each service is allowed per property;
- The property owner or their authorised agent signs the Additional Bin Application Form;
- A resident who provides a medical certificate that states they have a medical condition that is beyond their control (e.g. diabetic with dialysis waste) requiring disposal of a waste volume that is reasonably beyond the capacity of the standard service to accommodate will be provided with an appropriate Additional Bin at no cost. The Resident must provide a Doctors certificate annually to retain the No Cost status for the Additional Bin or the Additional bin will be removed; and
- The Green Waste Additional Bin will only become available when the Green Organics processing facility is fully operational.

The Additional Bins that are available are:

- a) Garbage being an additional 140 litre garbage bin or the exchange of a 140 litre garbage bin with a 240 litre garbage bin; and
- b) Recycling being a 240 litre recycling bin
- c) Greenwaste being a 240 litre green waste bin

**Procedure for Application, Charges and Removal of Additional Bins**

- a) Provided the property owner agrees to pay:
  - o The charge being either a full year charge or a half yearly charge for the current financial year upon application;
  - o The ongoing additional charge in their rates notice; and
  - o They shall be provided with additional bins which will be collected under the City's residential kerbside collection system.
- b) Shall be accompanied by education material to assist on correct recycling and effectively using the space in MGB's;
- c) The costs shall be reviewed annually as part of the annual budget process. The cost is to be generally a cost recovery rate but can also include a market signal in pricing. Costs for the additional bin service will include all additional administrative, management, delivery, retrieval and field inspection costs;
- d) If an additional bin is no longer required, an application to remove the bin(s) must be made in writing by the property owner or their authorised agent. No refund of the Additional Bin Service Charge will be made. The removal of an additional bin may incur a removal and administrative cost.
- e) Removal of the additional bins will occur as soon as circumstances warrant following the request from the property owner or their authorised agent or the Additional Bin charges not being paid.

**Phase 2 – Non Paying Additional Bins Conversion to a User Pays System**

- a) The end of the transition period for properties with non paying additional bins service is 31 December 2017. This period is to allow property owners and residents a transition period before they must pay the Additional Bin Charge or return the bin(s).
- b) A property that has an existing non paying Additional Bin may retain their additional bins at no cost until 31 December 2017; and
- c) If the existing non paying additional bins are not returned then the Additional Bin Charge will apply to the property where the bins are registered to from 01-January-2018.
- d) Where a property presents an unregistered additional bin(s) the property owner will be offered the option of paying the Additional Bin Charge or surrendering the bins. If the property owner does not wish to pay the Additional Bin Charge the Additional Bins are able to be reclaimed under the Neighbourhood Amenity Local Law 2014 Cl 29 (1) (t)
- e) Any appeal of decisions relating to provision of the Additional Bin Services shall be made to the Waste Services Unit and be subject to review by the Manager Environment and Waste Services and if requested the responsible Director.

## **6. SALE OF LAND – 11 GERBERA AVENUE, NORLANE**

**Source:** Finance & Strategy – Property & Procurement  
**Director:** Joanne Moloney  
**Index Reference:** Property Land Sale

### **Purpose**

To provide Council with recommendation to sell the land and former pre-school located at 11 Gerbera Avenue, Norlane.

### **Background**

The opening of Norlane Children and Family Centre in 2014 led to the consolidation of a range of community services to one centre. These services included maternal and child health, pre-school, playgroup, occasional care, family support, parenting programs and counseling services.

### **Key Issues**

- The former pre-school building sits on an irregularly shaped allotment of approximate area 2,600m<sup>2</sup>.
- Since the opening of the new centre the former pre school at 11 Gerbera Avenue has been unused. Advice sought has indicated that there is no requirement to retain the property for Council use.
- Council provides and supports a range of community services in the surrounding area including The Fort (youth services), Norlane Children and Family Centre (pre-school, playgroup, occasional care, family support, parenting and counselling services) and Norlane Community Centre (providing community programs, services and activities). Additionally, services provided by the Uniting and Catholic Churches are also located nearby.
- The proposed sale is required to be advertised under s189 of the *Local Government Act 1989*.

**L Gardner moved, P Dorling seconded -**

**That Council:**

- 1) **commence procedures to sell the land at 11 Gerbera Avenue, Norlane (the “Land”) on the following terms:**
  - a) **the price being not less than the Council’s valuation;**
  - b) **other appropriate terms and conditions;**
- 2) **commence procedures under section 189 of the Local Government Act 1989 (“the Act”) giving public notice of the proposed sale in the Geelong Advertiser and Geelong Independent;**
- 3) **consider any submissions received under section 223 of the Act by appointing a Submissions Hearing Panel to hear and report to the Council;**
- 4) **authorise the Director – Finance & Strategy to execute contracts of sale in the event that no submissions are received.**

**Carried.**

## **Attachment 1**

### ***Discussion***

In 2015 Council sold the former maternal and child health center located at 32 Plume Street (directly opposite the pre school - 11 Gerbera Avenue refer to attachment 2) due to no longer being used or required.

The land is zoned General Residential Zone 1 and has an area of approximately 2,600m<sup>2</sup>. The land was subdivided in 1973 and has an irregular shape, the reason for which is unknown.

### ***Financial Implications***

Proceeds from the sale of the land, will be non recurrent income for which provision is made in the draft 2017/18 budget. As property assets are disposed of the written down value is adjusted on the asset register.

### ***Stakeholder Consultation and Communication***

The relevant internal departments have been consulted in the preparation of this report. Public submissions on the proposed sale will be invited as described below.

### ***Policy/Legal/Statutory Implications***

Section 189 of the Act requires that Council obtain a certified valuation dated not more than six months prior to the sale of land being the date of the contract of sale. The price for the land will be not less than Council's valuation.

Under the same section of the Act, Council is required to give public notice of its intention to sell the land and consider any submissions received. If any submissions are received they will be heard by the Submissions Review Panel followed by a report to Council. If no submissions are received the land will be sold.

An agent will be appointed to sell the property and the method of sale will be determined in discussion with the agent.

### ***Alignment to City Plan***

The recommendation supports the action priority relating to Responsible and Sustainable Financial Management where the sale of assets no longer required will support the identified progress indicators.

### ***Conflict of Interest***

No officers or contractors involved in the preparation of this report have a direct or indirect interest in the matters to which this report relates.

**Attachment 2**

**Aerial View - 11 Gerbera Avenue, Norlane**



## **7. APPOINTMENT OF AN INDEPENDENT MEMBER TO THE AUDIT AND RISK COMMITTEE**

**Source:** Legal Services and Governance  
**CEO:** Kelvin Spiller  
**Index Reference:** Corporate Internal Auditor

### **Purpose**

To appoint Mr John Watson as an independent member of Council's Audit and Risk Committee for the period 2017-2020.

### **Background**

- The Audit and Risk Committee (ARC) is an advisory committee to Council, providing advice on a range of financial, governance, risk management, audit and compliance matters.
- The ARC is governed by the City of Greater Geelong Audit and Risk Committee Charter (Charter) which was reviewed and approved by Council in December 2016. The Charter states, amongst other things, that:
  - members of the ARC are appointed by Council;
  - the committee is comprised of four voting members, being three independent members and one Councillor;
  - independent members will have appropriate broad-based senior business or financial management and reporting skills and experience;
  - the term of appointment of independent members will be for a period of three years.

### **Key Issues**

- In December 2016, an independent member of the ARC resigned, which created a vacancy in the ARC's membership that needed to be filled.
- An advertisement for an independent member of the ARC was published in January 2017 in The Age, The Geelong Advertiser and online on seek.com.au.
- Fifty applications were received in response to a public advertisement during January 2017. Five applicants were selected for interview. First-round interviews were conducted in February 2017. Three applicants were then selected to participate in a final interview with Laurinda Gardiner, Administrator and Rebecca Leonard, Senior Manager Legal Services and Governance.
- Mr John Watson has been selected as the preferred candidate for appointment as an independent member of the ARC. Mr Watson satisfies the criteria for appointment to the ARC pursuant to the Charter. It is recommended to Council that Mr Watson be appointed to the ARC for a period of three years commencing 1 May 2017.

**L Gardner moved, P Dorling seconded -**

**That Council:**

- 1) appoint Mr John Watson to the Council's Audit and Risk Committee for a period of three years commencing on 1 May 2017 meeting;**
- 2) thank all applicants for expressing their interest in becoming an independent member of the Council's Audit and Risk Committee.**

**Carried.**

## **8. ZERO CARBON EMISSIONS STRATEGY**

**Source:** City Services - Environment and Waste Services  
**Director:** William Tieppo  
**Index Reference:** Greenhouse Mitigation

### **Purpose**

To seek Council endorsement of the Zero Carbon Emissions Strategy.

### **Background**

The development of the Zero Carbon Emissions Strategy is a key action of the City's Environment Management Strategy under the strategic direction of "Leadership, Greenhouse and Energy".

In September 2016, Council endorsed the Draft Zero Carbon Emissions Strategy, (previously named Greenhouse Reduction Strategy) which included an emission reduction target of 50% by 2020 based on 14/15 emissions.

### **Key Issues**

- The Strategy represents an update of Council's Greenhouse Response 2008-2011 and incorporates work from the Low Carbon Growth Plan for Greater Geelong.
- In late 2016 the Draft Strategy was placed on public exhibition for a four week period, in which the outcomes have been detailed in the final document. (Refer Attachment 2).
- The Strategy incorporates targets to achieve the following emissions reduction from Council's buildings and vehicle fleet from 2014-15 levels:
  - 50% by 2020
  - 75% by 2035
  - 100% by 2050
- Key action areas that support the targets include; energy efficiency (electricity and gas) in buildings, renewable energy (small and large scale) and carbon offset purchasing.

**P Dorling moved, L Gardner seconded -**

**That Council endorse the Zero Carbon Emissions Strategy.**

**Carried.**

## **Attachment 1**

### ***Discussion***

The City is committed to working towards the ten One Planet Living principles. Under the One Planet Living framework, this Strategy is closely aligned with the One Planet Living principle: Zero Carbon.

The development of the Zero Carbon Emissions Strategy incorporates outcomes from consultation activities undertaken and background documents produced. These include;

- A Background and Literature Review analysed current climate change policies from a federal, state and local government perspective.
- An energy audit and solar analysis of Council's top ten energy consuming buildings provides a costed, energy efficiency priority action list and solar analysis for each site.
- An Emissions Abatement Business Case was prepared to provide a range of abatement scenarios and cost impacts for Council consideration when making a decision as to which option to adopt in the Strategy.

### ***Financial Implications***

The Zero Carbon Emissions Strategy will be supported through the recent carbon tax refund. The refund is administered through the Waste Industry Protocol and requires all signatories to invest in abatement projects or purchase carbon offsets. The energy efficiency and renewable energy actions listed in the strategy's fulfil the requirements.

Current approved budget:

Income: the carbon tax refund is providing \$1,291,714:

Future budget proposal:

An \$80,000 budget proposal will be considered and prioritised as part of the 2017/18 budget process.

### ***Stakeholder Consultation and Communication***

Input for the Zero Carbon Emissions Strategy incorporates outcomes from the following consultation activities:

- Three workshops were conducted with the Project Steering Group and Project Advisory Group.
- Interviews with key stakeholders including; Geelong Sustainability, Geelong Chamber of Commerce and key internal Council stakeholders.
- Community survey: 325 completed surveys received. The purpose of the survey was to gain the community's views on what action the City should take to minimise greenhouse gas emissions in the municipality.
- Council staff survey: 60 completed surveys received. The survey was undertaken to canvass staff views on how their work is connected to environmental issues, and what information and support is needed by staff to contribute to Council's overall emissions reduction efforts.
- Background document information has been incorporated into the Draft Strategy. Project Steering Group and Project Advisory Group members provided comments on the Draft Strategy.

- The draft Strategy was placed on public exhibition for a four week period in October to November 2016. Four submissions were received, a summary of responses is listed as an appendix to this report.

#### ***Alignment to City Plan***

The Zero Carbon Emissions Strategy aligns closely with City Plan strategic direction; Sustainable Built and Natural Environment. An objective within this is to partner with our community to encourage sustainable design and reduce resource consumption. The Zero Carbon Emissions Strategy is listed as a key strategy for delivering Sustainable Built and Natural Environment priorities.

#### ***Environmental Implications***

Carbon emissions are a major factor in driving global climate change. The Zero Carbon Emissions Strategy will assist in reducing the City's and community generated greenhouse emissions. The implementation of the Strategy will also reduce air pollution resulting from use of fossil fuels.

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CITY OF GREATER GEELONG

# ZERO CARBON EMISSIONS STRATEGY

2017-2020

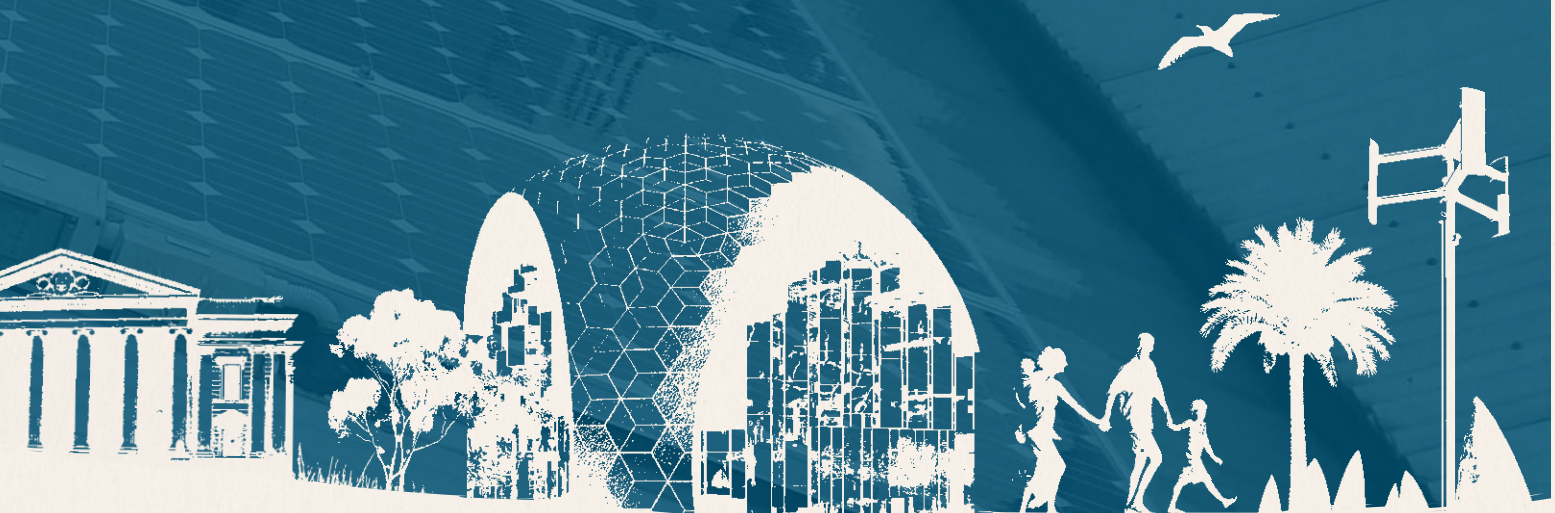


Council acknowledges Wadawurrung Traditional Owners of this land and all Aboriginal and Torres Strait Islander People who are part of the Greater Geelong community today.



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# MESSAGE FROM THE CHAIR ADMINISTRATOR



## The City of Greater Geelong is committed to achieving zero carbon emissions for council operations.

This will ensure our environment remains clean and is sustainable for future generations. The Zero Carbon Emissions Strategy will guide us in this endeavor.

This Strategy will also help us to reduce Council energy costs, increase investment in renewable energy and, in partnership with the Geelong community, achieve a reduction in the whole city's greenhouse emissions.

As well as achieving One Planet Living certification and working towards zero carbon for our own operations, we look forward to continuing great partnerships with our community. We encourage others to join the City by adopting the principles for homes, business, organisations or community groups.

**Dr Kathy Alexander**  
City of Greater Geelong



# EXECUTIVE SUMMARY

Geelong Library & Heritage Centre achieved a 5-Star Green Star building design rating



The City of Greater Geelong has demonstrated leadership in responding to climate change in the local government sector by implementing a two-fold approach to climate change. This has involved reducing greenhouse emissions and addressing climate risks.

The City of Greater Geelong was one of the first local governments in Australia to adopt a Climate Change Adaptation Strategy and continues to implement best practice programs in this field.

The Zero Carbon Emissions Strategy builds on the climate change work completed by Council since the Greenhouse Response 2008-2011 and the Low Carbon Growth Plan 2011 (updated 2015). The establishment of new emissions reduction targets for Council will drive renewable energy and emissions reduction programs. The Strategy will also be a framework for zero emission programs and partnerships with the Geelong community.

The Strategy will be reviewed and updated to reflect changes in the region on a bi-annual basis as Council tracks towards the adopted emissions reduction target.

## Vision

We will reduce Council's emissions and support others to adopt and achieve a One Planet Living zero emissions goal.

## Principles

- Demonstrate leadership reducing Council emissions
- Prioritise actions that have a strong economic and emissions reduction benefit
- Build on local and regional community emissions reduction partnerships to address business and residential sectors emissions
- Support economic and jobs growth in the Greater Geelong region

## Objectives

- To reduce Council's corporate emissions
- Support community sector greenhouse emissions reductions

A target provides a goal for Council and a means of tracking the success of the Strategy during its implementation. The Strategy provides the following target for council:

### Target:

Achieve the following emissions reduction from Council's buildings and vehicle fleet from 2014-15 levels:

**50% by 2020**

**75% by 2035**

**100% by 2050**

The City of Greater Geelong will be a Zero Carbon Council.

# INTRODUCTION



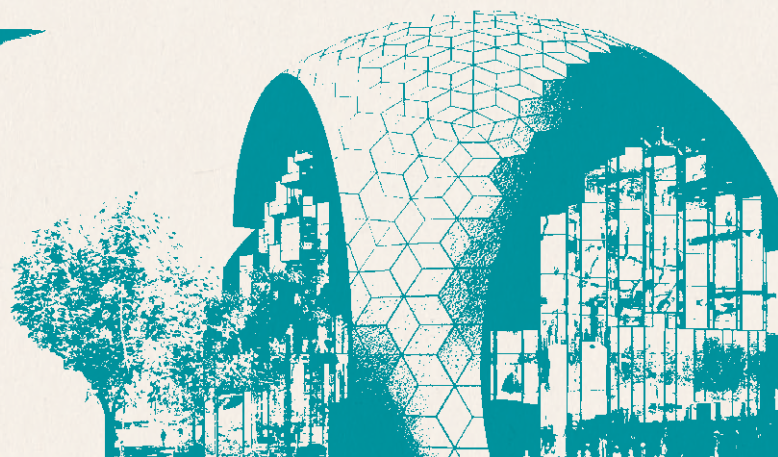
## The City of Greater Geelong (the Council) recognises the need to show leadership in reducing carbon emissions in the region.

This leadership will build on partnerships between Council, community groups and businesses to reduce greenhouse emissions. The Strategy will provide a pathway and foster greater support to reduce greenhouse emissions by the Greater Geelong community and Council.

The Strategy has been developed through significant consultation. This included the formation of a Project Reference Group with key Council and community stakeholders. The consultation included workshops, surveys and information sessions. Other work undertaken during this phase included a Background and Literature Review, financial modelling to underpin emissions reduction targets and the Action Plan.

The actions proposed in this Strategy build on the work completed through the Council Greenhouse Response 2008-2011 and the Low Carbon Growth Plan for Greater Geelong. The actions combine strong economic and emissions reduction outcomes.

The Strategy supports Council's Environment Management Strategy 2014-2017 and is a tool for prioritising emissions reduction actions between now and 2018. After this time, the Strategy will be reviewed and updated.



# BACKGROUND AND CONTEXT

Council has identified climate change, population growth, liveability and the local economic model as key drivers affecting the City's future. Particularly relevant to this Zero Carbon Emissions Strategy is action on climate change and the rapid change to industry affecting the local economy.

## City of Greater Geelong Demographics (15/16)

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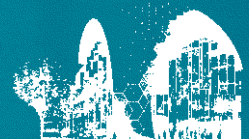
235,000

ESTIMATED RESIDENTIAL POPULATION. THIS IS FORECAST TO GROW TO 320,800 BY 2036



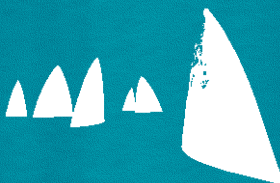
760

COUNCIL BUILDING ASSET PORTFOLIO



1,247

KILOMETRES<sup>2</sup> AREA



\$5.5M

COUNCIL ANNUAL ENERGY COSTS



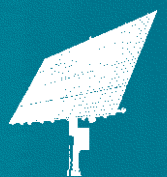
1.6%

ANNUAL POPULATION GROWTH, OR 3,860 PERSONS PER ANNUM



178,000

KILOWATT HOUR OF ENERGY GENERATED BY COUNCIL FROM RENEWABLES OR 1.3% OF TOTAL ELECTRICITY USED IN BUILDINGS



2.4

PERSONS - AVERAGE HOUSEHOLD SIZE



## Climate Change

The City of Greater Geelong accepts the Intergovernmental Panel on Climate Change (IPCC) consensus that human induced climate change is real and the associated impacts will have an affect in the region, impacts include:

- a higher risk of bushfires during summer
- more hot days and heat waves
- fewer frosts
- lower average rainfall coupled with an increased intensity of storms
- higher sea levels, leading to a greater likelihood of coastal inundation and erosion across the region

These impacts present challenges for community wellbeing, health and safety, and could produce a significant economic burden of infrastructure repair, insurance and environmental rehabilitation costs.

## Federal policy context

Significant changes in state and federal climate change policy have occurred since the Greenhouse Response 2008–2011 was developed.

The current federal government has repealed the carbon pricing legislation and replaced it with a Direct Action Policy. The Direct Action Policy provides funding for those who can reduce emissions for the lowest cost, and is intended as the key tool to be used to meet Australia's greenhouse emissions reduction targets.

The Renewable Energy Target (RET) sets a requirement for 20 per cent of Australia's energy consumption (33,000 gigawatt hours) to be sourced from renewable energy generation by 2020.

In November 2016, the Australian Government ratified the Paris Agreement. The Agreement has been ratified by over one hundred countries and aims to limit average temperature increase to below 2°C and pursue efforts to keep warming below 1.5°C above pre-industrial levels. Ratification of the agreement supports Australia's national greenhouse gas emissions reduction target to reduce greenhouse gas emissions to 26 to 28 per cent below 2005 levels by 2030.

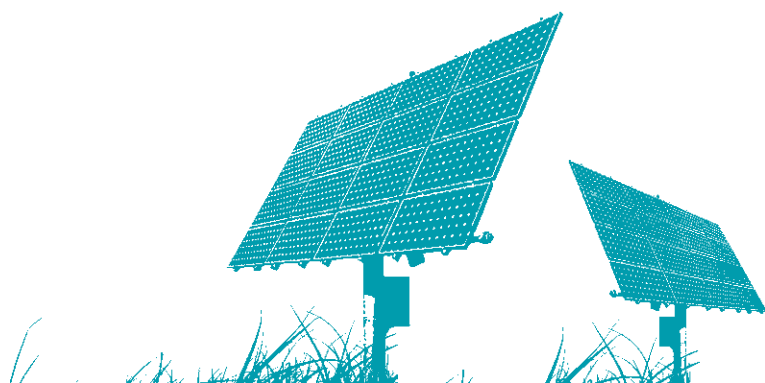
## State policy context

The Victorian Climate Change Act 2010 came into effect in 2011. During 2015/2016, the Victorian state government commenced the development of a Climate Change Action Package, including:

- a review of the Victorian Climate Change Act
- the development of a Victorian Climate Change Action Plan
- the development of a Victorian Renewable Energy Roadmap, and
- Victoria's Energy Efficiency and Productivity Statement June 2015.

In January 2017, the Victorian state government announced its commitment to reducing greenhouse gas emissions by releasing Victoria's Climate Change Framework. This framework sets out a long-term plan for achieving net zero emissions by 2050. Key elements of the framework include:

- legislation of a long-term target for Victoria of net zero greenhouse gas emissions by 2050
- setting a renewable energy target for Victoria for 25 per cent of electricity generated in the state to come from renewable energy by 2020 and 40 per cent by 2025
- launching the Take2 pledge program that the City of Greater Geelong has signed up to as a founding partner. Take2 is Victoria's collective climate change initiative to reach net zero emissions by 2050 and to keep global temperature rise to under 2 degrees
- the Victorian Energy Efficiency Target (VEET) scheme encourages energy efficiency improvements by businesses and industry. The scheme was strengthened in 2015 and set updated targets and long-term aspirations for the scheme.



## Local context

The City of Greater Geelong is a member of regional bodies seeking a sustainable future for the region, including Geelong Region Alliance (G21) and the Western Alliance for Greenhouse Action (WAGA). G21 is a formal alliance of government, business and community organisations working together to improve the lives of people within the Geelong region across five municipalities – Colac Otway, Golden Plains, City of Greater Geelong, Queenscliffe and Surf Coast. G21 has eight pillar groups representing the region’s key priorities, which include Environment, Planning & Services and Transport.

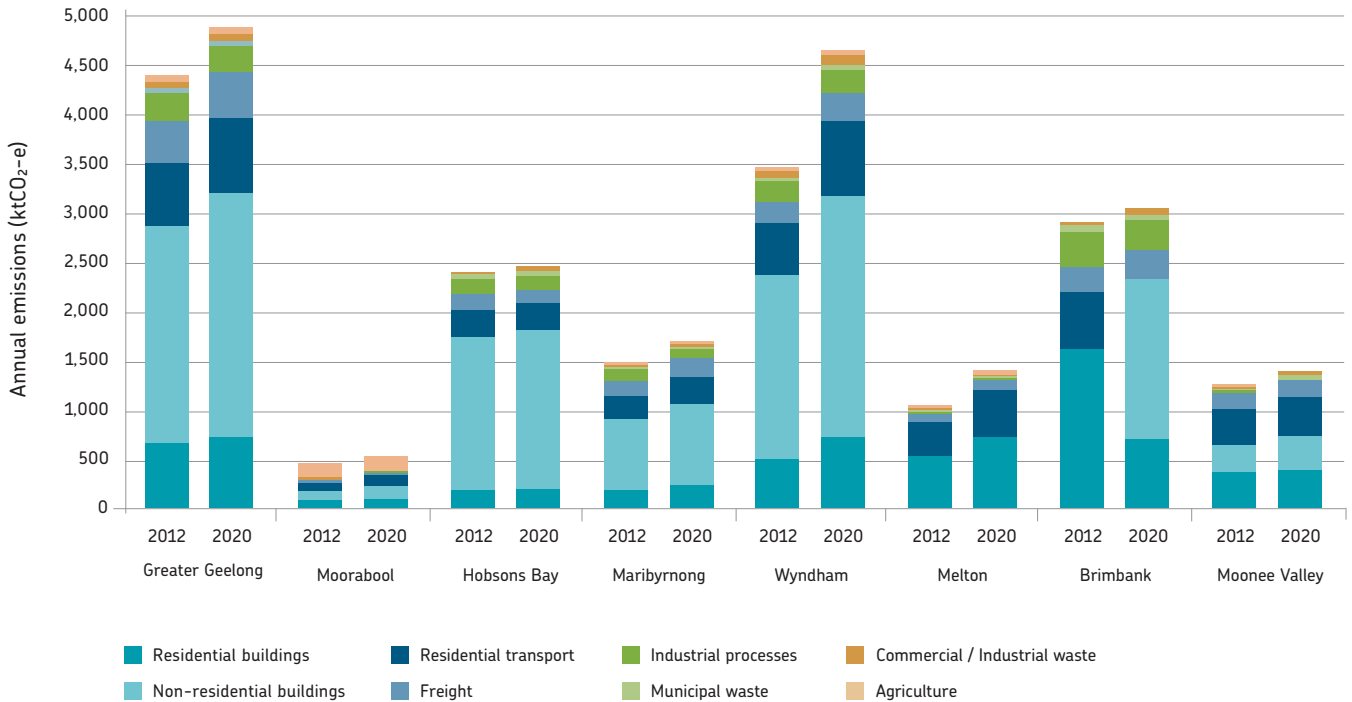
Projects currently being delivered through the G21 Environment pillar include the Climate Resilient Communities of the Barwon South West (CRCBSW) and a feasibility study of a large scale solar plant. The CRCBSW is a collaboration between ten municipalities to understand and respond to risks and opportunities presented by future climatic changes and extreme weather events. The large scale solar feasibility study is a partnership project between the City of Greater Geelong and Barwon Water that will assess the feasibility of a solar plant (up to 3MW) at the former Corio Landfill.

The Western Alliance for Greenhouse Action (WAGA) is a local government partnership that brings together interested councils committed to collaboratively responding to climate change in Melbourne’s western region. WAGA’s membership includes: Greater Geelong, Brimbank City Council, Hobsons Bay City Council, Maribyrnong City Council, Melton City Council, Moonee Valley City Council, Wyndham City Council and Moorabool Shire Council.

Low Carbon West is a strategy endorsed by WAGA Councils and is a blueprint for transitioning to a low carbon economy. Low Carbon West provides an opportunity for industry in Geelong to become more efficient and generate significant economic savings. A low carbon economy also has the potential to attract new investment and new industries, and create new skills and jobs. Figure 1 shows Geelong was the highest contributor to emissions in the WAGA region in 2012 and is projected to grow by 2020.



Figure 1: Emissions for the WAGA region broken down by member council and sector in 2012 and projected to 2020 (Source: Low Carbon West)



The decline in traditional sectors such as automotive manufacturing is changing the availability of economic opportunities for businesses and individuals. Diversification of the economy and skills development will support the continued growth of local job opportunities. Council is committed to showing leadership in supporting the community to make this transition, with support to Clean Technology industries. Clean Technologies are defined as economically viable products, services and processes that harness renewable materials and energy sources, dramatically reduce the use of natural resources and cut or eliminate emissions and wastes.

Future Proofing Geelong (FPG) is a group of partners that collaborate on sustainability across industry, business, education, government and community. FPG launched the Low Carbon Growth Plan (LCGP) for Greater Geelong in 2011. The LCGP identifies a range of opportunities that can be implemented now within Greater Geelong to transition to a low carbon economy for the whole community.

Most recently the City has been developing a 30-year vision as part of the Our Future project. Sustainability and resilience within a changing climate context are key themes that are shaping this vision.



## Development of the Zero Carbon Emissions Strategy

During 2014/15, Council gathered feedback on emissions reduction opportunities through:

- surveys of the community and council staff
- workshops and one-on-one interviews with community and business stakeholders.

The aim of the consultation was to inform the objectives, principles and targets for the Strategy. The consultation also provided an opportunity to identify potential emissions reduction actions that align with the needs of the Greater Geelong region.

The community survey received 325 responses, with key outcomes including:

- Over 80% of community respondents agree that minimising climate change impacts in the Geelong region is very important
- A majority of survey respondents agree that energy efficiency and renewable energy are the highest priority action CoGG could implement to reduce emissions. This was closely followed by energy efficiency actions and leadership being demonstrated by Council.

The staff survey received 59 responses, with key outcomes including:

- Staff prioritised renewable energy and energy efficiency actions as the most important areas Council should focus on to reduce greenhouse gas emissions within its own operations
- Staff prioritised renewable energy and waste reduction actions as the most important areas Council should focus on to reduce community greenhouse gas emissions.

In 2016 Council was presented with seven emissions reduction target options ranging from a minimum 8% target through to a 100% target. Each option incorporated projected financial implications and a mix of actions required to achieve the target. In September 2016, Council endorsed a 50% emissions reduction option.

## Strategic Framework

The Zero Carbon Emissions Strategy is underpinned by strategic directions set out in Council’s City Plan and Environment Management Strategy 2014-2017. It is also supported by abatement opportunities identified in the Low Carbon Growth Plan for Greater Geelong. The Environment Management Strategy 2014-2017 supports the Zero Carbon Emissions Strategy through the strategic priority: Council Leadership – Greenhouse and Energy and the One Planet Living Principle: Zero Carbon.

Figure 2: City of Greater Geelong – Strategic Framework





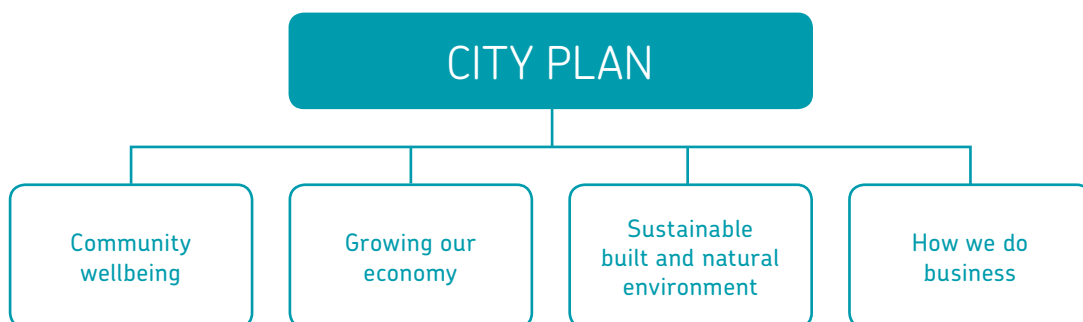
## City Plan 2013-2017

The City Plan 2013-2017 is the key document that guides Council activities. It has four strategic directions:

1. Community wellbeing
2. Growing our economy
3. Sustainable built and natural environment
4. How we do business



Figure 3: City Plan – Strategic Directions



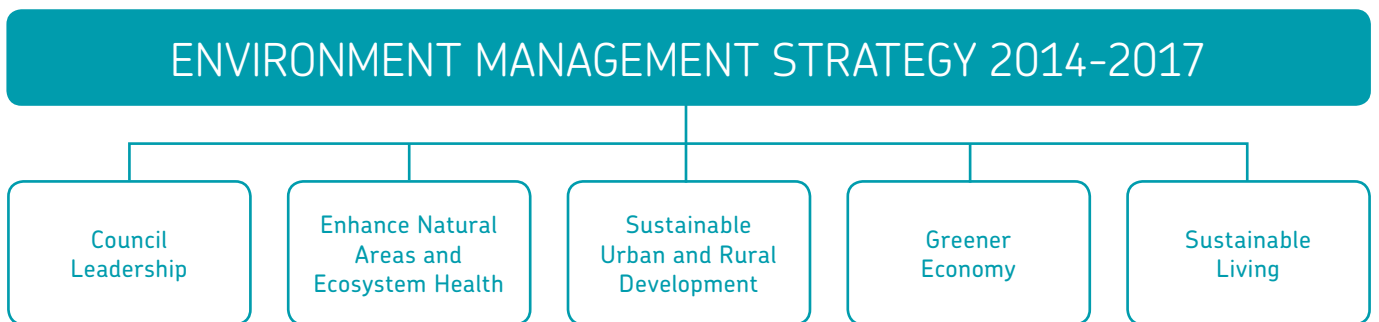
## Environment Management Strategy 2014-2017

The Environment Management Strategy 2014-2017 (EMS) is guided by the ten principles of the One Planet Living framework. The development and implementation of the Zero Carbon Emissions Strategy is a key action of the EMS.

The EMS identifies five strategic priorities:

1. Council Leadership
2. Enhance Natural Areas and Ecosystem Health
3. Sustainable Urban and Rural Development
4. Greener Economy
5. Sustainable Living

Figure 4: Environment Management Strategy – Strategic Priorities

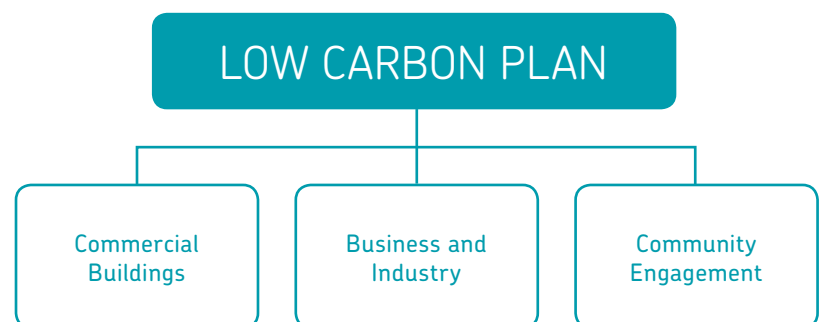


## Low Carbon Growth Plan for Greater Geelong

In 2015 the Low Carbon Growth Plan was updated, three primary areas of focus were identified:

1. Commercial Buildings
2. Business and Industry
3. Community Engagement

Figure 5: Low Carbon Growth Plan for Greater Geelong: Focus Areas





## One Planet Living

The City of Greater Geelong is a certified One Planet Living Council. One Planet Living is an internationally recognised framework to guide Council’s corporate and community environment and sustainability objectives.

The aim of One Planet Living is to help people, projects and organisations work within the limits of our planet’s natural resources.

One Planet Living uses ten principles as its framework:



Table 1: One Planet Living Ten Principles

	<p><b>Health and happiness</b></p> <p>Encouraging active, sociable, meaningful lives to promote good health and well being</p>		<p><b>Local and sustainable food</b></p> <p>Supporting sustainable and humane farming, promoting access to healthy, low impact, local, seasonal and organic diets and reducing food waste</p>
	<p><b>Equality and local economy</b></p> <p>Creating bioregional economies that support equity and diverse local employment and international fair trade</p>		<p><b>Sustainable materials</b></p> <p>Using sustainable and healthy products, such as those with low embodied energy, sourced locally, made from renewable or waste resources</p>
	<p><b>Culture and community</b></p> <p>Respecting and reviving local identity, wisdom and culture, encouraging the involvement of people in shaping their community and creating a new culture of sustainability</p>		<p><b>Sustainable transport</b></p> <p>Reducing the need to travel, and encouraging low and zero carbon modes of transport to reduce emissions</p>
	<p><b>Land use and wildlife</b></p> <p>Protecting and restoring biodiversity and creating new natural habitats through good land use and integration into the built environment</p>		<p><b>Zero waste</b></p> <p>Reducing waste, reusing where possible, and ultimately sending zero waste to landfill</p>
	<p><b>Sustainable water</b></p> <p>Using water efficiently in buildings, farming and manufacturing. Designing to avoid local issues such as flooding, drought and water course pollution</p>		<p><b>Zero carbon</b></p> <p>Making buildings energy efficient and delivering all energy with renewable technologies</p>

# MEASURING EMISSIONS

## Council emissions profile

Council's emissions profile for the 2015 financial year is shown in Figure 4. Total emissions reported for the year were 23,135 tonnes of carbon dioxide equivalents (tCO<sub>2</sub>-e). Under a business as usual scenario, this is projected to increase to 24,509 tCO<sub>2</sub>-e by 2035, representing an increase of approximately 6%.

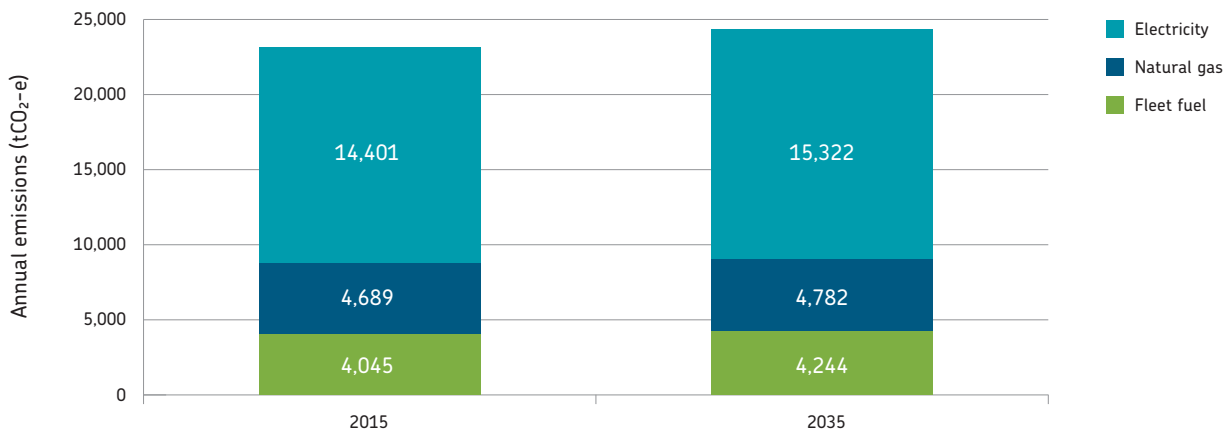
Council's emissions profile is based on reporting requirements of the National Greenhouse and Energy Reporting (NGER) framework.

Under this framework, Council's main sources of emissions are:

- electricity and gas consumed in Council-owned and operated buildings: 19,090 tCO<sub>2</sub>-e
- fuel consumption by vehicles within Council's fleet: 4,045 tCO<sub>2</sub>-e.

*Note: waste and leased street lighting greenhouse emissions are considered community emissions and are captured in the community emissions profile.*

Figure 6: City of Greater Geelong Council emissions profile in 2015 and projected to 2035



## Community emissions profile

Community emissions come from different sources that include non-residential buildings, residential buildings, transport, industrial and agricultural activities, and landfill waste.

The emissions profile was developed using data from various sources including the Australian Bureau of Statistics Census data, the Victorian Integrated Transport Model, electricity and gas data from utilities providers, the Australian National Greenhouse Accounts and Sustainability Victoria.

The emissions projections for 2035 were based on forecasted changes in population and employment, which are both projected to increase over the next 20 years.

Under a business as usual scenario, emissions are projected to increase by 31% between 2015 and 2035 to 5,800 kilo-tonnes of carbon dioxide equivalents (ktCO<sub>2</sub>e). Emissions are projected to increase within each category except for industrial processes and agriculture.

Figure 7: Greater Geelong community emissions profile in 2015 and projected to 2035

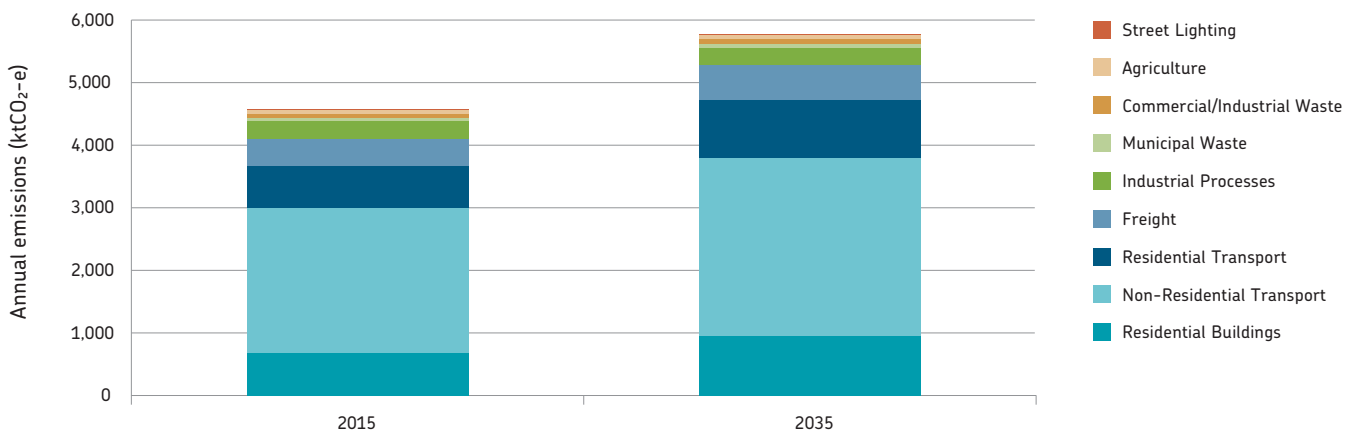


Table 2: Summary of community emissions (2015 and 2035)

Emissions source	2015 emissions (ktCO <sub>2</sub> e)		2035 emissions (ktCO <sub>2</sub> e)	
Non-Residential Buildings	2,306	50.5%	2,851	49.5%
Residential Buildings	678	14.8%	944	16.4%
Residential Transport	674	14.7%	918	16%
Freight	439	9.6%	561	9.7%
Industrial Processes	285	6.2%	272	4.7%
Commercial/Industrial Waste	59	1.2%	76	1.3%
Municipal Waste	52	1.1%	73	1.3%
Agriculture	67	1.4%	56	1%
Street Lighting	14	0.3%	19	0.3%
less Offsets (community purchased GreenPower)	-15	-0.3%	-15	-0.2%
	<b>4,559</b>		<b>5,755</b>	

# PROGRESS WITHIN THE CITY

Council's actions in reducing emissions have been guided by the Greenhouse Response 2008-2011.

A summary of actions implemented from the Greenhouse Response include:

## Council Actions

### Buildings

- Energy efficiency upgrades at key sites – upgrades to lighting systems and heating and cooling systems have been a major focus
- Renewable energy systems totalling 160kW have been installed on Council buildings. The new Boorai Centre in Ocean Grove includes an 80kW solar system
- Council adopted a Sustainable Buildings Policy in 2012: the design and construction of the new 5 star Green Star rated Geelong Library & Heritage Centre was guided by the policy.

### Street Lighting

- Installation of an integrated smart lighting system in Ocean Grove connecting LED public lighting to WiFi and smart phone applications
- Energy efficient T5 street lighting trial in Clifton Springs.
- LED lighting upgrades have been undertaken in car parks, reserves, pathways and shopping villages across the City.

### Fleet

- Introduction of heavy and light hybrid vehicles to the fleet.



Boorai Centre Ocean Grove: 80kW solar system

## Community Actions

- Certification of One Planet Living Geelong – a sustainability framework for Council and community sustainability initiatives including greenhouse emissions
- ecoCHALLENGE@home is a City of Greater Geelong program to assist residents reduce their energy and water bills through a series of annual community information sessions. 111,085 Watts of solar PV has been installed as part of the program
- Sustainable House Day – Council supports Geelong Sustainability who coordinate the event
- The Greenway Project – starting in 2014, Council committed to planting over 60,000 trees and 20,000 shrubs and grasses by 2018. Nearly 60,000 trees have been planted and are naturally absorbing carbon from the atmosphere
- The Low Carbon Growth Plan for Greater Geelong (updated in 2015). The Plan focuses on the Greater Geelong community including residential sector, commercial and industrial businesses. The Plan presents a range of carbon emissions reduction opportunities, many achievable with a positive return on investment. The buildings sector including residential solar represented the greatest potential to reduce annual emissions
- CleanTech Innovations Geelong aims to establish Geelong as a Centre of Excellence for Clean Technology by attracting investment, creating jobs and building skills in the Geelong region
- Future Proofing Geelong – a partnership program that has assisted industry and business to access project funding. Projects and initiatives delivered as part of the program include: Smarter Homes Smarter Living Program; Armstrong Creek Sustainable House; CitySwitch program; Geelong Sustainable Living Festival; and Geelong Better Blocks
- The Heatwaves and Sustainability Project – a partnership between the City of Greater Geelong, the Surf Coast Shire and Kildonan Uniting Care. The program has an aim to assist vulnerable community members to reduce living costs and the impacts of heatwaves. The program has delivered staff training to Community Care Workers, community education sessions and free in-home visits.

# VISION, PRINCIPLES AND OBJECTIVES

## Vision

We will reduce Council's emissions and support others to adopt and achieve a One Planet Living zero emissions goal

## Principles

- Demonstrate leadership in Council emissions reductions
- Prioritise actions that have a strong economic and emissions reduction benefit
- Build on local and regional community emissions reduction partnerships to address business and residential sectors emissions
- Support economic and jobs growth in the Greater Geelong region

## Objectives

- To achieve Council's adopted target: 50% emissions reduction based on 2014/15 levels by 2020
- Support community sector emissions reductions

## Responsibility

Where Council has a full role or direct responsibility for an aspect of emissions reduction, Council will choose to either:

- Provide leadership in its own emission reduction activities; and/or
- Provide services to support the community and businesses to reduce their emissions

While Council is not directly responsible for community emissions, it recognises that it can play a key role in enabling positive change in the community. This can come about through engagement and education programs, incentive programs and local planning controls.



# COUNCIL TARGETS

Under the One Planet Living framework, the City of Greater Geelong is working within the One Planet Living principle: **Zero Carbon**. The aim of this principle is to make buildings energy efficient, supply energy through renewable energy generation and improve efficiency of Council’s vehicle fleet.

Support for a council emissions reduction target has been strengthened with the Victorian state government announcing it will:

- legislate a long-term target for Victoria of net zero greenhouse gas emissions by 2050
- set a renewable energy target for Victoria of 25 per cent of electricity generated in the state to come from renewable energy by 2020 and 40 per cent by 2025.

## Baseline

The baseline to be used to set the emissions reduction target against is the 2014/2015 baseline: **23,135 TC02-e**

Table 4: Council emissions reduction target baseline

Sector	TC02-e	%
Buildings – electricity	14,401	62%
Buildings – gas	4,689	20%
Fleet	4,045	18%
	<b>23,135</b>	<b>100%</b>

## Action Mix

The mix of actions listed below support the Zero Carbon principle and will help the City meet its emissions reduction target:

- **Energy efficiency upgrades:** heating and cooling (HVAC) systems and lighting systems
- **Renewable energy installations:** roof-top solar and large scale solar
- **Carbon offsets:** independently certified and locally sourced where possible

## Net Present Value

Net Present Value (NPV) represents the cumulative total value of the initiatives for the 20-year period (2015 to 2035) by considering initial capital and expected cash inflows and outflows. It is expressed in real terms based on the dollar value of a chosen base year, in this case 2015.

A positive NPV shows that the investment results in a long-term saving, while a negative NPV represents a long-term loss (for example, offset).

However, it should be noted that NPV does not factor in indirect benefits of renewables such as reduction in peak demand, extended life of equipment and as such should be used as an indicative financial measure only.

## Emissions Reduction Target – Council Operations

Council will take actions to achieve the following targets:

**50% emissions reduction by 2020 based on 2014/15 emissions**

**75% emissions reduction by 2035 based on 2014/15 emissions**

**100% emissions reduction by 2050 based on 2014/15 emissions**

The City of Greater Geelong will be a Zero Carbon Council.



Table 5: Council Greenhouse Emissions 50% Reduction Target

Description of Actions	TCO2-e saved annually	Financial Investment	NPV (2035)
5% emissions reduction through energy efficiency and conservation	1,338	\$634,000	\$2,191,960
3% emissions reduction through roof-top renewable energy installations (530 kW)	686	\$681,000	\$740,449
42% of remaining emissions through annual purchasing of accredited offsets	9,543	\$71,573	-\$1,431,460
<b>Total</b>	<b>11,567</b>	<b>\$1,315,000 + \$71,573 p.a.</b>	<b>\$1,500,949</b>

Table 5 shows that 8% of the reduction target is supported by an energy efficiency and solar program implemented across Council’s high energy consuming buildings. The remaining 42% of the target will be met by purchasing carbon offsets. The energy efficiency and renewable energy program of works has an estimated payback of 4.7 years and will provide financial savings to Council of \$265,781 per annum when completed. When combined, the mix of emissions reduction actions has a positive projected return on investment in 2035.

Council is currently investigating reinvesting savings into energy efficiency and renewable energy programs to further reduce operational costs and provide financial stability for programs to meet Council’s emissions reduction target.

The 8% portion of the emissions reduction target represents existing capital funding within the 2016/17 and 2017/18 budget derived from previously collected landfill carbon charges. Additional funding will be required through the Council budget process to pay for carbon offset costs.

It is important that Council transitions over time from purchasing offsets on an annual basis to investments in energy efficiency works and renewables to establish a net positive return on investment program.

Maintaining flexibility within the works program to take advantage of supporting funding including government grants as they become available will be important. This may allow for high capital investments projects such as large scale solar to be considered earlier if support funding becomes available.

Council is currently investigating Council staff accommodation options. This investigation may result in changes to building stock and baseline energy profile. The Zero Carbon Emissions Strategy will be updated with any change to Council building stock pending the outcome of the assessment. Any changes may also impact the works outlined in the Action Plan.

## Emissions Reduction - Community Emissions

Council recognises that it can play a key role in enabling positive change in the community. Council will build on the opportunities identified in the Low Carbon Growth Plan and will collaborate with key stakeholders to develop a Community Zero Carbon Action Plan. This collaboration will identify new emission reduction partnership opportunities in the One Planet Principles of sustainable transport, zero carbon communities, zero waste communities, equity and local economy to deliver community emission reduction actions.



# COUNCIL AND COMMUNITY ACTIONS



This Zero Carbon Emissions Strategy seeks to consolidate Council's emission reduction actions to date and prioritise ongoing efforts to the most cost-effective reduction opportunities. A particular focus will be placed on energy efficiency and renewable energy. This is in line with the emissions reduction hierarchy:

Figure 8: Emissions Reduction Hierarchy

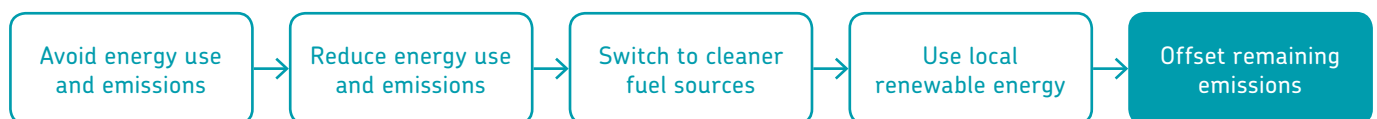






Table 6: Greenhouse Emissions Reduction – Action Mix

Action Area	Council / Community		One Planet Living Principle(s)	Description
Energy Efficiency	Council		Zero Carbon	Upgrade lighting systems and heating and cooling (HVAC) systems at key Council sites as recommended in a 2015 study undertaken on the top ten energy consuming facilities owned and operated by Council.
Renewable Energy	Council		Zero Carbon	Install 530kW of roof-top solar pv systems as recommended in a 2015 study undertaken on the top ten energy consuming facilities owned and operated by Council.  In 2013 Council developed a Pre-Feasibility Study on large scale solar located at the disused Corio Landfill. The study demonstrated that a 3MW solar installation is possible at the site at an approximate cost of \$8M. The City will continue to investigate funding opportunities for large scale solar.
Energy Efficiency & Renewable Energy	Council		Zero Carbon	Investigate reinvesting financial savings into energy efficiency and renewable energy programs to further reduce operational costs and provide some financial stability for programs to meet Council's emissions reduction target.
Fleet	Council		Sustainable Transport	Continue to introduce more fuel efficient vehicles to Council's vehicle fleet. A reviewed fleet policy will be developed in 2016/17 to support this.
Waste	Council and Community		Zero Waste	Develop an updated Waste Strategy that will aim to divert and reduce waste going to landfill, and landfill emissions.
Street Lighting	Council and Community		Zero Carbon	Council owned and managed public lighting will be upgraded with energy efficient LED alternatives.  Council will partner with Powercor and neighbouring municipalities to improve economies of scale to upgrade leased residential street lighting to LED alternatives.
Carbon offsets	Council and Community		Zero Carbon	A carbon offset is generated from an activity that prevents, reduces or removes greenhouse gas emissions from being released into the atmosphere to compensate for emissions occurring elsewhere.  Priority will be placed on purchasing value for money offsets generated from Geelong regional projects if available.  The purchase of carbon offsets will be pursued after emissions have been reduced and energy sources switched to renewable sources where possible.

Action Area	Council / Community	One Planet Living Principle(s)	Description
Community	Community	 Zero Carbon	Work with the community to facilitate broad community emissions reductions. Council will support the community by:
		 Zero Waste	→ Continuing the implementation of the Low Carbon Growth Plan for Greater Geelong with a focus on assisting small-medium businesses and the residential sector. Key actions to be delivered will include the delivery of Environmental Upgrade Agreements (EUA's) for commercial property owners and establishing electric vehicle charging stations in Geelong
		 Sustainable Transport	→ Collaborate with key stakeholders to develop a community zero carbon action plan
		 Equity and Local Economy	→ Developing capacity building initiatives that strengthen community engagement, advocacy and communications
			→ Encouraging and assisting community groups and other local organisations to adopt the One Planet Living framework to develop a common sustainability language
			→ Assisting the Geelong community to implement carbon reduction initiatives via a Environmental Sustainability Grants Program
			→ Engaging with the community on the benefits of living and operating in a low carbon environment
			→ Facilitating the provision of information and discussions between individuals, community groups and organisations around greenhouse action and One Planet Living principles to maximise efforts
			→ Enabling sustainable infrastructure development through planning controls, policy creation and incentives
			→ Advocating on behalf of the community for supporting regulation, incentives and increased action by other levels of government

## Action Plan

A Council Action Plan has been developed to reach the 50% emissions reduction target by 2020. Refer to **Appendix 1-3** for the detailed action plan.

Council will build on the opportunities identified in the Low Carbon Growth Plan and will collaborate with key stakeholders to develop a Community Zero Carbon Action Plan.

This collaboration will identify and establish roles and responsibilities to deliver community emissions reduction. The Action Plan will use the One Planet Living framework and section 7.1 Action Mix Table on pages 22 to 23 of this document as a basis for partnership projects.

## IMPLEMENTATION

Implementation of actions to reduce Council emissions and community emissions will be subject to further scoping, detailed assessments and the development of business cases which will be subject to Council budget processes before full implementation can commence. Actions have also been selected that align with other strategies such as the Environment Management Strategy 2014-2017 and the Low Carbon Growth Plan to avoid duplication of resources and effort.

## FUNDING

The 2016/17 budget and funds collected from the carbon tax and landfill gate charge will support the activities listed in the Council Action Plan. Additional sources of funding that will be explored to support council and community actions include:

- Grants from the federal and/or state government
- Federal government mechanisms such as renewable energy certificates
- State government mechanisms such as the Energy Saver Incentive scheme
- Clean Energy Finance Corporation – low interest finance solutions that support clean energy projects
- Investigate reinvesting financial savings into energy efficiency and renewable energy programs to further reduce operational costs and provide some financial stability for programs to meet Council's emissions reduction target
- Energy Performance Contracts – Energy Performance Contracting (EPC) is a guaranteed and low risk method of implementing energy and water efficiency projects across a single large property or portfolio of properties.

## MONITORING AND REPORTING

Since 2006, Council has used a third-party carbon reporting system to measure and report on carbon abatement actions undertaken by the organisation. The reporting system collects utility information and data on actions (such as capital costs and emissions reductions) on behalf of Council, then summarises the data in a format that can be used to inform future investment decisions.

In addition to data collated by the reporting system, Council will monitor the progress of actions to ensure that the organisation meets its commitments. This monitoring process will take place half yearly and feed into Council's One Planet Living reporting process. The Action Plan will be reviewed and updated on a bi-annual basis.

## COMMUNICATIONS

A Communications Plan will be developed that identifies:

- Spokespeople
- Aims and objectives
- Target audiences
- Key stakeholders
- Key messages
- Communication activities and timelines



# APPENDICES

## Appendix 1: Council Energy Efficiency – Lighting Upgrades Action Plan\*

Completion Year for Actions: 2018

Location	Description	Budget	Emissions reduction TCO2-e
City Hall	Replace 150 light fittings with LED alternatives	\$25,792	28
NWM	Replace 100 light fittings with LED alternatives	\$16,650	16
Busport	Replace 336 light fittings with LED alternatives	\$71,950	63
Arena	Replace 65 light fittings with LED alternatives	\$7,100	18
Leisurelink	Replace 60 light fittings with LED alternatives	\$41,200	66
Waterworld	Replace 6 light fittings with LED alternatives	\$4,400	5
BSAC	Replace 125 light fittings with LED alternatives	\$69,300	114
Splashdown	Replace 46 light fittings with LED alternatives	\$7,078	8
		<b>\$243,470</b>	<b>318</b>

## Appendix 2: Council Energy Efficiency – Heating Ventilation and Air-conditioning (HVAC) Action Plan\*

Completion Year for Actions: 2018

Location	Description	Budget	Emissions reduction TCO2-e
City Hall	Optimise HVAC system - pumps	\$34,500	54
NWM	Optimise HVAC system - pumps and AHU's	\$45,200	106
Arena	Optimise HVAC system - VFD's to AHU's	\$23,300	62
Leisurelink	Optimise HVAC system - BMS, VSD upgrades	\$35,700	145
Waterworld	Optimise HVAC system - VSD upgrades	\$59,500	271
BSAC	Optimise HVAC system - VSD upgrades	\$71,340	210
Splashdown	Optimise HVAC system - VSD upgrades	\$44,800	78
Kardinia	Optimise HVAC system - VSD upgrades	\$25,170	49
		<b>\$339,510</b>	<b>975</b>

### Appendix 3: Council Renewable Energy – Solar PV Action Plan\*

Completion Year for Actions: 2018

Location	Description	Budget	Emissions reduction TCO2-e
NWM	Install 80kW solar PV system	\$72,450	75
City Hall	Install 30kW solar PV system	\$40,250	41
Anakie Rd	Install 50kW solar PV system	\$68,080	77
Kardinia Pool	Install 50kW solar PV system	\$68,540	77
Leisurelink	Install 100kW solar PV system	\$139,870	136
BSAC	Install 100kW solar PV system	\$139,866	136
Splashdown	Install 20kW solar PV system	\$28,935	35
Waterworld	Install 100kW solar PV system	\$122,800	109
		<b>\$680,791</b>	<b>686</b>

### Appendix 4: Community Zero Carbon Action Plan

Council will build on the opportunities identified in the Low Carbon Growth Plan and will collaborate with key stakeholders to develop a Community Zero Carbon Action Plan. This collaboration will identify and establish roles and responsibilities to deliver community emissions reduction. This Action Plan will use the One Planet Living framework and section 7.1 Action Mix Table on page 21 of this document as a basis for partnership projects.

To complement existing community partnership projects the community zero carbon action plan will commence development in 2017/18.

\* The proposed actions and associated budgets are based upon a 2015 analysis of Council's top ten energy consuming sites. These actions may be subject to change depending on the future use of the sites.

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## **9. T1700010 PERFORMANCE MANAGEMENT & ONLINE RECRUITMENT SOLUTION**

**Source:** People & Organisation Development  
**Executive Manager:** Andrew Keen  
**Index Reference:** T170010

### **Purpose**

This report seeks Council endorsement for the award of Contract C1700010, for the provision of a software program for performance management and online recruitment.

### **Background**

The City has an outdated and insufficient performance review process to meet the needs of its large and diverse workforce. This was rated, in the Commission of Inquiry Report Good Governance Framework, as poor.

A contemporary system to manage performance review and to integrate recruitment, on-boarding, and performance review to the core Human Resources system is necessary.

Tenders were advertised November 5, 2016 and closed November 30, 2016. Ten tender submissions were received and evaluated by a procurement panel.

### **Key Issues**

- Of the ten tender submissions received, the panel determined that three failed to meet the mandatory criteria, three submitted non conforming tenders leaving the remaining four tenders to be assessed against predetermined criteria by the panel.
- The two highest scoring tenders were invited to present their systems to the evaluation panel.
- Whilst PageUp was not the lowest tender price they ranked highest overall and were the only tender to comply with all of Council's requirements.

**L Gardner moved, P Dorling seconded -**

**That Council:**

- 1) approve the contract for the provision of a performance management and on-line recruitment software solution to PageUp People Pty Ltd;**
- 2) delegates authority to the Chief Executive Officer to sign the contract documents for and on behalf of the City of Greater Geelong.**

**Carried.**

## **Attachment 1**

### ***Discussion***

The procurement process was undertaken to source a software solution for the City that would replace existing in-house and paper based systems for recruitment and on-boarding activities undertaken by People & Organisation development. The objective being a single software system that:

- Manages end to end recruitment for all appointments;
- Manages on-boarding for all appointments;
- Manages cyclical performance reviews for all employees;
- Integrates current Payroll and Document Management systems;
- Provides access to employees and the public by desktop or mobile devices;
- Can be managed and configurable by CoGG;
- is based on best and contemporary practice; and
- can be subject to ongoing updates and improvements to ensure best and contemporary practice.

In determining the acceptance of PageUp's tender, the panel established that they offered:

- best and contemporary practice in recruitment, on-boarding and performance reviews, that not only caters for CoGG current processes and workflows but will lead and support innovation, improvements and growth into the future;
- proven integration with Empower and other third parties including video providers;
- intuitive design – requires minimal or no training for staff to use, resulting in minimal learning overhead;
- ability to customise reports and provide easy to use dashboards;
- excellent user interface – ability for employee and the public to access recruitment opportunities via desktop and mobile devices using a user friendly, attractive system that will reflect positively on CoGG and increase our ability to attract the best talent;
- talent pooling to better manage secondments and learning opportunities and quickly identify and deploy internal and external talent;
- volunteer management and recruitment; and
- test environment and 24/7 support services with an externally hosted cloud solution with high level accessibility, security and data recovery – no additional storage costs or ongoing maintenance required.

The evaluation panel were unanimous in recommending PageUp People Pty Ltd even though they have submitted the highest cost. PageUp were clearly able to support all of City's current workflows and processes, but also grow with the City and drive best practice processes and recruitment/performance initiatives in the future.

The 2<sup>nd</sup> ranked tender (who submitted a lower cost) when demonstrating the functionality of processes and workflows was deemed by the evaluation panel as onerous and confusing in parts. User interface was deemed as not as intuitive by the evaluation panel and concerns were raised regarding integration capabilities.

***Financial Implications***

Costs of the tender include implementation and annual licensing. In 2016/17 there is a first year lump sum payment of \$162,400 (ex GST for implementation), with ongoing annual licensing costs of \$174,300 (ex GST) for years one to five inclusive.

Implementation and first year licensing costs are budgeted for in the current 2016/17 budget and 2017/18 proposed budget respectively.

## **10. CONSIDERATION OF TENDER SUBMISSIONS - TENDER T1700018 CLEANING SERVICES FOR LEISURE CENTRES AND THE GEELONG ARENA**

**Source:** Community Life - Leisure Services  
**Director:** Linda Quinn  
**Index Reference:** T1700018

### **Purpose**

This report outlines the outcome of the procurement process to source the provision of cleaning services for an initial fixed term of three years with provision for 3 x twelve month extensions at Council's Leisure Centres and the Geelong Arena.

### **Background**

The City of Greater Geelong tendered to engage a suitably qualified and experienced cleaning contractor for the provision of full cleaning services at four Leisure Centres, (LeisureLink, Waterworld, Splashdown and Kardinia), and day to day event, function and specialty cleans at the Geelong Arena.

Cleaning of the nominated Leisure Centres and the Geelong Arena has been undertaken under contract that commenced 1 December 2011. A tender for the provision of cleaning services for the nominated centres was advertised on Saturday, 10 December 2016. Tenders closed 2.00pm Wednesday, 1 February 2017 and six tenders were received.

### **Key Issues**

- The evaluation panel completed a thorough assessment of the six tenders received. All six tenders were deemed conforming, in that they were able to demonstrate adequate experience in cleaning aquatic and sporting facilities.
- Tenderers were required to provide evidence of past experience cleaning aquatic and sporting facilities.
- Submissions were assessed against pre-determined criteria including price and non price criteria.
- Price was assessed on hourly rate relative to indicated hours estimated to fulfil the scoped cleaning requirements at each centre. Non price assessment considered the methodology to be adopted to meet the scoped requirement including hours, staffing and plant and equipment as nominated to perform cleaning to a specified standard.

**L Gardner moved, P Dorling seconded -**

**That Council award Contract C1700018 for the Provision of Cleaning Services at Council's Aquatic and Leisure Centres to Quayclean Australia Pty Ltd (QA):**

- 1) sites include Waterworld, Kardinia, Splashdown, LeisureLink and the Geelong Arena;**
- 2) tendered rates for an initial contract term of three years with possible extension to a maximum contract term of six years;**
- 3) estimated contract cost for maximum term is \$4,454,945.00 plus schedule of rates (ext-GST), excluding any annual price adjustment through CPI.**

**Carried.**

## **Attachment 1**

### ***Discussion***

The evaluation panel conducted a full comprehensive evaluation of the six submissions with particular attention to assessing each tenderer's ability to carry out cleaning requirements at each centre as scoped. This assessment was undertaken giving consideration to the proposed hours and the nominated hourly rate.

Quayclean Australia Pty Ltd (QA) were assessed as best value, having demonstrated a thorough knowledge of the cleaning services required under the specification.

QA have significant experience in cleaning aquatic and sports facilities for local government and as such, can offer the combination of appropriate hours at a competitive hourly rate. QA are the incumbent cleaners at the nominated aquatic centres and are considered highly professional given their demonstrated approach to employ locally sourced staff, training and management of resources and cleaning methodology as outlined in the tender submission, including use of environmentally sustainable products and management of recyclables.

### ***Financial Implications***

Funding for the provision of cleaning services is drawn from an annual recurrent budget allocation from each individual centre. The recommended contractor has confirmed that employees engaged to undertake services under this contract will be remunerated at no less than the hourly base rate as prescribed in the Cleaning Services Award 2010.

### ***Stakeholder Consultation and Communication***

A tender for the provision of cleaning services for the nominated centres was advertised on Saturday, 10 December 2016. Advertisement calling for tenders was circulated in local and state media. Tender period closed 2:00pm Wednesday, 1 February 2017.

### ***Alignment to City Plan***

This report aligns to the *Community Wellbeing* of City Plan ensuring cleaning services are engaged and centres are presented in a clean, healthy and professional environment. The cleaning services contractor will work with Council to generate positive employment outcomes within the City of Greater Geelong for disadvantage groups including long term unemployed and people with disabilities.

### ***Conflict of Interest***

No officer involved in the preparation of this report has any direct or indirect interest.

### ***Risk Assessment***

The tender evaluation process involved the assessment of Work, Health and Safety policies, procedures and risk assessment documents.

The successful tenderer possesses significant industry experience having delivered numerous comparable contracts and has obtained independent accreditation of their Quality Management and OH&S systems (ISO9001 and AS/NZS4801).

***Environmental Implications***

Companies were asked to provide details of any Environmental Sustainability Policies. The recommended tenderer is accredited to AS14001, a standard that assess 17 elements of a company's Environmental Management System.

## **11. TENDER T1600049 - PROVISION OF CLEANING SERVICES FOR MAJOR BUILDINGS AND LIBRARIES**

**Source:** Finance & Strategy – Property & Procurement  
**Director:** Joanne Moloney  
**Index Reference:** T1600049

### **Purpose**

To seek Council endorsement for the award of Contract C1600049, for the Provision Cleaning Services for Major Buildings and Libraries

### **Background**

The existing Cleaning Panel contract C11223 expired on the 30 November 2016 and is currently being renewed on a month to month basis until such time as a new contract commences.

The Procurement Unit has conducted an open tender seeking the services of a qualified and experienced cleaning contractor for a period of three years commencing 1 May 2017 with an option for a further two years at the sole discretion of Council.

### **Key Issues**

- Council and the Geelong Regional Libraries Corporation (“GRLC”) received a total of twenty (20) conforming tender submissions.
- Each submission was assessed against pre determined criteria including price and non price criteria.
- Price was assessed based on tendered rates for routine and periodical cleaning along with the provision of consumables.
- Non price assessment considered experience, staffing and resources and the proposed method for delivering the cleaning in accordance with the Specification.
- After a detailed evaluation and interview process the Evaluation Panel determined that Storm International Pty Ltd delivered the best value for money outcome.
- The estimated annual cost of the service is \$619,699 p/a (ex-GST) and is in accordance with Council and GRLC budget estimates.

**L Gardner moved, P Dorling seconded -**

**That Council:**

- 1) award Contract C1600049 for the Provision Cleaning Services for Major Buildings & Libraries to Storm International Pty Ltd as per tendered rate;**
- 2) note the contract term is for a five (5) year period consisting of an initial three (3) year term with two (2), one (1) year options available at the sole discretion of Council;**
- 3) delegate authority to the Chief Executive Officer to sign contracts and other relevant documents.**

**Carried.**

## **Attachment 1**

### ***Financial Implications***

The estimated annual cost of the service is \$619,699 p/a (ex-GST) and is in accordance with Council and GRLC budget estimates.

Council Buildings - \$341,544.00 p/a (ex-GST)

Geelong Library & Heritage Centre - \$116,153.70 p/a (ex-GST)

Regional Libraries - \$162,001.30 p/a (ex-GST)

The whole of life contract cost is estimated at \$3.1M over the full contract term.

Expenditure in future years will be in accordance with approved budget allocations.

### ***Stakeholder Consultation and Communication***

The tender process was subject to consultation between the Procurement Unit, Facilities Maintenance and the Geelong Regional Library Corporation.

### ***Policy/Legal/Statutory Implications***

The tender process has been carried out in accordance with the requirements of Council's Procurement Policy and the requirements of section 186 of the Local Government Act 1989.

### ***Alignment to City Plan***

The cleaning services contractor will work with Council and the GRLC to generate positive employment outcomes within the City of Greater Geelong for disadvantaged groups including the long term unemployed and people with disabilities.

### ***Risk Assessment***

The tender evaluation process involved the assessment of Work, Health and Safety policies, procedures and risk assessment documents.

The successful tenderer possesses significant industry experience having delivered numerous comparable contracts and has obtained independent accreditation of their Quality Management and OH&S systems (ISO9001 and AS/NZS4801).

### ***Environmental Implications***

Companies were asked to provide details of any Environmental Sustainability policies.

The recommended tenderer is accredited to AS14001, a standard that assess 17 elements of a company's Environmental Management System.

### ***Conflict of Interest***

The officers responsible for this report have no direct or indirect interests requiring disclosure.

## **ASSEMBLY OF COUNCIL RECORD**

**Chief Executive Officer: Kelvin Spiller**  
**Source: Legal Services and Governance**

### **Summary**

- Section 80A (2) of the Local Government Act 1989 requires the record of an Assembly of Council be reported to the next practicable Ordinary Meeting of Council.
- A record of Assembly of Council meeting(s) is attached as an Appendix to this report.

**P Dorling moved, L Gardner seconded -**

**That the information be received.**

**Carried.**

**RECORD OF ASSEMBLIES OF COUNCIL  
(Council Meeting 26 April 2017)**

Assembly Details	Administrators	Officer Attendees	Agenda Items	Conflict of Interest Disclosures
<p>Strategic Workshop &amp; Budget Briefing <b>22 March 2017</b></p>	<p>Dr Kathy Alexander Laurinda Gardner</p>	<p>W Tieppo (DIR) B Luxford (DIR) L Quinn (DIR) T Hellsten (MGR) J Moloney (DIR) A Keen (EXEC MGR) R Leonard (SNR MGR) N Giles (CO ORD) M Kuhn (MGR) M Kelly (MGR) G Russell (MGR) A Grant (PROP ADV) K Fulton (CO ORD) J Thomas (ADV TO CEO)</p>	<ul style="list-style-type: none"> <li>• Golf Course Strategy</li> <li>• Geelong Gaol Update</li> <li>• Budget Briefing</li> </ul>	<ul style="list-style-type: none"> <li>• Nil</li> </ul>
<p>Strategic Workshop <b>4 April 2017</b></p>	<p>Dr Kathy Alexander (Tele-Conference) Peter Dorling</p>	<p>K Spiller (CEO) B Luxford (DIR) L Quinn (DIR) W Tieppo (DIR) P Bettess (DIR) J Moloney (DIR) A Keen (EXEC/MGR) V Shelton (MGR) M McKenzie (OFF) H Manzl (CO ORD) G Russell (MGR) B Ince (MGR) R Leonard (SNR MGR) M Cassidy (OFF)</p>	<ul style="list-style-type: none"> <li>• Consultant's Report – Geelong Saleyards</li> <li>• Central Geelong – City Heart Project</li> <li>• Greater Geelong Visitor Economy, Strategy, Performance and Memorandum of Understanding</li> </ul>	<ul style="list-style-type: none"> <li>• Nil</li> </ul>

Assembly Details	Administrators	Officer Attendees	Agenda Items	Conflict of Interest Disclosures
<p>Council Briefing  <b>11 April 2017</b></p>	<p>Dr Kathy Alexander  Peter Dorling</p>	<p>B Luxford (DIR)  W Tieppo (DIR)  L Quinn (DIR)  P Bettess (DIR)  J Moloney (DIR)  A Keen (EXEC MGR)  R Leonard (SNR MGR)  G Russell (MGR)  K Paton (MGR)  A Grant (PROP ADV)  A Noonan (A/CO ORD)  J Thomas (ADV TO CEO)</p>	<ul style="list-style-type: none"> <li>• Review of the City of Greater Geelong Library Network</li> <li>• Loan Borrowing Policy</li> <li>• Old Geelong Gaol – Sale by Expressions of Interest</li> <li>• Adopt Proposed 2017/18 Budget and City Plan 2017/18 Update</li> <li>• Sale of Land – Gerbera Avenue, Norlane</li> <li>• Appointment of an Independent Member of the Audit and Risk Committee</li> <li>• Zero Carbon Emissions Strategy</li> <li>• Additional Bin Service</li> <li>• Healthy Choices – Sugar Sweetened Beverages Strategy</li> <li>• Consideration of Tender Submissions for Tender T1700018 Cleaning Services for Leisure Centres and The Arena</li> <li>• Tender T1600049 – Provision of Cleaning Services for Major Building and Libraries</li> <li>• Tender T1700010 – Performance Management and Online Recruitment Solution</li> </ul>	<ul style="list-style-type: none"> <li>• Nil</li> </ul>
<p>Strategic Workshop /  Budget Briefing  <b>12 April 2017</b></p>	<p>Dr Kathy Alexander  Peter Dorling</p>	<p>K Spiller (CEO)  B Luxford (DIR)  L Quinn (DIR)  P Bettess (DIR)  J Moloney (DIR)  A Grant (PROP ADV)  V Shelton (MGR)  G Russell (MGR)  M Kelly (MGR)  T Kirwood (MGR)  K Fulton (CO ORD)  R Leonard (SNR MGR)</p>	<ul style="list-style-type: none"> <li>• GREP – Industrial Land Development Project</li> <li>• Budget Briefing</li> </ul>	<ul style="list-style-type: none"> <li>• Nil</li> </ul>

## **PLANNING DELEGATIONS - MARCH**

**Source:** Planning & Development - City Development  
**Director:** Peter Bettess  
**Index Reference:** Delegation

### **Summary**

- Section 98 of the Local Government Act 1989 and section 188 of the Planning and Environment Act 1987 empower Council to delegate its powers, duties and functions under relevant legislation to members of Council staff.
- Council may also delegate to committees comprising Councillors and staff or a combination of both, pursuant to sections 86 and 87 of the Local Government Act and section 188 of the Planning and Environment Act.
- At its meeting on 13 March 2007 Council established a Planning Committee and a Development Hearings Panel with delegated powers to determine upon any development applications which have been the subject of an objection or in circumstances where officers have recommended refusal of the application.
- At its meeting on 23 September 2008 Council adopted a recommendation to allow Officers (restricted to Manager, Coordinator and Team Leader level) the ability to consider and approve applications with five or less objections.
- The appendix to this report contains a schedule of all applications determined under these delegations.

**P Dorling moved, L Gardner seconded -**

**That the information be received.**

**Carried.**

PLANNING DECISIONS REPORT - MARCH 2017

App Number	Location	Application Type	Decision Date	Description	Authority Description
PP-1277-2016	281-289 Bellarine Highway, MOOLAP VIC 3224	Use and Development of the Land for a Contractors Depot and Create or Alter Access to a Road Zone	17/3/2017	Refusal to Grant a Planning Permit	Development Hearings Panel
PP-1354-2015	132-134 Aberdeen Street, GEELONG WEST VIC 3218	Use of the land for a Food and Drink Premises (Cafe/Providore)	17/3/2017	NOD - DHP - Planning Permit	Development Hearings Panel
PP-1564-2013/B	2 Verner Street, SOUTH GEELONG VIC 3220	Use of the land for Bottle Shop, Sale of Packaged Liquor, Building and Works to Construct a Roller Door, Erection and Display of Internally and Externally Illuminated Business Identification Signage, Reduction in the Standard Car Parking Requirement Contained in Clause 52.06 and a Waiver of the Loading/Unloading Bay Requirements of Clause 52.07	01/03/2017	PI - Permit Issued - VCAT	VCAT
	2 Verner Street, SOUTH GEELONG VIC 3220	Use of the land for Bottle Shop, Sale of Packaged Liquor, Building and Works to Construct a Roller Door, Erection and Display of Internally and Externally Illuminated Business Identification Signage, Reduction in the Standard Car Parking Requirement Contained in Clause 52.06 and a Waiver of the Loading/Unloading Bay Requirements of Clause 52.07	03/03/2017	PI - Clerical - Error Permit Issued	Delegated Authority
PP-522-2014	20 George Street, GEELONG WEST VIC 3218	Development of the Land for Two Dwellings and Two Lot Subdivision.	8/3/2017		Delegated Authority
PP-62-2016	2 Challis Street, BARWON HEADS VIC 3227	Demolition of the Existing Dwelling and Fencing and Building and Works to Construct a Dwelling and Fencing and Alterations to the Existing Garage	23/3/2017	Refusal - Permit Refused - VCAT	VCAT
PP-684-2014	1450 Ballan Road, ANAKIE VIC 3213	Use and Development of a Class B Broiler Farm and Associated Buildings and Works, Removal of Vegetation (including Native), a Two Lot Subdivision (Boundary Realignment) and Creation of Access to a Road Zone Category 1	14/3/2017	PI - No Appeal Lodged Permit Issued	Development Hearings Panel

PP-690-2014/A	55 Maud Street, GEELONG VIC 3220	Use of Existing Building for Student Accommodation	14/3/2017	Grant a Amended Planning Permit- (No Appeal Lodge)	Development Hearings Panel
PP-770-2016	27 Victoria Street, RIPPLESIDE VIC 3215	Construction of three (3) dwellings and a three (3) Lot Subdivision	17/3/2017	NOD - DHP - Planning Permit	Development Hearings Panel
PP-874-2015	2 Bowlers Avenue, GEELONG WEST VIC 3218	Buildings and Works for the Demolition of a Dwelling and Outbuildings, and Construction of a Dwelling and Alteration to Crossover	21/3/2017	Refusal - Permit Refused - VCAT	VCAT
PP-909-2016	137 Pakington Street, GEELONG WEST VIC 3218	Partial Demolition of Existing Building, Alterations and Additions Associated with a Food and Drink Premises, Use of Land for the Sale and Consumption of Liquor, Display of Business Identification Signage, Reduction in car parking requirements, loading and unloading and bicycle requirements	14/3/2017	PI - No Appeal Lodged Permit Issued	Development Hearings Panel
PP-966-2016	100 Lower Paper Mills Road, FYANSFORD VIC 3218	Use of the land for Industry (wine production), Retail Premises (Tavern, Wine tasting and Retail sales of bottled wine), Function Centre and Liquor Licence	17/3/2017	NOD - DHP - Planning Permit	Development Hearings Panel
PP-1139-2016	274 The Esplanade, INDENTED HEAD VIC 3223	Construction of Two (2) Dwellings and Subdivide the Land into Two (2) Lots and Create and Alter Access to a Road in a Road Zone Category 1	21/03/2017	NOD - Delegate	Objections- 2
PP-1236-2016	59 George Street, NEWTOWN VIC 3220	Demolition of an Existing Dwelling and Construction of a Replacement Dwelling and Swimming Pool	02/03/2017	NOD - Delegate	Objections - 3
PP-1318-2016	Unit 1/241 High Street, BELMONT VIC 3216	Change of Use to Medical Centre, Display of Business Identification Signage and a Reduction of Car Parking	24/03/2017	NOD - Delegate	Objections - 1
PP-1341-2016	83 Nicholas Street, NEWTOWN VIC 3220	Construction of a Second Dwelling and Two (2) Lot Subdivision	03/03/2017	NOD - Delegate	Objections - 1
PP-1381-2016	30A Bluff Road, ST LEONARDS VIC 3223	Buildings and Works for the Construction of Two (2) Dwellings on Lots Less than 300 square metres	02/03/2017	NOD - Delegate	Objections - 1
PP-1440-2016	26 Settlement Road, BELMONT VIC 3216	Construction of a Second Dwelling and a Two (2) Lot Subdivision	29/03/2017	NOD - Delegate	Objections - 1
PP-1455-2016	11 Madeley Street, OCEAN GROVE VIC 3226	Construction of Two (2) Dwellings and Two (2) Lot Subdivision	21/03/2017	NOD - Delegate	Objections - 1

PP-1467-2016	12 Elsvorn Avenue, BELMONT VIC 3216	Construction of Two (2) Additional Dwellings and a Three (3) Lot Subdivision (Boundary Re-alignment and Creation of One (1) Additional Lot)	27/03/2017	NOD - Delegate	Objections - 4
PP-1473-2016	16 Mariners Street, ST LEONARDS VIC 3223	Buildings and Works for the Construction of a Dwelling Exceeding 7.5 metres in height	07/03/2017	NOD - Delegate	Objections - 3
PP-1531-2016	208 Torquay Road, GROVEDALE VIC 3216	Use of Land for a Medical Centre and Business Identification Signage	07/03/2017	NOD - Delegate	Objections - 2
PP-326-2016	1B Challis Street, BARWON HEADS VIC 3227	Demolition of Existing Dwelling, Outbuildings and Fencing and Building and Works to Construct a Three Storey Dwelling and Associated Carport, Fencing and Swimming Pool	27/03/2017	NOD - Delegate	Objections - 2
PP-503-2016	121 Hitchcock Avenue, BARWON HEADS VIC 3227	Construction of Three (3) Dwellings and a Three (3) Lot Subdivision	01/03/2017	NOD - Delegate	Objections - 2

**CLOSE OF MEETING:**

As there was no further business the meeting closed at 7.32pm Tuesday, 26 April 2017.

**Signed:** \_\_\_\_\_  
**Dr Kathy Alexander (Chair)**

**Date of Confirmation:** \_\_\_\_\_