

# UNCONFIRMED MINUTES

FOR THE  
GREATER SHEPPARTON CITY COUNCIL

## SPECIAL COUNCIL MEETING

HELD ON  
TUESDAY 24 JUNE, 2014  
AT 5.30PM

IN THE COUNCIL BOARD ROOM

**COUNCILLORS:**

Cr Jenny Houlihan (Mayor)  
Cr Dennis Patterson (Deputy Mayor)  
Cr Dinny Adem  
Cr Les Oroszvary  
Cr Michael Polan  
Cr Kevin Ryan  
Cr Fern Summer

***VISION***

***GREATER SHEPPARTON***  
AS THE FOOD BOWL OF AUSTRALIA,  
A SUSTAINABLE, INNOVATIVE  
AND DIVERSE COMMUNITY  
***GREATER FUTURE***



**UNCONFIRMED MINUTES  
FOR THE  
SPECIAL COUNCIL MEETING  
HELD ON  
TUESDAY 24 JUNE, 2014 AT 5.30PM**

**CHAIR  
CR JENNY HOULIHAN**

**INDEX**

<b>1. ACKNOWLEDGEMENT .....</b>	<b>1</b>
<b>2. APOLOGIES .....</b>	<b>1</b>
<b>3. DECLARATIONS OF CONFLICT OF INTEREST .....</b>	<b>1</b>
<b>4. MANAGEMENT REPORTS FROM THE BUSINESS DIRECTORATE .....</b>	<b>2</b>
<b>4.1 Strategic Resource Plan 2014/2015 - 2017/2018 .....</b>	<b>2</b>

## RISK LEVEL MATRIX LEGEND

**Note: A number of reports in this agenda include a section on “risk management implications”. The following table shows the legend to the codes used in the reports.**

Likelihood	Consequences				
	Negligible (5)	Minor (4)	Moderate (3)	Major (2)	Catastrophic (1)
<b>Almost Certain (A)</b> Event expected to occur several times per year (i.e. Weekly)	Low	Moderate	High	Extreme	Extreme
<b>Likely (B)</b> Will probably occur at some stage based on evidence of previous incidents (i.e. Monthly)	Low	Moderate	Moderate	High	Extreme
<b>Possible (C)</b> Not generally expected to occur but may under specific circumstances (i.e. Yearly)	Low	Low	Moderate	High	High
<b>Unlikely (D)</b> Conceivable but not likely to occur under normal operations (i.e. 5-10 year period)	Insignificant	Low	Moderate	Moderate	High
<b>Rare (E)</b> Only ever occurs under exceptional circumstances (i.e. +10 years)	Insignificant	Insignificant	Low	Moderate	High

**Extreme** CEO’s attention immediately required. Possibly avoid undertaking the activity OR implement new controls

**High** Director’s attention required. Consider suspending or ending activity OR implement additional controls

**Moderate** Manager’s attention required. Ensure that controls are in place and operating and management responsibility is agreed

**Low** Operational, manage through usual procedures and accountabilities

**Insignificant** Operational, add treatments where appropriate

**PRESENT: Councillors Jenny Houlihan, Dennis Patterson, Dinny Adem, Les Oroszvary, Michael Polan, Kevin Ryan and Fern Summer.**

**OFFICERS: Gavin Cator – Chief Executive Officer  
Steve Bowmaker – Director Infrastructure  
Johann Rajaratnam – Director Sustainable Development  
Rosanne Kava – Acting Director Business  
Kaye Thomson – Director Community  
Rebecca Bertone – Official Minute Taker  
Sharlene Still – Deputy Minute Taker**

### **1. ACKNOWLEDGEMENT**

“We the Greater Shepparton City Council, begin today’s meeting by acknowledging the traditional owners of the land which now comprises Greater Shepparton. We pay respect to their tribal elders, we celebrate their continuing culture, and we acknowledge the memory of their ancestors.”

### **2. APOLOGIES**

Nil.

### **3. DECLARATIONS OF CONFLICT OF INTEREST**

In accordance with sections 77A, 77B, 78 and 79 of the *Local Government Act 1989* Councillors are required to disclose a “conflict of interest” in a decision if they would receive, or could reasonably be perceived as receiving a direct or indirect financial or non-financial benefit or detriment (other than as a voter, resident or ratepayer) from the decision.

**Disclosure must occur immediately before the matter is considered or discussed.**

## 4. BUSINESS DIRECTORATE

### 4.1 Strategic Resource Plan 2014/2015 - 2017/2018

#### **Disclosures of conflicts of interest in relation to advice provided in this report**

Under section 80C of the *Local Government Act 1989* officers and persons engaged under a contract providing advice to Council must disclose any conflicts of interests, including the type and nature of interest.

No Council officers or contractors who have provided advice in relation to this report have declared a conflict of interest regarding the matter under consideration.

#### **Council Officers involved in producing this report**

**Author: Acting Manager Finance and Rates**

**Proof reader(s): Acting Director Business**

**Approved by: Acting Director Business**

#### **Executive Summary**

The report presents to Council the Strategic Resource Plan 2014/15 to 2017/18. This provides an update to the Strategic Resource Plan incorporated in the Council Plan 2013 – 2017 adopted 18 June 2013.

The *Local Government Act 1989* requires the Council to adopt the Strategic Resource Plan not later than 30 June 2013 each year.

#### **Moved by Cr Polan**

#### **Seconded by Cr Adem**

That the Council adopt the updated Strategic Resource Plan 2014/15 to 2017/18.

**CARRIED.**

#### **Background**

On 18 June 2013 the Council adopted the Council Plan 2013 to 2017 which incorporated the Strategic Resource Plan (the SRP) 2013/14 to 2022/23. The SRP was prepared in accordance with section 126 of the *Local Government Act 1989*.

The purpose of the SRP is to:

- Establish a framework to manage the resources required to achieve the strategic objectives as expressed in the Council Plan;
- Provide an assessment of the resources required to achieve the strategic objectives of the Council Plan;
- Plan for the long-term financial sustainability of the Council;
- Establish a basis to measure Council's adherence to the principles of the Strategic Resource Plan; and
- Assist the Council to comply with sound financial management principles in accordance with the Act.

The SRP covers a number of key strategic areas and each chapter identifies strategic directions to be applied in the preparation of each annual Budget. It is a rolling plan that summarises the medium-term financial projections of Council. Medium-term planning is important for ensuring that Council remains financially sustainable into the future.

The SRP shows how the annual budget for the forthcoming year fits within the medium-term planning framework and demonstrates the linkage with the Council Plan strategic objectives and desired outcomes.

## 4. BUSINESS DIRECTORATE

### 4.1 Strategic Resource Plan 2014/2015 - 2017/2018 (continued)

#### **2014/2015 to 2017/2018**

Included within the update to the SRP are planned borrowings of \$5.5 million over 3 years to fund Council's contribution to the multi-year Greater Shepparton Regional Sports Precinct project. The first year of the proposed borrowings has been included in the Draft 2014/2015 budget which has been made available for public submission from 20 June 2014 to 18 July 2014.

Financial assumptions for key revenue and expenditure types have remained unchanged with the exception of Employee Costs which have been adjusted to reflect changes to the Superannuation Guarantee increases as well as a forecast Enterprise Bargaining Agreement increase in consideration of the current agreement which finishes 30 June 2014.

Like most Councils, Greater Shepparton City Council faces the ongoing challenge of funding its annual infrastructure renewal demand. The SRP details the planned annual renewal demand against available capital renewal funds. The shortfall results in an infrastructure renewal gap to which strategic directions have been developed to work on reducing this gap.

Financial Statements have also been included which covers the 2014/2015 to 2017/2018 period as well as a long term model for the period 2014/15 to 2023/24 (refer p122 of the attachment) with key indicators to show the forecast financial performance of Council over the medium to long term.

#### **Council Plan/Key Strategic Activity**

This report details the update of the Strategic Resource Plan in accordance with the Local Government Act 1989.

#### **Risk Management**

Risks	Likelihood	Consequence	Rating	Mitigation Action
Failure to comply with the Local Government Act and the new Local Government (Planning and Reporting) Regulations 2014	E	1	High	Undertake full requirements of the Act.  Undertake annual review of SRP.

#### **Policy Considerations**

There are no policy considerations associated with this report. The adoption of the updated Strategic Resource Plan 2014/15 to 2017/18 does not conflict with any Council policy.

#### **Financial Implications**

The Strategic Resources Plan addresses the financial implications. Specific financial allocations against the achievement of identified objectives will be determined in the annual budgets developed by the Council during the life of the plan.

## 4. BUSINESS DIRECTORATE

### 4.1 Strategic Resource Plan 2014/2015 - 2017/2018 (continued)

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

Section 126 of the *Local Government Act 1989* contains the following on the Strategic Resource Plan.

(1) The Strategic Resource Plan is a resource plan of the resources required to achieve the strategic objectives.

(2) The Strategic Resource Plan must include in respect of at least the next 4 financial years—

(a) financial statements describing the required financial resources in the form and containing the information required by the regulations;

(b) statements describing the required non-financial resources, including human resources, in the form and containing the information required by the regulations.

(2A) Without limiting subsection (1), the Strategic Resource Plan must take into account services and initiatives contained in any plan adopted by the Council (so far as the plan relates to the period covered by the Strategic Resource Plan).

(2B) A Council that proposes to adopt a plan to provide services or take initiatives must ensure that the resources required for the plan are consistent with the Strategic Resource Plan (so far as the plan relates to the period covered by the Strategic Resource Plan).

(3) A Council must—

(a) review the Strategic Resource Plan during the preparation of the Council Plan; and

(b) adopt the Strategic Resource Plan not later than 30 June each year.

(4) A copy of the current Strategic Resource Plan must be available for inspection by the public at—

(a) the Council office and any district offices; and

(b) any other place required by the regulations.

#### **Note**

In addition, a Council must ensure that the current Strategic Resource Plan is published on the Council's Internet website (see section 82A(2)(ab)(ii)).

Part 2 of the *Local Government (Planning and Reporting) Regulations 2014 No. 17* further stipulates:

#### **6. The Financial Statements**

For the purposes of section 126(2)(a) of the Act, the financial statements included in a Strategic Resource Plan must—

(a) contain a statement of capital works for the financial years to which the financial statements relate; and

(b) be in the form set out in the Local Government Model Financial Report.



## 4. BUSINESS DIRECTORATE

### 4.1 Strategic Resource Plan 2014/2015 - 2017/2018 (continued)

#### 7. Other information to be included – Financial Statements

For the purposes of section 126(2)(a) of the Act, the financial statements included in a Strategic Resource Plan must contain the following information—

- (a) a summary of planned capital works expenditure—
  - (i) in relation to non-current assets classified in accordance with the model statement of capital works in the Local Government Model Financial Report; and
  - (ii) set out according to asset expenditure type;
- (b) a summary of funding sources in relation to the planned capital works expenditure referred to in paragraph (a) and classified separately as—
  - (i) grants; and
  - (ii) contributions; and
  - (iii) Council cash; and
  - (iv) borrowings.

#### 8. Other information to be included – Statements of non-financial resources

For the purposes of section 126(2)(b) of the Act, the statements describing the required non-financial resources to be included in a Strategic Resource Plan must contain the following information—

- (a) a statement of human resources;
- (b) a summary of planned expenditure in relation to the human resources referred to in the statement of human resources, categorised according to the organisational structure of the Council and classified separately as—
  - (i) permanent full time; and
  - (ii) permanent part time;
- (c) a summary of the planned number of full time equivalent Council staff referred to in the statement of human resources, categorised according to the organisational structure of the Council and classified separately as—
  - (i) permanent full time; and
  - (ii) permanent part time.

#### **Environmental/Sustainability Impacts**

Environmental and sustainability impacts have been considered when developing the Council Plan 2013 – 2017 strategic objectives. The Strategic Resource Plan is a plan of the resources required to achieve the strategic objectives.

#### **Social Implications**

The Strategic Resource Plan guides the development of the annual budget to provide resources for the implementation of various strategies, plans, works and the delivery of services required to achieve the objectives of the Council plan including an active and engaged community.

## 4. BUSINESS DIRECTORATE

### 4.1 Strategic Resource Plan 2014/2015 - 2017/2018 (continued)

#### **Economic Impacts**

The Council Plan 2013 – 2017 consider the Economic Impacts. The Strategic Resource Plan details the planned resources required to deliver the relevant strategic objectives.

#### **Consultation**

The Council undertook a wide ranging community engagement program to encourage community input into the development of the Council Plan 2013 – 2017 incorporating the Strategic Resource Plan 2013/14 – 2022/23. Community members were also given the opportunity for further input through a formal submission process in 2013 prior to the final adoption of the plan.

This report updates the original adopted plan, to reflect the impact of estimated outcomes for 2013/2014 and to include proposed borrowings as described in the Draft 2014/2015 Budget.

#### **Strategic Links**

##### a) Greater Shepparton 2030 Strategy

The Strategic Resource Plan 2014/15 – 2017/18 is linked to the *Greater Shepparton 2030 Strategy* via the Council Plan 2013-2017.

##### b) Other strategic links

The Strategic Resource Plan 2014/15 – 2017/18 is linked to the Council Plan by the funding of the Strategic Objectives contained in the Council Plan.

#### **Options for Consideration**

1. That the Council adopt the updated Strategic Resource Plan 2014/15 to 2017/18.  
Recommended.

Adoption will allow Council to comply with Section 126(3)(b) requiring the strategic resource plan to be adopted before 30 June each year.

2. That the Council not adopt the updated Strategic Resource Plan 2014/15 to 2017/18.  
Not recommended.

#### **Conclusion**

The Strategic Resource Plan 2014/15 to 2017/18 is presented for adoption. Section 126(3)(b) states that Council must adopt the Strategic Resource Plan not later than 30 June each year.

#### **Attachments**

Strategic Resource Plan 2014/15 to 2017/18 Page 10

**MEETING CLOSED AT 5.33PM**