

MINUTES

FOR THE
GREATER SHEPPARTON CITY COUNCIL

SPECIAL COUNCIL MEETING

HELD ON
WEDNESDAY 14 SEPTEMBER, 2016
AT 1.00PM

IN THE COUNCIL BOARDROOM

COUNCILLORS:

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

VISION

*A THRIVING ECONOMY IN THE FOODBOWL OF VICTORIA WITH
EXCELLENT LIFESTYLES, INNOVATIVE AGRICULTURE
A DIVERSE COMMUNITY AND
ABUNDANT OPPORTUNITIES*

**MINUTES
FOR THE
SPECIAL COUNCIL MEETING
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**CHAIR
CR DINNY ADEM**

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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)
Almost Certain (A) Event expected to occur several times per year (i.e. Weekly)	Low	Moderate	High	Extreme	Extreme
Likely (B) Will probably occur at some stage based on evidence of previous incidents (i.e. Monthly)	Low	Moderate	Moderate	High	Extreme
Possible (C) Not generally expected to occur but may under specific circumstances (i.e. Yearly)	Low	Low	Moderate	High	High
Unlikely (D) Conceivable but not likely to occur under normal operations (i.e. 5-10 year period)	Insignificant	Low	Moderate	Moderate	High
Rare (E) 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 Dinny Adem, Chris Hazelman, Jenny Houlihan, Les Oroszvary, Dennis Patterson and Kevin Ryan.

**OFFICERS: Peter Harriott – Chief Executive Officer
Steve Bowmaker – Director Infrastructure
Johann Rajaratnam – Director Sustainable Development
Chris Teitzel – Director Corporate Services
Kaye Thomson – Director Community
Rebecca Good – Official Minute Taker
Peta Bailey – 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

**Moved by Cr Hazelman
Seconded by Cr Oroszvary**

That the apology from Cr Summer be noted and a leave of absence be granted.

CARRIED.

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.

Cr Hazelman declared a direct conflict of interest in relation to Item 6.1 – Investigation Area 1 – Goulburn Valley Harness and Greyhound Racing Precinct Feasibility Study and Masterplan. Cr Hazelman is a Board member of the Shepparton Harness Racing Club and a member on the Kialla Racecourse Committee of Management.

4. INFRASTRUCTURE DIRECTORATE

4.1 Victoria Park Lake Master Plan

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: Manager Parks, Sport & Recreation

Proof reader(s): Manager Parks, Sport & Recreation

Approved by: Director Infrastructure

Executive Summary

The Victoria Park Lake Precinct is one of Shepparton's most valued assets and is well patronised by both residents and visitors. It provides opportunities for passive and active recreation, a meeting place for friends and families, a major events space and strong linkages between the city and the river. The most recent Master Plan for the site was developed in 2008 and many of the elements of that plan have been developed.

In February 2015, Council received a feasibility study for the redevelopment of the Victoria Park Lake Caravan Park. As a result of this report, Council resolved at the February 2015 Ordinary Council Meeting to:

"Review and update the Victoria Park Lake Master Plan to incorporate the potential for a new SAM and visitor/tourist accommodation precinct"

Shortly thereafter at the May 2015 Ordinary Council Meeting, Council resolved to:

"Accept the findings of the Feasibility Study and Business Case for a new Art museum in Shepparton and endorse the proposed location at the site selected at the southern end of the Victoria Park Lake."

The Master Plan aims to provide strategic guidance for the future planning and development of the Victoria Park Lake precinct. A detailed background report has been prepared along with a site plan summarising key recommendations. The Master Plan also acknowledges existing conditions and therefore recommends continued rollout of broader plans for further enhancement of the precinct.

The Master Plan proposes a staged approach for development over time ensuring implementation can be realistically achieved, with detailed design to be undertaken as works progress to address site specific conditions in each precinct.

Council resolved to place the draft Victoria Park Lake Master Plan on public exhibition at the July Ordinary Council meeting for a 4-week period commencing on 22 July 2016 and concluding on the 19 August 2016.

4. INFRASTRUCTURE DIRECTORATE

4.1 Victoria Park Lake Master Plan (continued)

Key stakeholders, sporting clubs, community groups and the general public were encouraged to review the draft Master Plan and provide feedback or suggestions for improvement. As part of this process, Council officers sought feedback on the draft Master Plan through a stakeholder consultation process involving media releases, letters to stakeholders, online forms, meetings with key stakeholders and through existing community events.

A total of eight written submissions were received in addition to fifty-seven (57) responses to Council's on-line feedback form. Feedback was also sought from internal Council departments and relevant State Government bodies.

The table attached provides a summary of key comments/feedback and an indication of how these have been addressed in the final Victoria Park Lake Master Plan.

Moved by Cr Houlihan
Seconded by Cr Oroszvary

That the Council adopt the Victoria Park Lake Master Plan.

CARRIED.

Background

The previous Victoria Park Lake Master Plan was developed and endorsed by Council in 2008. This Master Plan has successfully guided a number of improvements to the Victoria Park Lake as a pivotal open space precinct that supports a range of sport, recreation, leisure, community and tourism opportunities including some regionally significant major events.

The Victoria Park Lake precinct provides numerous benefits to the community including:

1. Health and wellbeing returns - open spaces facilitate increased levels of participation in physical activity, social gathering and active recreation, each of which is strongly aligned to health and well being
2. Preservation of open space - open spaces contribute to the character and amenity of townships, increasing liveability, support environmental outcomes.
3. Economic returns - from the tourism and events that occur in this precinct.
4. Social connections - providing opportunities for group gatherings and meeting new community members through activation of open space.
5. Connections to valued natural environments - Victoria Park lake is adjacent to the Goulburn river, and the wetlands create opportunities for improving water quality through treatment of stormwater, and habitat for a wide range of fauna
6. Community sense of belonging and pride – identity and pride which can have a positive flow on impact on population retention, growth and regional investment

Since the 2008 masterplan, Council has been adopted the business case for the establishment of new Shepparton Art Museum (SAM) to be located at the southern end of the park, as well as a feasibility study on the Victoria park lake caravan park to guide future opportunities for improvement.

These report were considered by Council which led to the resolution in February 2015 to:

“review and update the Victoria Park Lake Master Plan to incorporate the potential for a new Shepparton Art Museum and visitor/tourist accommodation precinct.”

4. INFRASTRUCTURE DIRECTORATE

4.1 Victoria Park Lake Master Plan (continued)

In May 2015, Council also resolved to:

“accept the findings of the Feasibility study and business case for a new Art museum in Shepparton and endorse the proposed location at the site selected at the southern end of the Victoria Park Lake.”

SED advisory have been engaged by Council to undertake the Master Plan review. This review seeks to evaluate and review successes and issues arising from the 2008 Master Plan, and assess currency of Master Plan recommendations. Taking into account the following:

- Participation trends in relevant sport and recreation activities
- Changing vehicle and pedestrian needs
- The increased need for effective space to host events
- Demographic trends
- Environmental impacts
- Changing community needs
- Changing facility development trends (eg. playspace)
- Increased pressure for multi-use spaces and facilities
- identify current and future infrastructure proposals
- to develop options to address issues around these facilities and proposals.

The Master Plan will also provide feasible and prioritised recommendations with an achievable implementation plan to guide the future development and management of Victoria Park lake precinct.

Council resolved to place the draft Victoria Park Lake Master Plan on public exhibition at the July Ordinary Council meeting for a 4-week period commencing on 22 July 2016 and concluding on the 19 August 2016.

Key stakeholders, sporting clubs, community groups and the general public were encouraged to review the draft Master Plan and provide feedback or suggestions for improvement. As part of this process, Council officers sought feedback on the draft Master Plan through a stakeholder consultation process involving media releases, letters to stakeholders, online forms, meetings with key stakeholders and through existing community events.

On 13 August 2016 in conjunction with a Parkrun event, Council provided a free community BBQ breakfast with Council staff on hand to answer any questions and seek feedback on the Master Plan.

A total of eight written submissions were received in addition to fifty-seven (57) responses to Council's on-line feedback form. Feedback was also sought from internal Council departments and relevant State Government bodies.

Council Plan/Key Strategic Activity

Active and Engaged Community

- We will improve liveability through social and recreational opportunities, a range of inclusive community services and activities, and valuing our diversity.
- We will provide and maintain urban and rural infrastructure to support the development and liveability of our communities.

4. INFRASTRUCTURE DIRECTORATE

4.1 Victoria Park Lake Master Plan (continued)

Risk Management

Risk considerations for the general public and Council employees have been taken into consideration in the development of the Master Plan.

Policy Considerations

Relevant Council policies and external governing body policies have been considered in the development of the Master Plan.

Financial Implications

The Master Plan proposes a staged approach for development over time, ensuring implementation can be realistically achieved.

Should the Master Plan recommendations be adopted by Council, costs associated with items will require financial consideration and commitments by relevant stakeholders (such as government funding bodies and community groups). Those items seeking a Council contribution will be subject to Council's normal capital budget bidding processes.

Legal/Statutory Implications

Statutory implications have been considered in the development of the plan.

Council's Planning, Projects, and Investment Attraction and Active living departments have also been consulted to ensure other relevant legal and statutory requirements and implications have been considered, such as OHS and planning regulations.

Environmental/Sustainability Impacts

Council's Environment department has been consulted in the development of the Master Plan. Council's Environment Strategy was also considered, particularly in consideration of climate change. Recommendations include increased tree planting, consideration of the types of trees and plants.

Social Implications

A number of community and stakeholder interactions have been undertaken to ensure social opportunities and implications were taken into consideration.

Economic Impacts

Economic considerations were taken into consideration through consultation with Council's Investment Attraction department and the Chamber of Commerce.

Consultation

A series of stakeholder consultations have been conducted such as individual and group meetings; a series of workshops which included the following key stakeholder groups:

1. SAM Foundation
2. Committee for Greater Shepparton
3. Shepparton Chamber of Commerce
4. Councillor Workshop
5. Council departments
 - a. Investment Attraction
 - b. Active Living
 - c. Planning
 - d. Projects
 - e. Sustainability and Environment
 - f. Parks, Sport & Recreation
 - g. Works & Waste

4. INFRASTRUCTURE DIRECTORATE

4.1 Victoria Park Lake Master Plan (continued)

6. VIC Roads
7. Goulburn Broken Catchment Management Authority
8. Victoria park lake users groups
 - a. Canoe Club
 - b. Adventure club
 - c. Triathlon club
 - d. Rowing Club
 - e. Sailability
 - f. Parkrun

Officers believe that appropriate consultation has occurred and the matter is now ready for Council consideration.

Strategic Links

a) Greater Shepparton 2030 Strategy

b) Other strategic links

- 2015 SAM Feasibility Study
- 2015 Victoria Park Lake Caravan Park Feasibility Study
- 2008 Victoria Park Lake Master Plan
- 2011 Victoria Park Lake Master Plan review: Issues and Options Paper (NB: not presented/endorsed by Council)
- 2012 Greater Shepparton Accommodation Opportunities Study
- 2006 Economic Development Strategy
- 2011-2014 Tourism and Major Events Strategy

Conclusion

The Master Plan aims to provide a strategic approach to the future development of Victoria Park Lake. The Master Plan has taken into consideration community and stakeholder needs and assessed local and state government policy, strategy and regulations.

Attachments

1. Victoria Park Lake Master Plan Revisions Schedule 31-08-2016 Page 40
2. Victoria Park Lake Master Plan Feedback Summary Page 42
3. Victoria Park Lake Master Plan - final report 31-08-2016 Page 49

5. CORPORATE SERVICES DIRECTORATE

5.1 2016/2017 August Budget Review

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: Team Leader Corporate Accounting

Proof reader(s): Manager Finance and Rates

Approved by: Director of Corporate Services

Executive Summary

The report presents the draft forecast financial performance for the 2016/2017 financial year compared to budget based on the August Budget Review forecasts submitted by Responsible Managers.

Council's forecast performance is an accounting surplus of \$13.1 million which is \$0.47 million less than the 2016/2017 Adopted Budget.

The Accounting Surplus (difference between operating income and operating expenses) decreased from \$13.57 million to \$13.10 million

Capital works of \$42.03 million are forecast to be expended during the 2016/2017 financial year which is a decrease of \$3.45 million from the Adopted Budget. In response to historical trends identified from an internal review of Council's capital works financial performance, and in efforts to provide a more realistic forecast to stakeholders, a 10% reduction factor has been applied to the capital works forecast.

While Council's forecast working capital (net current assets) is a healthy \$20.02 million, which demonstrates Council has the necessary funds to cover debts, the remaining balance should not be treated as being available for discretionary use. Council has a forecast restricted investment balance of \$14.4 million which needs to be covered by Council's available working capital.

A number of adjustments to the schedule of fees and charges are also proposed.

Moved by Cr Houlihan Seconded by Cr Oroszvary

That the Council

1. Adopt the revised forecasts identified by the 2016/2017 August Budget Review;
2. Approve the renaming of Capital Works item "360 Litre Bins" to "Purchase of New Bins";
3. Approve the renaming of the User Fees and Charges item "Performance Assessment/Combined Allotment" to "Performance Assessment/Combined Allotment/Change of Use".

5. CORPORATE SERVICES DIRECTORATE

5.1 2016/2017 August Budget Review (continued)

4. Approve the removal of the following User Fees and Charges:

- Lodgment Fee
- Sign on Site (to produce and erect); and

5. Adopt the following amendments to User Fees and Charges:

Fee Name	Current Amount	Amended Amount
Boardroom - full day	\$157.30 (plus GST)	\$143.00 (plus GST)
Boardroom - half day	\$95.70 (plus GST)	\$87.00 (plus GST)
Boardroom - full day (incubator tenant rate)	\$78.65 (plus GST)	\$71.00 (plus GST)
Boardroom - half day (incubator tenant rate)	\$47.85 (plus GST)	\$43.00 (plus GST)
Currawong - full day	\$157.30 (plus GST)	\$143.00 (plus GST)
Currawong - half day	\$95.70 (plus GST)	\$87.00 (plus GST)
Currawong - full day (incubator tenant rate)	\$78.65 (plus GST)	\$71.00 (plus GST)
Currawong - half day (incubator tenant rate)	\$47.85 (plus GST)	\$43.00 (plus GST)
Kingfisher - full day	\$113.30 (plus GST)	\$108.00 (plus GST)
Kingfisher - half day	\$62.70 (plus GST)	\$60.00 (plus GST)
Meeting Room - full day	\$25.30 (plus GST)	\$108.00 (plus GST)
Meeting Room - half day	\$90.20 (plus GST)	\$108.00 (plus GST)
Office Space	\$66.00 (plus GST)	\$60.00 (plus GST)
Training Room - full day	\$223.30 (plus GST)	\$203.00 (plus GST)
Training Room - half day	\$159.50 (plus GST)	\$145.00 (plus GST)
Training Room - full day (incubator tenant rate)	\$111.65 (plus GST)	\$101.00 (plus GST)
Training Room - half day (incubator tenant rate)	\$79.75 (plus GST)	\$72.00 (plus GST)
Catering - Tea and Coffee (per head)	\$3.65 (plus GST)	\$3.50 (plus GST)
Conference Phone	\$17.60 (plus GST)	\$16.00 (plus GST)
Projector Hire	\$57.75 (plus GST)	\$52.00 (plus GST)
Building - Title Searches (as requested by client)	\$44.00 (plus GST)	\$52.50 (plus GST)
Prescribed Temporary Structure	Non GST	Including GST
Crossing Fee	Non GST	Including GST
Non-siting Council Consent and Report	\$92.50 (non GST)	\$250.00 (non GST)
Approx. Fees Associated with Proponent driven planning panels	\$16,500.00 (plus GST)	\$10,000.00 (plus GST)
Statutory Fees associated with Planning Scheme Amendments	\$2,255.00 (non GST)	\$2,918.00 (non GST)
Sign on Site	\$23.10 (plus GST)	\$21.00 (non GST)
Mail Out	\$3.85 (plus GST)	\$3.15 (non GST)

CARRIED.

5. CORPORATE SERVICES DIRECTORATE

5.1 2016/2017 August Budget Review (continued)

Background

Under section 138 of the Local Government Act 1989 the Chief Executive Officer at least every 3 months must ensure quarterly statements comparing the budgeted revenue and expenditure for the financial year with the actual revenue and expenditure to date are presented to the Council.

Council's actual financial performance compared to the budget is presented to Council on a monthly basis.

The 2016/2017 Budget was adopted at the Ordinary Council Meeting held 21 June 2016. The 2016/2017 Budget provided for an operating surplus of \$13.81 million with revenue of \$130.31 million and expenditure of \$116.74 million. The 2016/2017 Budget also provided for capital works of \$45.49 million.

The budget review process involves Managers reviewing the adopted budget for their departmental areas compared to actual income and expenditure. Managers are to update forecasts to reflect the expected year end result. The Executive then undertake a detailed review to understand and confirm forecast variations. The review is then submitted to Council for consideration.

Forecast variances to the adopted budget include re-budgeted projects that are to be delivered in the 2016/2017 financial year where funding was received or is held from last financial year and were not included in the adopted 2016/2017 budget.

2016/2017 August Budget Review Forecast

As a result of the 2016/2017 August Budget Review, forecast year end variances compared to the 2016/2017 Adopted Budget include:

Income Statement

The Accounting Surplus (difference between operating income and operating expenses) decreased from \$13.57 million to \$13.10 million

The decrease in the accounting surplus from Adopted Budget to the August Review of \$0.47 million is largely due to the following factors:

Item	\$ (000's)	Comments
Increase in operating revenue	(449)	\$392k due to the raising of the July Supplementary rates \$42k due to additional permits within the Buildings area.
Increase in operating expenses	917	Largely due to a \$802k increase in materials and services across the Organisation. - \$129k additional materials required at the Animal Shelter - \$127k increase in Insurance Premiums - \$100k Economic Development Strategy - \$100k Supported Parent & Playgroups (income received in prior year) - \$98k final payments for 15/16 projects.
Net decrease in accounting surplus	468	

5. CORPORATE SERVICES DIRECTORATE

5.1 2016/2017 August Budget Review (continued)

Balance Sheet

Working capital (current assets less current liabilities) is forecast to increase by \$11.43 million from the 2016/2017 adopted budget. This is largely due to the impact of the ending financial position in 2015/2016.

Cash Flow Statement

Ending cash and cash equivalents are forecast to be \$9.89 million higher than the 2016/2017 adopted budget. Once again this is largely due to the impact of the ending financial position in 2015/2016.

Capital Works

Greater Shepparton City Council has conducted a review of its historical capital expenditure performance. The review identified historical trends relating to a level of approved capital project expenditure not being achieved each financial year due to various factors such as delays with poor weather and time impacts of obtaining authority approvals. In consideration of the historical performance and in an effort to provide a more realistic total capital works expenditure forecast to stakeholders, a “reduction factor” of approximately 10% of the current forecast has been applied to the total forecast.

As the financial year progresses Council will report performance of individual projects against this reduction factor as projects that are seeking a reduced forecast are submitted as part of each quarterly budget review.

The 2016/3027 Capital Works forecast has been revised to \$42.03 million, \$3.45 million lower than the adopted budget.

Further analysis is contained within the attached 2016/2017 August Budget Review report.

Cash Position

The term surplus is often perceived to be cash. The surplus reported in the Income Statement is an accounting surplus, it is accrual based and prepared in accordance with accounting standards. It should be noted that it contains both cash and non-cash items.

It is important that a cash surplus is generated from Council's operations to fund the capital works program. Capital income is reported as part of the operating surplus however capital works are reported as an increase in assets in the Balance Sheet rather than an operating expense.

The forecast underlying cash surplus of \$27.9 million is a \$9.2 million increase on the 2016/2017 Adopted Budget cash forecast. This largely reflects the decrease in the capital works forecast and the ending financial position in 2015/2016.

Council Plan/Key Strategic Activity

This proposal is consistent with the strategic objective High Performing Organisation (Leadership and Governance).

5. CORPORATE SERVICES DIRECTORATE

5.1 2016/2017 August Budget Review (continued)

Risk Management

Monitoring of performance against the 2016/2017 adopted budget as well as the forecast year end position provides for prudent financial management and ensures that Council is made aware of any known or potential financial risks.

Risks	Likelihood	Consequence	Rating	Mitigation Action
Inability to achieve current budget due to income not reaching budgeted levels or costs exceeding budget exposing the Council to a cash deficit.	Likely	Moderate	Moderate	Review detailed monthly financial reports and take corrective action where forecast varies against budget.
Breaching the local Government Act by expending funds against line items without endorsed budget.	Possible	Moderate	Moderate	Undertake quarterly budget reviews to formally consider and adjust for any known variances.

Policy Considerations

There are no identified conflicts with existing Council policies.

Financial Implications

Forecast variances to the 2016/2017 adopted budget are detailed throughout the attached report.

	2016/2017 Adopted Budget \$'000	2016/2017 August Review \$'000	Variance to Adopted Budget \$'000
Revenue	130,088	130,536	(448)
Expense	116,517	117,433	916
Net Result	13,571	13,103	468

The forecast end of year result is expected to be an accounting surplus of \$13.1 million which is \$0.47 million less than the Adopted Budget.

Capital works

Capital works of \$46.7 million are forecast to be expended during the 2016/2017 financial year which is an increase of \$1.217 million from the Adopted Budget. Including the 10% reduction factor Council will adopt a Capital works budget forecast of \$42.03 million.

	2016/2017 Adopted Budget \$'000	2016/2017 August Review (incl. contingency) \$'000	Variance to Adopted Budget \$'000
Capital works	45,485	42,032	(3,453)

5. CORPORATE SERVICES DIRECTORATE

5.1 2016/2017 August Budget Review (continued)

Net current assets

Net current assets (current assets less current liabilities) is an indicator of Council's ability to pay existing liabilities in the next 12 months. The aim is to have more cash and liquid assets than short-term liabilities.

If current assets are less than current liabilities difficulties may arise in meeting obligations as they fall due. Current assets include cash and debtors whereas current liabilities include creditors, some employee provisions and trust funds.

A comparison of Council's budgeted net current assets less restricted investments is included in the table below.

	2016/2017 Adopted Budget \$'000	2016/2017 August Review \$'000	Variance to Adopted Budget \$'000
Net current assets	8,803	20,238	11,435
Less -Restricted investments	(12,866)	(14,405)	(1,539)
Underlying current assets	(4,063)	5,833	9,896

The table above demonstrates that Council has sufficient working capital to meet its obligations when they fall due. However, the \$20.24 million working capital should not be treated as available for discretionary use. Council has a forecast restricted investment balance of \$14.41 million containing significant commitments that need to be covered by Council's available working capital.

Legal/Statutory Implications

Section 138 of the Local Government Act 1989 requires that at least every three months the Chief Executive Officer must ensure a statement comparing the budgeted revenue and expenditure for the financial year with the actual revenue and expenditure to date are presented to the Council. A detailed financial report is presented to the Council each month.

Environmental/Sustainability Impacts

There are no environmental or sustainable impacts that will arise from this proposal.

Social Implications

There are no social impacts that will arise from this proposal.

Economic Impacts

There are no identified economic impacts.

Consultation

External consultation has not occurred regarding the contents of this report. Specific consultation, however, has and will take place on some specific items within the budget as and when appropriate.

Appropriate consultation has occurred with Council Officers and the matter is now ready for Council consideration.

5. CORPORATE SERVICES DIRECTORATE

5.1 2016/2017 August Budget Review (continued)

Strategic Links

a) Greater Shepparton 2030 Strategy

Nil

b) Other strategic links

The report is consistent with the governance principle of Strategic Objective five of the Council Plan 2013-2017 “High Performing Organisation (Leadership and Governance)”.

Conclusion

This report has been prepared and presented to identify and reflect known variances in the end of year financial forecast compared to budget.

Attachments

2016/2017 August Budget Review Page 96

5. CORPORATE SERVICES DIRECTORATE

5.2 Financial Statements and Performance Statement for Year Ended 30 June 2016

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: Manager Finance and Rates

Proof Reader: Manager Finance and Rates

Approved by: Director Corporate Services

Executive Summary

The report presents the final financial statements and performance statement for the financial year ending 30 June 2016 for in principle approval by the Council prior to submission to the Victorian Auditor-General and the Minister in accordance with the *Local Government Act 1989*.

The Act also requires that the Council authorise two Councillors to certify the financial statements and to approve the performance statement in their final form, after any changes recommended, or agreed to, by the auditor have been made.

It should be noted that the Manager Finance and Rates will be signatory to the financial statements as Principal Accounting Officer.

Moved by Cr Oroszvary Seconded by Cr Hazelman

That the Council:

1. approve in principle the financial statements and performance statement for the financial year ended 30 June 2016;
2. authorise the Mayor, Cr Dinny Adem, the Deputy Mayor, Cr Fern Summer and the Chief Executive, Peter Harriott, to certify the financial statements and to certify the performance statement in their final form after any changes recommended or agreed to by the auditor, have been made.

CARRIED.

Background

In accordance with the *Local Government Act 1989* (the Act), the Council is required to prepare financial statements and a performance statement at the end of each financial year.

The Act requires Council to approve in principle the final financial statements and performance statement prior to submission to the Victorian Auditor-General and the Minister.

5. CORPORATE SERVICES DIRECTORATE

5.2 Financial Statements and Performance Statement for Year Ended 30 June 2016 (continued)

The Act also requires that the Council authorise two Councillors to certify the financial statements and to certify the performance statement in their final form, after any changes recommended, or agreed to, by the auditor have been made.

At its special meeting on 8 September 2016 the Council's Audit and Risk Management Committee reviewed the statements in conjunction with the Victorian Auditor-General's Appointed Auditor and formally recommended that the Council approve in principle the financial statements and performance statement for the financial year ended 30 June 2016.

Council Plan/Key Strategic Activity

The report is consistent with the governance principle contained in Goal 5 of the Council Plan 2013-2017, "High Performing Organisation (Leadership and Governance)".

Risk Management

Council has addressed any risks associated with the preparation of the reports by applying accepted accounting standards, where applicable.

Risks	Likelihood	Consequence	Rating	Mitigation Action
Risk of material misstatement	Possible	Major	High	Strong internal controls and external audit by LD Assurance.
Council does not approve the Statements in principle	Rare	Major	Moderate	Statements also reviewed by Council's Audit and Risk Management Committee
Signed Statements not submitted to the Minister by 30 September 2016	Unlikely	Major	Moderate	Established process to ensure target date is achieved

Policy Considerations

The Financial Statements have been prepared in accordance with accounting policies as detailed in note 1 of the Financial Statements.

Financial Implications

The financial implications are detailed within the financial statements and performance statement for the year ended 30 June 2016.

Legal/Statutory Implications

This proposal is consistent with sections 131 and 132 of the *Local Government Act 1989* and the Local Government (Planning and Reporting) Regulations 2014 Part 4 Divisions 2 and 3.

Environmental/Sustainability Impacts

No environmental or sustainability impacts have been identified.

5. CORPORATE SERVICES DIRECTORATE

5.2 Financial Statements and Performance Statement for Year Ended 30 June 2016 (continued)

Social Implications

No social implications have been identified.

Economic Impacts

No economic impacts have been identified.

Consultation

Officers believe that appropriate consultation has occurred and the matter is now ready for Council consideration.

Level of public participation	Promises to the public/stakeholders	
Inform	Keep informed	Council's Annual Report

Strategic Links

No Strategic Links have been identified in relation to this report.

Conclusion

The report presents the final financial statements and performance statement for the financial year ending 30 June 2016 for in principle approval prior to submission to the Victorian Auditor-General and the Minister in accordance with the *Local Government Act 1989*.

Attachments

1. Greater Shepparton City Council Financial Statements year ended 30 June 2016 Page 115
2. Greater Shepparton City Council Performance Statement year ended 30 June 2016 Page 159

5. CORPORATE SERVICES DIRECTORATE

5.3 Chief Executive Officer - Delegation to China

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: Governance Officer

Proof reader(s): Team Leader Governance, Manager Corporate Governance

Approved by: Director Corporate Services

Executive Summary

The Chief Executive Officer will be accompanying the Mayor and a delegation of regional Victorian cities travelling to China during the period 19 September 2016 to 23 September 2016 (inclusive).

This report is advising Council of the proposed business trip for information purposes, and recommends the appointment of an Acting Chief Executive Officer and Acting Mayor for this period.

Moved by Cr Oroszvary

Seconded by Cr Patterson

That the Council:

1. endorse the Chief Executive Officer Peter Harriott to accompany the Mayor on a delegation to China from 19 September 2016 to 23 September 2016 (inclusive);
2. appoint Mr Chris Teitzel, Director Corporate Services, as Acting Chief Executive Officer and delegate all powers of the Chief Executive Officer for the period 19 September 2016 to 23 September 2016 (inclusive).
3. appoint Cr Summer as the Acting Mayor for the period 19 September 2016 to 23 September 2016 (inclusive).

CARRIED.

Background

The delegation to China seeks to develop relationships within China to provide opportunities for the facilitation of trade and investment between the two areas. The Chief Executive Officer and Mayor will market the Shepparton advantage, its importance to the national economy, being the Foodbowl of Australia with 25 per cent of Victoria agriculture produced here.

Greater Shepparton's annual export value of \$1.53 billion demonstrates that our city is well equipped to cater for the shifting demographic, rising incomes and changing tastes and preferences of Asian consumers.

This opportunity to meet with potential trade partners and discuss current and future opportunities that exist within our region will assist to capture new openings for Greater Shepparton markets and increase economic outcomes within our region.

5. CORPORATE SERVICES DIRECTORATE

5.3 Chief Executive Officer - Delegation to China (continued)

On 16 August 2016 Council has previously resolved:

The Council approve that the Mayor accept the invitation from the Premier to accompany him on a delegation to China, to occur in mid to late September at a potential cost of this Council of up to \$5,000.

The Chief Executive Officer will now accompany the Mayor on this business trip, and requires that an Acting Chief Executive Officer be appointed to carry out the day-to-day operations, as well as the statutory requirements of the position in his absence.

The Mayor, Cr Dinny Adem and Chief Executive Officer, Peter Harriott will be overseas for the period 19 September 2016 to 23 September 2016 (inclusive) during which time they will not be able to perform any of the duties associated with their respective positions.

The Chief Executive Officer is of the belief that there is a sufficiently experienced management team from which it is appropriate to make an appointment for someone to act in his role. It is for this reason; it is proposed that Chris Teitzel, Director Corporate Services be appointed to the role of Acting Chief Executive Officer during this period.

Should these arrangements be acceptable to Council, it is necessary for Chris Teitzel, Director Corporate Services to be provided with relevant authority to undertake the role of Acting Chief Executive Officer.

It will also be necessary to appoint an Acting Mayor during this Period, and it is recommended that the Deputy Mayor, Cr Fern Summer assume this role.

Council Plan/Key Strategic Activity

There are no strategic implications relative to this matter.

Risk Management

There have been no identified risks associated with the appointment of an Acting Mayor or Acting Chief Executive Officer.

All of the Chief Executive Officers' delegated powers are assigned to the position, which is automatically applied to any person appointed to the role in an acting capacity.

Policy Considerations

This report is consistent with the Exercise of Delegations Policy | 37.POL2.

Financial Implications

The financial implications to Council in respect of the Mayor and Chief Executive Officer's business trip will include the costs associated with airfares and accommodation.

Legal/Statutory Implications

This report is consistent with Section 94A of the *Local Government Act 1989* – functions of the Chief Executive Officer.

Environmental/Sustainability Impacts

There are no environmental/sustainability impacts relevant to this matter.

5. CORPORATE SERVICES DIRECTORATE

5.3 Chief Executive Officer - Delegation to China (continued)

Social Implications

There are no social implications relevant to this matter.

Economic Impacts

There are no economic impacts relevant to this matter.

Consultation

Consultation has been conducted with the Mayor, Councillors and the Executive Leadership Team.

Strategic Links

There are no strategic links relevant to this matter.

Conclusion

It is recommended that the Council endorse the Chief Executive Officers' delegation to China, and appoint an Acting Mayor and Acting Chief Executive Officer for the period 19-23 September 2016.

Attachments

Nil

5. CORPORATE SERVICES DIRECTORATE

5.4 Submission in response to the Local Government Act 1989

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: Team Leader Governance

Proof reader(s): Manager Corporate Governance

Approved by: Director Corporate Services

Executive Summary

In August 2015, the Minister for Local Government launched the review of the *Local Government Act 1989 (the Act)*. The initial phase of this review has been supported by a discussion paper distributed by the State Government of Victoria, in addition to a number of workshops and forums conducted by various agencies including the Victorian Local Government Association (VLGA) and the Municipal Association of Victoria (MAV).

The review is looking at the objectives, roles and functions of councils; the powers required of councils to achieve these objectives and perform their roles and functions; and the extent these should be regulated under *the Act*.

Following the discussion paper a Directions Paper was released in June 2016 which outlined the key reforms proposed to develop the legislative framework.

Councils and their communities were invited to have their say on these proposed reforms with submissions open until 16 September 2016.

This report presents a submission to Council for endorsement, based on the feedback which has been received from Councillors.

Moved by Cr Patterson
Seconded by Cr Houlihan

That the Council:

1. endorse the submission prepared in response to the review of the *Local Government Act 1989*;
2. authorise officers to submit this submission on the Councils behalf, prior to the closing of submissions on 16 September 2016.

CARRIED.

Background

The *Local Government Act 1989* was last reviewed over 25 years ago, and a significant number of amendments have been made since that time. These amendments have caused a shift in the legislation from being primarily enabling provisions, to the highly prescriptive and often difficult to interpret legislation that it is today.

5. CORPORATE SERVICES DIRECTORATE

5.4 Submission in response to the Local Government Act 1989 (continued)

This review presents a unique opportunity to consider what is still relevant, what may fit better under different legislation, and what may be required to address our future needs.

Some of the key aspects identified through feedback into the submission included:

- Support for the expanded role of the Mayor
- Roles and powers of Committees including the Audit and Risk Management Committee
- Community engagement processes
- Reporting frameworks.

Council Plan/Key Strategic Activity

The *Local Government Act 1989* has a significant impact in regulating the day to day operations of the Council. Any changes made to this legislation could impact processes relating to the development and implementation of the Council Plan.

Risk Management

No risks have been identified in relation to this submission.

Policy Considerations

There are no direct policy implications associated with making this formal submission.

Outcomes of the review of the *Local Government Act 1989* may have significant impacts on Council policies, including the development and review frequencies.

These matters will be addressed accordingly following the implementation of the new legislation.

Financial Implications

There are no direct financial implications associated with this submission.

Any financial implications which may arise through the implementation of the new legislation will be addressed through the budget process.

Legal/Statutory Implications

There are no legal / statutory implications associated with making this submission. Any changes to statutory processes will be identified prior to the new legislation coming into force.

Environmental/Sustainability Impacts

There are no environmental / sustainability impacts associated with this report.

Social Implications

There are no social implications associated with this report.

Economic Impacts

There are no economic impacts associated with this report.

Consultation

Consultation has been undertaken with Councillors and Executive. This feedback has been incorporated into the submission and officers believe that the matter is now ready for Council consideration.

5. CORPORATE SERVICES DIRECTORATE

5.4 Submission in response to the Local Government Act 1989 (continued)

Strategic Links

a) Greater Shepparton 2030 Strategy

Nil

b) Other strategic links

Nil

Conclusion

The review of the *Local Government Act 1989* provides an exciting opportunity for Greater Shepparton City Council to help shape this important piece of legislation into something that will address our needs, well into the future.

It is recommended that Council provide a submission in relation to the Directions Paper which has been released.

Attachments

Council Submission in response to Directions Paper (Act for the Future) -
Directions for a new Local Government Act

Page 170

6. SUSTAINABLE DEVELOPMENT DIRECTORATE

6.1 Investigation Area 1 - Goulburn Valley Harness and Greyhound Racing Precinct Feasibility Study and Masterplan

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: Team Leader Strategic Planning

Proof reader(s): Manager Planning

Approved by: Director Sustainable Development

Other: Graduate Strategic Planner Amendments and Principal Strategic Planner

Executive Summary

The Greater Shepparton Planning Scheme at Clause 21.04 – *Settlement* states:

Investigation Area 1 – Kialla Paceway and Shepparton Greyhound Racing environs. This area surrounds and includes the greyhound and trotting facilities and is directly adjacent to the Shepparton South Growth Corridor. There is potential to extend services to this land. However, future residential development within this area will be dependent on amenity issues such as lighting, noise, odour and dust being addressed to ensure that the long term interests of the racing facilities are protected.

Urban Enterprise Pty Ltd was commissioned in December of 2013 to complete the assessment of Investigation Area 1. The project is jointly funded by Greater Shepparton City Council, Regional Development Victoria, Shepparton Harness Racing Club, Shepparton Greyhound Racing Club, Harness Racing Victoria and Greyhound Racing Victoria.

In June of 2015, following two rounds of public consultation, Urban Enterprise Pty Ltd prepared the *Draft Goulburn Valley Equine and Greyhound Precinct - Feasibility Study and Masterplan* (Draft Feasibility Study and Masterplan). At the Ordinary Council Meeting held on 21 July 2015, Council resolved to note the Draft Feasibility Study and Masterplan (see Attachment 1 - *Draft Goulburn Valley Equine and Greyhound Precinct - Feasibility Study and Masterplan*) and release it for a third round of public consultation.

During consultation, held in late 2015, several issues were raised (see Attachment 2 – *Submissions Recorder*). The most critical of these were related to the flood controls and acoustic levels in the precinct. Additionally, a submission from the APA Group identified that an easement exists for a high-pressurised gas pipeline in an east to west direction across the entire precinct (see Attachment 3 - *Submission from the APA Group*).

To address these concerns, Council officers commissioned an acoustic assessment and a model of flood behaviour and sought advice from the APA Group, the owners of the pipeline, to understand the implications the easement has on future development in the precinct.

6. SUSTAINABLE DEVELOPMENT DIRECTORATE

6.1 Investigation Area 1 - Goulburn Valley Harness and Greyhound Racing Precinct Feasibility Study and Masterplan (continued)

Watson Moss Growcott Acoustics Pty Ltd was commissioned to prepare an acoustic assessment. The *Goulburn Valley Harness and Greyhound Racing Precinct Masterplan - Acoustic Assessment* (see Attachment 4 - *Goulburn Valley Harness and Greyhound Racing Precinct Masterplan - Acoustic Assessment - May 2016*) recommends that the proposed modifications to the public address system at the harness racing facility, made by the Shepparton Harness Racing Club, are the only noise control measures required in order for the residential development proposed in the Masterplan to proceed, without adverse noise impacts at the future residential premises. The report also recommends an appropriate buffer distance for sensitive land uses around the racing facility.

Water Technology Pty Ltd was commissioned to prepare a model of flood behaviour to assess the existing flood controls on the land and to assess the impact of the extent of development outlined in the masterplan.

The Investigation Area 1 – Model of Flood Behaviour (see Attachment 5 - *Investigation Area 1 - Model of Flood Behaviour Report*) indicates that parts of the Investigation Area are more flood affected than reflected in the current flood controls. The impact of the study is that Council's masterplan will require further changes in order to limit the impact of flooding over the investigation area and beyond. These changes are outlined in the body of this report. Based on the results of the Model of Flood Behaviour the previous Council endorsed masterplan released for comment would therefore require changes. Various development scenarios were modelled to ensure an appropriate development outcome was achieved.

Urban Enterprise Pty Ltd consulted with the APA Group and determined that due to the risk associated with sensitive uses in proximity to the pipeline and the cost prohibitive price to recoat the pipeline to accommodate development above, development within the easement should be restricted or used for flood mitigation infrastructure and public open space.

Urban Enterprise Pty Ltd has considered the implications of the APA Group's submission, and the results of the acoustic assessment and model of flood behaviour. The *Goulburn Valley Harness and Greyhound Racing Precinct Feasibility Study and Masterplan* has been revised accordingly (see Attachment 6 - *Final Goulburn Valley Harness and Equine Precinct Feasibility Study and Masterplan - June 2016*).

On 30 June 2016 and 1 July 2016, individual meetings with landowners and stakeholders were arranged to discuss the findings of the peer reviews and how the reviews have informed the layout of the final Masterplan. This additional consultation period highlighted the need to include the Goulburn-Murray Water (G-MW) backbone channel traversing the Investigation Area in an east-west direction on the final Masterplan. The Masterplan has been revised accordingly.

Council officers consider that the assessment of Investigation Area 1 has been completed and the *Goulburn Valley Harness and Greyhound Racing Precinct Feasibility Study and Masterplan* is now ready for consideration by Council. Additionally, Council officers recommend the preparation and exhibition of a planning scheme amendment to implement the findings of the *Goulburn Valley Harness and Greyhound Racing Precinct Feasibility Study and Masterplan*.

6. SUSTAINABLE DEVELOPMENT DIRECTORATE

6.1 Investigation Area 1 - Goulburn Valley Harness and Greyhound Racing Precinct Feasibility Study and Masterplan (continued)

Cr Hazelman declared a direct conflict of interest in relation to this report.
Cr Hazelman is a Board member of the Shepparton Harness Racing Club and a member on the Kialla Racecourse Committee of Management.

Cr Hazelman left the meeting at 1.33pm

**Moved by Cr Patterson
Seconded by Cr Houlihan**

That the Council:

1. note the findings of the *Goulburn Valley Harness and Greyhound Racing Precinct Masterplan - Acoustic Assessment* undertaken by Watson Moss Growcott Acoustics Pty Ltd;
2. note the findings of the Investigation Area 1 – Model of Flood Behaviour undertaken by Water Technology Pty Ltd;
3. note the submissions received during public consultation for the *Draft Goulburn Valley Harness and Greyhound Precinct Feasibility Study and Masterplan*;
4. endorse the *Goulburn Valley Equine and Greyhound Precinct - Feasibility Study and Masterplan*; and
5. prepare and exhibit a planning scheme amendment to implement the findings of the *Goulburn Valley Equine and Greyhound Precinct - Feasibility Study and Masterplan*.

**Moved by Cr Houlihan
Seconded by Cr Oroszvary**

That Cr Ryan assume the Chair.

CARRIED

Cr Adem vacated the Chair at 1.42pm to speak to the motion.

Cr Adem resumed the Chair at 1.43pm.

The motion was put and carried

**Cr Oroszvary called a division.
Those voting in favour of the motion Cr Houlihan, Cr Patterson and Cr Ryan
Those voting against the motion Cr Oroszvary and Cr Adem.**

Cr Hazelman returned to the room at 1.45pm.

6. SUSTAINABLE DEVELOPMENT DIRECTORATE

6.1 Investigation Area 1 - Goulburn Valley Harness and Greyhound Racing Precinct Feasibility Study and Masterplan (continued)

Background

The *Greater Shepparton Housing Strategy 2011* identified the “Kialla Paceway and Shepparton Racing Environs” as Investigation Area 1. It states “*further work is required on land conditions, servicing and development potential before future zoning options can be fully assessed and determined*”.

Investigation Area 1 is located in Kialla, to the south of River Road and to the east of Goulburn Valley Highway (see below *Figure 1 – Investigation Area 1 – Locality Plan*).

In order to complete the assessment of Investigation Area 1, Council commissioned Urban Enterprise Pty Ltd on 18 December 2013 to complete the *Goulburn Valley Equine and Greyhound Precinct - Feasibility Study and Masterplan*. Urban Enterprise was appointed in accordance with Council’s procurement policy.

The project is funded by Greater Shepparton City Council, Regional Development Victoria, Shepparton Harness Racing Club, Shepparton Greyhound Racing Club, Harness Racing Victoria and Greyhound Racing Victoria.

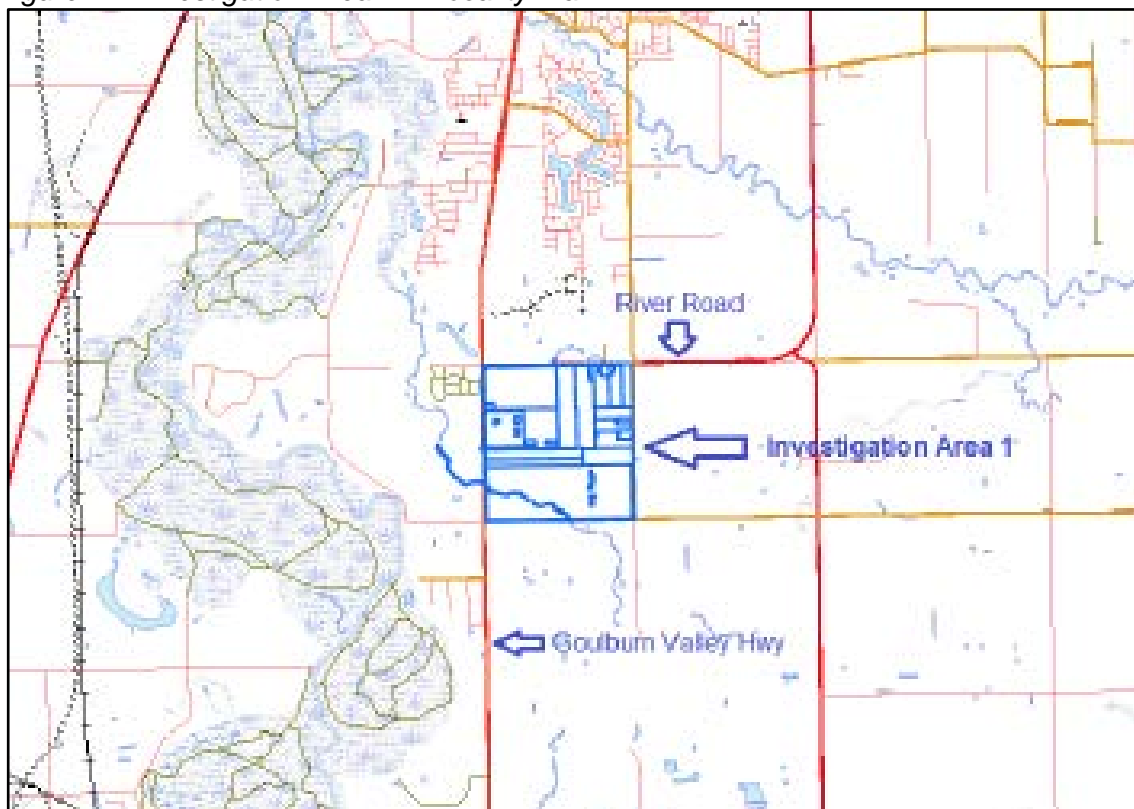
This work is in accordance with the actions outlined in the *Greater Shepparton Housing Strategy 2011* and *Greater Shepparton Planning Scheme*. Clause 21.04 – *Settlement* of the Greater Shepparton Planning Scheme references the Goulburn Valley Equine and Greyhound Precinct and provides the following description:

“Investigation Area 1 – Kialla Paceway and Shepparton Greyhound Racing environs. This area surrounds and includes the greyhound and trotting facilities and is directly adjacent to the Shepparton South Growth Corridor. There is potential to extend services to this land. However, future residential development within this area will be dependent on amenity issues such as lighting, noise, odour and dust being addressed to ensure that the long term interests of the racing facilities are protected”.

6. SUSTAINABLE DEVELOPMENT DIRECTORATE

6.1 Investigation Area 1 - Goulburn Valley Harness and Greyhound Racing Precinct Feasibility Study and Masterplan (continued)

Figure 1 – Investigation Area 1 – Locality Plan



In June of 2015, following two rounds of public consultation, Urban Enterprise Pty Ltd prepared the *Draft Goulburn Valley Equine and Greyhound Precinct - Feasibility Study and Masterplan* (Draft Feasibility Study and Masterplan), (see Attachment 1 - *Draft Goulburn Valley Equine and Greyhound Precinct - Feasibility Study and Masterplan*). The Draft Feasibility Study and Masterplan was released for a third round of public consultation from 27 July 2015 to 24 August 2015.

During this consultation, submissions (see Attachment 2 – *Submissions Recorder*) were received that queried flood controls and acoustic levels in the precinct, and identified that an easement exists for a high-pressurised gas pipeline in an east to west direction across the entire precinct. These matters are addressed individually below.

APA Group High-Pressure Gas Pipeline

The APA Group provided a submission (see Attachment 3 – *Submission from the APA Group*) during the latest round of public consultation. Council officers discussed this submission with the APA Group's Land Agent for Victoria and can provide the following information:

- An easement approximately 1.8km in length and 20 metres wide exists in an east to west direction across the entire precinct for a high-pressure gas pipeline;
- A 20 metre buffer exists around the 200mm wide pipeline. The buffer exists 5 metres to the South and 15 metres to the North of the pipeline to accommodate the possible duplication or replacement of the pipe;
- Due to the change in land uses proposed in the Draft Feasibility Study and Masterplan within the vicinity of the APA high pressure gas pipeline, a Safety Management Study will be required prior to any development occurring;

6. SUSTAINABLE DEVELOPMENT DIRECTORATE

6.1 Investigation Area 1 - Goulburn Valley Harness and Greyhound Racing Precinct Feasibility Study and Masterplan (continued)

- APA Group prefers that its easement not be split up into numerous different titles or allotments. Ideally, the easement would exist over only one allotment to reduce risks and costs for monitoring and maintaining the pipeline;
- APA Group would not support any major development (construction of buildings and sealed roads, etc.) within this buffer and if any major development was to occur, it would require the costly recoating of the pipeline (approximately \$1,000 per linear metre plus administration costs); and
- APA could support the following:
 - Roads crossing the pipeline at a 90 degree angle;
 - Flood mitigation infrastructure, such as swales, along/across the easement; and
 - The easement being used as public open space with shared paths and/or horse trails.

Urban Enterprise Pty Ltd has considered the implications of the APA Group's submission and recommended that, due to the risk associated with sensitive uses in proximity to the pipeline and the cost prohibitive price to recoat the pipeline to accommodate development above, land within the easement should not be identified for future development. This land can be used for flood mitigation infrastructure and public open space.

Acoustic Assessment

A submission (see Attachment 2 – *Submissions Recorder*) was received during the latest round of public consultation that suggested that the noise levels from the Racing Facility during an event were affecting the amenity of the surrounding properties.

In October 2015, Watson Moss Growcott Acoustics Pty Ltd was commissioned to undertake an acoustic assessment to identify an appropriate buffer distance from the racing facility and the land uses proposed in the Draft Feasibility Study and Masterplan.

In order to complete this assessment, Watson Moss Growcott Acoustics Pty Ltd placed three stationary noise loggers at various locations within the racing facility for six days to obtain ambient background noise data. Additionally, a hand held noise logger was used to take measurements at multiple intervals from various locations within the proposed Precinct during both a harness and greyhound racing event (separate dates).

The acoustic engineer then used these readings to build an acoustic spread model. This model indicated that noise levels during a harness racing event were quite high, up to 70 dBs, and during certain wind speeds/directions could affect the amenity of the proposed land uses in the Precinct.

Council officers met with representatives of the Shepparton Harness Racing Club (SHRC) to discuss the findings of the acoustic model. In conjunction with advice from the acoustic engineer, SHRC agreed to upgrade their public announcement system to utilise a number of short-range, more localised speakers instead of the larger, long-range speakers currently employed at facility. The acoustic engineer revised the acoustic model based on the noise emissions of the new speaker configuration and prepared a final assessment.

6. SUSTAINABLE DEVELOPMENT DIRECTORATE

6.1 Investigation Area 1 - Goulburn Valley Harness and Greyhound Racing Precinct Feasibility Study and Masterplan (continued)

Watson Moss Growcott Acoustics Pty Ltd prepared the *Goulburn Valley Harness and Greyhound Racing Precinct Masterplan - Acoustic Assessment - May 2016* (see Attachment 4 - *Goulburn Valley Harness and Greyhound Racing Precinct Masterplan - Acoustic Assessment - May 2016*) and recommend recommends that the proposed modifications to the public address system at the harness racing facility, made by the Shepparton Harness Racing Club, are the only noise control measures required in order for the residential development proposed in the Masterplan to proceed, without adverse noise impacts at the future residential premises. The report also recommends an appropriate buffer distance for sensitive land uses around the racing facility.

Model of Flood Behaviour

During the latest round of consultation, multiple submissions were received from landowners within Investigation Area 1 that questioned the accuracy of the existing flood controls that apply to their land (see Attachment 2 – *Submissions Recorder*).

As a result of these submissions, Council officers engaged Water Technology Pty Ltd in August 2015 to prepare an independent model of flood behaviour for Investigation Area 1 to peer review the existing flood controls against the development proposed in the Draft Feasibility Study and Masterplan.

Investigation Area 1 – Model of Flood Behaviour (see Attachment 5 - *Investigation Area 1 - Model of Flood Behaviour Report*) indicated that based on the existing flood conditions (flood extent for the 1% AEP), parts of the Investigation Area were more flood affected than reflected in the current flood controls. The Model of Flood Behaviour also indicated that the development scenario in the draft masterplan had significant off site impacts. To enable some of the flood affected areas to be developed as per the draft masterplan, the quantum of earthworks required to offset the loss of flood storage and resolve these flood issues would be significant. In addition, the Model of Flood Behaviour highlighted the undesirable consequences of filling land for the holiday resort on the corner of Goulburn Valley Highway and Mitchell Road above the 1% AEP flood level, as it would have a significant impact on the levels and velocity of flood waters downstream.

The G-MW backbone channel running east-west within the Investigation Area plays an important hydraulic control under existing conditions. The channel restricts the amount of water travelling north from Seven Creeks across the north of the Investigation Area. Given the current status of the channel as a 'backbone' channel, it is not scheduled to be decommissioned in the near future. Any development within Investigation Area 1 would be required to accommodate the existing channel and ensuring the current crest levels are not reduced. The need for this change was also highlighted during the additional consultation period held on 30 June 2016 and 1 July 2016.

In light of the conclusions of the Model of Flood Behaviour, the APA Group submissions and the further acoustic assessment from Watson Moss Acoustics Pty Ltd, the draft masterplan required changes. A number of development scenarios were tested to ensure the most appropriate response to the issues identified above. The masterplan now shows the removal of some areas of development entirely, allowing for pad sites on Rural Living Areas and the modification of other areas to mitigate the impact on adjoining properties, minimise the extent of flooding, minimise the loss of flood storage and require less compensatory earthworks.

6. SUSTAINABLE DEVELOPMENT DIRECTORATE

6.1 Investigation Area 1 - Goulburn Valley Harness and Greyhound Racing Precinct Feasibility Study and Masterplan (continued)

Completion of the *Goulburn Valley Harness and Greyhound Racing Precinct Feasibility Study and Masterplan*

Urban Enterprise Pty Ltd recommends that the quantum of earthworks required to support all development proposed in the Draft Feasibility Study and Masterplan is cost prohibitive.

Urban Enterprise Pty Ltd has consulted the APA Group, Watson Moss Growcott Acoustics Pty Ltd and Water Technology Pty Ltd, and considered the results of the acoustic assessment and the model of flood behaviour. The *Goulburn Valley Harness and Greyhound Racing Precinct Feasibility Study and Masterplan* has been revised accordingly (see Attachment 6 - *Final Goulburn Valley Harness and Equine Precinct Feasibility Study and Masterplan - June 2016*).

The *Goulburn Valley Harness and Greyhound Racing Precinct Feasibility Study and Masterplan* provides the following:

- a detailed assessment of the strategic context of the site, and an informative background of the existing harness and greyhound activities that currently take place;
- a profile of the harness and greyhound sectors, highlighting that growth is expected to take place within both sectors in the near future;
- an estimate of the economic benefits of implementing the masterplan both in the construction and operational phases; and
- the strategic framework for the future residential development of the precinct.

Council officers consider that the assessment of Investigation Area 1 has been completed and the *Goulburn Valley Harness and Greyhound Racing Precinct Feasibility Study and Masterplan* is now ready for consideration by Council. Additionally, Council officers recommend the preparation and exhibition of a planning scheme amendment to implement the findings of the *Goulburn Valley Harness and Greyhound Racing Precinct Feasibility Study and Masterplan*.

Council Plan/Key Strategic Activity

The Greater Shepparton City *Council Plan 2013-2017* contains a strategic goal which seeks to promote economic growth by working with existing businesses and industries, encouraging new business development and diversification, attracting and supporting education within the City and strengthening agriculture and industry. The implementation of the Master Plan will support economic growth in Shepparton.

The Feasibility Study and Masterplan is consistent with the Council Plan's vision and strategic goals. In particular, it implements the following key objectives:

- 3.3 Make Greater Shepparton the regional sporting capital of Victoria and a leading sporting destination.
- 4.3 Encourage sustainable municipal growth and development.

Risk Management

The GSHS identifies land for future residential development. By not implementing the findings of the *Goulburn Valley Harness and Greyhound Racing Feasibility Study and Master Plan*, there is the potential that housing affordability could be impacted by a lack of suitable residential land in Shepparton.

6. SUSTAINABLE DEVELOPMENT DIRECTORATE

6.1 Investigation Area 1 - Goulburn Valley Harness and Greyhound Racing Precinct Feasibility Study and Masterplan (continued)

Additionally, there is the risk that if the findings of the *Goulburn Valley Harness and Greyhound Racing Feasibility Study and Master Plan* are not implemented the future needs of the Kialla Paceway will not be met and its viability and competitiveness will suffer.

Policy Considerations

The *Goulburn Valley Harness and Greyhound Racing Feasibility Study and Master Plan* supports existing Council policy including the Greater Shepparton City Council *Council Plan 2013-2017* and the *Greater Shepparton 2030 Strategy (2006)*.

Financial Implications

The recommendation does not have any financial or budgetary implications for Council. A budget allocation was included in the adopted budget for the 2014 -'15 financial year to complete the *Goulburn Valley Harness and Greyhound Racing Feasibility Study and Master Plan*. A budget bid has been made in the 2016-'17 financial year to prepare and exhibit a planning scheme amendment to implement its findings.

Legal/Statutory Implications

All procedures associated with the *Goulburn Valley Harness and Greyhound Racing Feasibility Study and Master Plan* comply with the legislative requirements and has been prepared in accordance with the Greater Shepparton Planning Scheme.

Environmental/Sustainability Impacts

A large proportion of the Precinct is affected by the Floodway Overlay and the Land Subject to Inundation Overlay, which will place development constraints in these areas. Flood prone areas could potentially be utilised for drainage infrastructure, open space, recreation trails and/or horse tracks.

There are no adverse environmental impacts associated with the Feasibility Study and Masterplan.

Social Implications

The Feasibility Study and Masterplan will provide positive social benefits. It could potentially expand existing uses and introduce new uses to this part of Shepparton. It is intended to achieve a positive social outcome by facilitating development on a key strategic site in Shepparton.

There are no adverse social impacts associated with the Feasibility Study and Masterplan.

Economic Impacts

The Feasibility Study and Masterplan proposed would provide positive economic benefits. There is an opportunity for a range of new uses to be realised within this location, which would create employment opportunities and have a positive impact upon the local economy. This would also provide additional planning certainty over the location and built form for a range of uses.

There are no adverse economic impacts associated with the Feasibility Study and Masterplan.

6. SUSTAINABLE DEVELOPMENT DIRECTORATE

6.1 Investigation Area 1 - Goulburn Valley Harness and Greyhound Racing Precinct Feasibility Study and Masterplan (continued)

Consultation

The consultation process is a vital aspect of this investigation. An extensive consultation exercise has already been undertaken. The process has comprised of three stages of public consultation prior to the adoption of the *Goulburn Valley Harness and Greyhound Racing Feasibility Study and Master Plan*.

On 30 June 2016 and 1 July 2016, individual meetings with landowners and stakeholders were arranged to discuss the findings of the peer reviews and the layout of the final Masterplan. This additional consultation period highlighted the need to include the Goulburn-Murray Water (G-MW) backbone channel traversing the Investigation Area in an east-west direction on the final Masterplan. The Masterplan has been revised accordingly.

An additional stage of consultation will be required as part of a potential future planning scheme amendment.

Officers believe that appropriate consultation has occurred and the matter is now ready for Council consideration.

Strategic Links

a) Greater Shepparton 2030 Strategy (2006)

The future planning and development of this investigation area is consistent with the premise of the *Greater Shepparton 2030 Strategy (2006)* for continued sustainable development.

b) Greater Shepparton Housing Strategy (2011)

The *Greater Shepparton Housing Strategy (2011)* (GSHS) was developed to respond to existing and future housing needs in the municipality up to 2031. It includes objectives, strategies and actions to guide housing delivery, and sets a long-term direction for future residential growth. The Feasibility Study and Masterplan supports the GSHS by encouraging residential development in appropriate locations. It will also create sustainable living environments which conserve land and energy and are integrated with existing networks and systems.

Conclusion

This Ordinary Report details the investigation and technical studies undertaken for Investigation Area 1 in response to the GSHS 2011. The Masterplan outlines a practical development outcome for the investigation area, considering the expected growth in the greyhound and harness racing industries, utilising input from an acoustic assessment and a model of flood behaviour.

On 30 June 2016 and 1 July 2016, individual meetings with landowners and stakeholders were arranged to discuss the findings of the peer reviews and the layout of the final Masterplan. This additional consultation period highlighted the need to include the Goulburn-Murray Water (G-MW) backbone channel traversing the Investigation Area in an east-west direction on the final Masterplan. The Masterplan has been revised accordingly.

6. SUSTAINABLE DEVELOPMENT DIRECTORATE

6.1 Investigation Area 1 - Goulburn Valley Harness and Greyhound Racing Precinct Feasibility Study and Masterplan (continued)

Council officers consider that the assessment of Investigation Area 1 has been completed and the *Goulburn Valley Harness and Greyhound Racing Precinct Feasibility Study and Masterplan* is now ready for consideration by Council. Additionally, Council officers recommend the preparation and exhibition of a planning scheme amendment to implement the findings of the *Goulburn Valley Harness and Greyhound Racing Precinct Feasibility Study and Masterplan*.

Attachments

- | | |
|---|----------|
| 1. Goulburn Valley Equine and Greyhound Precinct - Feasibility Study and Masterplan | Page 194 |
| 2. Submission Recorder - consultation in July 2015 | Page 289 |
| 3. Submission from the APA Group | Page 291 |
| 4. Goulburn Valley Harness and Greyhound Racing Precinct Masterplan - Acoustic Assessment - May 2016 | Page 298 |
| 5. Investigation Area 1 - Model of Flood Behaviour Report | Page 319 |
| 6. Goulburn Valley Equine and Greyhound Racing Precinct Feasibility Study and Masterplan - Final Report July 2016 | Page 365 |

6. SUSTAINABLE DEVELOPMENT DIRECTORATE

6.2 GV Link - Expression of Interest (EOI) to lease Council Land for a Large Scale Solar Farm

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: Economic Development Officer

Proof reader(s): Manager Economic Development, Director Sustainable Development

Approved by: Director Sustainable Development

Other: Executive Leadership Team

Executive Summary

The Council has been liaising with a number of parties interested in leasing land area within that part of the Goulburn Valley Freight Logistic Centre (**GV Link**) east of Toolamba Road and the railway line (**Land**) for a large scale solar farm. These discussions indicate that the market interest is in a long-term lease of the Land, rather than the purchase of the freehold title to the Land. It is proposed to test this market interest by calling for expressions of interest for proposals for a lease of the Land for a large scale solar farm.

Moved by Cr Houlihan

Seconded by Cr Ryan

That the Council:

1. resolve to request Expressions of Interest for the lease of the GV Link land east of Toolamba Road and the railway line, being part of the land in Certificate of Title Volume 11071 Folio 144, known as Toolamba Road, Mooroopna (**Land**) for the purposes of construction and use as a solar farm.
2. acting under section 190 of the *Local Government Act 1989* (**the Act**) resolves that the statutory procedures be commenced to give notice of an intention to lease the Land and report back to council upon the completion of this process including any submissions received;
3. authorises the Chief Executive Officer to appoint an independent probity auditor to undertake a probity audit of all aspects of the proposed lease transaction and all relevant statutory processes, procedures and decision-making associated with the proposed lease and development of the Land.

CARRIED.

Background

Council is being separately briefed in respect of the background to the GV Link project in the context of a proposed sale of part of the GV Link land on the opposite side of Toolamba Road to the Land.

6. SUSTAINABLE DEVELOPMENT DIRECTORATE

6.2 GV Link - Expression of Interest (EOI) to lease Council Land for a Large Scale Solar Farm (continued)

The subject report relates to the land east of Toolamba road. The land is partly within the Farming Zone and Urban Floodway Zone and partly within the Land Subject to Inundation and Floodway Overlays. A permit is required for the use and development of a renewable energy facility and it must meet the requirements of Clause 52.42 of the Planning Scheme. The Municipal Strategic Statement encourages the promotion and development of GV Link.

By way of background and for the purposes of this report, Council should note that in 2014 it resolved as follows in relation to development of the GV link site:

1. Continue advocacy for the Shepparton Bypass
2. Abandon further investment in development of the site until investment on the bypass is announced or an investor is secured
3. Report back to Council on next steps associated with the GV Link project if an investor is secured or bypass funding is announced
4. Develop a Marketing Strategy for the site
5. Make contact with Federal and State Governments and advise them that Council has been unable to meet the requirements of the funding agreements to secure an investor and commence discussions regarding reallocation of the remaining \$2.25M of Federal Government Funds and \$1.5M of State Government Funds previously allocated to GV Link. The funds would be reallocated to Greater Shepparton projects.

Recently, Council has received significant interest for the lease of the Land to the east of Toolamba Road and the railway line. In order to take advantage of the opportunity to develop the site; it is considered that council should seek an expression of interest as outlined in the recommendation. Such a public process is considered to be best practice in terms of determining market interest for such a lease proposal.

Upon the expiration of the advertised expression of interest period, a panel of nominated officers will assess all expressions of interest received against the selection criteria generally listed below (not exhaustive):

- Economic impact – construction and ongoing
- Job creation – construction and ongoing
- Industry and community benefit
- Demonstrated understanding of flooding, environmental and biodiversity aspects of the site
- Benefits to Council

The request for EOI document will give Council flexibility as to Council's next step following assessment of the expressions of interest received, including the following:

- negotiation with one preferred party;
- concurrent negotiations with two or more shortlisted parties;
- a limited tender amongst a shortlist of parties.

Officers will report to Council subsequent to the advertising of the expression of interest and prior to finalising the terms of any proposed agreement as required under the Local Government Act 1989.

6. SUSTAINABLE DEVELOPMENT DIRECTORATE

6.2 GV Link - Expression of Interest (EOI) to lease Council Land for a Large Scale Solar Farm (continued)

Probity

Having regard to the fact that a panel of nominated officers will be assessing all expressions of interest received, and in the interests of probity and transparency, it is recommended that Council resolve to appoint an external probity auditor to audit all aspects of the proposed request for expressions of interest and lease transaction and the associated statutory and administrative decision-making processes.

Council Plan/Key Strategic Activity

Greater Shepparton Council Plan 2013 – 2017: Goal 2 - Enhancing the Environment. Ensure the environment is a major priority in planning for the future. Council will facilitate decision making to carry out development with due consideration given to the natural environmental, social, political, economic factors and provide a governance framework that will achieve sustainable outcomes.

This includes Council investigating opportunities available to Council to enable Council to support renewable energy options. The proposed request for the EOI in respect of the lease of the Land for a major solar farm clearly fits within this objective.

Risk Management

Risks	Likelihood	Consequence	Rating	Mitigation Action
Natural justice is not accorded to all participants	Low	High	Medium	EOI process is open and transparent with solid criteria.

Policy Considerations

Current policies exist which identify GV Link as having a major strategic role within Greater Shepparton and the wider region. Such policies and strategies include:

- Council Plan 2013-2017
- Hume Strategy for Sustainable Communities
- Hume Regional Growth Plan
- Northern Victoria Regional Transport Strategy

Financial Implications

There are cost implications of legal advice and advertising in relation to the EOI.

The proposed lease of the Land will provide Council with an ongoing stream of income.

Legal/Statutory Implications

If Council is interested in leasing the Land, there would be a requirement under Section 190 of the *Local Government Act 1989 (LGA)* for Council to advertise (for 28 days) its intention to lease the Land, on the assumption that a long term lease will be involved which is caught by the requirements of section 190. The Land is part of the overall GV Link land located east of Toolamba Road and requires a planning permit for solar farm use.

6. SUSTAINABLE DEVELOPMENT DIRECTORATE

6.2 GV Link - Expression of Interest (EOI) to lease Council Land for a Large Scale Solar Farm (continued)

Environmental/Sustainability Impacts

As part of the planning permit that will need to be obtained for solar farming use, the applicant will need to comply with the environmental requirements in clause 52.42-2 of the Greater Shepparton Planning Scheme. As per the Council Plan, the appropriate investigation into the opportunities that are available to support renewable energy options will be explored. The project will aim to reduce Greater Shepparton's greenhouse emissions significantly.

Social Implications

The project will strengthen community awareness surrounding sustainable energy as well as increase environmental values and behaviour.

Economic Impacts

The large scale solar farm will generate a long term stream of income from the lease. The project development will also generate employment opportunities for local contractors and businesses.

Consultation

Council is required under section 190 (lease) of the LGA to advertise the lease of the Land and to consider all submissions received under section 223.

Strategic Links

a) Greater Shepparton 2030 Strategy

Topic: Economic Development

Theme – Industry

Topic: Infrastructure

Theme – Traffic and transport system.

b) Other strategic links

Council Plan 2013 -2017

Conclusion

This project will provide both direct and indirect economic benefits for Greater Shepparton and has the ability to generate further interest in the GV Link site. This initiative aligns with Council Plan objective 2.1 Ensure the environment is a major priority in planning for the future.

The EOI will provide the opportunity for all interested parties to formally convey their interest in development of a solar farm at GV Link. It is proposed that the request for EOIs be conducted in accordance with the recommendations set out in this report.

Attachments

- | | |
|---|----------|
| 1. Written advice from RK legal to be able to advertise EOI during caretaker period | Page 464 |
| 2. Large Scale Solar EOI Land | Page 465 |

7. CONFIDENTIAL MANAGEMENT REPORTS

7.1 Designation of Confidentiality of Information

**Moved by Cr Oroszvary
Seconded by Cr Patterson**

That pursuant to section 89(2)(e) of the *Local Government Act 1989* the Council meeting be closed to members of the public for consideration of a confidential item.

CARRIED.

7.2 GV Link

7.3 Reopening of the Council Meeting to Members of the Public

THE MEETING CLOSED AT 2.08PM