

## ORDINARY COUNCIL MEETING AGENDA - 09.02.10

***Mission Statement:***

***To support and develop a sustainable, thriving and resilient Community  
through leadership and partnership.***

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**TO BE HELD:** Tuesday 9th February 2010 at 3.00pm

**LOCATION:** Senior Citizens Hall, Chiltern

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**REQUIRED TO ATTEND:**

Councillors:	Senior Management/Officers
Bernard Gaffney – Mayor	Brendan McGrath – CEO
Ali Pockley – Deputy Mayor	Andre M Kompler
Peter Croucher	Mark Crouch
Larry Goldsworthy	Mark Florence
Vic Issell	SMG as required
Barbara Murdoch	
Peter Graham	

**APOLOGIES:**

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***Vision Statement:***

***INDIGO – A great place to live, work and visit.***

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## 10.0 SUSTAINABLE COMMUNITIES

### 10.1 PP05-281, DWELLING, ELGIN RD BEECHWORTH – VON WILPERT

File No.: PP05-281- Kath Oswald- Assistant Town Planner

For Decision

#### RECOMMENDATION

That Council resolve to:

1. Approve the application to amend PP05-281 and issue a Notice of Decision to grant an amended permit in accordance with Attachment A; and
2. Endorse plans for the proposed dwelling in accordance with Condition 1 of PP05-281.

#### INTRODUCTION

Councillors would be familiar with the on-going issues associated with the subject land. The land is zoned Farming and is covered by the Schedule 2 to the Significant Landscape Overlay (SLO2). The matter came to the attention of Council due to substantial site works and construction of a large retaining wall occurring outside the building envelope without a permit. The landowner considered the earthworks and retaining wall was 'landscaping' and as such had commenced works.

An application was then made to amend the building envelope, along with plans for approval of the proposed dwelling. These were notified to adjoining owners and occupiers, and objections were received.

This issue was last reported to Council in April 2008 with a recommendation to refuse a request to amend the planning permit (Attachment B). Since that time the matter has been heard before VCAT, which upheld Council's decision.

The applicants have now submitted amended plans for approval. These were notified to the adjoining owners and one objection was received.

#### BACKGROUND

The application is subject to the following planning controls:

Zoning: Farming Zone (FZ)

Overlay/s: Significant Landscape Overlay 2 (Rural Landscape)

#### **STATE PLANNING POLICY**

The State Planning Policy Framework seeks to ensure that the objectives of planning in Victoria are met and encouraged through land use and development. The following policy is considered to be relevant to this proposal and need to be taken into account when addressing this application.

Particular Uses and Development

19.03 Design and built form

**LOCAL PLANNING POLICY FRAMEWORK**

The Local Planning Policy Framework (LPPF) provides relevant discussion in relation to land use and development in the Shire. The following policies and clauses are deemed to be relevant to this proposal and need to be taken into account when addressing this application:

Municipal Strategic Statement (MSS)

Relevant clauses of the MSS include:

- 21.01 Municipal Profile  
This Clause specifically mentions:  
*The quality of the landscape setting of the Indigo Shire Council is also a great natural and community resource.*  
And  
*In particular the protection of the visual quality and significance of the prominent hills, slopes and extensive open landscapes is a key goal of the Shire.*
- 21.02 Key Issues
- 21.03-1 Vision and strategic framework  
The long term strategic view for the Shire recognises the following relevant factor:  
*That significant landscape features...will continue to play a key role in the overall presentation, character and appearance of the Indigo Shire.*
- 21.04-1-1 Beechworth
- 21.04-2-2 Tourism  
This Clause specifically states:  
*The quality of the landscape setting is a great tourist resource.*
- 21.04-3-2 Heritage  
Under this Clause the following relevant points are listed:  
  
Under Issues – *The sensitive design and siting of new buildings within historic townships and within the rural landscapes is critical to the presentation of the Indigo Shire.*  
  
Under objectives – *To conserve and enhance heritage buildings, places, significant landscapes and Koori sites.*  
  
Under Implementation – *Applying the Significant Landscape Overlay to areas of high visual sensitivity and National Trust Landscapes.*

**Local Planning Policies**

22.01-2 Rural dwelling siting and design guidelines

22.03-4 Effluent disposal and water quality

**CLAUSE 65 DECISION GUIDELINES**

Clause 65 requires that the responsible authority must decide whether a proposal will produce acceptable outcomes in terms of the decision guidelines of this clause. Decision guidelines under this clause include:

- The matters set out in Section 60 of the Act.
- The State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies.

- The purpose of the zone, overlay or other provision.
- Any matter required to be considered in the zone, overlay or other provision.
- The orderly planning of the area.
- The effect on the amenity of the area.

This matter was heard before VCAT on 3 May 2009 in Melbourne, by Member Peter O’Leary. In his report dated 8 May 2009 (Attachment C), Member O’Leary considered that:

“...the large landfill/retaining walls, together with the proposed dwelling, when viewed as a package is in conflict with the landscape objectives in Schedule 2 to the SLO.”

He also observed that:

“The combination of the large retaining wall, rising 4.5m above natural ground level and the dwelling, up to 6.6m in height, produces an unacceptable outcome in the landscape setting.”

Member O’Leary also made some suggestions regarding possible changes to the proposal:

*“Having regard to my comments, the suggestions by various experts, and in an effort to advance this dispute to a more acceptable planning outcome, I suggest there could be a number of changes which should be considered by the applicants. These include:*

- *Reduce the base level of the embankment/landfill to a level that does not exceed RL 107 (at least within the first 25 metres of the front of the building envelope as originally approved).*
- *If the applicants wish to retain the current house design, layout and siting they should consider:*
  - (a) *Swinging the building plan footprint 90 degrees (so that bedroom 2 is the southernmost room). This would reduce the extent of building that runs along or down the slope and therefore may assist in the reduction of the need for fill;*
  - (b) *Splitting the level of the dwelling.*

*Alternatively, the applicants may wish to consider a different house design with the garage incorporated within the roof line of the building. I would see that there is room for such dwelling to extend to about 10 metres from the north-western boundary. I do not see a major difficulty, in a siting context, in having part of the house partly erected outside the south-eastern perimeter line of the approved building envelope, particularly if this only included a verandah and paving or a swimming pool.”*

Since that decision was issued, the applicants and their representative have been working with the Planning Department to try and find a solution acceptable to all parties concerned. After some negotiation, the applicant submitted amended house plans and a request to amend the planning permit, specifically to extend the building envelope (Attachment D).

DISCUSSION

There are two main issues at hand in this situation. One is the bulk of the development, and the other is the issue of construction outside the building envelope.

With regard to the bulk of the development, the amended plans and request to amend the planning permit were received in mid-November last year, and were subsequently notified to those persons who had previously objected to the proposal. One objection was received (Confidential Attachment).

The objectors maintained their previous objections relating to the existence of the retaining wall and the issues leading up to the VCAT decision. The effect that landscape planting had on the appearance of the retaining wall was acknowledged, and the amended dwelling design was indicated to be acceptable. The objectors were silent on the proposal to lower the height of the wall.

The VCAT decision with regard to this matter does not suggest that the retaining wall should be demolished, rather that the total visual bulk of the retaining wall coupled with the previously proposed dwelling design was not in accordance with the landscape objectives of the area.

As can be seen from the amended plans, the dwelling design has been altered to represent a decrease in the overall height of the development. This, coupled with the undertaking to reduce the height of the wall by a minimum of 600mm, represents a demonstrated consideration of the issues at hand.

With regard to the issue of construction outside the building envelope, initially the landowner argued that the works constituted 'landscaping' and so in his opinion they did not constitute 'development'. Condition 11 of the permit (Attachment E) states:

*11. LOCATION*

*The development hereby approved shall not be located within 10 metres of the western property boundary, nor within 50 metres of the northern property boundary, nor within 30 metres of any road, nor within 50 metres of the eastern property boundary.*

'Landscaping gardening' is variously defined as:

"The art of arranging trees, shrubbery, paths, fountains etc., to produce picturesque effects."

And:

"Improving the appearance of an area, by planting trees, shrubs or grass, or altering the contours of the land."

As the retaining wall's purpose in this instance is primarily to provide a flattened area on which to build a dwelling, it is contended that the definition of landscaping does not apply in this instance. Therefore, it constitutes 'development' and should be within the designated building envelope.

That being said, it would be worthwhile examining the impact of extending the building envelope approximately 6.5m to the west, resulting in a setback of approximately 3.5 from the boundary.

A study of the file relating to the granting of PP05-281 indicates that there was no specific reason for the western boundary setback to be 10m. Locating the building envelope on the western side of the lot ensured its maximum distance from the watershed running through the land. In addition,

the setback of the adjoining dwelling to the west of approximately 40m from the boundary would seem to raise no immediate issues.

The schedule to the Farming Zone states that the minimum setback from a boundary other than a road reserve is 5m, therefore the proposal to enlarge the building envelope would encroach into the minimum setback by 1.5m. When assessing the proposal against the provisions of the SLO2, it is considered that the difference of 6.5m would not increase the impact of the development.

Condition 11 would be required to be amended to reflect the reduced setback from the western boundary of the land. The amended condition would read:

**11. LOCATION**

*The development hereby approved shall not be located within 3.5 metres of the western property boundary, nor within 50 metres of the northern property boundary, nor within 30 metres of any road, nor within 50 metres of the eastern property boundary.*

In order to minimise the visual effect of the proposed development on adjoining properties as much as possible, a condition would also be introduced relating to a landscaping plan being submitted. Condition 1 of PP05-281 would be amended to include a requirement for a landscaping plan to be submitted for approval. This condition will also be amended to specifically require plans of all retaining walls showing finished levels:

**1. PLANS TO BE SUBMITTED**

*This Permit shall have no force or effect until, two (2) copies of detailed plans properly drawn to scale and showing:*

- (i) The location of all building/s and works (including water tanks and the finished level of retaining walls) proposed to be erected or constructed on the land;*
- (ii) The dimensions and elevations of all building/s and retaining walls proposed to be erected or constructed on the land;*
- (iii) The nature of all external materials and finishes of all such building/s (including the roofing and above ground water tanks);*
- (iv) The location of road access points and driveways;*
- (v) Primary and reserve wastewater disposal fields. These primary and reserve wastewater disposal fields are to be of adequate area (based on the size of the dwelling and water balance of the site) and both must be kept free of buildings, driveways, paths, service trenching and other domestic facilities. The wastewater disposal areas must be planted with appropriate vegetation to maximise their performance. Consideration must be given to the water balance and the slope of the land; and*

*(vi) The landscaping plan for the development.*

*are submitted to the Responsible Authority for approval and endorsement by the Shire Planner. When approved such plans shall form part of the permit.*

**CONCLUSION**

The proposal to alter the conditions of the planning permit, which would result in the building envelope being extended, and submit revised plans for endorsement is acceptable for the reasons stated above, namely:

- The revised dwelling design is reduced in height and generally smaller in scale;
- The applicant proposes to reduce the height of the existing wall by a minimum of 600mm.

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These two factors address the VCAT Member's recommendations and display a consideration of the issues by the applicant. It is considered that on balance, an acceptable outcome has been achieved. It is for this reason it is recommended that Council resolve to issue a Notice of Decision to amend PP05-281 subject to conditions in the manner requested, and endorse the amended dwelling plans.

## Attachments:

Attachment A: Proposed amended PP05-281

Attachment B: Report to Council, 1 April 2008

Attachment C: VCAT decision, 8 May 2009

Attachment D: Request to amend PP05-281 and revised plans

Attachment E: Existing PP05-281

Confidential Attachment

**10.2 PLANNING APPLICATION, EDM GROUP (PETER O'DWYER) ON BEHALF OF J USEINI, 1375 WOOLSHED ROAD, BEECHWORTH.**

**File No: PP09-0156 - Francois Theron - Senior Town Planner**

**For Decision**

**RECOMMENDATION**

- 1. That Council approve Planning Application PP090156 and issue a Notice of Decision to Grant an Planning Permit for the use and construction of a dwelling and the approval of a shed on Lot 1 Plan Of Subdivision 515161E, 1375 Woolshed Road, Beechworth**
  
- 2. That Council enter into a Section 173 Agreement with the applicant as set out under Condition 1 of this Planning Permit.**

**INTRODUCTION**

Application No:	PP-090156
Applicant:	Peter O'Dwyer EDM Group on behalf of Joseph Useini.
Subject Land:	Lot 1 Plan of Subdivision 515161E, 1375 Woolshed Road, Beechworth.
Proposal:	To use and develop a dwelling and associated outbuildings
Date application lodged:	15 September 2009
Subject site land area:	Lot 1 Plan of Subdivision 515161E.      3.068 ha
Current use of subject site:	A shed is erected on the subject site and the applicant is residing illegally in the shed.

**BACKGROUND**

The subject site was created when three separate properties were consolidated and two new properties created in terms of Planning Permit 03 143. Planning Permit 03 143 was issued for the consolidation of three smaller properties and to create two new allotments and to develop a dwelling on each newly created lot, on 4 July 3003. In terms of the planning permit (PP03 143) the applicant/developer had 2 years to commence construction and two years to complete construction of the dwellings. Shortly before the permit would have expired Council received a request that the permit be extended to allow a longer period for erection of the dwellings. The permit was extended on 21/6/2005 and lapsed on 4/7/2007. No dwelling was approved for either lot created under this permit.

The current owner/applicant (Mr Useini) subsequently purchased one of the sites (Lot 1 Plan of Subdivision 515161E) and submitted a planning permit application to Council for the development of a shed on the subject site. A planning permit (PP05 158) was issued on 29 June 2005 for the construction of a shed in accordance with endorsed plans. The applicant then subsequently constructed the shed in a different location. In 2006 the applicant commenced to reside in a portion of the shed and two caravans parked adjacent to the shed. The location where the shed has been sited appears to be approximately 30 metres from a waterway and is therefore a site which is unlikely to have received approval. Condition 1 (ii) of Planning Permit PP05158 specifically states that the use of the building hereby approved must only be for non-habitable purposes and must not be used for the purpose of a dwelling.

Council notified the applicant in writing on 30 June 2009 of the current situation and a few options were put to him to rectify the situation. As the original planning permit PP03 143 has lapsed the applicant has now made a new planning permit application.

SITE DESCRIPTION

The subject site, Lot 1 Plan of Subdivision 515161E, 1375 Woolshed Road, Beechworth is located approximately 9 km north of the township of Beechworth in the Woolshed Valley and Woolshed Road abuts the property to the south. The subject site has an irregular form, is relatively flat but rises, slightly to the north and east and the size of the allotment is approximately 3.068 ha. The subject site was mostly cleared of trees except for a number of large trees existing on the western boundary along the creek and a few trees scattered towards the southern boundary. The applicant has established quite a number of trees along the eastern boundary and around the shed.

The surrounding land is currently not intensively farmed and has a variety of uses including a peach and nectarine orchard on approximately 16 ha and other small scale agricultural activities. All the surrounding lots within the area are of similar size and there are no large scale agricultural activities being conducted within the area.

PROPOSAL

The proposal is to use and develop a single story dwelling and the retrospective approval of a shed in its current location.

ZONING AND PLANNING CONTROLS

Zoning:	Farming Zone
Permit Trigger:	Under the provisions of the Farming Zone a dwelling is a Section One use (no permit required) if the site is at least 40 ha. If the site is smaller than 40 ha the dwelling then becomes a Section Two use (planning permit required). In this case the subject site is 3.068ha, thus a planning permit is required.
Overlay/s:	No overlays apply to the subject land.

STATE PLANNING POLICY FRAMEWORK

The State Planning Policy Framework seeks to ensure that the objectives of planning in Victoria are met and encouraged through land use and development. The following policies and clauses are deemed to be relevant to this proposal and have been taken into account in the assessment of this application:

Settlement

15.01	Environment
15.07	Protection from wildfire
15.09	Conservation of native flora and fauna
15.12	Energy efficiency
17.05	Agriculture

### LOCAL PLANNING POLICY FRAMEWORK

The Local Planning Policy Framework (LPPF) provides relevant discussion in relation to land use and development in Indigo Shire. The following policies and clauses are deemed to be relevant to this proposal and have been taken into account in the assessment of this application:

#### Municipal Strategic Statement (MSS)

The Municipal Strategic Statement is a concise statement of the key strategic planning, land use and development objectives for the municipality and the strategies and actions for achieving these objectives. Relevant clauses of MSS include:

- 20.01 Operation of local Planning Policies
- 20.01-4 Economy
- 21.01-5 Environment
- 21.03 Vision

#### Local Planning Policies

- 22.02-2 Rural dwelling siting and design guidelines.
- 22.02-4 Tourism Development

Before making a decision on an application, the Responsible Authority must consider the matters set out in Section 60 of The Planning and Environmental Act (1987). The following matters from Section 60 are relevant to this application and must be considered:

- (1) (a) the relevant planning scheme; and
  - (b) The objectives of planning in Victoria; and
  - (c) Any significant effects which the responsible authority considers the use or development may have on the environment or which the responsible authority considers the environment may have on the use or development.
- (1A) Before deciding on an application, the responsible authority, if the circumstances appear to so require, may consider:
- (a) Any significant social and economic effects of the use or development for which the application is made; and
  - (b) Any other relevant matter.

These requirements have been addressed through the assessment set out in this document.

### NOTICE OF THE APPLICATION

Notice of the application was given to adjoining owners and occupiers and other relevant persons in accordance with Section 52 (1) of the Planning and Environment Act 1987. Two [2] submissions were received in response.

Two focus meetings were held, the first being held on 11 November 2009. After that meeting one of the submissions was withdrawn provided that the applicant enters into a Section 173 Agreement that the current and future land owner acknowledges and accepts that the land is located within a farming area and as a consequence may experience impacts from off site rural activities such effects, including noise, sprays and dust that may cause a loss of residential amenity to the land and its occupants. The applicant has indicated that he is willing to enter into such an Agreement.

A summary of matters raised in the second objection is:

1. The proposed location of the dwelling will obscure the views from the neighbours lounge, office and kitchen, which will devalue their site: and
2. The subject site is too small to sustain a viable farming enterprise.

A second focus meeting was held on 18 December 2009. At this meeting these issues were raised and discussed. In respect of the firm ground of objection the objectors indicated that they will be happy if the applicant moved the proposed dwelling closer to the rear boundary somewhere between the orchard and the shed. The applicant has subsequently submitted an amended plan which shows the proposed dwelling in a location as requested by the objectors. The second issue raised is discussed under the considerations of the planning merits of the proposal.

#### CONSIDERATION OF THE PLANNING MERITS OF THE PROPOSAL

The questions that need to be answered in this case are whether the proposed dwelling will be in keeping with the character of the surrounding area and whether the proposed use will be prejudicial to agricultural production and/or lead to the fragmentation of agriculture.

The subject site is of ordinary agricultural capability and is quite small (3.068ha). The applicant intends to establish a small horse training and breeding enterprise on the land. It is anticipated by the owners that in residing on the property they will be able to provide 24 hour care and observation of their stock which is particularly paramount during foaling season. When assessing the proposed enterprise against the requirements of the Farming Zone and specifically whether the dwelling is reasonably required for the operation of the agricultural activity conducted on the land, the proposed enterprise does not provide conclusive evidence that the input in terms of time and management required to run the enterprise, justify a dwelling on the site.

However considering the history of the subject site it is clear that an expectation has been created for the development of a dwelling. Council has issued a planning permit (PP03 143) in 2003 for the construction of a dwelling. The permit was extended on 21/6/2005 and lapsed on 4/7/2007. No dwelling plan was approved. In this case a change in planning controls did occur, however the change was not significant in that the "Rural Zone" had been replaced with the current "Farming Zone".

The size of a rural lot does not determine whether it is productive agricultural land although the term productive often seems to mean viable, and unproductive to mean unviable. There are many small lots which form part of larger farming properties which if assessed individually may well be considered unproductive (i.e. unviable) but which can be used quite productively for some type of agricultural land use as part of a larger holding. Sometimes the small lots are contiguous and in other cases individual plots can be physically separated from one another but managed as part of the overall farming enterprise. The subject site, despite its small size, could also have been managed as part of a larger farming enterprise. However the granting of a permit for a dwelling in 2003, the subsequent works undertaken by the applicant and the price paid compared to the value of a rural lot without a dwelling permit means that realistically the land will never revert to being part of a larger farming enterprise. Therefore the construction of a dwelling on the site will not result in the loss or fragmentation of productive agricultural land since it has not been used for that purpose (even as an isolated paddock for a larger farming enterprise) since at least 2003.

The decision to support this proposed development however, is not so much based on the decision guidelines set out under the Farming Zone, or the strategic intent of Council for this specific area, although this was considered, but rather based on the history of the subject site.

Mr Justice Ashley in the Supreme Court decision of *Kantor v Murrindindi Shire Council* set out the matters to be considered in relation to the granting of an extension of time: Although this principles relates specifically to an application for the extension of time of a planning permit it could effectively be introduced as a further decision guideline for assessing this application considering the fact that the previous permit has expired and the applicant is now applying for a new planning permit.

- Whether there has been a change of planning policy;
- whether the landowner is seeking to “warehouse” the permit;
- intervening circumstances as bearing upon the grant or refusal;
- the total elapse of time;
- whether the time limit originally imposed was adequate;
- the economic burden imposed on the landowner by the permit;
- The probability of a permit issuing should a fresh application be made.

Whether there has been a change of planning policy?

The land was previously in the Rural Zone and is now in the Farming Zone. The objectives of the farming zone and the previous rural zone do not encourage rural residential style development on small lots. The Final Report on the New Format Planning Schemes (Planning Panels 1999) made it very clear that the primary purpose of the then Rural Zone was for farming not residential land use. Thus a change in zoning has occurred but the purpose of the new farming zone is similar to the previous rural zone that had at its core the protection of farm land and farming related activities. It can thus be stated that although a change in zoning has occurred the change is not significant and the intent of both the existing farming zone and the previous rural zone is similar.

Whether the landowner is seeking to “warehouse” the permit?

The current owner has bought the subject site with a permit in place and intends to develop a dwelling on the subject site. The current owner therefore did not apply for the permit in the first place but bought the subject site with the intention to construct a dwelling on the site.

Intervening circumstances as bearing upon the grant or refusal

The current owner has done some extensive works on the site in clearing the site of weeds, establishing native vegetation and the construction of a shed.

The total elapse of time.

A previous permit (PP03 143) was extended once and expired on 4/7/2007. Although this is part of the history of the subject site the current owner bought the site with a planning permit in place. It is thus two years and a few months since the planning permit expired. Although the time lapse since the expiry of the permit is well outside the three months allowed in terms of Section 67 of the Planning and Environmental Act 1987 it can be argued that the total time lapsed is not significant.

Whether the time limit originally imposed was adequate?

The permit that was issued on 4 July 2003 allowed two years for the commencement of construction of the dwelling and a further two years for the completion of the dwelling after commencement. Considering that the permit was issued for the construction of a dwelling, which can be considered as a relatively small development, it can be argued that adequate time was allowed for the development.

The economic burden imposed on the landowner by the permit

It has been pointed out earlier that the applicant constructed a shed and spent some money establishing vegetation and undertaking some maintenance work on the subject site. The biggest financial burden that the applicant suffered however was when he bought the subject site with a planning permit in place and failed to act on this, allowing it to expire.

The probability of a permit issuing should a fresh application be made.

The applicant did submit a Farm Management Plan to support his application. The Farm Management Plan however is not convincing and there exists doubts as to whether Council would issue a Planning Permit for a dwelling on the subject site based on the Farm Management Plan.

On balance it can be argued that the change that occurred in the planning scheme was not sufficiently significant to refuse a Planning Permit for a dwelling on the subject site and due to the price paid for the subject site compared to the value of rural land means that realistically the land will never revert back to being part of a larger farming enterprise.

A further point to consider is whether the issue of a Planning Permit for the construction of a dwelling will artificially increase the values of the surrounding properties to a point where they are no longer considered reasonably priced for the purposes of agricultural production. Considering the history of the subject site where an expectation for the development of a dwelling on the site has already been created it is not considered that the issuing of a fresh Planning Permit will artificially increase the value of the surrounding properties.

This application is also for the retrospective approval of the shed in its current location. A permit was issued for the construction of the shed on 29 June 2005. The applicant then subsequently constructed the shed in a different location to that which had been approved. The shed is now located approximately 30 meters from the western boundary which also represents the top of the bank of the creek. Under normal circumstances Council would not allow the construction of any structure within 100 metres from a water way. An inspection of the site revealed that the top of the bank of the creek directly opposite the shed is slightly raised and that water under normal circumstances will drain parallel with the creek to a point approximately 60 meters south of the shed where the water will enter the creek. Considering the above and the fact that the impact associated with the constructing of the shed has already occurred. The future impact the shed will have on water quality relates mostly to the use of the building, which to a degree can be managed by relevant permit conditions. The applicant will be required to establish a vegetation buffer between the creek and the shed and to manage this buffer to Council's satisfaction to ensure the maintenance of it.

The applicant in his original application located the proposed dwelling approximately 70 metres south east of the existing shed. The objector (neighbour to the east of the subject site) objects to the proposed location of the dwelling as he states that the proposed location is in his direct line of sight and obscures his view. At a focus meeting the objector stated that he would be more comfortable if the proposed house was located towards the northern boundary in the vicinity of the orchard. The applicant has submitted amended plans which locate the proposed dwelling closer to the orchard as per the wish of the objector. The proposed location of the dwelling between the shed and the orchard places the dwelling within 100 metres of the creek. Again to ensure that no pollutants will enter the creek the applicant will be required to construct the septic tank system at a point which is 100 metres away from the creek and will then have to mechanically pump the waste water to the septic tank.

#### CONCLUSION

Whether the Farm Management Plan provides sufficient evidence that a dwelling is reasonably required for the execution of the Farm Management Plan is of little relevance in this case. The critical issue in this case is the fact that in the past Council has issued a Planning Permit for the construction of a dwelling on the subject site and that the current owner has bought the subject site with a Planning Permit in place. The current owner thus bought the subject site at a highly inflated value.

It is therefore recommended that Council issue a Notice of Decision to Grant a Planning Permit for the subject site, subject to the conditions attached.

Attachments:  
Attachment A - Locality Plan  
Attachment B – /Building Envelope  
Attachment C – Conditions  
Attachment D – Confidential Objection

### 10.3 REQUEST FOR REZONING - 'VINTARA', FRASERS ROAD RUTHERGLEN - MURTAGH

File No: 09/1563- Kath Oswald- Assistant Town Planner

For Decision

#### RECOMMENDATION

**That EDM Group is advised that Council does not support rezoning of Crown Allotments 32A & 32B Section C, Parish of Gooramadda to Special Use Zone until such time as the rezoning can be strategically justified.**

#### INTRODUCTION

An application has been received for Council to rezone a holding of approximately 46.5ha fronting Frasers Rd, Rutherglen to Special Use Zone (SUZ).

A planning permit was issued in November 2009 for a Residential Hotel (including 125 accommodation units) and 2-Lot subdivision. However, advice has recently been received that the applicant intends to amend the application to reduce the number of accommodation units to 48 and no longer proceed with the two-lot subdivision. The applicant is still seeking to rezone the land in order to be able to subdivide each of the accommodation units onto its own title.

#### BACKGROUND

The subject land has been used for the purposes of a dwelling since 2001, and a restaurant, winery and brewery have been developed in the ensuing time. The land is also planted out with approximately 19ha of grapevines.

An application for a residential hotel (including 125 accommodation units, hotel facilities, day spa and pool, café, extension of cellar door and restaurant facilities, tennis court and car parking) and 2-Lot Subdivision was received in October 2008. Councillors will recall the report recommending approval of the application.

#### DISCUSSION

The State Government produces Planning Practice Notes which are intended to assist Councils in the application of the various planning policies and the suite of zones and overlays available in the Victorian Planning Provisions.

The Practice Note advising on the application of the Special Use Zone directs that the SUZ can be considered in a number of situations, namely:

When an appropriate combination of other available zones, overlays and local policies cannot give the desired objectives or requirements.

When the site adjoins more than one zone and the strategic intent of the site, if it was to be redeveloped, is not known and it is therefore not possible to determine which zone is appropriate.

In this situation, plainly neither if the above applies. The desired outcome, being the use and development of a residential hotel and 2-lot subdivision, is clearly able to be accommodated by the existing zone, overlay and local policies applying to the site, as can be evidenced by PP08-4416, issued 12 November 2009. Any revision to reduce and/or amend the plan as is being mooted by the applicant will still be able to be accommodated under the current zoning.

The Practice note explicitly indicates that application of the SUZ is not appropriate when an alternative zone can achieve a similar outcome, with appropriate support from local policies and overlays.

The purpose of the SUZ is to:

"Implement the State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies, and to recognise or provide for the use and development of land for specific purposes as identified in a schedule to the zone."

In the present case, the proposal is for the introduction of a schedule to the SUZ to allow subdivision of the accommodation units from the balance of the land, which is prohibited by the Farming Zone, the current zoning applying to the land.

It is contended that there is no strategic basis in the SPPF, the LPPF or any local policies that would lend support to the proposal to rezone the land. In addition, the applicant has demonstrated no strategic justification for the proposal, other than that the subdivision of the accommodation units will allow the development to proceed on a shared ownership basis, and the development, were it to proceed, would be a "key attraction within an identified market segment that is under-supplied."

An initial examination of the use of the SUZ in Victorian municipalities indicates that the SUZ is implemented primarily for recreational, utility, cultural/historic and extractive industry purposes. The applicant quoted an instance where the SUZ was employed in Ararat Rural City in circumstances very similar to the Vintara situation. A planning permit was issued for a 'Wine Village' prior to the land being rezoned. As of 2006, this development had not commenced, resulting in an area of undeveloped land zoned SUZ. In order for this land to be developed, it would have to be in accordance with the existing schedule to the SUZ (i.e. as a wine village). Alternatively, if a different plan were proposed, a further amendment to the planning scheme would be required in order for it to be developed.

Preliminary internal discussions with planning officers from the Department of Planning and Community Development (DPCD) indicate that there are serious concerns with what amounts to a residential subdivision in a rural area, especially one that appears to have no strategic justification. The proposal would have the effect of creating a new residential enclave in a rural area without the supporting urban works and services required of a residential development - specifically the question of management of the water and sewerage system that would be required.

In addition to the above, it is premature for Council to consider how the request may fit into the wider strategic context for the community. Given that the Rural Land Use Strategy is in its final stages, it is not possible at this time to answer this question with any clarity.

It is for these reasons it is considered that an amendment to the Indigo Planning Scheme is not appropriate.

If Council were to give further consideration to the matter then it would be more prudent for the development to be at the very least substantially commenced prior to a rezoning being considered. However consideration of the rezoning once commitment to the development has been demonstrated by way of construction is not recommended as the rezoning does not have strategic justification.

#### CONCLUSION

Council has demonstrated its support for the significant project through the approval of the planning permit in November 2009. The project is considered to provide an additional positive feature to Indigo Shire's tourism and business market, and create opportunities for increased participation and visitation to a popular area of the shire.

However, for the reasons set out above, it is recommended that the request to commence an amendment to the Indigo Planning Scheme to rezone the subject land to Special Use Zone be refused.

**10.4 SECTION 173 AGREEMENTS**

**File No.: 09/0125 - Manager Sustainable Development**

**For Decision**

**RECOMMENDATION**

**That Council as the relevant Responsible Authority resolve to enter into the subject Section 173 Agreement with the owner of the following land and to sign and seal the appropriate documentation:**

**Crown Allotments 26 and 26A Section U1 Parish of Chiltern West, Withers Road, Lilliput.**

**INTRODUCTION**

The following Section 173 Agreement is presented to Council with a recommendation for approval under the Seal of Council.

Such agreements, made under Section 173 of the Planning and Environment Act 1987, are legally binding and are registered against the Title of the land. That is, they run with the land so that subsequent owners are also bound to the terms of the Agreement. These Agreements can be removed from the title at some later date only with the consent of the Responsible Authority (in this case Council).

In the Agreement referred to, the responsibility of making application on behalf of Council to the Registrar of Titles office for the registration of the Agreement and the payment of all legal costs is that of the other party entering into the Agreement with Council.

**BACKGROUND**

Owner: J Murtagh

Planning Permit 09/0125 relates to a proposed dwelling on Farming Zoned land at Lot 2 LP205069, Rutherglen – Springhurst Road, Lilliput. The holding comprises ~ 56ha and includes non-contiguous land at Crown Allotments 26 and 26A Section U1 Parish of Chiltern West, Withers Road, Lilliput. As the Planning Unit is greater than 40ha, the use of the land for the purposes of a dwelling is 'as of right'. Given that the land is not contiguous, rather than consolidate the Titles into a single allotment, the landowners have agreed to enter into a Section 173 Agreement with council to ensure that:

- Crown Allotments 26 and 26A Section U1 Parish of Chiltern West, Withers Road, Lilliput cannot be used or developed for the purposes of accommodation (a dwelling).

**KEY IMPLICATIONS**

Nil

**FINANCIAL IMPLICATIONS**

Nil

POLICY IMPLICATIONS

Nil

CONCLUSION

Nil

Attachments:  
Locality/Site Plan PP09/0125 Crown Allotments 26 and 26A Section U1  
Parish of Chiltern West, Withers Road, Lilliput.

**10.5 PANEL REPORT: PLANNING SCHEME AMENDMENT C24 – PLANNING SCHEME REVIEW****File No: E1240-24 SSP Susan Cheetham - Manager Sustainable Development****For Decision****RECOMMENDATION****That Indigo Planning Scheme Amendment C24:**

- 1. Be altered in the manner recommended in this report as shown in the attached table of changes;**
- 2. Be adopted; and**
- 3. Be submitted to the Minister for Planning for approval in accordance with Section 31 of the Planning and Environment Act, 1987.**

**INTRODUCTION**

The Indigo Planning Scheme Review 2006/07 process commenced in April 2006 and the final review document, entitled Indigo Shire Council - Planning Scheme Review 2006/07, was adopted by Council on 2 October 2007.

The Minister for Planning authorised the preparation of Amendment C24 in April 2008 and the amendment was subsequently exhibited in accordance with Council's decision of 2 October 2007.

A number of submissions were received in response to the exhibited amendment and at its meeting of November 2008, Council resolved to refer the matter to an independent Panel.

The Panel hearing was held on 4 and 5 February 2009 with the Panels report received on 18 March 2009.

The Panel recommendations regarding the Municipal Strategic Statement, one of the local planning policies, and alterations to the exhibited planning scheme maps related to individual sites and areas have been made and are presented to Council. Details of changes are provided in this report and the attached table of changes.

Upon Council adopting the amendment, the combined documents will be forwarded to the Minister for Planning for approval and subsequent Gazettal. The amendment is anticipated to come into effect at the time of Gazettal.

The Panel made 21 recommendations. A summary of these recommendations and the action taken is included at Attachment A as is a recommendation to Council. These recommendations are summarised as follows.

- Simplify and structure the Municipal Strategic Statement.
- Simplify and focus the Strategic Framework Plans.
- Reduce the list of further strategic work to only those that are required as a high priority and achievable.

- Modify the local planning policy framework by modifying the text relating to gaming machines to "prepare a local gaming machine policy" and deleting both the existing and proposed CI22.01-5 Dwellings on Existing Small Rural Allotments. (It is noted that the rural land use strategy currently underway will address and make recommendations on this issue).
- Changes to the exhibited Planning Scheme zone maps.

BACKGROUND

The Panel Report highlighted some key issues and made particular comment to some important questions. These included:

Is An Interim Policy Restricting The Development Of Houses On Lots Less Than 40 Hectares Required?

We agree with Council that policy tensions between the current Clause 21.01-5 policy, which establishes a policy predisposition in favour of the development of housing on smaller rural lots, and the more recent VPP Farming Zone do not promote either certainty or consistent decision making.

We endorse the deletion of the Clause 21.01-5 policy however, we are not convinced that the precaution of introducing a stronger discouragement of housing in rural areas via the interim policy is warranted. We are satisfied that the FZ, supported by the proposed MSS provisions, provide a reasonable basis for the evaluation of the merits of any applications that may be lodged before the findings of the Indigo Rural Strategy are implemented in the planning scheme. The broader planning framework for rural areas, including the appropriate planning framework for land with limited capacity for productive agricultural use, are matters for more comprehensive consideration in the Rural Strategy processes.

THE 'NO POKIES' MSS OBJECTIVES AND STRATEGIES

We are not convinced that the proposed MSS objective to prevent gaming machines throughout the Shire has been justified. The MSS should simply indicate the intention to prepare a gaming policy but the outcome of further strategic work should not be pre-empted in the MSS.

SUBMISSIONS RELATING TO PARTICULAR PROPERTIES

We find that:

Before a commitment is made in the MSS to the future use of land in Chiltern between the railway line and the freeway, a more detailed investigation should be undertaken to establish the potential demand for and planning implications of developing the land for industrial and business purposes.

While we support the proposed back zoning of land fronting Twist Creek Road, Yackandandah from LDRZ to RLZ, we consider an option should be provided to Mr Wedgewood to apply for a planning permit to create an additional lot on the flatter land near the road.

We support the identification of the possibility of a rezoning of land south of Crawford Street, Beechworth to LDRZ on the Beechworth Strategic Map. Our assessment indicates that, if a proposal to rezone the land is pursued, the Amendment should be subject to a restriction that ensures only one additional housing entitlement is created.

## MSS DRAFTING

Since the review of the Indigo MSS commenced and Amendment C24 was prepared there has been a significant ongoing effort at a State level to improve the effectiveness of LPPFs throughout the State. Understandably, the changes in the approach to the LPPF that are being developed are not reflected in Amendment C24. Nevertheless, we do consider that editing the MSS along the lines now considered 'best practice' would produce significant benefits for both decision making and those using the planning scheme. MSS revisions to achieve a more concise, structured approach are discussed in Chapter 4 and illustrated for one clause in Appendix C.

The MSS foreshadows an extensive amount of further strategic work. It is suggested that the work listed should be reviewed and tasks that are unlikely to be undertaken in the short to medium term should be deleted.

## AMENDMENT TO THE MUNICIPAL STRATEGIC STATEMENT AND LOCAL PLANNING POLICIES

### STATE PLANNING POLICY

The purpose of State policy in planning schemes is to inform planning authorities and responsible authorities of those aspects of State level planning policy which they are to take into account and give effect to in planning and administering their respective areas. It is the State Government's expectation that planning and responsible authorities will endeavour to integrate the range of policies relevant to the issues to be determined and balance conflicting objectives in favour of net community benefit and sustainable development. Planning and responsible authorities must take account of and give effect to both the general principles and the specific policies applicable to issues before them to ensure integrated decision-making.

### LOCAL PLANNING POLICY FRAMEWORK

The Local Planning Policy Framework (LPPF) provides relevant discussion in relation to land use and development in the Shire. The following policies and clauses have been modified in accordance with the Panel's recommendations.

Municipal Strategic Statement:		Revision Made
21.01-3	Settlement & Infrastructure	New Clause 21.01-3
21.01-4	Economy	New Clause 21.01-4
21.01-5	Environment	New Clause 21.01-5
21.02	Key Issues	New Clause 21.02
21.03	Vision	New Clause 21.03
21.04	Objectives and Strategies	New Clause 21.04
New Clause 21.04-1	Settlement	Shire wide issues, objectives and strategies
21.04-1-1	Beechworth	New Clause 21.04-1-1
21.04-1-2	Rutherglen	New Clause 21.04-1-2
21.04-1-3	Chiltern	New Clause 21.04-1-3
21.04-1-4	Yackandandah	New Clause 21.04-1-4
21.04-1-5	Wahgunyah	New Clause 21.04-1-5

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21.04-1-6	Barnawartha	New Clause 21.04-1-6
21.04-1-7	Kiewa-Tangambalanga	21.04-1-7 Left as is
21.04-1-8	Stanley	New Clause 21.04-1-8
21.04-2-1	Agriculture	New Clause 21.04-2-1
21.04-2-2	Tourism	Deleted
21.04-3-1	Natural Resource Management	Deleted
21.04-3-2	Heritage	Deleted
21.04.3-3	Flooding and Drainage	Deleted
21.04.3-4	Stormwater Management	Deleted
New Clause 21.04-11	Further Strategic Work	Simplified list
New Clause 21.05	Monitoring Process	Simplified process
New Clause 21.06	Reference Documents	Up to date list
Local Planning Policies:		
22.01-5	Dwellings on Existing Small Rural Allotments	Deleted

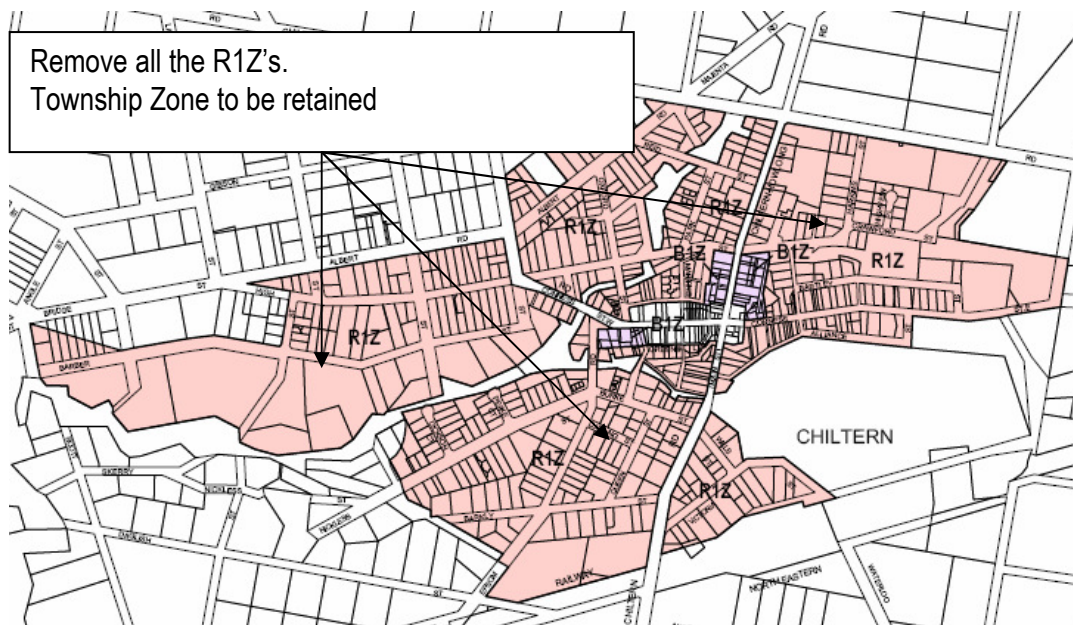
### AMENDMENTS TO ZONING AND OVERLAY CONTROLS

The Panel recommended a number of changes to the exhibited Planning Scheme maps. These changes require mapping from the Dept of Planning and Community Development but are summarised in the plans below.

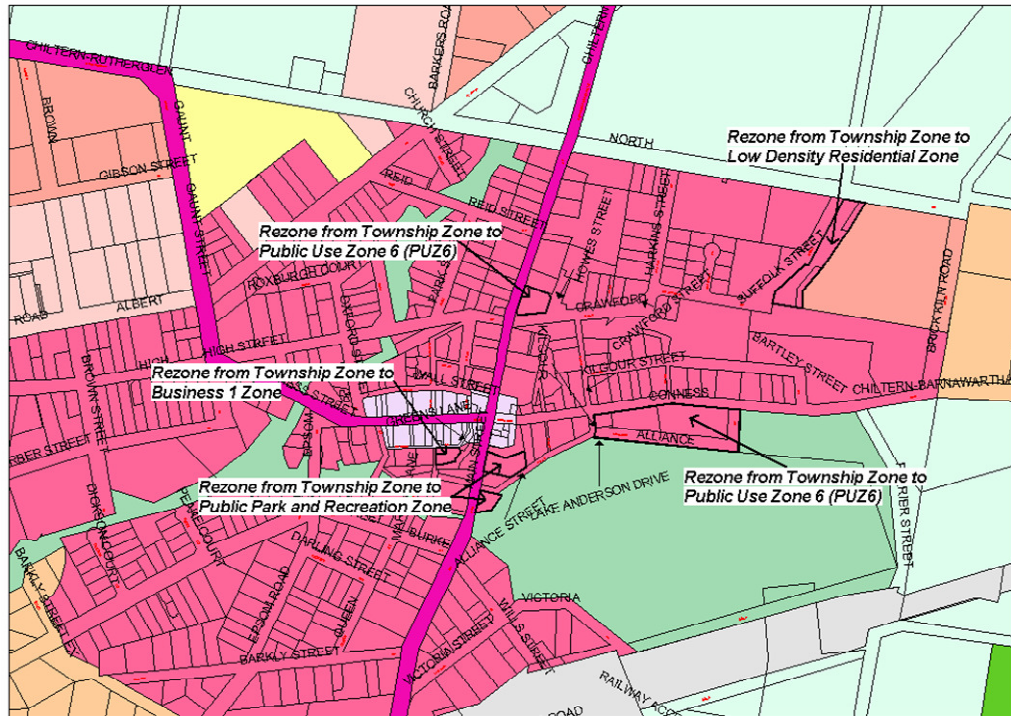
Zone Map 1 - Wahgunyah  
Recommendation 1.



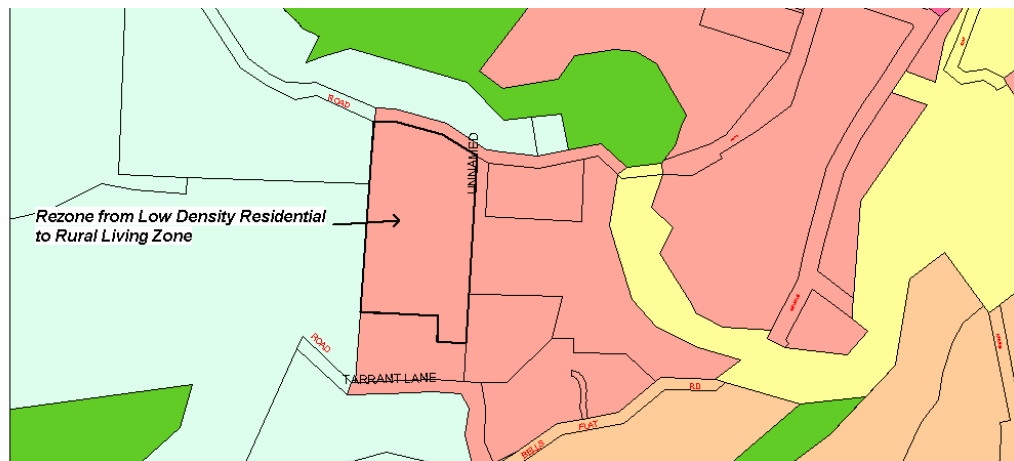
Zone Map 6 - Chiltern  
Recommendation 2



Recommendations 5, 6 and 7.

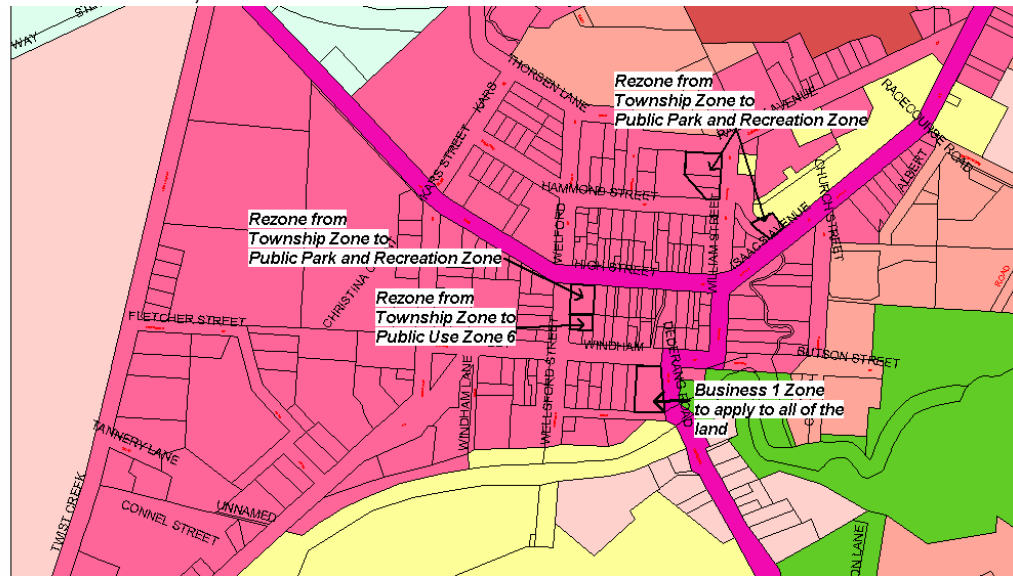


Zone maps 7 & 9 - Yackandandah  
Recommendation 17



Zone Map 9 - Yackandandah

Recommendations 4, 5 and 6



DISCUSSION

Section 27 of the Planning and Environment Act 1987 requires the Planning Authority to consider the recommendations of the Panel before deciding whether or not to adopt the amendment.

Section 29 allows the Planning Authority to adopt the amendment with or without changes while Sect 31 requires that the adopted amendment be submitted to the Minister for Planning for approval.

The Panel's recommendations reflect the State Government's objectives to streamline the Municipal Strategic Statement and the Local Planning Policy Framework to only those matters not already addressed by other components within the Planning Scheme.

This new direction of the State Government is supported as it focuses and brings clarity to the Planning Scheme.

The two exceptions are the changes to the text relating to gaming machines and the deletion of the local policy relating to new dwellings on existing small allotments in the rural areas.

The State Government will not accept a planning scheme policy that rejects outright gaming machines as this is inconsistent with State Government policy and the Panel considered that the information provided to it regarding gaming machines was both too narrow and out of date. The resolution to this issue is to include the preparation of a new gaming machine policy in the revised list of Further Strategic Work. This will mean a separate amendment will address this issue.

The second exception is the deletion of the local policy relating to new dwellings on existing small allotments in the rural areas. Council will be aware that an extensive rural land use study is currently underway. Without pre-empting the findings and recommendations of this study, the study will bring considerable clarity to the issue of new dwellings on small lots in rural areas and will allow for the development of an appropriate range of planning scheme tools.

### CONCLUSION

Amendment C24 has afforded council and the community the opportunity to refresh those elements of the Planning Scheme that are effectively local in nature.

The alterations to the MSS do not change the strategic direction for the Shire, but they do clarify and simplify, and focus on the quintessential elements that need to be considered in the development approvals decision making process.

Clear and unambiguous guidelines benefit all of those involved in the planning process and accordingly the recommendations of the Panel are supported.

It is proposed to recommend that Council adopt the amendment with revisions as detailed here.

Attachments:

Appendix A - Recommended changes and alterations  
Appendix B - Revised Municipal Strategic Statement.

**10.6 REZONING OF COMMERCIAL BUSINESSES SITUATED IN RESIDENTIAL ZONES IN BEECHWORTH**

**File No: 09/1563 – SUSAN CHEETHAM    MANAGER SUSTAINABLE DEVELOPMENT**

**For Decision**

**RECOMMENDATION**

1. That the report into the feasibility and impact of rezoning to a mixed use zone all properties in the Beechworth Township that are:
  - i. Currently operating as commercial businesses and are situated in residential zones; and
  - ii. Those locations that have been rezoned from historic commercial zone to residential zone since 1998,

be received and noted.

2. That Council not proceed with rezoning properties operating as commercial businesses in residential zones in Beechworth to a mixed use zone (MUZ)
3. That further to the report presented to the December Council Meeting and broader consideration in this report, the request for rezoning of the 8 Albert Road property be refused.

**INTRODUCTION**

Councillors will recall an item reported for decision regarding a request from Habitat Planning to rezone 8 Albert Rd Beechworth from Residential 1 Zone (R1Z) to a commercial land use zoning. Councillors deferred that decision pending the preparation of a report prepared on:

*“The feasibility and impact of rezoning to a mixed use zone all properties in the Beechworth Township that are:*

- i) Currently operating as commercial businesses and are situated in residential zones; and*
- ii) Those locations that have been rezoned from historic commercial zone to residential zone since 1998.”*

**BACKGROUND AND DISCUSSION**

With regard to the impact of implementing the Mixed Use Zone (MUZ) in the midst of the Residential 1 Zone (R1Z), it is considered that the greatest impact would be felt by those in the immediate vicinity of the properties zoned MUZ.

The purposes of the (MUZ) are:

- To implement the State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies;

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- To provide for a range of residential, commercial, industrial and other uses which complement the mixed-use function of the locality;
- To encourage residential development that respects the neighbourhood character.

The provisions of the MUZ are included as Attachment A. These indicate that the only uses that are specifically prohibited (Section 3) in the zone are Adult Sex Bookshop, Brothel and Extractive Industry.

Industry is a permit required (Section 2) use, and apart from the heavy industrial uses set out in Clause 52.10 from the Indigo Planning Scheme (Attachment B), industrial uses could be considered in this zone. Other Section 2 uses that could be considered include:

- Amusement parlour
- Animal boarding
- Cinema
- Horse stables
- Intensive animal husbandry
- Nightclub
- Office
- Retail premises

Adjoining owners and occupiers could potentially be affected by any of these uses, and if the MUZ was in place, Council would be indicating that it is appropriate for the subject properties to potentially be used for these purposes. The rights of adjoining and adjacent owners and occupiers would be diminished also, due to one of the purposes of the zone clearly stating that residential, commercial and industrial uses will be provided for.

The three properties that were formerly zoned Historic Commercial have a total of 64 immediately adjoining or adjacent properties on their boundaries. It is then reasonable to conclude that the numbers of adjoining properties affected by rezoning to MUZ would be in the hundreds. Council must be careful in its administration and management of the Planning Scheme to not create a situation that has the potential to affect such a large number of ratepayers in the absence of strong strategic justification.

With regard to the feasibility of undertaking a survey of all the commercial premises in Beechworth located in residential zones, this would require a comprehensive inspection of the land in the residential zones of Beechworth. An initial search of the rates database indicates there are approximately 136 commercial operations in Beechworth currently known, with approximately 20 of these located in residential zones (see confidential attachment). As can be seen from this table, there are quite a number of businesses operating in residential zones in Beechworth, with few issues reported regarding day-to-day operations or the ability of the property to be sold.

The suggestion to rezone all commercial properties from residential to MUZ (aside from those previously zoned Historic Commercial) is flawed in that none of these previously had a commercial zoning. The uses conducted on these properties are presently restricted by the parameters of their existing use rights. By altering the zone to one which has a large number of permissible uses which have the potential to affect residential amenity is possibly creating a problem where none has previously existed.

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The state government through the Department of Planning and Community Development considers rezoning as a matter for the local authority, and will support applications for rezoning on the basis of sound strategic justification in a context of regional and state significance or impact. The regional office of DPCD has indicated that any application to change the zonings within Beechworth would not satisfy the regional or state significance test.

Any rezoning amendment can be a lengthy process and involve significant resources. The process would involve:

- Application to the Minister for authorisation
- Preparation of the amendment for exhibition
- Notification and exhibition of the amendment, and receipt, and consideration of submissions
- Possible consideration by an Independent Panel
- Consideration by Council and if adopted, approval by the Minister

The length of the process is anticipated to be between 9-12 months and cost estimated at \$5,000 if no Independent panel is required, and up to \$20,000 if an Independent panel is required.

### POLICY IMPLICATIONS

The question of rezoning commercial properties operating in residential zones in Beechworth is not supported by the strategic direction of the Indigo Planning Scheme.

### CONCLUSION

In conclusion, it is suggested that there should be no change to the present zones of commercial properties, past or present, in Beechworth.

Attachments:

- Attachment A: Mixed Use Zone provisions
- Attachment B: Uses With Adverse Amenity Potential provisions
- Confidential Attachment: Businesses in residential zones

**10.7 INDIGO ENVIRONMENT ADVISORY COMMITTEE**

**File No: E163 – Shay Simpson – NRM Officer**

**For Decision**

**RECOMMENDATION**

**That council in accordance with Section 86 (3) of the Local Government Act, 1989, appoint the following representatives to Indigo’s Environment Advisory Committee:**

- **Linda Huzzey (New – Community)**
- **John Bevacqua (New – Community)**
- **Barney Foran (Community)**
- **Jane Roots (Community)**
- **Jan Palmer (Community)**
- **Bernadette Cudars (Community)**
- **Matthew Charles-Jones (Community)**
- **Rik Thwaites (Community)**
- **Graeme Missen (Community)**
- **Jenny Indian (Community)**
- **Pheona Anderson (Community)**
- **Grey Smith (Community)**
- **Charlie Robinson (Community)**
- **Jenny Davidson (Community)**
- **Joy Phillips (Community)**
- **Wendy Hutchinson (Government)**
- **Sarie Lois (Government)**

**That Council adopt the reviewed Instrument of Delegation for the Environment Advisory Committee.**

**INTRODUCTION**

The Environment Advisory Committee was established in late 2008 and has now been in operation for over 12 months. As per the original Instrument of Delegation a call for nominations was undertaken in November and existing members were able to renominate to be part of the group. At this time a few small changes were also recommended by the Committee to the Instrument of Delegation. This report seeks appointment of members to the Environment Advisory Committee for the 2010 period, and also seeks Council adoption of the reviewed Instrument of Delegation for this group.

**BACKGROUND**

During the first year of operation the Environment Advisory Committee primary role was to establish itself and its parameters, as well as to provide advice on the development of an Environment Strategy. These objectives have been achieved and the group is now establishing its priorities for the next 12-18months, with regard to implementation of the Environment Strategy.

The composition of the group itself has only changed slightly, with one original community representative and one ‘other group’ representative retiring or not renominating during the year and two new applications received in November. This has allowed for eleven ‘community’ representatives on the Committee and no ‘other group’ representative. The four ‘Landcare’ and two ‘NRM government’ representatives will remain the same. The group has also sought and will continue to seek youth representation on the Committee.

The changes in the Instrument of Delegation include:

- Use of the term ‘Environment’ instead of ‘Environmental’ in the Committee’s title;
- Removal of the objective ‘to provide advice on the development of an Environment Strategy’ – note that the objective ‘to provide advice on implementation and review of the Strategy’ remains (3.3 in Instrument of Delegation);
- Changes in the numbers of group composition, as detailed above (4.1 and 4.2 in the Instrument of Delegation);
- Addition of a clause that allow for the Committee to appoint a new member at its discretion should an existing member retire during the annual period between Council Special Meetings (5.3 in Instrument of Delegation);
- Addition of a clause that allows for members to delegate a proxy, in agreement with the Committee, should they be unable to fulfil their duties as a member (5.4 in Instrument of Delegation); and
- Detail that the meetings occur on a bi-monthly basis (6.1 in Instrument of Delegation).

KEY IMPLICATIONS

No implications with regard to changes in Committee composition or reviewed Instrument of Delegation.

FINANCIAL IMPLICATIONS

No financial implications with regard to changes in Committee composition or reviewed Instrument of Delegation.

POLICY IMPLICATIONS

No policy implications with regard to changes in Committee composition or reviewed Instrument of Delegation.

CONCLUSION

Appointment of members to the Environment Advisory Committee for 2010 and adoption of the group’s Instrument of Delegation will assist in continued successful operation of the group for the next 12month period.

Attachment: Indigo Environment Advisory Committee Instrument of Delegation

**10.8 INDIGO SHIRE COMMUNITY ADVISORY COMMITTEE – RESCISSION OF INSTRUMENT OF DELEGATION**

**File No: 09/2481- Sally McCarron- Manager Community Planning**

**For Decision**

**RECOMMENDATION**

**That:**

- 1. The Indigo Shire Community Advisory Committee Instrument of Delegation be rescinded;**
- 2. A new committee be formed as a s86 committee to consider Council’s Community Grants Program and annual awards including Citizen of the Year**

**INTRODUCTION**

This report provides information on the Indigo Shire Community Advisory Committee (ISCAC) and their role in assessing Council's Community Grants Program. The report recommends that the Committee be disbanded and a new committee be formed whose role would be to assess the Community Grant Program applications together with the assessment of the Emma George Scholarship, and Citizen and Young Citizen of the Year awards.

**BACKGROUND**

The Indigo Shire Community Advisory Committee was established as a S86 Committee in 1997 to provide advice to Council on strategic and community issues. In accordance with the Instrument of Delegation membership of the ISCAC comprises two Councillors, 2 representatives from each of the four District Community Advisory Committees and a Council Officer. The four district committees were Beechworth/Stanley/ Wooragee, Chiltern/ Barnawartha/ Indigo Valley, Rutherglen/ Wahgunyah and Yackandandah/ Kiewa/ Tangambalanga. Appointment to the Committee is confirmed annually at Council’s Statutory Meeting.

The Instruments of Delegation for the four district committees were formally rescinded by Council in March 2008 following decisions made over time by each of the district committees that they were no longer operating in the capacity originally determined for them and they resolved not to continue meeting.

The purpose of the ISCAC according to the Instrument of Delegation is:

- Responsible for providing advice to Council on community service issues referred to it by the Council and the community
- Responsible for keeping Council informed of important issues raised by the district advisory committees
- Liaise with the district advisory committees to ensure open communication and information exchange is maintained with Council
- Responsible for making recommendations to Council on annual budget allocations for community groups and committees
- Assist with the planning and allocation of resources to Council supported events
- Recommend to Council on the selection of citizen awards
- Responsible for the distribution of funds under Council’s Community Grants/Loans Program in accordance with the guidelines

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Over recent years, particularly since the demise of the district committees the key function for ISCAC has been the distribution of funds under Council's Community Grants/Loans Program in accordance with the guidelines and the nomination of priorities for the Community Facility Funding program (CFFP) from Sport and Recreation Victoria. In fact in 2009 ISCAC only considered the Community Grants applications.

### KEY IMPLICATIONS

The ISCAC plays an integral role in the allocation of funds under Council's Community Grants Program. There is merit in continuing to ensure that the applications are assessed by a community based panel. Nominations for the Emma George Scholarship, Citizen of the Year, Young Citizen of the Year and Community Organisation of the Year are also considered by a community panel, with this panel making recommendations to Council. It is appropriate that the one community committee make recommendations to Council on all these important community initiatives.

It is however necessary to ascertain how the community representation is determined. In recent years the nominated representatives from the previous district committees to ISCAC have continued to meet to consider the Community Grants applications and CFFP priorities.

In considering the membership of the committee the following needs to be considered:

- Community members should be limited to 8 - 10 people.
- There should be a good geographic spread amongst community members
- There should be a good demographic spread amongst community members
- Community members should have a good general knowledge of the Shire
- Community members should have involvement in various community activities
- Two councillors to be appointed, one to be the Mayor of the day
- Council's Manager Community Planning to assist the committee

It is anticipated that Council would seek nominations through a public awareness campaign. It is important that people are appointed as individuals rather than representing community groups. A committee of up to twelve people provides for good community representation whilst keeping it to a manageable size, which will assist with the decision making processes.

A selection process will need to be developed. It is anticipated that appointment would be for two years for half of the community members and three years for the other half. This would enable some consistency and knowledge to be retained. Following the initial appointment all future appointments would be for a two year period.

A change in name of the committee may also be appropriate to better reflect the revised role. One suggestion may be the Indigo Shire Community Grants and Awards Committee.

### FINANCIAL IMPLICATIONS

There are no specific financial implications associated with disbanding the ISCAC and forming a new committee, whose role would be to assess the Community Grants Program applications and the Community Awards, namely the Emma George Scholarship, Citizen of the Year, Young Citizen of the Year and Community Organisation of the Year.

### POLICY IMPLICATIONS

In light of the substantial change in the role of the committee it would be appropriate that the ISCAC be disbanded and a new s86 committee formed to assess Council's Community grants and Awards applications

The formation of a community based panel is consistent with Council's strategies of:

- Creating opportunities for the community to participate in Council business and decision making.
- Enhancing opportunities for local communities to guide the progress of their place.

### CONCLUSION

There is general consensus that the role played by ISCAC in determining the Community Grants Program allocations is important and should be retained. It is appropriate that membership still be reflective of the broader community whilst retaining a committee size that continues to be workable and assists in the decision making process.

All members of the Indigo Shire Community Advisory Committee will be advised of Council's decision and thanked for their valuable contribution over the past few years.

A further report will be presented once nominations for the new committee have been called for and a new instrument of delegation has been developed.

Attachment: Indigo Shire Community Advisory Committee Instrument of Delegation

**10.9 SUSTAINABLE COMMUNITIES (COMMUNITY PLANNING) PROGRESS REPORT – JANUARY 2010**

**For Information**

PROJECT	ACTION/PROGRESS
<p>Enhancing Young Learner Drivers &amp; L2P</p>	<p>Since 2007, VicRoads have been introducing significant changes to the Learner Driver and P Plate requirements for young people through their Graduated Licensing System. This occurred as a direct result of increasing concerns over the number of young drivers involved in fatal motor vehicle accidents. In conjunction with these changes VicRoads has offered Local Governments a number of funding opportunities to assist parents and community members as they support young people's acquisition of driving skills and knowledge that reduce the risks they face as newly licensed road users. Indigo Shire Council will participate in two of these programs – Enhancing Learner Drivers and L2P. These will commence before mid-year and further information about the changes effecting young drivers can be found at the following website <a href="http://www.arrivealive.vic.gov.au/gls">http://www.arrivealive.vic.gov.au/gls</a>.</p> <p>Both these programs will recruit interested community members for volunteer and mentor roles with Indigo young people.</p>
<p>Early Years – Universal Access to Early Childhood Services</p>	<p>Following the appointment of a consultant to work in partnership with the Towong Shire Council and all kindergartens and children's services across the two shires, a Capacity Assessment Report has been completed and forwarded to the Department of Education and Early Childhood Development. A more detailed Final Report will be submitted by April 2010 to determine the capacity and ability for these services to provide an additional five hours of kindergarten service per week by 2013.</p> <p>Indigo and Towong Shire Councils are seeking Expressions of Interest from community members involved in Early Childhood Services in the establishment of a Steering Committee for the Universal Access of Early Childhood Education.</p>

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PROJECT	ACTION/PROGRESS
<p>Community Strengthening Project</p>	<p>The many facets of the Community Strengthening Project (CSP) continue to evolve. The Bruarong community saw all of their consultations come together with the project's first Community Planning prioritisation session held in mid-January. Following this, the draft Community Plan will be prepared and presented back to the community for their adoption and subsequent progression of community visions. The next community to discuss and prioritise their many visions will be Chiltern on Sunday 31<sup>st</sup> January, following which they will also have their own draft community plan.</p> <p>Close working partnerships with the Victorian Bushfire Reconstruction and Recovery Authority (VBRRA) and the community continue on with Council receiving funding for a number of different community events, primarily in Stanley and Bruarong but with the possibility of staging some form of Shire wide commemorative event in the future.</p> <p>In terms of physical bushfire recovery projects, the Bruarong community continue to lead the way with progressions around improvement works to the hall and community hub, while the Stanley community have received funding from the Victorian Bushfire Appeals Fund to progress their vision of having a community newsletter.</p>
<p>Youth Bushfire Response Gift</p>	<p>Funding has been received via the Office for Youth from the Victorian Bushfire Appeals Fund for bushfire recovery initiatives for young people. This project is for two years and extends across Indigo and Alpine Shire. Indigo Shire Council is the lead agency and fund holder for the project.</p> <p>The project has two main components – a youth development role and an outreach role. Recruitment is currently underway for the youth development role, with the outreach role coming on board in another few months. This approach will enable the identification of needs and allow the outreach role to be tailored to better meet the identified needs.</p> <p>A key success factor to this project is the involvement of key agencies across the two shires in partnership, ensuring positive outcomes for young people. The project will work closely with existing youth services and supports.</p>

**10.10 SUSTAINABLE DEVELOPMENT WORK IN PROGRESS AND PROJECTS JANUARY 2010**

**File No.: Susan Cheetham – Manager Sustainable Development**

**For Information**

INTRODUCTION

Projects underway are shown in the following table.

<b>PROJECT</b>	<b>CURRENT ACTIONS</b>
<b>STRATEGIC PLANNING</b>	
Amendment C21 – Kiewa-Tangambalanga	All payments for Panel costs now received and amendment forwarded to Minister for Planning for final approval. DPCD consideration underway.
Municipal Strategic Statement and Indigo Planning Scheme Amendment C24 – Major review	The Independent Panel report makes a number of recommendations, including changes to format of exhibited MSS. Report of the amendment in February Council meeting agenda..
Amendment C36 – Chiltern Flood Study	The amendment has been certified by the Minister for Planning, and as Council is authorised to approve it, the amendment will be reported to Council for approval at its March meeting.
Indigo Planning Scheme C48 – Kiewa Valley Highway	No change from last month.  This is a minor amendment to rezone part of the Kiewa Valley Highway from Farming Zone to Road Zone Category 1 to reflect that it is part of the highway reserve. DPCD is undertaking the administrative work for this amendment on behalf of Vic Roads.
Indigo Planning Scheme C49 – Old Beechworth Gaol	Amendment has been forwarded to the Minister – awaiting approval.
Indigo Planning Scheme – environmental/biodiversity overlay	Council resolved at its November meeting to commence phase 3 of this project. More detailed investigation of area with key biodiversity assets and consultation with land owners to commence early in 2010. Phase 3 scoped and brief under preparation.
Rural Land Use Strategy	Final draft strategy now on exhibition for public comment until 1 March 2010. Final round of community consultation meetings scheduled for early February.
Indigo Planning Scheme Amendment C50 - Chiltern Business 3 rezoning	A consultant has been appointed and will commence 25 January 2010.

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PROJECT	CURRENT ACTIONS
<b>STATUTORY PLANNING</b>	
VCAT Applications	<p>PP090071 (G Horne 8 Albert Road Beechworth) Appeal by the objector to review Council's Decision to issue a permit for a Food and Drink Premises, Office and Convenience Store and for the waiving and construction of car parking facilities.</p> <p>The owners had previously declined to meet to discuss conditions and have now agreed to do so.</p> <p>The matter is set down for mediation by VCAT in April if not resolved prior.</p>
	<p>Mr &amp; Mrs Williams have appealed to VCAT to amend the Enforcement Order in relation to this matter, by extending the period to vacate by twelve months. The intention is to apply for a planning permit to use and develop the subject land for the purpose of a dwelling. A submission has been made to VCAT strongly discouraging such an amendment being granted.</p>
Chiltern Quarry	<p>The time in which to make a submission has been extended indefinitely at this stage, as the applicant has been requested to provide further information regarding the proposal.</p>
<b>HERITAGE SERVICES</b>	
2010 Indigo Heritage Awards	<p>Discussion of combined Indigo Awards Program has delayed advertising of this years Heritage Awards</p>
<b>NATURAL RESOURCE MANAGEMENT</b>	
North East Greenhouse Alliance	<ul style="list-style-type: none"> <li>• Climate Change risk assessments for Towong and Alpine progressing – project will yield key learnings for all regional Councils</li> <li>• NEGHA structure – still many barriers to finalising this</li> <li>• “Adapting to a Low Water Future” - project funding of \$400K awarded from Federal Government – Mark Florence is nominated as project representative for Council on steering group and NRM Officer project champion</li> </ul>
Lake Sambell	<ul style="list-style-type: none"> <li>• Ongoing maintenance as per maintenance schedule - weed spraying and rabbit fumigation to complete along Lower Stanley Rd track</li> <li>• Jute matting installed for soil stabilisation on embankment below dam wall in Chinese Garden</li> <li>• Developing plant orders for Autumn plant</li> </ul>
Indigenous Resource Area at Lake	<ul style="list-style-type: none"> <li>• No change - awaiting signage concepts to approve</li> </ul>

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PROJECT	CURRENT ACTIONS
Sambell	prior to fabrication
Isaac Park	<ul style="list-style-type: none"> <li>• Maintenance activities ongoing</li> <li>• Planting in gully proper with wetland species scheduled for Autumn</li> </ul>
Community Woodlot Program	<ul style="list-style-type: none"> <li>• Stanley woodlot – still plenty of salvage timber available – excess timber there – could consider transport to other woodlots to replenish, prior to winter</li> <li>• Beechworth woodlot – timber distribution will recommence prior to winter</li> <li>• Chiltern woodlot – some timber available from Council operations</li> <li>• Yackandandah woodlot – no change - still has considerable amount of dry, sheared timber</li> </ul>
Roadside weed initiative	<p>No change</p> <p>Chemical allocated to 20 participants targeting priority weeds over 93km of roadsides (cf 2008 program which allocated chemical to 21 participants and targeted 83.5 km of roadside)</p>
Roadside weeds	<ul style="list-style-type: none"> <li>• Funds allocated to Indigo Shire from NECMA via Federal Government Caring for Country program to target Serrated Tussock and Chilean Needle Grass – treatment of these occurred in November 2009</li> <li>• Investigating use of slasher cover to minimise weed spread</li> </ul>
Eco-Awareness Group	<ul style="list-style-type: none"> <li>• Next meeting scheduled in February</li> <li>• Training for group scheduled in April</li> </ul>
Community awareness	Will provide assistance to community groups registered for Clean Up Australia Day (early March)
Sustainable Water Use Plan	<p>Project management – Don Pope</p> <ul style="list-style-type: none"> <li>• Awaiting release of North East Water guidelines on future use and development of wastewater</li> <li>• Funding agreement being finalised RDV</li> </ul>
Code of Forest Practice	Harvest plan inspections carried out in Jan at sites located Stanley – harvest conditions good, little dust and good roading. Completed fire salvage areas at nearby compartments also inspected.
Environmental Advisory Committee	Next meeting scheduled for 3rd January, 2010. Agenda items to include discussion regarding operational plan developed from Environment Strategy, as well as details of environmental awards.
Roadside Management Plan	Environmental Projects Officer – problems detected with detailed analysis of re-assessed roadside conversation values – priority has been to remedy this prior to community engagement. Data confidence is

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PROJECT	CURRENT ACTIONS
	extremely important, particularly with regard to areas that have decreased in conservation value.
Greenhouse Action Plan	Baseline and additional data provided to Planet Footprint to enable an update on emissions data.
Environment Strategy	Printed strategies should be available early Feb and a launch is being organised. An operational plan for next 18months is being developed.

## 11.0 MAJOR PROJECTS & PROGRAMS

### 11.1 TENDERS – BAARMUTHA PARK MULTI-PURPOSE FACILITY - CONSTRUCTION & ASSOCIATED WORKS, PROJECT NO. 629

File No: Q09/2493- Robert Uebergang- Assets Manager

For Decision

#### RECOMMENDATION

That Council:

1. Utilise additional confirmed grant funding to complete the Baarmutha Park Multi-Purpose Facility (Stage 1)
2. Accept the Tender from Graeme Berry Constructions for the construction of the Baarmutha Park Multi-Purpose Facility and associated works in the amount of \$1,239,057.40 ex GST
3. Authorise the CEO to Sign and Seal Contract documents in relation to the works, Contract Q09/2493, in accordance with recommendation 2 above.

#### INTRODUCTION

Tenders were called for the construction of the Baarmutha Park Multi-Purpose Facility and associated works on the 23 November 2009. The works are proposed to be completed with the Community Infrastructure Program grant received in 2009 plus additional state funding grants.

This report provides an overview of the project's background and the tender process for construction contract works.

#### BACKGROUND

The Baarmutha Park project is located at Baarmutha Park, Balaclava Road Beechworth. A multi-purpose facility was proposed for the site with a minimal project scope forming part of a Regional and Local Community Infrastructure Program (or 'RLCIP') strategic projects (now known as Community Infrastructure Program or 'CIP') submission in 2009. The project brief was to construct a building of 360m<sup>2</sup> with ancillary toilet and fit-out.

Further to Council being successful in receiving a grant for the projects forming part of the strategic RLCIP submission, tenders were advertised for the design, consultancy and contract administration of these projects. Indi Architects were subsequently engaged for the Baarmutha Park Multi-Purpose Facility works on 31 July 2009.

Further to consultancy with the Committee of Management, Indi Architects presented final concept drawings for the facility (known as Stage 1 of the Baarmutha Park project) at a public meeting on 14<sup>th</sup> October 2009. The concept drawings met with general acceptance from those present.

The proposed Baarmutha Park Stage 1 works are aimed at providing a multi-purpose facility to meet the wide variety of local community needs and user group requirements. The proposed building consists of a new two-level structure to the south of the existing football club rooms with the upper level to be constructed as a function centre. The upper level will include a hall area, foyer, kitchen and toilets (417m<sup>2</sup> building area) with a tiered pavilion (85m<sup>2</sup>) adjoining on the oval side. The ground floor level is proposed to be infill constructed as part of Stage 2 of the project and has a total covered area of approximately 450m<sup>2</sup>.

Final tender design documentation was prepared by Indi Architects and distributed to 6 tenderers selected from the Expression of Interest process on 23 October 2009. A total of three tenders were received at the close of tenders on 22 December 2009.

Post tender discussions were held with tenderers to identify areas for cost savings. These items included deleting kitchen fit-out and coolroom, deleting main stairway from the carpark, deleting front verandah pavilion, using particle board flooring rather than timber, and deleting ground level storage and dumb waiter. The major cost savings identified, however, impact critically on the building in terms of functionality, amenity and operation.

After some minor alterations to scope the lowest tender value received was \$1,239,057.40 ex. GST from Graeme Berry Constructions.

#### KEY IMPLICATIONS

Tenders were called in accordance with Council's Tendering Policy.

The selected tenderer has undertaken similar projects in terms of construction, OH&S risk and has completed projects of similar scope.

There are no indicated legislative, regulatory or environmental implications that will result from the scoped project being completed.

#### FINANCIAL IMPLICATIONS

- The contract pricing for the tendered works does not fall within Council's capital works budget for this project. The lowest tender price of \$1,239,057.40 (excluding GST) is approximately 60% over the initial budget of approximately \$770,000 for this project.
- The budget over-run for Stage 1 of this project can be attributed to:
  - A building cost premium for Stage 1 of the project with this premium balanced by the lower cost of infill construction for the ground floor in the future as part of Stage 2
  - High demand for building contractors with an associated increase in tendered building costs from budget \$2,138 per m<sup>2</sup> to lowest tender of \$2,970 per m<sup>2</sup>.
  - Project scope creep - the Stage 1 facility was originally \$770,000 for 360m<sup>2</sup> or \$2,138 per m<sup>2</sup>. The proposed Stage 1 facility has increased in floor area to 417m<sup>2</sup>.
- Post-tender cost savings were identified and totalled in the order of \$190,000. However, the cost savings all impact critically on building functionality and only minor cost savings have been incorporated into the recommended tender value.

If the construction of the Stage 1 facility is to proceed Council will be required to provide additional funding. This funding may be sourced from successful grant applications lodged by Sustainable Communities in the latter part of 2009/ early 2010. This grant funding was originally applied for in order to complete Stage 2 of the Baarmutha Park project but may

be utilised for Stage 1 works.

The \$1,239,057.40 ex. GST tender price equates to a construction cost of \$2,970/ m2 floor area for the Stage 1 facility. The estimated cost for the infill construction of the ground floor of the new building is \$500,000 ex. GST and equates to an estimated cost of \$1,410/ m2 floor area. The average cost for the entire building based on the above is \$2,256/ m2 (cost basis includes the pavilion/ verandah areas in the m2 rate).

The \$2,256/ m2 building cost for the Baarmutha Park building is approximately 19% above the \$1,900/ m2 building cost for the recently tendered Yackandandah Hall works. The increased cost can largely be attributed to supply and demand. The tender process illustrated that many builders were no longer interested in tendering for the works. Only 50% of those contractors interested in tendering at the start of the tender process submitted a tender.

POLICY IMPLICATIONS

- This project is part of Council’s adopted 2009-10 Capital Works program. It was proposed to be funded from the Federal Government’s Community Infrastructure Program strategic grant funding plus additional funding (largely State) secured in the latter part of 2009/ early 2010 for Stage 2 of the project.
- By accepting this tender for Stage 1, Council is aware of the need for additional funding to complete this Project which has two stages.
- If both Stages 1 and Stage 2 are to be ultimately completed, the requirement to utilise Stage 2 funding to complete Stage 1 will mean either additional grant funds will need to be sourced (no guarantees) or Council funds will need to be applied to the project in the 2010 - 2011 and/ or subsequent budgets. The overall cost breakdown follows:

Project Activity	Funds required
Stage 1- Community Facility	\$1.24M
- design and construct & architectural	\$0.15M
Stage 1a - Carpark / Access	\$0.2 M
Stage 2 - Ground Floor Infill of Facility	\$0.5M
(originally \$0.35M increased to \$0.5M after Receipt of Stage 1 tenders)	
Stage 2 - Football Clubrooms	\$0.45M
(assumes \$1,500 per m2 – no change from Stage 1)	
Stage 2 - Contract Administration	\$0.05M
State 2 Contingency	\$0.15M
(extra \$500 per M2 for clubrooms)	
	\$2.74M Total

The breakdown of funding sources is as follows:

Funding Source	Funding status
\$900,000 (RLCIP)	Confirmed
\$250,000 (VXCSA)	Confirmed
\$208,000 (VBRR)	Confirmed
\$300,000 (RDV)	Confirmed
\$300,000 (RDV)	Unconfirmed and awaiting funder decision
\$100,000 (user group Contributions)	Unconfirmed

i.e. Confirmed only worst case \$1.658M  
 Current best case inclusive of confirmed / unconfirmed \$2.058M

Depending upon the extent of funding conversion from unconfirmed to confirmed status, the balance of funding required by Council to complete Stages 1 and 2 of the Project are:

- i) At best \$682,000 (ie. \$2.74M - \$2.058M)
- ii) At worst \$1,082,000 (ie. \$2.74M - \$1.658M inclusive of contingency)

- The project forms part of the Bigger Beechworth Masterplan for Baarmutha Park.

The project is a result of extensive planning with a concentrated user and community groups consultation and concept design phase in August – October 2009 further to Architect engagement at the end of July 2009.

CONCLUSION

It is recommended that grant funding additional to the Federal CIP strategic funding of \$900,000 be utilised to construct the Baarmutha Park Multi-Purpose Facility. This facility (Stage 1 of a proposed 2 Stage project) will provide a new community function centre and emergency relief centre as a hub for the Baarmutha Park recreational facility. The configuration of the structure will allow the infill construction of ground floor clubrooms and amenities in the future. After an Expression of Interest and Tender process the recommended contractor for the construction works is Graeme Berry Constructions.

Attachments: Confidential tender recommendation  
 Plans of Baarmutha Park project

## 11.2 PURCHASE OF LAND – 18 WINDHAM STREET, YACKANDANDAH

File No: 09/354 – Phil Prior – Special Projects Engineer

For Decision

### RECOMMENDATION

**That Council sign and seal Transfer of Land documentation for the purchase of 18 Windham Street, Yackandandah.**

### INTRODUCTION

Council provided funding in its budget for the purchase of 18 Windham Street, Yackandandah for future development as a carpark subject only to the successful negotiation with the adjoining owner to the north of the Star Hotel for the relocation of a carriageway easement.

### BACKGROUND

The owner of the Star Hotel has signed an agreement with Council enabling the relocation of the easement and the optimisation of parking on the property at 18 Windham Street. The Contract of Sale with the owner of 18 Windham Street is conditional upon the signing of a formal agreement prior to settlement on the property.

The signing and sealing of the Transfer of Land document will enable the completion of the sale.

### KEY IMPLICATIONS

Council has previously agreed to the purchase price and has set funding aside in its budget.

### FINANCIAL IMPLICATIONS

The purchase of the land will be within the budget allocation.

### POLICY IMPLICATIONS

Legally a Transfer of Land must be undertaken under the sign and seal of Council.

### CONCLUSION

The finalisation of the land purchase can now proceed and will be completed early March.

**11.3 CLOSURE OF LADY FRANKLIN ROAD AT RAIL CROSSING**

**File No: S030/049 - Robert Uebergang - Manager Assets**

For Decision

**RECOMMENDATION**

That Council resolves:

1. In accordance with the process in Section 12 of the Road Management Act, to jointly and in conjunction with the City of Wodonga, give public notice in the Border Mail of its intention to close Lady Franklin Rd over the rail crossing adjacent to the City of Wodonga Logic development.
2. That the public notice stipulate that persons may make a submission on the proposed closure and that written submissions must be received on a date that is within 28 days of the publication of the notice.
3. That the Chief Executive Officer be authorised to undertake the administrative procedures necessary to enable Council to carry out its functions under Section 12 of the Road Management Act in relation to this matter.
4. That if submissions are received:
  - a Special Meeting of Council be convened to hear from any person or persons who request to be heard in support of a written submission; and
  - a report on any submissions received by Council be provided to an Ordinary Council meeting for consideration.
5. That if no submissions are received within 28 days of the notice Council resolve to jointly and in conjunction with the City of Wodonga close Lady Franklin Rd over the rail crossing at Logic without further resolution of Council and the Chief Executive Officer be authorised to execute the necessary documents.

**INTRODUCTION**

The closure of Lady Franklin Road at the railway crossing near the Logic development is a project instigated by Victorian Department of Transport (DOT) in conjunction with the City of Wodonga. Lady Franklin Road is the boundary road between Indigo Shire and the City of Wodonga and as such Indigo Shire are required to participate in the road closure process if in agreement with this closure.

**BACKGROUND**

In November 2007 a briefing paper was presented to City of Wodonga Councillors with numerous options to provide access to property to the south of the Melbourne to Sydney rail line near Logic to facilitate the closure of the Lady Franklin Rd at-grade rail crossing. Lady Franklin Rd is on the boundary between Indigo Shire Council and Wodonga Council, with the municipal boundary not clearly defined in the road reserve.

A sale of City of Wodonga Council owned land was concluded to provide an alternative access point to the land and the City of Wodonga subsequently resolved to undertake the process of closing the rail crossing at its Council meeting on 16 November 2009. As the road is jointly owned by Indigo Shire and the City of Wodonga, a resolution by Indigo Shire Council to undertake the closing of the road at the rail crossing is also required before this process can commence.

#### KEY IMPLICATIONS

The proposed road closure at the rail crossing will eliminate the risk associated with this at-grade crossing.

The removal of the crossing will have minimal environmental impact.

The social impact of the road/ rail closure are minimal as the crossing is rarely used and alternative access is now provided to affected properties.

#### FINANCIAL IMPLICATIONS

There are no anticipated direct costs to Indigo Shire associated with the road closure. The physical closure of the road will be undertaken by City of Wodonga with associated advertising and gazettal costs to be funded by City of Wodonga.

#### POLICY IMPLICATIONS

Council has the power to discontinue a road or part of a road under Section 3 of Schedule 10 of the Local Government Act 1989 but it must follow the process as specified in the Act. The proposal will need to be publicly advertised jointly with City of Wodonga once Indigo Shire agrees to proceed with the road closure. The City of Wodonga agreed to the road closure at its Council meeting 16 November 2009.

#### CONCLUSION

The closure of the Lady Franklin road/ rail crossing will eliminate the risk associated with this at-grade rail crossing. The closure will also facilitate City of Wodonga's future rail terminal development at the Logic centre.

Attachment: Enclosures – site map

**12.0 CORPORATE SERVICES**

**12.1 BURKE MUSEUM AND HISTORIC PRECINCT – ADVISORY COMMITTEE  
MEMBERSHIP APPOINTMENTS**

**File No: 09/469- Mark Crouch- General Manager Corporate Services**

**For Decision**

**RECOMMENDATION**

**That the following persons be appointed to the Burke Museum and Historic Precinct Advisory Committee:**

**To be resolved by Council.**

**INTRODUCTION**

This report and officer recommendation seeks to formalise the appointment of persons to the Burke Museum and Historic Precinct Advisory Committee pursuant to the Local Government Act 1989 and Council resolution of December 8 2009.

This matter is not being considered in isolation and forms part of a number actions agreed by Council as part of the Council resolution below in relation to the Burke Museum and Historic Precinct.

The expectation will be that elected members will peruse and consider the Expression of Interest (EOI) Summary and individual submissions received and make a determination based the skills and inputs the various listed persons will bring to the committee in accordance with the committee delegation and membership structure.

**BACKGROUND**

At the December 8 2009 Council meeting, Council resolved as follows:

*Reaffirm its support for the Burke Museum and the cultural and heritage significance the Burke Museum brings to Beechworth and the Indigo Shire as a whole.*

*Support the formation of an overarching advisory committee to advise Council on the future directions and policy for a combined Burke Museum and Beechworth Historical Precinct. Adopt and sign and seal the Instrument of Delegation for a Burke Museum and Beechworth Historical Precinct Advisory Committee pursuant to Section 86 of the Local Government Act 1989.*

*Seek expressions of interest from suitably qualified and / or experienced people for the advisory committee pursuant to Section 86 of the Local Government Act 1989.*

*Investigate the potential for the development of an Archive and Heritage Centre in conjunction with the Burke Museum, to expand on the existing Public Records Office (PROV) capacity within the museum's operations, as well as the public display of the substantial indigenous collection held by the Burke Museum.*

*Instruct the Chief Executive Officer to prepare an appropriate staffing structure for a combined Museum and Historical Precinct operation together with estimated costs of implementing same for detailed consideration by Council in the framing of the Council Budget 2010/11.*

*Receive a recommendation at its February 2010 meeting re the employment options of a Manager.*

*That recommendation 8.2 that relates to signage be acted on sooner rather than later and is appropriate with the desired outcome of highlighting the museums presence in Beechworth*

The December 8 2009 Council report followed the Council receipt and consideration of a report on the Burke Museum prepared by Geoff Speirs Museum and Editing Services and others (Speirs). The formation of an advisory committee was one of a number of recommendations made in the Speirs report.

Council has advertised the intent to appoint members to an advisory committee pursuant the agreed instrument of delegation that was formalised at the December 8 2009 Council meeting. An advertising campaign was prepared in conjunction with various other initiatives to seek attention and interest in these positions. All persons who attended the November 2009 public meeting convened to consider the future of the Burke Museum were provided a copy of an information package and encouraged to express interest in committee membership or to convey information to any person who would seek to make a positive contribution on the committee in the furtherance of the committee's objectives.

At the time of closing of the expression of interest (EOI) phase on Friday 29<sup>th</sup> January 2010, 22 persons have expressed interest in committee membership.

The instrument of delegation was structured to have membership comprised as follows:

**Composition of the Committee**

- 3.1 *The Committee shall comprise:*
  - 3.1.1 *One (1) Councillor of the Indigo Shire Council.*
  - 3.1.2 *Four (4) Special Interest or 'skills' based representatives. Representatives should have background or experience in at least one or more of the following fields or areas of expertise including - Museum management, curatorship, Archival, marketing, education, public records, and genealogy,*
  - 3.1.3 *One (1) representative of the Friends of the Burke Museum*
  - 3.1.4 *One (1) member representing the other museums / athenaeums operating in the Indigo Shire.*
  - 3.1.5 *Two (2) Community representatives.*
  - 3.1.6 *Indigo Shire Senior Staff member responsible for Burke Museum management.*
  - 3.1.7 *Indigo Shire Manager Tourism.*
  
- 3.2 *Changes to the composition of the Committee shall be considered by the Council upon recommendation of the Committee.*
  
- 3.3 *The Committee may co opt persons with special interests, qualifications and skills on an as needed basis.*
  
- 3.4 *Council staff members, and any person/s coopted from time to time to assist the committee in its advisory role, will have no voting rights.*

There is merit in Council being prepared to modify the committee membership structure should circumstances warrant ensuring the best committee membership utilising the skills available within the community. Cl 3.3 & 3.4 above will also provide ample scope to allow staff and other input into the workings of the committee.

**KEY IMPLICATIONS**

From a risk management perspective, the formation of a skills based advisory committee places Council in a better position to manage this facility going forward. There are 'risks' in having this facility continue in the current vein, as clearly highlighted in the Speirs report and associated recommendations.

From a legislative / regulatory perspective, there are a number of issues faced by Council. There are museum accreditation matters to be considered, and these matters and the role of the advisory committee have been canvassed at length in the Speirs report. From a Historic Precinct perspective, there are a considerable number of historical building, associated upkeep and maintenance issues and planning implications that must be recognised and observed. There are advantages in the formation of a skills based committee that can provide Council clear recommendations on a wide range of strategic and policy matters that have been assigned or delegated to the committee.

There are no environmental implications with regard the Burke Museum and Historic Precinct.

It is important for Council to recognise that the committee has responsibility for providing Council with strategic direction advice on the Burke Museum as well as the Historic Precinct. The Speirs report recommended:

*1.3.Integration*

*The operations of the Historic Precinct be integrated into the Robert O'Hara Burke Museum.*

It will be important that the committee be structured so as to provide this broad range advice to Council not only with regard the Burke Museum, but also the Historic Precinct. Although separate buildings or facilities, the synergies and the need to consider the facilities as a 'package' will be vital going forward.

FINANCIAL IMPLICATIONS

The financial implications on the establishment of an advisory committee are wide ranging.

The Speirs report and associated recommendations have detailed a wide range of matters where the advisory committee needs to focus attention. Not all the outstanding matters can or should be addressed immediately by the committee and /or Council. There are yet to be determined cost implications around many of the recommendations that Council is not in a position to fund or consider at this time. There must be a programmed approach to taking the Museum and Historic Precinct forward. There will be an obligation on the advisory committee to work with Council to address a program of changes over time. These may take a number of years to undertake. Council will need to establish this working relationship with the committee to maximise the committees' operations and outcomes toward stated objectives. Council will be required to consider all committee recommendations on merit and be prepared to justify and communicate its position.

There will also be a responsibility on the Council administration to work closely with the committee to ensure agreed policy positions as well as day to day operational matters are addressed in a professional manner. The advisory committee will have no operational responsibilities and will need to focus clearly on its predetermined roles and responsibilities as detailed in the committee instrument of delegation.

POLICY IMPLICATIONS

The role of the appointed committee will include the need to focus on policy and strategic advice to Council.

*Objectives:*

- 2.1 To provide Council policy and strategic direction advice and recommendations in relation to the Burke Museum and Historical Precinct at Beechworth.*
- 2.2 To advise Council and make recommendations on the assimilation of the Burke Museum and the Historical Precinct facilities to provide for the professional stewardship of the facilities from an historical and cultural perspective.*
- 2.3 To advise and make recommendations to Council on the establishment of a Statements of Purpose, Vision and Mission and Policy framework for the Burke Museum and Historical Precinct.*

- 2.4 *To advise and make recommendations to Council on the relationships, workings and the maximisation of opportunities and assistance between the Burke Museum and Historical Precinct with the other museums / athenaeums operating within the Shire.*
- 2.5 *To advise and make recommendations to Council on issues involving museum and heritage accreditation and standards of operation.*
- 2.6 *To foster and promote a close professional working relationship between the Indigo hire Council, Burke Museum and Historical Precinct, and the Friends of the Burke Museum.*
- 2.7 *To advise and make recommendations to Council on the mechanisms required to maximise the Burke Museum and Historical Precinct operation in the areas of policy and planning, performance monitoring, accountability and decision making.*
- 2.8 *To advise and make recommendations to Council on the preparation and establishment of various plans and policies in a range of areas including marketing, collection management and interpretation.*
- 2.9 *To advise and make recommendations to Council in relation to management and professional custodianship of the Indigenous and Ethnographic Collections held at the Burke Museum.*
- 2.10 *To advise Council on the various strategic elements comprising the operation of the Burke Museum, including Public Records Office Victoria (PROV), research and other specialist services provided by the Burke Museum.*
- 2.11 *To advise and make recommendations to Council on strategic means of improving visitation and patronage to both the Burke Museum and Historical Precinct.*

**CONCLUSION**

The EOI process has produced a varied and talented skill set to take the Burke Museum and Historic Precinct forward. A sound working relationship needs to be established and maintained.

A summary of the EOI submissions has been provided to all Councillors for detailed consideration and is appended to this agenda as an attachment. Councillors are advised to give careful consideration to the composition of the membership to ensure all membership categories are considered and that a well balanced committee is established. A poorly balanced committee will have less impact addressing the vast number of strategic matters the committee is required to consider.

A disc has also been circulated to all Councillors that incorporate all EOI submissions and other relevant inputs to assist Council in resolving on committee membership.

It is important that the committee membership is formalised as quickly as possible to ensure work can commence on strategic advice to Council on these important and iconic facilities within Indigo Shire.

Attachment: Confidential

**ORDINARY COUNCIL MEETING AGENDA – 09.02.10****12.2 COMMITTEES OF MANAGEMENT – REVIEW – AS PER SECTION 86 OF THE LOCAL GOVERNMENT ACT 1989 (LGA89)**

File No: 09/1148 – Jo Riley – Manager Governance and Risk

For Decision

**RECOMMENDATION**

That in accordance with Section 86 (6) of the Local Government Act 1989, that Council adopt the revised Deeds of Delegation for the below listed committees of management:

- **Coulston Park Committee of Management;**
- **Wooragee Community Centre Committee of Management;**
- **Yackandandah Public Hall and Courthouse Committee of Management;**
- **Yackandandah Sports Park Committee of Management;**
- **Baarmutha Park Committee of Management;**
- **Chiltern Community Centre Special Committee of Management; and**
- **Chiltern Memorial Hall Special Committee of Council.**

**INTRODUCTION**

This Report provides recommendations for the Deeds of Delegations that were not reviewed in 2009 (as outlined in my Report to Council's Ordinary Meeting in November 2009).

**BACKGROUND**

Section 86(6) of the Local Government Act 1989 provides that "The Council must review any Delegations to a Special Committee in force under this section within the period of 12 months after a general election".

The adoption of the abovementioned Committees will complete this process.

The review of these Committees of Management has involved consultation with the appropriate Council Officers, Committee members and Councillors.

It was found that the reporting requirements of these Committees was onerous and unreasonable and were not being fulfilled. These have now been amended to reflect more manageable expectations which are also in accordance with other Deeds of Delegation reporting requirements.

**KEY IMPLICATIONS**

It is important that the various Delegations are reviewed with Section 86 of the LGA89 detailing the various review requirements. The Act provides for the review to be carried out in the 12 month following the general election. There is no reason reviews cannot be carried out more regularly to ensure the delegations are up to date and in accordance with Council policy considerations.

**FINANCIAL IMPLICATIONS**

Nil.

POLICY IMPLICATIONS

Nil.

CONCLUSION

That Council adopt the attached Deeds of Delegation, which will enable the review process to be finalised.

Attachments:

Coulston Park Committee of Management Deed of Delegation  
Wooragee Community Centre Committee of Management Deed of Delegation  
Yackandandah Public Hall and Courthouse Committee of Management Deed of Delegation  
Yackandandah Sports Park Committee of Management Deed of Delegation  
Baarmutha Park Committee of Management Deed of Delegation  
Chiltern Community Centre Special Committee of Management Deed of Delegation  
Chiltern Memorial Hall Special Committee of Council Deed of Delegation

### 12.3 ECONOMIC DEVELOPMENT ACTION PLAN

File No: 09/934 - Terry Chubb- Economic Development Officer

For Decision

#### RECOMMENDATION

**That the Indigo Shire Economic Development Action Plan be adopted.**

#### INTRODUCTION

The Indigo Shire Council 2009 - 2012 Economic Development Action Plan is presented as a map for the future direction of the economic development department. This action plan has been developed with the assistance of relevant external and internal stakeholders through extensive consultation and collaboration and takes into account the resources and limitations of council. The plan is also designed to ensure that the economic development unit is providing the services and assistance required to proactively achieve the sustainable objectives of council and its residents.

#### BACKGROUND

Economic development is a very important component in the long term sustainability of the shire. As has been highlighted over the past 18 months, regional Victoria will be facing many challenges over the coming years, and none more so than the shire of Indigo. With the continuing impact of the drought, issues with climate change, bushfires and the fallout from the Global Financial crises, it is crucial that council be proactive in addressing these challenges and not to take a wait and see attitude.

To achieve this objective, it was identified in early 2008 of the need to develop a strategy, incorporating an action plan, that was going to provide the council, and in particularly the economic development unit, the direction required in providing a sustainable economic future. It was also determined that the action plan needed to take a holistic view of the shire to ensure that sparse resources are being used effectively and efficiently to meet the expectations of the communities within the shire.

#### KEY IMPLICATIONS

The Indigo Shire Council 2009-2012 Economic Development Action Plan will be a key document detailing how we propose to foster activities that assist in the economic development of Indigo Shire.

#### FINANCIAL IMPLICATIONS

The Indigo Shire Council 2009-2012 Economic Development Action Plan incorporates programs and activities which will require ongoing funding by council. Whilst it is anticipated that economic development programs and activities, including the "Buy Local" and "Bushfire Recovery" programs, will be supported with state government funding, a further allocation for the funding of activities will be required in the 2010/11 and 2011/12 budgets.

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The anticipated budget allocation will include:

- |   |             |
|---|-------------|
| • Councils contribution to Bushfire Recovery and Buy Local Program  | \$10,000.00 |
| • Develop guidelines and establish an information kit for new investors/developers on council regulations and requirements. | \$2,000.00  |
| • Prepare case study for Chiltern industrial land   | \$5,000.00  |
| • Regular hosting of business forums.   | \$3,000.00  |
| • Development of Promotional prospectus   | \$10,000.00 |
| • Marketing of Tangambalanga and Yackandandah Industrial land   | \$5,000.00  |
| • Supporting Chamber of Commerce, Local Business Associations and Agribusiness projects                                     | \$9,000.000 |

For the Indigo Shire Council Action Plan and its goals and objectives to be achieved it is imperative that the continual financial support of council for future programs and activities be obtained. Financial support will also be an integral component in the success of obtaining government funding.

### POLICY IMPLICATIONS

Within Objective 3.3 – Implement Councils Economic Development Strategy. To encourage and facilitate appropriate economic growth and employment opportunities.

### CONCLUSION

This action plan is a living document that must remain flexible and able to change to meet the variables of the economic climate. It acts as a blueprint for the future reflecting the past trends, the current climate and the future expectations of the business and wider community of the Indigo Shire

Attachment: Economic Development Action Plan

## 12.4 COUNCIL RATING STRATEGY (DRAFT), INCLUDING PROPOSED COMMUNITY CONSULTATION PROCESS AND PROPOSED TIMETABLE

File No: 09/663- Mark Crouch- General Manager Corporate Services

For Decision

### RECOMMENDATION

1. That the appended timetable for the adoption of a Rating Strategy, long term Borrowing Strategy and Capital Works Evaluation and Prioritisation framework be adopted.
2. That the format and style of a rating strategy community consultation process as detailed in the Council report below, being a facilitated focus group session, as a pre cursor to 2 community meetings, be adopted by Council.
3. That the draft of the Indigo Shire Rating Strategy dated January 28 2010, as appended, be adopted by Council.

### INTRODUCTION

As part of the budget process 2009/10, there was recognition by Council that work was required in the preparation of a Council Rating Strategy. At the time of preparing the budget 2009/10, Council received considered criticism over aspects of its rating policy and particularly its differential rating of Residential 2 (Home Industry).

As part of the Council Plan 2009/2012, Council has the following listed under *Growing our Economic Prosperity*:

Develop a fair and equitable rating policy:

- Review the Council rating policy, including benchmarking the current rating capacity of Council, the use of differential rating, development contributions, and separate rates and charge schemes.
- Review rating differential application as part of 10 year rating strategy.

Council has now established a Finance Committee. Part of the agreed priorities for the Finance Committee has been the completion of a long term financial plan (LTFP) and associated policies including a rating strategy.

This report is concerned with the various processes, policies and steps to bring this about.

This report seeks Council adoption of a rating strategy timetable in the lead up to the budget process 2010/11, the form and style of a suitable community consultation process as part of a rating strategy formulation, and the initial adoption of a first cut draft rating strategy based on the work undertaken by the Finance Committee to date.

## BACKGROUND

The Finance Committee has been meeting for the last 2-3 months. In this time, the compilation of a draft rating strategy has progressed and various versions of a draft strategy have taken shape. The committee has also considered a large number of possible rating differential 'options'.

The committee has considered a number of rating strategies from like Councils in Victoria as well as a 'model strategy' issued by the MAV.

The draft strategy incorporates a comprehensive preamble and other sections that detail the reasons for, the methodology and objectives behind a rating strategy. The strategy preamble and introduction provide an important basis for any strategy adopted by Council. There is further work in the refining and editing of the strategy introduction / preamble to ensure clear and relevant information is conveyed. Any strategy or policy on rating needs to have been well considered, based on sound and defined objectives to ensure Council is in a position to 'defend' its rating decisions. These processes and ultimate policy adoption need to have been completed prior to the budget process 2010/11 and incorporate agreed community consultation processes and genuine input opportunities. Given the nature of rating strategy, it has been considered prudent to prepare a draft for community input purposes verses going into the community consultation phase with a 'blank page' approach.

The Finance Committee is also in the process of considering a draft Council Borrowing Strategy as well as a draft of a Capital Works Evaluation and Prioritisation process or structure. Considered and agreed policies in the areas of Council long term borrowings and capital works evaluation are vital processes to have in place and agreed as part of the Council long term financial planning.

A time table has been prepared for the adoption of the Council Rating Strategy, Borrowing Strategy (or policy), as well as an agreed capital works evaluation tool. The timetable covers the period January – April 2010. Without an agreed timetable the likelihood of having these policies adopted in a timely manner for the budget process 2010/11 will diminish, which have an effect of compromising aspects of the budget process 2010/11 and beyond.

Council has identified the need for community engagement and input as part of the rating strategy development. This can take many forms. It has been considered prudent to have some form of agreed consultation process considered and agreed. A 'first cut' draft strategy has now been prepared. This first cut draft needs to be considered and adopted by Council to enable the draft to be considered as part of an agreed community consultation process. To enable Council to meet the above timetable, a first cut draft of the rating strategy should be adopted at the February 9 2010 Council meeting.

The format of community consultation proposed is 2 pronged and as follows:

### *Focus group session:*

- Scheduled for Thursday February 25 2010
- Evening timeslot
- Independently chaired and facilitated
- Finance Committee members attendance
- Carefully selected group of say 15-20 persons

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- Group comprised of persons from all sectors of rating 'base'
- Draft of Rating Strategy pre circulated to focus group members
- Only persons prepared to contribute comprise focus group
- Meal and refreshments at commencement
- Findings considered at Council Finance Committee meeting March 4 2010.

### *Community Meetings (2):*

- Convened week commencing Monday March 15 2010
- Evening timeslots over 2 days
- 2 township meetings – Rutherglen and Beechworth
- Chaired by Mayor – important all Councillors in attendance
- Findings considered by Finance Committee to be convened prior to Council briefing Tuesday March 23 2010. Opportunity for Council consideration of strategy at Special meeting (if deemed necessary) prior to Council briefing Tuesday March 30 2010

The Finance Committee has been unable to reach a consensus on all aspects of the draft strategy. There has been consensus in a large number of areas with differences remaining in other areas.

A summary and brief commentary is now provided on various aspects of the draft Rating Strategy to date:

Strategy preamble and introductory comments and philosophies - generally no issues around. Required part of any strategy. The draft as currently stands will need to be tightly edited to ensure preamble is clear, concise and to the point.

The Finance Committee has considered 14 rating 'options' to date. These have centred on various configurations of rating differentials, non use of differentials as well as various mechanisms to rate genuine primary producers / farm land and how to establish an effective administrative basis for such a differential.

The current Rural 1 and Rural 2 differentials are structured around land size. The Finance Committee considered various alternatives around the determination of primary producer status, including retaining the current land size determinants as well as some form of Australian Taxation Office (ATO) status determinant. Although seeking to achieve the same outcome, each of these alternatives had major 'pros and cons' associated with them. The Finance Committee has recently considered a further 'model' and now supports an alternative as follows. All properties in the current land size category being Rural 1 to remain considered as being rural in nature given their land size. For properties in the current Rural 2 category, any differential would be premised on application being made to Council detailing the reasons for not being considered a life style property verses one used substantially for primary production or farm land purposes. These applications would be assessed by the Council Valuer for a determination as to land use status. This has the advantage of providing a differential to genuine farmers, yet ensures lifestyle property owners do not gain unfair concessions at the expense of the wider rate base.

There were considerable discussions around the current Residential 2 (Home Industry) differential. The main thrust of these discussions centred on definition issues and the ability of Council to effectively administer, maintain and 'defend' such a differential. The differential title refers to home industry, which by its very name can and should be very wide and capture all such

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operations that fall into this definition. The majority of those currently rated in the category are home accommodation or B&B type operations. There would need to be a recasting of the definition and the broader capture of these properties, and systems established to clearly, effectively and equitably differentiate these properties from other categories. The Finance committee ultimately considered that this differential be discontinued as part of the draft rating strategy.

In relation to the Municipal Charge – the Finance Committee supported the legislative basis for this charge, and supported its retention at the maximum level as per the LGA89. A detailed breakdown of the various administrative costs the charge was intended to in part fund was to be detailed in the strategy document.

In relation to the Residential Vacant differential, the Finance Committee ultimately settled on its retention at the current differential level of 200%. Various schools of thought exist around this form of differential, with the Finance committee ultimately seeking to encourage development of land and to differentially rate to achieve this outcome. Council may also consider broadening this definition as all undeveloped land, not necessarily residential vacant.

The Finance Committee gave consideration to a number of rebates. There was strong support for an environmental management rebate in the form of land falling within Trust for Nature (TFN) covenants program. Although not a large rebate program to phase in, the committee considered there was considerable environmental merit in such a rebate offering.

A similar rebate was also considered around large rural land holdings. Keeping farm land in large holdings was seen as a positive initiative, but the committee felt there was insufficient connect between what would be a modest rebate and keeping farm land holdings from being fragmented. It was also considered that this objective would also be better served under Council planning scheme provisions.

The Finance Committee also considered the possible introduction of a large Commercial / Industrial differential. This was also discounted on the basis that insufficient justification or reason for such a differential could be established or articulated. The committee therefore supported the retention of the existing differential in its current form.

The proposed timetable makes provision for the Council consideration and adoption of a Borrowing Strategy. This strategy (or policy) will also be required as part of the development of a long term financial plan. The Finance Committee will progress the formation of the draft borrowing policy, with the timetable seeking to consider (and possibly adopt) this policy March 9 2010, but for adoption to be no later than April 13 2010. Some form of strategy or policy adoption by this date will provide some basis for draft budget 2010/11 consideration in relation to this important form of finance.

The proposed timetable also provides for the adoption of a capital works evaluation tool along the same timelines as the Borrowing strategy. The sooner this evaluation tool or framework is adopted, the sooner the various capital works proposals can be filtered against agreed criteria. The Finance Committee are in to process of considering such a framework. There is an expectation that this framework be agreed sooner than later to enable the capital works program for 2010/11 to be guided (in part at least for 2010/11) by this framework. The Finance Committee considered a further draft of this framework at the January 28 committee meeting. There was recognition of a need for an objective and 'business like' capital works evaluation framework that

Council staff can assess a host of competing capital project requests. At the same time, it was reinforced that the ultimate investment decision rested with Council, and that other influences and considerations could be brought to account as part of Council consideration of the evaluation and prioritisation of capital works framework outcomes.

### FINANCIAL IMPLICATIONS

There are indirect financial implications in the preparation and adoption of a Council rating strategy. The adoption of a rating strategy is a key component in the establishment of a LTFP and will provide the rating basis, methodology and establishment of agreed objectives in how Council rates. The amount of rates raised will be considered by Council as part of the annual budget process. What the strategy provides is a considered basis on which the Council rating system will operate and the structure agreed to achieve Council revenue objectives.

The reason for the rating strategy is laid out in the strategy preamble:

*Council believes that overall policy must be underpinned by sound principles, which are well understood, communicated to ratepayers and compliant with current legislation. A Council rating strategy will have a substantial impact on the ratepayer base of any municipality. The purpose of the policy, amongst a number of priorities, is to articulate the rating burden structure that provides a sound basis and foundation for the imposition of rates and an associated strategy going forward. The policy and strategy should not be ad hoc. It must be based on agreed principles and sound objectives.*

*Council aspires to balance service levels in accordance with the needs and expectations of its community and sets taxation levels (rating) to adequately resource its roles and responsibilities.*

*In setting rates, Council gives primary consideration to its strategic directions, budget considerations, the current economic climate, other external factors and likely impacts upon the community.*

Council has recognised that a sound and well considered rating strategy will assist Council in the budget process, and will provide Council a firm basis the justify rating policy positions. These policy decisions will have been considered and settled prior to the budget process and will have gone through an agreed community consultations process as part of their adoption.

An indirect financial implication of not having an agreed and adopted strategy in the preparation of the Council budget will be the cost to Council in seeking to defend and justify a position or strategy that should have been considered and settled prior to the budget process.

### POLICY IMPLICATIONS

Refer Council plan 2009 / 2013 extract above.

### CONCLUSION

The preparation of a Council long term financial plan (LTFP) will not occur this financial year. The Municipal Association of Victoria (MAV) continues the process of sponsoring various stages of the LG Credibility Program. This program has been set up with the outcome of determining

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whether Councils have exhausted all management responses to their financial sustainability position. Program pilot conclusions to date indicate a need for more robust Strategic Resource Plans, including a long term financial plan, financial policies and a robust 10 capital works program. Indigo Shire has commenced stage 1 of the program, with Council currently being assessed on its financial sustainability position, with Councillors to be briefed on this initiative at the budget workshop scheduled for Tuesday February 16 2010.

As part of this program above, the establishment of a number of core policies and strategies will be a vital and necessary part of the preparation of a LTFP. Without these policies in place, the preparation of a LTFP will be compromised. Discussions late in 2009 with the firm engaged to undertake this program has lead to the realisation that policy and 'foundation work' will not be completed in time for the 2010/11 budget. The process of compiling a LTFP will now need to take place later in the 2010 calendar year. The required foundations of a LTFP will include the preparation, consideration and adoption of a rating strategy, borrowing strategy and capital works evaluation and prioritisation framework, and a long term capital works program.

The attached draft to be adopted by Council will be again considered following the community consultation phases. The draft attached is a 'first cut', with the Finance Committee having the important role of considering the various inputs, keeping Council briefed on developments, and Council having the opportunity to consider further changes to the draft in the lead up to formal adoption April 13 2010.

Attachments:

Draft Policy dated January 28 2010.

Draft Time table for adoption of Rating strategy, community consultation, and Borrowing Strategy

**12.5 FINANCE REPORT**

**File No: 09/646 Frank Bonacci - Finance Manager**

**For Decision**

**RECOMMENDATION**

- 1. That the Capital Works Progress Monitor for the 6 month period to December 31 2009 detailing the following:**

**Adopted Budget 2009/10 \$8,674,212  
 Carried Forwards 2008/2009 \$6,323,704 = \$14,997,916 Total  
 Full year forecast 2009/10 \$14,208,810.  
 Year to date Actual expenditures to December 31 2009 \$4,327,336**

**be received and noted.**

- 2. That the recurrent finances summary comparing Year to Date (YTD) Actual verses YTD Forecast as at December 31 2009 detailing the following:**

<b>YTD Actual</b>	<b>( \$3,961,066)</b>
<b>YTD Forecast</b>	<b>(\$3,397,181)</b>
<b>YTD Forecast variance</b>	<b>\$563,884</b>
<b>Year end forecast</b>	<b>\$2,544,815</b>
<b>Annual Budget</b>	<b>\$3,208,068</b>
<b>Year end Forecast variance</b>	<b>\$663,254</b>

**Be received and noted**

- 3. That the year end forecast figures in both the Capital Works Monitor and Recurrent operations schedules constitute the half year review and revised budget for the period to June 30 2010.**

On a YTD basis, as at the end of December 2009, Council’s overall financial position is \$563k favourable ( YTD Actual verses YTD Forecast) compared to the last quarterly review on the 30<sup>th</sup> September 2009 which showed a \$431k favourability. The major contributing departments and reasons for this YTD favourability are detailed in the attached variances exception report appended to the report.

- Community Planning – A Further \$48k additional funding to receive to the previous additional grant funding received for the Community Strengthening Project and Bushfire Recovery Funding projects.
- Operations – Additional grant funding for the Emergency Response Business Unit.
- The Vacancy of Council’s Strategic Planner has generated both salary savings and temporary YTD timing savings due to the resulting delays in project within the Strategic Planning area. This has helped generate YTD savings of \$42.6k together with various projects within the Business Unit.

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- The vacancy within Environmental Health fell into this quarter with the commencement of the new EHO on 30<sup>th</sup> November as well as all Food Premises, Prescribed Accommodation & Hairdressing fees raised in November contributing another \$87k favourability YTD.

Tourism & Economic Development - Marketing & Promotion favourable YTD \$63k with increase in contribution & advertising subsidies. Museum & Historical Sites YTD \$23k favourable to forecast.

At the end of the December quarter, all budget managers provided revised forecasts for the remaining six months of the 2009/10 year. When these revised forecasts are combined with the Actual July to September actual YTD position, the result is effectively a revised full year Budget estimate (which we call the Year End Forecast). The resulting December Year End Forecast is \$663k favourable to the full year adopted Budget.

Council has a healthy cash and investment position of \$6.9 million at 31<sup>ST</sup> December 2009. A breakdown of these investments is provided within the Cash and Investment Report as at 31<sup>st</sup> December 2009.

Year to Date Capital expenditure for the first half yearly review of 2009/10 is \$4.3 million. This YTD capital expenditure comprises of \$918,000 expenditure out of the adopted \$8.6 million Capital Works Program 2009/2010 and \$3.4 million of Carried Forward Projects from previous years.

There are significant works taking place and / or being scheduled within the Council Capital works program 2009/10. A considerable program of works will be carried out in the Qtrs 3 & 4 of 2009/10 as evident by the capital works monitor appended to this report. Revised forecasts have been prepared as detailed, and this constitutes a review of the capital works program for the remainder of the financial year and the projected status of the various works to June 30 2010.

Council consideration is required of the attached schedules, and a determination on this half year review and associated forecasts constituting revised budgets to June 30 2010.

Attachments:

Profit and Loss to December 2009  
Department By Business Unit Report for December 2009  
December 2009 Exception Report  
Cash & Investment Report as at 31<sup>st</sup> December 2009

**13.0 GOVERNANCE**

**13.1 COUNCIL ADVISORY COMMITTEES REPORT**

**File No: 09/1177 - Jo Riley - Manager Governance & Risk**

**For Decision**

**RECOMMENDATION**

**That:**

- 1. The Minutes of the following Advisory Committees be received and noted.**

<b>COMMITTEE</b>	<b>DATE OF MEETING</b>
Audit Committee	16 November 2009
Finance Committee	3 December 2009 17 December 2009 14 January 2010 21 January 2010
Indigo Heritage Advisory Committee	
Indigo's Environmental Advisory Committee	December 2009

- 2. The resolutions of the Advisory Committees minutes be ratified by Council.**

**INTRODUCTION**

A copy of the Minutes from the abovementioned meetings together with the Audit Committee Chairman's Report is attached to the Agenda.

**BACKGROUND**

Please refer to Action items in the Chairman's Report.

**KEY IMPLICATIONS**

Nil

**FINANCIAL IMPLICATIONS**

Nil

**POLICY IMPLICATIONS**

Nil

**CONCLUSION**

Nil

Attachments:  
Audit Committee Minutes & Chairman's Report – 16 December 2009



INDIGO  
SHIRE  
COUNCIL

INDIGO  
SHIRE  
COUNCIL

INDIGO  
SHIRE  
COUNCIL

## ORDINARY COUNCIL MEETING AGENDA – 09.02.10

Finance Committee Minutes – 21 January 2010  
Finance Committee Minutes – 28 January 2010

Indigo Heritage Advisory Committee Report  
Attachment A - 24 September 2009 Indigo Heritage Advisory Committee minutes  
Attachment B - 22 October 2009 Indigo Heritage Advisory Committee minutes  
Attachment C - 19 November 2009 Indigo Heritage Advisory Committee minutes  
Confidential Attachment:  
Attachment D - Financial report

EAC Report  
Attachment: EAC minutes 09/12/09

**13.2 BURKE MUSEUM AND HISTORIC PRECINCT – ORGANISATIONAL REVIEW AND MUSEUM MANAGER / PROFESSIONAL**

**File No: 09/469- Brendan McGrath- Chief Executive Officer.**

**For Decision**

**RECOMMENDATION**

- 1. That this report and general background information regarding the organisational structure and resources of the Burke Museum and Historic Precinct be received and noted.**
- 2. That the engagement of a museum professional be factored into staff considerations as part of the Council budget 2010/11, by the CEO.**

**INTRODUCTION**

This report follows Council consideration of the report prepared by Geoff Speirs Museum and Editing Services and others (Speirs) on the future of the Burke Museum and a detailed Council report considered by Council December 8 2009.

The matter of the Burke Museum and Historic Precinct has been considered by Council over a number of months, with Council resolving as follows at it December 8 2009 Council meeting:

- 1. Reaffirm its support for the Burke Museum and the cultural and heritage significance the Burke Museum brings to Beechworth and the Indigo Shire as a whole.*
- 2. Support the formation of an overarching advisory committee to advise Council on the future directions and policy for a combined Burke Museum and Beechworth Historical Precinct.*
- 3. Adopt and sign and seal the Instrument of Delegation for a Burke Museum and Beechworth Historical Precinct Advisory Committee pursuant to Section 86 of the Local Government Act 1989.*
- 4. Seek expressions of interest from suitably qualified and / or experienced people for the advisory committee pursuant to Section 86 of the Local Government Act 1989.*
- 5. Investigate the potential for the development of an Archive and Heritage Centre in conjunction with the Burke Museum, to expand on the existing Public Records Office (PROV) capacity within the museum’s operations, as well as the public display of the substantial indigenous collection held by the Burke Museum.*
- 6. Instruct the Chief Executive Officer to prepare an appropriate staffing structure for a combined Museum and Historical Precinct operation together with estimated costs of implementing same for detailed consideration by Council in the framing of the Council Budget 2010/11.*
- 7. Receive a recommendation at its February 2010 meeting re the employment options of a Manager.*
- 8. That recommendation 8.2 that relates to signage be acted on sooner rather than later and is appropriate with the desired outcome of highlighting the museums presence in Beechworth*

This report deals with items 6 and 7 from this resolution.

BACKGROUND

A number of resourcing decisions were made some years ago in relation to the operations of the Burke Museum. The decisions made at that time have impacted on the operations of Burke Museum and the services it provides today. The Speirs report highlighted a number of concerns around resourcing of the Museum and qualified museum staff.

One of the recommendations from the Speirs report called for the integration of the Burke Museum with the operations of the Historic Precinct.

Council has recognised this need with the closer joint operations of the Burke Museum and the Historic Precinct incorporated within the Council resolution of December 8 2009.

Council has also identified the need to examine the future of the Burke Museum indigenous collection, as well as the role the museum plays in the provision of public records and associated services. This work will entail a close working relationship with the yet to be appointed committee and trained / experienced museum and precinct staff.

KEY IMPLICATIONS

A review has been carried out by the CEO and relevant Senior Managers on the staffing resources engaged at the museum and Historic Precinct. This review has focussed attention on any significant organisational structure issues and has been carried out in a macro level.

The Speirs report recommends a number of measures be taken with regard organisational structure.

The broader organisational structure for the museum will be prepared by the CEO in consultation with staff, once the senior museum role has been filled.

It is our view that the small and dedicated team at both the Burke Museum and Historic Precinct can be better aligned with future policy setting and directions of an integrated Museum and precinct operation, and there is little justification for the ‘closing’ of existing positions. If there were serious skill / experience shortages and operational ‘blockages’, a more in-depth organisational review would be a matter for the Council administration to deal with.

The existing team of museum staff has various qualifications in the areas of Applied Arts, Behavioural Sciences, and Community Museums Management. The core museum operations are managed by three (3) part time staff, totalling 1.20 EFT staff.

Volunteers are also engaged to a very limited extent. This raises the issue over capacity to effectively run a modern day museum and associated services with a small team. The limited use of volunteers also raises questions over availability of volunteers or the appropriate settings to use this valuable capacity in our community. There has been identified a need to ensure better staffing coverage during times of heavy patronage at the museum. There have been times where Council has been exposed to operational risks by lack of staff to maintain suitable controls over visitors and ensure the facility can be visited in a safe and professional manner. Staff coverage will be one of the areas where further operational attention will be required. Improved communication between the visitors centre staff and museum staff will be important as part of operational planning. The museum does utilise the staffing resources of the precinct in the form of

walking guides being used in various front of house roles at the Burke Museum at various times. The formal integration of the Burke Museum with the Historic Precinct will only strengthen this relationship.

In relation to the Beechworth Visitors information centre (BVIC), the staffing levels maintained are as follows:

- 4 staff
- 2 x Part timers
- 2 x Full timers
- 3.90 EFT

The BVIC has a centre manager, whose role has altered as a result of the departure and non replacement of a precinct coordinator position early in 2009. There may be scope to potentially expand the role of the BVIC manager to have a broader coordinating role over all the visitor centres in the future.

The BVIC staff structure has not altered for some time. Despite the impacts of the February 2009 bush fires and the world economic upheaval of the recent 12 -15 months, visitation statistics at the BVIC would indicate ISC has come through relatively unscathed and is in fact looking at maintained or improving visitations to the Shire. There are no organisation structure concerns at the BVIC. Centre staff is currently experiencing higher levels of customer interaction / centre visits, and this trend is being monitored.

In relation to the operations of the Historic Precinct, the facilities and associated walking tours are being operated effectively. The staffing compliment at this facility is as follows:

- 5 staff
- 4 x part time
- 1 x casual
- 3.4 EFT (approx)

As detailed above, there is already some precinct staff being used at the Burke Museum to provide inbuilt staffing flexibility.

There are the inevitable issues of staff coverage at times across all facilities given the small overall staffing numbers involved. There is an ongoing need to review staff training in these very public roles and to ensure staff training provides the scope to increase staff flexibility to better gear staff ability to step into varied roles as part of a future combined and strategically aligned museum and precinct operation. The better use and training of volunteers will also be a priority.

Consideration has also been given to the future role of a museum manager or professional. There is recognition that this Council is not in a position of implement a number of the staffing recommendations made by Speirs.

In relation to the museum manager, the person required must have museum qualifications and experience. At the same time, the person required must focus on core museum / precinct operational matters and not get bogged down in broader aspects involved in the Council management. The person must be able to have professional and proactive input into the workings of the advisory committee, able to have an impact on future growth of the museum with regard

the indigenous collections, Public Records Office Victoria and other services as well as strike a working and professional relationship with other local museums and athenaeums. Given the proposed role, the engagement of a suitable candidate with the necessary skills and focus will be an important step in Museum / Precinct development.

Staff have has considered a number of art galleries and museums operating within Victoria to gain an understanding as to the type of person Council may seek to attract and the likely costs to Council in such a position.

The skill sets and background between the various art galleries and museums varies Council to Council. The financial implications of such a person are detailed under Financial Implications below.

FINANCIAL IMPLICATIONS

From a financial perspective, the likely cost of such an engagement will be as follows.

Council A – Qualifications and Experience include fine art history, visual arts or museum studies – band 6 - \$62, 941 plus on costs – say \$81, 823.

Council B – Qualifications and Experience include visual arts with experience in museum and arts industry – degree qualifications in Museum Studies highly desirable – band 7 level D - \$72, 153 plus on costs – say \$93, 800.

Council C – Qualifications and Experience relevant degree qualifications in Museum or Arts Studies – Senior Executive Officer - \$83, 000 plus on costs – say \$100, 000 plus.

There will be other non staffing financial implications in the work undertaken by this person. There will be a series of recommendations coming from the advisory committee to address many of the Speirs recommendations in some form of programmed manner. The cost to Council will not only be in the staffing costs of engaging a suitable person, but will be in the operational areas to implement agreed recommendations.

There will be financial implications around the following recommendations made by Speirs:

- Marketing and promotion
- Strategic and operational planning
- Interpretation plans
- Potential issues over the future of the Street of Shops
- Evaluation and performance measuring
- Standards, benchmarks and accreditation
- Collection storage and reconfiguration

Little would be gained by engaging a suitable museum qualified professional and not providing appropriate levels of funding to the position (and effectively the advisory committee) to implement the vast number of changes they have been engaged to undertake.

The timing, scale and cost of these changes will be a matter for the new manager (by whatever name), the advisory committee, Senior Management and Council.

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From an operational perspective, there needs to be a well balanced team to oversee the future operations of the museum and Historic Precinct, as well as provide advice and support to a number of athenaeums operating in the Indigo Shire. Financial implications around advice and professional support to athenaeums will be more limited. Much of this support may be around professional advice and creating closer working relationships between the museums, athenaeums and the Burke Museum, as well as creating joint sharing and showcasing opportunities between the various facilities

It is considered appropriate that funds are budgeted for staffing and operational requirements for the budget year 2010/11. This would have the advantage of not impacting this 2009/10 budget, allow an advisory committee time to 'find its feet' and give Council time to consider cost impacts into the upcoming 2010/11 budget amongst a range of other municipal priorities.

#### POLICY IMPLICATIONS

The engagement of a museum professional and any related organisational structural issues will be a staffing matter under the control of the Council Chief Executive Officer.

The funding of the position and the support and latitude afforded the advisory committee will be a matter for Council to consider.

#### CONCLUSION

It is recommended that the engagement of a suitable museum professional be considered as part of the upcoming Council budget 2010/11. Further, that the person engaged will devote all their time to the Burke Museum and Historic Precinct, and supporting our other museum/athenaeums and avoid getting consumed in other organisational wide management related issues.

This will provide further time to consider the museum sector for the type of professional Indigo Shire seeks for this position and to factor same into salary cost projections for the coming year.

It will also allow the advisory committee time to establish themselves and prepare policy and strategic positions for Council consideration and to give some scoping as to likely operational costs involved in various implementations.

Based on a review of the organisational structure at both the Burke Museum and Historic Precinct, the CEO is of the view that there is no major overhaul or structural changes that are warranted pending the engagement of a suitable museum professional. A new manager will need to assess existing capabilities and make any future organisational changes recommendations to the CEO.

### 13.3 PROGRESS REPORT ON OHS ACTIVITIES

File No: Fiona Shanks - Manager Organisational Development

#### For Information

#### INTRODUCTION

Indigo Shire Council is committed to building a workplace culture that is committed to the Health and Safety of its employees, contractors, customers and visitors. As part of this commitment Council identified a range of OHS actions in its 2009-2012 Council Plan. This report aims to provide an overview of OHS activities to date.

#### BACKGROUND

The 2009/10 Budget included an allocation for an OHS Officer, for a 12 month appointment. This Officer commenced with the Shire in late October 2009. The position sits within the Organisational Development / Governance team. In January the Manager Organisational Development commenced and collectively these two positions will oversee the OHS activities for the Shire in conjunction with the CEO and General Managers.

#### KEY IMPLICATIONS

In the short space of time that the Shire has had a position designated entirely to OHS, much has been achieved. A summary of these activities has been listed below for your information. It should be noted that there is an enormous amount of work to be undertaken and change will not occur overnight. We have commenced work on rectifying critical risks which have been indentified in recent audits, and in reviewing the basics of our OHS system that is in place, across the organisation.

In the first two months of his employment, the OHS Officer has focused his attention on our operations area, but significant risks exist across all areas of the organisation. Our focus for January has been to develop a broader OHS work plan that will continue to support these high risks work areas, but also enable work to commence in other parts of the organisation.

Culturally, the support that this position has received from all levels within the organisation has been overwhelming. Whilst it is well enshrined in legislation the legal risks and obligations for organisations in relation to OHS performance, it is very refreshing to see such genuine commitment in practice. With Council's continued support in the coming years, the Organisational Development team is very confident that we will achieve the targets outlined in the Council Plan.

PERFORMANCE TO DATE

Quarter 2 (1 <sup>st</sup> Oct 09 – 31 <sup>st</sup> Dec 09)	
AREA OF FOCUS	WORK COMPLETED TO DATE
<p>CEO requests an external audit of the level of OHS compliance within the Operations sector.</p> <p>The Audit was conducted in mid October with the report issued in Nov 09. There were 18 deficiencies identified, 3 classed as high risk, 5 medium risks and 10 low risks.</p>	<p>The OHS Officer has focussed his energy predominantly on addressing the outcomes of this audit. For this period he has:</p> <ul style="list-style-type: none"> <li>• Developed 10 Safe Work Method Statements (SWMS) and procedures for the Operations area, including traffic management, excavators, backhoe, post hole digging, manual handling, grading on steep slopes, patching and tree felling (HIGH RISK).</li> <li>• Developed a contractor management policy and procedure (currently being reviewed and approved) (HIGH RISK)</li> <li>• Developed a new organisational wide incident management, reporting and monitoring system where issues are reported, monitored and corrective actions reviewed. Issues are logged into a database and a feedback report is issued to department managers on a fortnightly basis. This has led to OHS issues being addressed promptly, and a process for continual improvement. Our new incident reporting database will enable trend analysis reporting to be developed and a risk register to be developed. This will help ISC be proactive rather than reactive in the identification of high risk or hazardous areas within the organisation.</li> <li>• Developed a risk assessment procedure and forms for chemical purchasing, use and storage (HIGH RISK).</li> <li>• Developed a manual handling risk assessment procedure and sought information on training providers for the organisation. Manual handling training will be implemented across the organisation in 2010. On average manual handling claims constitute 60% of all claims submitted to Work Cover. (MEDIUM RISK).</li> </ul>

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### Quarter 2 (1<sup>st</sup> Oct 09 – 31<sup>st</sup> Dec 09)

AREA OF FOCUS	WORK COMPLETED TO DATE
	<ul style="list-style-type: none"> <li>Developed a plant risk assessment and checklist system in conjunction with the Assets team and Coates Hire (ISC's major provider of heavy plant and equipment). This ensures standard operation procedures exist and safety checks are conducted before equipment is used minimising the risk of serious injury (HIGH RISK).</li> <li>Developed a quarterly workplace inspection procedure and roster for all ISC offices and sites. Hazards identified will be either corrected immediately or forwarded to SMG as part of a broader business system review (MEDIUM RISK).</li> </ul>
<p>Worksafe conducted a random inspection of the Burke Museum as part of its state-wide MSDs project.</p> <p>ISC was issued with two improvement notices.</p>	<ul style="list-style-type: none"> <li>The OHS Officer has overseen the implementation of all corrective actions identified by Worksafe for the Burke Museum. This has enabled the Worksafe inspector to close of the improvement notices. Re-design of the storage areas, and additional storage for the Burke Museum is listed as an ongoing action. Council has identified this body of work in its broader review of the museum.</li> <li>Employees working in the museum were highly likely to injure themselves whilst trying to access stored materials, due to the awkward postures needed and overcrowded storage areas. The new risk assessment procedure and the careful monitoring of all current activities in the museum has significantly reduced the chances of an injury, and enabled to museum to continue to operate in the short to medium term.</li> </ul>

### Quarter 3 (4<sup>th</sup> Jan 2010 – to date..)

AREA OF FOCUS	WORK COMPLETED TO DATE
<p>CEO requests an external audit of the level of OHS compliance within the Operations sector.</p>	<p>Work has continued on consultation, review and implementation of all new procedures and risk assessments completed as a result of this audit.</p>

## ORDINARY COUNCIL MEETING AGENDA – 09.02.10

### Quarter 2 (1<sup>st</sup> Oct 09 – 31<sup>st</sup> Dec 09)

AREA OF FOCUS	WORK COMPLETED TO DATE
<p>The Audit was conducted in mid October with the report issued in Nov 09. There were 18 deficiencies identified, 3 classed as high risk, 5 medium risks and 10 low risks.</p>	<p>The rapid rate of new documents can be exhausting for employees. The OHS Officer has commenced bedding down understanding now that the majority of the high and medium risk areas have been addressed.</p>
<p>Civil Contractor Federation Integrated Management System - accreditation</p>	<p>The Mgr OD and the OHS Officer has met on two occasions with the Operations Assistant to review the non-compliant OHS areas of the IMS system. ISC must regain CCF accreditation if we are to successfully re-tender for the East Gippsland's Waste Management Project.</p> <p>Work undertaken in addressing the outcomes of the Operations Audit in November will overlap with some of the requirements for accreditation.</p> <p>Work is continuing and will be completed in time for the pre-audit review in March.</p>
<p>OHS policy review,  Development of a draft strategic framework and the OHS work plan.</p>	<p>The Mgr OD and the OHS Officer has met to develop a draft OHS framework and work plan for the ISC. The aim of this is to ensure that priorities identified in the Council Plan are being addressed, as well as issues identified in Audit reports.</p> <p>This will ensure a better overall return on investment for council by ensuring work undertaken by the OHS officer has multiple benefits.</p>
<p>Risk assessments of all Shire Pools have been conducted. This was an action identified in the report from the CEO initiated external audit of our Pool operations.</p>	<p>The OHS officer has conducted a risk assessment of all Council Pools. He has identified a list of corrective actions to be addressed which are currently being attended to by the Pool manager and pool staff.</p>
<p>Risk register development commenced</p>	<p>Work has commenced on the development of the OHS Risk register. The register will be a continual work in progress as we use information gained from current activities</p>
<p>Emergency procedures</p>	<p>The emergency procedures and evacuation maps are currently being reviewed for all offices and depots. Once updated we will retrain fire wardens, review fire preparedness and implemented fire drills. All staff will be retrained in how to respond in an</p>

## ORDINARY COUNCIL MEETING AGENDA – 09.02.10

Quarter 2 (1 <sup>st</sup> Oct 09 – 31 <sup>st</sup> Dec 09)	
AREA OF FOCUS	WORK COMPLETED TO DATE
	emergency situation.
Major projects identified for Quarter 3 & 4 (27 <sup>th</sup> Jan 2010 – 30 <sup>th</sup> June 2010)	
Finalise OHS Work plan and strategic framework	<p>Ensure maximum return on OHS investment.</p> <p>The Victorian Auditor General 's office conducted an audit of OHS practices in Victorian Local Government Authorities in 2005. They classified the local government sector's management of OHS as basic and far from exemplary and issued 22 recommendations for Local Government Councils. It is likely that this audit will be conducted again in the future.</p> <p>The Mgr OD will consider these recommendations in the development of the organisation's OHS work plans.</p>
Review Work cover performance and long term claims	Mgr OD & HR officer to review all long term Work Cover claims ,and organisational performance to examine ways in which performance can be improved and our premiums reduced.
Review OHS elements of new employee induction program.	Review all OHS components of our new employee induction programs to ensure OHS is adequately covered. Identify any induction gaps and address.
Ensure continuity of funding for ISC HS program	Mgr OD to liaise with CEO to draft OHS budget and plan for 2010/2011.
License and Certificate audit	In conjunction with Human Resources Officer and the Operations team a review of all Operations team members' licences and qualifications will occur.
Participate in internal OHS audit scheduled for mid year.	ISC internal auditors have identified our OHS systems for review in 2010. Whilst every effort will be made to bring systems up to date, it is expected that this audit will continue to highlight serious OHS risks and deficiencies.

### FINANCIAL IMPLICATIONS

There can be significant financial implications for both the organisation and the responsible officers designated under the Act, if the organisation were to be prosecuted for failing to provide a safe environment. This could include persons at a both a Council and CEO level if there were sufficient evidence to suggest that they have exercised their influence in the allocation of resources or implementation of systems.

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Whilst the cost of implementing OHS in the workplace can appear costly, the financial effects of not complying will always be greater.

### POLICY IMPLICATIONS

The work undertaken specifically addresses the strategic objective, 1.1 Provide Good Governance in the Council Plan.

Progress can be allocated against the following goals:

- Ensure Councillors and staff are aware of, and adhere to, policy regulatory frameworks of the Council and relevant State Legislation.
- Build a workplace culture that is committed to the Health and Safety of employees, contractors, customers and visitors.

### CONCLUSION

There is considerable scope for Indigo Shire Council to improve on its OHS performance, work is being undertaken at a steady rate, and we are addressing our risks with the resources we have available. For OHS to be truly successful in the workplace it needs to be led at the strategic rather than operational level.

The Organisational Development team acknowledges the vision and support of both Indigo Shire Councillors, the CEO and management team and we look forward to working with you on fulfilling the OHS objectives of the current Council Plan.

**13.4 MEDIA REPORT FOR PREVIOUS MONTH**

**File No.: Nell Showers – Media & Communications Officer**

**For Information**

<b>DATE</b>	<b>ITEM</b>	<b>AUTHOR</b>
6 January	Cinema under the Stars in Chiltern and Kiewa	CEO
6 January	'Crackers' Keenan for Yackandandah's Australia Day celebration	CEO
8 January	Burke Museum advisory committee being formed	CEO
8 January	New rates strategy	CEO
15 January	Get rid of your green waste - for free	CEO
15 January	Have a say in rural land development	CEO
18 January	Chiltern residents plan for their future	CEO
21 January	Indigo Shire Australia Day Award recipients	CEO
21 January	Maternal child and health centre opens in Wahgunyah	CEO
28 January	Indigo adopts 5 Neighbourhood Safer Places/Places of Last Resort	CEO
Weekly	Indigo Connection	CEO

14.0 NOTICES OF MOTION

Nil.

**15.0 COMMITTEE AND DELEGATES REPORTS (ALL ARE FOR INFORMATION ONLY)**

**15.1 CR GAFFNEY - MAYOR**

DATE	TIME	FUNCTION/EVENT
6-Jan	11am	Meeting with Chris Pfeiffer re: RWCB
9-Jan		Meeting with Friends of Skeleton Committee
11-Jan	10am	Meeting with CEO, Beechworth
13-Jan		Meeting with Wahgunyah Progress Association, Wahgunyah
14-Jan	1pm 4pm	Meeting re: Integration of Shire Awards Finance Committee Meeting
15-Jan	6pm 8pm	Meeting with Vice Chancellor, La Trobe Beechworth Attend Opera in the Alps Rehearsal, Beechworth
16-Jan	6pm	Attend Opera in the Alps, Beechworth
18-Jan	10am 10.30am 4pm	Meeting with CEO, Beechworth Media Training, Beechworth Audit Committee Meeting, Beechworth
19-Jan	6.30pm	Community Forum, Sandy Creek
21-Jan	12pm 4pm	Australia Day Mock Awards, Beechworth Finance Committee Meeting, Beechworth
22-Jan	3pm	Meeting with Tourism Manager, Beechworth
24-Jan		Salvation Army Induction, Beechworth
25-Jan	10am	Meeting with CEO, Beechworth
26-Jan	11am 6pm	Australia Day, Kiewa/Tangambalanga Australia Day Ceremony, Yackandandah
27-Jan	4pm 5pm	Briefing Meeting, Yackandandah Special Meeting, Yackandandah
28-Jan	4pm 7pm	Finance Committee Meeting, Beechworth Chair Stanley Recreation Reserve AGM, Stanley
29-Jan	9.30am 12pm 3pm 4pm	ITAC Meeting, Beechworth Meet with Jean Horne Meet with Jamie Heritage Meeting re: law and punishment with Victoria Police
31-Jan	2pm	Visit PP05-281 Planning Application

**15.2 CR POCKLEY - DEPUTY MAYOR**

DATE	TIME	FUNCTION/EVENT
1-Dec	6 pm	Special Council Meeting, Yackandandah
3-Dec	3 pm	Bio-Diesel Plant meeting, Yackandandah
	6 pm	Friends of the Burke, Christmas Tour, Beechworth
4-Dec	11 am	Local Book Launch, Beechworth
	12.30 pm	Visit to site regarding planning application, Beechworth
8-Dec	2 pm	Council Briefing
	3 pm	Council Meeting
	7 pm	Community Forum, all Beechworth
9-Dec	9 am	NERWA Yackandandah Community Meeting
	6 pm	Environmental Advisory Group Meeting, Indigo Valley
10-Dec	10 am	Junior Council, Rutherglen
	4 pm	U3A committee meeting, Beechworth
	6 pm	AVCLP Christmas BBQ, Wodonga
11-Dec	10 am	Rutherglen Town Walkabout with Crs Issell and Croucher
12-Dec	8.30 pm	Outdoor Cinema, Kiewa
13-Dec	10 am	Rutherglen Farmer's Market and Rutherglen Wine Experience Show
15-Dec	3 pm	Council briefing, Yackandandah
16-Dec	3 pm	Meeting with Assets Manager, Recreation Manager and members of NERWA Yack committee
	6.30 pm	Beechworth Neighbourhood Centre Christmas Party, Hotel Nicholas
19-Dec		Annual leave

**15.3 CR ISSELL**

<b>DATE</b>	<b>TIME</b>	<b>FUNCTION/EVENT</b>
7-Jan	4pm	Meeting with Council Officer re: issues, Beechworth
8-Jan	9.30am	Constituents, Chiltern
8-Jan	11am	Lake Sambell Meeting, Beechworth
11-Jan	9am	Australia Day Committee Meeting, Beechworth
16-Jan	6pm	Opera in the Alps, Beechworth
21-Jan	12pm	Media event re: Australia Day Awards, Beechworth
21-Jan	3pm	Constituent re: radio station, Beechworth
26-Jan	7.30am	Australia Day Ceremony, Beechworth
27-Jan	4pm	Council Special Meeting, Yackandandah
28-Jan	3pm	Indigo Heritage Committee Meeting, Rutherglen
29-Jan	8am	Rail Trail Community Advisory Committee, Milawa

**15.4 CR MURDOCH**

DATE	TIME	FUNCTION/EVENT
Dec	4:00pm	Council Briefing Yackandandah
04	2:00pm	MAY Professional Development Committee, Melbourne
06	3:00pm	Wahgunyah Community Gathering, Wahgunyah
08	3:00pm	Council Briefing, Beechworth
	4:00pm	Council Meeting, Beechworth
	7:00pm	Council Forum, Beechworth
09	7:00pm	Rural Land Use Meeting, Wooragee
16	7:30am	Business Breakfast, Beechworth
17	4:00pm	Finance Committee Meeting, Beechworth
18	7:30am	Business Breakfast, Yackandandah
	10:00am	Projects Presentation, Yackandandah
	6:30pm	Council Christmas Break-up, Stanley
Jan 2	7:00pm	Henry Handel Richardson Dinner, Chiltern
3	11am	Launch Henry Handel Richardson Documentary Film, Chiltern
4	8:30pm	Open Air Film Night , Chiltern
18	4:00pm	Audit Committee Meeting, Beechworth
19	6:30pm	Community Forum, Sandy Creek
21	4:00pm	Finance Committee Meeting, Beechworth
26	10:00am	Australia Day Celebrations, Chiltern
	7:30pm	Australia Day Celebrations, Barnawartha
27	4:00pm	Briefing Meeting, Yackandandah
	5:00pm	Special Council Meeting, Yackandandah
28	4:00pm	Finance Committee Meeting, Beechworth
31	1:00pm	Community Strengthening Meeting, Chiltern



**16.0 GENERAL BUSINESS**

Nil.



17.0 CONFIDENTIAL

**Next Meeting:** **Tuesday 9<sup>th</sup> March 2010**  
**Senior Citizens Hall, Yackandandah**