



Alpine Shire

**SPECIAL COUNCIL MEETING
AGENDA**

**SPM6 – 18 June 2019
Bright Council Chambers
5:00pm**



Notice is hereby given that the next **Special Meeting** of the **Alpine Shire Council** will be held in the Council Chambers, Great Alpine Road, Bright on **18 June 2019** commencing at **5:00pm**.

AGENDA

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1 RECORDING AND LIVESTREAMING OF COUNCIL MEETINGS

The CEO will read the following statement:

All council meetings are filmed with both video and audio being recorded.

Video is focused on a specific area however audio from the entire room is captured.

By speaking during question time, or at any time during the meeting, you consent to your voice and any comments you make being recorded.

In common with all narrative during council meetings verbal responses to congratulations, obituaries and question time will not be recorded in the written minutes.

The reasoning behind recording council meetings is of course to hold us more accountable and improve transparency of council's decision making to our community.

The full meeting is being streamed live on Council's YouTube channel which is "Alpine Shire Council" and will also be available on the YouTube channel shortly after this meeting.

2 ACKNOWLEDGEMENT OF TRADITIONAL CUSTODIANS, AND RECOGNITION OF ALL PEOPLE

The CEO will read the following statement:

The Alpine Shire Council acknowledges the traditional owners of the land we are now on.

We also acknowledge those people who have contributed to the rich fabric of our community and strive to make wise decisions that will improve the quality of life for all.

3 APOLOGIES

4 DECLARATIONS BY COUNCILLORS OF CONFLICT OF INTEREST



4.1 DIRECTOR CORPORATE – NATHALIE COOKE

4.1.1 Declaration of the Dinner Plain Special Rate (2019/20)

File Number: 951.02

INTRODUCTION

A Council may declare a special rate for the purpose of defraying the expenses of performing a function that is of special benefit to the persons required to pay the special rate. The declaration of a special rate is a requirement of the *Local Government Act 1989*, Section 163.

The purpose of this report is to declare a Special Rate for the Dinner Plain village (the "Dinner Plain Special Rate") applicable to Commercial / Industrial land only for the period 1 July 2019 to 30 June 2020.

RECOMMENDATION

That:

- 1. Council note that one submission was received regarding the proposed declaration of the Dinner Plain Special Rate (2019/20).*
- 2. The Dinner Plain Special Rate (2019/20) be declared for the period 1 July 2019 to 30 June 2020 as follows:*
 - a. A special rate (the Dinner Plain Special Rate) be declared for the purpose of defraying any expenses in relation to the provision of services of special benefit to the owners of Commercial / Industrial land within the Dinner Plain village;*
 - b. The total cost of the performance of this function is estimated to be \$581,000 over one year, based on inclusion of the following services:*
 - i. The Dinner Plain to Hotham winter bus service*
 - ii. Roadways snow clearing*
 - iii. Cross country snow grooming*
 - iv. Marketing and events support specific to Dinner Plain*
 - v. Cable Television Maintenance;*
 - c. The Dinner Plain Special Rate will apply to Commercial / Industrial land within the Dinner Plain village as defined in the attached map;*
 - d. The definition of Commercial / Industrial land is the definition provided in the Alpine Shire Council Budget 2019/20;*
 - e. The basis of the calculation of the Dinner Plain Special Rate for the 2019/20 Financial Year be 43% of the rate in the dollar levied as general rates for rateable residential properties, as specified in the Alpine Shire Council Budget 2019/20, multiplied by the Capital Improved Value of each parcel of Commercial / Industrial land;*



- f. The amount of the Dinner Plain Special Rate to be levied is estimated to be \$178,841 over one year, or such other amount as is lawfully raised as a consequence of this Resolution;*
- g. The amount of the Special Rate will be the amount shown as due and payable in any notice sent to a person required to pay the Dinner Plain Special Rate; and*
- h. Each person liable to pay the Dinner Plain Special Rate is to pay by instalments in line with Council's general rate payment requirements each year.*

3. Submission authors will be notified of the outcome of their submissions.

BACKGROUND

The Dinner Plain village has for some time been subject to a Special Rate to defray the expenses associated with services of special benefit to Dinner Plain ratepayers. Within the Alpine Shire Council's Budget 2019/20, these services include the Dinner Plain to Hotham winter bus service (\$162,000, an increase from \$129,000 based on increased demand in 2018/19); roadways snow clearing (\$160,000); cross country snow grooming (\$66,000); marketing and events support specific to Dinner Plain (\$191,000); and Cable Television Maintenance (\$2,000).

ISSUES

The declared Special Rate for Dinner Plain has been reducing over time, from 80.7% of the General Rate in 2015/16, to 65% of the General Rate in 2016/17 and 43% of the General Rate in 2017/18. In 2018/19, the Special Rate was aligned to the differential rate for Commercial / Industrial Land in the rest of the Shire and was only paid by ratepayers who own Commercial / Industrial land in the Dinner Plain village (including holiday houses).

At the April 2019 Ordinary Council Meeting, Council resolved to give notice of its intention to declare a special rate for the provision of services of special benefit to the Dinner Plain village for the period 1 July 2019 to 30 June 2020. It was proposed that the approach adopted in 2018/19 continue into 2019/20.

One submission was received throughout the public exhibition period as summarised below:

Submission	Summary Description	Response
Submitter 1	Concern that Dinner Plain businesses are facing profitability challenges and that charging a Special Rate is detrimental to the ongoing viability of the village	Council has reduced the Special Rate considerably since 2015/16 and it is now aligned to the Commercial / Industrial rate charged to other businesses across the Shire. The net cost of the Special Rate services is now substantially higher than the amount recouped



		<p>through the Special Rate; in addition Council has committed \$1.5m in capital works to 2026/27 to support the ongoing viability and amenity of the village. A Special Rate waiver or subsidy would unlikely have substantial impact on the viability of village businesses and may not be considered an equitable approach given that rates subsidies and waivers are not available to other businesses in the Shire.</p>
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It is noted that the Dinner Plain village operates on a total cost recovery basis. If there is a deficit or surplus based on the difference between

- a) all general and Special income attributable to Dinner Plain, and
- b) all general and Special costs attributable to Dinner Plain,

this is allocated to a reserve, namely the 'Dinner Plain Reserve'. This is inclusive of all relevant income and costs, including, for example, the general rates paid by Dinner Plain ratepayers; an apportionment of general Council grants; an apportionment of Council services relevant to Dinner Plain; an apportionment of Council overheads; all Special Rate costs; and all capital works expenditure in Dinner Plain.

It is also noted that Council is committed to deliver a pipeline of \$1.5m in new and upgrade capital works within Dinner Plain between 2017 and 2027. It is anticipated that by the end of 2018/19, \$401k will have been delivered net of grant funding, including:

2017/18 Works

- Toboggan Run Access Improvements - \$19k
- Dinner Plain Mountain Bike Trails - \$187k
- Dinner Plain Village Green - \$32k (concept design and scoping)

2018/19 Works

- Toboggan and Ski Run Safety Improvements - \$22k (design and approval)
- Dinner Plain Mountain Bike Trails Stage 2 - \$174k, of which \$117k is grant funded
- Dinner Plain Tracks and Trails Signage - \$38k
- Dinner Plain Village Detailed Designs - \$46k.

Planned works proposed for inclusion in the 2019/20 Budget include:

- Toboggan and Ski Run Safety Improvements - \$83k
- Dinner Plain Snowmaking Options Analysis - \$30k, of which \$20k is grant funded.
- Dinner Plain Mountain Bike Trails Stage 2 - \$16k, of which \$13k is grant funded.



POLICY IMPLICATIONS

The preparation of the Dinner Plain Special Rate 2019/20 strategy is in accordance with the:

- Special Rates and Charges, Ministerial Guidelines, September 2004
- *Local Government Act 1989*
- Alpine Shire Rating Strategy
- Strategic Resource Plan

FINANCIAL AND RESOURCE IMPLICATIONS

The Dinner Plain Special Rate for 2019/20 is proposing to raise an estimated \$178,841 over the 12 month period. This is significantly less revenue than the cost of the Special Rate services which are estimated to cost \$581,000 over the same period.

Analysis indicates that Dinner Plain expenditure will exceed income into the foreseeable future. This deficit will be covered by the Dinner Plain Reserve in as much as it has a positive balance.

The Dinner Plain reserve is forecast to be \$670,000 as at 30 June 2019 compared to \$1,025,000 as at 1 July 2018. It is noted that \$130,000 in funding is expected to be received against the Dinner Plain Mountain Bike Trails Stage 2 project in 2019/20 which will partially offset this decrease.

CONSULTATION

Under Section 163 of the *Local Government Act 1989*, Council must give public notice of its intention to make a special rate declaration. This is conducted through a formal process in accordance with s223 of the *Local Government Act 1989*, which includes a 28 day period where the public can provide submissions regarding the proposed declaration, and can request to be heard by a committee of Councillors in support of their submission.

The Dinner Plain Special Rate 2019/20 was released for public comment following the April Ordinary Council Meeting. Public submissions formally closed on Thursday 9 May, and one submission was received and heard by a committee of Councillors.

CONCLUSION

Council is now in a position to declare Dinner Plain Special Rate 2019/20 in line with the requirements of the *Local Government Act 1989*.



DECLARATION OF CONFLICT OF INTEREST

Under Section 80C of the Local Government Act 1989, the following officers declare that they have no interests to disclose in providing this report.

- Chief Executive Officer
- Director Corporate
- Director Assets
- Manager Corporate
- Rates Coordinator

ATTACHMENT(S)

- 4.1.1 Dinner Plain Village Rate Map



4.1.2 Draft 2019/20 Budget Submissions

File Number: 910.26

INTRODUCTION

The purpose of this report is to respond to the submissions received under section 223 of the *Local Government Act 1989* (the Act) relating to the Alpine Shire Council Draft 2019/20 Annual Budget.

RECOMMENDATION

That:

1. *Written and verbal submissions received pursuant to Sections 129, 130 and 223 of the Local Government Act 1989, be considered in relation to the 2019/20 Budget.*
2. *The following amendments be made to the Alpine Shire Council 2019/20 Budget:*

<i>Reference</i>	<i>Budget Section</i>	<i>Submission / Amendment</i>	<i>Value in Draft Budget</i>	<i>Amount to be Adopted</i>
<i>Carry forward expenditure for the following 2018/19 capital projects:</i>				
<i>Submission 1</i>	<i>5.4.1</i>	<i>Dinner Plain Mountain Bike Trails Stage 2</i>	<i>\$-</i>	<i>\$16,000</i>
		<i>Roberts Creek Bridge 3 Renewal</i>	<i>\$-</i>	<i>\$280,000</i>
		<i>Myrtleford Pool Plant</i>	<i>\$-</i>	<i>\$110,000</i>
<i>Carry forward grant income for the following 2018/19 capital projects:</i>				
<i>Submission 1</i>	<i>5.2.2</i>	<i>Dinner Plain Mountain Bike Trails Stage 2</i>	<i>\$-</i>	<i>\$13,000</i>
		<i>Roberts Creek Bridge 3 Renewal</i>	<i>\$-</i>	<i>\$109,563</i>
		<i>Victoria Bridge</i>	<i>\$-</i>	<i>\$88,750</i>
<i>Amend allocation to the following 2019/20 capital projects:</i>				
<i>Submission 1</i>	<i>5.4.1</i>	<i>E-Waste Infrastructure Upgrade</i>	<i>\$299,000</i>	<i>\$360,000</i>
		<i>Great Valley Trail</i>	<i>\$680,000</i>	<i>\$500,000</i>
		<i>Kerbside Bins New and Renewal (2019/20)</i>	<i>\$30,000</i>	<i>\$38,000</i>



Amend grant income for the following 2019/20 capital project:				
Submission 1	5.2.2	Great Valley Trail	\$340,000	\$250,000
Amend future year grant income for the following program:				
Submission 1	4.2	Resealing	\$500k from 2020/21, indexed by inflation thereafter	\$710k for each year from 2020/21- 2022/23
Allocate budget to the following capital projects:				
Submission 1	5.4.1	Local Road Sealing	\$-	\$315,000
		Guardrail Upgrades	\$-	\$300,000
		Buckland Bridge	\$-	\$2,250,000
		Standish Street Renewal	\$-	\$360,000
		Gavan Street Pedestrian Crossings	\$-	\$255,000
		Rotary Pines Preliminary Landscaping	\$-	\$220,000
		Mystic Lane Footpath Extension	\$-	\$60,000
		Dinner Plain Snowmaking Options Analysis	\$-	\$30,000
		Pioneer Park Events Traffic Management	\$-	\$20,000
		Asset Management System	\$-	\$75,000
Submission 2	5.4.1	Phoenix Tree Upgrade	\$-	\$15,000
Submission 3	5.4.1	Memorial Park Cricket Facilities Renewal	\$-	\$24,000
Submission 4	5.4.1	Hero Trail Renewal	\$-	\$55,000
Submission 5	5.4.1	Mystic Lane Sealing	\$-	\$140,000
Submission 6	5.4.1	Mountbatten and Delany Avenue Pedestrian Crossings	\$-	\$25,000
Submission 7	5.4.1	Mount Beauty CBD Footpath	\$-	\$10,000
Include grant funding for the following capital projects:				
Submission 1	5.2.2	Local Road Sealing	\$-	\$210,000
		Guardrail Upgrades	\$-	\$200,000
		Buckland Bridge	\$-	\$1,500,000



		<i>Standish Street Renewal</i>	\$-	\$240,000
		<i>Gavan Street Pedestrian Crossings</i>	\$-	\$170,000
		<i>Dinner Plain Snowmaking Options Analysis</i>	\$-	\$20,000
<i>Amend expenditure related to the following operational items:</i>				
<i>Submission 1</i>	<i>4.1</i>	<i>High Country Library Network Collection</i>	<i>\$404,948</i>	<i>\$359,839</i>
		<i>Events</i>	<i>\$200,000</i>	<i>\$250,000</i>
		<i>Economic Development Advice</i>	<i>\$38,500</i>	<i>\$42,500</i>
		<i>Kerbside Collection</i>	<i>\$879,375</i>	<i>\$899,375</i>
<i>Amend income related to the following operational items:</i>				
<i>Submission 1</i>	<i>4.1</i>	<i>High Country Library Network Collection</i>	<i>\$404,948</i>	<i>\$359,839</i>
		<i>High Country Library Network Operations</i>	<i>\$50,804</i>	<i>\$35,804</i>
		<i>Investment Interest Income</i>	<i>\$333,353</i>	<i>\$306,373</i>
<i>Carry forward budget for the following operational project:</i>				
<i>Submission 1</i>	<i>4.1</i>	<i>Organics Kerbside Service Customer Survey</i>	<i>\$ -</i>	<i>\$20,000</i>



<i>Include budget for the following operational projects:</i>				
<i>Submission 1</i>	<i>4.1</i>	<i>Business Systems Transformation Program</i>	<i>\$-</i>	<i>\$50,000</i>
		<i>IT Controls Review</i>	<i>\$-</i>	<i>\$20,000</i>
		<i>Bright Town Centre Urban Design Principles</i>	<i>\$-</i>	<i>\$20,000</i>
		<i>River Pool Monitoring</i>	<i>\$-</i>	<i>\$15,000</i>
<i>Amend the following rates and charges:</i>				
<i>Submission 1</i>	<i>5.1</i>	<i>Dinner Plain Rates and Charges Income</i>	<i>\$176,000</i>	<i>\$178,841</i>
		<i>General Rates Income</i>	<i>\$14,632,000</i>	<i>\$14,688,879</i>

3. *The following submissions may be further assessed or managed by the Alpine Shire Council as per the comment detail, however do not result in changes to the Alpine Shire Council 2019/20 Budget for the stated reasons:*

<i>Reference</i>	<i>Submission Proposal</i>	<i>Value</i>	<i>Rationale and Approach</i>
<i>Submission 2</i>	<i>Myrtleford Rail Trail Improvements</i>	<i>\$15,000</i>	<i>Further scoping required, to be added to capital works pipeline for consideration in 2020/21 Budget</i>
<i>Submission 8</i>	<i>Myrtleford Piazza Lighting</i>	<i>Not estimated</i>	<i>Merit of assessing broader power requirements at the Piazza to be investigated for consideration for future year budgets</i>
<i>Submission 9</i>	<i>Mount Beauty Tennis Club Amenities Upgrade</i>	<i>Not estimated</i>	<i>Proposed work to be completed within 2018/19 financial year</i>
<i>Submission 10</i>	<i>Harrietville East Ovens Crossing Bridge</i>	<i>\$90,000</i>	<i>Confirmation of support from Parks Victoria is desirable prior to further considering this project for future year budgets</i>
<i>Submission 11</i>	<i>Pioneer Park Additional Events Area</i>	<i>TBC</i>	<i>Further scoping and community consultation is desirable prior to further considering this project for future year budgets</i>
<i>Submission 12</i>	<i>Budget Exceeds Rate Cap</i>	<i>Not applicable</i>	<i>Budget confirmed to fall within rate cap, no changes to budget proposed</i>



<i>Submission 14</i>	<i>Kiewa Valley Historical Society (KVHS) Storage</i>	<i>Not estimated</i>	<i>The proposed storage space currently houses Council's archives which may be digitised to create capacity. Council requires a document management system prior to such digitisation taking place; plans are in place to implement such a system in 2019/20. Following implementation of this system, this proposal may be reconsidered.</i>
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- 4. Submission authors be notified of the outcome of their submissions.*
- 5. The committee formed for the purposes of hearing submissions on the draft Budget 2019/20 be dissolved.*

BACKGROUND

Budget Overview

Council has prepared an Annual Budget for 2019/20 which is aligned to the vision in the Council Plan 2017-21. The Budget continues to deliver on Council's commitment to prudently manage costs while delivering the projects and services that support our community's resilience and vibrancy.

Key budget information is provided in the draft Annual Budget about the rate increase, operating result, services, cash and investments, capital works, financial position, financial sustainability and strategic objectives of the Council.

Submission Process

Council adopts a rigorous process to ensure that the Budget is comprehensive, realistic, sustainable, prioritised and reflects community needs. As part of the process, Council publishes a Draft Budget and calls for submissions prior to adoption. Budget submissions are an important and valuable step in ensuring that Council has taken into account community feedback. Submissions are considered in the context of the overall Budget and submitters are invited to attend a hearing where they may support their submission.

Council Officers also have the opportunity to make an internal submission. The purpose of an internal submission is to ensure that relevant information arising after the Budget has been placed on exhibition for public comment is considered by Council for inclusion in the final Budget. Internal submissions must be endorsed by Council under the same process as external submissions.



POLICY IMPLICATIONS

The Budget is prepared in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*. The following requirements are set out:

Local Government Act 1989

Section 127 – Council must prepare a budget

Section 129 – Public notice

Section 130 - Adoption of budget

Section 223 – Right to make a submission

Local Government (Planning and Reporting) Regulations 2014

Regulation 9 – The financial statements

Regulation 10 – Other information to be included

Regulation 11 – Public notice of proposed budget or revised budget

FINANCIAL AND RESOURCE IMPLICATIONS

The net impact of the submissions which are recommended for incorporation into the 2019/20 Budget is as follows:

- Operating expenditure : increased by \$154k
- New capital expenditure: increased by \$4,043k
- Carried forward capital expenditure : increased by \$406k
- Change in income: increased by \$2,374k

Overall the final Budget surplus is projected at \$5.8m compared to a Draft Budget projection of \$3.5m.

CONSULTATION

Council is required to provide an opportunity for the public to make submissions regarding any proposal contained within the Draft Budget. This is conducted through a formal process in accordance with s223 of the *Local Government Act 1989*, which includes a 28 day period where the public can provide Budget submissions to Council, and can request to be heard by a committee of Councillors in support of their submission.

The draft 2019/20 Budget was released for public comment following the April Ordinary Council Meeting. Public submissions formally closed on Thursday 9 May.

Those that formally requested to be heard in support of their written submission attended a committee of Council on Tuesday the 28 May which was formed according to Section 223(1)(b) of the *Local Government Act 1989*.



CONCLUSION

All submissions received have been considered to ensure that Council is meeting the needs and expectations of our community. This report reflects the Officers' recommendations to Council following a review of the cost and scope of each submission, and overall deliverability of the full scope of 2019/20 work.

DECLARATION OF CONFLICT OF INTEREST

Under Section 80C of the *Local Government Act 1989*, the following officers declare that they have no interests to disclose in providing this report.

- Chief Executive Officer
- Director Corporate
- Director Assets
- Manager Corporate
- Governance Officer

ATTACHMENT(S)

- Nil



4.1.3 Adoption of the 2019/20 Budget

File Number: 910.26

INTRODUCTION

The purpose of this report is to adopt the 2019/20 Budget, incorporating the Strategic Resource Plan and rates and charges for the 2019/20 financial year.

RECOMMENDATION

That:

1. *Total rates and charges of \$18,046,849 be raised in the 2019/20 financial year based on setting 'the rate in the dollar' and 'charges' as follows:*
 - a. *General (residential) rate (0.004158);*
 - b. *General (residential) rate Dinner Plain (0.004158);*
 - c. *Commercial/Industrial differential rate (0.005946);*
 - d. *Farm differential rate (0.003035);*
 - e. *Special rate for rateable Dinner Plain properties (0.001788);*
 - f. *Waste – 80 litre bin (weekly) \$217.71;*
 - g. *Waste – 240 litre bin (weekly) \$482.70;*
 - h. *Waste – 240 litre bin (fortnightly) \$217.71;*
 - i. *Recycling – 140 litre bin (fortnightly) \$89.34;*
 - j. *Recycling – 240 litre bin (fortnightly) \$89.34;*
 - k. *Recycling – 360 litre bin (fortnightly) \$89.34;*
 - l. *Recycling – 240 litre bin (weekly) \$178.80;*
 - m. *Recycling – 360 litre bin (weekly) \$178.80;*
 - n. *Dinner Plain standard waste service \$668.86;*
 - o. *Dinner Plain commercial waste service \$1471.06; and*
 - p. *General waste charge \$89.20.*
2. *The Alpine Shire Council Budget 2019/20 including the Strategic Resource Plan and incorporating the amendments adopted by Council in the submissions report (agenda item 4.1.2 of this Special Council Meeting) be adopted.*
3. *Rates and charges must be paid by four instalments on or before 30 September 2019, 30 November 2019, 28 February 2020 and 31 May 2020 in accordance with Section 167 of the Local Government Act 1989.*
4. *The Chief Executive Officer be authorised to give public notice of adoption of the 2019/20 Budget and forward a copy to the Minister in accordance with section 130 of the Local Government Act 1989.*



BACKGROUND

Based on ongoing community consultation, Council has prepared a Budget Report for 2019/20 which is aligned to the vision in the Council Plan 2017-21. The Budget continues to deliver on Council's commitment to prudently manage costs while delivering the projects and services that support our community's resilience and vibrancy.

The budget projects a surplus of \$5.8m which is influenced by:

- a. Rate increase of 2.5%, in line with the Fair Go Rates System which caps Victorian Council rate increases in line with inflation;
- b. A capital works program totalling \$10.8m in FY19/20, representing a strong pipeline of asset renewal and development activity following FY18/19's exceptional program which is forecast to complete at \$13.3m;
- c. A flat materials and services budget, due to continued diligent cost management and strong procurement practises which obtain the best supplier deals for our ratepayers;
- d. A wage increase at the greater of the Wages Price Index and the Consumer Price Index, as committed in Council's Enterprise Bargaining Agreement following consecutive years of wage freezes.

Council has also updated its pipeline of initiatives to align budgeted activities to the strategic objectives outlined in the Council Plan 2017-21.

In addition a full review of Council fees has been conducted. Selected fees are proposed to be waived including library overdue fees for junior items; e-waste and battery disposal charges; and Dinner Plain dog permit fees. The majority of other fees are proposed to increase in line with inflation.

Further detail on the operating result, strategic objectives, initiatives, services, cash and investments, capital works, financial sustainability, and rates, charges and fees can be found within the annexed report.

POLICY IMPLICATIONS

The Budget is prepared in accordance with the *Local Government Act 1989* and the Local Government (Planning and Reporting) Regulations 2014. The following requirements are set out:

Local Government Act 1989

- Section 126 - Strategic Resource Plan
- Section 127 – Council must prepare a budget
- Section 129 – Public notice
- Section 130 - Adoption of budget
- Section 158 – Declaring rates and charges
- Section 161 – Differential rates
- Section 162 – Service rate and service charge
- Section 163 – Special rate and special charge



Section 223 – Right to make a submission

Local Government (Planning and Reporting) Regulations 2014

Regulation 9 – The financial statements

Regulation 10 – Other information to be included

Regulation 11 – Public notice of proposed budget or revised budget

FINANCIAL AND RESOURCE IMPLICATIONS

Council prepares its budgets with the objective of balancing long term financial sustainability and prioritised delivery against community needs.

The 2019/20 draft Annual Budget provides a strong financial position for Alpine Shire Council, forecasting an operating surplus of \$5.8m and a working capital ratio of 3.5. This has been achieved whilst delivering a capital works budget in the order of \$10.8m and no reduction in the volume or standard of services delivered to the Alpine Shire.

Materials and services expenditure has remained flat. Departmental budgets have largely been managed to remain flat or reduced, offsetting increased waste processing costs and investments in technology to enable continual improvement to customer service.

The Budget will raise \$18,046,849 from rates and charges. It is noted that this excludes an estimated \$100,000 due to supplementary rates and rate adjustments, \$70,000 due to interest on rates and charges, and \$417,677 in revenue in lieu of rates.

CONSULTATION

The draft budget was subject to a 28 day public submission period, in accordance with s223 of the *Local Government Act 1989*. An in-depth report covering the resultant submissions can be found in item 4.1.2 of this agenda.

CONCLUSION

The 2019/20 Budget has been prepared in accordance with Alpine Shire Council's Council Plan 2017-21, its strategic objectives and the *Local Government Act 1989*.

DECLARATION OF CONFLICT OF INTEREST

Under Section 80C of the *Local Government Act 1989*, the following officers declare that they have no interests to disclose in providing this report.

- Chief Executive Officer
- Director Corporate
- Director Assets
- Manager Corporate
- Accountant

ATTACHMENT(S)

- 4.1.3 Alpine Shire Council Budget Report 2019/20



4.1.4 Alpine Shire Council Plan 2017-2021 (Review 2019)

File Number: 600.03

INTRODUCTION

An annual review of the Council Plan and Municipal Public Health and Wellbeing Plan is a requirement of the *Local Government Act 1989* and the *Public Health and Wellbeing Act 2008* respectively. This report ensures that Council is meeting the requirements of both Acts.

RECOMMENDATION

That:

- 1. Council note that a review of the Alpine Shire Council Plan 2017-2021 (review 2018) (incorporating the Municipal Public Health and Wellbeing Plan) has been undertaken in accordance with s125(7) of the Local Government Act 1989 and s26(4) and s27(2)(b) of the Municipal Public Health and Wellbeing Act 2008.*
- 2. The Strategic Resource Plan be updated to reflect the 2019/20 Budget (as per item 4.1.3 of this meeting).*
- 3. The Alpine Shire Council Plan 2017-2021 (review 2019), incorporating the Municipal Public Health and Wellbeing Plan, and the Strategic Resource Plan 2019-2023 be adopted.*
- 4. The Chief Executive Officer be authorised to forward a copy of the adjustments made to the Council Plan to the Minister for Local Government within 30 days, in accordance with s125(10) of the Local Government Act 1989.*

BACKGROUND

The Council Plan is a key document required under Local Government legislation, and includes the strategic objectives of Council; strategies for achieving the objectives; strategic indicators for monitoring achievement; a Strategic Resource Plan; and projects/services intended to span the lifetime of the Plan.

The 2017-2021 Alpine Shire Council Plan was developed following the 2016 Election and was first adopted in June 2017, with a subsequent review in June 2018. Council elected to incorporate the Municipal Public Health and Wellbeing Plan (MPHWP) as part of the Council Plan, meaning that both s125(7) of the *Local Government Act 1989* (LG Act) and s26(4) and s27(2)(b) of the *Public Health and Wellbeing Act 2008* (PHW Act) must be considered when undertaking any reviews of the Council Plan.

Conducting an annual review of these plans is a requirement of each Act.



ISSUES

Council Plan

Proposed changes

In April 2019, Council resolved the following:

2. *The review proposes the following changes to the Alpine Shire Council Plan 2017-2021:*
 - a. *Update the Strategic Resource Plan to be consistent with the Long Term Financial Plan identified in the 2019/20 Budget (as adopted in June 2019); and*
 - b. *No other changes are currently proposed to the document.*

Other than the front cover page of the Council Plan being updated to reflect the 2019 review, and an update of the Deputy Mayor on page 8, no other changes have been subsequently proposed or made to the Council Plan document.

Requirement for Public Submissions

Section 125(9) of the LG Act only requires a public submission process to occur where there are proposed changes to the strategic objectives, strategies or strategic indicators within the Council Plan.

As there were no proposed changes to these items within the Council Plan, no public submission process was required in 2019.

Municipal Public Health and Wellbeing Plan

No change to the strategic direction or content of the MPHWP was proposed as part of the 2019 review.

POLICY IMPLICATIONS

The Council Plan is a key strategic document, required under section 125 of the *Local Government Act 1989*.

The MPHWP (as part of the Council Plan) is required under sections 26 and 27 of the *Public Health and Wellbeing Act 2008*.

FINANCIAL AND RESOURCE IMPLICATIONS

A small cost was required to update the SRP and the front page of the designed Council Plan document. This was accounted for in Council's annual budget.

CONSULTATION

Consultation occurred with Council officers and Councillors. No consultation with the community was required, as there were no intended modifications to the strategic objectives, strategies or strategic indicators within the Council Plan.



CONCLUSION

Councillors to note that public exhibition was not required for the proposed updates to the Council Plan. The 2019 review ensures that Council is compliant with both the *Local Government Act 1989* and the *Public Health and Wellbeing Act 2008*.

DECLARATION OF CONFLICT OF INTEREST

Under Section 80C of the *Local Government Act 1989*, the following officers declare that they have no interests to disclose in providing this report.

- Director Corporate
- Manager Corporate
- Governance Officer

ATTACHMENT(S)

- 8.1.4 Alpine Shire Council Plan 2017-2021 (review 2019), incorporating the Municipal Public Health and Wellbeing Plan.



4.1.5 Procurement Policy (Review 2019)

File Number: Policy Register

INTRODUCTION

The Procurement Policy is a key instrument that outlines the principles and standards for the purchase of all goods, services and works by the Council.

Under Section 186A of the *Local Government Act 1989* it must be reviewed at least once in each financial year.

The purpose of this report is to propose amendments to the Procurement Policy and seek Council's adoption of the revised Policy.

RECOMMENDATION

That Council:

- 1. Note that the 2019 review of the Procurement Policy No. 089 has been completed;*
- 2. Revoke Alpine Shire Council Procurement Policy No. 089, Version 5;*
- 3. Adopt Alpine Shire Council Procurement Policy No. 089, Version 6; and*
- 4. Sign and seal Alpine Shire Council Procurement Policy No. 089 Version 6 at the appropriate time of the meeting.*

BACKGROUND

The Procurement Policy ("the Policy") is a key instrument in supporting Council in achieving best value outcomes. Each year the Policy is reviewed to ensure that it best supports Council's purchasing objectives, that it is clear and easy to understand, and that it is fit-for-purpose given the obligations it sets out for persons undertaking procurement on behalf of Council.

ISSUES

In 2018 the Policy was thoroughly reviewed and several clarifications made in relation to methods, thresholds and exemptions. Some consideration was also given to environmentally sustainable procurement and the general sustainability principles included in the policy were reviewed.

The 2019 review has substantially focused on further strengthening Council's approach to environmentally sustainable procurement. Key objectives include a) ensuring that Council is environmentally responsible in its purchasing practises and b) influencing the environmental practises of prospective vendors.

The review was conducted with reference to the "Sustainable Procurement Guide, Commonwealth of Australia 2018" produced by the Department of Environment and Energy, and with reference to the sustainable procurement practises of other Councils.

Proposed changes to the Policy in relation to environmentally sustainable procurement are as follows:



Environmental Sustainability Principles

The environmentally sustainable purchasing principles given in the Policy were aligned to the "Sustainable Procurement Guide, Commonwealth of Australia 2018" to ensure completeness and reflection of best practice.

Environmental Sustainability Assessment

It is proposed that a mandatory assessment of environmental sustainability impacts is introduced for all purchases over \$10,000. If there are no substantial environmental considerations worth noting, this is to be explicitly explained and justified in the supplier evaluation and recommendation.

Where there are environmental considerations, an environmental evaluation criterion is to be incorporated into the supplier evaluation. Policy Purpose

The prior policy statement and purpose sections have been combined and the text condensed for clarity and brevity.

The Policy has also been moved into Council's new policy template which involved several cosmetic and typographical changes. Besides from these minor changes, the following changes to the Policy are also proposed:

POLICY IMPLICATIONS

The Policy has been reviewed in accordance with Sections 186 and Section 186A of the *Local Government Act 1989*.

This recommendation is in accordance with the following Strategic Objective of the Council Plan:

A responsible and sustainable organisation.

FINANCIAL AND RESOURCE IMPLICATIONS

The Procurement Policy is a key instrument in ensuring that Council obtains best value outcomes for ratepayers.

CONSULTATION

The proposed Policy amendments have been based on consultation with senior Council officers including those substantially involved in complex procurements likely to benefit from the inclusion of environmentally sustainable criteria.

Practical guidelines as to environmental criteria may be developed and provided to staff to aid in consistency and ease of application.

CONCLUSION

Changes are proposed to the Procurement Policy, primarily to further strengthen Council's purchasing practises in relation to environmental sustainability. The amended Procurement Policy is presented for Council's consideration and adoption.

DECLARATION OF CONFLICT OF INTEREST



Under Section 80C of the *Local Government Act 1989*, the following officers declare that they have no interests to disclose in providing this report.

- Director Corporate
- Manager Corporate

ATTACHMENT(S)

- 4.1.5 Alpine Shire Council Procurement Policy No.089, Version 6



5 DOCUMENTS FOR SEALING

RECOMMENDATION

That the following documents be signed and sealed.

- 1. Alpine Shire Council Procurement Policy No. 089 Version 6.*