

Ordinary Meeting of Council Agenda

**to be held on Tuesday 4 September 2018 at 7.00pm
Richmond Town Hall**

Arrangements to ensure our meetings are accessible to the public

Council meetings are held at either the Richmond Town Hall or the Fitzroy Town Hall. The following arrangements are in place to ensure they are accessible to the public:

- Entrance ramps and lifts (off Moor Street at Fitzroy, entry foyer at Richmond).
- Interpreting assistance is available by arrangement (*tel. 9205 5110*).
- Auslan interpreting is available by arrangement (*tel. 9205 5110*).
- A hearing loop is available at Richmond only and the receiver accessory is available by arrangement (*tel. 9205 5110*).
- Proposed resolutions are displayed on large screen.
- An electronic sound system amplifies Councillors' debate.
- Disability accessible toilet facilities are available at each venue.

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Order of business

- 1. Statement of recognition of Wurundjeri Land**
- 2. Attendance, apologies and requests for leave of absence**
- 3. Declarations of conflict of interest (Councillors and staff)**
- 4. Confidential business reports**
- 5. Confirmation of minutes**
- 6. Petitions and joint letters**
- 7. Public question time**
- 8. General business**
- 9. Delegates' reports**
- 10. Questions without notice**
- 11. Council business reports**
- 12. Notices of motion**
- 13. Urgent business**

1. Statement of Recognition of Wurundjeri Land

"Welcome to the City of Yarra."

"Yarra City Council acknowledges the Wurundjeri as the Traditional Owners of this country, pays tribute to all Aboriginal and Torres Strait Islander people in Yarra and gives respect to the Elders past and present."

2. Attendance, apologies and requests for leave of absence

Anticipated attendees:

Councillors

- Cr Daniel Nguyen (Mayor)
- Cr Misha Coleman (Deputy Mayor)
- Cr Danae Bosler
- Cr Mi-Lin Chen Yi Mei
- Cr Jackie Fristacky
- Cr Stephen Jolly
- Cr Mike McEvoy
- Cr James Searle
- Cr Amanda Stone

Council officers

- Vijaya Vaidyanath (Chief Executive Officer)
- Stewart Martin (Acting Director - Corporate, Business and Finance)
- Ivan Gilbert (Group Manager – Chief Executive's Office)
- Lucas Gosling (Acting Director - Community Wellbeing)
- Chris Leivers (Director – City Works and Assets)
- Bruce Phillips (Director - Planning and Place Making)
- Jane Waldock (Assistant Director - Planning and Place making)
- Mel Nikou (Governance Officer)

3. Declarations of conflict of interest (Councillors and staff)

4. Confidential business reports

Item

- 4.1 Matters relating to legal advice
- 4.2 Matters relating to legal advice; AND Matters relating to the security of Council property
- 4.3 Contractual matters

Confidential business reports

The following items were deemed by the Chief Executive Officer to be suitable for consideration in closed session in accordance with section 89 (2) of the *Local Government Act 1989*. In accordance with that Act, Council may resolve to consider these issues in open or closed session.

RECOMMENDATION

1. That the meeting be closed to members of the public, in accordance with section 89 (2) of the *Local Government Act 1989*, to allow consideration of:
 - (a) matters relating to legal advice;
 - (b) matters relating to the security of Council property; and
 - (c) contractual matters.
2. That all information contained within the Confidential Business Reports section of this agenda and reproduced as Council Minutes be treated as being and remaining strictly confidential in accordance with the provisions of sections 77 and 89 of the *Local Government Act 1989* until Council resolves otherwise.

5. Confirmation of minutes

RECOMMENDATION

That the minutes of the Ordinary Council Meeting held on Tuesday 21 August 2018 be confirmed.

6. Petitions and joint letters

7. Public question time

Yarra City Council welcomes questions from members of the community.

Public question time procedure

Ideally, questions should be submitted to Council in writing by midday on the day of the meeting via the form available on our website. Submitting your question in advance helps us to provide a more comprehensive answer. Questions that have been submitted in advance will be answered first.

Public question time is an opportunity to ask questions about issues for which you have not been able to gain a satisfactory response on a matter. As such, public question time is not:

- a time to make statements or engage in debate with Councillors;
- a forum to be used in relation to planning application matters which are required to be submitted and considered as part of the formal planning submission;
- a forum for initially raising operational matters, which should be directed to the administration in the first instance.

If you wish to raise matters in relation to an item on this meeting agenda, Council will consider submissions on these items in conjunction with and prior to debate on that agenda item.

When you are invited by the meeting chairperson to ask your question, please come forward and take a seat at the microphone and:

- state your name clearly for the record;
- direct your questions to the chairperson;
- ask a maximum of two questions;
- speak for a maximum of five minutes;
- refrain from repeating questions that have been asked previously by yourself or others; and
- remain silent following your question unless called upon by the chairperson to make further comment or to clarify any aspects.

8. General business

9. Delegates' reports

10. Questions without notice

11. Council business reports

Item		Page	Rec. Page	Report Presenter
11.1	Yarra Housing Strategy	7	14	David Walmsley – Manager City Strategy
11.2	Spatial Economic and Employment Strategy	15	21	David Walmsley – Manager City Strategy
11.3	Draft Waste Minimisation and Resource Recovery Strategy 2018– 2022 (WMRRS)	22	27	Colm Connolly – Manager City Works
11.4	2017/18 Annual Financial Statements, Performance Statement, and LGPRF Reports adoption 'in principle'.	28	30	Ange Marshall – Chief Financial Officer
11.5	Report on Assemblies of Councillors	31	32	Ivan Gilbert – Group Manager - Chief Executive's Office

The public submission period is an opportunity to provide information to Council, not to ask questions or engage in debate.

Public submissions procedure

When you are invited by the meeting chairperson to make your submission, please come forward and take a seat at the microphone and:

- state your name clearly for the record;
- direct your submission to the chairperson;
- speak for a maximum of five minutes;
- confine your remarks to the matter under consideration;
- refrain from repeating information already provided by previous submitters; and
- remain silent following your submission unless called upon by the chairperson to make further comment.

12. Notices of motion

Nil

13. Urgent business

Nil

11.1 Yarra Housing Strategy

Executive Summary

Purpose

The purpose of this report is to:

- (a) outline feedback received by the community and stakeholders on the draft Yarra Housing Strategy, which occurred from 26 March – 30 April 2018;
- (b) consider changes to the Yarra Housing Strategy in response to feedback received; and
- (c) consider adopting the final Yarra Housing Strategy.

Key Issues

There has been a largely positive response from the community relating to the strategy's approach and strategic directions. Minor amendments to the strategy have been made to reflect community and stakeholder feedback and concerns.

There are 3 options:

- (a) Option 1 - Adopt the final Yarra Housing Strategy (**Attachment 3**);
- (b) Option 2 - Make additional changes; or
- (c) Option 3 - Do not adopt the strategy.

Financial Implications

There are no direct financial implications for Council to consider from the adoption of the final Housing Strategy.

PROPOSAL

Officers recommend adopting the final Yarra Housing Strategy which would provide a sound strategic basis for the management of housing growth in Yarra that would add to housing diversity, choice, affordability, growth, quality design and amenity, whilst preserving areas with neighbourhood character and heritage significance across Yarra.

11.1 Yarra Housing Strategy

Trim Record Number: D18/143166

Responsible Officer: Director Planning and Place Making

Purpose

1. The purpose of this report is to:
 - (a) outline feedback received by the community and stakeholders on the draft Yarra Housing Strategy, which occurred from 26 March – 30 April 2018;
 - (b) consider changes to the Yarra Housing Strategy in response to feedback received; and
 - (c) consider adopting the final Yarra Housing Strategy.

Background

2. In October 2014, Council resolved to endorse the report, *Findings of the Review of the Yarra Planning Scheme*, which identified a series of policy gaps in the current Yarra Planning Scheme, including a clear description of how and where Yarra's housing growth would be accommodated.
3. Since the expiration of the adopted City of Yarra Housing Strategy 2010-2013, Council has not had a housing strategy, but has relied upon the directions within the Municipal Strategic Statement (MSS). The Victorian Government's housing and population forecasts indicate that by 2031, there would be 29,412 new residents in Yarra, which would result in a demand for an additional 13,431 dwellings. As more people choose to call Yarra home, housing growth needs to be planned and managed in a way that maintains the city's key characteristics, liveability and creates additional benefits, including:
 - (a) increased supply of affordable housing;
 - (b) greater choice and diversity of housing; and
 - (c) well-designed internal and outdoor communal spaces in new development.

External Consultation

4. Council has developed and refined the draft Yarra Housing Strategy (draft strategy) through extensive community consultation. Ultimately, the strategy seeks to provide certainty to the community, businesses, landowners, and investors about the locations and nature of housing change expected in residential neighbourhoods and activity centres.
5. A discussion with the Yarra community on housing first began in 2015. Council established the *Liveable Yarra* project to facilitate a conversation with the community on planning for growth and change in Yarra. The *Liveable Yarra* project included a panel of residents selected to represent the broader Yarra community.
6. The *Liveable Yarra* panel provided clear direction to Council on the key issues for consideration when planning for housing growth. To develop the draft strategy, these key issues were considered along with factors that drive housing supply and demand in Yarra and recent trends in residential development and approvals.

Draft Yarra Housing Strategy

7. Council publicly exhibited the draft strategy for five weeks from 26 March to 30 April 2018. While not a formal statutory requirement, public exhibition of the draft strategy ensured that the community and relevant stakeholders could provide meaningful and targeted feedback on the key directions of the draft strategy early on in the process.
8. Promotion and feedback on the draft strategy were made via the following communication methods:
 - (a) Online survey on the *Have Your Say Yarra* website (108 survey respondents);

- (b) One-on-one meetings with Council officers, available upon request;
 - (c) Community drop-in-sessions:
 - (i) on 17 April 2018 at Bargoonga Nganjin, North Fitzroy Library; and
 - (ii) on 19 April 2018 at Studio One Community Hub, Richmond;
 - (d) *Yarra Life* distributed 26 March and 9 April 2018 (10,000 recipients);
 - (e) Hard copies of the draft strategy and brochure available at all Yarra customer service centres and library branches;
 - (f) Facebook and Twitter post on 3 April 2018;
 - (g) News item on homepage of corporate website published on 26 March 2018; and
 - (h) 500 postcards delivered to cafes in main shopping strips.
9. Officers sent email invitations to representatives from key stakeholders groups regarding the drop-in-sessions. Key engagement material is available at **Attachment 1**.
10. This report provides a summary of the key findings from the:
- (a) online survey on the *Have Your Say Yarra* website; and the
 - (b) youth workshop.

Have Your Say Yarra - Online Survey

11. There were 1,300 visits to the *Have Your Say Yarra* project website. In total, 108 participants took part in the online survey. The majority of the participants owned their own home and were aged over 35.
12. The survey encouraged visitors to participate in a short survey and rate, on a scale of 1 to 5, how effective the following four draft strategic directions were:
- (a) Strategic direction 1 - Actively plan for future population growth and housing needs;
 - (b) Strategic direction 2 - Direct housing growth to appropriate locations;
 - (c) Strategic direction 3 - To plan for more housing choice to support Yarra's diverse community; and
 - (d) Strategic direction 4 - Facilitate the provision of more affordable housing in Yarra.
13. Detailed findings and officer responses from the online survey are included in **Attachment 2**.

What did people like about the strategic directions of the draft strategy?

14. There was a very positive response from the community relating to the strategic directions and strategies contained in the draft strategy. The community was supportive of Council proactively planning for Yarra's projected housing growth and providing clear direction about where residential development would be focused and where it would be limited. Online feedback suggested that residents were satisfied that the draft strategy strikes an appropriate balance between accommodating projected growth and protecting established residential neighbourhoods and significant heritage areas.
15. Overall, feedback suggested that there was also a high level of support for Council seeking a diverse mix of housing options for residents and advocating and facilitating more affordable housing options for very low, low and moderate income households. Many comments, however, suggested that 5% is not a high enough target for affordable housing in Yarra and that 10-15% would be more appropriate.

What were people concerned about in the strategic directions of the draft strategy?

16. Concern related to building heights of new development and population growth and the vague wording in some directions.

17. Concern also related to the need for clearer definition and application of change area categories particularly as there were still many areas “yet to be classified”. There are genuine mixed views in the community about the application of change areas, ranging from not sufficient to protect heritage areas and prevent over development, to others that consider the minimal change protects wealthy suburbs and cater to NIMBYs.

Were there any gaps in the housing strategy identified?

18. Many participants stated that the cohousing model should be addressed in the draft strategy as a tool to diversify the market and cater to different groups within a development. Some participants also suggested the draft strategy should more explicitly address Yarra’s homeless population.
19. There was comment about how design standards would be developed. The strategy would provide clear policy direction about where residential development would be focused, and where it would be limited, in order to meet the changing needs of the community. The design built form is subject to separate built form projects that Council is, and continues, to undertake.

Youth workshop

20. Council conducted a youth workshop to provide further insights from Yarra’s younger population. The round table discussion included 10 young people, aged between 18-30 who lived in a variety of locations across the municipality and in different household types.
21. The young people that participated in the discussion greatly valued living in Yarra and being within walking distance to a range of employment options, services and amenities. However, the participants stated that their ability to remain in Yarra was largely dependent on the availability of suitable, affordable housing.
22. The participants noted that finding well-maintained housing in Yarra was becoming difficult, with detached dwellings being unaffordable, and apartment dwellings being unsuitable for sharing with friends. The participants noted that larger household groups (including families and share households) require dwellings that have three or more bedrooms and have quality open and internal communal spaces. According to the participants, having access to suitable shared space (including communal and private internal and open spaces) is a key housing need for young people to allow for shared housing options.

Summary of changes to Yarra Housing Strategy

23. Council officers have taken into account the community feedback and concerns of residents and have made the following changes, in summary, to the Yarra Housing Strategy:
 - (a) The wording of Strategic Direction 1 has been amended to better reflect its broad purpose;
 - (b) The four level of change areas have now been applied to the “yet to be classified” areas within the strategic framework plan;
 - (c) The strategy addresses the need for sufficient internal space and adequate outdoor space;
 - (d) The strategy has been amended to provide further information on each housing change area, including their level of growth, general characteristics, percentage of land coverage, and the type of development expected in each area;
 - (e) The strategic housing framework plan has been amended to include more street names and improve comprehensibility;
 - (f) The strategy has been amended to provide policy to support cohousing designs;
 - (g) The strategy has been amended to introduce of minimum of 10% provision of affordable housing; and
 - (h) The strategy has been amended to address Yarra’s homeless population.

Final Yarra Housing Strategy

24. The purpose of the Yarra Housing Strategy (**Attachment 3**) is to set a preferred vision for Yarra over the next 15 years that provides clear policy direction about where residential development would be focused and where it would be limited to meet the changed needs of Yarra’s community. The updated four strategic directions articulate Yarra’s preferred growth strategy, which responds to the unique context of Yarra. The updated strategic directions and the strategies to implement them are at **Attachment 4**.

Strategic direction 1: Monitor population growth, land capacity and evolving development trends in Yarra to plan for future housing growth and needs

25. To demonstrate that Yarra has a sufficient supply of available land to accommodate projected growth, the consultancy, (SGS Economics and Planning) has created an interactive model to allow Council to estimate housing capacity within the major and neighbourhood activity centres over the coming 15 years. Importantly, the model’s estimates are based on a set of assumptions for available land, capacity and take-up (eventual development realisation) having regard to urban design, planning and heritage considerations.
26. The model indicates (with the contextual analysis being undertaken of Activity Centres), that Yarra’s activity centres, can accommodate approximately 14,300 dwellings by 2031 (greater than the 13,341 new dwellings required by the Victorian Government’s housing and population forecasts for the whole of the municipality). The total amount of available and estimated supply of new dwellings for the major and neighbourhood centres in Yarra is shown in Table 1.

Table 1

	Total available land (hectares)	Estimated supply of new dwellings (2016-2031)
Major activity centres	96 ha	9,900
Neighbourhood activity centres	41 ha	4,300
Estimated total	137 ha	14,300

27. The level of housing growth is expected to differ across and also within the activity centres, due to the varying amount of capacity available for residential development. Subject to integrated urban design and heritage analysis, Yarra’s major activity centres have the most capacity to supply new dwellings in Yarra, in accordance with state planning policy.
28. The model confirms that, while Yarra’s established residential neighbourhoods would continue to accommodate some housing growth, Yarra does not need to rely on these areas to supply projected housing growth.
29. Importantly, the model also demonstrates that the application of building height controls to the activity centres (as sought via the current DDO work) would not limit the supply of dwellings, but would provide more certainty for residents and developers and maintain the midrise character of Yarra.
30. The purpose of Strategic Direction 1 is to ensure that Yarra, following the adoption of the strategy, continues to monitor population growth, land capacity, and evolving development trends to effectively plan for future housing growth and needs. It is noted that the interactive model can also be used to monitor housing delivery over time and assess implications of built form controls on housing capacity figures. The model would be a reliable source for understanding long-term housing capacity in Yarra.

Strategic direction 2: Direct housing growth to appropriate locations

31. The strategy categorises all residential land into four distinct housing change areas to provide more clarity and certainty to the community about the level of growth anticipated across the municipality. The housing change areas differentiate between those that have the capacity to accommodate minimal, incremental, moderate, and high change housing growth.

32. It is proposed that:
- (a) minimal change areas would apply to over **58%** of Yarra's residential land;
 - (b) incremental change areas would apply to over **21%** of Yarra's residential land;
 - (c) moderate change areas would apply to over **12%** of Yarra's residential land; and
 - (d) high change areas would apply to approximately **8%** of Yarra's residential land.
33. The housing change areas are shown on the strategic housing framework plan (**Attachment 5**) to visually represent the level of growth anticipated across the municipality. Strategic direction 2 proposes to introduce a Strategic Housing Framework in Yarra. This is a common approach used across metropolitan Melbourne to provide clarity for the community and decision makers about the level of growth anticipated and is consistent with State policy directions.

Strategic direction 3: To plan for more housing choice to support Yarra's diverse community

34. The strategies in this direction support more housing choice for different people including people with disabilities, older persons and families' to support social inclusion and maintain Yarra's vibrant community.
35. As most of the new houses being delivered in Yarra are apartments there is a need to ensure higher density development can accommodate different housing needs, including design considerations to make higher-density living more attractive for larger households, students, people with disabilities and older people. Strategic direction 3 proposes to introduce a new requirement in the Yarra Planning Scheme for housing diversity to be demonstrated in applications for residential rezoning's and major residential developments (50 or more dwellings). Early consideration of these issues would help to ensure that future housing stock is more suitable for all households throughout their life stages.

Strategic direction 4: Facilitate the provision of more affordable housing in Yarra

36. Strategic direction 4 addresses the need to provide more housing options suitable for very low, low and moderate income households to maintain social and economic diversity Yarra.
37. Importantly, Strategic Direction 4 recommends the introduction of a minimum of 10% provision of affordable housing (when sites are rezoned for residential use and in major developments of 50 or more dwellings) into the Yarra Planning Scheme. This would communicate a clear *expectation* to developers about their obligation to provide affordable housing stock as part of significant new developments, and reduce the need for this to be negotiated on a case by case basis. With a strategy in place, the Council administration will be able to urge and encourage town planning applicants to provide for affordable housing. For statutory backing, however, this needs to be translated into the Yarra Planning Scheme – this requires 'due process' of a Planning Scheme Amendment to occur.

Next Steps

38. The final Yarra Housing Strategy would guide and inform decisions on how residential land in the municipality would evolve and develop into the future.
39. Following adoption of the final version of the Yarra Housing Strategy by Council, it needs to form part of an Amendment to the Yarra Planning Scheme, introducing a new local housing planning policy in the Planning Policy Framework to reflect the key strategies outlined in the Yarra Housing Strategy. The amendment would also include the Housing Strategy as a reference document in the scheme. That Amendment process would follow the normal 'due process' that Councillors are familiar with; that will take some time to successfully navigate.

Internal Consultation (One Yarra)

40. Officers have consulted across the Council, with advice from Statutory Planning, Social Policy, Youth Services and Aged and Disability Services.

Financial Implications

41. There are no direct financial implications for Council to consider from the adoption of the final Housing Strategy.

Economic Implications

42. The economic implications of the Yarra Housing Strategy are likely to include:
- (a) managing the growth in the local housing market in Yarra;
 - (b) flow on effects for Yarra's local economy as the municipality accommodates a growing population, with more people moving into the area and utilising local businesses and services; and
 - (c) reduce Council resources spent on complex decision-making process.

Sustainability Implications

43. The final Yarra Housing Strategy is consistent with the overarching goal in the Yarra Planning Scheme to integrate relevant environmental, social, and economic factors in the interests of net community benefit and sustainable development.
44. The Environmentally Sustainable Development (ESD) local planning policy was introduced into Yarra Planning Schemes in November 2015. The policy provides a robust, consistent policy that optimises ESD outcomes at the planning stage of development. The policy ensures applicants consider ESD objectives relating to energy, water, stormwater, waste management, and transport when preparing proposals for residential developments. No further guidance is required in the Yarra Housing Strategy.
45. The Housing Strategy directs residential growth to locations that are well services by transport and movement links; and close to jobs, public transport and services.

Social Implications

46. Affordability and diversity are key issues discussed in the Final Yarra Housing Strategy and are proposed to be addressed via the strategic directions.

Human Rights Implications

47. Provision of diverse housing opportunities is important. There are no other anticipated human rights implications.

Communications with CALD Communities Implications

48. The needs of the CALD community have been addressed as part of the consultation process.

Council Plan, Strategy and Policy Implications

49. The Yarra Council Plan (2017-2021) identifies the need to actively plan and manage growth through the preparation of a new Housing Strategy.
50. The Housing Strategy implements relevant objectives of the Planning Policy Framework (PPF), including Clause 16 – Housing. Clause 16 encourages consolidation of residential activities within existing urban areas and development in existing residential areas.

Legal Implications

51. There are no anticipated legal implications at this stage.

Options

52. There are 3 options:
- (a) Option 1 - Adopt the Yarra Housing Strategy at **Attachment 3**;
 - (b) Option 2 - Make additional changes; or
 - (c) Option 3 - Do not adopt the strategy.
53. The Yarra Housing Strategy and proposed strategic directions provide a comprehensive and strategic basis for the management of housing growth Yarra that would add to housing diversity, choice, affordability, growth, quality design and amenity, and preserve areas with neighbourhood character and heritage significance across Yarra.

54. Adopting the strategy would provide a sound strategic basis for the local planning policy, relating to housing.

Conclusion

55. A draft Yarra Housing Strategy has been prepared to set a strategic framework that guides where and how the City of Yarra accommodates future housing growth while maintaining the city's key attributes, liveability and special character.
56. The draft Yarra Housing Strategy was released for community engagement in March 2018 to inform and educate the community and key stakeholders on emerging policy and to shape the future strategy where appropriate. The draft strategy provides a balance between maintaining the character of Yarra including heritage and neighbourhood character whilst enabling new housing stock and housing for various household formations.
57. The final Yarra Housing Strategy has been informed by community and stakeholder feedback and it is recommended that Council adopt the final Yarra Housing Strategy, as it would provide a sound strategic basis for the local planning policy, relating to housing.
58. Post adoption, the formal exhibition process of the proposed new housing local planning policy in the proposed re-write of the Yarra Planning Scheme (informed by the key strategies of the Yarra Housing Strategy) would provide opportunity for the community to provide input.

RECOMMENDATION

1. That Council:
- (a) note the officer report on the Yarra Housing Strategy;
 - (b) note the input from residents, stakeholders and other interested parties involved in the preparation of the proposed Yarra Housing Strategy;
 - (c) note the proposed Yarra Housing Strategy at Attachment 3;
 - (d) adopt the Yarra Housing Strategy at Attachment 3 to inform the re-write of the proposed Yarra Planning Scheme and also to set a strategic direction regarding housing matters in the municipality;
 - (e) inform submitters of the Council decision; and
 - (f) authorise the CEO to make any minor, policy neutral changes to the adopted Yarra Housing Strategy prior to exhibition of the local planning policy in the Yarra Planning Scheme.

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TITLE: Strategic Planner
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Attachments

- 1 ⇨ Communication material
- 2 ⇨ Online survey results and officer response
- 3 ⇨ Final Yarra Housing Strategy
- 4 ⇨ Strategic Directions
- 5 ⇨ Strategic housing framework plan

11.2 Spatial Economic and Employment Strategy

Trim Record Number: D18/143002

Responsible Officer: Director Planning and Place Making

Purpose

1. The purpose of this report is to:
 - (a) outline the feedback from the exhibition of the draft Spatial and Economic Strategy (SEES) which occurred from 26 March – 30 April 2018; and
 - (b) present the final SEES for adoption.

Background

2. The draft SEES is intended to assist Council to understand, and capitalise on, Yarra's economic strengths and respond to the key trends and economic drivers over the next 10 to 15 years. It also provides advice on zoning and other planning changes required to accommodate projected employment growth and change to 2031.
3. The draft SEES is complemented by additional strategic work being prepared as part of the wider **Yarra Planning Scheme rewrite program**, such as: the *draft Housing Strategy* and the *Activity Centre Built form Framework Analysis*.
4. The SEES is intended to replace Council's adopted *Business Industrial Land Strategy (BILS)* and become a reference document in the Yarra Planning Scheme.
5. The draft SEES sets out 6 strategies to direct emerging policy in the Planning Scheme.
 - (a) Strategy 1: Support employment growth in activity centres;
 - (b) Strategy 2: Retain and grow Yarra's major employment precincts (Cremorne / Church St and Gipps St Major Employment Precincts);
 - (c) Strategy 3: Identify preferred locations for housing growth to reduce pressures or conversion of employment land for housing;
 - (d) Strategy 4: Support the expansion of Yarra's health related employment and services in Yarra's health precincts;
 - (e) Strategy 5: Retain other C2 zoned land to support the diversity of business and employment opportunities; and
 - (f) Strategy 6: Plan for the transition of Yarra's remaining industrial areas (longer term these areas will need investigating for their future development, land use and economic opportunities).
6. Preparation of the SEES has included a range of consultation with a variety of businesses, hospitals, landowners and industry stakeholders.
7. An *Issues and Opportunities paper* in 2015 included consultation with a variety of businesses, hospitals, landowners and industry stakeholders. This consultation provided qualitative analysis of the key issues impacting on the future success of Yarra's retail and employment precincts.
8. In addition, discussion with the Yarra community on business and employment occurred in 2015 through the *Liveable Yarra Project*. This project provided an opportunity to have an in-depth conversation with the community on how Yarra can adapt to the challenges and opportunities brought by growth and change. The deliberative engagement process included the 'people's panel' which consisted of local community persons selected to represent the broader community (see Council website on *Liveable Yarra Project* for further information regarding methodology, process and the report of the group).

9. The draft SEES responded to the *Liveable Yarra* Panel's vision for business and employment in Yarra, which is for a "...*diverse and growing business community*". The Panel's recommendations included, amongst others:
 - (a) encourage mixed use in development including small spaces for business; and
 - (b) retain land for non-residential uses to support arts, cultural and other employment and economic uses.
10. Further detailed findings of this engagement are in the *Liveable Yarra Engagement Summary report* (Capire and City of Yarra October 2015).
11. The *Liveable Yarra Reference Group*, which was drawn from the broader 'people's panel', met throughout 2017 to discuss various topics that are informing the planning scheme re-write. A presentation on the draft SEES was made to the Group on 22 August 2017, which outlined the trends and drivers for Yarra's economy, the planning context, demand and capacity and spatial strategies.
12. On 6 July 2017 SGS attended Council's *Business Advisory Group* (BAG), to present the strategic directions recommended for the management of Yarra's employment lands over the next 10-15 years. Many of the matters raised by BAG members were beyond the scope of the SEES as they related to parking and transport; housing affordability; and directing growth around train stations. Relevant matters included the:
 - (a) need for the management of amenity expectations in the mixed use zone; and
 - (b) potential for changes to the Commercial 2 zone would create uncertainty in terms of business activities.
13. In response the SEES will include a clear expression of intent for any potential changes to C2 land.
14. Two workshops were held in late November and early December 2017, with businesses from two major employment precincts in the Yarra: Collingwood (around Gipps Street and Easey Street) and Cremorne. These areas are predominantly Commercial 2 Zone (C2Z).
15. The purpose of the workshops was to:
 - (a) inform the business community of the preparation of the SEES, its role in the Planning Scheme re-write, and the extent to which it can manage, guide and promote employment in the city; and
 - (b) obtain feedback from business representatives on their experiences in Yarra's major employment precincts.
16. Each workshop included time for recording individual comments and open discussion. Key findings common to both workshops are contained in the appendices to **attachment 1**:
 - (a) passionate about their local area;
 - (b) location is important;
 - (c) the look, feel and industrial history is an attractor;
 - (d) rents are increasing;
 - (e) parking and transport;
 - (f) local open space and pocket parks;
 - (g) poor internet;
 - (h) changing nature of working environments;
 - (i) balancing the needs of business and residential uses; and
 - (j) social issues.
17. Issues specific to Gipps Street, Collingwood included: built form and retention of heritage facades; need for improvements to the way housing growth is managed as an interface between businesses; safety; rubbish; and transport (parking).

18. Issues specific to Cremorne included a strong message that Cremorne was the technology hub of Melbourne; lack of safety and vibrancy at night; need to allow for a range of uses and activities; fairer access to council services; improved pedestrian amenity; better traffic management; stronger support for the innovation district; and allow for residential uses that support these industries.
19. The feedback is presented under themes and the order should not be considered as a preference of importance. All issues have been considered equally. It is also important to note that not all issues raised have planning solutions.

External Consultation

20. Although there was no statutory requirement for further consultation with the community there was value in testing the strategies set out in the SEES as the strategic basis for future planning policy in the Yarra Planning Scheme. A summary of the engagement process is included in **attachment 1**.
21. The exhibition process involved:
 - (a) exhibition from 26 March – 30 April 2018;
 - (b) two information sessions at Richmond and Collingwood;
 - (c) promotion via social media (Facebook and twitter); Yarra's E-news ; Council's business e-bulletin (includes 2,845 businesses) Council's web page; postcards and direct emails;
 - (d) online survey on *Have Your Say Yarra*; and
 - (e) hard copies of the draft made available.
22. The Council communications unit uploaded 8 posts on the social media network of Facebook over a 4 week period (6 April 2018 – 27 April 2018). In addition, several 'tweets' were posted on the social media website of Twitter. This consultation activity reached more than 17,000 Facebook users and amassed a total of 127 likes, comments and shares. This engagement activity shared information about:
 - (a) local traders opinions on trade;
 - (b) rising number of knowledge workers;
 - (c) How Yarra is planning the places and spaces in Yarra;
 - (d) Yarra's biggest employment sector being health care;
 - (e) the changing economy in Yarra;
 - (f) trends in shopping and eating in Yarra;
 - (g) fastest growing employment sector being knowledge, health care, retail and hospitality; and
 - (h) predictions for Yarra's future.
23. The social media posts and promotion of the SEES generated 104 click through to the *Your Say Yarra* survey.
24. The *Your Say Yarra* website included the following information:
 - (a) the six Strategic Directions;
 - (b) frequently Asked Questions (FAQs);
 - (c) document Library (including the draft strategy);
 - (d) the Spatial Structure Plan Map;
 - (e) glossary of planning terms;
 - (f) the project life cycle;
 - (g) contact information; and

- (h) a survey for the community contributions.
- 25. There were 426 total visits to the project page on the website: viewing images; downloading a document and visiting FAQs. A total of 20 participants contributed to the survey, primarily from Richmond and aged between 36 and 65 year of age.
- 26. The survey encouraged visitors to participate in a short survey and rate, on a scale of 1 to 5, how effective the six strategic directions were in planning for Yarra’s economic future. With five being the ‘most effective’ and one being ‘least effective’. The responses considered the strategic directions in the SEES as ‘effective’ to ‘most effective’.
- 27. The survey asked participants to identify the strengths and areas for improvement for each strategic direction. Common themes in no order of importance included:
 - (a) accessibility between precincts;
 - (b) built form;
 - (c) more consideration for higher education services;
 - (d) public space;
 - (e) traffic management;
 - (f) parking;
 - (g) retain the mixed use of areas;
 - (h) increase employment land;
 - (i) public and affordable housing;
 - (j) manage pressures and impacts; and
 - (k) consideration to key large and important landholdings (refer to appendix 2 in **attachment 1**).
- 28. The purpose of the SEES is to provide a spatial strategy for accommodating growth and change in economic activity. Issues raised in the survey responses relating to built form, affordable housing, transport and public realm would be addressed through separate strategies.
- 29. Three written submissions were received: 2 submissions relating to specific properties and 1 from a local community group, *Streets Alive Yarra*.
- 30. **Submission 1:** The *Streets Alive Yarra* submission supported the draft SEES and felt it could be improved by:
 - (a) highlighting the interdependencies between land use, economic development, employment, transport and congestion; and
 - (b) increasing the emphasis on protecting the amenity of residents where residential zones adjoin commercial zones.
- 31. The submission made a number of recommendations:

Submission recommendation	Response
Include a section highlighting interdependencies between land use, economic development, employment, transport and congestion; and a strategy of investing in safe and active transport	No change recommended As outlined above the purpose of the SEES is to provide a spatial strategy to accommodating growth and change in economic activity. Transport and the interplay with land use have been recorded and would need to be addressed through separate strategies – such as: local framework planning, built form, transport and parking strategies.

<p>Amend section 5.1 (vision + objectives) to support new employment being balanced with amenity of existing residential uses.</p>	<p>No change recommended</p> <p>As outlined above the purpose of the SEES is to provide a spatial strategy to accommodating growth and change in economic activity. Issues raised relating to managing sensitive interfaces (e.g. built form) would be addressed through separate mechanisms: e.g. draft policy in the Planning Scheme re-write; local framework planning.</p>
<p>Amend Figure 39 so that residential zones in Cremorne are not included within the blue shaded Mixed Employment Precinct</p>	<p>No change recommended</p> <p>The areas shown on this diagram are indicative only and not intended to be precise. The intention is that the diagram is conceptual. Future local planning would address any issues with established residential areas within or adjoining the precinct.</p>
<p>Add a new strategy that relates to built form at the residential / commercial interface</p>	<p>No change recommended</p> <p>As outlined above the purpose of the SEES is to provide a spatial strategy to accommodating growth and change in economic activity. It does not relate to built form outcomes. Future local planning would address any issues with established residential areas within or adjoining the precinct.</p>

32. **Submission 2:** This submission raised the following concerns.

33. Concern 1: Underestimation of the capacity of existing employment land. The submission applied the capacity assumptions to 2 sites: 32-68 Mollison Street & 10 Victoria Crescent, Abbotsford; and 198-242 Burnley Street, Richmond. Using these specific sites as examples, the submission asserts that the potential for the employment plot ratio could be higher.

Officer response: The capacity assumptions in the SEES are based on a precinct level and not a site basis. It assumes that all sites in a precinct are redeveloped to average parameters, recognising that sites may achieve higher or lower densities than the average. This is a logical process for estimating floor space capacity.

34. Concern 2: Failure to establish a framework to realise the strategic potential of underutilised employment land. It asserted that despite there being adequate land for residential development and employment, considerations for sites to evolve can be driven by more contextual considerations, such as: location relative to activity centres, major employment centres, high capacity transport and dwellings; physical characteristics such as size, land constraints, and surrounding built form; and specific needs within an area, such as public open space, and other community services.

Officer response: No change proposed as the SEES seeks to retain C2 land and recognises that the sites are part of *broader employment precincts which are of sufficient size and importance that further strategic planning investigations area required to determine if alternate land uses, economic activities and built form outcomes are appropriate.* As noted in the submission, the suite of zones in the current Victorian Planning Provisions make it difficult to achieve a true mixed use site as zones permit unrestricted residential use above ground level. As such the SEES should remain unchanged.

35. **Submission 3:** This submission related to land at 182-184 Stawell Street and 173 Barkly Avenue. It requested Council to consider the opportunity for residential uses to occur in a mixed use development of this large amalgamated site. Currently the site is zoned C2, which does not allow for residential development.

36. The site is in the Burnley South precinct in Strategy 5 of the SEES. Strategy 5 is to retain C2 land to support a diversity of businesses and economic activity and, in general, is not required to support housing. Unless strategic planning work supports a change of zone, existing C2 precincts and sites should be retained for employment uses. Future strategic planning work may identify opportunities for change, however this is not a priority for Council for at least the medium term (5 – 10 years). This strategy is based on the evidence presented in the SEES and the separate and complementing office study prepared by Urban Enterprise (consultants) which identified that Yarra is experiencing a significant level of office development. As such no changes are recommended to strategy 5.
37. A further presentation was made to the BAG on May 2018.
38. Having considered these submissions, the final SEES for adoption is presented in **attachment 2**.

Internal Consultation (One Yarra)

39. Officers have consulted with the Economic Development Unit and Communications and Engagement Unit.

Financial Implications

40. There are no direct financial implications for Council to consider from the development of the SEES.

Economic Implications

41. The economic implications of the SEES are likely to derive from:
 - (a) supporting growth in the activity centres; major employment, and health and education precincts; and
 - (b) managing the transition of larger industrial uses or C2 zoned land, if and when this occurs.
42. The SEES, in conjunction with the Housing Strategy, provides an important direction to alleviate the pressure for the ad hoc conversion of employment land for housing. Both strategies identify the preferred location for either housing growth and / or land to be retained for employment.

Sustainability Implications

43. The SEES is underpinned by the Economic Development Strategy (EDS) that has a vision for Yarra to be recognised as a smart, sustainable city with vibrant and thriving precincts and locally engaged business community.
44. The SEES provides for employment opportunities close to housing and public transport.

Social Implications

45. The SEES supports growth in Yarra's activity centres which already contain vibrant and constantly evolving retail, entertainment, hospitality and commercial services to meet the needs of visitors and the local population.

Human Rights Implications

46. There are no anticipated human rights implications.

Communications with CALD Communities Implications

47. Translation services were offered on promotional material distributed to libraries and Council town halls.

Council Plan, Strategy and Policy Implications

48. The SEES is an initiative set out in Objective 5: *A prosperous Yarra is a place where.... Local businesses prosper and creative and knowledge industries thrive*, of the Council Plan 2017-21.
49. The SEES has regard to the *State and Local Planning Framework, Yarra EDS, Yarra's Business and Industrial Land Strategy* and the *Night time Economy Strategy 2014-18*.

Legal Implications

50. There are no anticipated legal implications. The exhibition of the draft document was a voluntary non statutory process considered valuable informing the strategies of the final SEES.

Options

51. There are three options for Council:
- (a) Option 1 - Adopt the SEES as presented;
 - (b) Option 2 - Make additional changes in response to submissions; and
 - (c) Option 3 - Do not adopt the strategy.
52. Option 1 is recommended as the SEES reflects evidence based research and considers feedback obtained during the preparation of the strategies. Adopting the SEES provides evidence based justification for the formulation of draft local planning policy for Council consideration.
53. Option 2 is not required for the reasons outlined in the discussion above. Option 3 would remove the strategic basis for future policy in the draft Planning Scheme.

Conclusion



54. The SEES outlines the trends and drivers for Yarra's economy, the planning context, demand and capacity and spatial strategies. This will further inform draft local planning policy for the Yarra Planning Scheme.
55. The draft SEES was released for community engagement in March 2018 to inform and educate the community and key stakeholders on emerging policy and to shape the future strategy where appropriate.
56. The survey feedback received during the exhibition indicated high support for the effectiveness of the strategies set out in the SEES.

RECOMMENDATION

1. That Council:
- (a) note the officer report regarding the process in formulating the draft Spatial Economic and Employment Strategy (SEES);
 - (b) note the draft Spatial Economic and Employment Strategy (SEES) and the Consultation Outcome Report in the attachments;
 - (c) having considered the comments received and the officer report, adopt the Spatial Economic and Employment Strategy, August 2018 to provide strategic direction and inform the re-write of the Yarra Planning Scheme; and
 - (d) authorise the CEO to make minor, policy neutral changes to the adopted SEES prior to exhibition of the subsequent local planning policy in the Yarra Planning Scheme.

CONTACT OFFICER: Fiona van der Hoeven
TITLE: Senior Coordinator Strategic Planning
TEL: 9205 5156

Attachments

- 1  Final Yarra SEES - September 2018
- 2  SEES Consultation Outcomes Report _FINAL (Appendices)

11.3 Draft Waste Minimisation and Resource Recovery Strategy 2018– 2022 (WMRRS)

Trim Record Number: D18/144068

Responsible Officer: Director City Works and Assets

Purpose

1. To consider the adoption of the Waste Minimisation and Resource Recovery Strategy (WMRRS) 2018 – 2022.

Background

2. The Draft WMRRS has been developed over the past 6 months following a review of the National, State and Local Government policy and plans. There has also been a significant consultation process with many sectors of our community, including external and internal stakeholders.
3. The Draft WMRRS will provide Council with the framework to work in partnership with the community, to engage and empower them around the importance of minimising the creation of waste and viewing waste as a resource rather than rubbish.
4. To inform the development of the draft strategy, a range of consultation activities were completed during the consultation process:
 - (a) an online survey asking two simple questions;
 - (i) What are the most important things for council to do in terms of minimising waste reusing material and recycling?
 - (ii) What are the best things you personally can do to minimise waste?
 - (b) three 'pop up' activities at local parks (Gahan Reserve and Edinburgh Gardens) and a neighbourhood house (Holden St);
 - (c) an online survey sent to local businesses;
 - (d) engagement with key local councils to understand their issues and priorities; and
 - (e) workshop with Council's Environment Advisory Committee - Waste Minimisation Meeting.
5. The number of responses to the online questions was far greater than expected. A total of 307 people responded to the online questions with many providing multiple ideas and opinions. In addition 91 comments were received at the pop up consultation and 13 businesses responded to the online business survey.
6. The consultation identified key issues/areas which the community considered could be addressed within the new strategy, in seeking to meet the vision:
 - (a) Recycling – particularly relating to better recycling and concerns about changes to recycling markets;
 - (b) Education – in terms of encouraging people to reduce waste and dispose of it more thoughtfully;
 - (c) education on waste minimisation and recycling;
 - (d) food and compost – in terms of providing a food waste pick up service or encouraging composting;
 - (e) soft plastic recycling and the reduction of soft plastics through legislation;
 - (f) advocacy to minimise waste and reduce the impact of packaging;
 - (g) promote and participate in the circular economy;

- (h) service delivery including hard waste services; comments included both positive and negative reaction to current delivery; and
 - (i) green waste and the need for a third bin or more responsive service.
7. The consultation process has informed the vision and objectives to confirm a new way of thinking throughout the strategy and action plan.
 8. The Vision included in the draft WMRRS is:
 - (a) Yarra is committed to being a sustainable city. We will all become conscious consumers who actively avoid and reduce waste, preserving resources for current and future generations.
 9. Five objectives were established to achieve the vision:
 - (a) Valuing our resource.
 10. We will engage with the Yarra community through targeted and tailored education programs to be mindful of consumption, to rethink and value resources:
 - (a) Delivering high quality, accessible and appropriate services and programs.
 11. Yarra will continue to deliver services/programs in a manner that is sustainable, accessible and innovative. We will monitor these services/programs and respond to new trends, opportunities and community needs:
 - (a) Encouraging community involvement and pride through clean, safe and welcoming public spaces.
 12. Yarra's public spaces including waterways, parks, streets and laneways are valued and loved by our community. We will work in partnership with the community to ensure these spaces provide a clean, welcoming and safer environment for a range of uses:
 - (a) Ensuring Yarra has access to the programs, infrastructure and technology to meet our targets.
 13. Yarra requires access to innovative programs and infrastructure to service the changing needs of our community. We will seek opportunities for technological and infrastructure innovation to improve our services to the community.
 - (a) Collaborate, partner and advocate for better outcomes.
 14. Yarra is part of a broader community. We will collaborate with a range of partners to advocate for improved opportunities to develop new consumption behaviours that seek to gain better value and minimise the creation of waste.
 15. The targets set out in the draft strategy are:

Indicator	Baseline measurement 2014	June 2018 target	June 2022 target
<i>Household * (based on audit of 300 single dwelling properties & 150 MUD Units)</i>			
Single dwelling household organic garbage to landfill	45.4% of kerbside waste collection	43% of kerbside waste collection	35% of kerbside waste collection ***
Single dwelling household recycling contamination	10.4% contamination rate by weight	7.5% contamination rate by weight	5.0% contamination rate by weight
Apartment recycling contamination	24.5% contamination rate by weight	21.6% contamination rate by weight	19.1% contamination rate by weight
Indicator	Baseline measurement 2014	June 2018 target	June 2022 target

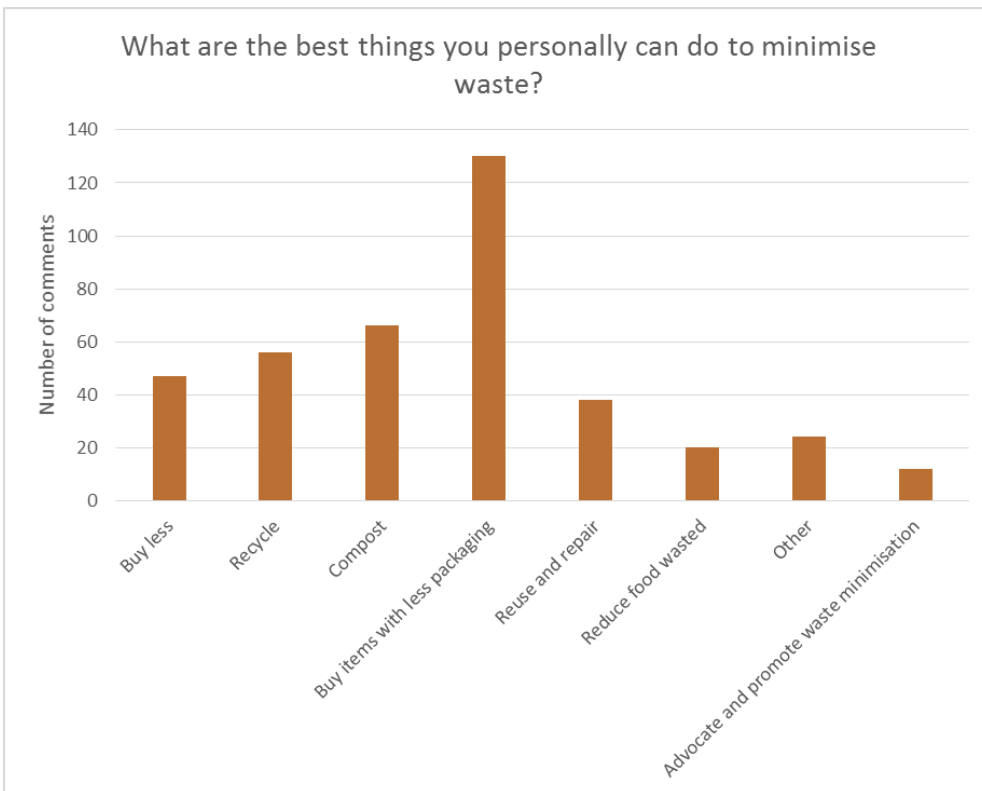
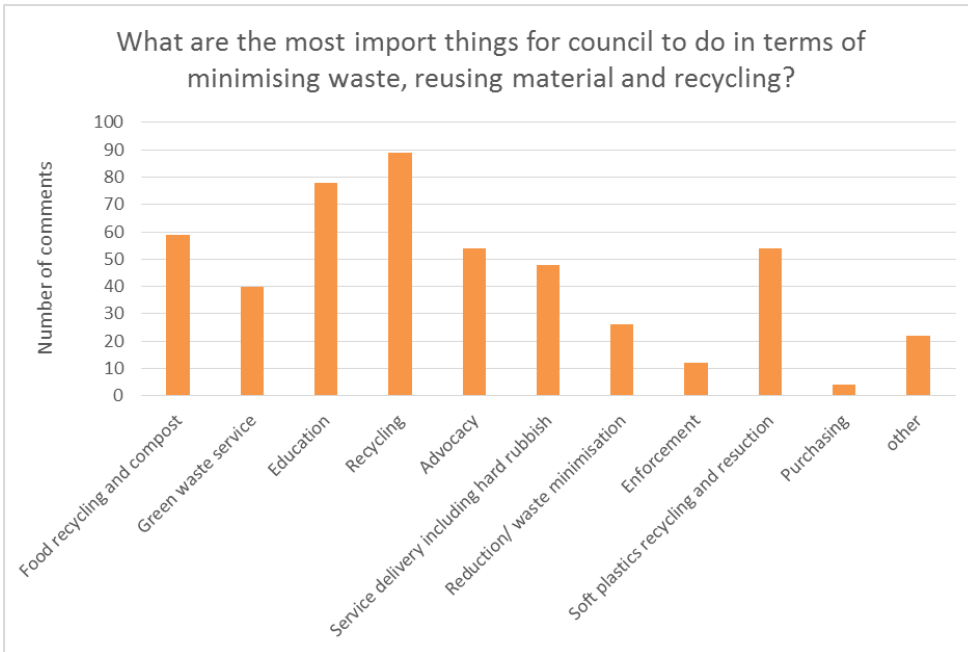
Commercial** (based on audit of 240 properties)			
Reduced recyclables going to landfill from commercial properties	30%	25% increase	20% increase
Commercial recycling contamination	11.6% contamination rate by weight	10% contamination rate by weight	8% contamination rate by weight
Indicator	Baseline measurement 2011	June 2018 target	June 2022 target
Council Staffed Facilities (based on audit of 3 town halls)			
Garbage to landfill from Council staffed properties	0.62kg/EFT/week	5% reduction	10% reduction
Tonnes / EFT / week			

Note: Target for 2020 Single dwelling household organic garbage to landfill may change depending on the outcome of the FOGO trial. The draft Action Plan has been developed to reach these objectives. It consists of 39 Actions, identifying lead/ support units, and possible resourcing requirements (subject to annual budget processes).

16. The waste industry is currently undergoing change, and this is anticipated to continue. If there is significant (fundamental) legislative, market, funding or technological change, during the life of this Strategy, officers may recommend further review of the Strategy and actions to consider whether there is a need to revisit and/or update the Strategy to reflect the changes.

External Consultation

17. In early 2018, considerable community consultation and stakeholder engagement was undertaken, including:
 - (a) an evidence gathering exercise interviewing internal and external stakeholder including other Local Governments, Libraries, Neighbourhood Houses;
 - (b) a strategy and policy review;
 - (c) a presentation to Executive and Council;
 - (d) workshops with internal groups relevant to delivering the plan;
 - (e) workshop with Council’s Waste Minimisation working group;
 - (f) online survey with businesses;
 - (g) a community **Have your say** online survey with 307 responses;
 - (h) three pop-up sessions throughout the municipality, where 91 face-to-face surveys were completed; and
 - (i) public exhibition of Draft WMRRS for consultation and community input with 93 comments.
18. The below graphs shows a breakdown of responses to survey Have Your Say.



19. Refer to Appendix 2, 'WMRRS Community Consultation feedback', for further details of feedback during the consultation, and to see how feedback has been used to inform the final Draft Strategy.
20. Since coming to Cr briefing on 6 August an additional action has been added (5.7) to maximise our options for participating in the development of the circular economy.

Internal Consultation (One Yarra)

21. The development of the Draft WMRRS and action plan has gone through consultation with relevant staff across the different units involved in delivering the draft action plan.

Financial Implications

22. The 2018/19 budget includes the delivery of all year 1 actions in the WMRRS 2018-2022. It is proposed that budget submissions for the following years will be developed annually as well as looking for external partnerships and funding opportunities to assist in delivering actions.

Economic Implications

23. The Draft WMRRS has identified many opportunities to reduce Council, resident and business landfilling costs.

Sustainability Implications

24. The implementation of the Draft WMRRS will result in many waste reduction and diversion benefits for both Council and the community.
25. The draft action plan defines the targets, with actions to be delivered by Council over the life of the strategy, to work towards achieving the waste minimisation vision for Yarra.

Social Implications

26. There are no significant social implications.

Human Rights Implications

27. There are no significant human rights implications.

Communications with CALD Communities Implications

28. The initial high-level community engagement and consultation plan for development of a new strategy is detailed above.

Council Plan, Strategy and Policy Implications

29. The 2017-21 Council Plan includes Objective 3 "*City of Yarra; A place where Council leads on sustainability and protects and enhances its natural environment*". It states that the YWRRS 2014-18 is to be reviewed.

Legal Implications

30. There are no legal implications directly associated with this report.

Other Issues

31. Following the conclusion of the public consultation process for the Draft WMRRS, officers have become aware of opportunities to work with the OECD as part of a collaborative effort (including with neighbouring Councils) to explore the circular economy. This is consistent with the intent of the Strategy and the feedback from community. The Draft WMRRS has been amended to include an action which reflects this.

Options

32. The Options are:
- (a) to endorse of the strategy and targets as outlined in **Attachment 1**; and
 - (b) withhold from endorsement, and seek further refinements / changes, which would mean the timelines for adoption of a strategy would need to be extended.

Conclusion

33. After significant community consultation, officers have completed a Draft WMRRS 2018-22 for consideration by Council. This process has informed the key directions and pathways that make up the Strategy and helped identify emerging issues that need to be addressed through the action plan. The resources required to deliver the strategy in Year 1 have been identified.
34. That the Waste Minimisation and Resource Recovery Strategy 2018-2022 (**Attachment 1**), is presented to Council for consideration in August 2018.

RECOMMENDATION

1. That Council endorses the draft Waste Minimisation and Resource Recovery Strategy 2018-2022 and targets as outlined in **Attachment 1**.

CONTACT OFFICER: Lisa Coffa
TITLE: Waste Minimisation and Agriculture Coordinator
TEL: 9205 5793

Attachments

- 1 [⇒](#) Draft Waste Minimisation and Resource Recovery Strategy 2018-22
- 2 [⇒](#) Waste Minimisation and Resource Recovery Strategy Community Consultation

11.4 2017/18 Annual Financial Statements, Performance Statement, and LGPRF Reports adoption 'in principle'.

Trim Record Number: D18/147112

Responsible Officer: Director Corporate, Business and Finance

Purpose

1. To adopt the 2017/18 Annual Financial Statements and Local Government Performance Reporting Framework (LGPRF) Reports (including the Performance Statement) 'in principle', receive the recommendations of Council's Audit Committee, and nominate two Councillors to certify the statements in their final form.

Background

2. The 2017/18 draft Annual Financial Statements and LGPRF Reports (including the Performance Statement) accompanying this report reflect the financial results and Council Plan outcomes for the 2017/18 financial year.
3. Council's Audit Committee considered the 2017/18 draft Annual Financial Statements and the LGPRF Reports at its meeting on 21 August 2018.
4. Comment and explanation on the draft Annual Financial Statements and Performance Statement was provided by Council officers in relation to a range of presentation and disclosure items raised by the Committee.
5. Following the Audit Committee's detailed consideration of the 2017/18 draft Annual Financial Statements, Performance Statement and related verbal Auditor's report, the Audit Committee resolved as follows:
 - (a) *to recommend to Council the adoption of the annual financial accounts and the performance statement in principle, subject to the Audit Committee being notified of any material adjustments and a full disclosure version of any updates to be available to the members.*
6. There have been no material adjustments and a full disclosure version with updates has been made available to the members.
7. As part of the 2017/18 Local Government Performance Reporting Framework, Local Government Victoria requires Council to sign-off the Performance Statement, Report of Operations and Governance and Management Checklist prior to 18 September 2018. This is the last Council meeting where this can occur.

External Consultation

8. The 2017/18 draft Annual Financial Statements and Performance Statement have been prepared in accordance with Australian Accounting Standards, the *Local Government Act 1989*, and the Local Government (Planning and Reporting) Regulations 2014.
9. Advice has been provided by representatives of HLB Mann Judd - External Auditors, as appointed by the Victorian Auditor-General's Office, during the course of the year-end audit cycle in relation to the presentation of the Annual Financial Statements and Performance Statement.
10. The Audit Committee has also provided feedback in relation to disclosure of information presented in the Annual Financial Statements and Performance Statement.

Internal Consultation (One Yarra)

11. No internal consultation has been required.

Financial Implications

12. The 2017/18 draft Annual Financial Statements reflects an operating surplus of \$20.9 million. This result represents a favourable variance of \$11.98 million to the adopted budgeted result of an \$8.88 million surplus. This is the accrual accounting result, prepared in accordance with the Australian Accounting Standards, it is not a surplus cash result.
13. Operating revenue of \$191.45 million was \$10.03 million favourable compared to the budget of \$181.42 million. The major favourable components were user fees, and statutory fees and fines.
14. Operating expenditure of \$170.58 million was \$1.95 million favourable to the budget of \$172.54 million. This was mainly due to savings on materials and services, offset somewhat by bad and doubtful debts expense which was higher than budget due to additional provision required for parking infringement debtors.
15. Council's equity increased by \$240 million which is the surplus result of \$20.9 million plus a movement of \$211 million in Council's reserves relating in most part to increments from the full asset revaluation that was undertaken during the year. Council land assets accounted for majority of this movement, accounting for a \$170 million increase in asset revaluation reserve.
16. Current assets increased by \$19.22 million mainly due to higher revenue receipts, most of which is committed for future use such as early receipt of the Grants Commission income and carry forward capital works. Non-current assets increased by \$221.84 million due to revaluation increments from the full asset revaluation undertaken by Council during the year. Additions of \$27.58 million are offset in most part by depreciation expense of \$21.07 million. Current liabilities increased slightly due to higher trust funds and deposits than last year. Non-current liabilities decreased slightly due to repayment of borrowings principal.
17. Council's cash flow result reflects a positive cash movement of \$16.93 million. Council's closing cash balance was \$51.09 million. This balance will be utilised to fund carried forward capital projects and unspent grant funds received in 2017/18, as well as covering Council's current liabilities due for payment during the 2018/19 financial year.

Economic Implications

18. There are no economic implications.

Sustainability Implications

19. There are no sustainability implications.

Social Implications

20. There are no social implications.

Human Rights Implications

21. There are no human rights implications.

Communications with CALD Communities Implications

22. There are no CALD community implications and therefore no communication is required.

Council Plan, Strategy and Policy Implications

23. The 2017/18 Performance Statement records Council's performance over a range of performance indicators as required by the *Local Government Act 1989* and the Local Government (Planning and Reporting) Regulations 2014 as part of the Local Government Performance Reporting Framework. Council Plan targets were determined in the 2017/18 Adopted Budget.

Legal Implications

24. Council is required to certify the draft Annual Financial Statements and Performance Statement 'in principle' each year in order to lodge the statements so they can be formally certified by the Victorian Auditor-General's Office (VAGO). Certified annual accounts are also required to be lodged with the Minister by 30 September 2018.

Other Issues

25. The draft Annual Financial Statements and LGPRF Reports are subject to final audit certification and some changes may be required in consultation with VAGO. It is not anticipated, however, that there will be any material change to the accompanying draft statements.

Options

26. There are no further options.

Conclusion

27. Council is required to adopt 'in principle' the financial statements, and the LGPRF Reports each year, which will be lodged with the Minister after full audit clearance from the Victorian Auditor-General.

RECOMMENDATION

1. That Council:
- (a) notes the accompanying 2017/18 Annual Financial Statements and LGPRF Reports (including the Performance Statement), and receives the endorsement of Council's Audit Committee;
 - (b) adopts the 2017/18 Annual Financial Statements and Local Government Performance Reporting Framework Reports (including the Performance Statement), 'in principle' prior to them being provided to the Victorian Auditor-General's Office for audit sign off;
 - (c) nominates the Mayor and Audit Committee member Councillor Daniel Nguyen, and Audit Committee member Councillor Stephen Jolly, as the two Councillors to certify the Annual Financial Statements and Performance Statement;
 - (d) authorises the nominated Councillors to accept any further recommended changes by the Victorian Auditor-General's Office; and
 - (e) designates Angelica Marshall, Chief Financial Officer, as Principal Accounting Officer to certify the Annual Financial Statements and Performance Statement, as required by the Local Government Act 1989 and Local Government (Planning and Reporting) Regulations 2014.

CONTACT OFFICER: Ange Marshall
TITLE: Chief Financial Officer
TEL: 9205 5544

Attachments

- 1⇒ Draft Annual Financial Statements 2017-18
- 2⇒ LGPRF Draft Performance Statement 2017-18
- 3⇒ Governance and Management Checklist 2017-18
- 4⇒ LGPRF Report of Operations 2017-2018

11.5 Report on Assemblies of Councillors

Trim Record Number: D18/143981

Responsible Officer: Group Manager Chief Executive's Office

Purpose

1. To provide a report on Assemblies of Councillors.

Background

2. The *Local Government Act 1989* (The Act) requires that ... "The Chief Executive Officer must ensure that the written record of an Assembly of Councillors is, as soon as practicable:
 - (a) reported at an ordinary meeting of the Council; and
 - (b) incorporated in the minutes of that Council meeting.....".
3. This report includes all Assemblies of Councillors reported to the Governance Department at the cut-off date that have not already been reported to Council. Assemblies held prior to the cut-off date that are not included here will be included in the next report to Council.

Consultation

4. Not applicable.

Financial Implications

5. Not applicable.

Economic Implications

6. Not applicable.

Sustainability Implications

7. Not applicable.

Social Implications

8. Not applicable.

Human Rights Implications

9. Not applicable.

Communications with CALD Communities Implications

10. Not applicable.

Council Plan, Strategy and Policy Implications

11. Not applicable.

Legal Implications

12. The Act requires the above information be reported to a formal Council Meeting and also be recorded into the Minutes of the Council.

Other Issues

13. Not applicable.

Options

14. Nil.

Conclusion

15. That Council formally note and record the Assemblies of Councillors report as detailed in **Attachment 1** hereto.

RECOMMENDATION

1. That Council formally note and record the Assemblies of Councillors report as detailed in ***Attachment 1*** hereto.

CONTACT OFFICER: Mel Nikou
TITLE: Administration Officer - Governance Support
TEL: 9205 5158

Attachments

- 1 [⇒](#) Assemblies of Councillors Report - September