



Agenda

Council Meeting

6.30pm, Tuesday 12 September 2023

Richmond Town Hall

Council Meetings

Council Meetings are public forums where Councillors come together to meet as a Council and make decisions about important, strategic and other matters. The Mayor presides over all Council Meetings, and they are conducted in accordance with the City of Yarra Governance Rules.

Council meetings are decision-making forums and only Councillors have a formal role. However, Council is committed to transparent governance and to ensuring that any person whose rights will be directly affected by a decision of Council is entitled to communicate their views and have their interests considered before the decision is made.

Question Time

Yarra City Council welcomes questions from members of the community.

Registration

To ask a question, you will need to register and provide your question by 6.30pm on the day before the meeting. Late registrations cannot be accepted, and you will be unable to address the meeting without registration.

Asking your question

During Question Time, the Mayor will invite everyone who has registered to ask their question. When your turn comes, come forward to the microphone and:

- state your name;
- direct your question to the Mayor;
- don't raise operational matters that have not been previously raised with the organisation;
- don't ask questions about matter listed on tonight's agenda
- don't engage in debate;
- if speaking on behalf of a group, explain the nature of the group and how you are able to speak on their behalf.

You will be provided a maximum of three minutes to ask your question, but do not need to use all of this time.

Comments not allowed

When you are addressing the meeting, don't ask a question or make comments which:

- relate to a matter that is being considered by Council at this meeting;
- relate to something outside the powers of the Council;
- are defamatory, indecent, abusive, offensive, irrelevant, trivial or objectionable;
- deal with a subject matter already answered;
- are aimed at embarrassing a Councillor or a member of Council staff;
- include or relate to confidential information; or
- relate to something that is subject to legal proceedings.

Addressing the Council

An opportunity exists to make your views known about a matter that is listed on the agenda for this meeting by addressing the Council directly before a decision is made.

Registration

To ask address Council, you will need to register by 6.30pm on the day before the meeting. Late registrations cannot be accepted, and you will be unable to address the meeting without registration.

Addressing the Council

Before each item is considered by the Council, the Mayor will invite everyone who has registered in relation to that item to address the Council. When your turn comes, come forward to the microphone and:

- state your name;
- direct your statement to the Mayor;
- confine your submission to the subject being considered;
- avoid repeating previous submitters;
- don't ask questions or seek comments from Councillors or others; and
- if speaking on behalf of a group, explain the nature of the group and how you are able to speak on their behalf.

You will be provided a maximum of three minutes to speak, but do not need to use all of this time.

Comments not allowed

When you are addressing the meeting, don't make any comments which:

- relate to something other than the matter being considered by the Council;
- are defamatory, indecent, abusive, offensive, irrelevant, trivial or objectionable;
- are aimed at embarrassing a Councillor or a member of Council staff;
- include or relate to confidential information; or
- relate to something that is subject to legal proceedings.

Arrangements to ensure our meetings are accessible to the public

Council meetings are held on the first floor at Richmond Town Hall. Access to the building is available either by the stairs, or via a ramp and lift. Seating is provided to watch the meeting, and the room is wheelchair accessible. Accessible toilet facilities are available. Speakers at the meeting are invited to stand at a lectern to address the Council, and all participants are amplified via an audio system. Meetings are conducted in English.

If you are unable to participate in this environment, we can make arrangements to accommodate you if sufficient notice is given. Some examples of adjustments are:

- a translator in your language
- the presence of an Auslan interpreter
- loan of a portable hearing loop
- reconfiguring the room to facilitate access
- modification of meeting rules to allow you to participate more easily.

Recording and Publication of Meetings

A recording is made of all public Council Meetings and then published on Council's website. By participating in proceedings (including during Question Time or in making a submission regarding an item before Council), you agree to this publication. You should be aware that any private information volunteered by you during your participation in a meeting is subject to recording and publication.

Order of business

1. **Acknowledgement of Country**
2. **Attendance, apologies and requests for leave of absence**
3. **Announcements**
4. **Declarations of conflict of interest**
5. **Confirmation of minutes**
6. **Question time**
7. **Council business reports**
8. **Notices of motion**
9. **Petitions and joint letters**
10. **Questions without notice**
11. **Delegates' reports**
12. **General business**
13. **Urgent business**
14. **Confidential business reports**

1. Acknowledgment of Country

“Yarra City Council acknowledges the Wurundjeri Woi Wurrung people as the Traditional Owners and true sovereigns of the land now known as Yarra.

We acknowledge their creator spirit Bunjil, their ancestors and their Elders.

We acknowledge the strength and resilience of the Wurundjeri Woi Wurrung, who have never ceded sovereignty and retain their strong connections to family, clan and country despite the impacts of European invasion.

We also acknowledge the significant contributions made by other Aboriginal and Torres Strait Islander people to life in Yarra.

We pay our respects to Elders from all nations here today—and to their Elders past, present and future.”

2. Attendance, apologies and requests for leave of absence

Attendance

Councillors

- Cr Claudia Nguyen Mayor
- Cr Edward Crossland Deputy Mayor
- Cr Michael Glynatsis Councillor
- Cr Stephen Jolly Councillor
- Cr Herschel Landes Councillor
- Cr Anab Mohamud Councillor
- Cr Bridgid O’Brien Councillor
- Cr Amanda Stone Councillor
- Cr Sophie Wade Councillor

Council staff

Chief Executive Officer

- Kerry McGrath Chief Executive Officer (Acting)

General Managers

- Brooke Colbert Governance, Communications and Customer Experience
- Sam Hewett Infrastructure and Environment
- Malcolm McCall Community Strengthening (Acting)
- Mary Osman City Sustainability and Strategy
- Jenny Scicluna Corporate Services and Transformation

Governance

- Phil De Losa Manager Governance and Integrity
- Rhys Thomas Senior Governance Advisor
- Mel Nikou Governance Officer

3. Announcements

An opportunity is provided for the Mayor to make any necessary announcements.

4. Declarations of conflict of interest

Any Councillor who has a conflict of interest in a matter being considered at this meeting is required to disclose that interest either by explaining the nature of the conflict of interest to those present or advising that they have disclosed the nature of the interest in writing to the Chief Executive Officer before the meeting commenced.

5. Confirmation of minutes

RECOMMENDATION

That the minutes of the Council Meeting held on Tuesday 15 August 2023 be confirmed.

6. Question time

An opportunity is provided for questions from members of the public.

7. Council business reports

Item		Page	Rec. Page	Report Presenter
7.1	Revised Cremorne Urban Design Framework and Proposed Interim and Permanent Planning Provisions	9	38	Leonie Kirkwood – Community Infrastructure Planner
7.2	Amendment C286yara - Open Space Contributions	41	47	Leonie Kirkwood – Community Infrastructure Planner
7.3	Transport Action Plan - Exhibition Draft	48	51	Simon Exon – Unit Manager Strategic Transport
7.4	Electrical Line Clearance Advocacy	53	56	Brett Grambau – Manager City Works
7.5	Proposed Food Organics & Garden Organics kerbside rollout	57	65	Lisa Coffa – Senior Advisor Waste Minimisation
7.6	Richmond Youth Hub evaluation report and funding advocacy	66	71	Malcolm Foard – Acting GM Community Strengthening
7.7	Governance Report - September 2023	72	75	Rhys Thomas – Senior Governance Advisor
7.8	2022/23 Annual Plan Report - June 2023	76	82	Wei Chen - Chief Financial Officer
7.9	2022/2023 Annual Financial Statements and Performance Statement Adoption in Principle	83	87	Wei Chen - Chief Financial Officer
7.10	Draft Financial Sustainability Strategy	88	93	Jenny Scicluna – GM Corporate Services and Transformation
7.11	Microsoft Licensing Enterprise Agreement Renewal - 2023-2026	94	97	Jonathan Merriweather - Technology Services Lead

8. Notices of motion

Item		Page	Rec. Page	Report Presenter
8.1	Notice of Motion No. 4 of 2023 - E-scooters in Yarra	98	100	Herschel Landes - Councillor
8.2	Notice of Motion No. 5 of 2023 - Developer contact and gift disclosure	101	101	Sophie Wade - Councillor

9. Petitions and joint letters

An opportunity exists for any Councillor to table a petition or joint letter for Council's consideration.

10. Questions without notice

An opportunity is provided for Councillors to ask questions of the Mayor or Chief Executive Officer.

11. Delegate's reports

An opportunity is provided for Councillors to table or present a Delegate's Report.

12. General business

An opportunity is provided for Councillors to raise items of General Business for Council's consideration.

13. Urgent business

An opportunity is provided for the Chief Executive Officer to introduce items of Urgent Business.

14. Confidential business reports

Nil

7.1 Revised Cremorne Urban Design Framework and Proposed Interim and Permanent Planning Provisions

Executive Summary

Purpose

The purpose of this report is for Council to consider the feedback received on the draft Cremorne Urban Design Framework (UDF), responses to the feedback and a revised UDF.

The recommendation is that Council request the Minister for Planning to approve interim built form provisions via a Ministerial amendment and request consent to formally exhibit permanent planning provisions, including policy changes, built form controls and parking overlay, to start the planning scheme amendment process.

A further round of consultation is proposed to finalise the UDF and exhibit the proposed permanent planning provisions. The report also outlines the process to engage with the community on the revised Cremorne Urban Design Framework and the proposed planning provisions.

Key Issues

Cremorne is identified as an 'enterprise precinct' – a key location for employment and has emerged as Australia's premier destination for tech, digital and creative businesses. It also includes residential neighbourhoods and mixed use precincts.

It is experiencing development pressure due to its good access to Melbourne CBD, proximity to public transport and other employment and activity centres.

The draft Cremorne Urban Design Framework (UDF) was prepared to provide a strategic framework for Cremorne. It identifies improvements to its streets, public spaces and transport connections and provides the strategic basis for future advocacy work, capital works bids and new planning provisions in the Yarra Planning Scheme to guide better development outcomes.

The draft UDF was the subject of community engagement in November – December 2022.

Officers have reviewed the findings of the engagement and undertaken additional work in response to feedback from the community.

A revised UDF and a suite of proposed planning controls have now been prepared.

The new planning provisions seek to manage the scale and design of developments and provide clarity and certainty for Council, landowners and the community. The new planning provisions aim to balance accommodating employment growth with protecting the precinct's valued character and heritage fabric and minimising amenity impacts.

There is strong community interest in finalising and implementing the UDF and progressing planning provisions.

Financial Implications

\$20,000 is required this financial year for exhibition / notification of the planning scheme amendment and consult on if consent to exhibit/notify the amendment is obtained from the Department of Transport and Planning (DTP). \$4,128 would be required to request a Ministerial amendment to apply interim controls. These are budgeted for in Strategic Planning's 2023/24 budget.

PROPOSAL

In summary, that Council:

- (a) Considers community feedback on the draft Cremorne Urban Design Framework;

- (b) Endorses the revised version of the UDF for further consultation, the consultation to take place at the same time as the exhibition of the draft planning scheme amendment;
- (c) Requests the Minister for Planning approve a Ministerial amendment, Amendment C317yara, to apply interim built form controls to Commercial 2 zoned land in Cremorne while permanent planning provisions are progressed; and
- (d) Seeks consent from the Minister for Planning to prepare and notify Draft Amendment C318 – which implements permanent planning provisions for Cremorne.

7.1 Revised Cremorne Urban Design Framework and Proposed Interim and Permanent Planning Provisions

Reference	D23/322623
Author	Leonie Kirkwood - Project and Planning Coordinator
Authoriser	General Manager City Sustainability and Strategy
Disclosure	The authoriser, having made enquiries with members of staff involved in the preparation of this report, asserts that they are not aware of any general or material conflicts of interest in relation to the matters presented.

Purpose

1. The purpose of this report is to:
 - (a) Consider the feedback received on the *Draft Cremorne Urban Design Framework* (UDF) in November - December 2022;
 - (b) Consider the revised version of the Cremorne Urban Design Framework and proposed interim and permanent planning provisions for Cremorne;
 - (c) Request to the Minister for Planning approve interim built form controls while the permanent provisions are progressed and seek consent to exhibit permanent planning provisions (including policy changes, built form controls and parking overlay); and
 - (d) Outline the next steps in the process to progress the planning controls and the Cremorne Urban Design Framework.

Critical analysis

History and background

2. Council endorsed the *Draft Cremorne Urban Design Framework* for consultation on 25 October 2022.
3. The draft UDF, an action of the *Cremorne Place Implementation Plan 2020* (CPIP), provides detailed directions for the future of Cremorne to meet the changing needs of residents, businesses and visitors. It details how Cremorne's precincts might look and feel in the future.
4. It includes:
 - (a) Ten Key Moves - the key directions of the draft Cremorne UDF and outline some of the 'big ideas';
 - (b) objectives and actions for each of the five themes:
 - (i) Theme 1: A place to create, innovate and live;
 - (ii) Theme 2: A leading sustainable and climate resilient precinct;
 - (iii) Theme 3: Connected and accessible Cremorne;
 - (iv) Theme 4: Spaces for people;
 - (v) Theme 5: Quality design that builds on Cremorne's precinct identity;
 - (c) vision statement and design objectives for three commercial precincts and the strategic sites; and
 - (d) an overview of the next steps required to implement the UDF.
5. The draft UDF was informed by four background studies:
 - (a) *Cremorne Built Form Review and Recommendations* (Hodyl & Co, May 2022) (**Attachment 1**);

- (b) *Heritage Review and Recommendations – Cremorne Enterprise Precinct* (Trethowan, October 2021) (**Attachment 2**);
 - (c) *Cremorne Streets and Movement Strategy* (Martyn Group & Hansen Partnerships, June 2020) (**Attachment 3**); and
 - (d) *Parking Controls Review – Cremorne Enterprise Precinct* (Traffix Group, July 2020) (**Attachment 4**).
6. Engagement on the draft UDF was undertaken from 7 November to 12 December 2022.
7. ChatterBox Projects was engaged to assist with the design and delivery of the engagement process.
8. The overall reach of communications was extensive with information reaching approximately 32,000 people. This includes formal letters, web page hits, social media interactions and Council e-newsletter recipients. Noting some people may have interacted with more than one method of communication channel.
9. Engagement activities included an online survey, three pop-ups within Cremorne, workshops and meetings with groups and individuals.
10. Highlights included:
- (a) Engagement activities were effective in seeking feedback with written feedback from 182 participants (144 survey responses and 38 written submissions);
 - (b) Over 100 people attended the pop-ups; and
 - (c) 17 meetings were held with residents, community groups, advisory groups, businesses and state government agencies.
11. A high level summary of the engagement is at **Attachment 5** – Community Engagement Report. The *Draft Cremorne UDF - Consultation Findings Report* (ChatterBox Projects) at **Attachment 6** summarises key findings from the survey, written submissions and pop-ups.

[Discussion](#)

Summary of consultation

12. The key findings from the engagement were:
- (a) General support for the UDF and its objectives and actions, as well as different views on different aspects;
 - (b) Views differed depending on whether feedback was from a resident/ business owner/ commercial landowner/ developer:
 - (i) A high proportion of local residents filled in surveys – approximately 63%; and
 - (ii) Development interests mainly responded via written submissions;
 - (c) Residents were concerned with the commercial / business focus of the UDF;
 - (d) There was strong support for the 10 Key Moves, particularly retaining residential neighbourhoods and reconnecting Cremorne with the Yarra River and surrounding network of open spaces;
 - (e) Support for the objective to make Cremorne an exemplary sustainable precinct;
 - (f) Support for creating more green space and plantings but also including a range of public spaces;
 - (g) Mixed views on transport and accessibility:
 - (i) A desire for more pedestrian and cycling friendly transport options and improving existing footpaths to accommodate all users;
 - (ii) Support improvements and access to public transport; and

- (iii) Some support and some concern around the street network changes – impacts including rat running, traffic congestion and delays and loss of on-street parking; and
- (h) Differing views around built form controls:
 - (i) Residents supported lower heights. Developers sought higher heights on specific sites; and
 - (ii) Protection of heritage and residential amenity were strong concerns.

Response to feedback and proposed updates to the UDF

13. Detailed responses to the feedback are provided in two attachments:
 - (a) Community Feedback – Response to Key Issues (**Attachment 7**) – provides a summary of the key issues raised in the feedback (structured by theme and topic), a response to the key issues and recommended changes to the UDF; and
 - (b) Community Feedback – Response to Written Submissions (**Attachment 8**) – provides a detailed summary of individual written submissions.
14. The survey responses, written submissions, verbal comments received at the pop-ups and comments from meeting notes have been considered in responding to the feedback.
15. The majority of issues identified in the individual submissions are addressed in the Key Issues summary at Attachment 7. However, where an issue is very specific or has not been responded to in a key issue, a response and any recommended changes are provided in Attachment 8.
16. The revised version of the draft Cremorne Urban Design Framework (**Attachment 9**) has been prepared. It includes changes in response to the feedback.

Theme 1: A place to create, innovate and live

17. There were relatively few comments received in regards to this aspect of the draft UDF.
18. The survey found that maintaining the residential character was the most important component of this theme, with supporting employment uses being the second most important. This correlates with the high number of Cremorne residents who filled out the survey compared to workers.
19. Key issues raised in the feedback, written submissions and meetings and the officer responses are outlined below.

Table 1 – Summary of feedback and officer responses – Land use

Key issues raised	Officer response
<p>Focus on commercial development</p> <p>Residents are concerned there is too much focus on commercial development in the UDF.</p> <p>Stressed the need to retain Cremorne’s unique neighbourhoods.</p>	<p>Change proposed – Action included to continue to retain the character of residential precincts.</p> <p>Cremorne is identified as an enterprise precinct in State and local policy. This is reflected in Cremorne’s zoning where most of the land is zoned for commercial uses only.</p> <p>The draft UDF acknowledges Cremorne’s position as a global innovation precinct which includes a variety of land uses. The UDF seeks to ensure that Cremorne continues to operate and thrive as a key commercial hub.</p> <p>The draft UDF does not propose to apply new planning provisions to the residential precincts - Wellington Street Precinct, Cremorne Precinct and Green Street Precinct. These areas are predominantly covered by a Heritage Overlay. There are sufficient planning provisions in place to guide development in these areas. However, an action addressing the residential precincts that was accidentally omitted in the draft UDF will be added.</p>

Key issues raised	Officer response
	<p>The purpose of the draft UDF is to guide the growth, development, and character of the commercial precinct of Cremorne. The draft UDF also considers the impacts of development on its residential precincts. This will help ensure the area meets the need of Cremorne’s growing population while remaining an attractive and vibrant area to live and work in.</p> <p>While there is a focus in the draft UDF on the commercial areas of Cremorne, actions in the UDF to provide greater open space, public realm improvements and improved walking and cycling connections, benefit both businesses and residents.</p>
<p>Impacts of COVID</p> <p>The impacts of COVID were also highlighted as concerns. Issues included increased rents and loss of small businesses.</p> <p>Other feedback questioned the need for office space due to trends for working from home.</p>	<p>No change proposed.</p> <p>The role of the office has changed since the beginning of the COVID-19 pandemic began in 2020. While working from home has become a part of the contemporary working environment, the office still plays an important role for collaboration. There is a strong demand for new office space, especially in city fringe areas such as Cremorne. New office space is being constructed to reflect modern commercial demands.</p> <p>Increasingly there is a demand for office space with high sustainable credentials. It is typically easier for new development to meet these new demands over older commercial spaces in the CBD. This is placing further demand for new office spaces in places like Cremorne.</p>
<p>Affordable and diverse workspaces</p> <p>Concerns that increased commercial development will drive out smaller businesses.</p> <p>Affordability was key to the area’s early success.</p>	<p>Minor change proposed.</p> <p>Council’s ability to directly facilitate affordable workspaces is limited. However, planning policy encourages them.</p> <p>The draft UDF identifies Council’s role as largely as an advocate for affordable workspaces.</p> <p>The Theme 1 and the <i>Cremorne Place Implementation Plan (CPIP)</i> include a series of actions which require action and support from the State Government.</p> <p>However, encouraging the provision of affordable workspaces is included in the proposed planning policy for Cremorne.</p>
<p>Changes to zoning</p> <p>A few comments suggested rezoning some of the commercial land to residential.</p> <p>One submitter wished to be able to live and work in their property (residential is prohibited in the Commercial 2 Zone).</p> <p>Others suggested it enliven the precinct after office hours and supports a wider range of activities including more night-time uses.</p>	<p>No change proposed.</p> <p>The draft UDF supports the retention of Commercial 2 Zone (C2Z) (which prohibits new residential development). The C2Z has been integral to Cremorne’s success by providing certainty for business growth and investment.</p> <p>Rezoning land in Cremorne from commercial to a commercial zone that permitted residential uses was considered and dismissed by Council in 2009 through Planning Scheme Amendment C97yara.</p> <p>This amendment was abandoned as it was determined that the future focus of the precinct should be on retaining business and employment growth. Other concerns about residential uses included impacts on the ability of businesses to operate, increased traffic generation, limited community facilities and potential contamination.</p> <p>Since Amendment C97yara, both state and local policy has continued to elevate the importance of Cremorne as a commercial area of regional importance.</p> <p>Further consideration of rezoning of Cremorne is not supported by officers or state, regional and local planning policy. The retention of commercial land is considered essential.</p>

Theme 2 – A leading sustainable and climate resilient precinct

20. The feedback supported the objective to make Cremorne an exemplary sustainable precinct.

21. The survey found the two stand-out actions were to provide more trees and encourage green roofs, walls and facades.
22. Key issues raised in the feedback, written submissions and meetings and the officer responses are outlined below.

Table 2 – Summary of feedback and officer responses – Environmentally sustainable development

Key issues raised	Officer response
<p>Net zero carbon emissions and greening buildings</p> <p>Commercial landowners are concerned with mandating net zero carbon emissions. It is onerous on property owners, could limit development in the area and fails to acknowledge the existing sustainability leadership of developers.</p> <p>Include performance criteria in planning controls that allows development to exceed built form parameters where ESD targets are met.</p> <p>Place greater emphasis on optimising passive design of buildings.</p>	<p>Minor change proposed – clarification of changes to the planning scheme in relation to zero carbon development.</p> <p>Yarra Council declared a climate emergency across the whole municipality releasing the <i>Yarra Climate Emergency Plan</i> in 2020. Part of the delivery of this plan is to introduce zero carbon standards for new commercial and residential developments.</p> <p>Cremorne presents an opportunity to be an ambitious, leading climate resilient precinct as it grows and evolves.</p> <p>The early integration of zero-carbon elements into the design of a building reduces the emissions of a commercial building, long term.</p> <p>Yarra together with the Council Alliance for a Sustainable Built Environment (CASBE) and 24 other Victorian Councils have prepared a planning scheme amendment that includes requirements for low to zero carbon developments. Amendment C309yara, a municipality wide amendment, is currently awaiting authorisation from the Minister for Planning to exhibit.</p> <p>Action 2.1.1 has been updated to clarify the zero carbon amendment is municipality wide and part of the Elevating Environmental Standards planning scheme amendment.</p> <p>See Theme 5 – Building heights for proposed criteria that applies where proposals exceed preferred heights.</p>
<p>Greening streets (urban forest) and buildings</p> <p>Residents believe the greening policy should be stronger.</p> <p>New development should maximise green cover by incorporating understorey and canopy planting to maximise cooling.</p> <p>Suggestions to expand tree and garden plantings.</p>	<p>No change proposed.</p> <p>The draft UDF includes actions around greening the public realm and increasing street tree planting to increase Yarra’s canopy. Themes 3 and 4 of the UDF identify a range of streets and locations in Cremorne for public realm improvements, including plantings.</p> <p>Yarra’s <i>Urban Forest Strategy (2017)</i> guides the planting and management of tree, plants and grasses in Yarra. Greening streets is a high priority in mitigating the urban heat island across the whole municipality.</p> <p>During the past six years, Council has undertaken substantial tree planting in Cremorne. Some additional streets are on hold due to nearby construction sites and access requirements for large vehicles.</p> <p>The UDF seeks to encourage new developments to include green infrastructure (such as green roof, walls and facades) through the use of the Green Factor Tool. Proposed Amendment C309yara includes the Green Factor Tool and requires the delivery of green infrastructure. The proposed built form provisions (Design and Development Overlays) for Cremorne also include a requirement for greening.</p>
<p>Local food production</p> <p>Land should be donated to create a community garden centre to store water and grow vegetables.</p> <p>See also Community Gardens in Theme 4.</p>	<p>No change proposed.</p> <p>Yarra’s <i>Urban Agriculture Strategy 2019-2023</i> aims to ‘<i>facilitate access to space for people to grow and recycle food</i>’.</p> <p>The proposed ESD amendment – C309yara also includes a provision to encourage on site food production in new developments.</p> <p>See also the response in Theme 4 on community gardens.</p>
<p>Impacts on biodiversity</p> <p>The bright lights associated with new and existing buildings near the Birrarung (Yarra River) are impacting the life of nocturnal animals.</p>	<p>No change proposed.</p> <p>No additional provisions are considered necessary.</p> <p>The impacts of lighting are taken into account where development is affected by the Design and Development Overlay 1 (DDO1) – Yarra (Birrarung) River Corridor, which applies to sites along the Yarra River.</p>

Key issues raised	Officer response
	The <i>Yarra Open Space Strategy</i> (Technical Report) includes 'Guidelines for provision of lighting in open space' which includes guidelines to minimise the impact on native flora and fauna.

Theme 3: Connected and accessible Cremorne

23. A large proportion of the feedback received on the draft UDF focussed on Theme 3 and transport. There was support for active and public transport but mixed views on street network changes – some support and some concern.
24. As this aspect of the draft UDF received a considerable amount of feedback with a range of conflicting views, following the consultation officers engaged Stantec (transport consultants) to undertake a review of the draft UDF from a transport perspective.
25. The *Cremorne Urban Design Framework - Transport Review* (Stantec Australia, August 2023) (**Attachment 10**) outlines a series of short to long term interventions prepared in line with the transport mode hierarchy in Yarra's *Transport Strategy 2022- 2032* placing emphasis on walking and cycling over car-based travel.
26. This review has informed updates to Theme 3.
27. Key issues raised in the feedback, written submissions and meetings and the officer's responses are outlined below.

Table 3 – Summary of feedback and officer responses – Transport

Key issues raised	Officer response
<p>Street network</p> <p>Mixed views on street network changes – some support and some concern.</p> <p>Street changes and closures will impact on residents, visitors and businesses through increased rat running, traffic congestion and delays.</p> <p>Suggestions to adopt other traffic management methods such as tolls, rather than street closures and network changes.</p>	<p>Change proposed – A revised Future Movement Network, street sections and updated Hotspot designs</p> <p>The growth of the precinct will present significant challenges on the adjacent road and public transport networks. There is a need to identify longer-term vision to integrate the precinct with surrounding areas and networks.</p> <p>The Transport Review provided further analysis of proposed changes to the street network in the draft UDF.</p> <p>A Future Movement Network has been developed using elements of feedback received from the community in conjunction with professional expertise.</p> <p>It is based on a series of transport changes that can be delivered over time. These changes place an emphasis on walking and cycling – making Cremorne easy to get around by walking, wheeling, cycling or on micromobility devices while reducing through traffic.</p> <p>The Future Transport Network proposes the following:</p> <ul style="list-style-type: none"> • Retains the five hotspot intersections as priority redesign, though there are changes to these designs in response to feedback. This still includes a signalised intersection at Kelso Street and Punt Road. • Separated bikeways along Cremorne Street, Balmain Street and Kelso Street. • Reallocates one direction of traffic in the Balmain Street and Dunn Street underpasses to create spaces for people walking and cycling. • Changes to sections of the following streets to one-way to create a loop in Cremorne: <ul style="list-style-type: none"> - Cremorne Street – one way southbound (to Balmain Street) - Balmain Street - one way eastbound (west of Green Street) - Kelso Street – one way westbound - Gough Street – one way eastbound • Enhancing Cremorne, Kelso, Balmain, Stephenson and Church Streets as pedestrian routes. • Applying blanket 30kph speed limits on all streets.

Key issues raised	Officer response
	<ul style="list-style-type: none"> Identifying pedestrian priority and local residential streets where pedestrians and bikes will share the road with low speed traffic. Reallocating some on-street car parking in strategic locations to give priority to cycle routes, improve street amenity or provide local traffic access. <p>These changes would not occur immediately or all at once. In the short term, the focus will be reducing traffic travelling east to west through Cremorne. Changes such as pinch points and other traffic calming measures could be rolled out in the short term. Trials, pop-ups and pilots will also be undertaken to test proposals. The Future Network Plan and proposed changes to the street network will form a key focus of future consultation.</p>
<p>Active transport – Walking and cycling</p> <p>A desire for more pedestrian and cycling friendly transport options and improving infrastructure to support this.</p> <p>Both pedestrian and cyclist safety was raised as a concern.</p> <p>Improve existing footpaths to accommodate all users.</p> <p>Suggestions for shared streets.</p> <p>Some opposition to improving or encouraging active transport – not convenient for families, not enough cyclists to warrant the changes.</p> <p>Various suggestions to improve cycle routes.</p>	<p>Change proposed – reorder Objectives 3.2 and 3.3 and ensure Cremorne’s streets access for all abilities</p> <p>The Transport Review suggested reordering the objectives in the UDF to reflect the transport hierarchy in Council’s Transport Strategy by renumbering and relocating Objective 3.3 – Deliver a safe and attractive cycling and pedestrian network which connects strategic corridors, major trails and key destinations to Objective 3.2.</p> <p>Pedestrian priority streets are identified in the updated Streets Network Plan. They would form a network of safe streets throughout the commercial areas of Cremorne where people who are walking, cycling and scooting share the street with people driving. Over time, streets would be redesigned to remove kerbs and include tree planting and other amenities.</p>
<p>Public transport</p> <p>Many of the respondents acknowledged the importance of public transport in getting to Cremorne.</p> <p>Improvements are needed to encourage people to use public transport - particularly employees who work in Cremorne:</p> <ul style="list-style-type: none"> Increase frequency of public transport. Support revitalising stations to encourage the use of public transport. Reopen the former Cremorne Railway Station. 	<p>No change proposed.</p> <p>The provision of public transport is the responsibility of the State Government and relevant State Agencies.</p> <p>The draft UDF acknowledges Council’s important role in advocating for change and includes a wide range of actions that identify improvements to the public transport network and improving access to it:</p> <ul style="list-style-type: none"> Increased frequency and reliability of services Improved connections to the South Yarra Station via an improved pedestrian and cycle bridge link New public spaces around the Richmond and East Richmond Stations and tram stops Accessible tram stops on Church Street. <p>Reopening the Cremorne Station is not supported. An additional station within the relatively short distance between the Richmond and South Yarra Station would slow speeds and impact service delivery. The infrastructure for the station no longer exists.</p> <p>Action 3.2.4 has been updated to identify the need to work with Department Transport and Planning, VicTrack and the City of Stonnington to improve the existing link to South Yarra.</p>
<p>Off-street parking</p> <p>Support for reduced rates that would potentially reduce traffic but concerns about impacts on on-street parking.</p> <p>Other suggestions included requiring all parking to be provided on-site, charging a financial levy for each parking space that is provided, target businesses to reduce car dependence and provide central car parking facilities for the precinct.</p>	<p>Changes proposed – Increased bike parking requirements.</p> <p><u>Car parking</u></p> <p>The draft UDF proposes to introduce car parking maximum rates for retail and office uses to promote more sustainable modes of transport. This will be applied through the application of a Parking Overlay.</p> <p>Green travel plans are required as part of planning permit process for new developments. Green travel plans provide a suite of initiatives and services to encourage travel mode behaviour change and to promote the use of sustainable transport in preference to single occupant car trips.</p>

Key issues raised	Officer response
	<p>Central car parking facilities are generally not supported as they encourage car use.</p> <p>The impacts of changes to the off-street parking rates on on-street parking will be monitored.</p> <p><u>Bike parking</u></p> <p>The Transport Review identified a gap in the UDF for bike parking rates. It recommended increased minimum bicycle parking and end-of-trip facilities are applied.</p> <p>The UDF has been updated to reference rates above those required in the planning scheme.</p>
<p>On-street parking</p> <p>Some concerns about the impact of the loss of on-street car parking on residents, visitors and employees.</p> <p>Others support removal to improve pedestrian and bicycle options – widening footpaths, new bike lanes.</p> <p>Suggestions were made to discourage driving into Cremorne, including more timed and metered parking, permit-only areas for residents and metered parking. Other suggestions include basement/precinct car parks.</p>	<p>Change proposed – a revised Future Movement Network, street sections and updated Hotspot designs.</p> <p>Reprioritising Cremorne's transport network to accommodate walking and cycling trips to connect it to the external transport network more effectively, requires the road space reallocation towards walking and cycling at a precinct level.</p> <p>The updated hotspot designs and street sections identify some potential changes to on-street parking, replacing parking with improved walking and cycling facilities, tree planting and other public realm improvements. However, these concepts will require further investigation and consultation. Consultation in line with Council's community engagement policies and strategies will occur with the community on any changes.</p> <p>The provision of parking spaces for people with disabilities will be monitored if on-street parking is reduced in specific locations.</p> <p>Providing on-street loading zones for the servicing of businesses will also need to be provided for and managed in Cremorne. New developments should provide on-site loading facilities, where possible.</p> <p>On-street car share provision will continue to be provided in accordance with the City of Yarra Car Share Policy.</p> <p>Council is about to begin a parking strategy for the whole municipality. This will create a municipality-wide approach to managing car parking in Yarra.</p>
<p>Hotspots - General</p> <p>Mixed views on the proposed hotspot designs. Many elements were supported, however, some aspects were not.</p>	<p>Changes proposed.</p> <p>Five 'hotspots' are identified in Cremorne. These locations experience the highest intensity of competing demands for on-road space, connect Cremorne to the surrounding road network and provide access to regional public transport. They play an important role in shaping access to and within Cremorne.</p> <p>The Transport Review (by Stantec) reviewed the hotspots with 'fresh eyes'. Their review recommended some changes to the hotspots to tie-in with the changes to the movement network.</p> <p>Three of the five hotspots are located on arterial roads (i.e. Swan Street, Church Street and Punt Road) and will have significant implications on the functioning of these arterial roads.</p> <p>The changes to arterial roads will require Department of Transport and Planning approval and Yarra Trams support. These changes will require additional modelling and options testing. Some interventions on local streets will also require approval from the Department of Transport and Planning.</p> <p>Consultation in line with Council's community engagement policies and strategies will occur with the community on any changes.</p>
<p>Hotspot 1 – Kelso Street and Punt Road Intersection</p> <p>General support for a pedestrian and bike crossing of Punt Road.</p> <p>Comments mainly focused on the impacts of limiting traffic access to Kelso Street and parking impacts.</p> <p>Concerns about support from the Department of Transport and Planning.</p>	<p>Changes proposed.</p> <p>Changes to the street network will reduce traffic movements through Cremorne including the number of vehicles entering and exiting the precinct.</p> <p>The key benefit of the signalisation of Kelso Street and Punt Road is that it relocates traffic exiting the precinct away from the Swan Street/Cremorne Street intersection.</p> <p>It also enables reprioritisation of road space elsewhere e.g. in Cremorne Street.</p>

Key issues raised	Officer response
	<p>Additionally, it elevates cycling to and from the precinct and creates greater walking and cycling connectivity.</p> <p>The key changes to the hotspot concept design are:</p> <ul style="list-style-type: none"> • A shared user path on the western side of Punt Road. • A priority crossing of the CityLink off-ramp to connect the path network along the west side of Punt Road.
<p>Hotspot 2 – Cremorne Street and Kelso Street Intersection</p> <p>Concern from local residents about potential negative impacts including increased rat running in smaller streets and lack of access.</p> <p>Concerns about the closure of the entrance to CityLink.</p>	<p>Changes proposed.</p> <p>The modal filter (closure of Cremorne Street to cars) proposed in the draft UDF has been deleted. The Transport Review considered the filter is not necessary and potentially creates other unintended issues e.g. it cuts off use of the proposed Kelso Street signals for a significant proportion of the precinct, undermining its purpose.</p> <p>Other alternatives to reduce through-traffic such as a local narrowing and "give-way to oncoming traffic" (also known as pinch points) will be considered for Cremorne Street in the short term.</p> <p>The closure of the entrance to CityLink is not proposed in the UDF.</p> <p>The key changes to the hotspot concept design are:</p> <ul style="list-style-type: none"> • Deletion of the modal filter (closure of Cremorne Street) • Extending the raised table at the intersection to provide for zebra crossings.
<p>Hotspot 3 – Cremorne Street and Swan Street Intersection</p> <p>Received the most survey feedback. Generally supported the need for pedestrian priority (e.g. via a scramble crossing) and more public space in this area.</p> <p>Some operational concerns around trams.</p>	<p>Changes proposed.</p> <p>Changes to the intersection were strongly supported to address the high volumes of pedestrians moving between Richmond Station and Cremorne Street. Updates to the intersection also provide an opportunity to address access issues and changes in the footpath levels.</p> <p>Care must also be taken to avoid negatively impacting tram journey times.</p> <p>Council would continue to advocate to State Government to create enhanced public spaces on government land.</p> <p>The key changes to the hotspot concept design are:</p> <ul style="list-style-type: none"> • Widening and realigning pedestrian crossings to all legs of the intersection. A scramble crossing is one option that could be considered. • Reducing Cremorne Street to one vehicle lane exiting to Swan Street. A long term option is to change the road to one lane of traffic southbound. • Providing better cycling facilities at the intersection. • Inclusion of a new pedestrian and cycling link under the elevated railway line to provide links to the north. <p>Further plans would be developed to incorporate a two-way bikeway on Cremorne Street, long term.</p>
<p>Hotspot 4 – Balmain Street Plaza (west of the underpass)</p> <p>Recognised as having a speeding and pedestrian safety issues.</p> <p>Support for improving the pedestrianisation of this area.</p> <p>Residents raised concerns about trucks in Gwynne and Munro Streets accessing the Rosella site.</p>	<p>Changes proposed.</p> <p>Traffic volumes and vehicle speeds are high through the Balmain Plaza. The underpass is unattractive, unsafe and discourages active travel movement.</p> <p>Changes are proposed to reduce traffic use and deal with the barrier caused by the underpass.</p> <p>The key changes to the hotspot concept design are:</p> <ul style="list-style-type: none"> • Narrow the roadway to 5.5m opposite Cherry Tree Hotel and remove centreline. • In the longer term, close one side of the underpass to eastbound traffic. Reallocate space to walking and cycling. • Enable a true shared space in the heart of the plaza by requiring all westbound traffic to turn into Stephenson Street.
<p>Hotspot 5 – Balmain Street and Church Street Intersection</p> <p>Concerns about making Cotter Street one way and removal of car parking.</p>	<p>Changes proposed.</p> <p>The proposed hotspot design provides benefits for cyclists, pedestrians and tram users. It will require reallocation of parking to</p>

Key issues raised	Officer response
Support for streetscape improvements to Church Street. Some operational concerns around trams.	<p>provide for bikes.</p> <p>Council is working on changes to the intersection of Church, Balmain and Cotter Streets in Cremorne to improve walking and cycling safety and accessibility.</p> <p>The key changes to the hotspot concept design are:</p> <ul style="list-style-type: none"> • Changes focused on delivering DDA-compliant tram stops and better bicycle facilities on all approach roads. • Further plans can be developed for the long-term potential of incorporating a two-way bikeway.

Theme 4: Spaces for people

28. Feedback was generally supportive of the direction for public spaces in the draft UDF, with other additional locations suggested.
29. In the survey, the top actions selected as most important were: improving connections to the river and surrounding open spaces; pursuing new open space opportunities on government and private land; and creating streets that are more friendly for pedestrians and cyclists.
30. Key issues raised in the feedback, written submissions and meetings and the officer's responses are outlined below.

Table 4 – Summary of feedback and officer responses – Open space

Key issues raised	Officer response
<p>Open space development</p> <p>General support for the proposals in the UDF.</p> <p>Suggested a range of open space formats – not just parks and playgrounds, including:</p> <ul style="list-style-type: none"> • a floating park on the Yarra River (Birrarung) • a wetland at Lake Billabong • community gardens • large open spaces rather than public plazas. 	<p>Change proposed - Working with Traditional owners to recognise the presence of the former billabongs.</p> <p>The draft UDF proposes a network of open spaces to cater to the needs of the growing worker and resident community. New spaces on large sites and pocket plazas provide a diverse range of spaces and green relief.</p> <p>The draft UDF proposes green links will be developed on key east-west and north-south streets to link Cremorne with existing open spaces; Goschs Paddock to the west, parklands along the river to the west and south, and Barkly Gardens, Alan Bain Reserve, and McConchie Reserve.</p> <p>Open space opportunities in Cremorne have been guided by Yarra's <i>Open Space Strategy</i>. The strategy identifies larger open spaces in proximity to Cremorne and the draft UDF seeks to improve connections to these spaces. The gap analysis in the strategy did not identify the need for large open spaces in Cremorne but rather smaller spaces varying from 0.03 to 0.49ha.</p> <p>A floating park on the Yarra is not specifically identified in the UDF however it includes actions to advocate to Melbourne Water and Parks Victoria for additional access to the river, improved facilities and new open space opportunities.</p> <p>A series of billabongs were located along the river. Much of this land is completely built on. A new action is proposed to work with Traditional Owners to recognise the location of the former billabongs. This could include landscape treatments such as planting, use of water and public art.</p> <p>No specific locations are identified in the UDF for community gardens. Council is open to considering opportunities in Cremorne.</p>
<p>Specific locations for new open space/ public spaces</p> <p>Suggestions for new open space on government land such as Oddys Lane, beneath the CityLink overpass, at East Richmond Station and the carpark at 69 Cremorne Street (at Bendigo Kangan Institute).</p> <p>Suggestions for open space on private land.</p>	<p>No changes proposed.</p> <p>There are major gaps in the existing open space network in Cremorne and existing open spaces are small in size.</p> <p>With the forecast substantial increase in the resident and worker population in Cremorne, and lack of open space west of Church Street, a key recommendation of the <i>Yarra Open Space Strategy</i> is to provide new Small Neighbourhood, Local and Small Local open space reserves in Cremorne to cater to the nearly 10,000 additional workers and residents. The draft UDF includes the potential open space locations identified in the <i>Yarra Open Space Strategy</i>.</p>

Key issues raised	Officer response
<p>Some commercial landowners and VicTrack objected to open space on their land.</p>	<p>Council will continue to liaise with the State Government and private landowners to identify and advocate for open space in these and other locations.</p> <p>State Government land would also play a key role in delivering public spaces and open space.</p> <p>The draft UDF identifies open space opportunities at Oddys Lane, the CityLink underpass and land adjacent to East Richmond Station. It also identifies the land around the former Cremorne Primary School within the Bendigo Kangan Institute (BKI) site as an open space opportunity.</p> <p>Council is also progressing Amendment C268yara which proposes to apply an increased public open space contribution rate from the 4.5 per cent rate. This rate would apply to all subdivisions – residential, commercial and industrial.</p>
<p>Public realm improvements</p> <p>Respondents support enhancing Cremorne as a pedestrian-friendly environment.</p> <p>Current footpaths are inadequate for pedestrians and inaccessible for pushers and wheelchairs.</p> <p>Suggestions were made to improve footpaths.</p>	<p>No changes proposed.</p> <p>The draft UDF identifies a number of actions to improve the public realm, including key walking routes: Church Street, Cremorne Street, Stephenson Street, Balmain Street / Cotter Street and Kelso Street.</p> <p>Actions include new and improved pedestrian crossings at mid-block locations and key intersections, widening footpaths (where possible), increased whole building setbacks, removing clutter on footpaths and undergrounding of powerlines (where possible), providing trees and plantings, installing street furniture and traffic calming and lowering of speed limits.</p>
<p>Community facilities and spaces</p> <p>Several respondents (particularly residents) identified a desire for a community space in Cremorne. They suggested the space was important for wellbeing and will help build a village feel. BKI suggested as location for community space.</p> <p>Further suggestions for community facilities included a boat ramp or jetty, play and gym equipment and barbecues.</p>	<p>No change proposed.</p> <p>The draft UDF identifies the opportunity to support Bendigo Kangan Institute (BKI) as a creative and digital education and community hub. BKI or the Department of Education have not commented on this idea. Council would need to work closely with BKI and Department of Education to determine the practicality and feasibility.</p> <p>Parks Victoria regulates water-based recreational use.</p> <p>Locations for barbecues, play and gym equipment will be considered through Council's <i>Open Space Strategy</i> and <i>Play Space Strategy</i> (to be developed this financial year.)</p>
<p>Connections to the Yarra River</p> <p>Submitters supported reconnecting Cremorne to the Yarra River and the Main Yarra trail.</p>	<p>No change proposed.</p> <p>The UDF seeks to reconnect Cremorne to the river in collaboration with traditional owners. Council will continue to liaise with Parks Victoria and the Department of Transport and Planning to advocate for opportunities for reconnection and improved access.</p> <p>Stonnington City Council has expressed interest in improving access from South Yarra to Cremorne. Officers will seek to work with Stonnington on this issue.</p>

Theme 5: Quality design that builds on Cremorne's precinct identity

31. Built form was a key concern in the feedback:
 - (a) Residents expressed concerns about the scale of commercial development and its impacts on neighbourhood character; and
 - (b) Developers provided site specific responses – mostly concerned about building heights and street wall heights.
32. Officers have tested some of the changes suggested in the feedback and written submissions. The testing concluded that the built form parameters in the draft UDF achieve a balance between supporting new high-quality office and commercial developments, ensure development enhances the quality and character of Cremorne's streets and public spaces, and protects heritage buildings and the amenity of adjoining residential precincts.
33. Key issues raised in the feedback, written submissions and meetings and the officer's responses are outlined below.

Table 5 – Summary of feedback and officer responses – Built form

Key issues raised	Officer response
<p>Building heights Mixed views on heights. Residents generally wanted lower heights, though there was some support for the heights proposed in the draft UDF. Commercial landowners sought higher heights:</p> <ul style="list-style-type: none"> Proposed heights are too restrictive and could hinder development opportunities. Heights should be increased in line with recent development approvals. A clearer rationale should be provided for the proposed heights Extent of 40m/32m heights is too narrow for deeper sites on Church Street and Cremorne Street. 	<p>Change proposed – addition of criteria to assess preferred heights.</p> <p>The proposed building heights range between 3 and 10 storeys (12m-40m). All heights are proposed to be preferred (discretionary) heights (i.e. they can be varied where they meet specific criteria).</p> <p>Building heights are taller along main streets (Cremorne Street, northern end of Stephenson Street and Church Street).</p> <p>Lower heights of 7 storeys are proposed away from the main activity spines. This is in response to the narrow width of streets and laneways. Heights are further reduced towards low-scale residential zoned areas, where interface controls apply.</p> <p>While some constructed developments and approvals exceed the built form parameters in the draft UDF, it is not considered these developments undermine the UDF's key built form principles.</p> <p>Proposals to extend the 40m and 32m heights fronting Church and Cremorne Streets, respectively, further into deep sites are not supported. The extent of these heights generally aligns with the depth of lots bound by north-south side streets to the rear. They provide for a taller building of 20m-30m depth.</p> <p>The stepping down in heights proposed in the UDF provides a clear transition in height down the narrow east-west side streets to reduce the canyon effect in the east-west streets and the building bulk from residential areas.</p> <p>No changes are proposed to building heights themselves, however, criteria to assess preferred heights have been included within proposed planning provisions.</p> <p>The criteria includes design excellence, the retention of character buildings, inclusion of ground level setbacks and/or public spaces, increased building separation, best practice ESD standards, reduced overshadowing impacts and end of trip facilities.</p>
<p>Large sites A number of landowners sought higher building heights and increased street walls on larger sites where there are few interfaces.</p>	<p>No change proposed.</p> <p>Officers do not support changes to proposed heights and upper setbacks for large sites. The draft UDF has taken the approach of determining heights on a precinct/area basis rather than on a site by site basis.</p> <p>The maximum heights proposed in the draft UDF and draft DDO are preferred (discretionary) heights. Applicants will need to demonstrate design excellence, exceptional ESD and public realm outcomes, and minimal impacts on residential precincts, where greater building height is sought.</p>
<p>Ground floor and whole of building setbacks Calls for setbacks to be applied more comprehensively to provide for more seating, planting, areas to walk etc. Other respondents did not support proposed setbacks – especially mandatory setbacks on Cremorne Street. They noted existing buildings prevent this and it would constrain development.</p>	<p>Change proposed – encourage street setbacks for all sites.</p> <p>The draft UDF includes recommendations to apply building setbacks to:</p> <ul style="list-style-type: none"> Cremorne Street (mandatory requirements) Sites with a frontage greater than 30 metres. <p>Opportunities to expand the public realm through inset building entrances and integrated seating are also encouraged throughout Cremorne.</p> <p>The proposed setbacks provide increased opportunities to enhance the public realm and accommodate building entrances, spaces for outdoor dining, street level bike parking and landscaping.</p> <p>Cremorne Street is identified as one of two key activity spines providing an activated and leafy pedestrian and cycle friendly spine. The proposed setback reinforces this outcome.</p> <p>The proposed built form controls have been expanded in the DDOs to encourage building setbacks and entrance insets for all sites across Cremorne (rather than being limited sites with large frontages or located Cremorne Street).</p>

Key issues raised	Officer response
<p>Street walls and upper level setbacks</p> <p>Mixed views from commercial landowners.</p> <p>Some supported the proposals, others sought lesser upper setbacks and greater street walls especially where three storey street walls were proposed in narrow streets.</p>	<p>No change proposed.</p> <p>Street wall heights of between 3 and 4 storeys (12m and 16m) are proposed to respond to the street network in Cremorne and to maintain solar access to key streets.</p> <p>Higher heights of 4 storeys apply on wider streets - Cremorne Street and Church Street.</p> <p>Lower street wall heights of 2 storeys / street walls that match the height of heritage buildings are proposed for sites that include or are adjacent to heritage buildings.</p> <p>Upper level setbacks of 3m and 5m are generally proposed to provide a clear delineation between the street wall and upper levels. They also help to reinforce a comfortable scale for pedestrians at street level while ensuring access to daylight and views to the sky. Upper level setback requirements increase as buildings get taller.</p> <p>No changes are proposed to street wall heights and upper level setbacks. As preferred (discretionary) requirements, there is some flexibility for higher street walls or lesser upper level setbacks where objectives around creating a human scale at street level and reducing the dominance of upper levels can still be achieved.</p>
<p>Building separation</p> <p>Concerns from commercial landowners that the proposed building separation provisions would result in highly constrained development. Some suggestions of lesser setbacks e.g. 1-3m setbacks.</p>	<p>Change proposed – limit development to construction on one side wall only on narrow sites.</p> <p>The proposed built form controls in the draft UDF require that buildings on sites with frontages of 20m or greater should be set back at the upper levels from side and rear boundaries.</p> <p>Buildings on narrow sites may be built to boundary in some circumstances where they avoid creating blank unarticulated walls and a continuous wall of buildings.</p> <p>Where buildings are constructed / partially to the boundary, visible side walls should be well designed and articulated to avoid sheer blank pre-cast walls.</p> <p>Changes are proposed to the built form controls for narrow sites i.e. less than 20m wide. To avoid the creation of a wall of buildings, buildings will be permitted to build to one boundary only.</p>
<p>Residential amenity</p> <p>Residents / community members expressed concerns about the impacts of development on residential amenity.</p> <p>Some residents commented that stronger controls were needed, e.g. winter solstice controls and not equinox.</p> <p>Some submissions from commercial landowners considered the proposed provisions too onerous, commenting they were stronger than ResCode.</p>	<p>No change proposed.</p> <p>Where properties abut one of Cremorne’s residential precincts, built form controls that require a transition in scale apply to minimise amenity impacts on surrounding areas, including overlooking, overshadowing and visual bulk.</p> <p>Properties within the C2Z are not afforded the same level of amenity protections as sites in residential zones.</p> <p>No changes to the proposed built form controls are proposed.</p>
<p>Mandatory versus discretionary planning controls</p> <p>Varying opinions whether controls should be mandatory or preferred (discretionary).</p> <p>Commercial landowners/ developers support discretionary controls as they allow for design innovation. Many opposed the proposed mandatory elements in the UDF.</p> <p>Community members /residents considered building heights and setbacks should be mandatory.</p>	<p>No change proposed.</p> <p>The majority of planning controls in Cremorne are proposed as preferred (discretionary), reflecting Cremorne’s role as an enterprise precinct.</p> <p>Key provisions are proposed as mandatory controls:</p> <ul style="list-style-type: none"> • overshadowing of the Cremorne Street, Church Street and Balmain Street footpaths • protection of views to the Slade Knitwear (currently dismantled) and Nylex signs • upper level setbacks on the Slade Knitwear site and sites to the south to retain blue sky behind the sign • street setbacks on Cremorne Street.

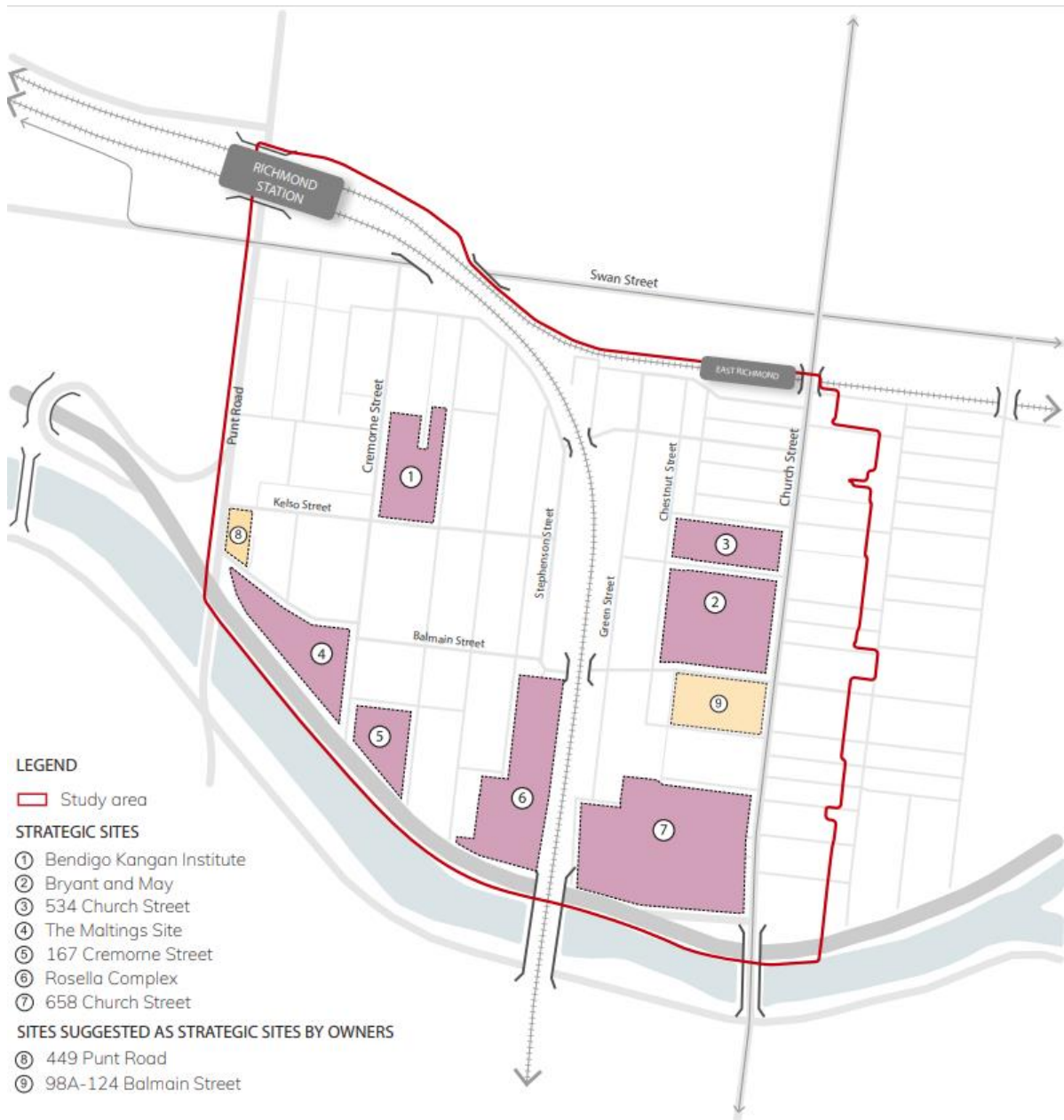
Key issues raised	Officer response
	<p>Building heights have not been proposed as mandatory heights however a list of criteria have been developed to guide when additional heights may be appropriate.</p> <p>Note: The Slade Knitwear sign has been dismantled due to safety reasons. Council is continuing conversations with the owner of the site to have the sign restored and reinstated.</p>
<p>Interim planning controls</p> <p>Residents support Council progressing interim planning controls to guide development in the area.</p> <p>Interim planning controls not supported by most respondents with development interests. Interim controls will limit the ability for landowners to develop their sites and may halt development in the Enterprise Precinct.</p> <p>Commercial landowners also supported the application of transitional provisions to ensure proposed planning provisions do not apply to applications that are halfway through the process.</p>	<p>No change proposed.</p> <p>Interim planning controls are necessary to address development pressures and realise important public realm outcomes while the permanent controls are being progressed.</p> <p>Landowners and the wider community will have the opportunity to comment on the permanent controls through a draft amendment process.</p> <p>Transitional provisions are not supported. They have not been applied in any other Yarra's other planning controls. They would be inconsistent with the purpose of the proposed planning controls i.e. to ensure planning applications do not undermine the strategic work while an amendment is progressed.</p> <p>It is noted that the discretionary nature of the proposed controls will allow for some flexibility on a site by site basis.</p> <p>Planning controls without transitional provisions do not prevent existing permits from being amended.</p>
<p>Impacts on the public realm</p> <p><u>Overshadowing</u></p> <p>Sunlight controls to Church, Cremorne and Balmain Streets were strongly supported.</p> <p>Submissions from several commercial landowners who did not support the proposed mandatory overshadowing provisions.</p> <p>Some comments that winter controls should be applied to prevent overshadowing of Church Street and other streets in winter.</p> <p><u>Wind</u></p> <p>Concerns that increasing building heights will create wind.</p>	<p>No change proposed.</p> <p><u>Overshadowing</u></p> <p>The built form recommendations in the UDF seek to ensure solar access will be maximised on key streets to ensure streets remain comfortable, sunny public spaces that encourage people to meet and linger.</p> <p>Mandatory controls apply, preventing the overshadowing of the footpaths of Cremorne Street and Church Street for 3 hours between 10am and 2pm at the Spring Equinox.</p> <p>The application of the mandatory requirement preserves solar access and the amenity to the primary street within the precinct.</p> <p>Overshadowing protections also apply to Balmain Street. Balmain Street is a key east-west pedestrian corridor in Cremorne. The standards along Balmain Street vary depending on the context.</p> <p>Spring equinox requirements align with current policy in the planning scheme.</p> <p>The built form recommendations also seek to protect existing public spaces from additional overshadowing and include a requirement that massing and heights of buildings should consider the location of potential new open space.</p> <p><u>Wind</u></p> <p>The wind impacts of development are considered in the UDF and are included in the draft DDOs. Development over 15 metres in height will be required to be accompanied by a wind study analysis to assess the impact of wind on the safety and comfort of the pedestrian environment on footpaths and other public spaces while walking, sitting and standing. This is consistent with the approach taken in other built form controls in Yarra.</p>
<p>Heritage</p> <p>Feedback was received from one owner of heritage property in Yarra Street and owners of Strategic Sites. See Strategic Sites.</p> <p>Comments were received from Heritage Victoria on Strategic Sites.</p> <p>Heritage Victoria suggested Council should consider a desktop survey of potential historic archaeological sites.</p>	<p>Change proposed – desktop survey of potential historic archaeological site.</p> <p><u>Heritage buildings</u></p> <p>While there are relatively few heritage buildings and places in Cremorne, many are located on corners and have prominent positions on the street. The UDF includes built form recommendations (including maximum building heights, street wall heights and upper level setbacks) designed to ensure heritage buildings retain their prominence.</p>

Key issues raised	Officer response
<p>Cremorne has the potential to contain historical archaeological sites that are relevant to various phases of activity in the area.</p>	<p>The proposed built form controls also apply front setbacks, upper level setbacks and side setbacks as required to sites adjacent to the heritage buildings and places to ensure an appropriate transition to the heritage building and its setting.</p> <p><u>Historic archaeological sites</u></p> <p>Historical archaeological sites in Cremorne could include the site of the former Cremorne Pleasure Gardens and asylum, pubs, industrial complexes and areas of dwellings/cottages.</p> <p>It is recommended that the UDF includes an action to undertake a study to identify sites of potential historical archaeological significance. This could provide a pilot for a broader municipal approach. This would be in the form of a desktop survey and would make a representative selection, based on levels of historical significance and likely condition/intactness.</p>
<p>Character buildings</p> <p>No comments were received about character buildings or owners of sites as they were not identified in the draft UDF.</p>	<p>Change proposed – identification of character buildings to be retained.</p> <p>Character buildings include pubs, factories, warehouses and offices which are not protected through the heritage controls in the planning scheme however contribute to Cremorne’s visual identity and character.</p> <p>The draft UDF provides criteria to help identify character buildings however did not identify them.</p> <p>Officers have now identified and mapped 44 character buildings. The map is in the revised UDF and proposed planning controls. Both the revised UDF and proposed built form provisions seek to ensure the retention and reuse of these buildings as part of any redevelopment.</p>

Strategic sites

34. The draft UDF identifies seven strategic sites which are large and complex sites that present development opportunities.
35. These sites present opportunities to realise community benefits including through site links, new walking and cycling connections and opportunities for much needed open space.
36. The draft UDF flags that further work will be undertaken with landowners to inform more detailed master planning of the sites. This would further explore built form parameters and consider planning scheme mechanisms.
37. Built form controls have not been developed for these sites as part of the draft UDF. However, the draft UDF includes design objectives for each site which address important structural elements which would guide the redevelopment of the site.

Map 1 – Strategic Sites



- 38. Detailed feedback and/or submissions were received on five of these sites.
- 39. Heritage Victoria provided detailed comments mainly focussed on three strategic sites with State significant heritage buildings – Bryant and May site, 658 Church Street (the former Richmond Power Station) and Bendigo Kangan Institute (former Cremorne Primary School).
- 40. Two submissions from commercial landowners suggested their sites should be identified as strategic sites. These include:
 - (a) 449 Punt Road (CarSales site); and
 - (b) 98A-124 Balmain Street.
- 41. These sites are not proposed to be included as strategic sites:
 - (a) 449 Punt Road contains the CarSales building which was constructed in 2009. However, planning controls which reflect the current development have been included in the UDF and draft DDO to address a gap; and

- (b) 118-124 Balmain Street has a current planning permit for a development of 9 storeys. An amended permit is being sought for 10 storeys. It is understood development is proposed for the westerly site. As a planning permit has been issued for half the site and another is mooted, there is no opportunity for master planning this site. It is therefore not recommended for inclusion as a strategic site.

42. Key issues raised in the feedback, written submissions and meetings and officer's responses are outlined below.

Table 5 – Summary of feedback and officer responses – Strategic sites

Strategic site and key issues raised	Officer response
<p>Level of development</p> <p>The draft UDF identifies strategic sites which present development opportunities.</p> <p>Heritage Victoria supports master planning of these sites but is concerned that sites on Victorian Heritage Register (VHR) are not appropriate for intensive development.</p>	<p>Change proposed.</p> <p>The UDF will be updated to reflect that there may be lower development expectations for strategic sites with heritage places on the VHR.</p> <p>NOTE – Some of the changes sought by Heritage Victoria for specific sites are considered too detailed for inclusion in the UDF and proposed planning policy. Detailed testing has not been undertaken in relation to some of the issues raised. These detailed issues could be addressed through a master planning process and through the heritage permit process required for places on the VHR. As a result, changes to the Design Objectives are proposed to highlight the issue without being prescriptive.</p>
<p>Through site linkages and open space</p> <p>Consultation with owners should take place about proposed locations for open space and through site linkages.</p>	<p>No change proposed.</p> <p>The location of through site linkages and open space are indicative and would be considered as part of the master planning process.</p> <p>Commercial landowners were consulted on the draft UDF and will have the opportunity to further comment on the updated UDF and planning controls.</p>
<p>Bendigo Kangan Institute (BKI) Strategic Site</p> <p>No formal submissions were received from the Department of Education or BKI.</p> <p>The submission from Heritage Victoria sought:</p> <ul style="list-style-type: none"> • Greater front setbacks to the street around the former school • Clearly defined heights to retain the prominence of the school (especially north of the school to provide a transition) • Removal of the contemporary connections to the heritage buildings. <p>Heritage Victoria supported the proposed east-west links and open space.</p> <p>Survey respondents suggested other uses for the site: a South Melbourne style market, a community space (indoor and outdoor) and bike repair/café space.</p>	<p>Change proposed – updates to design objectives.</p> <p>Planning controls do not apply to the BKI site as the land is owned by the Department of Education and is exempt from the planning controls. However, the inclusion of the Design Objectives in the UDF and planning policy is considered helpful to guide future development.</p> <p>New Design Objectives are proposed to address some of the comments by Heritage Victoria. These include:</p> <ul style="list-style-type: none"> • Providing a transition in height on the northern portion between the broader Cremorne West Precinct and the former Cremorne Primary School. • In addition to a setback on Cremorne Street, providing a setback on Dover Street to retain the prominence of the school buildings in the streetscape.

Strategic site and key issues raised	Officer response
<p>Bryant and May Strategic Site</p> <p>Submissions were received from the two owners. Support for some design objectives with changes suggested to others.</p> <p>The owners:</p> <ul style="list-style-type: none"> • Do not support restrictive provisions • Did not support the role of Adelaide Street as a shared zone (as it needs to accommodate services) and instead wishes to develop Russell Place as new green street. • Consider the UDF should support higher buildings on the site. • Did not support a landscape setback on Balmain or Chestnut Streets or retention of tennis courts and pavilion. <p>Heritage Victoria comments included:</p> <ul style="list-style-type: none"> • Add a reference to historic signs on the site in Design Objective 1. • Limit heights on the northern half of the site to no higher than the parapet of the main factory. • Break up any building massing on the north-west corner of the site to retain views to the chimney and clock tower. • Limit built form on the southern half of the site with no development larger than the contemporary development and no built form west of the pavilion. <p>Heritage Victoria supported the proposed east-west links and proposed open space in the south-west corner of the site.</p>	<p>Change proposed - updates to design objectives.</p> <p>Changes are proposed for the Design Objectives to address the comments by the landowners and Heritage Victoria. These include:</p> <ul style="list-style-type: none"> • Expanding Design Objective 1 to reference buildings and signage. • Including a new objective to develop Russell Street as a landscaped pedestrian corridor and series of public spaces with very limited or no vehicle access. • Expanding Design Objective 7 to describe expected outcomes for the Adelaide Street shared zone i.e. human scale development, consolidated vehicle entrances and generous building setbacks to enhance the public realm. • Including a new objective to design new street walls to align with the site's heritage podiums. • Including a new objective to ensure new built form presents as well-designed companion buildings which respond to the heritage place: <ul style="list-style-type: none"> – On the northern portion of the site – the scale of new built form does not dominate the main factory building. – At the north-west corner – built form retains visual and physical permeability through the site. – On the southern half of the site – new built form is setback from Church Street and is less extensive, especially west of the pavilion. • Including the objective from the 534 Church Street Strategic Site to protect views the clocktower and chimney from Chestnut Street.
<p>534 Church Street Strategic Site</p> <p>No feedback / submission from owners.</p> <p>Heritage Victoria provided comments on this site:</p> <ul style="list-style-type: none"> • The scale of any new built form must have regard for the state heritage significance of Former Bryant & May and provide a transition. • Protecting the prominence of views to the site as a whole, not just to the clocktower and chimney features. • Consider a setback on Church Street to retain prominence for the factory building when looking south. 	<p>Change proposed - updates to design objectives.</p> <p>Updated objectives have been included to clarify the design of Adelaide Street as a shared zoned. These changes align with changes to Bryant and May Design Objectives as both sites abut Adelaide Street.</p> <p>Changes are proposed for the Design Objectives to address some of the comments by Heritage Victoria, include:</p> <ul style="list-style-type: none"> • Adding a new Design Objective that ensures the scale and siting of any new built form has regard to the State heritage significance of the former Bryant & May buildings. • Updating Design Objective 5 to protect the prominence of views to the site as a whole as well as clocktower and chimney. <p>A further addition has been to include a new Design Objective to redevelop the site in a campus style rather than as one large building.</p>

Strategic site and key issues raised	Officer response
<p>Rosella Strategic Site</p> <p>Three owners provided comments. Supported the designation as a strategic site but did not support some of the design objectives:</p> <ul style="list-style-type: none"> The proposed location of open space conflicts with the location of a car park (a requirement of a S173 agreement). Pedestrianising Palmer Parade is not supported – it is used for loading, access and servicing. <p>A number of residents commented on the use of southern portion of Gwynne Street by trucks to accessing the site.</p>	<p>Change proposed – update to map.</p> <p>No changes are proposed to the Design Objectives.</p> <p>The map in the UDF will be updated to reflect an alternative location for open space.</p> <p>The landowner concerns about the role of Palmer Parade are noted, however the pedestrianisation of Palmer Street refers a desirable future outcome. No change is recommended.</p>
<p>658 Church Street Strategic Site</p> <p>Heritage Victoria provided comments on retaining and reinstating the prominence of the former power station:</p> <ul style="list-style-type: none"> Ensure the former power station is retained as the tallest building on the western side of the site. Expand the list of key views to the former power station. Provide space around the building to ensure it is viewed as a free-standing building. Maintain visual connections between the western façade and railway line. Reinstate historic materials generally and remove graffiti and reinstate brickwork on western façade. <p>A further submission noted:</p> <ul style="list-style-type: none"> the draft UDF encourages height on the northern portion of the site, the opposite to the <i>Cremorne Built Form Review</i> (Hodyl & Co). Owners of the site are pursuing a multimillion dollar investment to extend and upgrade public spaces on the site. This should be recognised. Improvements to walking and cycling connections and the public realm are needed along Oddys Lane. 	<p>Change proposed - updates to design objectives.</p> <p>Changes are proposed for the Design Objectives to address some of the comments by Heritage Victoria, including:</p> <ul style="list-style-type: none"> Retaining views to the former Power Station from Green Street, Electric Street, Hargreaves Street, Oddys Lane and Dale Street Retaining the former Power Station as the tallest building on the west side of the site to ensure it can be read as a free standing landmark building. Maintaining visual connections between the west decorative façade of the Former Richmond Power Station and the railway line to provide a link between the historic uses. Undertaking conservation works as part of any redevelopment of the former Richmond Power Station. <p>The reinstatement of materials is considered too detailed.</p> <p>The draft UDF includes actions that seek to improve walking and cycling connections to and across the Yarra River (Birrarung) via Oddys Lane.</p>

43. The updated design objectives from the UDF are included in proposed planning policy at 11.03-6L. This will help guide the master planning process and provide guidance should a planning permit be applied for to redevelop a site before a master plan or planning controls have been developed.

Other changes to the UDF

44. Other changes to the UDF include:

- (a) Part 1: Introduction:
 - (i) Changes to reflect State Government updates to planning policy and provide updated information on the Digital Hub;
 - (ii) Updates to 'Developing the Framework' to include a summary of the draft UDF consultation;
 - (iii) Reference to an additional background study – Transport Review;
- (b) Part 3: Precincts:
 - (i) Updates to the Precinct Visions and Framework Plans to reflect changes in other parts of the document;
- (c) Part 4: Implementation and glossary:
 - (i) Updates to advocacy and planning scheme amendment text; and
 - (ii) Updates to State Government Department titles.

Proposed Planning Controls

- 45. A comprehensive suite of planning controls implementing the revised UDF have been prepared.
- 46. The following planning controls are proposed:
 - (a) Three Design and Development Overlays to guide built form (Schedules 51-53 to Clause 42.03 Design and Development Overlay);
 - (b) Updated planning policy (at Clause 11.03-6 – Regional and Local Places);
 - (c) Parking Overlay to implement a maximum parking rate for offices and retail (Schedule 2 to Clause 45.09 Parking Overlay);
 - (d) Correction of two zoning anomalies; and
 - (e) Inclusion of background documents (at Schedule to Clause 72.08 Background Documents).

Amendment C317yara – Interim built form provisions

- 47. It is proposed to request the Minister for Planning approve Amendment C317yara, which would apply the three Design and Development Overlays as interim built form controls.
- 48. These controls would apply for 24 months, while the permanent controls are publicly exhibited and make their way through a full planning scheme amendment process.
- 49. It is proposed that Council request the Minister for Planning to apply the interim provisions through a Ministerial amendment under section 20(4) of the *Planning and Environment Act 1987* (the Act). The exhibition and notification requirements of sections 17, 18 and 19 of the Act do not apply to this form of amendment.
- 50. A Ministerial amendment is sought to address development pressures and realise important public realm outcomes while the permanent provisions are being progressed.
- 51. Documentation for Amendment C317yara, including the three DDOs and explanatory report is at **Attachment 11**.

Draft Amendment C318yara – Permanent planning provisions

- 52. Permanent planning controls would consist of:
 - (a) three Design and Development Overlays;
 - (b) updated planning policy;
 - (c) Parking Overlay; and
 - (d) zoning changes to two sites.

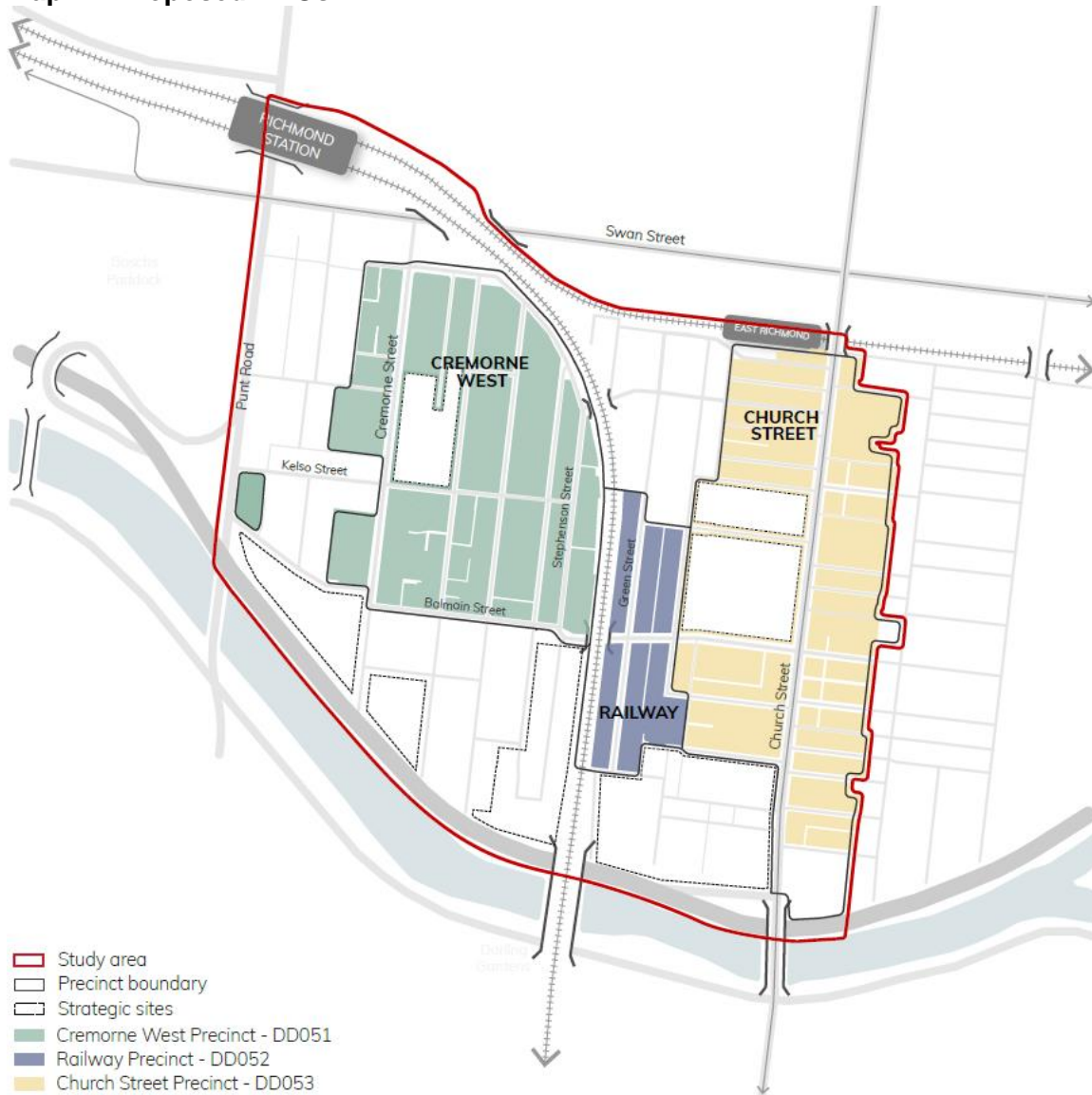
It is proposed the permanent planning controls are implemented through Draft Amendment C318yara.

53. The explanatory report and other amendment documents for Draft Amendment C318yara – permanent planning provisions are at **Attachment 12**.

Design and Development Overlays

54. Three Design and Development Overlays (DDOs) have been developed for Cremorne's three Commercial 2 zoned precincts:
- (a) Cremorne West Precinct – DDO51;
 - (b) Railway Precinct – DDO52; and
 - (c) Church Street Precinct – DDO53.

Map 2 – Proposed DDOs



55. The DDOs at **Attachment 13** reflect the strategies in the revised UDF. Noting some updates have been made in response to feedback from the community and landowners and internal comments.
56. New controls are proposed for Cremorne's commercial precincts to manage the scale and design of development of land and provide clarity and certainty for Council, landowners and the community. They aim to balance accommodating employment growth with protecting the precinct's valued character and heritage fabric and minimising amenity impacts.

57. They include built form parameters including building heights, street wall heights, upper level setbacks and building separation and other design requirements based on the revised UDF.
58. The majority of the proposed provisions are preferred/discretionary controls. Guidance on the application of mandatory controls is provided in the State Government Planning Practice Note 59. The application of mandatory controls has been carefully considered and applied selectively to key elements.
59. The Commercial 2 Zone includes a provision that exempts planning applications from third party notice and appeal rights, except where the site is within 30 metres of a residential zone, education centre or hospital. It is proposed to include the same exemption in the proposed DDOs to ensure consistency between the zone and overlay and reflects the precinct's status as an enterprise precinct.

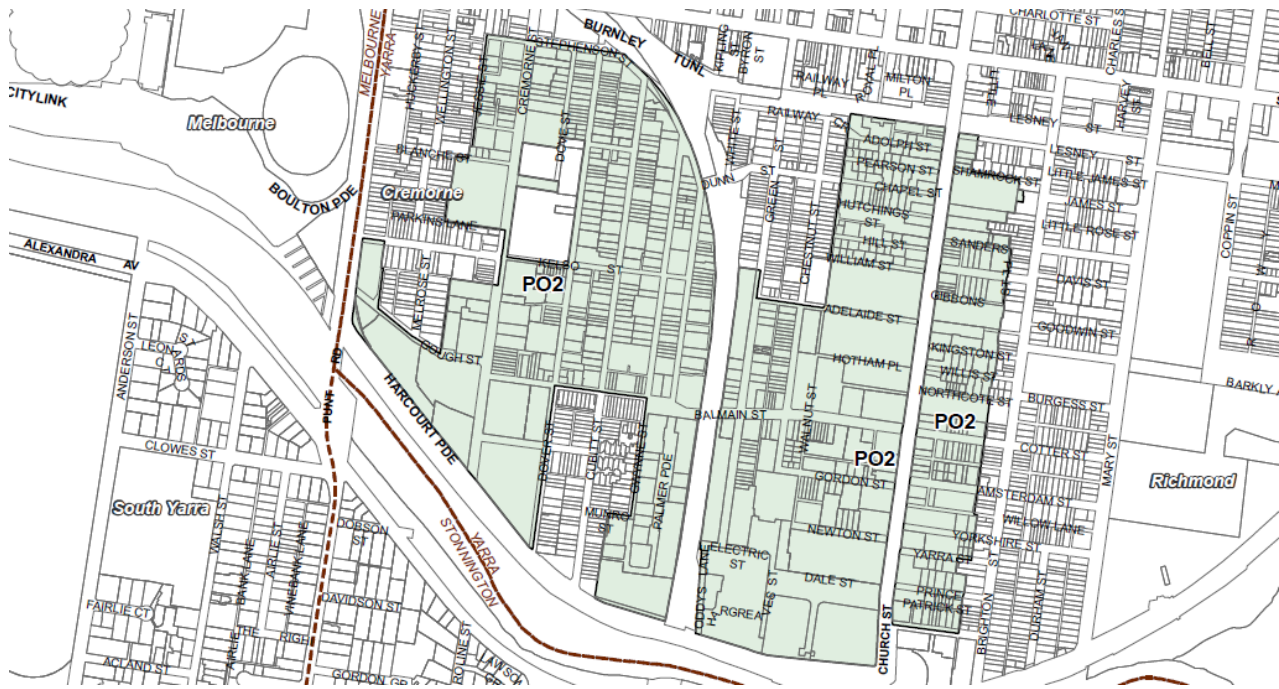
Planning policy

60. A further aspect of the draft planning controls is the updated local policy at Clause 11.03-6L – Regional and Local Places. This introduces a place-based policy that supports Cremorne as a vibrant, diverse, accessible and high amenity enterprise precinct and includes specific policy on land use, built form, access and movement, open space and the public realm (**Attachment 14**).
61. The proposed planning policy also includes policy on the seven strategic sites drawn from design objectives in the UDF.
62. Should the new planning policy framework, as adopted in Amendment C269yara, not be approved by the time a draft amendment is exhibited, the proposed changes to Clause 11.03-6L would be included as new policy within the current Clause 21.12 Local Areas.

Parking Overlay

63. To promote more sustainable modes of transport in Cremorne, a reduction in the provision of off-street car parking is required. This is proposed through changes to the parking rates in the Yarra Planning Scheme.
64. The current provisions in Clause 52.06 require all applications for a new use, or an increase in the existing use, to provide the minimum car parking rate, unless an exemption applies.
65. The schedule to the Parking Overlay allows Council to vary the standard number of car parking spaces required under Clause 52.06 by specifying a maximum provision of car parking for particular uses.
66. This would mean that a permit would not be required for an application to reduce (including reducing to zero) the number of car parking spaces as required under Clause 52.06-5. This change would help to protect Cremorne from an oversupply of parking which would generate more traffic congestion.
67. Draft Amendment C318yara proposes to insert a new Schedule to the Parking Overlay. The schedule proposes to apply a maximum car parking rate of 1 parking space per 100sqm of net floor area for new office and retail uses.
68. The Parking Overlay (**Attachment 15**) is proposed to apply to land in C2Z, including the strategic sites and land in the Comprehensive Development Zone such as the Richmond Maltings.

Map 3 – Proposed extent of the Parking Overlay

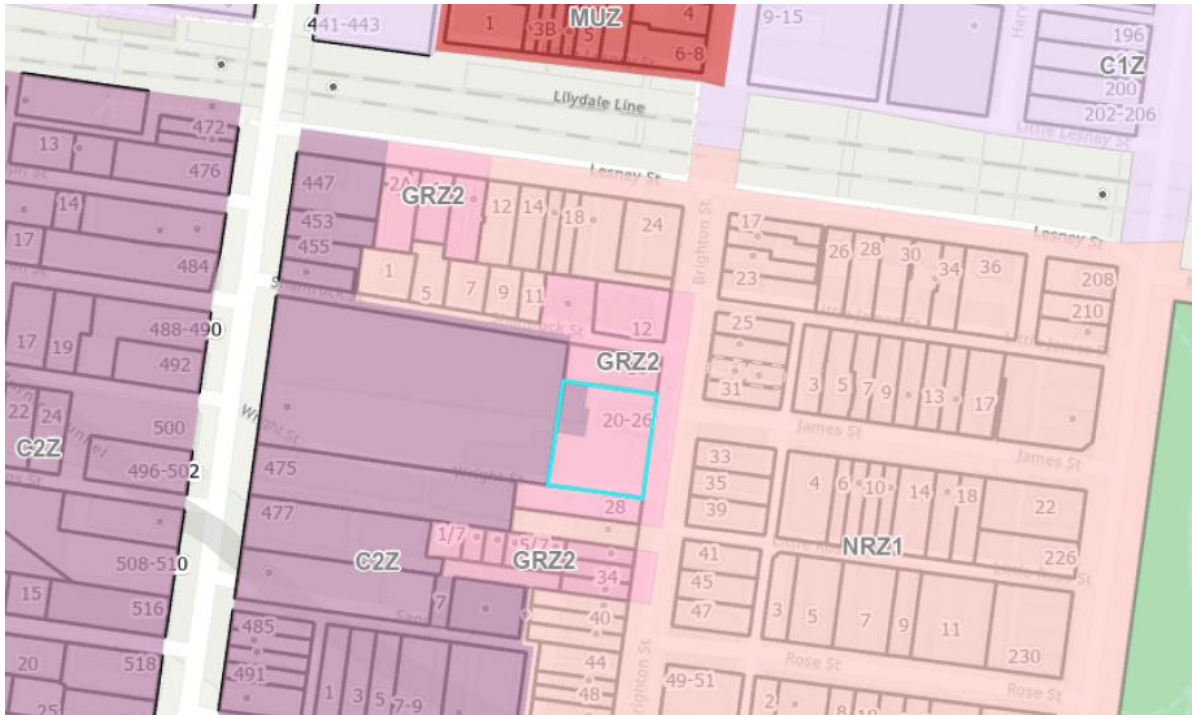


69. In late 2020, Council lodged Amendment C281yara to apply a Parking Overlay in Cremorne as a request for a Ministerial Amendment.
70. The Department of Transport and Planning (DTP) responded in December 2020 and requested additional analysis and/or modelling to test the impacts of applying different alternative maximum car parking rates.
71. This amendment has not been pursued, as it was determined that the Parking Overlay should form part of a comprehensive planning scheme amendment for Cremorne.
72. The need for any additional modelling will be addressed at the Planning Panel / Standing Advisory Committee hearing.

Zoning Anomalies

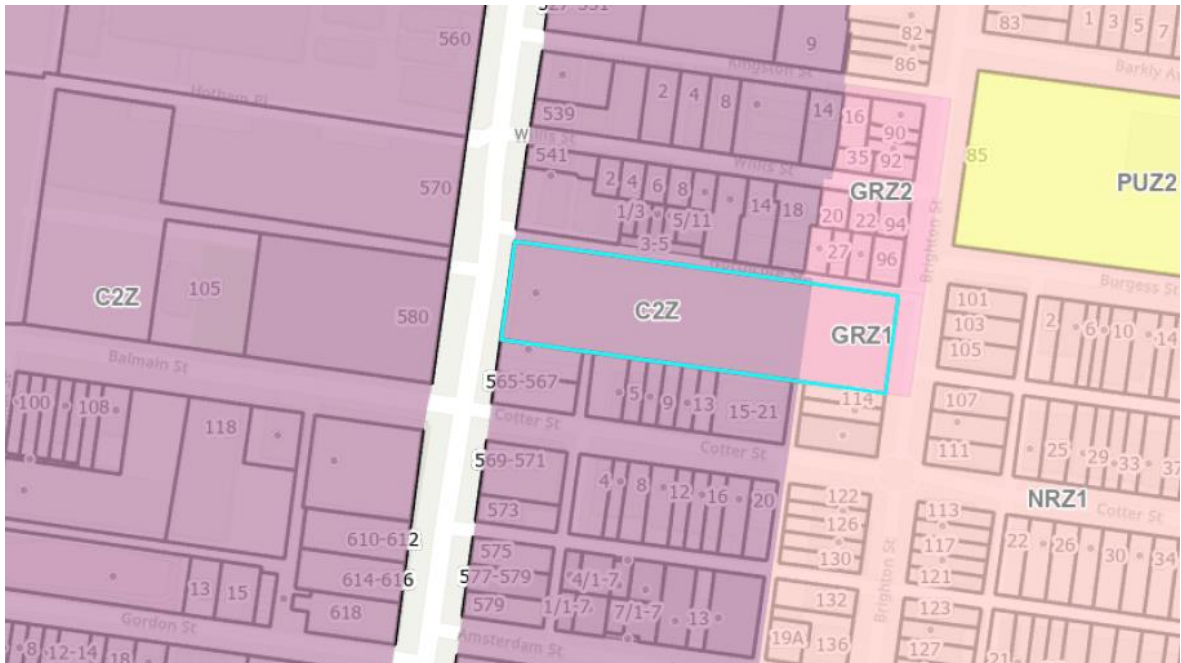
73. There are two identified zoning anomalies in Cremorne, where two zones apply to a single site i.e. the General Residential Zone Schedule 2 (GRZ2) and Commercial 2 Zone (C2Z).
74. The draft UDF recommends rezoning two properties to align with the proposed development of the land and ensure consistency of zoning. Draft Amendment C318yara would implement these changes (**Attachment 16**).
75. The first property is at 20-26 Brighton Street. It is proposed to rezone the entire parcel to GRZ2. A small section of the site is in C2Z. This site is part of an approved development at 459-471 Church Street. The rear of this site will accommodate a three storey childcare facility as part of a commercial building project. A childcare centre is a section 2 use (i.e. requires a planning permit) under both GRZ2 and C2Z.

Map 4 – Zoning anomaly - 20-26 Brighton Street



76. The second property at 549-555 Church Street and proposed to rezone a portion of this site from GRZ2 to C2Z to align the zoning and its current use as a warehouse site. The site would be subject to a 12 metre maximum height and street wall controls.

Map 5 – Zoning anomaly - 549-555 Church Street



Background documents

77. Draft Amendment C318yara also proposes to amend the Schedule to Clause 72.08 Background Documents to include new background documents in the planning scheme:
- (a) *Cremorne Built Form Review and Recommendations* (Hodyl & Co, May 2022);
 - (b) *Heritage Review and Recommendations – Cremorne Enterprise Precinct* (Trethowan, October 2021);

- (c) *Cremorne Streets and Movement Strategy* (Martyn Group & Hansen Partnerships, June 2020);
- (d) *Parking Controls Review – Cremorne Enterprise Precinct* (Traffix Group, July 2020);
- (e) *Cremorne Urban Design Framework - Transport Review* (Stantec Australia, August 2023); and
- (f) *Revised Cremorne Urban Design Framework* (City of Yarra, September 2023).

78. The background documents, including the revised Cremorne Urban Design Framework form the basis of the amendment.

Next steps – Exhibition of the revised UDF and proposed amendment

79. The following next steps are proposed to progress the UDF and planning provisions:

- (a) Request the Minister for Planning approve a Ministerial amendment, Amendment C317yara, to apply interim built form controls to Commercial 2 zoned land in Cremorne while permanent planning provisions are progressed;
- (b) Seek consent from the Minister for Planning to prepare and notify draft Amendment C318 – the permanent planning provisions for Cremorne inclusive of DDOs, new policy and parking overlay (as per the Terms of Reference for the *Yarra Activity Centre Standing Advisory Committee - SAC*); and
- (c) Consult on the revised UDF at the same time as the exhibition of the permanent planning scheme amendment.

80. Given the proposed changes to the transport aspects of the UDF, further engagement with the community on the revised UDF is proposed. This would provide the landowners and the wider community with the opportunity to comment on the revised UDF and proposed planning provisions at the same time.

81. In 2021, the Minister for Planning set up the *Yarra Activity Centres Standing Advisory Committee (SAC)*. The objective of the committee is to provide consistent advice in a transparent, simpler, more timely and cost-efficient process on any proposed new planning provisions referred to it by the Minister. The Cremorne Enterprise Precinct is identified in the SAC's Terms of Reference.

82. To date, the Committee has considered two planning scheme amendments – Amendment C291yara – Bridge Road and Victoria Street Built Form Provisions and Amendment C293yara – Collingwood South Mixed Use Precinct Permanent Built Form Provisions. The amendments are awaiting approval by the Minister for Planning.

83. Under the SAC amendment process, the draft amendment is notified and publicly exhibited.

84. Following exhibition, submissions would be considered by Council and referred to the independent Standing Advisory Committee.

85. Council then receives and considers the Committee's report and provides its final position to the Minister for Planning.

Options

86. Two key options are available to Council at this stage of the process:

- (a) Option 1 - Progress the revised UDF and permanent and interim planning controls as outlined above; OR
- (b) Option 2 - Delay or abandon the process.

87. Option 1 is recommended. There is strong community interest in finalising and implementing the UDF. Progressing planning controls for development is also a priority for the precinct as development pressure continues.

Community and stakeholder engagement

88. A five week engagement with the Cremorne community on the draft UDF and its actions was held between 7 November to 12 December 2022.
89. The online survey was left open for a further week for any additional responses from key stakeholders on Balmain Street. These properties were impacted by Council's resolution on 25 October 2022 which sought to apply greater overshadowing and setback controls to northern properties on the Balmain Street Plaza.
90. Officers have coordinated with statutory planners and urban designers on the proposed planning controls. Officers have also worked closely with:
 - (a) the Traffic Engineering and Sustainable Transport teams on transport issues and the Transport Review;
 - (b) urban designers and open space planners on public spaces; and
 - (c) Council's Environmentally Sustainable Design Advisor on the environmentally sustainable development aspects of the UDF.
91. The timing of the exhibition of the revised UDF and Draft Amendment C318yara – the permanent planning provisions will depend on when consent is provided by the Minister for Planning.
92. The exhibition of the amendment and consultation on the revised UDF will occur for a minimum of four weeks and target:
 - (a) Local Cremorne residents (owners and occupiers);
 - (b) Local workers;
 - (c) Students and staff at Bendigo Kangan Institute;
 - (d) Cremorne / Richmond based community groups;
 - (e) Yarra-wide community groups;
 - (f) Small to medium businesses and co-working space users;
 - (g) Large key businesses;
 - (h) Landowners and developers; and
 - (i) State Government Departments and agencies such as the Department of Transport and Planning, VicTrack, Department of Jobs, Skills, Industry and Regions, Melbourne Water, Parks Victoria, BKI, Environmental Protection Authority and Heritage Victoria and neighbouring Councils.
93. Officers will use a wide range of communication channels to formally notify the amendment and promote the exhibition to ensure we connect with the diverse stakeholders listed above. A detailed engagement plan, including communications activities, will be developed in line with our Community Engagement Policy if Council resolves to proceed to the next steps with the planning provisions.

Policy analysis

Alignment to Community Vision and Council Plan

94. The Cremorne Urban Design Framework supports the following themes in the Yarra 2036 Community Vision:
 - (a) *Priority 4.4 – Environmental Sustainability* – A transport system that is innovative, efficient, sustainable and accessible;
 - (b) *Priority 6.1 – Thriving Local Economy* – Create broad economic and employment opportunities by utilising existing physical spaces and facilitating partnership;

- (c) *Priority 7.4 – Shared Spaces* – Increase availability and diversify use of open spaces to address existing shortages and respond to population growth;
- (d) *Priority 8.1 – Growing Sustainably* – Advocate for development and planning design that is shaped by and meets our community's future needs; and
- (e) *Priority 8.2 – Growing Sustainably* – Keep our heritage visible while we encourage innovative and sustainable growth.

95. It implements the following objectives in the Yarra Council Plan 2021-25, including:

- (a) *Strategic Objective 3 – Local Economy* – ‘Manage access, safety and amenity to enhance people’s experience when visiting Yarra’; and
- (b) *Strategic Objective 4 – Place and nature* – ‘Protect, promote and maintain our unique heritage and ensure development is sustainable’.

Climate emergency and sustainability implications

96. The UDF aligns with the actions of the *Yarra Climate Emergency Plan 2020-2024*. It seeks to promote Cremorne as an opportunity to develop a leading sustainable and climate-resilient precinct.
97. This aspect of the UDF will also be strengthened by the Elevating Environmental Standards project, which Council is working on with CASBE and 24 other Councils to introduce new environmentally sustainable development standards into the planning scheme.

Community and social implications

98. The UDF includes actions which provide for improved pedestrian and cycling routes.
99. It also includes actions to improve existing open spaces and identifies opportunities for new public spaces in Cremorne.
100. It also proposes a series of actions to improve the public realm to make Cremorne a more accessible neighbourhood for all abilities.

Economic development implications

101. The UDF aligns with the *Yarra Economic Development Strategy 2020-2025*, in particular:
- (a) Strategy 2: Retaining and growing Yarra's employment precincts and unlock development opportunities through strategic planning process; and
 - (b) Strategy 3: Support and encourage innovative and entrepreneurial activities across Yarra's employment precincts.
102. The UDF supports the Cremorne Enterprise Precinct and protects its employment role by retaining the existing commercial zoning. It also seeks to make the area attractive to existing and future businesses, visitors and residents by identifying opportunities for public realm improvements and improved walking and cycling links and access to public transport.

Human rights and gender equality implications

103. There are no known human rights implications anticipated from the UDF or the proposed planning controls.
104. The UDF complies with the *Victorian Charter of Human Rights and Responsibilities Act 2006*.

Operational analysis

Financial and resource impacts

105. \$20,000 is required this financial year for exhibition / notification of the planning scheme amendment if consent to exhibit/notify the amendment is obtained from the Department of Transport and Planning (DTP).
106. \$4,128 is required to request a Ministerial amendment to apply interim controls.
107. These two amounts are budgeted for in Strategic Planning's 2023/24 budget.

Legal Implications

108. There are no known legal implications at this stage of the process.
109. Any future planning scheme amendments which implement interim or permanent planning provisions will need to meet the requirements of the *Planning and Environment Act 1987* and Terms of Reference for the Standing Advisory Committee.

Conclusion

110. Community engagement on the draft UDF occurred in November and December 2022. The engagement showed general support for the UDF and its objectives and actions, but different views on different aspects.
111. Officers have reviewed the detailed findings from the engagement and updated the UDF.
112. Additional work has been undertaken on transport as this aspect of the draft UDF received a considerable amount of feedback with a range of conflicting views.
113. A comprehensive suite of planning provisions has been developed to implement the UDF.
114. The interim and permanent provisions are essential to manage new development and ensure the need to accommodate new development is balanced with protecting the precinct's valued character and heritage fabric, minimising amenity impacts and realising public realm outcomes.
115. Officers recommend Council requests consent from the Minister for Planning to prepare and exhibit draft Amendment C318yara and approve interim built form provisions, Amendment C317yara while the permanent planning provisions are progressed.
116. Further consultation on the revised UDF would occur concurrently with the exhibition of a planning scheme amendment.

RECOMMENDATION

1. That Council:
 - (a) notes the officer report and the attachments considering the feedback to the draft Cremorne Urban Design Framework, updates to the document and introducing proposed interim permanent provisions for Cremorne;
 - (b) adopts the documents listed below and at Attachments 1, 2, 3, 4, 9 and 10 as background documents and the general basis for Draft Amendment C318 to the Yarra Planning Scheme:
 - (i) *Cremorne Built Form Review and Recommendations* (Hodyl & Co, May 2022);
 - (ii) *Heritage Review and Recommendations – Cremorne Enterprise Precinct* (Trethowan, October 2021);
 - (iii) *Cremorne Streets and Movement Strategy* (Martyn Group & Hansen Partnerships, June 2020);
 - (iv) *Parking Controls Review – Cremorne Enterprise Precinct* (Traffix Group, July 2020);
 - (v) *Cremorne Urban Design Framework - Transport Review* (Stantec Australia, August 2023); and
 - (vi) *Revised Cremorne Urban Design Framework* (City of Yarra, September 2023);
 - (c) requests consent from the Minister for Planning to prepare and notify Draft Amendment C318yara (Attachments 12-16) as per the *Terms of Reference for the Yarra Activity Centre Standing Advisory Committee*, appointed under Section 151 of the *Planning and Environment Act 1987*;

- (d) determines that should the Minister for Planning decide not to provide consent under the *Terms of Reference for the Yarra Activity Centre Standing Advisory Committee*, Council as the Planning Authority, apply to the Minister for Planning (Minister) under section 8A of the Planning and Environment Act 1987, for authorisation to prepare and exhibit the amendment;
- (e) requests the Minister for Planning to prepare, adopt and approve Amendment C317yara to the Yarra Planning Scheme, in accordance with the Minister's powers under sections 8(1)(b) and section 20(4) of the Planning and Environment Act 1987 to apply Schedules 51, 52, 53 to the Design and Development Overlays (Attachment 11) on an interim basis for 24 months while the permanent provisions are formally considered;
- (f) authorises officers to consult with the Minister, in accordance with sections 8(1)(b) and 20(4) of the Act, to assist the Minister to prepare, adopt and approve the interim provisions;
- (g) endorses the *Revised Cremorne Urban Design Framework* at Attachment 9 for consultation;
- (h) notes a detailed community engagement plan to seek community feedback on the revised Cremorne Urban Design Framework and form the basis for the exhibition of Draft Planning Scheme Amendment C318yara will be developed; and
- (i) authorises the CEO to make any minor adjustments required to meet the intent of the resolution.

Attachments

- 1 Attachment 1 - Cremorne Built Form Review and Recommendations (Hodyl & Co, May 2022)
- 2 Attachment 2 - Heritage Review and Recommendations - Cremorne Enterprise Precinct (Trethowan, October 2021)
- 3 Attachment 3 - Cremorne Streets and Movement Strategy (Martyn Group & Hansen, June 2020)
- 4 Attachment 4 - Parking Controls Review - Cremorne Enterprise Precinct (Traffix Group, July 2020)
- 5 Attachment 5 - Community Engagement Report (March 2023)
- 6 Attachment 6 - Draft Cremorne UDF - Consultation Findings Report (Chatterbox, March 2023)
- 7 Attachment 7 - Draft Cremorne UDF - Community Feedback - Response to key issues
- 8 Attachment 8 - Draft Cremorne UDF - Community Feedback - Response to written submissions
- 9 Attachment 9 - Revised Cremorne Urban Design Framework (September 2023)
- 10 Attachment 10 - Cremorne Urban Design Framework - Transport Review (Stantec, August 2023)

- 11** Attachment 11 - Amendment C317yara - Design and Development Overlays, Explanatory Report and other amendment documents
- 12** Attachment 12 - Draft Amendment C318yara - Explanatory Report and other amendment documents
- 13** Attachment 13 - Draft Amendment C318yara - Schedules 51,52 and 53 to the Design and Development Overlay
- 14** Attachment 14 - Draft Amendment C318yara - Planning Policy (Clause 11.03-6L)
- 15** Attachment 15 - Draft Amendment C318yara - Schedule to the Parking Overlay
- 16** Attachment 16 - Draft Amendment C318yara - Zoning anomalies

7.2 Amendment C286yara - Open Space Contributions

Reference	D23/319195
Author	Leonie Kirkwood - Project and Planning Coordinator
Authoriser	General Manager City Sustainability and Strategy
Disclosure	The authoriser, having made enquiries with members of staff involved in the preparation of this report, asserts that they are not aware of any general or material conflicts of interest in relation to the matters presented.

Purpose

1. For Council to consider whether to request Planning Panels Victoria reconvene the Independent Planning Panel and progress Amendment C286yara – Open Space Contributions.

Critical analysis

History and background

2. The Yarra Open Space Strategy 2020 (YOSS) and the associated Technical Report 2020 identified the public open space needs of existing and future residents and workers of Yarra, gaps in the provision of public open space and opportunities to address those gaps.
3. The two YOSS reports informed Amendment C286yara, which proposes to increase public open space contributions from developments that subdivide land in Yarra from 4.5 per cent (residential subdivisions only) to 10.1 per cent (all eligible residential, commercial and industrial subdivisions).
4. The amendment was exhibited between 7 September to 5 October 2021. 72 submissions were received.
5. The Panel hearing was conducted over 11 hearing days between December 2021 and February 2022.
6. The Panel released an interim report on 14 April 2022 (**Attachment One**). The report concluded:
 - (a) the YOSS, is strategically justified and is a sound and appropriate strategy;
 - (b) there is a clearly established need for the existing open space contribution rate to be increased as a matter of some urgency;
 - (c) the open space projects proposed to meet identified needs are, with a minor exception, supported;
 - (d) the proposal by Council to add 30 per cent (adjusted down to 20 per cent during the Panel hearing) to Capital Improved Value of land to be acquired for new open space is not supported by the Panel which regarded 10 per cent as appropriate;
 - (e) the amount of the total costs apportioned to new residents and workers has not been adequately justified and should be subject to peer review before the Amendment can be finalised;
 - (f) the Panel hearing be adjourned pending the completion of this further work; and
 - (g) while this further work recommended by the Panel is being undertaken, Council should seek approval from the Minister for Planning for an interim increase in the public open space contribution rate to 7.4 per cent. This would occur via the preparation of a new Planning Scheme Amendment.

7. Flowing from these conclusions, the Panel made three key recommendations; that Council should:
 - (a) request an interim public open space contribution rate of 7.4 per cent through a separate amendment process until Amendment C286yara is finalised;
 - (b) conduct a peer review of the apportionment of costs between the existing and new population; and
 - (c) replace the 30 per cent margin added to the Capital Improved Value (CIV) of land with 10 per cent margin in the calculation of the public open space contribution rate.
8. At page 82 of the Panel Report, the Panel noted *'if the Council wishes to achieve a higher final contribution rate, Council should commission a peer review of the apportionment of costs between existing and new populations and subsequently request the Panel to reconvene the Hearing for Amendment C286 to allow the Amendment to be finalised.'*
9. It also acknowledged Council *'has the option of adopting the recommended interim open space contribution rate as the final rate without undertaking the peer review and ask the Panel to close the Hearing. In those circumstances the Panel would produce a brief final report acknowledging this'* (page 80).
10. Council considered the first of two reports to progress the public space contribution rate at its meeting on 15 August 2023. The purpose of the first report was to provide an overview of the outcomes of the peer review on the methodology of the apportionment of costs in Amendment C286yara.
11. At this meeting, Council resolved to:
 - (a) note the findings of the *Amendment C286yarra Open Space Project Cost Apportionment Final Report* (dated 2 August 2023) prepared by Robert Panozzo;
 - (b) receive a report from officers on 12 September 2023 that outlines a recommended position and next steps in the process to reconvene the Amendment C286yara Independent Planning Panel Hearing;
 - (c) write to the Minister for Planning requesting the expedition of Council's request for an interim public open space contribution as a matter of urgency, noting that since Council resolved to request an interim open space contribution rate of 7.4% (via a Ministerial Amendment - Amendment C306yara) on 31 May 2022, potential significant open space contributions have been lost; and
 - (d) officers report back to Council with the potential additional open space revenue Council would have collected from 1 July 2022 to 15 August 2023 using the 7.4 per cent interim rate recommended by the Panel in April 2022.
12. Council now needs to determine whether to request Planning Panels Victoria reconvene the Amendment C286yara Panel hearing and refer the peer review and Council's position on that material for its consideration.

Discussion

Peer review

13. At the May 2022 meeting, Council considered the Panel's recommendation to undertake a peer review.
14. The peer review has been conducted by Rob Panozzo of ASR Research (**Attachment 2**). It has focussed on the Panel's Recommendation 2.
15. The completed peer review was noted by Council on 15 August 2023. The peer review, adopting an alternative methodology to C286yara, arrived at a public open space contribution rate of 9.4 per cent (using the 10 per cent CIV margin recommended by the Panel).

16. The purpose of the peer review was not to form a new position for Council to adopt the rate recommended by the peer reviewer. It was prepared in response to an issue identified by the Panel that *'the amount of the total costs apportioned to new residents and workers has not been adequately justified and should be subject to peer review before the Amendment can be finalised'*.

Recommended position at a reconvened Panel Hearing

17. Council's original methodology, which formed the basis of Amendment C286yara and the 10.1 per cent public open space rate originally sought in Amendment C286yara, included a 30 per cent margin above the Capital Improved Value (CIV).
18. The purpose of the margin was to address what was considered to be the actual cost to Council of purchasing new land for public open space. (CIV is the assessed market value of the property including both land and all improvements such as buildings and may not reflect the value that the land can be purchased at).
19. Through the course of the hearing, Council accepted that there was not sufficient justification for a margin of 30 per cent above CIV for the land acquisition component of the public open space contribution rate calculation.
20. Council's position when the Panel hearing closed in February 2022 was to advocate for a public open space contribution rate of 9.35 per cent (based on a 20 per cent above CIV).
21. The Panel did not accept that 30 or 20 per cent allowance was justified or defensible. The Panel recommended a margin of 10 per cent be added to the cost of purchasing land (Recommendation 3).
22. If the Panel's recommendation to proceed with the 10 per cent CIV margin is accepted, the public open space contribution rate, based on the original methodology, would be 8.67 per cent.
23. As the Panel did not support the use of the 30 per cent or 20 per cent margin above CIV, officers consider the maximum rate that Council could now seek to achieve under Amendment C286yara is 8.67 per cent.
24. This percentage, while lower than the original 10.1 per cent initially sought, aligns with public open space contribution rates in other inner city municipalities and recently approved amendments:
- (a) In Melbourne, Stonnington, Kingston and Port Phillip, rates of 5 to 8 per cent apply depending on the location and setting;
 - (b) In Maribyrnong, 5.7 per cent applies;
 - (c) In Glen Eira, a rate of 8.3 per cent was recently approved across the municipality (with the exception of two specific development areas); and
 - (d) In Monash, Amendment C169, currently under consideration by the Department of Transport and Planning, Council adopted the Panel recommended rate of 7.61 per cent.
25. The absence of an agreed methodology for the calculation of public open space contributions in established residential areas across Metropolitan Melbourne has led to a high degree of uncertainty around public open space methodologies.
26. The State Government's Open Space for Everyone - Open Space Strategy for Metropolitan Melbourne 2021 flagged it would 'review and ensure the effectiveness of current open space contribution guidelines in addressing legacy issues and differing needs in established suburbs'.
27. The Department of Transport and Planning (DTP) has recently announced it is planning to release new guidance around open space strategies in late 2023. Officers will seek further information from DTP to understand any impacts of this on Amendment C286yara.

Interim public open space contribution rate

28. The application of an interim open space contribution rate of 7.4 per cent was considered by Council on 31 May 2022.
29. The request for a Ministerial Amendment, Amendment C306yara, was subsequently lodged and is under consideration by the Department of Transport and Planning (DTP).
30. Officers have impressed on DTP the need for the interim rate and have been in regular discussions to progress the amendment. No decision has been made regarding the proposed interim rate.
31. The 15 August 2023 Council resolution requested officers provide a report back to Council outlining the potential additional open space revenue Council would have collected from 1 July 2022 to 15 August 2023 using the 7.4 per cent interim rate recommended by the Panel in April 2022 (Table 1 provides a summary of the figures).
32. 13 subdivision permits where public open space rates were payable were issued between 1 July 2022 to 15 August 2023. These include residential developments, mixed use developments and office/retail developments.
33. The 13 subdivisions created 343 lots accommodating 255 dwellings and over 12,000 square metres of commercial, retail and office space.
34. Officers note 13 subdivisions where public open space contribution rates are payable is low compared to previous years. Notwithstanding this, Council is continuing to experience rapid rates of growth and development. Between 1 July 2022 and 30 August 2023, 655 dwellings were approved and are in the pipeline (source: Planning Permit Activity Reporting, Department of Transport and Planning).
35. The figures indicate that just over \$2,494,000 in revenue could have been collected during that period, if the 7.4 per cent interim rate applied.

Table 1: Potential additional open space revenue Council could have collected from 1 July 2022 to 15 August 2023 using the 7.4 per cent interim rate recommended by the Panel

Public open space contribution rate applied		Potential revenue
Residential subdivisions at 4.5 per cent		\$3,005,160.84
For all subdivisions at 7.4 per cent (residential, commercial and industrial)		\$4,941,820.05
Potential additional revenue Council could have collected	Difference between 4.5 per cent and 7.4 per cent	\$1,685,229.21
	Inclusion of commercial and industrial subdivisions at 7.4 per cent	\$808,820.00
	Total	\$2,494,049.21

Extension of Amendment C286yara

36. Under Section 30 of the *Planning and Environment Act* (the Act), an amendment will lapse two years after the publication of the notice in the Government Gazette if it has not been adopted by the Planning Authority.
37. Amendment C286yara was due to lapse on 9 September 2023.
38. On 5 July 2023, Council wrote to the Minister for Planning to request more time for the Planning Authority to adopt an amendment before it lapses (under section 30(1)(a)(ii) of the Act).
39. The lapse date for the amendment has been extended to 7 August 2024.

Next steps

40. Following the completion of the peer review, if Council wishes to seek a rate higher than 7.4 per cent interim rate recommended by the Panel, it will need to request the recommencement of the Amendment C286yara Panel Hearing, refer to the peer review and Council's position on that material for consideration and put forward Council's final position on an increased public open space contribution rate.
41. It is understood Planning Panels Victoria would re-notify submitters to Amendment C286 and hold a Directions Hearing. The further public hearing would follow.
42. Recommencement of the Panel Hearing would occur at the first available opportunity, dependent on the availability of Panel members, legal representation and submitters.

Options

43. Council has two options:
 - (a) Option 1 - Request the Panel hearing be reconvened and provide the peer review to the Panel for consideration and put forward Council's final position on an increased public open space contribution rate (as above, recommended to be 8.67%); or
 - (b) Option 2 – Not continue to pursue Amendment C286yara and write to the Minister for Planning and Planning Panel Victoria advising Council wishes to abandon Amendment C286yara.
44. As noted in Paragraph 41, if Council wishes to resolve the decision regarding a final public open space contribution rate, it should request the Panel be reconvened and the peer review referred to the Panel.
45. The peer review supported a rate of 9.4 per cent, noting the peer review methodology is untested and its purpose was not to form a new position for Council to adopt.
46. The maximum rate officers consider achievable would be 8.67 per cent (based on a 10 per cent CIV).
47. Given the projected increase in new residents and workers in Yarra, generating a need for a significant amount of new and upgraded open space, and therefore the importance of amendment to Yarra, officers recommend Council resolve to pursue Option 1 above.

Community and stakeholder engagement

48. The broader community and submitters were notified during the exhibition and hearing process of Amendment C286yara.
49. Should Council resolve to reconvene the Panel, Council officers will notify the Panel. The Planning Panels Victoria would notify previous participants and set further hearing dates.

Policy analysis

Alignment to Community Vision and Council Plan

50. Amendment C286yara supports the following themes in the Yarra 2036 Community Vision – Shared Spaces and Growing Sustainably:
 - (a) Priority 7.1 - All our shared spaces are made physically accessible and welcoming to people of all abilities, linguistic, cultural backgrounds and age groups;
 - (b) Priority 7.3 - Create and innovate solutions to maximise the use of under or unused streets and spaces;
 - (c) Priority 7.4 - Increase availability and diversify use of open spaces to address existing shortages and respond to population growth; and
 - (d) Priority 8.4 - Ensure that as we grow, community services and public spaces are adapted and created so that our unique lifestyle is maintained and continues to improve.

51. The amendment supports the following strategies in the Council Plan 2021-2025:
- (a) Strategic Objective 1: Climate and Environment - Yarra urgently mitigates climate change while also adapting to its impacts and developing resilience in everything we do. The community, business and industry are supported and encouraged to do the same.'; and
 - (b) Strategic Objective 4 – Place and nature – ‘Yarra’s public places, streets and green open spaces bring our community together. They are planned to manage growth, protect our unique character and focus on people and nature.’

Climate emergency and sustainability implications

52. An expanded open space network would help achieve a number of sustainability actions in Council strategies:
- (a) Developing biodiversity corridors;
 - (b) Creating opportunities for sustainable water management (e.g. through passive irrigation and stormwater harvesting); and
 - (c) Reducing the urban heat island effect by creating more permeable surfaces.

Community and social implications

53. The Panel has recognised the importance of the public open space contribution rate in meeting community needs resulting from increased development in the municipality.
54. Progressing Amendment C286yara would facilitate the delivery of more open space for the community, providing space to exercise and socialise.

Economic development implications

55. Progressing Amendment C286yara would ensure Yarra remains an attractive place to live and work by supporting the creation of new public open space and improvement of existing public open space.
56. The application of the public open space contribution rate to residential, commercial and industrial subdivisions would enable Council to provide for public open space demands in both residential and employment areas, that would serve both the resident and worker populations.

Human rights and gender equality implications

57. The upgrade and improvement of the public open space network through the application of a new public open space contribution rate would support the Yarra community and enhance their quality of life and liveability of Yarra.

Operational analysis

Financial and resource impacts

58. An increase of the public open space contribution rate from 4.5 per cent and the inclusion of non-residential subdivisions in the rate is an important matter for Council, to assist in funding both the new and improved public open space provision in the municipality over the next 15 years, (noting the projects in the *Yarra Open Space Strategy* would need to be funded from a mix of general rates revenue, grants and the public open space contribution rate).
59. The costs associated with the 2022 Panel process, including Panel fees, representation and other experts who provided evidence on behalf of Council were met by the 2022/23 budget. The majority of the costs associated with the preparation of the peer review were also paid in 2022/23.
60. Costs for this financial year will include further Panel, legal and statutory costs and are budgeted for in the 2023/24 Strategic Planning budget.

Legal Implications

61. There are no known legal implications. The amendment is being progressed in accordance with the Planning and Environment Act 1987. The amendment process has included an Independent Planning Panel hearing that has enabled submitters to be heard. The Panel has released an interim report that was considered by Council.

Conclusion

62. The Panel recommended a pathway to Council of:
- (a) Seeking a new planning scheme amendment seeking an interim 7.4 per cent public open space contribution rate for the immediate future; and
 - (b) undertaking a peer review of the apportionment methodology, and then reconvening the Panel hearing for Amendment C286yarra, if Council wished to pursue a higher public open space contribution rate than the interim 7.4 per cent rate.
63. Officers commissioned a peer review on the methodology of the apportionment of the costs to both existing and new populations. The completion of the peer review has been an important step in the process. The peer review supported a rate of 9.4 per cent, noting the peer review methodology is untested and its purpose was not to form a new position for Council to adopt.
64. It is also noted, given the Panel's Interim Report recommendations regarding a lower on cost for acquisition (being 10 per cent above CIV as distinct from 30 per cent as originally proposed by Council), the maximum public open space contribution rate Council could now seek to achieve under Amendment C286yara is 8.67 per cent.
65. Given the projected increase in new residents and workers in Yarra, generating a need for a significant amount of new and upgraded open space, and therefore the importance of amendment to Yarra, officers recommend Council progress Amendment C286.
66. Reconvening the Panel hearing and providing the peer review to the Panel for consideration is necessary to progress Amendment C286yara and seek a permanent increase to the public open space contribution rate in the Yarra Planning Scheme.

RECOMMENDATION

1. That Council:
- (a) requests Planning Panels Victoria reconvene the Amendment C286yara Planning Panel hearing;
 - (b) refer the Amendment C286yarra Open Space Project Cost Apportionment Final Report (dated 2 August 2023) prepared by Robert Panozzo at Attachment 2 to the reconvened Amendment C286yara Planning Panel for consideration; and
 - (c) adopts the use of the 10 per cent margin above CIV as recommended in the Interim Panel Report, and a consequential public open space contribution rate of 8.67 per cent.

Attachments

- 1 Attachment 1 - C286yara Interim Panel Report - Public Open Space Contributions
- 2 Attachment 2 - Review of Open Space Project Cost Apportionment for Amendment C286yara - R Panozzo

7.3 Transport Action Plan - Exhibition Draft

Reference	D23/329411
Author	Simon Exon - Unit Manager Strategic Transport
Authoriser	General Manager City Sustainability and Strategy
Disclosure	The authoriser, having made enquiries with members of staff involved in the preparation of this report, asserts that they are not aware of any general or material conflicts of interest in relation to the matters presented.

Purpose

1. To consider the approval for the draft Transport Action Plan (TAP) to be taken to community consultation for a 4-week period.

Critical analysis

History and background

2. The Yarra Transport Strategy 2022 -2032 (YTS) was adopted unanimously by Council in May 2022.
3. Since its adoption, the YTS has added significant value internally and externally to capital project work, other strategies in development at Yarra and neighbouring Councils, advocacy to State Government and general decision making.
4. The TAP will support delivery of the YTS and assists decision making at all levels of Council by:
 - (a) Considering the ambitious 10-year YTS targets and establishing a visible rate of annual activity to meet these targets;
 - (b) Raising awareness of Yarra's transport planning project pipeline to assist with project coordination internally and externally;
 - (c) Showing how strategic outcomes in the YTS translate into specific actions;
 - (d) Providing a solid foundation for proceeding with specific actions; and
 - (e) Informing others of the transport actions that Council supports (at least in principle) to maximise opportunities for external funding.
5. The TAP covers a 10-year timeframe and will be updated every four years. Updating the TAP regularly will:
 - (a) Promote ownership of the TAP.
 - (b) Keep the TAP relevant by maintaining strong linkages with the latest Council Plan, Annual Plan and other upcoming documents including the Parking Strategy and the 2024 Climate Emergency Plan.
 - (c) Ensure that the TAP continues to add value and remain relevant as the world and technology continues to change; and
 - (d) Maintain the profile of the TAP and the transport topic more broadly in community by providing the community with a regular opportunity to have its say on transport and what Council should be focused on.

6. The TAP has been developed with enough detail about upcoming actions to add the value required at this stage of the process without attempting to cover everything. The TAP is a guide and is flexible, it is not and should not be a detailed 10-year blueprint that cannot pivot depending on the changing circumstances of the municipality. The TAP needs to signpost the way forward to allow all levels of Government to respond to the transport needs of Yarra's community in a planned and coordinated way that is consistent with YTS objectives.
7. It is important to note that inclusion of an action in the TAP does not mean that there is a commitment to fund and deliver it either via Council or an external party. The TAP is an input to other detailed budget, consultation, state approvals, project management processes and decision making by Council.

Options

8. There are 3 options available for Council:
 - (a) Option 1 - the attached draft TAP is endorsed as is by Council for exhibition to seek community consultation;
 - (b) Option 2 - the attached draft TAP is endorsed subject to agreed changes and issued to the community consultation; and
 - (c) Option 3 - Councillors request changes to the attached TAP to be brought back to Council for consideration with a view to it than being issued to the community consultation.
9. The officer recommendation is that Option 1 is pursued and the attached draft TAP is placed on exhibition for community consultation.

Community and stakeholder engagement

10. To support development of the TAP, community consultation will be conducted over the 4 week exhibition period from Friday 15 September to Monday 16 October 2023. The engagement objectives are to:
 - (a) Inform the community about the purpose of the TAP, its key outputs and how it connects with the Yarra Transport Strategy; and
 - (b) Seek feedback from the community to understand if there is anything we've missed, anything we should be doing sooner (from year 2 onwards) and to understand the level of support for the actions included.
11. The community will be informed about the engagement by:
 - (a) Your Say Yarra web page with survey link and FAQs;
 - (b) News item on Yarra City Council website.
 - (c) DL postcard fliers and A1 corflute posters throughout Yarra.
 - (d) Social media (organic and/or advertisements); and
 - (e) Yarra Life & Your Say Yarra e-DM's.
12. The community will be able to participate and provide feedback by:
 - (a) Online survey via the Your Say Yarra community engagement platform; and
 - (b) In person pop-up sessions.
13. The consultation will be undertaken in full accordance with Council's Community Engagement Policy.
14. Yarra's culturally and linguistically diverse (CALD) community have language and accessibility barriers which may prevent them from participating in community consultations. To ensure their participation in this engagement, officers will:
 - (a) Include translation panels in all our printed materials and use QR codes on posters for easy access to the Your Say Yarra page;

- (b) Provide in-language promotion through Bicultural liaison officers, who will be available at our two in person pop up sessions;
 - (c) Reach out to known stakeholder groups (e.g. disability advisory committee); and
 - (d) Target CALD community participation by placing posters at locations such as public housing foyers where there are a high number of people who speak a different language at home.
15. During the consultation for the YTS, Council heard from more than 1,000 community members. Transport remains a high-profile topic and it is anticipated that engagement levels will remain high for the TAP. A consultation report will summarise key findings from the consultation and will contain all public submissions in full.
16. Officers will consider the feedback received during the consultation process and make amendments to the draft TAP before presenting an updated draft TAP back to Council for adoption.

Policy analysis

Alignment to Community Vision and Council Plan

17. The draft Strategy strongly aligns with a suite of Council policy documents, including the:
- (a) 2036 Community Vision;
 - (b) 2021-25 Council Plan;
 - (c) The Yarra Transport Strategy;
 - (d) Climate Emergency Plan;
 - (e) Place Making Framework;
 - (f) Physical Activity Strategy, and
 - (g) Access and Inclusion Strategy.

Climate emergency and sustainability implications

18. There are no implications associated with putting out the exhibition draft of the TAP.
19. More broadly, the TAP seeks to respond to climate emergency challenges in the transport context.

Community and social implications

20. The strategy seeks to make Yarra's transport network more inclusive and accessible.
21. There are actions that Council can take directly as well as advocating to other levels of Government for items that fall outside of Council's jurisdiction, such as delivery of accessible tram stops or increased heavy rail capacity.
22. There are also social elements for Council to consider in the implementation of transport actions, such as household income and cultural diversity. These are considered in the Strategy both from a strategic and delivery perspective; that is, through the provision of alternate means of movement around the municipality.

Economic development implications

23. The strategy seeks to provide Yarra with a transport network that supports economic activity in the short, medium, and longer term.
24. There are no economic implications directly associated with putting out the exhibition draft of the TAP. There may be economic development implications associated with implementing actions derived from the strategy and specific actions. These will be considered as part of specific project assessment processes.

Human rights and gender equality implications

25. Having access to safe, reliable and appropriate transport options for all, including older people, and people with disabilities, is essential to enabling many rights and responsibilities.
26. Decreasing transport disadvantage, improving actual and perceived safety and recognising the role of gender in transport project delivery and research are key aims of the YTS and the TAP which supports it.
27. A Gender Impact Assessment has been undertaken on the draft TAP.

Operational analysis

Financial and resource impacts

28. There are no direct financial implications associated with the draft TAP community consultation.
29. Delivering the TAP is likely to require substantial officer and capital resources as was the case when Council adopted the YTS and its ambitious targets. Over the last 10 years, Yarra's transport network has consistently required and received significant investment from Council and other parties including State and Federal Government.
30. Costing the completion of all TAP actions over the next 10 years is difficult at this stage, as for many actions the cost depends on the scope. This is yet to be agreed and is informed by further detailed site-specific work.
31. Accurately anticipating who will pay for what when it comes to many of the actions is also difficult at this stage, even when assets are on Council owned assets. For example, the Federal Government, through its Black Spot road safety grants program, has funded multiple pedestrian crossings and other infrastructure on local roads. State Government has funded bike lane actions in Yarra.
32. A key objective of the TAP is to maximise opportunities for external funding through focused advocacy that clearly sets out the actions that Council supports at least in principle. Given the Council budget, State and Federal Government will need to play a key role in funding transport outcomes in Yarra, that support broader objectives relating to population growth, economic growth, productivity growth and the environment.

Legal Implications

33. There are no known legal implications associated with putting the draft TAP out for public consultation.

Conclusion

34. The TAP will support delivery of the YTS and assists decision making at all levels of Council. This report seeks Council's approval to put the draft TAP on public exhibition so the community can provide feedback on its contents. The outputs of the consultation will inform a future draft of the TAP that will be presented to Council for adoption.

RECOMMENDATION

1. That Council:
 - (a) approves the draft Transport Action Plan to be taken to community consultation for a period of 4 weeks; and
 - (b) notes that officers will bring back a further report after the consultation period outlining the submissions, officers' comments, and a revised Transport Action Plan for further Council consideration.

Attachments

- 1 Attachment 1 - Draft TAP

7.4 Electrical Line Clearance Advocacy

Reference	D23/325356
Author	Glen Williames - Coordinator Open Space Services
Authoriser	General Manager Infrastructure and Environment
Disclosure	The authoriser, having made enquiries with members of staff involved in the preparation of this report, asserts that they are not aware of any general or material conflicts of interest in relation to the matters presented.

Purpose

1. The purpose of this report is to provide Council with up-to-date information and context regarding the Electricity Safety Act 1998 and the current Electrical Line Clearance Regulations 2020, as they relate to trees owned and managed by Council.
2. Energy Safe Victoria (ESV) is Victoria's independent safety regulator for electricity, gas, and pipelines. ESV's role is to ensure Victorian gas and electricity industries are safe and meet community expectations. Among its responsibilities are the administration of the Electricity Safety Act 1998 and the Electricity Safety (Electric Line Clearance) Regulations 2020, which adopts the Code.
3. Council has been complying with the ESV regulations by heavily pruning or removing trees in order to become compliant. This has resulted in community concern about reducing tree canopy from Yarra's streets.

Critical analysis

History and background

4. The Electrical Safety Act 1998 (The Act) was assented in May 1998 and the purpose of this Act is to make further provision relating to
 - (a) the safety of electricity supply and use;
 - (b) the reliability and security of electricity supply; and
 - (c) the efficiency of electrical equipment.
5. It outlines responsibilities for maintenance of vegetation around electric lines.

84C Requirement - to keep trees clear of electric lines - *Councils responsible for the management of public land in an area of land declared under section 81 is responsible for the keeping of the whole or any part of a tree situated on that land clear of an electric line that is not a private electric line.*
6. In part, the regulations were introduced, and remain despite advocacy by metropolitan Councils, to ensure electric lines did not further contribute to bush fire risks in Victoria. The City of Yarra is considered a low bush fire risk area.
7. Electric Line Clearance Regulations 2020. The objectives of these Regulations include:
 - (a) standards and practices to be adopted and observed in tree cutting or removal in the vicinity of electric lines and the keeping of the whole or any part of a tree clear of electric lines;
 - (b) a standard and practices to protect the health of trees that require cutting in accordance with the code; and
 - (c) a requirement that certain responsible persons prepare management procedures to minimise the danger of trees contacting electric lines and causing fire or electrocution.

Discussion

8. Council currently has approximately 30,000 street and park trees across the municipality, which are inspected by Council's arborist & arboriculture contractors on a minimum 2-year cycle. This is consistent with other metropolitan Councils along with a biennial tree maintenance program. This inspection and maintenance program is largely driven by the need to maintain clearance space from trees around powerlines (accounting for 2 years' growth), and to also inspect the trees' health, structure and useful life expectancy at the same time.
9. Council must comply with clearance around high voltage, low voltage and residential service lines. The regulations require trees to have minimum clearances from electrical lines which can often mean that trees are heavily pruned, resulting in weight displacement or fatally wounding the tree resulting in decline.
10. Streets within Yarra that contain high voltage powerlines are inspected and maintained on an annual basis, as clearance requirements are greater for these powerlines and trees. This cyclical maintenance program was introduced in the early 2000s, to address the requirements under the Act and to comply with the regulations.

Council Advocacy

11. The Electrical Line Clearance regulations are reviewed and updated every 5 years with the next iteration due in 2025. Council arborists across the state provided feedback to ESV on the regulations and prescribed clearances as part of the last review of the regulations.
12. Yarra's arborists, those from neighbouring municipalities, municipal Parks & Open Space Managers and members of the Council Arboriculture Group have long advocated for a relaxation of the heavy-handed approach to tree management in urban areas with low bush fire risks. The Cities of Darebin and Boroondara have been leading the advocacy with ESV from a local government perspective.
13. The previous 2015 regulations set out a minimum clearance space of 1000mm between tree branches/foliage to bare low voltage conductors (pole to pole) and 300mm between tree branches/foliage to insulated power service lines (pole to property). This clearance was to be maintained at all times.
14. Many Councils are facing the same inherited issues of tree non-compliance, strong advocacy from arborists in the local government sector, particularly from within the inner Melbourne area. The Municipality Association of Victoria (MAV) led this clearance requirement to be reviewed and reduced within the current 2020 Regulations.
15. Under this new criteria, structural tree limbs are now allowed to exist from 500mm to 1000mm from bare low voltage conductors and 150mm to 300mm from insulated power service lines. These trees are to have their locations recorded and inspected annually by a suitably qualified arborist. This reduced clearance space allowed the retention of over 100 trees across Yarra that would have otherwise required substantial pruning or removal.

Current Situation - Council

16. Of the 30,000 trees that Council maintains, there are currently 154 known sites that would be considered non-compliant under the regulations. Of these 154 sites, 123 have been assessed and considered compliant under an 'exception' to the 2020 Regulations (see paragraph 15 above). These trees have had their locations recorded and are inspected annually by Council arborists consistent with the regulations.
17. Of the remaining 31 noncompliant trees, 5 of these are due to new mid-span power service connections to properties by CitiPower making Council-owned trees non complaint. These sites are currently under review by ESV with officers working with CitiPower to correct in order to save the tree. A further 11 trees can achieve compliance through pruning, which is currently underway.

18. At this time, approximately 15 trees will require removal and replacement due to not being able to achieve compliance with the regulations or qualifying for an exception to the regulations. This number includes the plane trees in Richmond and the eucalypt in Fitzroy North. Officers believe that no further retention options exist for these trees, without ESV providing an exemption, which will not be possible under the existing regulations.

Current Situation – Energy Safe Victoria audits

19. Historically, ESV has not had the staff to perform compliance audits on Councils or issue infringement for non-compliances against the regulations. The 2020 regulations included a provision for infringement notices to be served on Councils for breaches of requirements. This provision took effect from 27 June 2022. Up until this date, there was an amnesty.
20. ESV now has a large compliance team, who regularly audit Victorian Councils for compliance against the regulations. Penalties range from \$4,500 for each non-compliance offence (each tree) to \$181,000 for failing to comply.

Other considerations

21. Officers will now plant the right tree for the right location, which minimises risks that trees will require heavy pruning or removal in future. However, legacy trees including London Plane and Paperbarks were planted decades earlier, which are now an inappropriate species for a built municipality like Yarra.
22. The overall health and life-expectancy of the tree is assessed by arborists prior to any decision about removal or retention. A tree with a fatal wound, such as having been hit by a vehicle or defect, such as rot, or susceptible to a pathogen, may be at end of life or may not survive heavy pruning and therefore may require removal.
23. Trees with structural limbs in hard contact with the powerlines have fewer options for retention, given the consequence hard pruning will have on their overall health and the possible community safety and property consequences weight displacement can have on a lopsided tree.

Options

24. Council arborists continue to work towards Council's obligations under the Electricity Safety Act 1998 and Electrical Line Clearance Regulations 2020, as they relate to trees owned and managed by Council. However, Council has no choice but to comply or face heavy penalties.
25. Officers explore all options available to ensure compliance for each tree, including pruning as first option and removal as last resort.
26. Bundling or undergrounding of powerlines can be an option for some streets, but this is a very expensive intervention (up to \$150,000 per bundle) and requires the approval and support of the power authorities along with a budget from Council. This is not always considered a reasonable option.

Community and stakeholder engagement

27. Officers undertake a letter box drop of surrounding properties prior to any tree removal works being undertaken.
28. Council currently notifies residents of Electric Line Clearance responsibilities via the Council website using a map, which outlines when and where tree pruning will take place each year. There is also a link to Council current Electric Line Clearance Management Plan which is updated annually.

Policy analysis

Alignment to Community Vision and Council Plan

29. Council Community Vision - Promote the role of Council more actively so people understand the decision-making process and how they can be involved.

30. Council Community Vision - Council actively maintains, educates, and implements infrastructure to ensure our streets and public spaces are free of hazards.

Climate emergency and sustainability implications

31. Council has taken policy and strategy positions to plant more trees via the Urban Forest Strategy, on city-wide canopy cover, through the Climate Emergency Plan, the Nature Strategy, the Open Space Strategy and through the practice of street tree planting. It can be argued that the electric line clearance obligations compete with Council's ambitions for greater tree canopy across the city.
32. While the removal of a small number of trees to ensure Council's compliance with the regulations will slightly reduce canopy cover in the short term, Council is planting over double the trees back annually that are removed.

Human rights and gender equality implications

33. A city that is cooled by street and park trees, which also adds to city amenity and adds value to properties, is a right that residents and visitors to Yarra have.

Operational analysis

Financial and resource impacts

34. General powerline clearance activities are performed under the street tree pruning contract which Council has funded as part of its annual operational budgets. Tree replacement costs are covered in operational and capital works budgets.

Legal Implications

35. Under the Electricity Safety Act 1998 Councils are required to maintain vegetation around powerlines. Failure to comply is a breach of section 84C of the Act, which can result in penalties between \$4,500 and \$181,000.

Conclusion

36. Of the approximate 30,000 trees that Council manages, there are approximately 15 trees that will require removal and replacement, as a result of inherited non-compliance against the regulations.
37. Council arborists have been working hard over the last 10 years to ensure Council is compliant with the regulations, at the same time as balancing the needs and expectations of the community regarding tree management and retention.

RECOMMENDATION

1. That Council:
- (a) notes the Council's obligations under the Electricity Safety Act 1998 and the current Electrical Line Clearance Regulations 2020, as they relate to trees owned and managed by Council;
 - (b) notes the heavy penalties for non-compliance to these regulations; and
 - (c) seeks Municipal Association Victoria support in advocating to Energy Safe Victoria and State Government MPs to amend the electric line clearance regulations, as part of the 2025 review, in order to retain trees and tree canopy and acknowledging Yarra as a low bush fire area.

Attachments

There are no attachments for this report.

7.5 Proposed Food Organics & Garden Organics kerbside rollout

Reference	D23/321864
Author	Lisa Coffa - Senior Circular Economy Advisor
Authoriser	General Manager Infrastructure and Environment
Disclosure	The authoriser, having made enquiries with members of staff involved in the preparation of this report, asserts that they are not aware of any general or material conflicts of interest in relation to the matters presented.

Purpose

1. The purpose of this report is to provide the Council with up-to-date information and context for the municipal wide food organics and green organics (FOGO) service rollout planned for 2023/24 and 24/25. The intent is to seek Council endorsement of a recommendation for a FOGO model and timelines for the rollout.
2. By collecting food waste alongside garden waste in the FOGO bin, Council can avoid organic waste going to landfill to produce harmful greenhouse gases. FOGO recycling is the separation of all food scrap and organic material, inclusive of green waste from your general waste and therefore from landfill. When food waste goes into the general waste bin it ends up in landfill, where it generates a greenhouse gas (methane) - a gas 25 times more potent than carbon dioxide, contributing to the rise of global warming. By starting to separate food and garden organic waste from a red bin into a FOGO bin, residents and businesses are actively contributing to a more circular economy. The compost product produced from the FOGO bin has great value which improves soil condition.
3. The introduction of a universal FOGO service will reduce costs to Council and residents, given the significant reduction (approximately 20% estimated) in landfill volumes. These landfill charges, with increasing landfill levy, make continued diversion from landfill financially beneficial.

Critical analysis

History and background

4. The Victorian Government's Circular Economy Bill has mandated the rollout of a 4-stream kerbside waste and recycling service, comprising of glass (by 2027), comingled recycling, FOGO (by 2030) and general waste.
5. In February 2020, Council resolved to rollout the full four-bin system by July 2020. However, due to COVID, the full rollout did not go ahead and instead Council resolved in November 2020 to first rollout the separate glass bin and changes to the recycling bin collection frequency (from weekly to fortnightly).
6. In June 2021, Minister D'Ambrosio held a Ministerial roundtable discussion with Council CEOs to discuss kerbside reform and to provide context regarding the State Government's view of the current FOGO markets. The message was that the FOGO licenced processing capacity will peak in 2022 with the potential to create risks for Councils planning to rollout a kerbside FOGO service in the short to medium term. Given the market and the complexities of the Yarra environment and the fact that one size fits all is not appropriate, it was decided it would be prudent and valuable to hold off on the rollout of FOGO.

7. Since then, the Victorian processors have substantially extended their composting capacity, infrastructure and end markets. This includes, for example, Repurpose It which is now processing 215,000 tonnes and Bio Grow which is now processes 300,000 tonnes of organics per annum. Their vertically integrated business models of soil manufacturing, enrichment and compost process lowers the risk of inadequate end markets for these products.

Service Standards Framework

8. In September 2022, the Victorian Government released its Service Standards Discussion Paper and the Service Standards Framework, which outline how mandatory standards can be established under the Circular Economy Act, to influence the management of waste and recycling provided to households across Victoria.
9. The discussion paper indicated that household waste and recycling services provided by Councils will be regulated by the head of Recycling Victoria (RV) via a service standard and accompanying regulations made under the Circular Economy Act.
10. Further, the discussion paper proposed that the standard will cover:
- (a) to whom the standard applies;
 - (b) which services it applies to;
 - (c) acceptable service arrangements in different circumstances (outlining what is reasonable access, including where alternative service arrangements to kerbside collection are acceptable);
 - (d) standard bin lid colours; and
 - (e) the dates when it will commence.
11. For this standard, households are proposed to include single-dwelling developments, multi-dwelling developments, temporary boarding houses, public housing, retirement villages and nursing homes. This will include commercial, industrial and all public properties that receive part of Council's kerbside waste services.
12. At this stage, the service standards will only apply to Councils and alpine resorts and not to other household waste and recycling service providers, such as private contractors or commercial waste providers.
13. In October 2022, Council endorsed a submission in response to the discussion paper and framework released by the state government.
14. Council's submission to the state highlighted:

Yarra City Council agrees with the need for waste and recycling standards and welcomes the improvement and clarity a consistent approach will provide for the community.

A proposed four-bin mandate for all properties that are provided with a kerbside waste collection.

- (a) *It is clearly outlined within the paper and the framework that Council must provide bins for all properties that receive a waste service from Council (some exemptions may apply, though not widely available). This is not feasible for all households within inner metropolitan Councils such as Yarra that have many small confined single houses - some of which do not have any external area that would enable bin storage.*

When rolling out the glass bin service within Yarra which added a third bin to the household at the time, Council experienced considerable feedback from property owners who complained about lack of space to store bins. The requirement for an additional (4th) bin, will be problematic for numerous households.

- (b) *It is outlined within the paper that there is an opportunity for the community to apply for exemptions from a FOGO service. It is proposed that Council manage the exemption process. The criteria for exemption, or how this process will be established, has not been outlined in detail. Understanding these criteria and the accepted process will be essential for Council to effectively provide feedback.*

The requirement ignores the complexity of Multi-Unit Development properties (MUDs), such as the Department of Families, Fairness and Housing (DFFH), which do not have the necessary infrastructure to support a 4-stream service. These properties provide considerable challenges to manage within the existing framework due to the high level of contamination. Any standards that require Councils to provide a 4-bin service to these properties should also require the State Government to provide the infrastructure and support on site to facilitate this.

The penalties for Councils who are not able to fully comply with the mandate are significant and potentially unreasonable, and there is little clarity on how compliance will be monitored and enforced:

The paper and the framework outline that the CEO of Recycling Victoria have the ability to work with Councils to identify exemptions, however there will be no ability for an exemption for not providing a four-bin waste stream. The only exemptions that will be considered will be managed by Councils and will be in line with shared services for MUDs. This is not a sustainable model and will create issues for our community.

Community members will also be able to apply for exemptions in relation to FOGO if there is a clear alternate opportunity to separate this at source. The process and criteria for exemptions and how this is to be managed requires clarification.

15. The draft service standard, corresponding draft regulations, and associated Regulatory Impact Statement (RIS) have not been released for formal public consultation. This is expected by the end of 2023. The final service standards and regulations are expected to be made in early 2024. Councillors will be briefed on outcomes as they are known.
16. Currently, Council provides a 3-bin kerbside service (except for 1400 households in the Abbotsford trial area, which have a 4-bin service). This service includes:
- (a) Fortnightly recycling collection;
 - (b) Fortnightly glass collection; and
 - (c) Weekly general waste collection.
17. There are approximately 58,000 rateable properties within the City of Yarra. A number of properties do not receive a Council waste collection service. The current kerbside service is provided to:

Current kerbside service provided to:	Number of properties serviced
Single Use Dwelling Houses (SUDs)	24,000
Multi-Unit Developments (MUDs)	18,200
Commercial and business	3,000
Total properties receiving a kerbside service	45,200*

*the remainder do not receive a Council kerbside waste service

Discussion

FOGO end market

18. In the past twelve months, the issues around capacity and the ability of industry to accept and process FOGO material from kerbside households have been resolved. Officers will continue to work with industry and community to ensure that clean material can be collected and processed and explore how Yarra can use the end product locally to ensure a truly circular economy model. The circular economy model relies on the end product, such as compost or plastic pellets, or crushed glass, being financially valued by end users such that they are willing to pay for the output.

Behaviour change

19. Council's recycling system relies on all households adopting these changes for it to be successful. When the system is used incorrectly, and there is a high level of contamination, it both financially costs Council, and it erodes community confidence in the system.
20. Through the Abbotsford trial in 2019 and the glass only bin rollout in 2020, Council learnt that Council needs to both incentivise correct use of the system (through behaviour change programs, clear messaging and other strategies) and disincentivise contamination by requiring residents to decontaminate their bins before collection. The balance of these two approaches is critical.
21. The 2020 glass bin rollout saw a vocal response from a small group of residents who objected to the new system.
22. Yarra has a high population turn over (around 50% every census) and community education is a significant and ongoing commitment.

Contamination

23. The control of contamination is a critical success factor and imperative for material quality as well as a viable end market. The experience of FOGO processors and other Councils has been that although compostable bags may reduce the barriers of resident participation, it increases contamination.

Budget

24. Council allocated funds as part of the 23/24 capital budget for the purchase of 120 litre FOGO bin stock in preparation for the introduction of the service, estimated at a total of \$1.8m.
25. A Council decision on the introduction of universal FOGO is required before these bins can be procured which, subject to Council's decision in this report, will be procured and distributed to households by the FOGO collection provider.
26. The goal is to purchase the bins, distribute them to households and deliver education campaigns to assist the community this financial year prior to the commencement of a collection service, ideally from July 2024.
27. The procurement process requires a minimum of a 6 to 8 months from time the order is placed until the bins can be deployed to the community, in part because of the quantity of bins being procured. It will also take time to procure a collection contractor and a receiving/processing contractor, which is why Council is asked to decide now.

Bin standardisation

28. The state-wide standards will mandate the service which local governments provide to the community, and the bin colour and contents. Currently, what items are collected for recycling differ between municipalities. Having standards across the state will help with community education and compliance. Council endorsed a submission to DELWP in relation to these draft standards in October 2022.

29. Officers are proposing a 120 litre bin for Yarra’s universal FOGO service. This will be provided to each house for the FOGO service with options to bin share for MUDs, as is currently done with our recycling & cardboard bins.
30. Officers will use a broad community engagement and communications program, including community meetings as appropriate, to work with residents who cannot, or choose not to, accommodate a 4th bin, wish to share a bin with neighbours, or have alternative suggestions for neighbourhood FOGO options.

Multi-Unit Developments (MUDs) including DFFH sites.

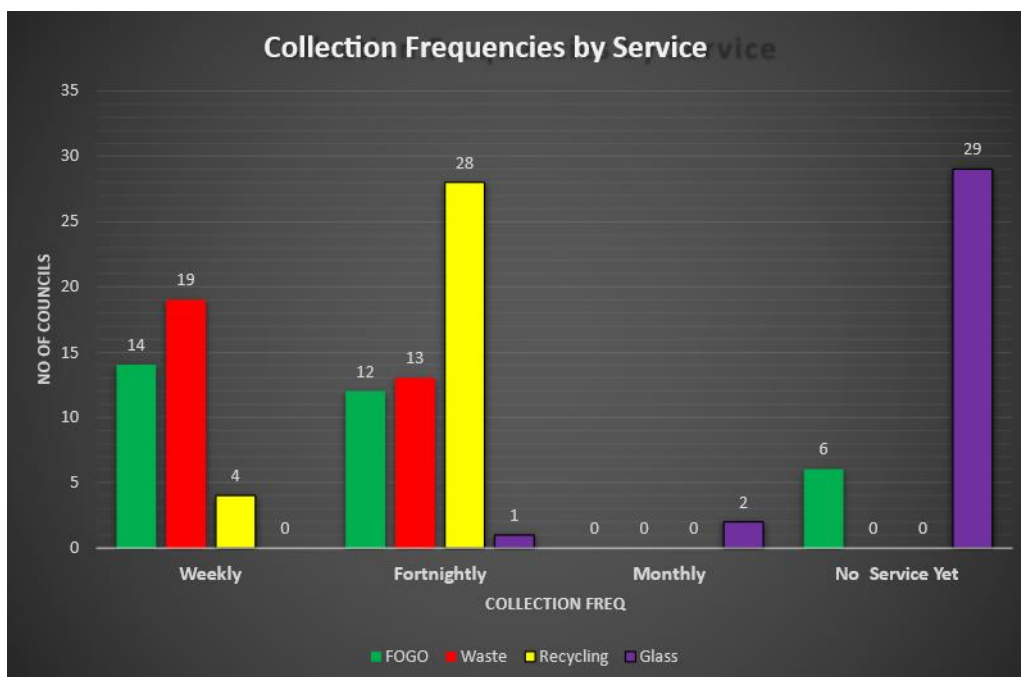
31. Yarra, along with many inner metro Councils, have similar challenges with the variety of housing stock. MUDs including DFFH sites present a significant challenge regarding the separation of recycling or organics as they often have very little space to store multiple bins, they share bins, and/or single chute systems. This makes separation at source behaviour difficult even for the most committed residents. Deep community discussions will be important for these stakeholders.

M9 Waste and Recycling

32. Officers continue to work with the M9 group of Councils on a collaboration to align to the Victorian Government Circular Economy legislation. This includes:
 - (a) maximum diversion from landfill;
 - (b) maximum resource recovery;
 - (c) using high quality recycling material; and
 - (d) extracting maximum value from processed end of life products.
33. Officers are exploring opportunities to aggregate FOGO material across the 9 Councils and have entered an interim collaborative procurement for processing of recycling, glass, and FOGO, with the tender out to market.

Benchmarking Across Other Victorian Councils

34. Victorian Councils are at different stages of providing a 4-bin kerbside service at different frequencies for FOGO, recycling, and rubbish. 32 of these Councils have been benchmarked by officers and are provided below.



Options

35. Yarra will be required, under legislation, to deliver a FOGO service to our community by 2030.
36. In order to determine the best practice model, officers have completed an analysis of:
- (a) learnings from the Abbotsford trial and other Councils;
 - (b) the changes to market capacity;
 - (c) ability of industry to accept materials and sell to end markets;
 - (d) impacts of new legislation;
 - (e) the challenges with Yarra's variety of housing stock and diverse community;
 - (f) the potential cost impact for delivering a FOGO service;
 - (g) optimal timelines for rollout; and
 - (h) the need for robust community engagement and education particularly around contamination management.
37. The following options are available for Council in relation to collection frequency:
- (a) **Option 1 – Implement a weekly universal FOGO collection service (recommended):** The current cost for Council's kerbside waste service is approximately \$11m. Additional costs can be expected for the collection and processing of an additional (up to) 40,000 120lt FOGO bins. However, these costs will be partly offset by savings from general waste volumes (approximately 20%) to landfill as well as the savings from the redundant booked green waste service. These costs will form part of the waste charge (with the option to include the cost of purchasing bins as part of the waste charge). Officers believe this model will be the most cost efficient, create the largest possible diversion rate while maintaining the quality of the end product and provide the greatest engagement with our community;
 - (b) **Option 2 – Implement a fortnightly universal FOGO collection service (not recommended):** As with option 1; and
 - (c) **Option 3 – Not proceed with universal FOGO at this time (not recommended):** No change to costs for Council's kerbside collection service, however Council will be required to introduce FOGO before 2030 as part of the State Government's waste reforms.
38. No changes to the collection frequency for other waste services/streams is proposed.

Risk Management

39. It is likely the key concern will be from residents concerned that they have insufficient space to accommodate a fourth bin. To support the community officers will:
- (a) run an extensive community engagement and communication programs to support residents with information about the new service, how the service will help reduce greenhouse gases, reduce volumes to landfill and save money;
 - (b) meet with residents, resident groups, and local communities to help answer questions and support them with the shift to a new service; and
 - (c) explore options for sharing of FOGO bins and neighbourhood hub models for alternative collection options.

Community and stakeholder engagement

40. The Yarra community has been overwhelmingly supportive of a universal FOGO service, as communicated to Council through various budget pop ups, email communications, at the Operations Centre open day and consultation during the Abbotsford trial site implementation.

41. As part of the FOGO service model analysis, officers engaged with 32 Victorian Councils to benchmark the key issues and barriers that have been raised by the respective communities since the implementation of the FOGO service. The key issues highlighted have been listed below:
 - (a) Language barriers reducing community understanding and participation;
 - (b) Smell factor with FOGO bin (correlates with fortnightly FOGO collection);
 - (c) Community perception of 'yuck' factor (including smell, insects) for food waste both for in home caddies and collection bin;
 - (d) No compostable bags allowed by Council/processor due to contamination and/or technology;
 - (e) Oppose fortnightly FOGO Collection; prefer weekly collection; and
 - (f) Cost to household for service.
42. To be successful in rolling out FOGO bins and introducing a FOGO service across Yarra, Council will work with the community to educate and support behaviour change.
43. Once Council decides on the roll-out of universal FOGO, officers will explore other opportunities for complementary activities such as neighbourhood and collaborative collection options (e.g. collection hubs etc).

Policy analysis

Alignment to Community Vision and Council Plan

44. The FOGO services and education program align with the Community Vision and Council Plan via the following themes:

The Community Vision 2021-36 – Vision Theme 4: *“We are all custodians of the City of Yarra. While our skyline is growing, so are our green spaces. We are smarter in how we manage growth and use our resources and energy. We celebrate, enable, and promote a circular economy.”*

The 2021-25 Council Plan includes this statement in strategy object 1: *‘Council is actively working to transition to a circular economy. We recognise the potential environmental and economic benefit of minimising waste, consciously consuming and preserving resources. We are committed to creating and enabling an environment for the circular economy to progress.’*

Climate emergency and sustainability implications

45. The FOGO rollout will meet Council’s objectives to be leaders in sustainability and the protection and enhancement of the natural environment. This will include a reduction in greenhouse emissions by diverting organics out of the landfill stream and a greater volume of compost produced for the local markets. Yarra would likely reduce CO2 emissions by up to 2400 tonnes per annum.
46. The Climate Emergency Plan Strategic Priority 5 – Headline Action: *‘Rollout a municipal-wide, four-bin food and organic waste kerbside collection service in 2020/21’*

Community and social implications

47. A shift in behaviour will be required by the Yarra community. This may create resistance from some members of the community and will need to be strongly supported by the ongoing and adjacent delivery of community engagement and education/behaviour change programs.

Economic development implications

48. In the longer term, the adoption of the 4-bin service across Yarra would reduce costs to Council and, in-turn the community, to assist in the generation of local circular markets, as well as the generation of local employment.

[Human rights and gender equality implications](#)

49. These will be considered when developing and delivering a 4-bin service.

Operational analysis

[Financial and resource impacts](#)

50. The State Government has and will financially support Councils to deliver kerbside reform. However, this is a contribution and does not cover the costs associated with delivering the 4-stream service mandated by the Government.

51. In June 2021, DELWP informed Yarra that based on Yarra’s Transition Plan for kerbside reform, Council will be entitled to funding of approximately \$800,000, with the exact amount to be confirmed. DELWP has made the first milestone payment of \$142K with the balance due when Yarra rolls out a FOGO service. The focus of the funding is for the purchase and rollout of FOGO bin infrastructure.

52. Funds for the purchase of bin infrastructure, delivery and associated engagement campaign have been included in Council’s 2023/24 budget.

53. Approximate costs (subject to market testing) should Council proceed with option 1.

	Cost (\$)
Current kerbside cost	\$11m
New FOGO costs	
Bins	\$1.8m (one off)
Collection and processing	\$1.5m - \$2m per annum
Reduction in general waste and green booked service costs	(\$1m)
Net kerbside cost (excluding the one-off cost of bin purchase)	\$12m

**Excludes one-off state government grant funding*

54. Council will further consider the budget implications of the introduction of universal FOGO services, as it prepares its future budgets and when the tendering of services has been tested by the market.

55. Early indications are that this will have consequences of adding approximately \$1m net, subject to market testing, to the cost of waste services across Yarra to be passed on to eligible ratepayers receiving a kerbside service through the waste charge.

[Legal Implications](#)

56. To ensure Council is receiving value for money, it is proposed that Council go through a competitive public tender process for the FOGO collection. This may slightly push back the start of the FOGO service implementation date, but ensures officers have market tested the service in line with its procurement policy.

Conclusion

57. The Victorian Government’s Circular Economy Bill has mandated the rollout of a 4-stream kerbside waste and recycling service, comprising of glass (by 2027), recycling, FOGO (by 2030) and general waste.

58. The recommendations in this report have considered results from the Abbotsford 4 bin trial area, feedback from other Councils with a FOGO service, current organics processing capacity, assessment of all organics processors in the market, end markets for processed material, long term material security, maximum diversion rates, Yarra’s diverse housing stock, and ongoing budget impacts.

RECOMMENDATION

1. That Council:
 - (a) endorses the rollout of a universal FOGO service across Yarra from July 2024 and authorises the necessary procurement of bins, collection and processing services which have been, and will be, included in the current and future capital works and operating budgets; and
 - (b) endorses that the cost of the FOGO collection and processing services will form part of the waste charge, but the purchase of FOGO bins will be procured through Council's capital works program and, therefore, the cost not form part of the waste charge.

Attachments

There are no attachments for this report.

7.6 Richmond Youth Hub evaluation report and funding advocacy

Reference	D23/305865
Author	Rupert North - Coordinator Youth and Middle Years
Authoriser	Acting Chief Executive Officer
Disclosure	The authoriser, having made enquiries with members of staff involved in the preparation of this report, asserts that they are not aware of any general or material conflicts of interest in relation to the matters presented.

Purpose

1. This report seeks Council endorsement of the Richmond Youth Hub Evaluation Report and support to actively engage in strategic advocacy to secure further funding from the State Government for the continuation of services at the Richmond Youth Hub.

Critical analysis

History and background

2. Council has a longstanding history of supporting young people in Yarra's public housing estates, both through direct service delivery from the Yarra Youth Centre (Fitzroy), and via the three-year Richmond and Collingwood Youth Program Grants.
3. The need for a dedicated youth space on the North Richmond Housing Estate was brought to Council's attention in May 2018, with the submission of a formal petition from local young people, advocating for a safe space to engage with their peers and access youth services.
4. \$185,000 funding was approved by Council in the 2018/19 budget and negotiations began with the Victorian Government to develop a youth facility on Department of Families, Fairness & Housing (DFFH) property. DFFH matched Council's funding contribution, and, following a co-design process with young people, construction of the Richmond Youth Hub began in mid-2020 at 110 Elizabeth Street, North Richmond.
5. In 2020, when construction was completed, the Victorian Government (DFFH) allocated Council a further \$122,500 for youth coordination from 1 January 2021 – 31 December 2021. This funding was subsequently extended by a further six months to 30 June 2022.
6. Following advocacy to former Minister Wynne in May 2022, Council received a total of \$597,917 funding for the continued delivery of youth coordination services from the Richmond Youth Hub over a two-year period from July 2022-June 2024.
7. As part of the funding agreement, Council was required to undertake an evaluation of the Richmond Youth Hub against the goals and short- and medium-term objectives in line with the agreed program logic and KPIs.
8. Since the Richmond Youth Hub opened in March 2021, almost 170 young people have registered through Yarra Youth Services and accessed the service. In total, over 10,000 contacts have been made with Yarra Youth Services programs, activities, and individual support. Most young people reside on the North Richmond Housing Estate, and/or go to school locally, or are connected to Richmond through family and friends.
9. Young people have accessed a range of program and services, including after-school drop-in, structured engagement programs, middle years activities, youth-led community events, and information, support, and referral. External service providers including Youth Substance Abuse Service, Lighthouse Foundation, Jesuit Social Services, Helping Hoops and GR8M8s, have also provided group activities and one-on-one support for young people.

10. Despite the initial challenges posed by the COVID-19 pandemic, participation patterns have settled, and there is a stable growth of interest, as more young people become regularly involved with programs and/or linked in with ongoing support services.
11. The Richmond Youth Hub Evaluation Report, as attached, concludes that:
 - (a) Young people regard Richmond Youth Hub as an extension of their home and feel a high degree of ownership over the space;
 - (b) The Hub makes young people on the estate feel valued and many young people reported feeling more hopeful about their future;
 - (c) The Hub has helped foster a more positive atmosphere on the estate by offering young people constructive and enriching alternatives for how to spend their time. This has been successful at diverting young people away from participating in anti-social activities;
 - (d) The co-location of external organisations at the Hub has connected young people to important support services by bringing workers onto the estate and reducing barriers to access, and fostering relationships between young people and service providers;
 - (e) Support provided through the Hub has supported young people to re-connect or engage successfully with education and employment;
 - (f) The Hub has played an important role in activating the estate grounds, bringing the newly upgraded amenities to life, and establishing a child and family friendly atmosphere in the space between 108 and 110 Elizabeth Street;
 - (g) Young people feel more connected to each other by creating a physical safe space which helps to consolidate peer relationships into a community of mutual support;
 - (h) The Hub's open door policy plays a key role in de-escalating incidents and debriefing young people afterwards;
 - (i) The Hub successfully encourages young people to participate in youth leadership activities including the Yarra Youth Advocacy Group, Yarra Community Awards, and accessing Council's Youth-led Grants and inspired them to contribute constructively to the community; and
 - (j) Overall, there is a sense that young people who attend the Hub are thriving and enjoying their lives.
12. While not specifically noted in the evaluation report, the Richmond Youth Hub has also become an integral and integrated part of Council's Youth & Middle Years services. There has been significant collaboration between teams within the Youth & Middle Years Unit, Family, the Youth & Children Services Branch and the Community Strengthening Division more broadly.
13. The success of the Hub has also informed improved practice towards co-location, partnership and collaboration at the Yarra Youth Centre at Fitzroy. This includes new partnerships developed with other organisations including Young Assets Foundation, Project Sunrise, and Youthlaw.

Discussion

14. The purpose of establishing the Richmond Youth Hub was to create a safe space for young people, to foster social connection, encourage community involvement, and support youth leadership. The Hub has provided a platform for strengthening service coordination between local agencies, to build locally based partnerships, which support the delivery of programs, services and events on the estate.
15. The evaluation found that the Richmond Youth Hub has been successful in achieving this purpose.

16. The Evaluation Report provides five key recommendations, to build on the initial success of the hub and ensure positive long-term social change for young people and their families in North Richmond:
- (a) Recommendation 1: That the State Government continues to provide core funding of \$304,303 pa (indexed to CPI) to Council for the purposes of operating the Richmond Youth Hub for a minimum of a further four years from July 2024, to ensure the program continuity and stability required to leverage reported successes into enduring long-term social change;
 - (b) Recommendation 2: That the State Government seeks to increase the budget for the Richmond Youth Hub by \$115,000 pa (indexed to CPI) to create a new Youth Support Worker role (1.0EFT), which addresses young people’s additional wellbeing needs, as well as to extend the Peer Youth Worker and casual Youth Services Officer roles by 0.3EFT to accommodate growth in demand for programs;
 - (c) Recommendation 3: That the State Government provide an additional \$18,000 pa (indexed to CPI) for a Youth Leadership Incubator program, which will support young people to develop and deliver youth led projects that address community needs in partnership with Council, DFFH and community stakeholders;
 - (d) Recommendation 4: That the State Government undertakes a review of Richmond Youth Hub’s facilities and maintenance arrangements in the next 12 months to determine the viability of relocating to a larger space, which better suits program growth and ensures that the space is appropriately maintained; and
 - (e) Recommendation 5: That subject to funding, Council and DFFH work collaboratively to develop a rolling formative evaluation framework, which integrates into quarterly/annual reporting and measurement improvements.

Community and stakeholder engagement

17. There has been strong community and stakeholder engagement throughout the Richmond Youth Hub evaluation. Young people were actively involved through “vox pop” styled conversations during program hours. More formal, semi-structured interviews, were held with ten young leaders, selected because of their level of involvement in the initial facility co-design process, their ongoing contribution to planning and running regular activities, and their participation in broader community projects. Council has also engaged Youthworx Media to help develop a series of short films that further enabled young people to share their own stories about the impact of the Richmond Youth Hub.
18. As well as youth engagement, the evaluation engaged key stakeholders at the Richmond Youth Hub, including staff from Department of Families, Fairness and Housing; Jesuit Social Services; Drummond Street Services; Youth Support and Advocacy Services; and key staff across Council’s Youth & Middle Years Unit and broader Community Strengthening Division.
19. In August 2023, the Department of Families, Fairness and Housing (DFFH) Secretary, Deputy Secretary, Director, Yarra Housing Estates, and other staff from DFFH and Homes Victoria met with the Council’s CEO and officers to visit the North Richmond precinct including the Richmond Youth Hub. This provided an opportunity to provide an overview of the Hub’s programs and services and share key highlights and challenges.

Policy analysis

Alignment to Community Vision and Council Plan

20. The Richmond Youth Hub strongly aligns with Yarra’s 2036 Vision that “*Yarra is a vibrant, safe, and inclusive environment. We celebrate and embrace our diversity and connection to each other and the land. Our community is empowered to work together and support one another with respect and trust*”.

21. Strategic Objective Two in the Council Plan 2021 – 2025 outlines that *“Yarra’s people have equitable access and opportunities to participate in community life. They are empowered, safe and included”*. The Evaluation Report highlights how the hub has supported this objective and contributes to other Council Plan strategies.
22. The outcomes delivered to date by the Richmond Youth Hub also contribute to the vision of Council’s 0 – 25 Years Plan 2018 – 2022, that: *“All children and youth are loved and safe, have material basics, are healthy, are learning and are participating and have a positive sense of culture and identity.”*

Climate emergency and sustainability implications

23. No specific climate emergency and sustainability implications are considered in this report.

Community and social implications

24. North Richmond has an over-representation of people living in public or social housing, as well as a high number of residents on low incomes, compared to the rest of the City of Yarra.
25. The Richmond Youth Hub provides responsive social infrastructure for the community. Council officers and partners have in-depth local knowledge, trusting relationships and specialised youth development and related skills, which are central to maintaining strong connections to young people living on the estate.
26. Young people from the North Richmond Housing Estate are highly engaged in the current programs and activities provided through the Hub, and the evaluation report highlights the positive short- and medium-term outcomes.

Economic development implications

27. The Hub provides programs that support young people’s participation in learning, employment, education, and training. A continuation of these programs will have significant positive economic implications, increasing young people’s employability and/or direct employment, leading to benefit to the local economy.

Human rights and gender equality implications

28. The evaluation of the Richmond Youth Hub shows that the Hub program aligns with the Victorian Charter of Human Rights and Responsibilities Act 2006 and Yarra’s Social Justice Charter, by actively supporting young people to participate in and contribute to their community.
29. One of the four Guiding Principles of the Convention on the Rights of the Child (CRC) is *“the right of all children to express their views freely on all matters affecting them”*. Young people’s active involvement in all aspects of the Richmond Youth Hub (including the recent evaluation) demonstrates a commitment to genuine youth engagement.
30. All ongoing decisions regarding the Richmond Youth Hub will be made within the context of the new Gender Equality Bill, ensuring that young people, not matter their gender, will have the opportunities and support to actively participate. Officers are also working on a Gender Impact Assessment of the Hub program to ensure inclusive programming.

Operational analysis

Financial and resource impacts

31. Council received a total of \$597,917 for the continued “delivery of youth coordination services from the Richmond Youth Hub” over a two-year period from July 2022 – June 2024. This provides core funding the Richmond Youth Hub, including staffing and resourcing to deliver programs at the hub.
32. Through the Community Grants Program, Council also contributes financially through the Richmond & Collingwood Youth Program Grants. In FY2023/24, this equates to \$195,640 + GST.

33. Council is seeking support from the State Government to provide core funding of \$304,303 pa (indexed to CPI) for the purposes of operating the Richmond Youth Hub for a minimum of a further four years from July 2024. Council is also seeking additional funding of \$133,000 pa (indexed to CPI) to create a new Youth Support Worker role (1.0EFT), as well as to extend the Peer Youth Worker and casual Youth Services Officer roles by 0.3EFT, and for a Youth Leadership Incubator program.
34. If advocacy to the State Government is unsuccessful, or partially successful, a further report will be presented to Council regarding future options.

Legal Implications

35. No legal implications are considered in this report. However, Council has a lease with DFFH for the Richmond Youth Hub (110 Elizabeth Street, Richmond) as part of the current funding agreement. This will need to be updated if further funding is obtained.

Conclusion

36. The Richmond Youth Hub has been operating since March 2021. The current funding from the Victorian Government ends in June 2024.
37. The Richmond Youth Hub Evaluation Report highlights its short and medium-term success in creating a safe space for young people, which fosters social connection, encourages community involvement, and supports youth leadership. The Hub has also strengthened service coordination between local agencies and built locally based partnerships that support the delivery of programs, services and events on the estate.
38. The Evaluation Report outlines five key recommendations, designed to build on the success of the hub and ensure positive long-term social change for young people and their families in North Richmond.
39. This report also seeks support for Council's CEO to actively engage in strategic advocacy to secure further funding from the State Government for the continuation of services at the Richmond Youth Hub.

RECOMMENDATION

1. That Council:
 - (a) Notes the Richmond Youth Hub Evaluation report as contained in Attachment One; and
 - (b) Acknowledges the vital contribution of young people, local community, and other organisational stakeholders to the success of the Richmond Youth Hub.
2. That Council authorises the CEO to undertake strategic advocacy to secure resourcing and support from the State Government for the Richmond Youth Hub including:
 - (a) Continuation of core funding of \$304,303 pa (indexed to CPI) from the State Government to Council for the purposes of operating the Richmond Youth Hub for a minimum of a further four years from July 2024, to ensure the program continuity and stability required to leverage enduring long-term social change;
 - (b) Increasing funding by \$115,000 pa (indexed to CPI) to create a new Youth Support Worker role, which addresses young people's additional wellbeing needs, as well as to extend the Peer Youth Worker and casual Youth Services Officer roles to accommodate growth in demand for programs;
 - (c) Providing an additional \$18,000 pa (indexed to CPI) for a Youth Leadership Incubator program, to support young people develop and deliver youth led projects that address community needs in partnership with Council, Department of Families, Fairness and Housing and community stakeholders; and
 - (d) A review of Richmond Youth Hub's facilities and maintenance arrangements within the next 12 months to determine the viability of relocating to a larger space, to enable program growth and ensure that the space is appropriately maintained.

Attachments

- 1 Attachment 1 - Richmond Youth Hub Evaluation Report

7.7 Governance Report - September 2023

Reference	D23/329787
Author	Rhys Thomas - Senior Governance Advisor
Authoriser	General Manager Governance, Communications and Customer Experience
Disclosure	The authoriser, having made enquiries with members of staff involved in the preparation of this report, asserts that they are not aware of any general or material conflicts of interest in relation to the matters presented.

Purpose

1. The Governance Report is prepared as a periodic report to Council, which provides a single reporting platform for a range of statutory compliance, transparency and governance related matters.

Critical analysis

History and background

2. To ensure compliance with the Local Government Act 2020 and in accordance with best practice and good governance principles, transparency and accountability, this standing report consolidates a range of governance and administrative matters.
3. Matters covered in this report are:
 - (a) appointment of authorised officers under the Planning and Environment Act 1987; and
 - (b) a procedural review of an authorised officer's decision to refuse the removal of a significant tree.

Discussion

Appointment of authorised officers under the Planning and Environment Act 1987

4. In order to conduct inspection, enforcement and prosecution activities on Council's behalf, officers require specific authorisation under the relevant legislation. While authorisation for most legislation is provided by the Chief Executive Officer acting under delegation, specific provisions of the Planning and Environment Act 1987 require that the authorisation be made directly by Council resolution.
5. In order to undertake the duties of office, staff members listed in the recommendation require authorisation under the Planning and Environment Act 1987.
6. In addition, authorisation must also be provided under section 313 of the Local Government Act 2020 in order to enable these officers to commence enforcement action where necessary.
7. The proposed Instrument of Appointment and Authorisation is provided at **Attachment One**.

Procedural review of an authorised officer's decision to refuse the removal of a significant tree

8. Clause 39 of the City of Yarra General Local Law (the Local Law) provides that "a person must not, without a permit, remove, damage, destroy or lop a significant tree" and that "in deciding whether to grant a permit ... the Council must have regard to the procedure and protocols manual".
9. The issuance of a permit under the Local Law must be made by a person authorised by Council for that purpose (the Authorised Officer).

10. The process provided for enables an applicant to seek a review of the authorised officer's decision by the Council itself. The role of the Council in this review is to determine whether the decision made by the Authorised Officer is lawful and provided procedural fairness to the applicant.
11. The timeline of the application is:
 - (a) On 6 April 2023, Council received an application for the removal of a significant tree at 15 Richmond Terrace, Richmond (see **Attachment Two**);
 - (b) From 6 April 2023 – the application commenced assessment in accordance with Council's "Guidelines for the consideration of Significant Tree Applications under Council's General Local Law" (the Guidelines – see **Attachment Three**). The assessment was conducted by Stewart Martin, Manager Compliance and Parking Services (authorised by Council on 21 November 2014);
 - (c) On 6 April 2023, Council commissioned an independent tree inspection report from Tree Dimensions Pty Ltd. The report was completed on 19 April 2023 and concluded that the tree's removal was not warranted. This was consistent with the conclusions of previous arborist reports in 2017 and 2020, which were commissioned following previous applications for a permit for removal of the same significant tree;
 - (d) In reaching a decision to refuse the application for a permit to remove the significant tree, Council's Authorised Officer took into consideration the applicant's detailed application, the arborist's reports from 2023, 2020 and 2017(see **Attachment Four**);
 - (e) The Authorised Officer's decision was communicated to the applicant by email on 28 April 2023;
 - (f) On 1 May 2023, Council received an application for a review of the officer's decision (see **Attachment Five**);
 - (g) The Manager Governance and Integrity reviewed the decision and determined to uphold the Authorised Officer's decision. This was communicated to the applicant on 15 June 2023;
 - (h) On 15 June 2023, the applicant requested that the decision be subject to further review by the Council; and
 - (i) On 31 August, the applicant was invited to attend the Council meeting at which this report is presented and address the Council, or to provide a written submission ahead of the meeting.
12. Following its consideration of this matter, Council has two options:
 - (a) Option One – Dismiss the application for review (meaning the Authorised Officer's decision will stand); or
 - (b) Option Two – Uphold the application for review (meaning the Authorised Officer's decision will be withdrawn, and the matter will be submitted to a different Authorised Officer for consideration afresh).
13. Council itself does not have the authority to grant a permit under the Local Law, and that any reconsideration of the application must be done by a different Authorised Officer. While this will provide an opportunity to rectify any procedural failings, it will not necessarily result in a different decision.
14. Further, it should be noted that although the applicant has provided information detailing the planned replacement planting, the issuance of a permit for the removal of a significant tree cannot be made conditional upon its replacement with a different tree or any other conditions. Should the applicant be of the view that this intention offsets the impact of the proposed tree removal such that its approval is warranted, an alternative avenue would be to seek to amend the planning permit for the site. This process would enable conditions to be placed on the removal of the tree, such as its replacement with another tree or a wider

landscape plan. A permission granted by way of a planning permit would remove the requirement for a permit under Council's Local Law.

15. Officers recommend that the application for review of the Authorised Officer's decision be refused. Should Council determine otherwise, the motion should read "That Council uphold the application for review of the Authorised Officer's decision to refuse the application for a remove to remove the significant tree at 15 Richmond Terrace Richmond and refer the application to the General Manager City Sustainability and Strategy for independent consideration."

Options

16. There are no options presented in this report.

Community and stakeholder engagement

17. No community or stakeholder engagement has been undertaken in the development of this report, save the engagement with internal stakeholders necessary to compile the report content.

Policy analysis

Alignment to Community Vision and Council Plan

18. In its Yarra 2036 Community Vision, Council articulated an objective for a community that is "informed and empowered to contribute to the shared governance of Yarra, (where) decision-making is through access, inclusion, consultations and advocacy."
19. City of Yarra Council Plan 2021-2025 includes Strategic Objective six: 'Democracy and governance', which states that good governance is at the heart of our processes and decision-making. The plan commits Council to "practice good governance, transparency and accountable planning and decision-making."
20. The presentation of a Governance Report provides an opportunity to provide updates on key organisational matters both to the Council and the community.

Climate emergency and sustainability implications

21. There are no climate emergency or sustainability implications considered in this report.

Community and social implications

22. There are no community or social implications considered in this report.

Economic development implications

23. There are no economic development implications considered in this report.

Human rights and gender equality implications

24. There are no human rights or gender equality implications considered in this report.

Operational analysis

Financial and resource impacts

25. There are no financial and resource impacts considered in this report.

Legal Implications

26. There are no legal implications considered in this report.

Conclusion

27. This report presents an officer recommendation on:
 - (a) appointment of authorised officers under the Planning and Environment Act 1987; and
 - (b) a procedural review of an authorised officer's decision to refuse the removal of a significant tree.

RECOMMENDATION

1. That in the exercise of the powers conferred by s 147(4) of the Planning and Environment Act 1987, Council resolves that:
 - (a) Patricia JACQUES;
 - (b) Alex SPADARO; and
 - (c) WALEED TALEB,be appointed and authorised as set out in the instrument at **Attachment One**, with each instrument coming into force immediately it is signed by Council's Chief Executive Officer, and remaining in force until Council determines to vary or revoke it.
2. That Council dismisses the application for review of the Authorised Officer's decision to refuse the application for a permit to remove the significant tree at 15 Richmond Terrace Richmond.

Attachments

- 1 Attachment One - Planning Enforcement Officer Template
- 2 Attachment Two - 15 Richmond Terrace Significant Tree Removal Application
- 3 Attachment Three - Significant Tree Guidelines
- 4 Attachment Four - 15 Richmond Terrace Arborist Reports
- 5 Attachment Five - 15 Richmond Terrace Significant Tree Removal Review

7.8 2022/23 Annual Plan Report - June 2023

Reference	D23/330598
Author	Shane Looney - Corporate Planner
Authoriser	General Manager Corporate Services and Transformation
Disclosure	The authoriser, having made enquiries with members of staff involved in the preparation of this report, asserts that they are not aware of any general or material conflicts of interest in relation to the matters presented.

Purpose

1. To present the 2022/23 Annual Plan Progress Report for June 2023.

Critical analysis

History and background

2. The 2022/23 Budget and Annual Plan were adopted by Council on 23 June 2022. The Annual Plan and Budget delivers Year 2 Initiatives in the Council Plan.
3. The budget year 2022/23, is Year 2 of the Council Plan 2021-25 incorporating the Municipal Health and Wellbeing Plan, adopted by Council on 19 October 2021 in accordance with the Local Government Act 2020.
4. The 2022/23 Annual Plan included 49 actions that are Year 2 actions that contribute to the delivery of 4-year Initiatives in the Council Plan 2021-25.
5. Actions in the 2022/23 Annual Plan were funded in the 2022/23 Budget.

Discussion

6. The 2022/23 Annual Plan Report for June 2023 is provided as Attachment 1 for noting and discussion.
7. Progress of each of the actions in the Annual Plan is rated on the following scale:

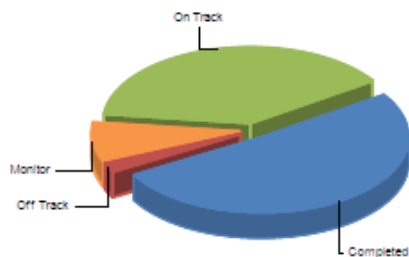
Completed	100% achieved
On track	90<99% achieved
Monitor	75<89% achieved
Off track	<75% achieved.
8. The established performance target for the Annual Plan is 75% of total actions scheduled to commence during the reporting quarter are rated as completed (100%) or on track (90<99%).

2022/23 Annual Plan Quarter 4 results

9. At the end of June 2023, 90% of the Annual Plan actions were reported as completed or on-track, against the performance target of 75%.
10. The result of 90% is the best result achieved in the past five years.

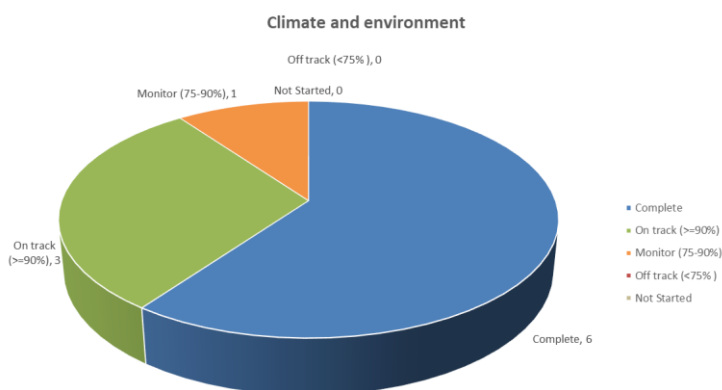
Year	% actions completed or on track
2018/19	83%
2019/20	86%
2020/21	89%
2021/22	82%
2022/23	90%

11. The table below provides a breakdown of the action results by strategic objective.



Strategic Objective	No. of Actions Reported	Complete	On track (>=90%)	Monitor (75-90%)	Off track (<75%)	Not Started
Climate and environment	10	6	3	1	0	0
Social equity and health	11	5	6	0	0	0
Local economy	4	2	2	0	0	0
Place and nature	7	3	2	1	1	0
Transport and movement	6	1	4	1	0	0
Democracy and governance	11	8	2	1	0	0
	49 (100%)	25 (51.02%)	19 (38.78%)	4 (8.16%)	1 (2.04%)	0 (0.00%)

Strategic Objective 1 Climate and environment



12. Climate and environment actions include work to transition Council buildings off gas, supporting and engaging households and businesses to transition to zero carbon, progress zero carbon development, continue transition of Council's fleet to low emissions options and programs and initiatives to reduce organic and plastic waste and support circular economy solutions.

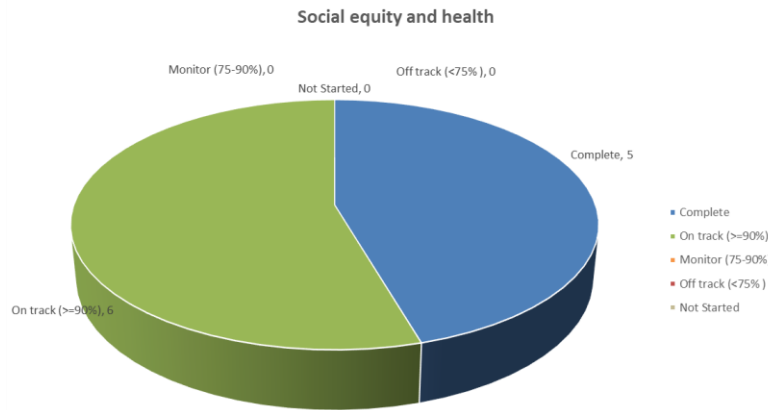
13. Of the ten actions, six are completed and three are on track.

14. The status of the following action is Monitor (75-90%).

(a) 1.10 Circular Economy:

The training program for Executive and Councillors was not delivered during the project, officers lodged a joint application with 4 neighbouring Councils for a circular economy grant from State Government to fund the training program. We are awaiting the outcome of the application. A circular economy action has been carried over into the 2023/24 Annual Plan.

Strategic Objective 2 Social equity and health

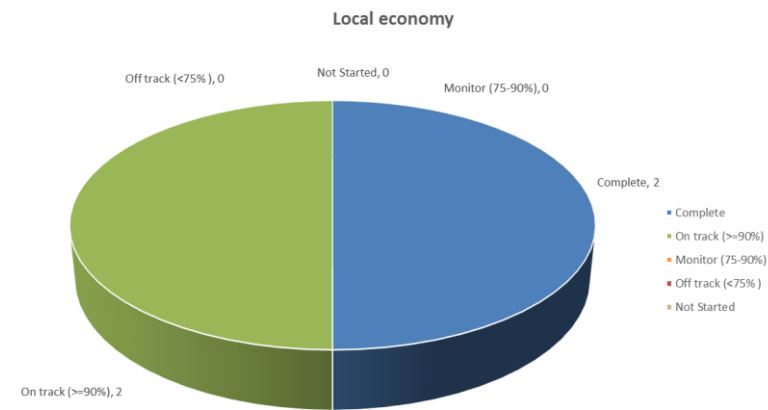


- 15. Social equity and health actions in the Annual Plan include commencing construction of Collingwood College early childhood centre, progressing the Collingwood Town Hall Precinct Community Hub project, programs and initiatives to support children and young people, older people, culturally diverse and LGBTIQ communities.

- 16. Of the eleven actions, five are completed and six are On Track.

Note: Action 2.01 Collingwood College early childhood centre build was deferred by Council after the project underwent a significant rescoping, with works originally to be undertaken by Council now to be undertaken by the Victorian Schools Building Alliance instead. Council will be responsible for delivering a smaller scope of works associated with a 22-place room for occasional care, to be delivered over budget years 2023/24 and 2024/25. This action is recorded as completed, as there are no outstanding milestones.

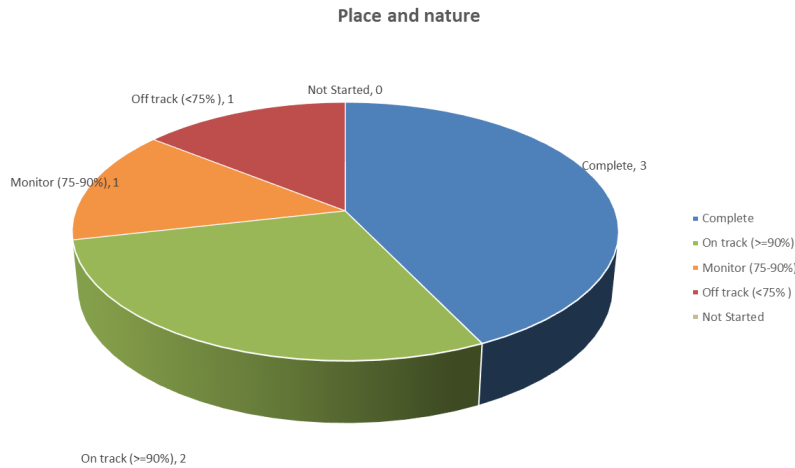
Strategic Objective 3 Local economy



- 17. Local economy actions in the Annual Plan include promotion of arts and culture, supporting new businesses through the approvals process, developing accessible information for potential businesses to locate vacant properties and work to understand community perceptions of safety.

- 18. Of the four actions, two are completed and two are on track.

Strategic Objective 4 Place and nature



19. Place and nature actions in the Annual Plan include the Cremorne Urban Design Framework, new parks in Cambridge Street and Otter Street, the redevelopment of Brunswick Street Oval Precinct, renewing Yambla Street Pavilion, direct seeding and cultural burning bushland management, nature engagement programs and greening initiatives including tree planting and measuring tree cover canopy.

20. Of the seven actions, three are completed and two are on-track.

Note: Action 4.04 Yambla Street Pavilion and public toilet renewal, construction was deferred by Council after project costs escalated from \$3.2m to \$5.9m. Funding has been included in the 2023/24 budget to explore other options. The software records this action as completed as there are no outstanding milestones.

21. The status of the following actions is Monitor (75<90%):

(a) 4.02 Cambridge Street expansion reserve and Otter Street park:

Revised dates have been negotiated with the Department of Environment, Land, Water and Planning who are funding the project. Cambridge Street works are currently underway, while Otter Street works commenced in July.

Both projects have been carried over into the 2023/24 Annual Plan. Completion dates for these open spaces are end of October 2023 for the Cambridge Street expansion and end of year for Otter Street works.

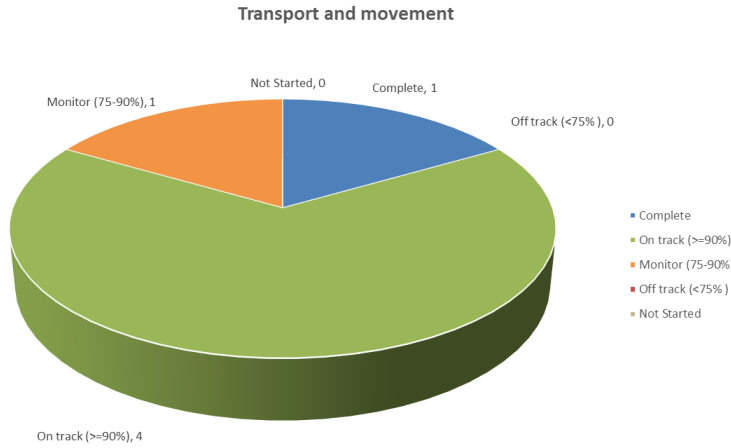
22. The status of the following action is Off Track (<75%):

(a) 4.01 Cremorne Urban Design Framework:

The draft Urban Design Framework (UDF) was put on public exhibition in November 2022, with over 165 pieces of written feedback received, and 20 meetings held with State Government departments and agencies, landowners, community members and Council’s advisory committees. In response, officers commissioned additional work on transport and built form testing.

This project has been carried over into the 2023/24 Annual Plan. A report will be presented to Council on 12 September 2023 to consider the feedback received on the draft UDF, a revised UDF and a request to the Minister for Planning to progress interim planning provisions and exhibit permanent provisions.

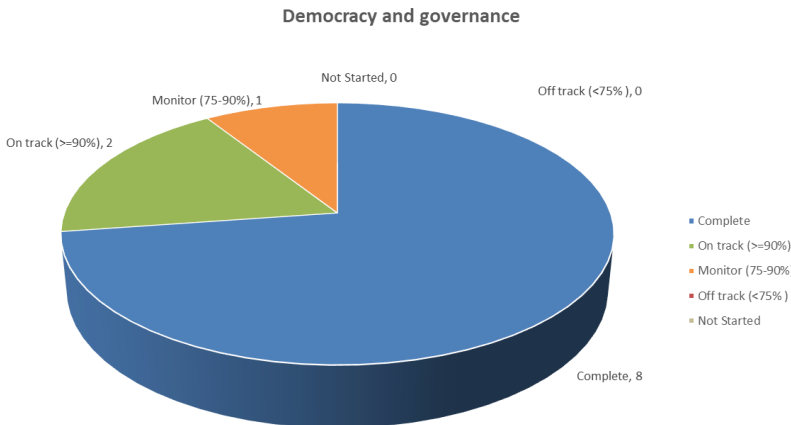
Strategic Objective 5 Transport and movement



- 23. Transport and movement actions in the Annual Plan include adoption of the Transport Action Plan, delivering active transport projects, advocacy for public transport, designing and implementing road safety studies and supporting shared micro-mobility, car share and ride share schemes.
- 24. Of the six actions, one action is completed and four are on track.
- 25. The status of the following actions is Monitor (75<90%):
 - (a) 5.01 Transport Action Plan:

The draft Transport Action Plan is being developed. A report will be presented to Council at its September 2023 meeting to commence community input into the plan, Engagement is scheduled to occur in September – October 2023.

Strategic Objective 6 Democracy and governance



- 26. Democracy and governance actions in the Annual Plan include initiatives to review Council’s strategic documents, investigate the Sustainable Development Goals, projects to improve engagement with youth and underrepresented members of the community, work to build partnerships to support strategic advocacy priorities, development and implementation of the Gender Equality Action Plan and the review and adoption of new Governance Rules.
- 27. Of the eleven actions, eight actions are completed and two are on track.

28. The status of the following action is Monitor (75<90%):

(a) 6.04 CX Program 2020-2022:

A plan to evaluate the program has been developed, but was not undertaken by 30 June 2023, which impacts the status. A working group has been formed to progress the program and new initiatives for FY24, as part of this ongoing initiative.

Options

29. There are no options in this report.

Community and stakeholder engagement

30. The Annual Plan Progress and Financial Report will be made available to the community, when published on Council's website.

31. The Annual Plan is informed by initiatives in the adopted Council Plan 2021-25 and extensive community engagement, which was undertaken during the development of the Council Plan 2021-25.

32. Projects in the Annual Plan are subject to community consultation and engagement on a project-by-project basis.

Policy analysis

Alignment to Community Vision and Council Plan

33. Yarra 2036 Community Vision: The Council Plan 2021-25 Strategic Objectives address all Themes in Yarra 2036 Community Vision.

34. Council Plan 2021-25: This report provides an overview of progress against actions in the 2022/23 Annual Plan that respond to all Strategic Objectives and Year 2 Initiatives from the Council Plan 2021-25.

Climate emergency and sustainability implications

35. The Council Plan 2021-25 includes a Strategic Objective 'Climate and environment' that addresses environmental sustainability and climate emergency considerations. The Annual Plan includes ten actions that respond to initiatives in this Strategic Objective.

36. The Council Plan 2021-25 includes a Strategic Objective 'Transport and movement', that is an integral part of our climate emergency response to reduce transport emissions. The Annual Plan includes six actions that respond to Initiatives in this Strategic Objective.

37. The Council Plan 2021-25 includes a Strategic Objective 'Place and nature', which recognises the important role that public places, streets and green open space have in bringing our community together. The Annual Plan includes seven actions that respond to Initiatives in this Strategic Objective.

Community and social implications

38. The Council Plan 2021-25 incorporates the Municipal Health and Wellbeing Plan that guides how Council will promote health and wellbeing across the municipality, as well as initiatives seeking to address issues of social equity and inclusion.

Economic development implications

39. The Council Plan 2021-25 includes a Strategic Objective 'Local economy' that addresses economic development implications. The Annual Plan includes four actions that respond to Initiatives in this Strategic Objective.

Human rights and gender equality implications

40. The Council Plan 2021-25 includes a Strategic Objective 'Social equity and health' that addresses equity, inclusion, wellbeing and human rights considerations. The Annual Plan includes eleven actions that respond to Initiatives in this Strategic Objective.

Operational analysis

Financial and resource impacts

41. There are no financial or resource impacts.

Legal Implications

42. None relevant to this report.

Conclusion

43. The 2022/23 Annual Plan Progress Report for June 2023 is the final report for this plan and is presented for noting.

RECOMMENDATION

1. That Council:
 - (a) notes the 2022/23 Annual Plan Progress Report for June 2023.

Attachments

- 1 Attachment 1 - 2022-23 Annual Plan June Report

7.9 2022/2023 Annual Financial Statements and Performance Statement Adoption in Principle

Reference	D23/329915
Author	Wei Chen - Chief Financial Officer
Authoriser	General Manager Corporate Services and Transformation
Disclosure	The authoriser, having made enquiries with members of staff involved in the preparation of this report, asserts that they are not aware of any general or material conflicts of interest in relation to the matters presented.

Purpose

1. To adopt the 2022/2023 Financial Statements and Performance Statement in principle.
2. To receive the recommendations of Council's Audit and Risk Committee.
3. To nominate two Councillors to certify the 2022/2023 Annual Financial Statement and Performance statements in their final form.
4. To provide capital works information for 2022/23 quarter 4, including performance commentary and program adjustments.

Critical analysis

History and background

5. The Financial Statements and Performance Statement form part of Council's annual report.
6. Section 98(1) of the *Local Government Act 2020* requires councils to prepare an annual report in respect of each financial year. The annual report must be presented to a council meeting (open to the public) by 31 October 2022.
7. The Financial Statements (**Attachment One**) compile a general-purpose financial report that has been prepared by Council officer and complies with the Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 2020*, and the *Local Government (Planning and Reporting) Regulations 2020*.
8. The Performance Statement (**Attachment Two**) and Governance and Management Checklist (**Attachment Three**) have been prepared in accordance with the Department of Jobs Skills, Industry and Regions (DJSIR) guidance.
9. The Report of Operations (**Attachment Four**) lists all the non-financial service performance indicators results, some of which are in the Performance Statement.
10. The 2022/2023 Financial Statements and Performance Statement accompanying this report reflect the financial results and Council Plan outcomes for the 2022/2023 financial year.
11. Council's Audit and Risk Committee received and considered the 2022/2023 Financial Statements and Performance Statement and related auditor's reports at its meeting on 31 August 2023.
12. The resolution from the Audit and Risk Committee meeting on 31 August 2023 was a recommendation to Council for adoption of the 2022/2023 Financial Statements and Performance Statement in principle and signing, subject to any administrative changes required by the Victorian Auditor General's Office (VAGO).

Discussion

Financial Sustainability

13. Like all other councils across Victoria, Yarra is facing financial challenges with rising cost pressures, rate capping and cost shifting, coupled with unprecedented growth and increasing pressure and demand on its services.
14. More recently, changes to the current economic landscape have compounded these challenges with high levels of inflation and significant increases to cost of services, labour, utilities and construction materials.
15. Whilst COVID-19 significantly impacted Council's financial position, pre-existing budgetary structural issues have also contributed to Council's ability to generate adequate cash flow. Council has limited unrestricted cash and cash levels have been historically subsidised by borrowings.
16. Work to meet these challenges has commenced and will need to be ongoing and require constant attention. There is no single solution, rather a holistic approach is required.
17. The preparation of a long-term Financial Sustainability Strategy is underway, which aims to provide Council with guidance for the long-term sustainable management of its resources. The strategy will seek to articulate the challenges and opportunities for Council and to identify options to ensure long term financial sustainability including both strategic and systemic reforms.
18. Strategic reforms seek to ensure that future investment decisions are based on need, underpinned by evidence and guided by informed strategies, including detailed asset management plans, contemporary property management and community infrastructure planning and an ongoing program of service reviews.
19. Systemic reforms include expenditure/cost controls, prudent management of debt, operational efficiencies, and capital works delivery management.
20. Over the past twelve months, Council has taken steps to improve our financial position. A range of cost saving measures and reductions to expenditure supported by work to strengthen project management to improve capital works delivery, has been delivered. This has had significant benefits, including addressing known future financial risks, reducing borrowings and improving Council's overall cash position. Prudent financial management has delivered a \$23.3m surplus, a favourable variance of \$11.1m to the adopted budget of \$12.2m and no further capital projects carried forward as planned and reported in March 2023, at \$7.2m.
21. Despite the favourable net result to budget, this has not directly translated to an improvement in the unrestricted cash balance as at 30 June 2023, due to a lower than anticipated cash collection from rates.

Financial Statements

Income Statement

22. The financial statements provide commentary regarding the financial and performance outcomes for 2022/23 (see notes 2.1.1 and 2.1.2). Key commentary related to the financial results are also provided below.
23. Council recorded a \$23.3m operating surplus, a favourable variance of \$11.1m to the adopted budget of \$12.2m. Council's operations resumed to more normalised activities post COVID-19. With 2022/23 being the first "normal" period post COVID-19, some results vary significantly from 2021/22.
24. Operating revenue of \$230.5m was \$0.4m unfavourable compared to the budget of \$230.9m. Statutory fees and fines and user fees revenue were not impacted post COVID-19.

25. Whilst there was a forward payment of the annual financial assistance grant from Victorian Local Government Grants Commission and an increase in interest received from term deposits, these increases were more than offset by a reduction in user fees and the timing of recognising the capital grants in accordance with the Australian accounting standards.
26. Operating expenditure of \$207.2m was \$11.5m favourable to the budget of \$218.7m. The major favourable components were material and services (\$6.3m favourable to budget as a result of timing of projects for digital transformation and Fitzroy Gasworks stadium contribution); and employee costs (\$4.1m favourable to budget due to timing of vacancies and savings from leave provisions).

Balance Sheet

27. Council's closing cash balance (including other financial assets) was \$81.1m. This balance is fully committed and will be utilised to fund future open space projects, carried forward capital projects and unspent grant funds, as well as covering Council's current liabilities due for payment during the 2023/24 financial year.
28. Council owned land value was adjusted downwards by \$125.9m because of a valuation by a qualified independent valuer, Westlink Consulting. This event has no significant impact to the net result, unrestricted cash or rates.

Capital Works

29. The Capital Works Statement for the year ended 30 June 2023 is on page 8 of the Financial Statements (**Attachment 1**), with variance analysis at note 2.1.2 on pages 12-13.
30. Council delivered a capital works program of \$35.3m in 2022/23. The result was \$18.8m less than the adopted 2022/23 budget of \$54.1m (which originally consisted of \$38.9m new adopted works and \$15.3m of works carried forward from 2021/22).
31. The underspend was primarily due to projects that were deferred, along with \$7.2m of works being included as planned carry forwards in Council's adopted 2023/24 capital works budget.
32. The Capital Works 2023/24 Quarter 4 Report (**Attachment 5**) provides further information on the capital works delivery performance by asset class in Quarter 4.
33. The Capital Works Program is subject to adjustments to deliver best value outcomes in response to various issues. These include variations to current projects, substitution in response to changing priorities, urgent works being identified, additional external funding obtained for new projects, or funds carried forward to the subsequent budget year for projects in progress that cannot be completed within the current budget year.
34. The Capital Works Program Adjustments 2023/24 Quarter 4 (**Attachment 6**) records the adjustments made during quarter 4.
35. Following all budget adjustments to the end of quarter 3, the adjusted capital works budget was \$36.9m and at end of quarter 4, the final expenditure of \$35.3m was 96% of that amount.
36. The results for financial year 2022/23 reflect an improved approach to planning, cost estimation and mitigation of delivery risks for capital works projects and provides the foundation for successful delivery of the adopted 2023/24 capital works program.

Local Government Performance Reporting Framework

37. The analysis of data from 2022/2023 reported results within the historic trend and comments are provided for any significant variances.
38. DJSIR has reviewed the draft results with no significant issues identified.

Performance Statement and Governance and Management checklist

39. The Performance Statement contains 10 service indicators and 18 financial indicators which have been audited by VAGO.
40. Council provides comments against all indicators in the Performance Statement.
41. The Governance and Management Checklist contains the acknowledgment by Council of the existence of key nominated policies and plans, and the dates when they were adopted.
42. The Report of Operations contains all the service indicators results, some of which are in the Performance Statement. The report is not required to be adopted by Council, but the results will be uploaded on the DJSIR performance portal.

Options

43. There are no further options.

Community and stakeholder engagement

44. Council's 2022/2023 Financial Statements and Performance Statement have been independently audited by RSD Audit, a VAGO's audit appointed agent.
45. RSD Audit has substantially completed their audit of the Financial Statements and Performance statement. They can provide reasonable assurance that those Statements presented fairly under the Australian Accounting Standards, *Local Government Act 2020* and *Audit Act 1994*.
46. There are no high-risk issues and Council is likely to receive an unqualified audit opinion, (subject to a final VAGO review), which is a positive result.

Policy analysis

Alignment to Council Plan

47. The 2022/2023 Performance Statement records Council's performance over a range of performance indicators required by the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2014* as part of the Local Government Performance Reporting Framework.

Climate emergency and sustainability implications

48. There are no climate emergency and sustainability implications.

Community and social implications

49. There are no community or social implications.

Economic development implications

50. There are no economic implications.

Human rights and gender equality implications

51. There are no human rights and gender equality implications.

Operational analysis

Financial and resource impacts

52. There are no material financial or resource impacts associated with the in principle adoption of the Financial Statements and Performance Statement.

Legal Implications

53. Section 98(1) of the *Local Government Act 2020* requires councils to prepare an annual report in respect of each financial year. The annual report must be presented to a council meeting (open to the public) by 31 October 2022.

Conclusion

54. The annual report includes the Financial Statements and Performance Statement. Council is required to certify the Financial Statements and Performance Statement in principle each year, in order to lodge the statements to be formally certified by VAGO.
55. The Performance Statement contains selected indicators from the service indicators, which are audited by VAGO. The Report of Operations contains all the service indicators, audited and not audited. It is attached for noting.

RECOMMENDATION

1. That Council:
 - (a) notes the accompanying 2022/2023 Annual Financial Statements and Performance Statement, which has received the endorsement of Council's Audit and Risk Committee;
 - (b) adopts the 2022/2023 Annual Financial Statements and the Performance Statement in principle prior to them being provided to the Victorian Auditor-General's Office for final audit sign off;
 - (c) nominates the Mayor and Audit and Risk Committee member Councillor Nguyen and Audit and Risk Committee member Councillor Landes, 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;
 - (e) designates Wei Chen, Chief Financial Officer, as Principal Accounting Officer to certify the Annual Financial Statements and Performance Statement, as required by the *Local Government Act 2020* and *Local Government (Planning and Reporting) Regulations 2020*;
 - (f) approves the 2022/23 Governance and Management Checklist;
 - (g) nominates the Mayor, Councillor Nguyen, to sign the 2022/23 Governance and Management Checklist;
 - (h) notes the Report of Operations; and
 - (i) notes the capital works reports and program adjustments for 2022/23 quarter 4.

Attachments

- 1 Attachment 1 - City of Yarra Annual Financial Statements 2022-2023
- 2 Attachment 2 - 2022/23 Performance Statement
- 3 Attachment 3 - 2022/23 Governance and Management Checklist
- 4 Attachment 4 - 2022/23 Report of Operations
- 5 Attachment 5 - Capital Works 2022-23 Q4 Report
- 6 Attachment 6 - Capital Works Program Adjustments - 2022-23 Q4

7.10 Draft Financial Sustainability Strategy

Reference	D23/319324
Author	Wei Chen - Chief Financial Officer
Authoriser	General Manager Corporate Services and Transformation
Disclosure	The authoriser, having made enquiries with members of staff involved in the preparation of this report, asserts that they are not aware of any general or material conflicts of interest in relation to the matters presented.

Purpose

1. To seek in principle endorsement of the draft Financial Sustainability Strategy (FSS) for the purpose of community engagement.

Critical analysis

History and background

2. The overarching objectives of the Local Government Act 2020 (the Act) are to ensure councils adhere to sound financial practices, put in place long-term planning and effective risk management frameworks to support the financial sustainability of the Council and act in the best interests of the municipal community, including future generations.
3. In today's complex and rapidly changing economic landscape, local governments face unique challenges and responsibilities in effective financial management. The financial sustainability of local governments across Australia continues to be challenging, driven by population growth, increasing community demand for services, and rising costs associated with service delivery and the renewal of ageing infrastructure.
4. Since its inception in 2016, the 'Fair Go Rates System' has challenged all Victorian Councils' financial sustainability. In recent years, the Essential Services Commission (ESC) has recommended that the rate cap be set equal to the CPI forecast. However, the CPI does not accurately reflect increases in costs faced by Councils, because they have a significantly different composition of expenditure compared to households. Key Council expenditures (wages, construction, utilities, etc.), required to provide services and deliver infrastructure projects, have been increasing faster than the CPI.
5. Furthermore, for 2023/24, the rate cap is set at 0.5% below the CPI forecast - a substantial disparity between policy and actuality.
6. Over the past seven years, the rate cap set below the actual CPI has cost Council \$8.4m.
7. Cost shifting has been a major financial issue for many years and poses a risk on the ability for Council to deliver services and our financial sustainability. Yarra has taken on additional responsibilities, delivered within the prescribed fees and revenue envelope and the rate cap, which have had a detrimental impact on our financial position. Over time, the funds received by local government have not increased in line with real cost escalation. Council has relied on rate revenue to bridge funding gaps, meet growing service demands, comply with new government policies, tackle rising costs, and fulfill community expectations.
8. The present Council is facing the impacts of past decisions made by previous Councils. In a different economic climate, Council took out borrowings to finance infrastructure projects, such as the North Fitzroy Library and Community Hub and the acquisition of the 345 Bridge Road premises, and to pay for an industry-wide defined-benefit superannuation call. These historic borrowings with 'interest only' payments have created a significant financial issue for this Council that requires systemic response.

9. The situation was further impacted by the COVID-19 pandemic, an unforeseen shock, which ultimately had an estimated \$50m impact to Council's financial position. This was as a result of substantial revenue losses, fee waivers and the introduction of programs and services to support Yarra's local businesses and community members.
10. More recently, Council's position has been impacted by escalating contract prices for infrastructure projects driven by factors such as inflation, supply pressures and competition from state infrastructure initiatives, and increasing cost-of-services above the rate of the Consumer Price Index (CPI).
11. The Municipal Monitor's *Report on the Governance of the City of Yarra* outlined the need for Council to make significant changes to the service mix, restructuring of the organisation, major investments in technology to improve the quality and efficiency of internal business processes, the implementation of a contemporary asset management system and improved processes for community interactions with Council. Therefore, further significant reform is needed to create a modern service-orientated organisation, with an emphasis on Council's financial sustainability.
12. Council entered the 2022/23 budget period with significant challenges and in 2023, Council commenced implementing measures in relation to its financial sustainability.
13. Over the past twelve months, Council has acted on the Municipal Monitor's recommendations and taken proactive measures to improve its financial position from 2022/23 due to diligent financial management practice, including:
 - (a) Improved capital works performance;
 - (b) Prudent financial management such as reducing fleet costs and holding staff costs; and
 - (c) Separating Waste Charges from general rates.
14. Consequently, Council's current financial position has significantly improved from 2022/23. Diligent financial management practice has produced benefits, including addressing known future financial risks, reducing borrowings and improving Council's overall financial position, with Council returning a \$15.2m surplus, which is a 24% increase on last year.
15. This has been made possible through a unified focus throughout the entire organisation and a fundamental shift in culture. Taking a holistic approach is essential, as there is no single solution to these complex issues and will be pivotal in driving further change and progress.
16. As is best practice, the draft Financial Sustainability Strategy (FSS) has been developed to implement the mandated financial management principles in section 101 Financial Management Principles of the Act:
 - (a) revenue, expenses, assets, liabilities, investments and financial transactions must be managed in accordance with a Council's financial policies and strategic plans;
 - (b) financial risks must be monitored and managed prudently having regard to economic circumstances;
 - (c) financial policies and strategic plans, including the Revenue and Rating Plan, must seek to provide stability and predictability in the financial impact on the municipal community; and
 - (d) accounts and records that explain the financial operations and financial position of the Council must be kept.
17. Council is committed to ensuring its long-term financial sustainability, while renewing and maintaining its assets appropriately and providing balanced and required community services without imposing a significant burden on our residents and community, today and into the future.

Discussion

18. Financial sustainability is Council's ability to manage its financial resources in a responsible and efficient manner over the long term.

19. It involves achieving a significantly improved financial position, ensuring that revenue sources are sufficient to cover operating expenses, fund essential services and liabilities, and ensure adequate surplus to effectively manage and invest in assets.
20. Financial sustainability also includes planning and budgeting for future needs, such as new, upgrade and maintenance of infrastructure to respond to community need and growth, while considering the potential impacts of economic fluctuations and changing demographics. It encompasses prudent financial management practices, responsible borrowing management, revenue diversification, effective cost control measures, and transparency in financial reporting. By achieving financial sustainability, Council can meet the needs of current and future generations.
21. The FSS will guide future decision-making, in order that Council can transparently, proactively and prudently plan to be financially sustainable, to maximise our community impact, deliver efficient and effective services and infrastructure, and meet our financial obligations both today and in the future.
22. The draft FSS provides an assessment of macro-economic trends, outlines current financial challenges, sets long-term financial goals, and importantly, outlines a roadmap to achieve financial sustainability objectives.
23. It is our aim for Council to:
 - (a) 0-2 years: maintain a net positive position by delivering a surplus, ensure our operating activities no longer relies on borrowings, hold costs and start to build cash reserves for specified purposes;
 - (b) 3-5 years: achieve a financial position where Council has sufficient cash reserves to repay borrowings, generate new revenue, can cover all known operating expenses without borrowing, deliver a long-term financial plan that more reliably reflects future financial requirements ('unknown risks'), and have approximately \$20m available in cash reserves for risk and strategic growth; and
 - (c) Within 10 years: ensure that Council has sufficient cash reserves (approximately \$30m) to meet unforeseen or emergency expenses and support population growth without relying on borrowing or compromising essential services.
24. For Yarra, having adequate cash reserves is essential for managing and accommodating the predicted 57,594 new residents or a 63% population growth expected by 2041.
25. Over the next 10 years, cash reserves will be required to allow Council to respond conservatively and flexibly to the financial risks and assumptions without borrowing, including potential unknown events that are outside the control of Council. To support these goals, two key reserves have been identified:
 - (a) Risk Reserve: to tackle unexpected events, including climate events, with significant financial impacts, safeguarding our long-term stability; and
 - (b) Strategic Growth Reserve: to fund major community projects that arise due to population growth, benefiting our community directly.
26. In addition, Council will responsibly manage our loan obligations, ensuring repayment without burdening our financial sustainability.
27. After Council has grown cash reserve balances to the necessary levels, the draft FSS is designed to progress towards the industry benchmark and Victorian Auditor General's Office (VAGO) 'low-risk' rating; unless we can demonstrate it is more responsible not to (for example, one-off abnormal transactions that do not have an enduring impact).
28. The purpose of the draft FSS is to recommend a set of initiatives which Council can immediately pursue to uplift Council's financial position to 2031-32 and beyond. The strategic levers for change are:

- (a) Sustainable cash reserves: Build cash reserves for strategic purposes, enabling community infrastructure for a growing population and to respond to unforeseen events. Council will also decrease our reliance on borrowings, ensuring a stable financial foundation;
 - (b) Optimise revenue: To optimise our revenue-generating assets and services, reflecting the true cost of services provided;
 - (c) Well planned assets: To maintain our community's assets at a level that caters to current and future needs. Our focus will be on renewals and new infrastructure, ensuring the right blend to meet community needs;
 - (d) Review the service landscape: Council will establish a new service planning and review framework to ensure all services are relevant, financially sustainable and can meet future community needs;
 - (e) Invest in transformation: Through technology, process improvements and careful planning, Council enhance the customer experience, service delivery and operational efficiency;
 - (f) Robust financial management: Council make fiscally responsible decisions and put in place effective financial planning and responsible budgeting processes; and
 - (g) Prioritise advocacy and partnerships: Council will strengthen partnerships and advocacy efforts to secure resources and navigate financial challenges.
29. The draft FSS does not make decisions about the level or quality of service. Rather, it identifies a roadmap for reform to improve financial sustainability over the next decade.
30. Most initiatives are interdependent and related. Specifically, most will need to be completed in parallel with the strategic review of the service landscape, community infrastructure planning and transformation program, rather than as stand-alone reforms.
31. The roadmap ensures that the strategy is translated into practical actions and outcomes and articulates where a Council decision will be required.
32. The draft FSS will be subject to community engagement (September – October 2023).
33. It is proposed that the final Financial Sustainability Strategy will be presented for adoption to Council in November 2023.

Community and stakeholder engagement

Draft Financial Sustainability Strategy

- 34. The draft FSS available for community feedback on *Your Say Yarra* (online survey).
- 35. Two in-person pop-up sessions – one as part of the *Councillor Conversations with Community* session in September.
- 36. One online community information session in early October.
- 37. Timeframe for feedback - 15 September – 16 October 2023.

Service Review Principles

- 38. The draft FSS commits Council to undertake a comprehensive engagement approach to define the principles governing the service planning and review framework through a deliberative engagement process. The outcome is to develop community-supported service planning principles to inform and guide Council's future service planning and review program.
- 39. The engagement approach to develop Council's service planning and review principles will be undertaken in two parts as follows:
 - (a) Stage 1: Social research and general community engagement:
 - (i) Representative community survey (via targeted research methodology);

- (ii) Community sentiment about Council's role in service landscape and attitudes towards service delivery;
 - (iii) Online survey replicating 'questions' for general community participation through a Your Say Yarra;
 - (iv) Community sentiment report to inform Stage 2: deliberative engagement stage;
 - (v) Timeframe - October – November 2023;
 - (b) Stage 2: Deliberative engagement:
 - (i) reflective of best practice deliberative engagement;
 - (ii) representative of Yarra's diverse population;
 - (iii) independently facilitated by engagement consultant;
 - (iv) Engagement activities: workshop sessions using deliberative engagement principles (at least 2 sessions per group);
 - (v) To recommend Service Planning and Review Principles (subject to a Council decision) for council consideration;
 - (vi) Timeframe February – March 2024 (due to no engagement over December-January period).
40. The final document will be designed to improve the visual appearance and readability once adopted by Council.

Policy analysis

[Alignment to Community Vision and Council Plan](#)

41. The draft FSS will deliver on the Council Plan (Objective 6) by being future-focused, managing our finances responsibly and innovatively responding to challenges.

[Climate emergency and sustainability implications](#)

42. The draft FSS identifies natural disasters and mitigating climate change as a financial risk.

[Community, social and economic development implications](#)

43. The City of Yarra's population, household and age structure forecasts help us understand what is driving population change in the community and inform Council about future community infrastructure and service priorities.

[Human rights and gender equality implications](#)

44. The FSS's purpose is to ensure that Yarra continues to meet the needs of its diverse community, now and into the future. It will take account of the Victorian Charter of Human Rights and responsibilities Act 2006, Yarra's Social Justice Charter and Gender Equality Legislation.

Operational analysis

[Financial and resource impacts](#)

45. The draft FSS is based on existing assumptions available at the time of its development. Considering the dynamic nature of the external policy and economic landscape, it is reasonable for Council to periodically assess and revise its strategic financial outlook, as new information evolves.
46. Most initiatives are interdependent and related and will need to be completed in parallel with the strategic review of the service landscape and the community infrastructure planning and transformation program, rather than as stand-alone reforms.
47. Any new strategy, program or systems will require detailed implementation costings, however most initiatives identified in the draft FSS are foreshadowed in current and future operational budgets.

48. The actions clearly articulate where a Council decision will be required, including successive Council's.
49. The roadmap ensures that the strategy is translated into practical actions and outcomes. Quality assurances over Council's financial performance include a rigorous internal review process by management, endorsement by Council's Audit and Risk Committee and approval by Council.
50. On 31 August 2023, Council's Audit & Risk Committee endorsed the overarching principles and strategic levers as detailed in the Draft Financial Sustainability Strategy.

Legal Implications

51. The strategic levers in the draft FSS are important measures to mitigate and reduce Council's risk exposure.

Conclusion

52. Financially, Council's primary obligations are to be financial sustainable, make optimal and effective use of the public funds, and ensure the responsible management and planning of community assets, so that future ratepayers are not disproportionately burdened.
53. It is crucial that today's decisions are forward-thinking and meet the evolving needs our present and future community. Long-term financial sustainability is essential for Council to continue providing the required services and programs for our community.
54. The draft Financial Sustainability Strategy provides an assessment of macro-economic trends, outlines current financial challenges, sets long-term financial goals, and outlines a roadmap to achieve financial sustainability objectives.
55. One core aim is to build and sustain Council's cash reserves so that Council can invest in new infrastructure needed to support a growing and changing community, as well as respond to unexpected or urgent events.
56. The draft Financial Sustainability Strategy will guide future decision-making, so Council can transparently, proactively and prudently plan to be financially sustainable, to maximise our community impact, deliver efficient and effective services and infrastructure, and meet our current and future financial obligations.

RECOMMENDATION

1. That Council:
 - (a) provides in principle endorsement of the draft Financial Sustainability Strategy for community engagement;
 - (b) notes the final Financial Sustainability Strategy will be presented to Council in November 2023 for consideration; and
 - (c) notes the community engagement approach to inform Council's service review principles.

Attachments

- 1 Attachment 1 - Draft Financial Sustainability Strategy

7.11 Microsoft Licensing Enterprise Agreement Renewal - 2023-2026

Reference	D23/326525
Author	Jonathan Merriweather - Technology Services Lead
Authoriser	General Manager Corporate Services and Transformation
Disclosure	The authoriser, having made enquiries with members of staff involved in the preparation of this report, asserts that they are not aware of any general or material conflicts of interest in relation to the matters presented.

Purpose

1. The purpose of this report is to seek endorsement of the Council regarding the renewal of the City of Yarra's Microsoft Licensing Enterprise Agreement (EA) for the period 2023-2026.

Critical analysis

History and background

2. The Microsoft Licensing Enterprise Agreement (EA) is designed for large organisations to consolidate their licensing arrangements, in order to provide their workforce with Microsoft applications. The EA is tiered based on the number of licensed computers or users and covers software licensing and upgrades for up to a three-year period. It includes software products such as Windows 10, Microsoft Office (Desktop, email, Office 365), and core Client Access Licenses for Windows Server, Exchange System Centre, and SharePoint. The City of Yarra's current EA expires on 31 August 2023, necessitating the renewal of the licensing agreement for a new contract period. Shifting away from Microsoft is not viable due to City of Yarra's technology ecosystem, compatibility, and cost implications.

Discussion

3. The current EA has been reviewed by the Microsoft's account management team and validated by Data#3 (current vendor).
4. Microsoft has flagged a worldwide global price increase of 9% starting 1 September 2023. We have secured a price freeze until 15 September 2023.
5. Under our current 2020 - 2023 Microsoft Enterprise Agreement, we primarily use Microsoft E5 licenses, with approximately a third of all staff using E1 licenses.
6. The Microsoft E5 license offers access to Microsoft's cloud and device products and services including Microsoft's advanced cyber security features, such as:
 - (a) Full extended detection and response (XDR);
 - (b) Automated investigation and response (AIR);
 - (c) Identity protection and conditional access; and
 - (d) Information protection and insider risk management.
7. To ensure optimum cyber security for our systems and licences, we have two options:
 - (a) Purchase F3+F5 licenses to replace the E1 licences and make them compliant with the security and compliance features. The resulting F3+F5 license still lacks the features of the E5 license and is not a like-for-like replacement. or
 - (b) Migrate the current E1 users to E5 licenses. This is the preferred option.
8. Cloud consumption has grown over the past 3 years, as we have migrated workloads to the cloud:

- (a) We have included additional allowance for cloud consumption per year of the agreement. Most of our cloud consumption is for the following services:
 - (i) Backup and Disaster Recovery;
 - (ii) File storage and collaboration;
 - (iii) System redundancy; and
 - (iv) Cyber Security services.

Options

- 9. As part of our review, we examined two options:
 - (a) renewing under the Municipal Association of Victoria (MAV) contract; and
 - (b) renewing under the State Purchase Contract (SPC).
- 10. The SPC contract provides significant savings on licenses and services purchased through that contract, however the contract stipulates that user licenses must be licensed under the E5 license.
- 11. The MAV contract is more expensive across the board when comparing like for like, however, allows the mix of different user licences.
- 12. During our analysis, we found that overall, the SPC contract is approximately 2.1% more expensive compared against the MAV contract. However, the SPC contract provides significantly more value and will provide equal access to all staff, providing full access to the Microsoft suite of applications and services. The SPC contract also offers opportunity for a reduction in daily administration of license maintenance.

Community and stakeholder engagement

- 13. The current City of Yarra three-year Enterprise Agreement has been reviewed by the Microsoft account management team responsible for supporting Victorian local government organisations. This process was undertaken to ensure the City of Yarra procures the correct level and mix of licences and products provided by Microsoft for use over the next contract agreement period.
- 14. This information was further verified by Data#3, the sole supplier for the SPC contract, and is one of only five companies available via a MAV Panel arrangement licenced by Microsoft to sell Microsoft EA products to Local Government entities.

Policy analysis

Alignment to Community Vision and Council Plan

- 15. The renewal of the Microsoft Licensing Enterprise Agreement directly aligns with Council's community vision and council plan. Council's strategic objective of "Democracy and Governance" emphasises evidence-based decision-making, meaningful engagement, good governance, and financial stewardship. By carefully evaluating the licensing options and choosing a best-fit model for the immediate and future organisation's needs, Council demonstrates its commitment to responsible financial management and transparency. This decision-making process, involving external research, ensures that the chosen licensing approach supports the long-term technology needs of the community.

Climate emergency and sustainability implications

- 16. While the provided information does not explicitly mention climate or sustainability implications, the decision to renew the Microsoft Licensing Enterprise Agreement could indirectly contribute to sustainability efforts. Microsoft 365 E5 license will prime the organisation to reduce reliance on travel and real estate to deliver business critical work. It enables governance and efficiencies for our hybrid workforce. By opting for licensing models that optimise usage and streamline technology resources, Council could potentially reduce energy consumption and electronic waste associated with software and hardware.

Additionally, the transition to cloud-based solutions aligns with sustainability goals by promoting more efficient data storage and reducing the need for physical infrastructure.

Community and social implications

17. The decision to renew the licensing agreement has community and social implications. The Council's focus on empowering all employees with equitable technology is supported by this approach. By selecting a licensing model that supports online digital tools for participation, the Council enhances accessibility to decision-making processes, allowing a broader cross-section of the workforce to produce work efficiencies without limitations. This aligns with Council's commitment to respectful relationships and community capacity-building.

Economic development implications

18. The decision to renew the licensing agreement presents economic development implications for the City of Yarra. By choosing a best-fit licensing model that balances costs, cyber security, and compliance, the Council can ensure that its technology ecosystem remains secure, robust, and up to date. This, in turn, supports the efficient delivery of services to the community. Moreover, by embracing digital tools and innovations through the agreement, Council paves the way for potential technological advancements that can foster economic growth and technological expertise within the community.

Human rights and gender equality implications

19. While the provided information does not explicitly address human rights and gender equality, the considerations around licensing models and technological tools can indirectly impact these areas. Council's commitment to inclusive engagement and equitable participation in decision-making aligns with principles of human rights and gender equality. Ensuring that digital tools are user-friendly, secure, accessible, and available to all community members, regardless of gender or background, reflects a commitment to fairness and inclusivity.

Operational analysis

Financial and resource impacts

20. The SPC contract term ends 31 March 2026, as such, Yarra City Council will be prorated into this term making the new EA contract span two (2) years and seven (7) months.
21. The new EA cost is outlined in Confidential Attachment One, item 23.
22. Microsoft has flagged a worldwide global price increase of 9% starting 1 September 2023. The benefits of signing the SPC contract before 15 September 2023 are outlined in Confidential Attachment One, item 24.

Legal Implications

23. City of Yarra must meet procurement obligations under section 186 of the Local Government Act. The procurement services provided by the State Government and the SPC Contract DPC-ICT-04-2020 have been accessed. Data#3 is the sole provider of the SPC contract. Compliance with Microsoft licensing requirements is essential to avoid legal and financial penalties.
24. The proposed EA aligns with City of Yarra's technology needs, considering shifts to flexible work arrangements, increased mobility, and cloud-based products. User-based licenses will become cost-effective due to flexible mobile device-driven scenarios. The EA addresses security and compliance requirements, ensuring protection across devices.
25. Failure to renew the Microsoft EA accurately would breach Microsoft licensing requirements and expose Council to legal and financial penalties. The proposed EA enables City of Yarra to meet licensing obligations, ensuring compliance, and mitigating risks.

Conclusion

26. Microsoft technologies are integral for City of Yarra's operations. The proposed SPC-based EA offers E5 licenses, security benefits, and license discounts. It ensures compliance, minimises risk, and supports technology requirements. The report recommends this option to meet Yarra's evolving technology needs while addressing compliance obligations.

RECOMMENDATION

1. That Council:
- (a) approves the award of Contract to _____ for a Microsoft Enterprise Agreement titled Microsoft Software Licencing Contract DPC-ICT-04-2020 for a term of two (2) years and seven (7) months;
 - (b) notes the services are based on a lump sum of _____ (exclusive GST) and schedules of rates;
 - (c) authorises the CEO to sign on behalf of Council all necessary documentation relating to this Contract;
 - (d) authorises the General Manager Corporate Services and Transformation to sign on behalf of Council any contract variations (as per delegation limits) relating to this Contract; and
 - (e) authorises Council officers to communicate this information to the extent necessary to give effect to the recommendation.

Attachments

- 1 Attachment 1 - Yarra City Council EA 2023 - 2026 - *Confidential*
- 2 Attachment 2 - Yarra City Council Renewal WB - 2023-2026 - *Confidential*

8.1 Notice of Motion No. 4 of 2023 - E-scooters in Yarra

Reference	D23/344052
Author	Herschel Landes - Councillor
Authoriser	Chief Executive Officer
Disclosure	The authoriser, having made enquiries with members of staff involved in the preparation of this report, asserts that they are not aware of any general or material conflicts of interest in relation to the matters presented.

I, Councillor Herschel Landes, hereby give notice that it is my intention to move the following motion at the Ordinary Meeting of Council to be held on 12 September 2023:

1. *That Council:*

- (a) *reaffirms the existing measures being taken to improve safety and amenity of the e-scooter system during the Victorian Government's ongoing shared e-scooter trial under the current agreement;*
- (b) *provides in principle support for the ongoing operation of commercial e-scooters in the City of Yarra, should the Victorian Government legalise the use of shared e-scooters beyond the trial, subject to:*
 - (i) *local governments being provided with the power to manage shared e-scooter schemes in their respective municipalities by contractual agreements with shared e-scooter operators;*
 - (ii) *the issues raised in the officer's report and Council resolution of 16 May 2023 being satisfactorily addressed; and*
 - (iii) *clarification from the Minister for Roads and Road Safety in writing about the government's intentions to construct safe infrastructure on State Government-managed roads on the State Government's Strategic Cycling Corridors (SCCs) and Principal Bicycle Network (PBN) in line with the objectives of the Victorian Cycling Strategy and Yarra Transport Strategy, noting that any e-scooter network will rely on the staged rollout of the PBN to minimise the risk of injury and death to all road users;*
- (c) *notes that breaches of the Road Safety Road Rules 2017 are traffic offences, enforceable by Victoria Police, which includes failure to wear a helmet, riding an e-scooter on a footpath and other breaches;*
- (d) *resolves that any future contractual agreements between the City of Yarra and shared e-scooter operations must ensure that:*
 - (i) *e-scooter companies are required to abide by clear and agreed performance standards, and requires that their operations mandate proactive safety measures to prevent breaches of the Road Safety Road Rules 2017 wherever practical; and*
 - (ii) *the City of Yarra is able to levy penalties for non-compliance, and to withdraw from an agreement with a shared e-scooter provider, requiring that operator to cease activities in the City of Yarra, at Council's discretion;*
- (e) *continue advocacy and negotiations with other councils, including M9, in line with Council's existing advocacy priorities; and*
- (f) *authorises the CEO under delegation to enter into any future agreements with the operators and/or Victorian Government regarding e-scooter operations post the conclusion of the trial for a 12 month period from the date of this resolution; and*

- (g) *notes that Councillors will be briefed on the e-scooter topic, options, and any next steps 12 months from the date of this resolution.*

Background

A trial of shared e-scooters in Melbourne has been running since 1 February 2022 with the trial scheduled to finish at the end of September 2023.

The Victorian Government is to determine whether e-scooters can be safely included as part of Victoria's transport system.

There has been ongoing popularity of e-scooters as an alternative transport technology to vehicles, where the benefits of e-scooter use include:

- (a) reduced emissions and congestion;
- (b) increased transport connectivity; and
- (c) enabling economic activity.

There has been public demand however for more controls especially around footpath clutter and causing hazards and the lawful use of e- scooters.

It is reported that many cities around the world are moving from free floating e-scooter parking to designated parking, often clustered with other micro mobility vehicles such as bicycles.

Recently, the City of Melbourne has taken the approach that the government in considering its decision, should consider ensuring councils have legal powers to manage e-scooter schemes in order for shared e-scooter systems to be safe, viable and provide a net public benefit.

This approach includes agreements with e scooter operators to provide the tools for Council to determine performance standards and ensure compliance including but not limited to acceptable rider behaviour, e scooter fleet size and e scooter deployment and parking.

There is a benefit in Yarra Council adopting the same approach before the government makes its decision to ensure consistent messaging.

There is also an urgent need to improve the number and connectivity of safe separated lanes for bikes and e-scooters along key routes as an alternative to using cars for short trips around the city.

The government's commitment to mode shift and encouraging active transport outcomes is to be welcomed. Building on this commitment is an opportunity for a coordinated approach between councils towards seeking the further investment in safe separated lanes across the municipalities.

RECOMMENDATION

1. That Council:

- (a) reaffirms the existing measures being taken to improve safety and amenity of the e-scooter system during the Victorian Government's ongoing shared e-scooter trial under the current agreement;
- (b) provides in principle support for the ongoing operation of commercial e-scooters in the City of Yarra, should the Victorian Government legalise the use of shared e-scooters beyond the trial, subject to:
 - (i) local governments being provided with the power to manage shared e scooter schemes in their respective municipalities by contractual agreements with shared e-scooter operators;
 - (ii) the issues raised in the officer's report and Council resolution of 16 May 2023 being satisfactorily addressed; and
 - (iii) clarification from the Minister for Roads and Road Safety in writing about the Government's intentions to construct safe infrastructure on State Government-managed roads on the State Government's Strategic Cycling Corridors (SCCs) and Principal Bicycle Network (PBN) in line with the objectives of the Victorian Cycling Strategy and Yarra Transport Strategy, noting that any e-scooter network will rely on the staged rollout of the PBN to minimise the risk of injury and death to all road users;
- (c) notes that breaches of the Road Safety Road Rules 2017 are traffic offences, enforceable by Victoria Police, which includes failure to wear a helmet, riding an e-scooter on a footpath and other breaches;
- (d) resolves that any future contractual agreements between the City of Yarra and shared e-scooter operations must ensure that:
 - (i) e-scooter companies are required to abide by clear and agreed performance standards, and requires that their operations mandate proactive safety measures to prevent breaches of the Road Safety Road Rules 2017 wherever practical; and
 - (ii) the City of Yarra is able to levy penalties for non-compliance, and to withdraw from an agreement with a shared e-scooter provider, requiring that operator to cease activities in the City of Yarra, at Council's discretion;
- (e) continue advocacy and negotiations with other councils, including M9, in line with Council's existing advocacy priorities;
- (f) authorises the CEO under delegation to enter into any future agreements with the operators and/or Victorian Government regarding e-scooter operations post the conclusion of the trail for a 12 month period from the date of this resolution; and
- (g) notes that Councillors will be briefed on the e-scooter topic, options, and any next steps 12 months from the date of this resolution.

Attachments

There are no attachments for this report.

8.2 Notice of Motion No. 5 of 2023 - Developer contact and gift disclosure

Reference	D23/344022
Author	Sophie Wade - Councillor
Authoriser	Chief Executive Officer
Disclosure	The authoriser, having made enquiries with members of staff involved in the preparation of this report, asserts that they are not aware of any general or material conflicts of interest in relation to the matters presented.

I, Councillor Sophie Wade, hereby give notice that it is my intention to move the following motion at the Ordinary Meeting of Council to be held on 12 September 2023:

1. *That a draft policy governing Councillor contact with property developers, submitters, lobbyists, and other stakeholders in land use planning decision making processes be presented to Council for consideration no later than the December Council Meeting.*
2. *That a draft policy on gift disclosure be presented to Council for consideration no later than the December Council Meeting.*

Background

The Local Government Inspectorate – the agency responsible for investigating alleged breaches of the Local Government Act 2020 – has recommended all Victorian Councils create a policy which clearly sets out how Councillors should interact with developers.

The intent of this policy would be to create the ground rules for interactions with developers and associated stakeholders, improve public transparency, and manage community expectations.

It should also include the development of a publicly available register for recording all declared interactions with developers, submitters, lobbyists, and other stakeholders in land use planning decision making processes.

A number of Victorian Councils have developed policies of this nature to date, with some requiring optional declarations of meetings with developers.

The release of the Independent Broad-Based Anti-Corruption Commission's (IBAC) Operation Sandon special report has highlighted the need for greater transparency around developers' interactions with Councillors and Council officers.

A refreshed and clear gift disclosure policy would similarly address concerns raised in the Operation Sandon special report.

RECOMMENDATION

1. That a draft policy governing Councillor contact with property developers, submitters, lobbyists, and other stakeholders in land use planning decision making processes be presented to Council for consideration no later than the December Council Meeting.
2. That a draft policy on gift disclosure be presented to Council for consideration no later than the December Council Meeting.

Attachments

There are no attachments for this report.

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