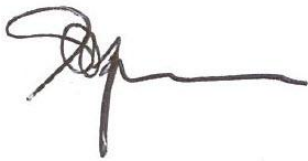


Councillor
(as addressed)

The next Special Council Meeting will be held in the Council Chamber, Braeside Avenue, Ringwood, on Monday 9 May 2016, commencing at 7:00pm and your presence is requested.

Yours faithfully



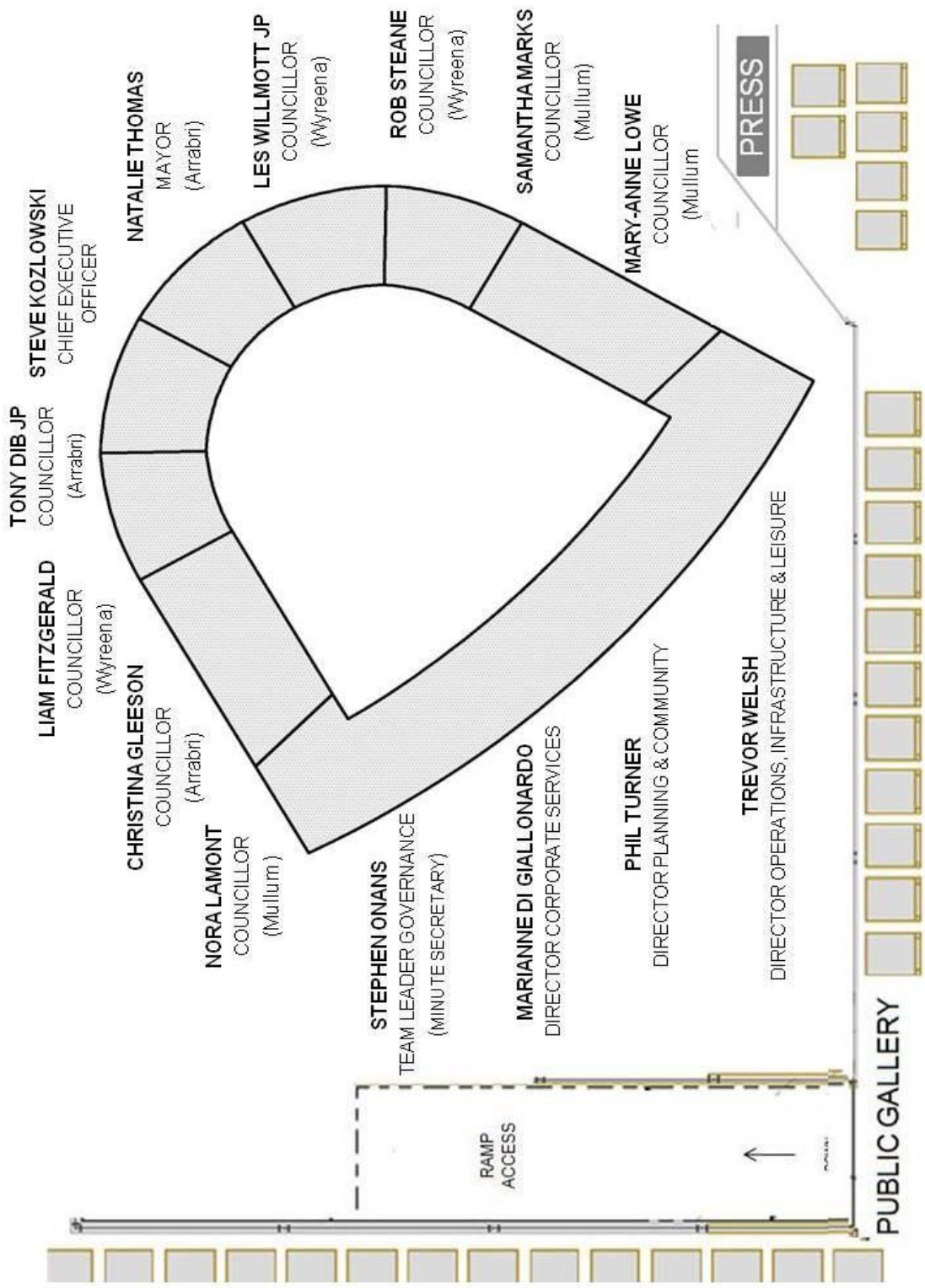
Steve Kozlowski
CHIEF EXECUTIVE OFFICER



COUNCIL CHAMBER
IS FITTED WITH A HEARING AID
INDUCTION LOOP

**SWITCH HEARING AID TO 'T' FOR
RECEPTION**

City Offices	Braeside Avenue, Ringwood, 3134
Postal	PO Box 156, Ringwood 3134 DX 38068, Ringwood
Telephone	1300 88 22 33 Translating and Interpreting Service (TIS): 131 450 National Relay Service (NRS): 133 677
Facsimile	(03) 9298 4345
Email	maroondah@maroondah.vic.gov.au
Web	www.maroondah.vic.gov.au
Service Centres	Croydon: Civic Square Ringwood: Realm 179 Maroondah Highway Ringwood



ORDER OF BUSINESS

1. Acknowledgment of Country
2. Apologies
3. Conflict of Interest
4. Officers' Reports

Director Corporate Services

1. Draft Council Plan 2013-2017 (Year 4: 2016/17) and Proposed Budget 2016/17

4

**DRAFT COUNCIL PLAN 2013-2017 (YEAR 4: 2016/17) AND
PROPOSED BUDGET 2016/17**

ITEM 1

PURPOSE

To provide Council with information regarding the draft Maroondah Council Plan 2013-2017 (Year 4: 2016/17) and proposed Budget 2016/17; and to seek Council endorsement for the public exhibition in accordance with Council's Community Engagement Policy (2008) and the Right to Make Submission (S.223 Local Government Act 1989 ("the Act")). This commences the legislative procedure for the formal adoption by Council.

This procedure incorporates the period of public inspection and invitation to the community to make submissions in accordance with the provisions of the Act.

STRATEGIC / POLICY ISSUES

The following directions contained in Maroondah 2040: Our Future Together and the Council Plan 2013-2017 (Year 4: 2016-2017) provide the strategic framework that underpins the purpose of this report.

Outcome Area: A well governed and empowered community

Our Vision: In 2040, Maroondah will be an empowered community that is actively engaged in Council decision making through processes that consider the needs and aspirations of all ages and population groups. Council will provide strong and responsive leadership, ensuring transparency, while working with the community to advocate for and 'champion' local needs.

Key Directions 2013 – 2017:

- 8.1 Provide enhanced governance that is transparent, accessible, inclusive and accountable.
- 8.2 Ensure responsible and sustainable management of Maroondah's resources, assets, infrastructure and natural environment.
- 8.3 Provide community inspired leadership in democratic governance.

COUNCIL PLAN

The Council Plan together with *Maroondah 2040: Our future together*, the Annual Budget and Annual Report, are Council's high level strategic documents which draw together the community aspirations, preferred outcomes and key directions for the future. These high level strategic documents and associated processes form part of the Maroondah City Council's Integrated Planning Framework (shown below).

DRAFT COUNCIL PLAN 2013-2017 (YEAR 4: 2016/17) AND PROPOSED BUDGET 2016/17 Cont'd

ITEM 1

Figure 1: Council's Integrated Planning Framework



The Council Plan 2013-17 (Year 4: 2016/17) reflects the preferred future outcomes and key directions as identified by the community in the development of *Maroondah 2040: Our future together*. Priority actions identified in the Council Plan 2013-17 (Year 4: 2016/17) reflect Council's contribution to progressing the aspirations identified in the Maroondah 2040 Community Vision. Reporting against the Council Plan and Annual Budget is undertaken annually through the Annual Report.

The Act requires the Council Plan 2013-2017 to include the strategic objectives of the Council (outcome areas), strategies for achieving the objectives for at least the next four years (key directions), strategic indicators for monitoring the achievement of these objectives (Council Plan indicators) and a Strategic Resource Plan describing financial and non-financial resources. At Maroondah, the Council Plan is updated annually in order to identify priority actions for the forthcoming financial year to achieve the four-year strategies and to reflect current community needs and aspirations.

BUDGET

The proposed Budget for 2016/17 is one of Council's high level strategic documents. The community's aspirations for Maroondah's future direction and development are set out in *Maroondah 2040: Our future together* and this forms the foundation from which Council shapes its medium term plans for the municipality. The 2016/17 Proposed Budget then addresses the provision of financial resources for the next 12 months as well as articulating how those resources are to be spent in delivering services to the community.

**DRAFT COUNCIL PLAN 2013-2017 (YEAR 4: 2016/17) AND
PROPOSED BUDGET 2016/17 Cont'd**

ITEM 1

BACKGROUND

COUNCIL PLAN

The draft Council Plan 2013-2017 (Year 4: 2016/17) responds to the community aspirations identified in *Maroondah 2040: Our future together*, that was developed during 2013/14 involving considerable engagement with the local community.

To respond the long-term objectives (outcome areas) and medium-term strategies (key directions) outlined in the Council Plan, a number of priority actions are identified for the forthcoming 12 month period.

The following are the priority actions for Council in 2016/17:

- Complete construction of the \$1.7m Ringwood Athletics Pavilion and \$1m athletics track renewal.
- Complete sportsfield reconstruction works at Belmont Reserve and Springfield Reserve.
- Undertake a strategic review of Maroondah Golf.
- Complete development of the Youth Plan 2016-2020 and present to Council for consideration.
- Undertake construction of dog parks in Maroondah.
- Develop, promote and expand the BizHub Co-Working Space and investigate opportunities for private investment to facilitate serviced office space.
- Develop innovative, accessible and responsive ways to transform the way training, events, new initiatives and programs are delivered to businesses through BizHub at Realm.
- Commence construction of the new Croydon Town Centre linking Main Street to the Croydon Transport Hub and creating a focal point for the local community.
- Develop a masterplan for buildings and open space at Wyreena Community Arts Centre.
- Commence a municipal wide vegetation review.
- Continue to rollout the installation of energy efficient streetlights across Maroondah.
- Participate in a joint regional procurement process to establish a long term contract for processing of garden organics.
- Work in partnership to develop the detailed design for the Heatherdale Station Level Crossing Removal Project.
- Commence a \$3m upgrade of Lincoln Road east of Dorset Road.

**DRAFT COUNCIL PLAN 2013-2017 (YEAR 4: 2016/17) AND
PROPOSED BUDGET 2016/17 Cont'd**

ITEM 1

- Implement Council's 2016/17 community facilities improvement program including major works at Lipscombe Park Kindergarten, Wyreena Community Arts Centre, Croydon Sporting Pavilion, Brentwood Park Kindergarten (stage 2), and Knaith Road Child Care Centre.
- Complete development of the Croydon Civic Masterplan.
- Continue the upgrade of drainage in the Ringwood Metropolitan Activity Centre, including the Acacia Court and Larissa Avenue catchments.
- Commence implementation of the Maroondah Housing Strategy through the preparation of a planning scheme amendment.
- Complete construction of the \$2.7m East Ringwood Multipurpose Pavilion, incorporating a home for the Victoria Chin Community.
- Complete development of a Reconciliation Action Plan and present to Council for consideration.
- Complete the upgrade and launch the new Maroondah City Council website with mobile and social functionality.
- Develop and commence implementation of the Information Communication Technology (ICT) Strategy 2017-2020 to enhance online transactions, and community engagement with Council services and activities.
- Continue to build a skilled, professional, and innovative workforce through implementation of the People, Workforce and Culture Plan 2016-2020, with a focus on ensuring an agile, community responsive and engaging employee resource base.
- Enhance delivery of customer service using state of the art technology and the implementation of an integrated service delivery model at Council Service Centres.

ISSUE / DISCUSSION

The Council Plan 2013-2017 is aligned with *Maroondah 2040: Our future together* that was adopted by Council in June 2014. This alignment ensures that the Council Plan continues to form part of an integrated approach to planning that is informed by community aspirations for Maroondah's future.

The Council Plan 2013-2017 (Year 4: 2016/17) priority actions have also been subject to internal review by both Councillors and Council officers. There is further opportunity for revisions to be made to the document during the public exhibition period, which will run for the statutory period of 28 days, in this instance, 13 May to 10 June 2016.

It is intended that a final report be submitted to Council following this consultation period prior to submission of the final Council Plan 2013-17 (Year 4: 2016/17) to the Minister for Local Government by 30 June 2016 as required by Section 125 of the Act.

**DRAFT COUNCIL PLAN 2013-2017 (YEAR 4: 2016/17) AND
PROPOSED BUDGET 2016/17 Cont'd**

ITEM 1

BUDGET

The Proposed Budget is a critical planning and resource tool of Council and is vital to the ongoing operational and financial viability of Council. It sets out the expected income and expenditure for the coming year and also incorporates Council's rating strategy as well as estimating the net worth of the municipality at the end of the year. It is the culmination of Councillor Briefings (including discussions at the Councillor Conference) and detailed preparation by employees.

The Proposed Budget document as presented and to be placed on exhibition contains high level schedules, tables and comments on significant aspects of budget input and outcomes. Its contents are also consistent with the Strategic Resource Plan component of the proposed Council Plan 2013-2017 (Year 4: 2016/17) and demonstrates the provision of adequate resources to achieve the Plan's objectives and activities for the next 12 months. Overall it is a balanced, sustainable and responsible way forward to ensure Maroondah continues to be a vibrant city with an active community, strong local economy and a diverse cultural life in a prosperous and sustainable environment. It provides for the capacity to deal with the challenges of the future and includes 24 major initiatives (priority actions) and 28 initiatives which were identified in the Council Plan.

The Local Government (Fair Go Rates) Act has been passed in Parliament. The Act introduces a rate cap based on CPI plus or minus any adjustment and allows for multiple caps to be set by the Minister and variations to the cap should Council obtain approval to raise rate revenue by a greater amount than that imposed by the cap. The Minister subsequently determined that rate cap for 2016/17 to be set at an increase of 2.5% over the average property rate of a Council. The average property rate is derived by dividing the total rate revenue adjusted for the annualisation of supplementary rate income by the number of rateable properties as at 30 June. In essence, the increase under the rate cap applies to rate revenue after growth in the previous year has been taken into account.

Council's Long Term Financial Strategy (LTFS) adopted last year saw a downward revision of the projected annual increase in rate revenue over the next 10 years from 5.5% to 4%. Given the annual increase in rateable properties in Maroondah for the past three years has been around 1% and this growth is expected to continue for some years, the rate cap framework is expected to provide a rate revenue yield without the need for a variation.

The key aspects of the revised LTFS include:

- Rate revenue increases within the rate cap framework with no variation request required;
- Services and service levels maintained;
- Asset renewal expenditure to be at least at the level of depreciation each year;
- No new borrowings;
- Provision of a cash backed defined benefits superannuation fund reserve of \$5 million;

**DRAFT COUNCIL PLAN 2013-2017 (YEAR 4: 2016/17) AND
PROPOSED BUDGET 2016/17 Cont'd**

ITEM 1

- Provision of a growing cash backed major capital projects reserve to fund as yet unidentified and new major project(s);

The adjusted underlying budget surplus, which is a measure of financial sustainability, shows an underlying surplus being achieved annually over the ten year period of the strategy. The Budget for 2016/17 proposes an underlying surplus of \$4.817 million and Council's cash and cash equivalents (including Financial Assets) projected to be \$32.549 million at June 2017.

New initiatives totalling \$0.515 million are also proposed for 2016/17 Budget including:

- Reviews of our vegetation controls and strategic direction in golfing;
- Master plans for Wyreena Community Arts Centre and the former Croydon South Primary School site;
- A study into renewing our Operations depot building; and
- Improving productivity and efficiency programs for Information Technology and service delivery.

The Budget for 2016/17 also proposes that Mayoral and Councillor allowances:

- be paid at the levels determined by the Minister for Local Government in accordance with section 73B Local Government Act 1989 – as at 1 July 2016 Councillors \$26,419 and Mayor \$81,747;
- such allowances incorporates an amount equivalent to the superannuation guarantee under Commonwealth taxation legislation – currently 9.5% - as per advice by Local Government Victoria within Circular 32/2015; and
- increase both the Councillor and Mayoral allowances for the remainder of the Council term up until the October 2020 Council elections by the levels determined within the annual review of allowances carried out by the Minister for Local Government.

During 2015/16 year, a revaluation of all properties within the municipality was carried out and will apply from 1 July 2016 for the 2016/17 year. The outcome of the general revaluation has been a change in property valuations throughout the municipality. The 2016/17 rating strategy is based upon the Capital Improved Value basis, the use of a differential rate for vacant land and the continuation of assistance to ratepayers who qualify under Council's financial hardship provisions. It is proposed to raise \$70.198 million in general rates which has been derived within the rate cap framework legislated by the State Government.

Further, Council's established policy regarding garbage services is for all waste and recycling costs to be fully recovered through the application of a Garbage Charge in accordance with Council's contractual arrangements. In accordance with this policy, garbage charges will increase in 2016/17 to \$248.50 for a 120-litre bin, and \$207.50 for an 80-litre bin. Should members of the community wish to reduce their service from a 120-litre bin to an 80-litre bin, they are encouraged to contact Council. Similarly should residents wish to increase their recycling capacity they are able to secure a second bin at no extra cost. Again, residents are encouraged to contact Council on 1300 88 22 33.

**DRAFT COUNCIL PLAN 2013-2017 (YEAR 4: 2016/17) AND
PROPOSED BUDGET 2016/17 Cont'd**

ITEM 1

In addition to the rating strategy, the Proposed Budget also includes strategy documents on borrowings and infrastructure and other assets. These documents confirm that borrowings of \$24.2m were drawn down in 2014/15 to partly fund the new regional aquatic and leisure centre - Aquanation at Ringwood with repayment of principal and interest over 15 years and that Council's 10 year capital works program reflects the Total Life Cycle Asset Management framework which provides the basis for the capital renewal and upgrade component associated with infrastructure assets.

The Budget provides for a Capital Expenditure program totalling \$24.553m. The program is funded externally via grants and contributions to the extent of \$2.687m and the balance internally through general rates and cash reserves. Expenditure on asset renewal and asset upgrade is \$22.254m whilst new projects total \$2.299m.

The net result for the 2016/17 year is planned at a \$6.237m surplus which is an increase from the 2015/16 Budget. It is anticipated that net surpluses will continue for the life of the Long Term Financial Strategy.

The planned financial position as at 30 June 2017 reveals Council will continue to be financially sound with projected net assets of \$1.427b, a working capital ratio of 1.68:1, adequate cash and investments to meet its cyclical cash flow requirements, and borrowings in line with agreed loan repayment schedules. It is submitted that the Budget paints a picture of prudent financial management that will underpin and facilitate the application and attainment of the future outcomes, key directions and priority actions detailed in the Council Plan and beyond. Hence the 2016/2017 Budget has ensured financial sustainability across Council's entire areas of operations and responsibility and in accordance with its long term financial strategy, has kept its own source revenue levels realistic.

FINANCIAL / ECONOMIC ISSUES

The resources required to undertake the Council Plan and Budget process are contained within the current budget.

ENVIRONMENTAL / AMENITY ISSUES

These are contained within the Council Plan and Budget and articulate the Council's current directions.

SOCIAL / COMMUNITY ISSUES

These are contained with the Council Plan and Proposed Budget and articulate Council's current directions.

**DRAFT COUNCIL PLAN 2013-2017 (YEAR 4: 2016/17) AND
PROPOSED BUDGET 2016/17 Cont'd**

ITEM 1

COMMUNITY CONSULTATION

The community consultation process for both the draft Council Plan 2013-17 (Year 4: 2016/17) and Proposed Budget 2016/17 will include:

- Public exhibition of the draft Council Plan and Proposed Budget on Council's website as well as at all Council Service Centres and local libraries.
- Advertisements in the local papers seeking comments or feedback from the community on the Draft Council Plan and Proposed Budget.

To this end, an advertisement will be placed in 'The Age' newspaper on Thursday 12 May 2016 advising the community that documents are available for viewing on Council's website, and will also be available from any of Council's Service Centres and Libraries on this date.

Both written and online comments on both documents will be received at the Civic Centre up until 5pm, 10 June 2016.

The community consultation process will be formalised through public submissions under Section 223 of the Act. A meeting to hear submissions will take place at 7.00pm on Wednesday 15 June 2016 at Maroondah City Council Offices. Anyone wanting to make a submission to the Council should advise of this requirement in their written submission, giving a name and contact number.

Written submissions should also be addressed to:

Mr Steve Kozlowski
Chief Executive Officer
PO Box 156
RINGWOOD VIC 3134

During the public consultation period (i.e. 13 May to 10 June 2016) residents and property owners may obtain further information about the Proposed Budget by appointment.

Once the community feedback is considered, the documents will be amended as appropriate and be brought back to Council for formal endorsement. At this stage, this is planned for the Council Meeting on 27 June 2016.

CONCLUSION

The draft Council Plan 2013-2017 (Year 4: 2016/17) and Proposed Budget 2016/17 have been prepared for community consultation. They reflect Council's commitment to pursue excellence, good governance and responsible management of resources for the community within the City of Maroondah.

Given Council's legislative obligations it is appropriate to place the draft Council Plan 2013-2017 (Year 4: 2016/17) and Proposed Budget 2016/17 on public exhibition.

**DRAFT COUNCIL PLAN 2013-2017 (YEAR 4: 2016/17) AND
PROPOSED BUDGET 2016/17 Cont'd**

ITEM 1

ATTACHMENTS

Not Applicable

CONFIDENTIALITY

Not Applicable

RECOMMENDATION

THAT COUNCIL, WITH RESPECT TO THE DRAFT COUNCIL PLAN 2013-2017 (Year 4: 2016/17) AND PROPOSED BUDGET 2016/17 IN LINE WITH SECTIONS 125 AND 127 OF THE LOCAL GOVERNMENT ACT 1989 AND AS SEPARATELY CIRCULATED TO COUNCILLORS WITH THIS AGENDA

- 1. AUTHORISE THE CHIEF EXECUTIVE OFFICER TO GIVE PUBLIC NOTICE OF THE PREPARATION OF THE PROPOSED PLAN AND BUDGET**
- 2. APPOINT A COMMITTEE OF COUNCILLORS COMPRISING COUNCILLORS _____, _____ AND _____ TO CONSIDER ANY SUBMISSIONS AND HEAR FROM ANY PERSON/S WHO HAS/HAVE REQUESTED TO BE HEARD IN SUPPORT OF THEIR SUBMISSIONS IN ACCORDANCE WITH THE PROVISIONS OF SECTIONS 223 OF THE LOCAL GOVERNMENT ACT 1989**
- 3. DETERMINE THAT SUCH COMMITTEE WILL CONSIDER ALL SUBMISSIONS RECEIVED AT A MEETING TO BE HELD IN THE COUNCIL CHAMBERS ON WEDNESDAY 15 JUNE 2016 AT 7PM**
- 4. NOTE THAT ANY RECOMMENDATIONS FROM THE COMMITTEE TO ADOPT THE COUNCIL PLAN AND/OR BUDGET BE CONSIDERED AT A MEETING OF COUNCIL TO BE HELD ON MONDAY 27 JUNE 2016 AT 7.30PM**