



Councillor
(as addressed)

The next Council Meeting will be held in the Council Chamber, Realm, on Monday 10 May 2021, commencing at 7:30pm and your presence is requested.

Yours faithfully

A handwritten signature in black ink, appearing to be 'Steve Kozlowski', written over a light blue horizontal line.

Steve Kozlowski
CHIEF EXECUTIVE OFFICER

Note:

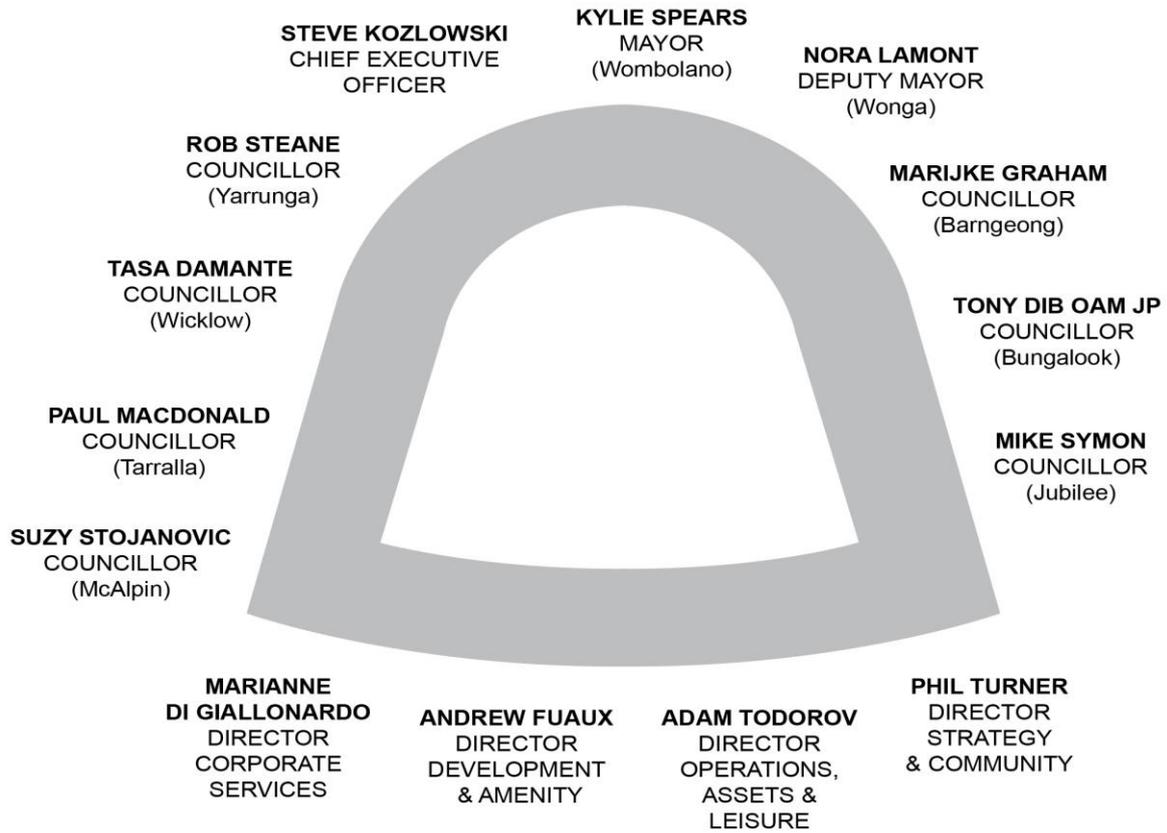
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Every care is taken to maintain privacy and attendees are advised they may be recorded.***

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<https://www.maroondah.vic.gov.au/Live-Council-Meetings>

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Council Chamber Seating



ORDER OF BUSINESS

1. Prayer
2. Acknowledgment of Country
3. Apologies
4. Declaration of Interests
5. Officers' Reports

Director Corporate Services

1. Draft Council Plan 2021-2025, Proposed Budget 2021/22
and Associated Documents

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**DRAFT COUNCIL PLAN 2021-2025, PROPOSED BUDGET
2021/22 AND ASSOCIATED DOCUMENTS**

ITEM 1

PURPOSE

To provide Council with the *Draft Council Plan 2021-2025, Proposed Budget 2021/22, Draft Financial Plan 2021-2022 and Revenue and Rating Plan 2021-2025 (associated documents)*; and to seek Council endorsement for public exhibition in accordance with Council's *Community Engagement Policy 2021*.

STRATEGIC / POLICY ISSUES

The following directions contained in *Maroondah 2040 - Our future together* and the *Council Plan 2017-2021* 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 actively engaged in local decision making, led by an innovative community inspired Council that collaborates regionally and proactively champions local needs.

Key Directions 2020 – 2021:

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

BACKGROUND

Under the *Local Government Act 2020*, Council is required to:

- Prepare and adopt a Council Plan for a period of at least the next four financial years after a general election;
- Develop, adopt and keep in force a Financial Plan that is for a period of at least the next 10 financial years;
- Prepare and adopt a Budget for each financial year and the subsequent three financial years; and
- Prepare and adopt a Revenue and Rating Plan for a period of at least the next four financial years after a general election.

These, and other strategic documents of Council, are linked by an Integrated Planning Framework (shown below), which seeks to ensure Council's activities and resources are aligned in order to meet the aspirations, needs and expectations of the Maroondah community (the *Maroondah 2040 - Our future together* Community Vision).

Figure 1: Council's Integrated Planning Framework



DRAFT COUNCIL PLAN

In accordance with the *Local Government Act 2020* (Section 90) Council must prepare and adopt a Council Plan for a period of at least the next four financial years after a general election in accordance with its deliberative engagement practices. Council must adopt the Council Plan by 31 October in the year following a general election (i.e. by 31 October 2021 for the *Council Plan 2021 - 2025*).

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Preparation of the Council Plan must be in accordance with the strategic planning principles of the *Local Government Act 2020* (Section 89) which require:

- an integrated approach to planning, monitoring and reporting;
- addressing of the Community Vision;
- taking into account the resources needed for effective implementation;
- identifying and addressing the risks to effective implementation; and
- providing for ongoing monitoring of progress and regular review.

The Council Plan evolves from *Maroondah 2040 - Our future together* and outlines the role of Council in delivering on the Community Vision in the medium term. An interim review of the Community Vision was undertaken in 2018 and 2019, and the refreshed *Maroondah 2040 - Our future together* Community Vision adopted in June 2020.

Resources needed for effective implementation of the Council Plan are outlined in the Budget, and risks to effective implementation identified and addressed through the Maroondah City Council Strategic Risk Management Plan and Policy.

Reporting against the Council Plan is undertaken quarterly to Council. Reporting on annual achievements is undertaken through the Annual Report and the 'Our Achievements' document.

PROPOSED BUDGET

The Proposed Budget 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 Proposed Budget then addresses the provision of financial resources for the next 4 years as well as articulating how those resources are to be spent in delivering services to the community.

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 rates and charges 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 and management.

ISSUE / DISCUSSION

DRAFT COUNCIL PLAN

The *Draft Council Plan 2021-2025* has been prepared in accordance with requirements of the *Local Government Act 2020* and includes the following.

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Local Government Act 2020 requirement (Section 90(2))	Maroondah City Council Draft Council Plan 2021-2025
Strategic direction of Council	Maroondah 2040 Community Vision statement
Strategic objectives for achieving the strategic direction	Maroondah 2040 future outcomes
Strategies for achieving the objectives for a period of at least the next four financial years	Maroondah 2040 key directions
Strategic indicators for monitoring the achievement of the objectives	Maroondah 2040 community indicators of progress Council Plan service delivery performance measures
Description of the Council's initiatives and priorities for services, infrastructure and amenity	Council Plan priority actions Council Plan description of core services

The *Draft Council Plan 2021-2025* identifies the priority actions of Council for the four-year period from 2021/22 to 2024/25. In total, 37 priority actions (outlined below) have been included in the *Draft Council Plan 2021 - 2025* for this four-year period. Thirty-six (36) of these priority actions will either continue into, or commence, in 2021/22.

Draft Council Plan 2021-2025 Priority Actions

- 1) Implement the *Maroondah COVID-19 Recovery Plan*
- 2) Review, update and implement Council's Physical Activity Strategy, and develop and implement an Indoor High Ball (basketball, netball and volleyball) Strategy
- 3) Design and construct a dog park in Ringwood North
- 4) Design and construct sporting infrastructure upgrades at Jubilee (regional cricket hub), Proclamation, Springfield, Cheong and Ainslie Parks, and at Dorset Recreation and Silcock Reserves
- 5) Finalise and implement the *Maroondah Liveability, Wellbeing and Resilience Strategy 2021-2031* (incorporating the Municipal Public Health Plan and Active and Healthy Ageing Initiative)
- 6) Work in partnership with a broad range of service providers and agencies, to develop and deliver services and cultural experiences in the Croydon Community Wellbeing Precinct
- 7) Complete a strategic review of shopping centres in Maroondah, and plan and implement infrastructure and amenity improvements
- 8) Work in partnership to implement the *Bayswater Business Precinct Transformation Strategy* and investigate and implement opportunities to enhance business capability, skill development, employment and education pathways for the manufacturing sector

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- 9) Work in partnership with the Victorian Government to plan for and support the rollout of funded three year old kindergarten in Maroondah
- 10) Facilitate co-working opportunities and spaces in Maroondah
- 11) Deliver the 20 Minute Neighbourhood Place Activation Projects in the Croydon South local activity centre and Ringwood East neighbourhood activity centre
- 12) Design the Karralyka Centre redevelopment, and undertake staged redevelopment works
- 13) Implement the *Arts and Cultural Development Strategy 2020-2025* and work with the Maroondah Arts Advisory Committee to maximise arts and cultural opportunities across Maroondah
- 14) Implement Council's *Environmentally Sustainable Design Local Planning Policy* into the Maroondah Planning Scheme
- 15) Review, update and implement Council's Sustainability Strategy, and Climate Change Risk and Adaptation Strategy
- 16) Review, update and implement Council's Carbon Neutral Strategy, including participation in the power purchasing agreement
- 17) Work in partnership to implement the Reimagining Tarralla Creek project
- 18) Develop and implement Council's *Waste, Litter and Resource Recovery Strategy*
- 19) Prepare and implement a Maroondah Habitat Connectivity Action Plan
- 20) Implement a streetscape enhancement program, including a significant increase in tree planting
- 21) Work in partnership with the Victorian Government to implement road improvement works at New Street Ringwood, Reilly Street and Wantirna Road Ringwood, Plymouth Road and Kirtain Drive Croydon; and undertake carpark improvement works at McAlpin Reserve Ringwood North
- 22) Design and construct activity centre carparks in Croydon, Ringwood and Heathmont; and at Heatherdale station
- 23) Work in partnership to undertake renewal works on the Mullum Mullum Creek and Colchester Road shared trails; and continue footpath construction in the Principle Pedestrian Network
- 24) Advocate to the Australian and Victorian Governments for provision of new and upgraded major transportation infrastructure in Maroondah, including public transport enhancements
- 25) Develop a new Croydon Structure Plan and prepare a planning scheme amendment to incorporate the policy into the Maroondah Planning Scheme
- 26) Work in partnership to implement the Greening the Greyfields project to facilitate a sustainable approach to urban redevelopment in identified residential precincts
- 27) Undertake the staged redevelopment of the Croydon Community Wellbeing Precinct
- 28) Undertake flood mitigation works in New Street, Ringwood, Sherbrook Avenue catchment in Ringwood, and Scenic Avenue and Wingate Avenue catchments in

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- Ringwood East; and work in partnership to develop flood mitigation solutions for central Croydon
- 29) Work in partnership to support volunteer-based organisations and facilitate volunteerism within Maroondah
 - 30) Investigate and implement additional female changing facilities at local sporting venues
 - 31) Implement the *Children and Families Strategy* and Action Plan; and the *Youth Strategy* and Action Plan
 - 32) Implement the *Gender Equality Act 2020*, including Council's Gender Equality Action Plan
 - 33) Implement the new *Local Government Act 2020*
 - 34) Advocate on key local issues on behalf of the Maroondah community including in the lead up to the State and Federal Government elections in 2022
 - 35) Develop and implement a new Customer Service Strategy that will continue to advance Council's commitment to be highly responsive and customer focused
 - 36) Deliver a broad range of Council services to meet current and future community needs along with sustainable management of Maroondah's resources, assets and environment
 - 37) Engage the community in undertaking a review of *Maroondah 2040 - Our future together* and prepare a new Council Plan 2025-2029 following election of a new Council

For *Budget* purposes, all listed priority actions have been classified as *Major Initiatives*.

PROPOSED BUDGET

The *Proposed Budget 2021/22* document as presented and to be placed on exhibition contains:

- Linkages to the Council Plan
- Community Outcome Areas (Strategic Objectives)
- Listing of Council Services and Service Performance Indicators
- Summary of Financial Position
- Financial Statements
- Comments on significant budget influences
- Capital Expenditure Program information
- Fees & Charges schedule
- Statutory Disclosures

Its contents are consistent with the Financial Plan and demonstrates the provision of adequate resources to achieve the Plan's objectives and activities for the next 4 years. Overall it is a

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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 36 major initiatives (priority actions) which were identified in the *Draft Council Plan 2021-2025* for the 2021/22 period.

In 2015 the *Local Government (Fair Go Rates) Act* was passed in Parliament. The Act introduced 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 has determined that the rate cap for 2021/22 is set at an increase of 1.5% 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. The increase under the rate cap applies to rate revenue after growth in the previous year has been considered.

The key aspects of the revised Financial Plan include:

- Rate revenue increases within the rate cap framework with no variation request required;
- The Financial Plan had to be extensively reviewed to assess the overall impacts of COVID19 and what that means for Council's overall financial sustainability. The impact of COVID19 have been quite significant, a cumulative loss of approximately \$20 million across the 2019/20 and 2020/21 financial years;
- Services and service levels improved on 2020/21 levels with the aim to use fewer resources with an emphasis on innovation, productivity and efficiency enhancements;
- Asset renewal expenditure to be at least at the level of depreciation each year;
- Waste charges reviewed and budgeted for to mitigate the risks in the recycling markets;
- Continuing to maintain the borrowing facility that has been in place and repaid annually and the inclusion of further borrowings of \$10 million in 2021/22 to partly fund capital projects that generate income from commercial activities;

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 plan. The Budget for 2021/22 proposes an underlying surplus of \$3.8 million and Council's cash and cash equivalents (including Financial Assets) projected to be \$32.4 million at June 2021.

Council is required to conduct an annual General Property Valuation. The most recent General Valuation was carried out with levels of value set as at 1 January 2021. The General Valuation was undertaken in accordance with best practice standards set by the State Valuer-General. These valuations are used for rating purposes to equitably spread the total of Council's own source revenue across Maroondah's total assessment base. Hence, the higher the property value the higher the associated individual property general rates; the lower the property value, the lower the associated individual property general rates.

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The 2021/22 Rating Strategy is based upon Capital Improved Value, the use of a differential rate for vacant land, commercial land, industrial land, derelict land and the continuation of assistance to ratepayers who qualify under Council's financial hardship provisions. It is proposed to raise \$81.036 million in general rates derived within the rate cap framework legislated by the State Government.

The next General Valuation will be conducted in 2022 and will be carried out with levels set as at 1 January 2022.

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 2021/22 to; \$371.00 for a 120-litre bin, and \$309.00 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.

The *Proposed Budget 2012/22* also includes information on borrowings and confirms 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. Also, Council plans to borrow \$10 million in the 2021/22 financial year to partly fund capital projects that generate income from commercial activities.

Further, information on Council's 10-year capital works program is also included which reflects the Total Life Cycle Asset Management framework which provides the basis for the capital renewal and upgrade component associated with infrastructure assets.

The *Proposed Budget 2012/22* provides for an extensive Capital Expenditure program totalling \$48.25m. This capital investment is funded externally via grants and contributions \$19.05m and asset sales of \$0.92m and the balance-internally through general rates and cash reserves. Expenditure on asset renewal and asset upgrade is \$29.58m whilst new projects total \$18.67m.

The comprehensive result for the 2021/22 year is planned at a \$22.889m surplus which is a decrease from the 2020/21 Budget as specific funding for large capital works project were received in the prior period. It is anticipated that net surpluses will continue for the life of the Financial Plan.

The planned financial position as at 30 June 2022 reveals Council will continue to be financially sound with projected net assets of \$1.876b, a working capital ratio of 1.23:1, 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 represents 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 2021/22 Budget has ensured financial sustainability across Council's entire areas of operations and responsibility and in accordance with its long-term Financial Plan, has kept its own source revenue levels realistic.

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FINANCIAL / ECONOMIC ISSUES

The resources required to implement the *Draft Council Plan 2021-2025* priority actions are contained within the *Draft Financial Plan 2021-2022* and *Proposed Budget 2021/22*.

ENVIRONMENTAL / AMENITY ISSUES

These are contained within the *Draft Council Plan 2021-2025* and *Proposed Budget 2021/22* and articulate Council's current directions.

SOCIAL / COMMUNITY ISSUES

These are contained with the *Draft Council Plan 2021-2025* and *Proposed Budget 2021/22* and articulate Council's current directions.

COMMUNITY CONSULTATION

The *Draft Council Plan 2021-2025* evolves from *Maroondah 2040 - Our future together*. Broad engagement was undertaken in both the development, and recent interim review, of the *Maroondah 2040 Community Vision*. This engagement included surveys, forums, workshops and events with community members, stakeholders, Advisory Committees and employees.

The *Draft Council Plan 2021-2025* has also been informed by the outcomes of recent engagement undertaken for the *Maroondah COVID-19 Recovery Plan*, including over 3,000 community survey responses; and broad scale engagement for the *Maroondah Liveability, Wellbeing and Resilience Strategy 2021-2031* during 2019 and 2020.

DELIBERATIVE ENGAGEMENT

Under the *Local Government Act 2020*, Council is required to prepare the Council Plan in accordance with its deliberative engagement practices.

Over a period of six weeks, and ten sessions, a panel of 40 community members came together to deliberate on the topics of health and wellbeing; liveable communities; environment; and assets. The inputs and recommendations from this panel have informed the *Draft Council Plan 2021-2025* and will also inform a range of Council's future strategic work, projects and service delivery. This in turn also influenced the other documents, such as the *Proposed Budget 2021/22* and associated documents. The *Council Plan 2021-2025* really drives the outcomes and how the other documents are formulated.

PUBLIC EXHIBITION

Under the *Local Government Act 2020*, the *Draft Council Plan 2021-2025* and *Proposed Budget 2021/22* are no longer subject to the "right to make a submission" requirement (*Local Government Act 1989* Section 223).

It is proposed that to seek feedback on the *Draft Council Plan 2021-2025*, *Proposed Budget 2021/22* and associated documents, all documents will be made available for community consultation for a period of four weeks from 14 May 2021 to 11 June 2021. The *Draft Council Plan 2021-2025*, *Proposed Budget 2021/22* and associated documents will be available on Council's website as well as at all Council Service Centres (Realm and Croydon).

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Community members will be provided with an opportunity to provide feedback through Council's website: www.yoursay.maroondah.vic.gov.au until 5pm, 11 June 2021.

The final *Council Plan 2021-2025, Budget 2021/22* and associated documents, will be brought back to Council for formal adoption on 28 June 2021.

At this Council meeting, the *Maroondah 2040 - Our future together* Community Vision will also be tabled for re-adoption without change to meet the legislative requirements of the *Local Government Act 2020*.

CONCLUSION

The *Draft Council Plan 2021-2025, Proposed Budget 2021/22* and associated documents 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 *Community Engagement Policy 2021* it is appropriate to place the *Draft Council Plan 2021-2025, Proposed Budget 2021/22* and associated documents on public exhibition before they are formally considered for adoption.

ATTACHMENTS

1.  Draft Council Plan 2021 - 2025
2.  2021 May 10 - MCC Financial Plan 2021 - 2022
3.  2021 May 10 - MCC Proposed Budget 2021-2022
4.  Revenue and Rating Plan 2021_2022 to 2024_2025

CONFIDENTIALITY

Not Applicable

RECOMMENDATION

THAT COUNCIL

1. **PROVISIONALLY ENDORSES THE DRAFT COUNCIL PLAN 2021-2025, PROPOSED BUDGET 2021/22, DRAFT FINANCIAL PLAN 2021-2022 AND REVENUE AND RATING PLAN 2021-2025, THAT HAVE BEEN PREPARED IN ACCORDANCE WITH SECTIONS 90 AND 94 OF THE LOCAL GOVERNMENT ACT 2020**
2. **AUTHORISE THE RELEASE OF THE DRAFT COUNCIL PLAN 2021-2025, PROPOSED BUDGET 2021/22, DRAFT FINANCIAL PLAN 2021-2022 AND REVENUE AND RATING PLAN 2021-2025 ON PUBLIC EXHIBITION FROM 14 MAY 2021 TO 11 JUNE 2021**
3. **FOLLOWING EXHIBITION AND CONSIDERATION OF ANY SUBMISSIONS RECEIVED, COUNCIL AT ITS MEETING TO BE HELD ON MONDAY 28 JUNE 2021 AT 7:30PM, WILL CONSIDER A REPORT WITH A VIEW TO ADOPTING THE**

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**COUNCIL PLAN 2021-2025, BUDGET 2021/22, FINANCIAL PLAN 2021-2022 AND
REVENUE AND RATING PLAN 2021-2025**