

Council Meeting Agenda

Tuesday 25 June 2024
Commencing at 7.00 PM

Council Chamber
Hobsons Bay Civic Centre
115 Civic Parade, Altona

**HOBSONS
BAY CITY
COUNCIL**



COUNCIL CHAMBER

OUR MISSION

We will listen, engage and work with our community to plan, deliver and advocate for Hobsons Bay to secure a happy, healthy, fair and sustainable future for all.

OUR VALUES

Respectful

Community driven and focused

Trusted and reliable

Efficient and responsible

Bold and innovative

Accountable and transparent

Recognised

Council acknowledges the Bunurong People of the Kulin Nation as the Traditional Owners of these municipal lands and waterways, and pay our respects to Elders past and present.

Chairperson:

Cr Matt Tyler (Mayor) Wetlands Ward

Councillors:

Cr Pamela Sutton-Legaud (Deputy Mayor) Strand Ward

Cr Antoinette Briffa JP Cherry Lake Ward

Cr Diana Grima Wetlands Ward

Cr Peter Hemphill Strand Ward

Cr Daria Kellander Cherry Lake Ward

Cr Jonathon Marsden Strand Ward

Aaron van Egmond
Chief Executive Officer
Hobsons Bay City Council

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1 Council Welcome and Acknowledgement

The Chairperson will welcome members of the gallery and acknowledge that Council is gathered on the traditional land of the Bunurong People of the Kulin Nation and offers its respect to elders past, present and emerging.

2 Apologies

The Chairperson will call for apologies received from Councillors who are unable to attend this meeting.

3 Disclosure of Interest

In accordance with sections 127 and 128 of the *Local Government Act 2020* Councillors and staff are required to disclose a general or material conflict of interest. A conflict of interest must be disclosed in accordance with rule 15.3 of the Hobsons Bay Governance Rules.

Disclosure must occur immediately before the matter is considered or discussed.

4 Confirmation of Minutes

4.1 Confirmation of Minutes

Confirmation of the minutes of the Council Meeting of Hobsons Bay City Council held on 11 June 2024 (copy previously circulated).

5 Councillor Questions

6 Public Question Time

Public Question Time provides an opportunity for the public to ask questions related to items on the agenda of the Council Meeting or any other matter within Council's responsibility.

Questions must be put in writing and received by 12pm on the day before the Council Meeting. The submitted questions and Council's responses will be read out by the Chairperson during the meeting.

In accordance with rule 13.1.11 of the Hobsons Bay Governance Rules, the person who submitted the question must be present in the public gallery during Public Question Time for their question to be read out.

7 Petitions and Joint Letters

7.1 Petitions and Joint Letters Received

No petitions or joint letters had been received at the time of printing the agenda.

8 Business

8.1 Office of the Chief Executive

8.1.1 MAV State Council Meeting August 2024 Motions

Directorate:	Office of the Chief Executive
Responsible Officer:	Manager Communications, Engagement and Advocacy
Reviewer:	Chief Executive Officer
Attachments:	Nil

Purpose

To consider the motions to be put to the Municipal Association of Victoria (MAV) for the State Council Meeting on 23 August 2024.

Recommendation

That Council resolves to put the motions listed in this report to the Municipal Association of Victoria State Council Meeting to be held on 23 August 2024.

Summary

MAV will be holding its second State Council Meeting for the year on 23 August 2024. These meetings provide an opportunity for local government to submit motions for key priorities that require state or federal government support.

Draft Motions for the 23 August State Council Meeting must be submitted to MAV by midnight on 24 June 2024 and amendments submitted no later than 26 June 2024 after the Council meeting. The reason for the compressed timeframe is that MAV has moved its deadlines forward by one month.

Council is being asked to endorse the motions detailed in this report for submission to the 23 August 2024 MAV State Council Meeting.

Background

MAV is a statutory peak body for local government in Victoria and takes a lead role in advocating for local government to the Victorian and Australian governments on a variety of issues of concern.

The State Council is the governing body for MAV and has representation from all member councils. Members are invited to submit motions to be considered by the State Council twice a year. Resolutions are assessed by the Board to determine how they will be progressed.

The MAV State Council Meeting presents an opportunity to advocate for key priorities within Hobsons Bay that require state and federal government support to effect meaningful change.

Proposed motions

The following motions have been developed for Council to consider for submission to the MAV State Council Meeting to be held on 23 August 2024.

Youth Mental Health Crisis Motion

Our young people are in crisis. It is becoming increasingly difficult to access support services with little to no free or low-cost services available in Hobsons Bay. There are extended wait lists for the Federal Government's headspace services at Sunshine and Werribee that are over an hour away by public transport. According to Professor Patrick McGorry from Orygen in May 2023, 726 young people were currently on a waitlist for treatment at headspace centres in Melbourne's north-west.

In 2021, ten percent of 15 to 24-year-olds in Hobsons Bay reported having a long-term mental health condition and psychological distress is higher among young people in Hobsons Bay than in Western Melbourne and Victoria overall. Young women in Hobsons Bay aged 15-24 were most likely to be hospitalised for psychological distress, with 1,792 per 100,000 women presenting to emergency departments for mental and behavioural disorders.

We urgently need local, timely and affordable youth mental health services in Melbourne's inner west.

The following motions have been developed for Council to consider for submission to the MAV State Council Meeting to address the youth mental health crisis:

- 1. Conducting an enquiry into the mental health of young people (aged 12-25 years old) in Melbourne's inner-west (communities of Hobsons Bay and Maribyrnong)**
- 2. Undertake an assessment of the support services available for young people in Melbourne's inner-west and consider investment in any additional measures and funding to ensure young people have access to more local, timely and affordable youth mental health services in Melbourne's inner-west.**

Environmental Education on Crown Land Motion

The internationally significant Ramsar-protected Cheetham Wetlands in Melbourne's western suburbs is visited by thousands of migratory birds annually, significant to First Nations people and has been impacted by climate change upon coastal wetlands.

The following motions have been developed for Council to consider for submission to the MAV State Council Meeting to address the environmental education on Crown Land:

1. Providing educational opportunities to highlight the significance of the inner western coastal wetlands to First Nations people
2. Promote education about the impact of climate change on coastal wetlands
3. Provide unique eco-tourism and nature-based recreational experiences like a Wetlands Centre in metropolitan Melbourne

Strategic Alignment

This report specifically addresses priorities from the following strategic documents:

Hobsons Bay 2030 Community Vision

Priority 1: Visionary, vibrant, accountable urban planning

Priority 2: Community wellbeing and inter-connection

Priority 4: Proactive enrichment, expansion and conservation of the natural and urban environment

Priority 5: Activate sustainable practices

Council Plan 2021-25

Objective 1: Healthy, equitable and thriving communities

Priority b) Strengthen and promote First Nations culture, identity and opportunities in Hobsons Bay

Strategy 1.2: Improve the health and wellbeing of our community – particularly our young, vulnerable and older community members

Objective 2: Environment

Priority a) Foreshore and riverine assets are upgraded to meet predicted impacts of climate change, maintain existing recreational uses while improving conservation values

Priority d) Advocate for the establishment of a wetlands centre, promoting environment and tourism at the Hobsons Bay Ramsar rated wetlands

Policies and Related Council Documents

All relevant Council policies have been considered in preparing the proposed motions outlined within this report.

The 2022 MAV rules include a requirement that motions be submitted no less than 60 calendar days prior to a meeting of the State Council and must have been resolved upon by the participating Council prior to submission. The date currently nominated for the second MAV State Council meeting of 2024 is Friday 23 August 2024. Draft Motions for the 23 August State Council Meeting must be submitted to MAV by midnight on 24 June 2024 and amendments submitted no later than 26 June 2024 after the Council meeting. The reason for the compressed timeframe is that MAV has moved its deadlines forward by one month.

Legal/Statutory Obligations and Risk

The requirements of the *Charter of Human Rights and Responsibilities Act 2006* have been considered when writing this report.

Financial and Resource Implications

The initiatives can be supported through the existing budget.

Environmental, Social and Economic Impacts

The initiatives have a strong community focus on environment and mental health.

Consultation and Communication

Relevant Council departments have been consulted about potential projects. If community consultation is required for any part of the program, it will be carried out appropriately.

Declaration of Conflict of Interest

Section 130 of the *Local Government Act 2020* requires members of Council staff to disclose any general or material conflict of interest in matters to be considered at a Council meeting.

Council staff involved in the preparation of this report have no conflict of interest in this matter.

8.2 Corporate Services

8.2.1 Adoption of Annual Budget 2024-25

Directorate:	Corporate Services
Responsible Officer:	Chief Financial Officer
Reviewer:	Director Corporate Services
Attachments:	1. Annual Budget 2024-25 [8.2.1.1 - 146 pages]

Purpose

To adopt the Annual Budget 2024-25 and declare rates and charges for the year ending 30 June 2025.

Recommendation

That Council, having given public notice of the preparation of the Proposed Annual Budget 2024-25 in accordance with Council's Community Engagement Policy 2023:

1. Adopts the Annual Budget 2024-25 annexed to this report in accordance with section 94 of the *Local Government Act 2020*.
2. Authorises the Chief Executive Officer to give public notice of the decision to adopt the Annual Budget 2024-25.
3. Declares Rates and Service Charges totalling \$137.252 million (refer to section 4.1.1 of the Annual Budget 2024-25) for the year ending 30 June 2025 in accordance with section 158(1) of the *Local Government Act 1989* as follows:
 - a. Declares general rates in respect of the 2024-25 financial year, raised by the application of differential rates as follows:
 - i. A general rate of 0.207185 cents in the dollar on capital improved value (CIV) of all rateable residential properties
 - ii. A general rate of 0.352214 cents in the dollar on CIV of all rateable vacant residential properties
 - iii. A general rate of 0.476525 cents in the dollar on CIV of all rateable commercial properties
 - iv. A general rate of 0.704429 cents in the dollar on CIV of all rateable industrial properties
 - v. A general rate of 0.828740 cents in the dollar on CIV of all rateable petrochemical properties
 - vi. A rating concession of 0.093233 cents in the dollar on CIV of all rateable recreational properties

- b. Under section 171(1)(a) of the *Local Government Act 1989*, provides a waiver of:
- i. \$100 for all residential properties occupied by a ratepayer who is an eligible Department of Veterans' Affairs Gold Card recipient;
OR
 - ii. \$75 for all residential properties occupied by a ratepayer who is an eligible Centrelink pension card recipient (excluding healthcare)

- c. Declares an annual service charge on properties in accordance with section 158(1) of the *Local Government Act 1989* for the collection, disposal and processing of garbage, recycling, food organics and garden organics (FOGO) and hard waste for the year ending 30 June 2025 to be raised as follows:

\$317.23	Standard (base waste service charge for four bins: 120L garbage, 120L FOGO, 120L glass, 240L mixed recycling)
\$269.01	Shared (replaces standard base charge for properties in multi-unit dwellings/apartments/villages with shared bins)
\$125.61	U1 – Upsize to 240L garbage bin
\$41.88	U2 – Upsize to 240L FOGO bin
\$0.00	UF1 – Free upsize to 240L garbage bin
\$0.00	UF2 – Free upsize to 240L garbage bin for medical reasons
\$321.04	A1 – Additional 240L garbage bin
\$195.41	A2 – Additional 120L garbage bin
\$125.61	A3 – Additional 240L recycling bin
\$195.41	A4 – Additional 240L FOGO bin
\$153.54	A5 – Additional 120L FOGO bin
\$83.75	A6 – Additional 120L glass bin
\$285.51	BRF – Business Reduce Service with FOGO bin
\$285.51	BRG – Business Reduce Service with Glass bin
\$285.51	BRS – Business Reduce Service
\$301.37	BSH – Business Shared

4. In accordance with section 158(4) of the *Local Government Act 1989*, requires that general rates and annual service charge must be paid by four instalments made on or before the following dates:

Instalment 1	30 September 2024
Instalment 2	30 November 2024
Instalment 3	29 February 2025
Instalment 4	31 May 2025

5. **In accordance with section 172 of the *Local Government Act 1989*, requires persons to pay interest on any general rate or annual service charge, which that person is liable to pay and which has not been paid by the date specified for payment.**
6. **Authorises the Team Leader Rates of Council to levy and recover the general rates, annual service charges and interest where applicable in accordance with the *Local Government Act 1989*.**

Summary

Council's recommended Annual Budget 2024-25 is provided as an attachment to this report and is presented for adoption.

The budget as presented has been amended since it was proposed and advertised for public comment. Changes have been made to reflect adjustments required to operating and capital items. In addition, changes have been made in response to submissions made by the community.

The recommended budget is based on an operational surplus of \$20.7 million for the year, although this does not include Council's significant investment in capital expenditure of \$66.866 million for 2024-25.

Operating surpluses are required to ensure that Council remains financially viable to fund current and future commitments, including the Capital Works Program. Council's cash and investment reserves are projected to decline by \$2.952 million during 2024-25 despite borrowing an additional \$7 million.

The Annual Budget 2024-25 is based on an increase to general rates of 2.75 per cent, in accordance with the Victorian Government rate cap legislation. Due to the annual property revaluation process, rate increases will vary across the differential rating categories and individual properties.

Waste service charges are exempt from the rate cap and an increase of 7.5 per cent is planned for waste service charges. The charges do not cover the cost of providing the waste service as Council has decided to recoup its considerable investment to introduce a four-bin system in 2019-20.

While the 2024-25 budgeted operational surplus is a strong result, there is a significant shortfall in the funding available for the Ten Year Capital Works Program. The program has therefore been reduced in line with the current financial limitations. Council is working to reduce this funding gap, but some projects in future years remain unfunded.

Council has a strong history of being financially sustainable and managing service delivery within its means. As revenue constraints outside of Council's control are applied and as the level of organisational maturity increases in asset management, a higher degree of work is required on service planning. This work should ensure that Council remains in a reasonable financial position throughout the duration of its Financial Plan and delivers the most relevant mix of services to support the Hobsons Bay community.

Background

The annual budget process commenced in late 2023 when Council undertook its 2024-25 pre-budget consultation, providing an opportunity for community members to submit their ideas.

There were nine budget briefings in relation to developing the Proposed Annual Budget 2024-25, before it was approved to be placed on public exhibition after the Council Meeting held on 9 April 2024. A further two budget briefings have since been held to discuss the community budget submissions and to provide direction to develop the recommended Annual Budget 2024-25.

The Victorian Government has implemented an inflation-based rate cap, the Fair Go Rates System, which has been overseen by the Essential Services Commission since 2016-17. The rate cap for 2024-25 is 2.75 per cent, compared to the 3.5 per cent cap in 2023-24.

The rate cap is below the All-Groups CPI of 3.6 per cent over the 12 months to the March 2024 quarter. Inflation over the last few years has reduced Council's real level of income from rates when compared to the increases in costs that have occurred. This has created significant pressure on Council's ability to deliver services and infrastructure projects. This is a challenge that has been carefully considered in forming the budget in 2024-25 and the rate increase in line with the cap.

Discussion

The recommended Annual Budget 2024-25 as attached has been changed since it was proposed and advertised for public comment. The operational surplus of \$20.7 million is an increase (\$7.742 million) over what was proposed.

Changes made to income include:

- Rates and charges have increased by \$1.077 million, with general rates reflecting the final (stage 4) valuations on 22 May 2024 (\$1.045 million). The Proposed Budget was based on stage 3 valuations on 4 March 2024. It is normal for general rates to increase due to further supplementary rates and valuation increases made in the last part of the financial year. Future rate predictions continue to be considered in a conservative manner, so Council does not overcommit before rate income materialises. This assists to ensure that Council remains financially sustainable in the short, medium, and long term. Waste charge income has also increased, reflecting further uptake of the service (\$31,000).
- User fees have increased by \$340,000, due to the inclusion of new income streams for the container deposit scheme (\$300,000) and charges to the commercial operators of electric bikes and scooters (\$40,000).
- Operating grants have reduced by \$41,000 due to the cessation of Regional Assessment Service program (\$257,000) and an increase to Victorian Grants Commission funding (\$216,000).
- Capital grants have increased by \$6.402 million due to funding brought forward in relation to the Williamstown Lifesaving Club (\$4.5 million), and additional grants expected for Ross Road (\$1.67 million), the Burgoyne Sea Wall (\$500,000), Douglas Parade (\$477,000) and West Gate Tunnel funding for floodlighting at Langshaws Reserve (\$160,000). Reductions have been made for the Altona Hockey Club – reflecting confirmed income (\$80,000), and further income bought forward into 2023-24 (\$825,000).

Changes made to operational expenditure include:

- Employee costs have decreased by \$164,000 due to the cessation of Regional Assessment Service program (\$269,000). This is offset against increases for Maternal and Child Health Nurse Outreach - funded by a grant received in 2023-24 (\$98,000) and other minor adjustments (\$7,000).
- Materials and Services have increased by \$24,000 due to Operational projects from the capital program – including carryover adjustments (\$234,000), strategic planning projects – funded by a reduced forecast in 2023-24 (\$100,000), Council Plan development costs (\$70,000), and a safety review for towns and village precincts (\$60,000). Reductions have also been included for waste costs and Landfill Levy adjustments (\$384,000), VEC election costs (\$54,000) and a minor adjustment when allocating Pitch Your Idea and budget submissions (\$2,000).
- Borrowing costs have decreased by \$4,000 to reflect an adjustment to the timing of drawing down the loan in 2024-25 and updated interest rates.
- Other expenses have increased by \$180,000 for Carbon Neutral Accreditation through the purchase of domestic carbon offsets.

Capital works expenditure has been increased by \$12.675 million to \$66.866 million. The following have been included after further refinement of their project scopes:

- Williamstown Lifesaving Club – additional expenditure funded by bringing forward a grant (\$4.5 million)
- LED Street Lighting (\$2.245 million)
- Ross Road - partially funded by an additional grant (\$2.141 million)
- Douglas Parade road rehabilitation (\$1.8 million)
- Burgoyne Sea wall - partially funded by an additional grant (\$815,000)
- Floodlighting at Langshaws Reserve (\$400,000)
- Further projects from 2023-24 now expected to be completed in 2024-25 (\$3.093 million).

The following reductions have been made to capital works expenditure:

- Mills Street – This project will be deferred to 2026-27 so it can be delivered with improved community outcomes, as potential impacts from upcoming State Government level crossing works in the area inhibit the project (\$1.815 million)
- Altona Hockey Club – The scope of works has not been reduced. The reduction reflects savings realised at time of contract award and reduction in actual grant funding received (\$320,000)
- Altona foreshore – The scope of works has not been reduced. The reduction reflects savings realised at time of contract award (\$300,000)

Valuation changes

The average rateable property's capital improved value (CIV) in Hobsons Bay has decreased by 0.65 per cent in the past 12 months. Property valuation changes have varied considerably between individual properties and across the differential rating categories as follows:

- residential ▼ 1.17 per cent decrease
- residential vacant land ▼ 0.90 per cent decrease
- commercial ▲ 0.63 per cent increase
- industrial ▲ 3.64 per cent increase
- petrochemical ▼ 11.82 per cent decrease
- cultural and recreational ▲ 1.10 per cent increase

There is a common misconception that as properties are revalued, Council receives a "windfall gain" of additional revenue. This is not the case, as the revaluation process results in a redistribution of the rate burden across all properties in the municipality. Total income from rates (excluding waste service charges) is determined by the rate cap. In simple terms, as property values increase, the rate in the dollar is reduced.

Rate changes

The average general rate increase is 2.75 per cent, consistent with rate cap, but the changes to valuations above mean that average rate increases vary for each rating category as follows:

- residential ▲ 1.45 per cent increase
- residential vacant land ▲ 8.08 per cent increase
- commercial ▲ 3.29 per cent increase
- industrial ▲ 6.38 per cent increase
- petrochemical ▼ 9.49 per cent decrease
- cultural and recreational ▲ 3.78 per cent increase

Rate notices will include service charges for the collection, disposal and processing of garbage, recycling, glass, garden and food waste and hard waste. Service charge increases of 7.5 per cent in 2024-25 (which are not subject to the rate cap) will help cover the cost of Council's considerable investment to introduce a four-bin system in 2019-20, which is being progressively recovered over subsequent years. It is anticipated that the "waste management" reserve will be in deficit of approximately \$4.864 million by 30 June 2025.

The waste service charge is not new. Council does not include any costs related to street sweeping, public litter bins, public litter education or graffiti removal in the waste service charge. Council does not include any enforcement costs or revenue in the calculation of the waste service charge.

A summary of the types of expenses that are included in the Waste Service Charge and Reserve Policy were endorsed by Council in 2022. When the new Good Practice Guidelines were released by the Victorian Government in December 2023, officers reviewed the Waste Reserve and made some minor changes for budget planning in 2024-25. The changes include removing costs related to the delivery of the My Smart Garden program and Clean up Australia Day events, which do not align with the Good Practice Guidelines. The change is approximately \$70,000 which is less than one per cent of the waste service charge expenditure. These changes have been made despite advice being received that adherence to the guidelines is not expected until the 2025-26 financial year.

Rate notices will also include the fire services property levy that Council collects on behalf of the Victorian Government. This levy is not regarded as Council income and is not included within the figures outlined in the Annual Budget 2024-25. It is important to note that these increases, which are well above the rate cap, are outside of Council control.

Should further financial assistance be required, it can be provided through Council's Financial Hardship Policy. Council has included \$100,000 in the budget to provide this assistance.

Strategic Alignment

This report specifically addresses priorities from the following strategic documents:

Hobsons Bay 2030 Community Vision

This report relates to all priorities within the Hobsons Bay 2030 Community Vision.

Council Plan 2021-25

Objective 5: A High Performing Organisation

Strategy 5.3: Deliver value for money – continuous improvement while safeguarding the long-term financial sustainability of Council

Policies and Related Council Documents

The Annual Budget 2024-25 has been determined within the ongoing financial constraints of Council.

The Annual Budget 2024-25 is also directly aligned to Council's Financial Plan 2021-22 to 2030-31, Revenue and Rating Plan 2021-22 to 2024-25, Hobsons Bay Asset Plan 2022-32 and the Ten Year Capital Works Program.

Legal/Statutory Obligations and Risk

Council must prepare and adopt a budget for each financial year and the subsequent three financial years by 30 June each year in accordance with section 94 of the *Local Government Act 2020*. The annual budget must be in the format outlined in the model prescribed by the Local Government (Planning and Reporting) Regulations 2020.

Parts of the *Local Government Act 1989* regarding the local government rating framework are still in force. Sections 154-181 determine Council's ability to develop a rating system.

The Ministerial Guidelines for Differential Rating were published in the Victoria Government Gazette in April 2013. The guidelines were prepared to guide councils in the application of differential rates as provided in section 161 of the *Local Government Act 1989*.

Council is required for rating purposes to undertake a general revaluation of all properties within the municipality every year under section 11 of the *Valuation of Land Act 1960*.

The community submission processes were developed in accordance with Council's Community Engagement Policy 2023, as required by section 96 of the *Local Government Act 2020*. The policy stipulates that Council will engage with the community for feedback and participation during the planning and development stages of the Annual Budget.

Financial and Resource Implications

The Annual Budget 2024-25 predicts an operational surplus of \$20.7 million. The result is based on income of \$177.8 million and expenses of \$157.1 million.

The income includes \$137.252 million in rates and charges during 2024-25. This is the most important source of income for Council, expected to account for an estimated 80 per cent of Council's revenue.

Council proposes to spend \$66.866 million on capital works, including \$5.694 million worth of projects carried over and funded from 2023-24. The program is funded by capital income (\$10.539 million), reserves (\$6.36 million) and loan borrowings (\$7 million) to support the program of works. The balance of the Capital Works Program is funded from the operational surplus and cash reserves.

After funding capital works and other non-operational or non-cash items, a balanced Available Funding Result has been calculated.

Due to Council's large capital works commitment, cash and investment reserves are expected to decline by \$2.952 million during the year to \$35.828 million by 30 June 2025.

Environmental, Social and Economic Impacts

Environmental, social and economic impacts have been considered throughout the development of the Annual Budget 2024-25.

Council continues to provide additional rates concessions to approved pension card holders (\$75) and to holders of a Gold Card issued by the Department of Veterans' Affairs (\$100).

Council has also included \$100,000 in the budget to provide financial assistance to ratepayers through Council's Financial Hardship Policy.

Consultation and Communication

The Annual Budget 2024-25 consultation was undertaken in accordance with Council's Community Engagement Policy 2023 and has been developed with the needs of the community at its centre.

Community consultation is a fundamental part of budget development. The consultation process began in November 2023 with the launch of Pitch Your Project. Hobsons Bay residents, community groups, sporting clubs, businesses and organisations were invited to pitch an idea for a one-off community program, project or initiative that Council will deliver in the 2024-25 financial year. Council received 74 community ideas, with each submission assessed against the terms, conditions, and criteria.

The Proposed Annual Budget 2024-25 was placed on public exhibition and made available for inspection and comment for four weeks until 12 May 2024, whereby any person could make written comment on any proposal contained in the budget. Thirty-seven responses were received. All submitters will receive an individual response following Council consideration of the final budget.

Consistent with the advertisement placed in the *Maribyrnong and Hobsons Bay Star Weekly* newspaper on 17 April 2024, submissions received will be included in a register of submissions. The register of submissions (including any personal information) form part of the public record of the meeting and will be published on Council's website (accessible worldwide) for an indefinite period.

Whilst not all requests detailed within the submissions could be accommodated, some key projects put forward have been included in next financial year's budget, including:

- Road renewal works along Douglas Parade, Williamstown (\$1.8 million)
- Upgrade of the ford crossing along Racecourse Road, Altona (\$1.9 million)
- Progress of design work for the ongoing streetscape improvements along Pier Street, Altona (\$110,000)
- Minor landscaping works to the Aviation Road Roundabout and cleansing blitz in the Aviation Road precinct, Laverton (\$10,000)
- Upgrade works to Leo Hoffman Reserve, Newport (\$365,000)

Council also received 74 community ideas in relation to its pre-budget consultation Pitch Your Idea program. As a result of Council's community consultation processes, 22 successful ideas have been factored into the recommended Annual Budget 2024-25 at a cost of approximately \$600,000. In addition, ten ideas from the community were already included in the budget to be delivered by Council.

Declaration of Conflict of Interest

Section 130 of the *Local Government Act 2020* requires members of Council staff to disclose any general or material conflict of interest in matters to be considered at a Council meeting.

Council staff involved in the preparation of this report have no conflict of interest in this matter.

8.2.2 Community Submissions on Proposed Annual Budget 2024-25

Directorate:	Corporate Services
Responsible Officer:	Chief Financial Officer
Reviewer:	Director Corporate Services
Attachments:	1. Proposed Annual Budget Submissions 2024-25 [8.2.2.1 - 103 pages]

Purpose

To formally receive and note the community submissions made in relation to the public exhibition process for the Proposed Annual Budget 2024-25.

Recommendation

That Council, having given public notice of the preparation of the Proposed Annual Budget 2024-25 in accordance with Council's Community Engagement Policy 2023:

- 1. Receives and notes the submissions following the public exhibition period for the Proposed Annual Budget 2024-25.**
- 2. Notes that submissions were considered in finalising the Annual Budget 2024-25.**
- 3. Responds in writing to all submitters to the budget under the signature of the Director Corporate Services.**

Summary

The Proposed Annual Budget 2024-25 was placed on public exhibition following formal consideration at the Council Meeting held on 9 April 2024.

Council received 37 responses at the close of the public exhibition period. A summary of the submissions is attached to this report.

Whilst not all requests detailed within the submissions could be accommodated, some key projects put forward have been included in next financial year's budget, including:

- Road renewal works along Douglas Parade, Williamstown
- Upgrade of the ford crossing along Racecourse Road, Altona
- Progress of design work for the ongoing streetscape improvements along Peir Street, Altona
- Minor landscaping works to the Aviation Road Roundabout and cleansing blitz in the Aviation Riad precinct, Laverton
- Upgrade works to Leo Hoffman Reserve, Newport

Council also received 74 community ideas in relation to its pre-budget consultation Pitch Your Idea program. As a result of Council's community consultation processes, 22 successful ideas have been factored into the recommended Annual Budget 2024-25 that will be formally considered by Council at the Council Meeting on 25 June 2024. In addition, ten ideas from the community were already included in the budget to be delivered by Council.

Background

The annual budget process commenced in late 2023 when Council undertook its 2024-25 pre-budget consultation, providing an opportunity for community members to submit their ideas.

There were nine budget briefings in relation to developing the Proposed Annual Budget 2024-25. These briefings were used to develop and bring together all the elements that have influenced the budget's development, including:

- Capital Works Program
- Financial Plan outlook
- fees and charges
- Valuation and Rating Discussion Paper, including rate modelling
- community consultation process
- operational budget

The Proposed Annual Budget 2024-25 was presented at the Council Meeting on 9 April 2024. It was placed on public exhibition and made available for inspection and comment for four weeks until 12 May 2024. The exhibition period provided a further opportunity for interested parties from the community to make comment.

Discussion

A schedule of the submissions on the budget is attached to this report. Council has considered all submissions in final preparation of the recommended Annual Budget 2024-25.

Strategic Alignment

This report specifically addresses priorities from the following strategic documents:

Hobsons Bay 2030 Community Vision

This report relates to all priorities within the Hobsons Bay 2030 Community Vision.

Council Plan 2021-25

Objective 5: A High Performing Organisation

Strategy 5.3: Deliver value for money – continuous improvement while safeguarding the long-term financial sustainability of Council

Policies and Related Council Documents

The matters raised within the community budget submissions were considered in the context of Council's Annual Budget, Revenue and Rating Plan, Financial Plan and ten-year Capital Works Program priorities.

Individual submissions that pertained to a specific Council policy or strategy were reflected in the formal consideration of that submission, where appropriate.

Legal/Statutory Obligations and Risk

The community submission processes were developed in accordance with Council's Community Engagement Policy 2023, as required by section 96 of the *Local Government Act 2020*. The policy stipulates that Council will engage with the community for feedback and participation during the planning and development stages of the Annual Budget.

Environmental, Social and Economic Impacts

The receiving of submissions contained within this report has no direct environmental, social or economic impact to note. The specific impacts of each submission has been considered as part of formal consideration of that submission.

Consultation and Communication

Council conducted an additional pre-budget community consultation process. This was undertaken in line with the Hobsons Bay Community Engagement Policy 2023 to ensure that community considerations are considered within the development of the Annual Budget 2024-25.

The Proposed Annual Budget 2024-25 was placed on public exhibition as part of a four-week consultation period. The budget was made available for inspection and comment until 12 May 2024, to allow any person to make written comment on any proposal contained in the budget.

Consistent with the advertisement placed in the *Maribyrnong and Hobsons Bay Star Weekly* newspaper on 17 April 2024, any submissions received will be included in a register of submissions. The register of submissions (including any personal information) form part of the public record of the meeting and will be published on Council's website (accessible worldwide) for an indefinite period.

Declaration of Conflict of Interest

Section 130 of the *Local Government Act 2020* requires members of Council staff to disclose any general or material conflict of interest in matters to be considered at a Council meeting.

Council staff involved in the preparation of this report have no conflict of interest in this matter.

8.3 Sustainable Communities

8.4 Infrastructure and City Services

8.4.1 Contract 2023.05 Roads and Drainage Maintenance Services

Directorate:	Infrastructure and City Services
Responsible Officer:	Manager City Works and Amenity
Reviewer:	Director Infrastructure and City Services
Attachments:	Nil

Purpose

To award Contract 2023.05 for provision of Roads and Drainage Maintenance for the initial term of five years.

Recommendation

That Council:

- 1. Awards Schedule of Rates to Contract 2023.05 for the provision of Roads and Drainage Maintenance Services to Citywide Service Solutions Pty Ltd for an initial contract period of five years at an estimated value of \$27,911,000 (twenty-seven million, nine hundred and eleven thousand dollars) including GST, with two one-year options to extend.**
- 2. Delegates to the Chief Executive Officer the ability to negotiate and approve extensions in the prior year within contracted conditions, which if exercised would bring total anticipated contract expenditure to \$37,793,770 (thirty-seven million, seven hundred and ninety-three thousand, seven hundred and seventy dollars) including GST, should both one-year extensions be appropriate at the time.**
- 3. Delegates to the Chief Executive Officer the ability to vary the contract within the requirements of the Procurement Policy should operational needs require.**

Summary

Council has a significant network of roads, footpaths and drainage assets across the municipality. As a road manager, Council has significant legislated responsibilities in maintaining these assets on behalf of the community and other road users.

Council has undertaken a review of how these responsibilities are fulfilled and created a contract to provide the physical services required to maintain these assets in the field. Tenders for this contract have been assessed and a recommendation made to award these services to Citywide Service Solutions for a period of five years.

Background

Hobsons Bay City Council is responsible for the management of 406km of urban streets and 29km of rights-of-way with a surface area of approximately 3.4 million square metres, along with 795km of kerb and channel and 760km of footpaths. For drainage Council is responsible for 21,300 pits, 576km of pipes, 41 gross pollutant traps/net-tech traps and a number of other litter collection devices.

The primary objective of this contract is for the contractor to perform and complete works required to maintain Council's road and drainage assets, ensuring that all roads, kerbs, drains, carparks, footpaths and bike paths are kept in a safe and functional condition for both the assets and users.

The scope of maintenance services required by the contractor under this contract and outcomes of maintenance being performed and asset performance standards is below:

- **Sealed surfaces** – Provide safe driving conditions and a uniform road surface, including over bridges and culverts. Minimise the rate of deterioration of the pavement.
- **Shoulders (sealed)** – Provide safe driving conditions and a uniform surface.
- **Shoulders (unsealed)** – Provide safe driving conditions, a uniform surface and lateral support for the road pavement.
- **Unsealed roads** – Provide safe driving conditions and ride quality.
- **Carparks** – Provide safe and clearly useable conditions, including access to and from roads. Minimise the rate of deterioration for the carpark pavement.
- **Kerb and channel** – Collect and convey road surface runoff to points of drainage conveyance (pits, culverts, open drains); and safe driving and cycling conditions. This includes kerbs or kerb and channel across bridges and culverts.
- **Vehicle entrances at driveways** – Minimise any differential between road surfaces and a vehicle crossing as a result of works, including grading and re-sheeting.
- **Drainage pipes and channels** – Provide hydraulic capacity, protection of pavement and associated road structure, structural integrity and clear flow of water away from the road pavement; and conveyance to points of outfall, retardation or treatment.
- **Drainage structures** – Provide hydraulic capacity at collection and outflow points, integrity of structure to avoid infiltration or scouring of adjacent ground. (includes gross pollutant traps)
- **Footpaths** – Provide safe walking conditions for pedestrians and a uniform free-draining path surface. Minimise the rate of deterioration of the footpath. This includes paths across bridges and culverts.
- **Pram crossings** – Provide safe walking conditions for pedestrians at the interface with kerb and channel.
- **Bike paths and shared use paths** – Provide safe riding conditions for cyclists and a uniform path surface. Minimise the rate of deterioration of the path. This includes paths across bridges and culverts.
- **Responding to emergency situations** – Provide 24-hour capability to address public safety as a result of emergency incidents including flooding, fires, storms, landslips and traffic crashes. Provide timely emergency response to assist the public and minimise disruption due to the emergency.

Discussion

A public tender was conducted that closed on 11 August 2023. A tender briefing was held on 8 November 2023 to provide tenderers with an opportunity to question and clarify the tender documentation.

Thirty-six registered suppliers downloaded the RFT documentation with seven suppliers submitting a response for tender. One tenderer later withdrew their offer.

Three of the tender submissions received were assessed as non-compliant by Council's Procurement Unit and were not considered.

Three tenderers were eligible to progress to the assessable criteria stage. The evaluation panel carried out an assessment based on the agreed evaluation methodology for this tender. Of the three tenders assessed, a financial analysis was undertaken against an indicative annual cost for reactive works based on the schedule of rates submitted. At the conclusion of this analysis, a schedule of rates annual spend amount was calculated based on the average amount of road management plan works carried out under this contract over the last four years.

With this estimated annual schedule of rates amount and the lump sum price submitted by tenderers, a financial score was calculated.

Also, based on non-financial evaluation criteria as per the tender documents, non-financial scores were calculated for all three tenderers to finalise a value for money analysis that considers all the evaluation criteria advertised in the tender documents.

Based on the total evaluation scores (financial and non-financial evaluation scores), Citywide's submission was shortlisted as they provide the best value for money and they were invited to interview.

During the interview Citywide was asked questions regarding:

- compliance with the Road Management Plan with an emphasis on time requirements and intervention levels for council budgeted works
- Citywide's quality assurance and quality control to ensure the delivery of quality works
- the process Citywide use to ensure council systems and data are up-to-date and to notify residents of upcoming works
- how Citywide ensures community safety during works and adjacent assets to the work site location are not damaged.

Citywide's system used to manage works must integrate or interface with Council systems to enable the receipt and processing of works orders, and to ensure appropriate supporting information is provided once the work has been completed.

Council is also implementing a revised contract management approach for this service contract moving forward to implement the new specification requirements of this contract.

Strategic Alignment

This report specifically addresses priorities from the following strategic documents:

Hobsons Bay 2030 Community Vision

Priority 6: An accessible and connected community

Council Plan 2021-25

Objective 4: Visionary community infrastructure

Strategy 4.2: Ensure that our assets are properly maintained now and into the future at the most economical cost to the community and the environment

Priority a) Reduce the asset renewal demand gap for key assets including roads, footpaths, buildings, recreation and community facilities.

Policies and Related Council Documents

The awarding of Contract 2023.05 through a public tender process complies with Council's Procurement Policy.

Legal/Statutory Obligations and Risk

Council has a legislative obligation to provide and maintain its roads and footpath networks to ensure they can be safely used by the community. Council also has obligations to provide and maintain a drainage network which allows safe access but protects property from adverse effects such as flooding. Failure to effectively undertake these duties not only increases risks to the community but also exposes Council to legal recourse by those adversely affected.

Financial and Resource Implications

Council invests a significant amount of money to maintain its roads, footpaths and drainage assets, which is set to continue under this contract. Ensuring that Council's existing assets are maintained effectively has the double benefit of minimising risk to the community but also maximising the life of existing assets. Good maintenance is critical in ensuring Council can meet its long-term asset planning objectives. Funding to carry out works required under this contract is included in Council's annual operating budget.

Environmental, Social and Economic Impacts

The tender requires that the contractor gives due consideration to sustainable treatments to reduce the environmental impact of concrete and asphalt work. The key selection criteria reflected this requirement and tenderers were assessed consistent with this.

The tender also requires the contractor to engage with Council's Social Engagement Policy ensuring people from disadvantaged backgrounds are able to obtain training and employment with these organisations. The contractor has been able to show engagement in these social issues beyond what is required in the contract.

Consultation and Communication

Community consultation is undertaken as part of the creation of Council's Road Management Plan which directs the way the Roads and Drainage Maintenance contract operates. In addition, the management of the contract involves dealing with residents' concerns on a regular basis, utilising Council's Customer Service Charter.

Declaration of Conflict of Interest

Section 130 of the *Local Government Act 2020* requires members of Council staff to disclose any general or material conflict of interest in matters to be considered at a Council meeting.

Council staff involved in the preparation of this report have no conflict of interest in this matter.

9 Committee and Delegate Reports

9.1 Committee Reports

9.2 Delegate Reports

Purpose

To consider reports by Councillors who have been appointed as delegates to Council and community committees.

Recommendation

That Council receives and notes the recent Delegate Reports.

10 Notices of Motion

No notices of motion were received.

11 Urgent Business

12 Supplementary Public Question Time

Supplementary Public Question Time provides an opportunity for the public to ask questions directly related to items on the agenda that have arisen during the evening's proceedings.

Where it is not possible to provide a response during the meeting, a written response to the question will be provided promptly.

Written public questions received during the Council Meeting that are not related to items on the agenda will be taken on notice and responded to in writing by the appropriate Council officer, or referred to the next Council Meeting for a public response if so requested by the questioner.

13 Close of Meeting

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BAY CITY
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