Ordinary Meeting of Council

Council Chambers
Civic Centre
Boxshall Street Brighton

Tuesday 23 April 2019
at 7pm

Agenda
Members of the Gallery

Your attention is drawn to Section 92 of Council’s Governance Local Law No 1.

Section 92 The Chair’s Duties and Discretions

In addition to other duties and discretions provided in this Local Law, the Chair –

(a) must not accept any motion, question or statement which is derogatory, or defamatory of any Councillor, member of Council staff, or member of the community;

(b) may demand retraction of any inappropriate statement or unsubstantiated allegation;

(c) must ensure silence is preserved in the public gallery during any meeting;

(d) must call to order any member of the public who approaches the Council or Committee table during the meeting, unless invited by the Chair to do so; and

(e) must call to order any person who is disruptive or unruly during any meeting.

An Authorised Officer must, if directed to do so by the Chairman, remove from a meeting any Councillor or other person who has committed such an offence.

Your cooperation is appreciated

Chairperson of Council
Order of Business

1. Prayer

2. Acknowledgement of Original Inhabitants

3. Apologies

4. Disclosure of any Conflict of Interest of any Councillor

5. Adoption and Confirmation of the minutes of previous meeting

6. Public Question Time

7. Petitions to Council
   7.1 Petition: Mobile Billboards Local Law

8. Minutes of Advisory Committees
   8.1 Assembly of Councillors Record

9. Reports by Special Committees
   Nil

10. Reports by the Organisation
    10.1 Response to Petition - To Ban Smoking in and around Ricketts Point Marine Sanctuary
    10.2 Proposal to redevelop and enter into a 21 year lease at Northpoint Cafe, Brighton
    10.3 Update on Nursery Management and Bushland Maintenance Model
    10.4 2019 Bright n Sandy Food and Wine Festival Service Review
    10.5 Proposed Council Plan 2017-21 (2019 Review) and Strategic Resource Plan 2019-20 to 2022-23
    10.6 Proposed Annual Budget 2019/20 and Long Term Financial Plan
    10.7 Municipal Association of Victoria - State Council - Call for Motions
    10.8 Naming of Roadway from Beach Road to the Beaumaris Motor Yacht Squadron
    10.9 Re-alignment of Hampton / Sandringham Boundary at 1 Arthur Street
    10.10 Naming of Laneway between 12-14 Meredith Street, Sandringham
10.11 Cancellation of three Planning and Amenity Committee Meetings  
(July, October and November) ............................................. 97
10.12 Proposed Discontinuance and sale of Part of the Road at Rear of  
70 Esplanade, Brighton ..................................................... 101
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10.17 CONTRACT CON/18/107 Receipt, Processing and Responsible  
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10.19 CONTRACT CON/19/8 Construction of Small Stormwater  
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J Steele Reserve, Sandringham .......................................... 145
10.20 CONTRACT CON/19/27 Purchase, Supply and Delivery of  
Kitchen Caddies, Compostable Bin Liners and the Changeover of  
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11. Reports by Delegates

12. Urgent Business

13. Notices of Motion

Nil

14. Confidential Business

14.1 Minutes of the Chief Executive Officer’s Employment Matters  
Committee held on 15 April 2019 ............................................. 159
1. **Prayer**

   O God
   Bless this City, Bayside,
   Give us courage, strength and wisdom,
   So that our deliberations,
   May be for the good of all,
   Amen

2. **Acknowledgement of Original Inhabitants**

   We acknowledge that the original inhabitants of this land that we call Bayside were the Boon wurrung people of the Kulin nation.

   They loved this land, they cared for it and considered themselves to be part of it.

   We acknowledge that we have a responsibility to nurture the land, and sustain it for future generations.

3. **Apologies**

4. **Disclosure of any Conflict of Interest of any Councillor**

5. **Adoption and Confirmation of the minutes of previous meeting**

   5.1 Confirmation of the Minutes of the Ordinary meeting of Bayside City Council held on 19 March 2019.

   5.2 Confirmation of the Minutes of the Special Committee of Council Meeting held on 16 April 2019.

6. **Public Question Time**
7. Petitions to Council

7.1 PETITION: MOBILE BILLBOARDS LOCAL LAW

Corporate Services - Governance
File No: PSF/19/960 – Doc No: DOC/19/104603

A petition has been received from residents petitioning Council to develop a local law controlling parked mobile billboards. (35 signatories)

"We the undersigned hereby petition Bayside City Council to develop bylaws controlling parked mobile billboards and "for sale" cars, caravans, boats and other equipment in designated Bayside Streets except where cars, caravans, boats and other equipment for sale are parked adjacent to the owner's house."

Rationale for petition:

The permanently parked mobile billboards and for sale goods represent visual pollution. They decrease the amenity of the surrounding community converting a public space with views of a park to a sale yard or commercial precinct.

The use of this area to promote private businesses and vehicles, boats and caravans for sale alienates public space for private purposes. The businesses and individuals parking their vehicles are using public space for private gain. This is something Council has not tolerated in other settings. For example the use of public space for training activities is controlled by the requirement for a permit and the fees applicable recompense the Bayside community for the use of public property for private gain.' In the case of small advertising signs in commercial precincts Council requires a Vicsmart application.'

The mobile billboards are observed to be permanent both because of the use of wheel clamps and because of the weeks of occupation of the same place on South Rd. These billboards may encourage other sellers to see this area as uncontrolled for promotional purposes (which it is) and thereby encourage the sale of other goods in the same area.

The petitioners seek no restriction of the parking of vehicles, caravans, trailers that are for sale and mobile billboards in front of the homes of the owners of that property. In that case the amenity lost is partly theirs to lose. To that end Council may decide to designate particular high traffic volume corridors such as South Rd for the purposes of the by-law.

Example of issue:

On South Rd Brighton East on the southern perimeter of Brighton Golf Course (between Creswick St. and Glencairn Av. are permanently parked mobile billboards. There is also a collection of for sale cars, boats and caravans taking advantage of the traffic volumes on South Rd to sell goods.

Several of the mobile billboards / trailers (see examples attached) are clamped and are effectively permanent hoardings ('a large board in a public place, used to display advertisements).
Petition Requirements
The petition presented meets the requirements of Council’s Governance Local Law No: 1 in terms of the preparation of a petition.

Recommendation
That the petition be received and a report on this matter be presented to the 21 May 2019 Ordinary Meeting of Council.

Support Attachments
Nil
8. Minutes of Advisory Committees

8.1 ASSEMBLY OF COUNCILLORS RECORD

Executive summary

Purpose and background
To formally report to Council on the Assembly of Councillors records in accordance with the Local Government Act 1989.

Key issues
This report fulfils the requirements of reporting an Assembly of Councillors to the next practical Ordinary Meeting of Council in accordance with the Local Government Act 1989.

Recommendation
That Council notes the Assembly of Councillor records submitted as required by the Local Government Act 1989:

- 7 March 2019 Budget Briefing
- 14 March 2019 Budget Briefing
- 26 March 2019 Strategic Issues Discussion
- 2 April 2019 CEO and Councillors only Briefing

Support Attachments
1. 7 March 2019 Budget Briefing
2. 14 March 2019 Budget Briefing
3. 26 March 2019 Strategic Issues Discussion
4. 2 April 2019 CEO and Councillors only Briefing
## Record of Assembly of Councillors

Record in accordance with section 80A(1) of the *Local Government Act 1989*

<table>
<thead>
<tr>
<th>Meeting Information</th>
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</thead>
<tbody>
<tr>
<td><strong>Meeting Name/Type</strong></td>
</tr>
<tr>
<td><strong>Meeting Date</strong></td>
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<tr>
<td><strong>Start Time</strong></td>
</tr>
<tr>
<td><strong>Matters discussed</strong></td>
</tr>
</tbody>
</table>

### Attendees

**Councillors**

- Mayor Cr Michael Heffernan
- Cr Sonia Castelli
- Cr Alex del Porto
- Cr Laurence Evans
- Cr Rob Grinter
- Cr Clarke Martin

**Staff**

- Mick Cummins
- Jill Colson
- Steven White
- Hamish Reid
- Bryce Craggs
- Rebecca Aldridge
- Chief Executive Officer
- Director Corporate Services
- Director Environment, Recreation and Infrastructure
- Director City Planning and Amenity
- Director Community and Customer Experience
- Executive Manager People & Strategy

### Apologies

- **Councillors**
  - Cr James Long

### Conflict of Interest disclosures

- **Nil**

Reviewed: February 2013
## Record of Assembly of Councillors

**Record in accordance with section 80A(1) of the Local Government Act 1989**

### Meeting Information

<table>
<thead>
<tr>
<th>Meeting Name/Type</th>
<th>Budget Briefing</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Meeting Date</strong></td>
<td>Thursday 14 March 2019</td>
</tr>
<tr>
<td><strong>Start Time</strong></td>
<td>7.00pm</td>
</tr>
</tbody>
</table>
| **Matters discussed** | • New Initiatives  
                         • Fees & Charges  
                         • Operating Budget |

### Attendees

| Councillors         | Mayor Cr Michael Heffernan  
                     | Cr Sonia Castelli  
                     | Cr Alex del Porto  
                     | Cr Laurence Evans  
                     | Cr Rob Grinter  
                     | Cr Clarke Martin |
|---------------------|--------------------------|
| **Staff**           | Mick Cummins  
                     | Jill Colson  
                     | Steven White  
                     | Hamish Reid  
                     | Bryce Craggs  
                     | Chief Executive Officer  
                     | Director Corporate Services  
                     | Director Environment, Recreation and Infrastructure  
                     | Director City Planning and Amenity  
                     | Director Community and Customer Experience |

### Apologies

| Councillors | Cr James Long |

### Conflict of Interest disclosures

| Nil |
### Meeting Information

<table>
<thead>
<tr>
<th>Meeting Name/Type</th>
<th>Strategic Issues Discussion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meeting Date</td>
<td>Tuesday 26 March 2019</td>
</tr>
<tr>
<td>Start Time</td>
<td>6.45pm</td>
</tr>
</tbody>
</table>

**Matters discussed**

- Bayside Council Grants Policy Review 2019
- Sports Pavilion Improvement Plan Review
- Lyle Anderson Reserve Highett Parking Review
- Beaumaris Sports Club Lease and Funding Contribution
- Request for Landlord Consent to Lodge an Amended Planning Permit Sandringham Golf Course
- Amendment C126 - Small Activity Centres Strategy
- Implementation of Beaumaris Concours Masterplan and enforcement of Footpath Trading Policy
- Delegations from Council to the Chief Executive Officer and other Council Officer positions within the organisation
- Hampton Community Infrastructure Feasibility Assessment and Masterplan

### Attendees

**Councillors**

- Mayor Cr Michael Heffernan
- Cr Sonia Castelli
- Cr Alex del Porto
- Cr Laurence Evans
- Cr Rob Grinter
- Cr Clarke Martin

**Staff**

- Mick Cummins
- Jill Colson
- Steven White
- Hamish Reid
- Bryce Craggs

- Chief Executive Officer
- Director Corporate Services
- Director Environment, Recreation and Infrastructure
- Director City Planning and Amenity
- Director Community and Customer Experience

### Apologies

**Councillors**

- Cr James Long

**Conflict of Interest disclosures**

- Nil
### Record of Assembly of Councillors

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<table>
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<tr>
<td><strong>Meeting Date</strong></td>
</tr>
<tr>
<td><strong>Start Time</strong></td>
</tr>
</tbody>
</table>
| **Matters discussed** | Matters raised by the CEO  
  - New Fossil site – request for funding  
  - Community Satisfaction Survey results  
  - Short term lease – Elsternwick |
| **Matters discussed** | Matters raised by the Councillors  
  - Nil |

<table>
<thead>
<tr>
<th>Attendees</th>
</tr>
</thead>
</table>
| **Councillors** | Mayor, Cr. Michael Heffernan  
  Cr. Alex del Porto  
  Cr. Laurence Evans  
  Cr. Rob Grinter  
  Cr. Clarke Martin |
| **Staff** | Mick Cummins  
  Chief Executive Officer |

<table>
<thead>
<tr>
<th>Apologies</th>
</tr>
</thead>
</table>
| **Councillors** | Cr. Sonia Castelli  
  Cr. James Long |

<table>
<thead>
<tr>
<th>Conflict of Interest disclosures</th>
</tr>
</thead>
</table>
| **Matter No** | Councillor making disclosure  
  Councillor left meeting |
| **Nil** |
9. ** Reports by Special Committees 

Nil
Executive summary

Purpose and background

The purpose of this report is to present the proposed response to a petition seeking to ban smoking in and around Ricketts Point Marine Sanctuary.

At the Ordinary Council meeting on 19 February 2019, Council received a petition containing 20 signatories (10 are Bayside residents) seeking Council to:

“Ban smoking on the beaches, car parks, barbeques and foreshore areas in and around the Ricketts Point Sanctuary”.

Ricketts Point Marine Sanctuary is a 115 hectare sanctuary that forms part of a system of 13 marine national parks and 11 smaller marine sanctuaries created in November 2002 by the Victorian Government to ensure that representative samples of Victoria’s diverse and distinctive marine environment are conserved for future generations.

Ricketts Point Marine Sanctuary is significant as it protects a diversity of habitats including rocky sandstone intertidal and subtidal reefs, sandy beaches, subtidal soft substrates and seagrass beds in a small accessible area in a highly urbanised setting.

The sanctuary has diverse invertebrate fauna and provides roosting and feeding areas for migratory and threatened bird species. The sanctuary also contains unusual geomorphological features, including extensive rock platforms and sea caves.

In addition to the sanctuary, there are a number of highly valued foreshore locations within Bayside, including the Brighton Dendy Street Beach area and Brighton Dunes.

Littering and cigarette smoke exposure

The most recent ‘Clean Up Australia’ rubbish report indicates cigarette butts are the most common item of litter, representing 12% of all litter collected. It is estimated that approximately 7 billion of the 24 billion filtered cigarettes sold every year in Australia are littered.

While localised responses may have some benefits in reducing litter, the protection of our marine environments requires a holistic approach, as cigarette butt litter from across Melbourne can get washed into stormwater drains, into waterways and eventually the Bay. As cigarette butts are made from non-biodegradable plastic and can take 12-15 years to break down, they can be transported long distances.

A key environmental impact of cigarette butts is that they are mistaken for food and have been found in the stomachs of fish, birds, sea turtles and other marine creatures. As the butts swell in the animal stomach they may cause false satiation, leading to the animal eventually starving to death. There is also a potential concern regarding the leaching of toxic chemicals, but this has not been proven.

There are clear human health impacts from direct exposure to cigarette smoke as well as exposure to second hand cigarette smoke. However, the risks associated with brief second
hand smoke exposure in an outdoor setting such as a beach or parks have not been assessed by officers.

Key issues

Relevant legislation

The Tobacco Act 1987 regulates the use, supply and promotion of tobacco in Victoria. The Act is designed to reduce the incidence of smoking in the community and the avoidable illness and death which result from tobacco smoke.

State-wide initiatives include bans on smoking in food retail establishments, and in outdoor areas such as playgrounds, outside school and preschool entrances and in between the lifesaving flags on patrolled beaches. In addition, there is a ban on the sale of tobacco products to children. Council, through the Environmental Health Officers, enforces this legislation.

The Victorian Government initiatives are primarily aimed at reducing the prevalence of smoking among adults and the uptake of smoking by young people and to achieve an ongoing reduction in exposure to second hand smoke by non-smokers including children.

Littering is regulated under the Environment Protection Act 1970 with an infringement of $322 for an offence. Council, through Local Law officers, are able to enforce this legislation.

Council's Local Law No.2 ‘Neighbourhood Amenity’

Implementation of a smoking ban at Ricketts Point Marine Sanctuary can occur under Council’s current Local Law No. 2 ‘Neighbourhood Amenity’ ("Council’s Local Law").

Council’s Local Law (Clause 68) allows Council to declare a Municipal place or part of a Municipal place to be smoke free according to the incorporated guidelines.

In preparing a Report to Council for a resolution declaring an area to be Smoke Free, Council officers must follow the following procedure:

- Prepare and implement a community and internal stakeholder consultation plan consistent with Council’s Communication and Engagement Policy;
- Provide a summary of key evidence-based research and relevant government and comparative municipal initiatives;
- Prepare an analysis of enforcement issues, including procedures and estimated costs to Council;
- Prepare a risk analysis for the proposed declaration; and
- Prepare a Report for Council summarising all of the above, including a recommendation for an area to be declared ‘smoke free’.

Council's Local Law was established in April 2012 and expires in April 2022. A full review will commence in late 2020. It is possible to immediately commence the procedure for declaring a local smoking ban at Ricketts Point Marine Sanctuary. However, if the Local Law full review alters the above provisions in Clause 68, this could impact the validity of any existing smoke free declarations. There are also clear efficiencies with an integrated review that considers smoking at all Municipal places, in comparison to a review at a local level such as Ricketts Point Marine Sanctuary.
Local Government Research

Surf Coast Shire has a Local Law that bans the act of smoking on the foreshore (sand only). The motivation for the introduction of the Local law was to alleviate environmental and litter concerns. An educational approach is taken and patrols are undertaken as part of animal management patrols.

City of Melbourne has an amendment to its Local Law that allows Council to declare a municipal place as smoke free. The City of Melbourne has declared some laneways and public parks (The Tan and Princes Park, Carlton) as smoke free areas. The objective is to highlight the risks of passive smoking and to promote the benefits in ceasing smoking.

City of Hobart have recently introduced smoking bans in selected parks, under the state Public Health Act. The driver was to ensure community enjoyment of the parks, as well as reducing the impact of cigarette butt litter on the environment.

Waverley Council, which includes Bondi Beach in New South Wales, has prohibited smoking on its beaches (sand only). The motivation for the introduction was to alleviate environmental and littering concerns. Due to the differences in state legislation, this was implemented through prohibition signage rather than a Local Law.

The introduction of the above controls was supported by extensive community engagement. Advice from officers from these Councils is that enforcement of smoking bans is challenging and the focus is primarily on education. There have been few infringements issued typically linked to littering offences (rather than the act of smoking).

Implications of a Local Law smoking ban

The key implications / considerations of implementing a Local Law ban on smoking at Ricketts Point Marine Sanctuary are:

- There is an available vehicle that enables Council to assess and implement a ban (Council’s Local Law). There isn’t any other legislation that bans smoking in this area; however, littering cigarette butts is already addressed under the Environment Protection Act;
- Litter and second hand smoke exposure are clearly important issues; however, a ban on smoking at Ricketts Point may have minimal impact on either issue. This reflects the scale of litter sources to the marine environment and the dilution of smoke in the outdoor location;
- As there are a number of high value foreshore locations within the municipality, there are efficiencies in reviewing smoking bans holistically for Municipal places;
- A smoking ban at Ricketts Point will result in community expectations that smoking does not occur and that Council allocates resources to enforce the ban. Achieving high rates of compliance would require intensive, ongoing patrols. An analysis of enforcement issues including costs, would be undertaken as part of the review process to declare a smoke free ban;
- While there are Councils with smoking bans, they undertake little enforcement and primarily focus on education. Therefore, Council could implement a robust education campaign, without imposing a smoking ban. The education could focus on all sources of litter e.g. plastics and cigarette butts to drive behavioural change; and
- The areas declared as smoke free will need to be clearly defined with supporting signage installed. The specific locations that are smoke free areas will be defined in the review process and will need to consider potential impacts such as on the operation of cafes.
Attachment 1 shows the proposed areas for review for the Ricketts Point Marine Sanctuary and surrounds and Attachment 2 shows the potential areas for review for the Brighton Dendy Street Beach area and Brighton Dunes.

**Recommendation**

That Council:

1) Commences a process in accordance with Clause 68 of Council’s Local Law No.2 “Neighbourhood amenity”, to declare the following Municipal places as smoke-free:

   a) Ricketts Point Marine Sanctuary and surrounds (the area identified in Attachment 1 of the Report); and

   b) Brighton Dendy Beach including Brighton Dunes (the area identified as Attachment 2 of the Report).

2) Receives a further report following the completion of the engagement, research and risk assessment process, to determine specific areas proposed to be declared as smoke free.

**Support Attachments**

1. Ricketts Point Marine Sanctuary - Proposed review area ↓
2. Brighton Dendy Beach and Brighton Dunes - Proposed review area ↓
Considerations and implications of recommendation

Liveable community

Social
The reduction of cigarette butt litter in Bayside streets and on beaches will result in cleaner streets and beaches and improved amenity for the Bayside community and visitors.

Council’s Local Law No.2 is designed to secure community safety, protect public assets and enhance neighbourhood amenity.

Natural Environment
The reduction of cigarette butt litter will enhance protection for local wildlife include marine birds and mammals, shellfish and fish.

Built Environment
There are no Built Environment implications as a result of this report

Customer Service and Community Engagement
Clause 68 of Council’s Local Law requires community consultation to be undertaken as part of the process to declare any Municipal places as smoke free.

Human Rights
Council has the power to make local laws for or with respect to any act, matter or thing in response of which the Council has a function or power under the Local Government Act 1989. In doing so, a Local Law must not be inconsistent with any Act or regulation including Human Right considerations.

Legal
The Local Government Act 1989 prescribes the process that Council must undertake for an amendment or review of the Local Law. The Local Law provides guidelines for the process to declare a Municipal Place as being non-smoking.

Finance
The cost of the process to implement a smoking ban is estimated at approximately $30,000 which includes community consultation, evidence based research and legal advice. Moderate enforcement action (twice daily patrols) would be an incremental cost of approximately $5,000 per annum.

Links to Council policy and strategy
The reduction of cigarette butt litter as part of Council’s operations achieves Goal 5 ‘Environment’ of the Council Plan, states that:

“Council and the Bayside community will be environmental stewards, taking action to protect and enhance the natural environment, while balancing appreciation and use with the need to protect natural assets for future generations.”
## Options considered

### Option 1 (Recommended Option)

<table>
<thead>
<tr>
<th>Summary</th>
<th>Commence the process to implement a smoking ban at Ricketts Point Marine Sanctuary and Brighton Dendy Street Beach area.</th>
</tr>
</thead>
</table>
| Benefits | The ban will be introduced earlier than a holistic review of smoking at Municipal places.  
The learnings from the process can inform a subsequent holistic approach to smoking at Municipal places. |
| Issues | The issue will be addressed in an ad hoc approach rather than considering Municipal places and litter in a holistic manner.  
A full review of the Local Law is scheduled to commence in 2020. If there are changes to the current procedure for declaring a Municipal place as being non-smoking, then any existing bans may need to be revisited. |

### Option 2

<table>
<thead>
<tr>
<th>Summary</th>
<th>Undertake a holistic review of the potential value of smoking bans at all Municipal places.</th>
</tr>
</thead>
</table>
| Benefits | Provides a holistic focus on smoking and litter rather than a single local solution and recognises the broad sources of litter to the marine environment.  
A holistic review of smoking at Municipal places is more efficient than ad-hoc reviews at individual sites. |
| Issues | It will take longer to review and implement a holistic approach to Municipal places, in comparison to solely focusing on Ricketts Point Marine Sanctuary and Brighton Dendy Street Beach.  
A full review of the Local Law is scheduled to commence in 2020. If there are changes to the current procedure for declaring a Municipal place as being non-smoking, then any existing bans may need to be revisited. |

### Option 3

<table>
<thead>
<tr>
<th>Summary</th>
<th>No bans to be implemented.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefits</td>
<td>Avoids the costs of preparing and enforcing a smoking ban.</td>
</tr>
<tr>
<td>Issues</td>
<td>While there can be enforcement of littering through the Environment Protection Act, there would not be enforcement tools for smoking.</td>
</tr>
</tbody>
</table>
Brighton Dendy Beach and Brighton Dunes

Proposed area for consultation
10.2 PROPOSAL TO REDEVELOP AND ENTER INTO A 21 YEAR LEASE AT NORTHPOINT CAFE, BRIGHTON

Corporate Services - Commercial Services
File No: PSF/19/965 – Doc No: DOC/19/87852

Executive summary

Purpose and Background

This report seeks Council resolution on the provision of Landlord Consent for the demolition, rebuild, amendment to the existing liquor licence and 21 year lease of North Point Café at 2B North Road, Brighton.

This follows a period of community consultation between November 2018 and February 2019 on the draft ‘North Road Foreshore Masterplan’. This consultation included a range of changes proposed by the current café tenant principally: the demolition and rebuild of the café, and an increase to its operating hours and liquor licence.

The current tenants were assigned the lease in 2005 and have worked effectively with Council to deliver the terms of the lease. Below is an outline of the current lease:

- **Commencement Date:** 15 June 2000
- **Term:** 5 years
- **Option for further term:** 10 years + 5 years
- **Expiry Date:** 5 February 2021
- **Current Rent:** $139,192 plus GST
- **Rental Escalation:** 3%
- **Hours of Operation:** 7:00am – 5:00pm (allowed to open until 8:30pm DST, and 6pm all other times)
- **Liquor Licence:**
  - 7:00am – 8:30pm DST
  - 7:00am – 6:00pm all other times

In accordance with the Lease and Licence Policy adopted by Council in 2018, officers met with the incumbent tenant to discuss the possibility of a new long term lease. Under clause 6.1 of the policy, officers are able to negotiate a new lease, which is subject to Council approval, with the incumbent tenant on the basis of performance, proposed investment, community need and community benefit.

The building was originally constructed circa 1930 for the North Road Lifesaving Club with the Club occupying the building until the late 1970s. The Royal Volunteer Coast Guard then occupied the building from 1979 until the late 1990s when utilisation of the building was minimal. In 1998, Council repurposed the building and conducted an Expression of Interest campaign with the intent to lease the building to a commercial hospitality operator. The successful applicant was then offered a 20 year lease commencing 15 June 2000.

Over the duration of its existence as a café/restaurant, the building has had various additions and alterations. Whilst the building is currently in an aesthetically acceptable state, its layout is limited and not fit for purpose. The building also lies in an overland flow path that is liable to inundation. It should be noted that any future development of the site would need to adequately respond to the drainage issues and the Special Building Overlay.

In order to secure the building’s longevity as a vital café/restaurant that contributes to the local and greater community, it is imperative that the building undergo, at a minimum, significant refurbishment or alternatively, and as proposed, demolition and rebuild.
**Key issues**

**Consultation**

From December 2018 to February 2019, community consultation took place on various topics related to the North Road Foreshore Masterplan, the construction of the Bay trail and the potential redevelopment of the North Point Café.

Over the consultation period, it is estimated that the project engaged with over 300 contributors with a specific interest in North Point Café. It is noted that an exact figure cannot be provided due to possible duplicate collections of data. The attached report (Attachment 1) of the consultation project can be summarised as follows:

- 67% Support for the ‘extension of operating hours and amendment of the liquor licence’; noting 21% voted No, 2% Probably, and 10% Not stated.
- 80% Support for the ‘expansion of café footprint into the rear car park’; noting 13% voted No, 6% Probably, and 1% Not stated.

Page 3 of the consultation summary report provides details of the meetings and responses. It should be noted the immediate residents object to the change in hours and liquor licence on a number of grounds. The themes below however have come through the consultation process as a whole.

**General Consultation Key Themes:**

1. Support for the redevelopment and aesthetic improvement of the building;
2. Concerns relating to the proposed Liquor Licence extension of hours;
3. Support for greater community usage of the facility through the offering of a dinner service; and
4. Concerns relating to hooliganism and crime within the North Point car park as a direct result of increased patrons using the space.

**Specific Consultation themes**

As part of the consultation, Council received several sets of feedback on behalf of organised groups of people as detailed below:

**North Point Concerned Residents Committee**

Support current operations. Concerned about proposed expansion of liquor licence, hooliganism, an impact on amenity, parking, noise and having an open tender process for a new lease.

**Brighton Foreshore Association Inc.**

Key issues relate to overcommercialisation of the foreshore, increased traffic and further development on the foreshore. Refurbish in accordance with current use and footprint.
Proposal to Demolish and Rebuild (with liquor licence amendment)

It is proposed that the tenant complete a full demolition and rebuild of the café and adjoining toilets which is estimated to take between 9-18 months.

Officers consider this option ensures the longevity of the site and encourages greater utilisation of the facility due to the restaurant being open for longer hours. This option also provides long term security for both the tenant and Council’s revenue stream.

Following the community consultation, officers discussed the community’s concerns with the tenant. Accordingly, the proposed hours of operation and liquor licence for the café have been reduced from 11:00pm every night to 9:30pm Monday to Wednesday. The liquor licence would no longer start at 7:00am and would be changed from an ‘On Premise licence’ to a ‘Restaurant and Café Licence’ which is considered more restrictive.

Below is an outline of the key considerations of this option:

<table>
<thead>
<tr>
<th>Improvements:</th>
<th>Tenant to demolish and rebuild facility at its own cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commencement Date:</td>
<td>Construction Commencement</td>
</tr>
<tr>
<td>Term:</td>
<td>21 years</td>
</tr>
<tr>
<td>Base Rent:</td>
<td>To be determined by Council’s Property Valuer</td>
</tr>
<tr>
<td>Turnover Rent:</td>
<td>7.5% of gross turnover that exceeds 12.5 times the base rent</td>
</tr>
<tr>
<td>Rental Escalation:</td>
<td>Consumer Price Index Melbourne All Groups (CPI)</td>
</tr>
<tr>
<td>Rent Free Period:</td>
<td>1 year (to account for construction period)</td>
</tr>
<tr>
<td>Hours of Operation</td>
<td></td>
</tr>
<tr>
<td>Mon-Wed:</td>
<td>7:00am – 9:30pm</td>
</tr>
<tr>
<td>Thu-Sun:</td>
<td>7:00am – 11:00pm</td>
</tr>
<tr>
<td>Liquor Licence:</td>
<td></td>
</tr>
<tr>
<td>Mon-Wed:</td>
<td>11:30am – 9:30pm</td>
</tr>
<tr>
<td>Thu-Sun:</td>
<td>11:30am – 11:00pm</td>
</tr>
</tbody>
</table>

Footprint Increase
As part of the proposal, the demolition and rebuild includes an increase in the building envelope of approximately 100sqm. In the past, the Department of Environment, Land, Water and Planning have been resistant to increased footprints; however, the café is located on a Council-owned parcel of land. It should be noted that the increased footprint only encroaches on hardstand that is currently not visible from the front of the existing site and is utilised as private car parking for the tenant’s staff. It is officers’ view that the increased footprint will have no adverse impact on the amenity of the precinct other than to reduce the size of a private carpark.

Car Parking
As part of the proposal to demolish and rebuild the café, which includes an increase in the building envelope, there will be a reduction of car spaces. While detailed design has not commenced, officers estimate the informal parking spaces within the leased area would reduce from 6 to 4.

Preliminary advice was sought from Council’s Planning Department which confirmed that traffic and parking considerations may apply. However, without more detailed plans, a full assessment cannot be provided. In the event Council resolves to support the tenant’s proposal to rebuild the facility, the tenant will commission detailed plans which will enable pre-application meetings with Council’s Planning Department. These meetings will develop greater detailed feedback relating to car parking as part of the Planning application process.
Toilet reconstruction
The proposal includes the reconstruction of the public toilets. Currently, the public toilets are generally in good condition; however, they are not aesthetically pleasing and are a poor use of space. The proposal seeks to incorporate the toilets as part of the new build which will assist with improving the beautification of the area at no cost to Council.

Increased Financial Return
It is understood that the building envelope will increase which would indicate an increase in gross floor area and a subsequent increase in market rent.

The proposal includes a provision for the rent to be determined by a Council-instructed valuer plus turnover rent equal to 7.5% of gross turnover that exceeds 12.5 times the base rent.

In consideration of the above, it is expected that Council’s rental return will exceed the circa $140,000 per annum it currently receives.

Improved Precinct Interface
The proposal is to complete a full demolition-rebuild. Whilst the building is a well-loved community asset, the layout is constrained by the piecemeal additions and alterations. By supporting the proposal, the new construction will improve the entrance to the precinct as this is a gateway building for users entering the area via North Road.

Liquor Licence and operating hours
Officers have advised the tenant that the only liquor licence they would support is a ‘Restaurant and Café Licence’ which is defined by the Victorian Commission for Gambling and Liquor Regulation (VCGLR) as follows: “Restaurant and cafe licences authorises the sale of liquor for consumption on the premises. The predominant activity carried out at all times on the premises must be the preparation and serving of meals to be consumed on the licensed premises.” This type of licence is distinctly different from ‘On Premise Licence’ which is primarily available to bars and nightclubs whose core business is the sale of alcohol.

It is further noted that North Point Café currently has an ‘On Premises Licence’ that permits the sale of liquor between 7:00am and 8:30pm during day light savings and 7:00am and 6:00pm outside of daylight saving time.

Managing Noise:
One of the key feedback themes from the consultation was noise pollution. In response to these concerns, the tenant has provided the below response:

“Architecturally the proposed design will address acoustics and sound transfer both within the venue and to surrounding residence. The building will feature a double glazed façade facing the coast line which will significantly reduce any noise transfer to nearby homes. Building orientation takes advantage of the seaside aspect where patron areas face the playground and beach beyond, directing ambient noise to existing communal activated facilities. Internally, finishes incorporated into ceiling, wall & floor surfaces will also mitigate sound reflection within the space.”

This will address noise from the venue. The tenant would also need to work with patrons to ensure they respect the residents as they enter and leave the area. It should be noted the patrons will be attending for meals and not able to use the site as a bar.
Summary

The proposal to demolish and rebuild North Point Café at the tenant's expense is consistent with Council's Property Strategy. Whilst there is opposition from neighbouring residents there is also strong support for the proposal from the broader community.

Recommendation

That Council:

1. Provide Landlord Consent for the tenant to apply for a Planning Permit to rebuild the café subject to detailed design having been approved by the Director of Corporate Services.

2. Provide Landlord Consent for the tenant to apply for a Planning Permit to amend the liquor licence to a 'Restaurant and Café Licence' for the below hours:
   - Monday - Wednesday: 11:30am – 9:30pm
   - Thursday - Sunday: 11:30am – 11:00pm
   - Public Holiday: 11:30am – 11:00pm
   - Public Holiday Eve: 11:30am – 11:00pm.

3. In the event the tenant is unable to obtain a planning permit for the demolition, rebuild and/or amendment to the liquor licence, authorise officers to negotiate a refurbishment of the existing building with final approval being at the sole discretion of the Director of Corporate Services.

4. Authorise the Director of Corporate Services to commence the statutory procedures under Sections 190 and 223 of the Local Government Act 1989 to lease part of 2b North Road Brighton to the current tenant on the below terms:
   - Term: 21 Years
   - Base Rent: to be determined by Council's Valuer
   - Turnover Rent: 7.5% of turnover that exceeds 12.5 times the base rent.
   - Rent Escalation: C.P.I Melbourne All Groups.

5. In the event a submission is received, authorise the Director of Corporate Services to convene a Section 223 Special Committee of Council meeting on Wednesday 10 July 2019 commencing at 6.30pm at the Council Chambers, Boxshall Street Brighton to hear any submitters that wish to be heard.

6. In the event no submissions are received, authorise the Director of Corporate Services to execute the lease with the tenant on the terms set out in point 4.

Support Attachments

1. Summary of Consultation North Point Cafe
Considerations and implications of proposition

Liveable community
The café is presently well utilised and the proposal will be beneficial to the surrounding community through the opportunity of greater utilisation.

Concerns have been raised as to the local amenity should longer hours and a liquor licence be agreed.

Social
The café is well attended which is confirmed by a review of the confidential audited financial statements that the tenant is required to supply Council on a yearly basis. Based on this information, the social contribution this commercial property makes to the local and greater community is positive and should continue.

Natural Environment
There will be no removal or disturbance of vegetation as a result of the lease and any future plans.

Built Environment
The current building condition audit shows the building to be in good condition; however, has been added to a number of times over the years in a piecemeal fashion to meet changing needs. It is not considered functional and presents drainage issues that will progressively deteriorate into the future.

The recommendation of this report provides for the authorisation of detailed design by Council’s Director of Corporate Services prior to the submission of the Planning application.

Customer Service and Community Engagement
Council engaged with the community in regard to the proposal over December 2018, January and February 2019.

In the event Council resolves the officers’ recommendation, Council will be required to complete the statutory procedures under section 190 and 223 of the Local Government Act 1989 as well as the tenant applying for a Planning Permit which includes further unrelated statutory procedures.

Under both procedures, the community is given the opportunity to either make a submission in support or objection to the proposed lease / redevelopment.

Further, in the event Council provides Landlord Consent, it will need to work closely with the tenant to ensure adequate communication with the community.

Human Rights
The implications of this report have been assessed and are not considered likely to breach or infringe upon the human rights contained in the Victorian Charter of Human Rights and Responsibilities Act 2006. It is however noted that the proposal will increase access to the site as any refurbishment or rebuild will require compliance with the Disability and Discrimination Act.
Legal
Officers do not anticipate any legal issues with this proposal assuming that all the statutory requirements are complied with as set out in this report. However, the tenant may encounter objections to the Planning Permit application which would be dealt with in accordance with planning legislation. This is not considered part of the decision making process associated with this report.

Finance
As part of the proposal, the tenant has accepted Council’s commercial leasing terms as outlined earlier in this report. The key terms agreed to are as follows:

1. Base rent as determined by Council’s Valuer;
2. Turnover Rent calculated at 7.5% of turnover exceeding 12.5 times the base rent; and
3. Per Annum escalation is equal to C.P.I Melbourne All Groups.

Council will need to budget for a reduction of income during the construction period. It has been agreed with the tenant that Council would allow for a maximum of 12 months’ rent free during construction; however, this amount would be reduced if a refurbish option were pursued.

As part of the financial projections of this project, it is conservatively forecast that the rent payable would exceed the current rent received.

Capital Expenditure
Under the current proposal, the building is to be demolished and rebuilt at the tenant’s expense.

Links to Council policy and strategy
The following policies are also associated with the delivery of the strategy:

- Lease and Licence Policy 2018
- Property Strategy 2018-2021
Options considered

Option 1 Demolish and rebuild with liquor licence amendment

| Summary | This is the officers’ recommendation. This option is to provide landlord consent and commence the statutory procedures to lease the land to the current tenant for 21 years. It includes amending the liquor licence from an ‘On Premise’ licence to a ‘Restaurant Café Licence’ effectively increasing the opening times from 8:30pm to 11:00pm 4 days a week. It would also include providing landlord consent for the tenant to apply for a planning permit to redevelop the site. |
| Benefits | Council would most likely generate more turnover rent as the restaurant / café would operate for longer hours which, in theory, should lead to increased turnover and therefore increased turnover rent. The longer opening hours also creates community benefit through higher utilisation. The option also provides Council with a brand new asset at no cost. |
| Issues | Community concerns related to liquor licence, hours, noise, potential antisocial behaviour and parking will be raised during any planning application process. Further, Council may encounter community concern as a result of the entire proposal. |

Option 2 Refurbish with liquor licence amendment

| Summary | This option is to provide landlord consent and commence the statutory procedures to lease the land to the current tenant for 21 years. It includes amending the liquor licence from an ‘On Premise’ licence to a ‘Restaurant Café Licence’ effectively increasing the opening times from 8:30pm to 11:00pm 4 days a week. It would also include providing landlord consent for works associated with refurbishing the site. |
| Benefits | Council would most likely generate more turnover rent than it currently does as the café will be open for longer hours. This option provides Council with a refurbished asset. The longer opening hours also creates greater community benefit through higher utilisation. |
| Issues | Community concerns related to liquor licence, hours, noise, potential antisocial behaviour and parking would be raised during any planning application process. This option does not achieve the outcomes outlined in Option 1 as it reduces the capital expenditure into Council assets. |
### Option 3 Refurbish without liquor licence amendment

<table>
<thead>
<tr>
<th>Summary</th>
<th>Council rejects the proposal to amend the liquor licence and rebuild the building, instead offering the tenant a 21 year lease in return for a major refurbishment of the existing building in the vicinity of $350,000 to $450,000. This option would most likely not require a planning permit. Council will need to provide landlord consent and commence the statutory procedures to lease the land to the current tenant for 21 years.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefits</td>
<td>This supports the status quo in relation to liquor licence and opening hours. It is expected that the overall rent derived from this arrangement will be about the same as currently. This option provides Council with a newly refurbished asset.</td>
</tr>
<tr>
<td>Issues</td>
<td>This option fails to capitalise on significantly improving its Property Portfolio at no cost.</td>
</tr>
</tbody>
</table>

### Option 4 Go to market in 2021

<table>
<thead>
<tr>
<th>Summary</th>
<th>Council does not approve the proposal. An alternative option to negotiating with the incumbent tenant is to wait until the lease expires in 2021 and conduct an expression of interest campaign.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefits</td>
<td>Council would then be able to conduct and open and transparent Expression of Interest campaign letting the market determine the base rent.</td>
</tr>
<tr>
<td>Issues</td>
<td>This option carries risk in terms of tenant vacancy, poor performance and more concerning high expense to refurbish or rebuild the cafe passed onto Council. The proposal achieves market rental as assessed by a sworn valuation and includes a provision for turnover rental which may not be achieved by market testing. Council would be exposed to various levels and types of risk as a result of conducting an expression of the interest campaign, the key risks are set out below:</td>
</tr>
</tbody>
</table>

- Potential for unsustainable rent;
- High likelihood of Council Capital Expenditure required;
- Lack of security in Council's future rental income streams; and
- Potential of low quality tenants with lack of experience.
ENHANCING THE BRIGHTON FORESHORE
- Improvements to North Point Cafe

Community Engagement Summary

February 2019

Bayside City Council
Corporate Centre
76 Royal Avenue
SANDRINGHAM  VIC  3191
T (03) 9899 4444
F (03) 9988 4474
www.bayside.vic.gov.au
1 Background

A draft *North Road Foreshore Masterplan* has been prepared, detailing a number of key improvements, including:
- Bay Trail duplication from Sandown Street to Royal Brighton Yacht Club;
- Enhanced safety and access with lighting on the Bay Trail;
- Improvements to North Point Café;
- Tree planting and improvements to foreshore garden beds;
- Fencing small areas of the Sandown Street dog beach;
- Steps to access the Bay at North Road;
- Effective stormwater management and coastal erosion protection; and
- Equitable parking arrangements.

This document provides a summary of stakeholder and community feedback on the broad redevelopment proposal for the North Point Café. The North Point Café, located next to the Brighton foreshore, is housed within what was previously a Coast Guard building. The current lease for the café is due to expire in 2021. Management and any future redevelopment of the North Point Café and leasing is guided by the requirements of the Victorian Coastal Strategy (2014), Council policy and the Bayside Coastal Management Plan (2014).

The North Point Café opens every day except Christmas Day and has a kiosk as well as sit-down café facilities. The North Point Café, as it is now known, was built in the 1930s and has been extended and altered over the years. It is in need of significant refurbishment and will most likely need to be demolished and rebuilt on the same site.

The current Council Plan (2018 Review) has an action to "identify opportunities to increase revenue or incorporate specific performance objectives in leases to maximise public value and utilisation", with success being measured by an increased percentage of revenue from property assets (as percentage of total property operating costs). The current tenant is interested in undertaking complete reconstruction at their cost, in return for a long term lease and support for a new business model, which includes an amended liquor licence and limited evening functions/dinner services.

It is envisaged that the new footprint of the building would not encroach on open space but may take up some of the staff car parking spaces at the rear of the building. Accessible car spaces and access for deliveries would be retained. The current tenant's proposal also includes new public toilets and a fully accessible toilet.

If the decision is made not to introduce evening trade and amend the liquor licence, Council would need to fund essential building upgrades and may negotiate a smaller investment from the current tenant.

2 Consultation process

2.1 Consultation purpose

The engagement process was open to all residents and any visitors/tourists to the Bayside area.

The purpose of the engagement process was to seek resident, visitor and other stakeholder feedback on:
1. the potential for evening functions being held at the cafe and a future liquor licence application by the tenant; and;
2. the possible expansion of the café footprint meaning a loss of foreshore open space.

**Stakeholders**

Within this document, reference is made to stakeholders. These stakeholders are:

- Community members and visitors who rely on public toilets particularly parents/carers of young children and the elderly;
- Residents living adjacent to the Bay Trail;
- Bay Trail users – residents and visitors;
- Residents living in the broader catchment area of Brighton;
- State Government agencies (DEWLP, Parks Victoria, VicRoads);
- Councillors and internal Council departments – Commercial Services (project owner); City Assets and Projects; Open Space, Recreation and Wellbeing; Urban Strategy.

<table>
<thead>
<tr>
<th>Non-negotiables</th>
<th>Negotiables</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cafe must be renewed at a minimum</td>
<td>Building/site footprint</td>
</tr>
<tr>
<td>Cafe will exist</td>
<td>Liquor licence application</td>
</tr>
<tr>
<td>Single storey building</td>
<td>Public toilet – location, inclusion of changing places facility</td>
</tr>
<tr>
<td></td>
<td>Extended hours of operation</td>
</tr>
</tbody>
</table>

### 2.2 Consultation methodology

The following activities were undertaken:

- project information and surveys hosted on the on-line engagement platform Have Your Say;
- three listening posts/drop-in sessions held at the end of North Road on the foreshore and Sandown Street on the foreshore in Brighton;
- a community meeting held at Bayside Gallery (Brighton Town Hall);
- promotion of the project using Council communication channels including social media.

<table>
<thead>
<tr>
<th>Details</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thursday 17 January 2019 5pm - 7pm Sandown Street entrance, Brighton</td>
<td>Intercept surveys/listening post (Drop-in session)</td>
</tr>
<tr>
<td>Approximately 50 attendees with 20 responses specific to North Point Café</td>
<td>Attendees could complete one or more issue, or site-specific, surveys – Masterplan, Bay Trail or Café.</td>
</tr>
<tr>
<td>If preferred, attendees’ verbatim comments were documented in writing by Council officers.</td>
<td></td>
</tr>
<tr>
<td>Saturday 18 January 2019 9am – 11am Sandown Street entrance, Brighton</td>
<td>Intercept surveys/listening post (Drop-in session) – General Masterplan</td>
</tr>
<tr>
<td>100+ attendees with 2 responses specific to North Point Café</td>
<td>Attendees could complete one or more issue, or site-specific, surveys – Masterplan, Bay Trail or Café.</td>
</tr>
<tr>
<td>If preferred, attendees’ verbatim comments were documented in writing by Council officers.</td>
<td></td>
</tr>
<tr>
<td>Sunday 20 January 2019 9am – 11am North Road Foreshore Playground, Brighton</td>
<td>Intercept surveys/listening post (Drop-in session)</td>
</tr>
<tr>
<td></td>
<td>Attendees could complete one or more issue, or site-specific, surveys – Masterplan, Bay Trail or Café.</td>
</tr>
<tr>
<td></td>
<td>If preferred, attendees’ verbatim comments were documented in writing by Council officers.</td>
</tr>
</tbody>
</table>
### 3 Participant profile

#### Listening posts 2019

In total approximately 180 persons attended the three listening post events in order to comment on one or more of the North Road projects. Of these 180 persons, 82 attended the two sessions focusing on the café redevelopment proposal – 12 of these mentioned that they were local residents.

#### Community information session

In total approximately 50 persons attended the community information session and 60% of the attendees were male, 40% female. The majority of the attendees lived in close proximity to the North Point Café.

#### On-line survey respondents

There were 177 responses to the North Point Café survey. For registered members of the Have Your Say engagement tool, gender was noted as part of their response. There was a slightly higher proportion of male respondents in the survey responses however there was a substantial proportion of respondents who did not state their gender (18%). Of the 177 respondents, 68 were nearby residents and 89 were non-resident users of the café and/or foreshore. Their usage of the North Point café and foreshore area is shown on the following page.
Correspondence sent to Commercial Services

24 instances of correspondence were received by Council, in addition to the feedback collected through the listening posts and the on-line engagement platform Have Your Say. The majority of correspondence received came from local residents (17 of the 24).

4 Consultation findings

The following section summarises the community sentiment regarding the two proposals and the key themes from their verbatim comments about the North Point Café. In the interest of stakeholder and community privacy, individual quotes have not been included within this public document. Where there was more than one mention of a topic or item, the number of mentions has been specified in brackets and italics.

4.1 North Point Café Proposals

4.1.1 Extension of operating hours and amendment of the liquor licence

The majority of respondents to the on-line survey (67%) supported the extension of operating hours and amendment of the liquor licence while a minority of respondents (21%) were not supportive.

However those who attended the listening posts and/or the community meeting and expressed an opinion with Council officers, were clearly opposed to the proposal (refer to table on the following page).
On-line survey:  
<table>
<thead>
<tr>
<th>Response</th>
<th>Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>I support the extension of operating hours and amendment of the liquor licence.</td>
<td>119 (57%)</td>
</tr>
<tr>
<td>Probably</td>
<td>4 (2%)</td>
</tr>
<tr>
<td>No</td>
<td>37 (21%)</td>
</tr>
<tr>
<td>Not stated</td>
<td>17 (10%)</td>
</tr>
</tbody>
</table>

Community consultations:  
<table>
<thead>
<tr>
<th>Response</th>
<th>Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comments made indicated views on the extension of operating hours and amendment of the liquor licence.</td>
<td>2</td>
</tr>
<tr>
<td>Yes, support</td>
<td></td>
</tr>
<tr>
<td>No, do not support</td>
<td>33</td>
</tr>
<tr>
<td>No particular view expressed</td>
<td>50</td>
</tr>
</tbody>
</table>

As expected, residents living nearby were less likely to support the extension of operating hours and amendment of the liquor licence, compared to non-resident users.

Chart 1: Resident and non-resident views on extension of hours/licor licence

![Chart showing support (yes/probably), don't support, and not stated among non-resident users and residents.]

NB: Chart 1 data is from the on-line survey only.

In addition to indicating support for the proposal, participants were able to make a comment regarding the proposal. Their comments are summarised in the table below:

<table>
<thead>
<tr>
<th>Response to proposal</th>
<th>Themes</th>
</tr>
</thead>
</table>
| Support – Yes, Probably (60 comments) | Building overdue for upgrade/facelift  
Enhancing a beautiful location with attractive building  
Café patron requests for extended hours – dinner, wedding functions  
Support the current operators given their commitment  
Opening hours restricted (eg 9:30pm – 11pm) |
| Not Support (46 comments) | Traffic and parking congestion  
Noise and anti-social behaviour  
Similar venues available in activity centres, away from foreshore |
4.1.2 Expansion of Cafe footprint into the rear car park

The majority of respondents to the on-line survey (67%) supported the expansion of cafe footprint into the rear car park. The residents and site users who attended the listening posts and/or the community meeting and expressed an opinion with Council officers, had mixed view on the extension of the cafe footprint into the rear car park (refer to table on the following page).

<table>
<thead>
<tr>
<th>On-line survey:</th>
<th>Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>I support the expansion of cafe footprint into the rear car park.</td>
<td>Yes 141 (80%)</td>
</tr>
<tr>
<td></td>
<td>Probably 11 (6%)</td>
</tr>
<tr>
<td></td>
<td>No 23 (13%)</td>
</tr>
<tr>
<td></td>
<td>Not stated 2 (1%)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Community consultations:</th>
<th>Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comments made indicated views on the cafe ‘footprint’</td>
<td>Yes, support 18</td>
</tr>
<tr>
<td></td>
<td>No, do not support 14</td>
</tr>
<tr>
<td></td>
<td>No particular view expressed 56</td>
</tr>
</tbody>
</table>

In addition to indicating support for the proposal, participants were able to make a comment regarding the proposal. Only a small number of comments were made concerning the cafe footprint topic. Those who supported the proposal mentioned the need for more shaded outdoor seating and for the cafe building to have disability accessible toilets. Those who did not support the proposal noted their concerns about car parking (linked to potential loss of existing spaces) and one comment was made about “no further encroachment into reserve”.

4.2 Project Evaluation

In terms of stakeholder reach, it was proposed that the engagement activities for the combined North Road Foreshore Masterplan would attract:

- at least 100 or more attendees in total to the three listening posts; and
- at least 500 visitors, 200 contributors and 50 followers to the on-line engagement platform Have Your Say.

Following the completion of reporting on all of the North Road projects (Bay Trail, lighting, steps, cafe and vegetation), a combined evaluation summary will be prepared.

In terms of stakeholder satisfaction, attendee feedback was collected at the three listening posts using the Happy or Not survey terminal. Attendees were asked to rate how well Council listened to their comments on a negative-positive scale. Seven responses were received with six rating the engagement as “very positive” and one as “positive”. The Happy or Not survey terminal was also taken to the Community Information Session but was not utilised.
Executive summary

Purpose and background
The purpose of this report is to provide Council with the outcomes of discussions with the Nursery Steering Committee (NSC) and Friends of Bayside volunteers regarding their views on the Nursery management and bushland maintenance models.

This report also outlines that improvements are needed and a number of actions designed to improve service levels at the Nursery and in bushland maintenance activities.

Key issues
As part of the Open Space Service Review, Council staff, with the aid of an external facilitator, held a workshop with members of the NSC in August 2018. Members of the NSC who could not attend this session were consulted independently by Council staff.

At the Ordinary Meeting of Council in November 2018, when the Open Space Service Review was endorsed, members of the NSC raised concerns that the Committee was not consulted collectively about proposed changes to the Nursery and bushland service model.

While endorsing the Open Space Service Review, Council also resolved that Council staff hold further discussions with the NSC to get further feedback regarding the future Nursery Management and Bushland Maintenance model.

Although not an official decision making body, the NSC provides valuable input that assists strategic planning and Nursery performance. The volunteers have extensive knowledge of the biodiversity needs in Bayside and it has become clear that the existing arrangements do not make the most of this knowledge.

A further meeting was held with Councillor Laurence Evans, and NSC members Heather Stewart and Anne Dennis on 19 March 2019.

Nursery Steering Committee Feedback and planned actions
The NSC is in favour of Council directly operating the Nursery and directly employing staff and equipment to undertake the bushland maintenance works. The NSC understands the complexities this proposal poses, including the works required regarding recruitment, training and other logistics such as the purchase and maintenance of fleet, plant and equipment and the need for a dedicated depot space.

It is understood that a goal of the NSC is to be able to advise and influence Nursery activities and bushland maintenance work to enhance the biodiversity in Bayside. Therefore, under a new operating model, it is proposed that the NSC be included in the decision making process of Council staff.

The current Terms of Reference (ToR) that outline the relationship between Council and NSC will be reviewed as part of establishing the improved Nursery operating model. The ToR will clearly articulate the role of the NSC and identify its scope in terms of input and decision making with regards to the operation of the Nursery.
The NSC and Council staff agree that the current composition of the NSC can be expanded to include representation from bushland volunteers so that the new committee has input to both service areas.

The Nursery is a hub for a large number of environmentally focused Council volunteers. These volunteers would like more freedom to access the Nursery space and develop plans to influence Nursery operations. At a time when more is expected from Council in terms of service levels, the offer of support from volunteers is welcomed. Council can facilitate training, information sharing and relationship building while providing greater levels of access for community volunteers.

**Bushland Volunteer Feedback and planned actions**

The feedback from bushland volunteers was generally positive. Volunteers appreciate the support from both Council staff and Council’s current Open Space service provider.

The volunteers value the contact with contractor staff and bushland crews and the information the contractor can provide them when dealing with on-site bushland related issues.

Feedback illustrated that some volunteers experienced a duplication with regards to instructions or directions from Council and Contractor staff. Volunteers are aware of the client/contractor relationship in place between Council and its current service provider; however, volunteers often take direction, which may be contradictory, from both parties.

The bushland volunteers are happy with the current situation and would be keen to see this relationship continue with greater use of the knowledge base of the volunteers. It was generally agreed that if the current service level remains in place, and possibly improves due to continuous improvement drives, their experience will remain positive. To ensure this, operational changes within Council will provide volunteers greater access to Council staff and revise the Nursery Steering Committee to focus on bushland maintenance.

**Improved Nursery and Bushland Maintenance Model**

Two models of service delivery are available to Council in this area. Both in-house and outsourced delivery models require staff to be engaged and understand the ‘on-ground’ works. The management of these front line staff is the key to maintaining the required service levels. Both models require good management to motivate the ‘on-ground’ staff to deliver the required service levels. It is only the method of engaging these staff that differs between the in-house and outsourced models. It should be noted that some of the current contractor staff have worked on Bayside services for many years.

It is recognised that there has been a lack of focus on the Nursery and bushland service in the past and this was identified in the Open Space Maintenance Service Review.

To improve and increase service levels associated with the Nursery and bushland services, Council staff are developing a robust contract management regime that tracks performance and ensures service levels are being met. This will include structured monthly contract performance meetings where key performance indicators are identified, reported on and discussed in order to drive continuous improvement and also support Nursery operations and volunteer activities.

Council will also ensure that the objectives of the bushland volunteers and NSC are written into the final agreed service levels. Volunteer feedback will also be incorporated into reviewing the performance of the service and setting future goals. The revised Terms of Reference for the volunteer committee will reflect this.
Bushland volunteers and the NSC are a valuable resource to Council. Their involvement in the establishment and maintenance of Bayside’s bushland reserves and the Community Nursery over the past 40 years means they have had a unique insight into the Bayside environment and what can be done to ensure it thrives. The revised arrangements will ensure a closer working relationship between the Nursery and bushland volunteers and the Council staff managing these service areas.

In response to some of the issues raised, changes have already been implemented to improve arrangements and resources available to the volunteer rare plants group at the Nursery.

It is also recommended that a service level review take place with NSC and bushland volunteers approximately 12 months after the commencement of the service agreements.

**Conclusion**

The changes proposed to the Nursery and bushland services are based on an assessment that the historic delivery model has not delivered the outcomes sought. In response, the new model will:

- Allocate appropriate staff with relevant qualifications and experience to manage the Nursery, bushland and foreshore services;
- Implement an outcomes based service model focused on the service need;
- Require agreed works specifications to be developed and reviewed regularly with input from the new volunteer committee;
- Implement the actions identified within the Biodiversity Action Plan which include assessment of bushland reserves to guide maintenance works and planting programs with input from the new volunteer committee;
- Revise the Terms of Reference for community groups assisting the Nursery and bushland services and the way these groups interact with Council so that closer working relationships are formed and the groups have a mechanism to have input on service needs or service changes; and
- Allow Council to better respond to the changing needs of the environment and the volunteer groups working within these service areas.

These changes will result in a closer working relationship between Council staff and the volunteers so that the Nursery and bushland service areas deliver great outcomes for Bayside.

**Recommendation**

That Council:

1. Establishes a Nursery and Bushland Steering Committee.
2. Develops a Terms of Reference for the Nursery and Bushland Steering Committee including provisions to enable the knowledge of volunteers to contribute towards the setting of service levels and provide greater input into the propagation regime at the Nursery and bushland maintenance works programs.
3. Provides a higher level of support to the Nursery and bushland service areas as part of the new Civil and Open Space Maintenance Contract.
4. Incorporates feedback from the Nursery Steering Committee and bushland volunteers while developing Key Performance Indicators and service levels for the new Civil and Open Space Contract.
Support Attachments
Nil

Considerations and implications of recommendation

Liveable community

Social
Council’s Nursery and bushland ‘Friends of’ groups act as hubs for volunteers who enjoy plant propagation, social interaction and improving the quality of vegetation within Bayside’s parks and reserves.

Natural Environment
The Community Nursery will continue to provide local indigenous plants and trees that are planted within the Bayside municipality. The bushland maintenance service provides necessary maintenance to Council’s bushland and foreshore areas, relying heavily on the assistance of volunteers.

Built Environment
There are no built environment implications associated with the proposition included in this paper.

Customer Service and Community Engagement
Council staff consulted with Nursery and bushland volunteers to get their input and feedback on potential operational models.

Human Rights
The implications of the paper have been assessed and are not considered likely to breach or infringe upon, the human rights contained in the Victorian Charter of Human Rights and Responsibilities Act 2006.

Legal
There are no legal implications associated with the proposition included in this report.

Finance
There are no financial implications associated with the recommendations included in this report. The changes proposed to the way Council staff manage the Nursery and bushland maintenance services are part of the changes being implemented as part of the new Maintenance Services Contract. The outsourced model of maintenance service delivery has served Bayside well, notwithstanding the deficiencies identified in this report relating to the Nursery which will be addressed.

The Open Space Maintenance Service Review demonstrated that an outsourced service delivery model provides superior financial benefits to Council.

Links to Council policy and strategy
Retaining a high level of volunteer engagement at the Community Nursery and in Council’s bushland ‘Friends of’ groups will contribute towards Goal 2 of the Wellbeing for All Ages and
Abilities Strategy (WAAA) 2017 – 2012. Goal 2 is designed to ‘achieve a healthy and active community’ by ‘improving physical opportunities’.

Additional engagement with Council’s extensive volunteer groups will allow Council to achieve a number of actions within its current Biodiversity Action Plan (2018-2027) by supporting a citizen science program, assessing the population of locally and regionally significant rare or threatened species of plants (and animals), providing continued support to ‘Friends of’ groups, increasing indigenous species in street tree and nature strip plantings, ensuring the Nursery stock is genetically diverse and all materials are sourced responsibly, and allowing for better monitoring of weed and noxious species within the municipality.
10.4 2019 BRIGHT N SANDY FOOD AND WINE FESTIVAL SERVICE REVIEW

Environment, Recreation & Infrastructure - Open Space, Recreation & Well Being

File No: PSF/19/11 – Doc No: DOC/19/60139

Executive summary

Purpose and background

This report presents key findings, issues and recommendations arising from the Strategic Service Review (Attachment 1) of Council’s 2019 Bright n Sandy Food and Wine Festival (the Festival).

This review was undertaken as part of Council’s ongoing program of strategic service reviews, which ensure that Council is delivering the most effective mix of services in an efficient way.

The Festival has been running for 15 years and was established by Council to showcase Bayside businesses and provide the community with a cultural opportunity that creates a sense of identity, pride and place which is a key goal of making bayside a better place.

Current status of the Bright n Sandy Food and Wine Festival

An event management contract was in place for the 2019 Festival. The current contract also gives Council the option for the current contractor to produce for Festival in 2020 and 2021 via a one year plus one year extension arrangement.

As outlined in the current contract specifications, the target demographic for the Festival is ‘local families with children, who enjoy food and wine in a relaxed, family friendly atmosphere’.

The objectives of the Festival are outlined below:

- Provide a high quality event that entertains local residents and the broader community;
- Provide recreation and cultural opportunities that create a sense of identity, place and pride and makes Bayside a better place;
- Showcase high quality local food and wine;
- Minimise waste to landfill;
- Minimise impact on the foreshore location; and
- Provide a safe event.

Key issues

Current Cost to Council

The 2019 Festival was held in near perfect weather conditions for an outdoor event. Despite this, the event attracted less attendance than years when the weather was also ideal for an outdoor event. As a result, with the exception of 2018 (where the weather was poor), the net cost per attendee has risen from $22.22 per attendee in 2017 to an estimated $29.65 per attendee in 2019.

<table>
<thead>
<tr>
<th>Year</th>
<th>Cost to Council</th>
<th>Paying Attendees*</th>
<th>Cost per paying attendee (ex GST)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>$177,900</td>
<td>5,477</td>
<td>$32.48</td>
</tr>
<tr>
<td>2018</td>
<td>$159,739</td>
<td>3,680</td>
<td>$43.41</td>
</tr>
<tr>
<td>2017</td>
<td>$155,518</td>
<td>7,000</td>
<td>$22.22</td>
</tr>
<tr>
<td>2016</td>
<td>$151,381</td>
<td>6,534</td>
<td>$23.17</td>
</tr>
<tr>
<td>2015</td>
<td>$141,432</td>
<td>5,495</td>
<td>$25.74</td>
</tr>
</tbody>
</table>

*D Does not include children under 5
Current Site

The Green Point precinct in Brighton is an area of historic, aesthetic and cultural importance and incorporates many large significant trees.

The site has now reached its capacity with the only opportunity to increase the Festival area involving the car park and/or Cenotaph area. The car park is currently utilised by exhibitors and staff on event day to minimise the impact of traffic on surrounding residential streets.

The current site has limited protection from the elements and providing temporary infrastructure to minimise disruption to the Festival in the instance of inclement weather or extreme heat, would result in a significant cost to Council.

If the event was to increase in attendance to greater than the 2017 numbers, the site would require increased security, traffic management, toilets, seating and shade. This would increase the overall cost to Council and the enjoyment of the event may be impacted for patrons, due to longer wait times for food and beverages than normally experienced at the event.

The maximum number of visitors to the festival is an estimated 7,000 as seen in 2017. The maximum number of vendors is 65 and all sites were allocated in 2019.

Exhibitors

Council specifies that the Festival supports local food and beverage businesses. However, the feedback from many Bayside operators indicates a number of barriers preventing their participation, including the required permits to trade “off-site”, acquisition or hire of mobile infrastructure such as cooking equipment and the risk of not generating a return on investment largely impacted by the duplication of wages. These barriers have made securing local business support for the Festival challenging with 68% of 2019 exhibitors being non-Bayside businesses.

An online survey of the awareness and involvement of local food businesses in the Festival was conducted in February 2019. The survey received 34 responses from Bayside businesses providing the following feedback:

*The main reasons for non-participation of exhibitors were:*

- “Too busy with own business on Sundays.” [4 responses]
- “Event fee is too high.” [4 responses]
- “We don’t have the right equipment to trade off-site.” [3 responses]
- “We won’t make any/enough money.” [5 responses]
- “Staff wages are too high on a Sunday.” [5 responses]
- “Festival not a good match for our business.” [2 responses]
- “Too much hassle/effort.” [3 responses]

Some 29.4 percent of respondents “knew a fair bit” about the Festival, 38.2 percent “had heard about it but did not know many details” and 32.4 percent had “never heard of it”.

Attracting local schools to perform

At the 20 August 2018 Ordinary Council meeting, it was resolved to continue the Festival in 2019 and source local talent, including schools to participate in the Festival.

Multiple attempts to attract participation of local schools did not succeed with schools specifying the all-day consumption of alcohol as the main reason for choosing not to participate in the Festival.
No schools were represented at the 2019 Festival, or any Festival in the last eight years current staff have been involved with the event.

**Bright n Sandy Food and Wine Festival Survey 2019**

Metropolis Research was commissioned by Council to conduct intercept surveys of visitors at the 2019 Festival. The research explored why visitors attended the festival, aspects most enjoyed, potential improvements, awareness of the organiser, satisfaction levels, likelihood of visiting exhibitor’s cafes or restaurants in the future and preferred method of spending Council’s budget on community-based festivals.

Key findings from the 324 visitors surveyed are detailed below:

- Approximately half (47.5 percent) of respondents reported that they had previously attended the Festival.
- The main reason why respondents visited the Festival was the range of food available (29 percent), the location/proximity to home (12 percent) and a new experience/ something different (11.6 percent).
- The aspects respondents would like to see changed about the Festival include the availability of seating (22.8 percent) and provision of shade (21.3 percent).
- More than half (56.5 percent) of respondents believed that Council organised the event, 38.9 percent unsure and 3.4 percent believed that Fruitbowl Productions organised the event.

Full survey results are set out in Attachment 1.

**Strong commercial market for similar events**

In recent years there has been a significant increase in the number of outdoor food and wine events across Melbourne. The Festival competes with a variety of high quality food and wine events conducted throughout the summer season, which in recent years has expanded to include food truck festivals and night markets.

A strong market for events exists in Bayside and surrounding municipalities and it is likely that a commercial provider would operate a similar event at the site, with no cost to Council. There is an opportunity for Council to conduct an expression of interest process to invite the event market to propose a variety of events and possible financial return (open space hire fees) to Council. In this scenario, Council would not specify the way the event is run or have input into the type or number of vendors.

**Major Events & Markets – Expression of Interest (EOI)**

Council has the opportunity to seek Expressions of Interest to run Major events in Council managed open space. An annual EOI process would invite applications from suitably qualified individuals and organisations who wish to produce events within the municipality.

Applications will be assessed against a range of criteria including the nature of the proposal, site suitability, impact on amenity and benefit to the community. All applications will also be assessed against the Events in Public Places Policy and Event Guidelines.

Bayside’s combination of natural assets, highly recognisable landmarks and bustling shopping strips provide a unique opportunity for event producers.

An EOI process ensures the community are still able to come together to enjoy a day out with family and friends to enjoy events that encourage a sense of identity, pride and make Bayside a better place.

**Conclusion**
An assessment of the 2019 Festival demonstrates that the Festival no longer successfully serves its intention of showcasing Bayside Food and Wine Businesses. It is recommended that Council cease the Bright n Sandy Festival and redirect those funds to other community based events held across Bayside.

**Recommendation**

That Council:

1. Ceases the Bright n Sandy Food and Wine Festival.
2. Conducts an annual Expression of Interest process for suitably qualified individuals or organisations to conduct major events in the City of Bayside.
3. Develops an annual program of smaller, community-based events held in different Bayside localities.

**Support Attachments**

1. Bright n Sandy Festival Strategic Service Review - Report and Recommendations
Considerations and implications of recommendation

**Liveable community**

**Social**
Events provide recreation and cultural opportunities that create a sense of identity, pride and place. Engaging community groups, charities and traders associations to actively work together to provide local events will benefit Bayside community and businesses. The Festival was established to provide recreation and cultural opportunities to create a sense of identity pride and place, showcase high quality local food and wine, and provide a safe event. It does this for a relatively small number of people (5,477 paying attendees across a 7 hour time span) of which 62.8% were Bayside residents in 2019.

**Natural Environment**
Events have minimal impact on the environment when planned and conducted appropriately.

**Built Environment**
There are no built environment implications associated with the recommendation.

**Customer Service and Community Engagement**
A survey to all 264 Bayside food and beverage businesses, asking for their feedback regarding the Festival was conducted and 34 responses were received. Council also engaged an independent research company to survey attendees of the Festival patrons. A total of 324 surveys were completed.

A summary of community engagement results is included in the full Strategic Service Review report attached (Attachment 1).

**Human Rights**
The implications of this report have been assessed and are not considered likely to breach or infringe upon, the human rights contained in the *Victorian Charter of Human Rights and Responsibilities Act 2006*.

**Legal**
A contract was in place with Fruitbowl Productions for the 2019 Festival. The current contract provides Council the option for Fruitbowl Productions to produce for Festival in 2020 and 2021 via a one year plus one year contract extension arrangement.

**Finance**
The 2019 Bright n Sandy Food and Wine Festival was conducted at a cost of $177,000 to Council. The 2020 event has a contract cost of $185,000.

The contractor retains all sponsorship and vendor fees associated with the Festival. The cost outlined above is paid to the Contractor by Council.

**Links to Council policy and strategy**
The Bayside Open Space Strategy (2012) outlines open space as places for people to strengthen their connection with others through events, celebrations and public meeting spaces. Green Point Garden’s primary function is outlined within the Strategy as a Social Family Recreation Park.
Community aspiration in the Community Plan (2025) By 2025, Council will:
- Promote and support the delivery of inter-generational opportunities and activities;
- Support groups to deliver programs and events that enhance community connection; and
- Encourage and support inclusive events.

The Wellbeing for All Ages and Abilities Strategy 2017-2021 (WAAA):
- Goal 1: an engaged and supportive community, Objective 1.2 support opportunities that build social networks and community connections.

Encouraging events within the municipality is in line with the Events in Public Places Policy (2018) principle to establish Council’s role in facilitating and supporting community events. Alternatives to the Festival are available to deliver on the objective of providing community events.
Options considered

Option 1 (Recommended)

<table>
<thead>
<tr>
<th>Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cease the Bright n Sandy Festival and conduct an Expression of Interest to obtain a suitably qualified individual or organisations to conduct major events on Council land.</td>
</tr>
<tr>
<td>Conduct smaller, community-based events held in different Bayside localities in 2020/21.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Events are more evenly distributed across Bayside (noting both Council major events are held in Brighton).</td>
</tr>
<tr>
<td>Council branding and control of smaller events.</td>
</tr>
<tr>
<td>Higher involvement of local traders and community groups.</td>
</tr>
<tr>
<td>No loss of Major Community event.</td>
</tr>
<tr>
<td>Potential to generate income if a private provider seeks to run major events within the municipality.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Difficult to restart the Festival once ceased.</td>
</tr>
<tr>
<td>New smaller events may not be as successful as the Festival (at least initially).</td>
</tr>
<tr>
<td>Council has no ownership over the Major events conducted on Council land.</td>
</tr>
</tbody>
</table>

Option 2 (Not recommended)

<table>
<thead>
<tr>
<th>Summary</th>
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<tbody>
<tr>
<td>Cease the Bright n Sandy Food and Wine Festival and return funds to the 2019/2020 budget.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Utilise funds to off-set cost increases in other parts of Council (e.g. Community Grant applications and recycling and waste services).</td>
</tr>
<tr>
<td>Potential to generate income through a private provider seeking to hire Green Point for a similar food and wine event.</td>
</tr>
<tr>
<td>Improve the open space quality of Green point by investing funds into its upkeep. (e.g. turn the irrigation back on)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reputational risks from current attendees of the Festival.</td>
</tr>
<tr>
<td>Difficult to restart the Festival once it’s ceased.</td>
</tr>
<tr>
<td>Loss of major community event with the only major Council event being Carols in the Park.</td>
</tr>
<tr>
<td>Lost opportunity to promote the 30% Bayside Businesses that are involved with the Festival each year.</td>
</tr>
</tbody>
</table>
**Option 3 (Not recommended)**

<table>
<thead>
<tr>
<th>Summary</th>
<th>Retain the Bright n Sandy Festival as is and continue with the current contract for the 2020 and 2021 event whilst implementing cost savings.</th>
</tr>
</thead>
</table>
| Benefits | No community backlash from cancelling the event.  
  Ability to alter the format of the event to decrease the cost per attendee (what this may include is still to be determined).  
  Opportunity to improve Council’s branding at the event.  |
| Issues  | Reputational risks for Council due to the price of the Festival per attendee, which could be used for other services throughout the municipality.  
  If the event experiences inclement weather, the cost per attendee could reach upwards of $40 (as seen at the 2018 event).  
  Council continues to fund the Festival which showcases majority non-Bayside businesses.  
  More Bayside branding could be incorporated throughout the event, but would also increase the cost to Council.  
  Due to changes in scope of the contract, Council will have to seek a variation, which may also be at a cost to Council.  
  Altering the format of the event does not ensure a higher attendance and therefore a lower cost per attendee.  
  Changing the format could tarnish the reputation of the event if not well received. |

**Option 4 (Not recommended)**

<table>
<thead>
<tr>
<th>Summary</th>
<th>Retain the Bright n Sandy Festival with Council management of the event.</th>
</tr>
</thead>
</table>
| Benefits | Increase connection to Council.  
  No community backlash for cancelling the event.  |
| Issues  | Increase cost to approximately $250,000 per Festival plus increase in staff resourcing costs.  
  Lack of in-house technical skills to run major events.  
  Bringing management in house does not guarantee a successful event with higher attendance.  
  Lack of economy of scale compared to event management companies who have larger buying power.  
  Council would be responsible for addressing risks management including traffic and people management, collection of entrance fees, agreements with stall holders and liquor licensing. |
ATTACHMENT 1

Bright n Sandy Food and Wine Festival
Strategic Service Review

Report and Recommendations

Report
April 2019
## Contents

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<td>One major or several smaller events</td>
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<td>Council funding of the Festival</td>
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<td>4.3</td>
<td>Public value assessment</td>
<td>15</td>
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</tbody>
</table>
Executive Summary

A service review has been undertaken to assess if, in its current form, the Bright n Sandy Food and Wine Festival (the Festival) is delivering desired community benefits and return on investment, and what other options exist, if any, to deliver the desired community benefits.

The service review involved trend analysis of 2015 to 2019 Festival data (attendee and vendor demographics, and financials), a survey of visitors to the 2019 Festival and analysis of results, a local food business survey, and internal stakeholder interviews.

The service review considered current and future community needs, expectations and Council’s ongoing involvement in the Festival. The service review did not consider Bayside Christmas Carols in the Park or events undertaken by other Council units, such as the children’s expo, pet expo and citizenship ceremonies. The Event Permit approval process was also out of scope for the service review.

The Bright n Sandy Food and Wine Festival

The Festival is a discretionary service that is funded and held in accordance with relevant legislation and Council’s Events in Public Places Policy (2018). The Festival has been held since 2004 at Green Point in Brighton. Until 2012, the Festival was operated in-house by Council and since then it has been operated by an event contractor via a tender process. Council’s 2018/2019 Budget included an allocation of $165,870 to conduct the 2019 Festival.

The Festival was originally established by Council to showcase Bayside businesses and provide the community with a cultural opportunity that creates a sense of identity, pride and place. However, inconsistent attendance and sales, limited revenue from a single day event and Sunday trading penalty rates are key factors that restrict the involvement of Bayside businesses (currently around 32 percent of vendors).

There were an estimated 6,000 attendees at the 2019 Festival with a net cost per attendee of $29.65 (up from $22.22 in 2017). Advice received from a neighbouring council indicates a similar festival costs less than $5 per attendee, compared to almost six times that amount for the Festival.

Overview of findings and recommendations for the Festival

Council funding of the Festival

A key question for this service review is what is Council’s role with festivals and events given Council can be a “producer”, “funder”, “partner” and/or “sponsor” as well as being a “regulator”. The service review has found that Council lacks a broader sponsorship policy and, if one was developed, it could also outline Council’s role in a range of events and projects. There is also a lack understanding of what the broader Bayside community believes Council’s role should be in

The Festival objectives have been diluted over the years and it is unclear as to whether it has a community, local business, cultural and/or tourism focus. The original core objective was to promote local businesses, however, local businesses are only around 30 percent of vendors. There are also questions as to the target audience for the Festival and whether it is the Bayside community and/or visitors and tourists.

There is a strong commercial market for food and wine festivals in Bayside and in neighbouring municipalities. Given this, it is possible that a commercial provider would apply for an event permit to run a festival or event at a similar time of year at Green Point if the Council Festival was discontinued.

Council event planning and marketing

The service review has identified that Council needs to improve its planning and marketing of its self-produced events, such as the pet expo, children’s expo, arts events, library events etc. There would be significant value in establishing a Council ‘calendar of events’ with consistent branding and phasing. This would likely require a two-year lead time/outlook to allow for the necessary alignment of events and would also require resources to oversee.
Options
Four options for ceasing, replacing or changing the Festival have been assessed.

Option 1: Cease and replace with smaller events held in different Bayside localities (preferred option)
This option involves ceasing the Festival and using the funds for smaller Council managed events held in different Bayside localities. The cost will depend on the number and type of smaller events but is not likely to exceed current funding of approximately $175,000 per year. It is proposed that the 2019/20 year is dedicated to planning and scoping the range of events with the launch of the new suite of events to occur in 2020/21. Council’s existing events such as the pet expo and children’s expo could also be promoted as part of the launch.

The advantage of this option is that a program of small events could be held in different Bayside localities – meeting a broader range of interests of different sections of the Bayside community. Council may also be able to generate some income if a private provider seeks to run a similar event at Green Point. Disadvantages and risks include that the smaller events may not be as successful as the Festival, at least initially. There is also an opportunity to further engage with the community as part of the Bayside Community Vision (to be completed by June 2020) on the specific nature of the smaller events.

Option 2: Cease the Festival and replace with nothing
This option involves ceasing the Festival and not replacing it with other events – this achieves a cost saving of approximately $175,000 per year.

The main advantage of this option is that Council can reinvest funds into higher value services (eg. recycling and waste services). Council may also be able to generate some income if a private provider seeks to run a similar event at Green Point. Disadvantages and risks include community concern about ceasing the Festival with the loss of a major event, and lost opportunities for promoting local traders and businesses and loss of Council branding and control of the Festival.

Option 3: Keep the event but lower the cost per attendee
This option involves retaining the Festival but lowering the cost per attendee, such as by reducing outgoing expenditure and reducing food demonstrations. It is assumed that Council funding would be less than $175,000 per year but potential savings are still to be determined.

The advantage of this option is that it would maintain support from some traders and changes to the format could decrease the cost per attendee, such as by either increasing numbers or decreasing operating costs. Tender specifications may also be able to be modified for future contracts with the aim to improve the event at a lower cost to Council. Disadvantages and risks include that Council may face reputational risks for maintaining a ‘boring’ or ‘bad’ event into the future along with the opportunity cost of other uses of the funding. There would also continue to be adverse impacts on the amenity and environment of Green Point.

Option 4: Retain the Festival and bring management in-house
This option involves returning to the pre-2012 management model whereby Council officers managed the Festival in-house. The advantage of this option is an increased connection of the Festival to Council. However in-house management of the Festival would not guarantee a successful event with higher attendance. Additionally, there would also be significant costs increases and level of risk relating to an in-house management model.

Findings
- While the Festival is meeting its current performance objectives, local businesses only comprise of one third of stallholders despite a concerted effort to attract more local businesses to the 2019 event.
- Council is subsidising the Festival for vendors that do not contribute to the broader economic development of Bayside.
- Near perfect weather conditions in 2019 still resulted in a cost of $29.65 per attendee.
- The Festival exists within a strong commercial market where a private provider may be likely to apply to hold a similar event at a similar time of year, providing a potential income stream for Council.
- The Bayside community indicates that providing smaller, community-based events in different parts of the municipality delivers more value.
## Recommendations

<table>
<thead>
<tr>
<th>#</th>
<th>Recommendations</th>
<th>Indicative cost/savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1</td>
<td>Discontinue the Bright n Sandy Festival.</td>
<td>Cost savings for 2019/20 year</td>
</tr>
<tr>
<td>4.2</td>
<td>Launch a new suite of smaller community-based events in different Bayside localities in 2020/21.</td>
<td>Up to existing budget of $175K for 2020/21</td>
</tr>
<tr>
<td>4.3</td>
<td>Pursue an expression of interest process for a commercial provider to deliver an event at Green Point.</td>
<td>Potential revenue stream</td>
</tr>
</tbody>
</table>
1 Introduction

1.1 Review purpose and scope

The purpose of this service review is to assess if, in its current form, the Bright n Sandy Food and Wine Festival (the Festival) is delivering desired community benefits and return on investment, and what other options exist, if any, to deliver the desired community benefits.

Scope of this strategic service review

The service review considers current and future community needs, expectations and Council’s ongoing involvement in the Festival.

The service review does not consider Bayside Christmas Carols in the Park or events undertaken by other Council units, such as the children’s expo, pet expo and citizenship ceremonies. The Event Permit approval process is also out of scope for the service review.

Service review objectives

The service review objectives for the Festival are:

1) To describe the current nature of the service, its performance, cost, and its relevance to community and customer needs;

2) To consider different approaches to service delivery that could lead to service improvements and/or cost efficiencies; and

3) To make recommendations for the next five to ten years on:
   i) The ‘right’ level and quality of service; and
   ii) The future cost to deliver the Festival.

Drivers for the service review and related projects

The Festival has been conducted since 2004 with the original intent to showcase Bayside businesses and create a sense of community identity. However, inconsistent attendance, limited revenue from a single day event and Sunday trading penalty rates are key factors that restrict the involvement of Bayside businesses in this event. The cost to Council to run the event is fixed so costs remain the same even if patronage is low.

Feedback from many local operators is that there are barriers to participating in the Festival including the required legislative permits to trade ‘off location’, costs of acquisition or hire of mobile infrastructure, such as cool rooms and cooking equipment, and the risk of not generating a return on investment largely impacted by the duplication of wages. These barriers have made securing local business support for the Festival challenging.

Outdoor food and wine events have become significantly more prevalent in Melbourne in the last five years. The Festival now competes with a number of food and wine events conducted throughout the summer season, which in recent years has expanded to include food truck festivals and night markets.

In August 2018, given the cost of the Festival and questions about its value, Council considered a report to cease the Festival and replace it with a community events grants program. After discussing this approach at a Strategic Issues and Briefing session, it was resolved at the August 2018 Council meeting that Council:

"I. Continues to provide the Bright n Sandy Food and Wine Festival for 2019 and:
   a) Explores event dates to ensure competition with other events are minimised;
   b) Holds the event in February each year;
   c) Increases the current minimum number of Bayside businesses participating;
d) Notes the maximum number of food businesses able to be accommodated is 60;

e) Requires local talent to be sourced, including local schools;

f) Notes that the 2018/19 Budget allocates $165,870 for this purpose;

2. refers $50,000 for consideration as part of the 2019/20 Budget to support the current Shopping Centre Events and Celebrations funds;

3. Receives a report at the end of the 2018/19 financial year on the performance of the Bright n Sandy Food and Wine Festival.”

Fruitbowl Productions, an event management company, delivered the 2019 Festival under contract with Council (with the contract including an option for an additional 1 plus 1 year arrangement at Council’s discretion).

1.2 Review methodology

Project team

A cross-organisational team conducted the Festival service review consisting of:

- Steven White, Project Sponsor;
- Damien Van Trier, Service Area Manager; and
- Zoe Quinn, Project Manager and Service Review Program Coordinator.

Service review methodology

The Festival service review involved:

- Trend analysis of 2015 to 2019 Festival data (attendee and vendor demographics, and financials);
- Survey of visitors to the 2019 Festival and analysis of results;
- Local food business survey; and
- Internal stakeholder interviews (with seven service units: Arts and Culture; Communications; Economic Development; Environmental Health; Environmental Sustainability; Library Services; and Traffic Management).

2 Overview of the Bright n Sandy Festival

2.1 History of the Festival

Council has operated the Festival since 2004 at the iconic Green Point in Brighton. Until 2012, the Festival was operated in-house by Council and since then it has been operated by an event contractor via a tender process.

The management of the Festival has moved around Council departments several times. Originally it was managed via the Economic Development unit as part of the Bayside Tourism Network and has subsequently sat in the Arts, Libraries and Culture areas. The Festival now sits within the Open Space, Recreation and Wellbeing department, overseen by Council’s Events and Projects Officer.

In the past three years, the event contractor has successfully expanded the Festival to what is the capacity of the Green Point site. In 2016, the operating hours of the Festival were also extended by an hour to provide exhibitors with the opportunity to serve dinner to patrons attending later in the afternoon at no extra cost to Council. Expansion of the footprint of the site also incorporated activation of the ‘point’, providing seating, shaded areas, bar, music and food options enticing patrons to relax and enjoy the views of the bay and encouraging patrons to remain at the Festival longer.
2.2 Intended purpose of the Festival

The Festival was originally established by Council to showcase Bayside businesses and provide the community with a cultural opportunity that creates a sense of identity, pride and place which is a key goal of making Bayside a Better Place. Events play an important role in community life as they encourage residents to come together with friends and family to celebrate annual events and enjoy the activities.

The current Festival objectives (as stated in the contract) are to:

- Provide a high quality event that entertains local residents and the broader community;
- Provide recreation and cultural opportunities that create a sense of identity, pride and place and makes Bayside a better place;
- Showcase high quality local food and wine;
- Minimise waste to landfill;
- Minimise impact to the foreshore location; and
- Provide a safe event.

The performance measures for these objectives include:

- Attendee and vendor satisfaction rating of at least 80 percent measured through attendee and vendor feedback;
- 25 percent of the exhibitors must be Bayside businesses;
- Delivery of a safe event without significant safety or risk issues; and
- Obtain a minimum amount of $10,000 cash sponsorship.

2.3 Service characterisation and links to Council policy and strategy


There are various Council strategies that identify the role of events in contributing to the local economy, such as Council’s Bayside Tourism Strategy (2013) and Economic Development Strategy (2014). Council’s Bayside Open Space Strategy (2012) outlines open space as places for people to strengthen their connection with others through events, celebrations and public meeting spaces. Green Point’s primary function is outlined within the Strategy as a ‘Social Family Recreation Park’ that provides a range of social, family, recreation activities to suit all ages in the one space.

2.4 Current operating model

Council has a contract with Fruitbowl Productions to run the Festival. The entry fee is set by Council and is retained by the contractor. Council’s 2018/2019 Budget included an allocation of $165,870 to conduct the 2019 Festival.

Three types of vendor sites are available at the Festival:

1. Food and Beverage Exhibitor (up to 36);
2. Lifestyle Exhibitor (up to 12); and
3. Artisan Produce and Market Stall (up to 12).

Vendor fees are charged and collected by the Contractor and the total amount received is deducted from the total contract payments by Council. Local vendors receive a discounted rate (approximately 10-15 percent) from non-local vendors. In 2018 and 2019, fees ranged from $300 for market stalls to $1,100 for non-local vendors.
Food and Beverage Exhibitors. The contractor collects and retains the fees set for all children’s activities, however the set fee is subject to approval by Council.

The Green Point site in Brighton is an area of historic, aesthetic and cultural importance and incorporates many large significant trees. The site has now reached its capacity with the only opportunity to increase the Festival area involving the car park. The car park is currently utilised by exhibitors and staff on event day to minimise the impact of traffic on surrounding residential streets. The current site has limited protection from the elements and providing temporary infrastructure to minimise disruption to the Festival in the instance of inclement weather, would result in significant additional costs to Council.

2.5 Cost and performance

The net cost to Council and number of attendees and exhibitors for the period 2015 to 2019 are shown in Table 2.1. The net cost per attendee was $29.65 in 2019 (up from a low of $22.22 in 2017) with 32.1 percent of exhibitors being local businesses (similar to previous years but well down from a high of 61 percent in 2015).

The 2019 Festival saw near perfect weather conditions (sunny and 30 degrees) for an outdoor event. Despite this, the event did not attract the same levels of attendance as previous years when the weather was also good. With the exception of 2018 (where the weather was poor), the net cost per attendee has risen from a low of $22.22 per attendee in 2017 to an estimated $29.65 per attendee in 2019.

Advice received from a neighbouring council indicates a similar festival costs less than $5 per attendee, compared to almost six times that amount for the Bright n Sandy Festival. The lower cost of other festivals can be attributed to higher vendor fees and larger sites that can accommodate larger numbers whereas the Bright n Sandy Festival has a smaller site.

Table 2.1: Festival net cost, attendance and exhibitors, 2015 to 2019

<table>
<thead>
<tr>
<th>Year</th>
<th>Cost to Council</th>
<th>Attendees</th>
<th>Cost per attendee (ex GST)</th>
<th># Exhibitors (excluding sponsor &amp; BCC)</th>
<th>% Exhibitors Local</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>$177,900</td>
<td>6,000*</td>
<td>$29.85</td>
<td>58</td>
<td>32.1</td>
</tr>
<tr>
<td>2018</td>
<td>$159,739</td>
<td>3,680</td>
<td>$43.41</td>
<td>49</td>
<td>32.6</td>
</tr>
<tr>
<td>2017</td>
<td>$155,518</td>
<td>7,000</td>
<td>$22.22</td>
<td>46</td>
<td>43.4</td>
</tr>
<tr>
<td>2016</td>
<td>$151,381</td>
<td>6,534</td>
<td>$23.17</td>
<td>62</td>
<td>34.0</td>
</tr>
<tr>
<td>2015</td>
<td>$141,432</td>
<td>5,495</td>
<td>$25.74</td>
<td>44</td>
<td>61.0</td>
</tr>
</tbody>
</table>

* Estimated by the Event Contractor

3 Research findings on the Festival

3.1 Festival visitor survey 2019

Metropolis Research was commissioned by Council to conduct a survey of visitors to the 2019 Festival. Intercept surveys were conducted of randomly approached visitors to the Festival with 324 surveys completed. The research explored reasons visitors attended the festival, aspects most liked about the festival, preferred changes to the festival, awareness of the organiser and satisfaction with the festival, likelihood of visiting any of the vendors cafes or restaurants in the future and preferred method of spending Council’s budget on community-based festivals.
Results from the 2019 intercept survey highlighted the following:

- Approximately half (47.5 percent) of respondents reported that they had attended the festival previously.
- The main reason why respondents visited the festival was for the range of food available (29 percent), the location / proximity to home (12 percent) and for a new experience / something different (11.6 percent).
- The aspect respondents most liked about the Festival was the range and quality of food and drinks available. All respondents nominated this aspect as one of the three aspects they liked most about the event.
- Other aspects that a significant proportion of respondents liked about the event were the music (29 percent), the location / proximity to home (24.4 percent), the ambience / atmosphere (17.3 percent) and the family-friendly nature of the event (18 percent).
- The aspects respondents most commonly wanted to change about the event were around the availability of seating (22.8 percent) and the provision of shade (21.3 percent).
- On average respondents rated their satisfaction with the Festival at 9.19 out of ten, or an "excellent" level of satisfaction. Almost three-quarters (71.3 percent) of respondents were "very satisfied", while just 1.2 percent were dissatisfied with the event.
- The overwhelming majority (91.6 percent) of respondents reported that they were somewhat (31.9 percent) or very (59.7 percent) likely to visit some of the vendors cafes or restaurants in the future.
- A little more than half (66.5 percent) of respondents believed that Council organised the event while 38.9 percent did not know. However, 3.4 percent of respondents reported that Fruitbowl Productions organised the event.
- Respondents were asked if they would prefer that Council spend its community festival budget on one major community festival or a range of smaller festivals held across the municipality. Of the 203 respondents that lived in the City of Bayside, a little more than half (53.2 percent) preferred a range of smaller festivals, while one-third (32 percent) preferred one major festival.

3.2 Local food business survey

An online survey of local food businesses awareness and involvement in the Festival was conducted in February 2019. The survey received 34 responses from local food businesses with the following results:

- Some 29.4 percent of respondent local food businesses "knew a fair bit" about the festival, 38.2 percent "had heard about it but did not know many details" and 32.4 percent had "never heard of it".
- Four of the respondent businesses had registered to be a vendor at the 2019 Festival (24 businesses "skipped" this question).
- Four of the respondent businesses had been a vendor at the 2017 or 2018 Festivals, three were vendors before 2017, two had "never" participated and one "previous owner may have" (24 businesses "skipped" this question).
  - Observations related to the experience as a vendor included:
    - "It was a well organised event but I believe as a local bayside business it should be a lot cheaper."
    - "Generally positive, promotion in recent years could have been stronger."
    - "We were part of the first one ever held not a big success for our business."
    - "We have had a stall every year since it started and it’s a great event. Good for revenue and getting our name out there."
    - "We have had a marquee from the very first Bright n Sandy. It is a great event that consumers who attend love it. we have had many return guests each year to the marquee. It’s a great event and really exhibits what Bayside is all about family, friends and fun."
- Some 56.3 percent of local food businesses "would be interested in being a vendor in 2020", 25 percent were "probably not" interested, 3 percent were "definitely not" interested and 15.6 percent were "not sure".
- The main reasons for vendor non-participation were:
• "Too busy with own business on Sundays." [4 responses]
• "Event fee is too high." [4 responses]
• "We don’t have the right equipment to trade off-site." [3 responses]
• "We won't make any/ enough money." [5 responses]
• "Staff wages are too high on a Sunday." [5 responses]
• "Festival not a good match for our business." [2 responses]
• "Too much hassle/effort." [3 responses]

• Perspectives on how Council could allocate its fixed budget for community-based festivals each year were:
  o Have one major community festival over a weekend (or one day) (35.7 percent).
  o Have several smaller community festivals in different suburbs (39.3 percent).
  o Not sure/no opinion (25 percent).

3.3 One major or several smaller events

The Festival and local food business surveys, as well as the 2017 household survey, provide insights into how Council might allocate a fixed budget for community-based festivals each year (see Table 3.1). Just over one-third of local food businesses equally support one major festival or smaller events in different suburbs whereas just over half of Festival attendees favoured smaller events in different suburbs. There were similar levels of household survey support (just over 40 percent) for smaller events in different suburbs or a series of smaller events and a major event.

Table 3.1: Survey perspectives on one major or several smaller events

<table>
<thead>
<tr>
<th></th>
<th>Have one major community festival over a weekend (or one day)</th>
<th>Have several smaller community festivals in different suburbs</th>
<th>Not sure/no opinion</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019 Local food/beverage businesses survey (n=34)</td>
<td>36%</td>
<td>39%</td>
<td>25%</td>
<td>100%</td>
</tr>
<tr>
<td>2019 Festival attendees (Bayside residents n=203)</td>
<td>32%</td>
<td>53%</td>
<td>15%</td>
<td>100%</td>
</tr>
<tr>
<td>2017 household survey regarding arts and culture (n=420)</td>
<td>10%</td>
<td>42%</td>
<td>7%</td>
<td>59%*</td>
</tr>
</tbody>
</table>

Notes: "n=" the number surveyed.

* 41% preferred BOTH a series of smaller events and a major event in the 2017 household survey.

3.4 Internal stakeholder perspectives

Interviews were conducted with seven internal stakeholders during January 2019. The internal stakeholders were selected due to their current or historical involvement in the Festival.

Key issues and themes from internal stakeholder interviews are outlined below.

• **Purpose and intended audience of the Festival** – It is unclear what the overall purpose of the event is and who the target audience is. It “feels like” the event is trying to cater to everyone and has diluted its objectives too much.

• **Council’s role in events in general** – Council has a number of different roles with the provision of events but the Festival is the one event that exists within a competitive market. This raises the broader question as to what is Council’s role in events and to what degree it is producer, funder, sponsor and/or partner as well as regulator.
• **Effectiveness of event planning** – Council needs to plan better for self-produced events, such as the pet expo, children’s expo, arts events, library events etc. There would be significant value in establishing a ‘calendar of events’ with consistent branding and phasing.

• **Internal impact if not directly managed by Council** – If the event were to be produced privately, there may be some lost opportunities to promote Council, such as Festival branding and stalls to promote Library services or environmental sustainability. However, there could be opportunities for Council services to still be promoted as part of the event permit process and/or through paying a fee to set up a stall.

4 **Findings and recommendations**

Significant issues, options and recommendations for the Festival considered as part of this service review are discussed below.

4.1 **Council providing the Festival**

**Council role**
The Festival is a discretionary service that is funded and held in accordance with relevant legislation and Council’s *Events in Public Places Policy* (2018).

As raised by internal stakeholders, a key question for this service review is what is Council’s role with festivals and events given Council can be a “producer”, “funder”, “partner” and/or “sponsor” as well as being a “regulator”. For example, Council could choose to only “produce” and/or “fund” events where they are not commercially viable and/or where there were few commercial operators. However, the preferred approach will depend on what the Bayside community expects from Council in terms of support for local events.

The service review has also identified that Council needs to improve its planning and marketing of its self-produced events, such as the pet expo, children’s expo, arts events, library events etc. There would be significant value in establishing a Council ‘calendar of events’ with consistent branding and phasing. This would likely require a two-year lead time/outlook to allow for the necessary alignment of events and would also require resources to oversee.

The service review has found that Council lacks a broader sponsorship policy and, if one was developed, it could also outline Council’s role in events, for example, as a “producer” and as a “sponsor”. The President’s Cup golf event being held in Bayside at the end of 2019 highlights the need to capitalise on major events to promote the ‘Bayside’ brand.

For the Festival, a key issue is whether it is Council’s role to fund a commercial provider to deliver a service (i.e. the Festival) given there is a commercially viable market for these types of events in Bayside. Council’s role ultimately depends on the value and extent of the social, economic and environmental outcomes from the Festival (and considering alternative options) given Council’s investment of approximately $175,000 per year for the Festival.

**Service demand**
There are varying levels of attendance at the Festival and the net cost per Festival attendee is increasing (see section 2.5). The cost of the Festival is also significantly higher per attendee than festivals in neighbouring councils. The potential attendance and number of vendors is restricted because of the characteristics and size of the Green Point site.

As raised by internal stakeholders, the Festival objectives have been diluted over the years and it is unclear as to whether it has a community, local business, cultural and/or tourism focus. The original core objective was to promote local businesses, however, local businesses are only around 30 percent of vendors. It is also possible that the Festival may have a detrimental impact on local shopping strips as it takes business away on a Sunday trading day.

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There are also questions as to the target audience for the Festival and whether it is the Bayside community and/or visitors and tourists. However, internal stakeholders considered that the Festival does not have a metropolitan Melbourne appeal from a tourism perspective.

There is a strong commercial market for food and wine festivals in Bayside and in neighbouring municipalities. For example, the Hank Marvin Markets were recently trialled at Dendy Park over summer and saw large attendances. Given this commercial market, it is possible that a commercial provider would apply for an event permit to run a festival or event at a similar time of year at Green Point if the Council Festival was discontinued. An alternative approach for Council would be to fund several smaller events as compared to one large event to spread events around Bayside and cater to different interests of the community.

Depending on decisions on the future of the Festival (or alternative events), there are opportunities to increase the focus on health and wellbeing and community connectedness as well as do more to promote local businesses. There is also an opportunity to focus more on environmental sustainability, such as using less plastic and reducing waste.

**Options**

Future options for ceasing, replacing or changing the Festival are outlined below along with key advantages/opportunities and disadvantages/risks.

**Option 1: Cease and replace with smaller events held in different Bayside localities (preferred option)**

This option involves ceasing the Festival and using the funds for smaller events held in different Bayside localities that are still managed by Council - the cost will depend on the number and type of smaller events but is not likely to exceed current funding (Council funds approximately $175,000 per year).

**Advantages/Opportunities**

- Program of small events in different Bayside localities – potential to meet interests of different sections of the Bayside community
- Less risk in bad weather ruining multiple events rather than one event.
- Council branding and control of small events
- Opportunity to promote local traders and businesses depending on the type of small events
- Potential to generate some income if a private provider seeks to run a similar event at Green Point (possibly over two days). An expression of interest process could also include ‘green events’ that minimise the environmental impact on Green Point.
- Opportunity to further engage with community in the development of the Bayside Community Vision (to be developed by June 2020) on the exact type and nature of the smaller events.

**Disadvantages/Risks**

- New smaller events may not be as successful as the Festival (at least initially)
- Cost and type of smaller events to be determined
- Difficult to restart the larger Festival once it is gone
- Loss of major community event with the only other major Council event being Carols in the Park.

**Option 2: Cease the Festival and replace with nothing**

This option involves ceasing the Festival and not replacing it with other events. This achieves a cost saving of approximately $175,000 per year.

**Advantages/Opportunities**

- Reinvest funds into higher value services (eg. recycling and waste services)
- Fewer local residents upset by the Festival impacting on their local amenity
- Improve the open space quality of Green Point by investing funds into its upkeep (there is a lack of watering infrastructure)
- Reduced risk of plastic waste ending up in Port Phillip Bay
- Potential to generate some income if a private provider seeks to run a similar event at Green Point (possibly over two days). An expression of interest process could also include ‘green events’ that minimise the environmental impact on Green Point.

**Disadvantages/Risks**

- Some community angst, especially by those who have attended the event regularly (Festival patrons are highly satisfied by the event at 97% satisfaction)
• Lost opportunity for promoting local traders and businesses
• Lost opportunity for Council branding and control of the Festival
• Difficult to restart the Festival once it is gone
• Loss of major community event with the only other major Council event being Carols in the Park
• Violent incident occurred at 2018 event (although previously no incidents) and it could be timely for Council to remove association with this event

Option 3: Keep the event but lower the cost per attendee
This option involves retaining the Festival but lowering the cost per attendee, such as by reducing outgoing expenditure and reducing food demonstrations – potential savings to be determined (Council funds less than $175,000 per year).

Advantages/Opportunities
• Maintain support from some traders (eg. the Pantry in Brighton that attend each year and see it as a valuable event)
• Alter event format to decrease cost per attendee, such as by either increasing numbers or decreasing operating costs. This may include removing the food demonstration tent and some children’s activities at a cost savings of approximately $12-15,000. However, this would not significantly lower the cost per attendee.
• Potential to find another location that is more conducive to higher numbers and lower costs – for example, there are no permanent toilets on site at Green Point requiring portable toilets and traffic managing Beach Rd is a considerable expense.
• Tender specifications may be able to be modified for future contracts with the aim to improve event and save money.
• Opportunity to improve Council’s branding at the Festival and for other Council events produced throughout the year – this could take the form of an annual calendar of all Council produced or supported events to inform the community of the range of events that Council supports
• Leverage the “Bright n Sandy” brand to include the whole summer – and showcase all the events over the summer period and end it with the Festival as this could offer cross-promotional opportunities

Disadvantages/Risks
• Reputational risks for ‘boring’ or ‘bad’ event in the future
• Accuracy of event numbers is problematic because Council is reliant on the Contractor to provide these and it is difficult for Council to cross-check numbers
• What is Council doing for those community members who do not attend the Festival?
• Opportunity cost of what else could Council do with the funding
• Continued impacts on the amenity of an iconic, heritage-listed local area in Green Point
• Continued impacts on an environmentally sensitive area and significant amount of waste generated at the festival (including sale of plastic balloons and single-use plastic cups etc).

Option 4: Retain the Festival and bring management in-house
This option involves returning to the pre-2012 management model whereby Council officers managed the Festival in-house.

Advantages/Opportunities
• Increased connection of the Festival to Council.

Disadvantages/Risks
• Significantly higher costs (estimated at approximately $250,000) based on pre-2012 figures.
• Higher levels of risk relating to an in-house management model.
• Lack of in-house technical expertise for major events
• Lack of economy of scale compared to event management companies who have larger buying power.
• In-house management of the Festival would not guarantee a successful event with higher attendance

Findings
• While the Festival is meeting its current performance objectives, local businesses only comprise of one third of stallholders despite a concerted effort to attract more local businesses to the 2019 event.
- Council is subsidising the Festival for non-local vendors that do not contribute to the broader economic development of Bayside.
- The Festival exists within a strong commercial market where a private provider may be likely to apply to hold a similar event at a similar time of year, providing a potential income stream for Council.
- The Bayside community indicates that providing smaller, community-based events in different parts of the municipality delivers more public value.

### Recommendations

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<tr>
<th>#</th>
<th>Recommendations</th>
<th>Indicative cost/savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1</td>
<td>Discontinue the Bright n Sandy Festival.</td>
<td>Cost savings for 2019/20 year.</td>
</tr>
<tr>
<td>4.2</td>
<td>Launch a new suite of smaller community-based events in different Bayside localities in 2020/21.</td>
<td>Up to existing budget of $175K for 2020/21</td>
</tr>
<tr>
<td>4.3</td>
<td>Pursue an expression of interest process for a commercial provider to deliver an event at Green Point.</td>
<td>Potential revenue stream</td>
</tr>
</tbody>
</table>
4.3 Public value assessment

A public value assessment has been undertaken on the Festival using the ‘public value strategic triangle’ (see Figure 4.1). While it is clear the Festival is a professionally operated event and receives high levels of satisfaction from attendees, the longer term ‘public value’ elements of the Festival in its current form are limited.

Figure 4.3: Public value strategic triangle (Bright n Sandy Festival in current form)

Public Value
- **Variable social benefit/outcomes** (accessible event, positive community connectedness elements, health concerns around alcohol use)
- **Limited economic benefit/outcomes** (limited – positive for specific vendors, 30% local businesses)
- **Limited environmental benefit/outcomes** (waste issues, sensitive coastal environment, vendor types eg. balloons, single-use plastics, opportunity to educate about sustainability)

Authorising Environment
- Discretionary service
- Mixed Councillor support for Festival
- Legislation compels Council’s to regulate events held on Council-land
- **Events in Public Places Policy (2018) sets out Council’s general position**

Operational Capacity
- $175,000 payment to contractor
- * Council-brand limitations (eg. facebook promotion, marketing)
- * Site limitations – currently at capacity
- * Loss of potential event revenue at Green Point ($5-10,000) by commercial operator
- * Financially constrained Council budget (eg. increased waste and recycling costs)
Executive summary

Purpose and background
To approve amendments to the Council Plan 2017-21 (2019 Review) and consider the Strategic Resource Plan 2019-20 to 2022-23 for the purpose of seeking submissions in accordance with Section 223 of the Local Government Act 1989.

In 2016 more than 1,200 community members, representing a broad range of backgrounds, participated in a variety of surveys, face-to-face engagements and online forums to create the Bayside Community Plan 2025. This consultation provided valuable insights into what residents value and what is needed to make Bayside a better place. It was used to inform and prioritise the development of the Bayside Council Plan 2017-2021.

In accordance with Section 125(7) of the Local Government Act 1989, at least once in each financial year, a Council must consider whether the current Council Plan requires any adjustment in respect to the remaining period of the Council Plan.

As part of the annual review of the Council Plan, minor amendments are recommended. A copy of the reviewed Council Plan is attached to this report.

As part of the annual review, an Annual Action Plan for 2019/20 has been developed which provides a clear and transparent disclosure of the proposed commitments to be undertaken during the 2019/20 financial year to achieve the Council Plan Strategic Objectives. The Annual Action Plan is attached to this report.

The key changes to the Council Plan (2019 Review) include:

- The removal of some Strategic Objectives which were not aligned to strategies and actions;
- Improved Strategic Indicators to measure our success against the Plan. The strategic indicators now reflect the more detailed questions in the customer satisfaction survey; and
- More deliverable actions across all Goals of the Council Plan.

Strategic Resource Plan
The Strategic Resource Plan (SRP) is a plan of the resources required to achieve the strategic objectives of the Council Plan. The SRP must be reviewed during the preparation of the Council Plan and adopted no later than 30 June each year. The proposed Strategic Resource Plan 2019-20 to 2022-23 is attached to this report.
The *Local Government Act 1989* provides that where the Council makes adjustments to the Council Plan (including SRP), Council must give public notice of its intention to amend the Council Plan and provide the opportunity for the public to make submissions in accordance with Section 223 of the *Local Government Act 1989*. Following the Statutory process, Council will consider any submissions received, make further amendments as required, adopt the revised Council Plan and Strategic Resource Plan and forward the documents to the Minister for Local Government.

**Recommendation**

That Council:


3. Establishes a Special Committee of Council in accordance with Section 223 of the *Local Government Act 1989* consisting of all Councillors with a quorum of four (4) Councillors to hear submissions in relation to the Council Plan 2017-21 (2019 Review) and the Strategic Resource Plan 2019-20 to 2022-23 on Wednesday 12 June 2019 at 6.30pm at the Council Chambers, Boxshall Street, Brighton.

**Support Attachments**

Considerations and implications of recommendation

Liveable community

Social
The Council Plan 2017-21 (2019 Review) identifies a number of strategies to enhance Bayside’s social environment through improved community infrastructure and services which impact health, participation and wellbeing.

Natural Environment
The Council Plan 2017-21 (2019 Review) includes a number of strategies to protect and enhance the natural environment, while balancing community use with the need to protect natural assets for future generations.

Built Environment
The Council Plan 2017-21 (2019 Review) identifies a number of strategies to improve infrastructure, whilst protecting and enhancing neighbourhood character and liveability.

Customer Service and Community Engagement
The development of the Council Plan 2017-21 was informed by the aspirations of the Bayside Community Plan 2025 that was developed following extensive consultation. The Proposed Council Plan 2017-21 (2019 Review) and the Strategic Resource Plan 2019-20 to 2022-23 will be open for submissions in accordance with section 223 of the Local Government Act 1989 for a period of at least 28 days.

The following table summarises the consultation process to finalise the Proposed Council Plan:

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Notice in The Age newspaper and on Council’s website</td>
<td>Friday 26 April 2019</td>
</tr>
<tr>
<td>Public Notice in the Bayside Leader</td>
<td>Tuesday 30 April 2019</td>
</tr>
<tr>
<td>Community Briefing</td>
<td>Thursday 16 May 2019 at 6.30pm</td>
</tr>
<tr>
<td>Submission close at 5.00pm (28 days)</td>
<td>Friday 31 May 2019 at 5.00pm</td>
</tr>
<tr>
<td>Special Committee of Council to hear submissions</td>
<td>Wednesday 12 June 2019 at 6.30pm</td>
</tr>
<tr>
<td>Ordinary Meeting of Council to adopt the 2018/19 Council Plan review</td>
<td>Tuesday 25 June 2019 at 7.00pm</td>
</tr>
</tbody>
</table>

Human Rights
The implications of this report have been assessed and are not considered likely to breach or infringe upon, the human rights contained in the Victorian Charter of Human Rights and Responsibilities Act 2006.
Legal

A Council Plan is required under section 125 of the *Local Government Act 1989*, and must be prepared every four years following Local Government Elections. Further section 125(7) mandates that at least once in each financial year, a Council must consider whether the current Council Plan requires any adjustment in respect to the remaining period of Council Plan.

The Strategic Resource Plan (SRP) is a plan of the resources required to achieve the strategic objectives of the Council Plan. The SRP must be reviewed during the preparation of the Council Plan and adopted no later than 30 June each year.

Section 223 of the *Local Government Act 1989* requires Council to give public notice of its intention to amend the Council Plan and SRP and provide the opportunity for the public to make submissions. Following the Statutory process, Council will consider any submissions received, make further amendments as required, adopt the revised Council Plan and Strategic Resource Plan by 30 June, and forward the documents to the Minister for Local Government.

Finance

In accordance with section 125 of the *Local Government Act 1989*, the SRP has been prepared and aligned to the Council Plan 2017-21, describing the financial and non-financial resources required to achieve the strategic objectives.

Links to Council policy and strategy

The Council Plan, along with the community plan, is a key document in the Bayside Better Place Strategic Planning Framework described within the Council Plan.
10.6 PROPOSED ANNUAL BUDGET 2019/20 AND LONG TERM FINANCIAL PLAN

Executive summary

Purpose and background
To present the Proposed Annual Budget 2019/20 and the Long Term Financial Plan 2019/20 to 2028/29 for in-principle approval prior to public notice advising of Council’s intention to adopt a budget for 2019/20.

Key issues
Council’s Long Term Financial Plan (LTFP) has been the basis for the preparation of the Strategic Resource Plan and the Annual Budget 2019/20. The LTFP is the key ten-year financial planning document of Council and is governed by a series of financial strategies and accompanying performance indicators.

Long Term Financial Plan 2019/20 – 2028/29
The key strategies embedded in the LTFP to ensure financial sustainability include:

- Rate increases are set in accordance with the fair go rates framework;
- Continue to review four services each year to ensure services provided to the community provide value and are sustainably funded;
- Identify efficiency gains in the operating budget in order to ensure a financially sustainable operating surplus in a rate cap environment;
- Ensure that service users are making a reasonable contribution to the cost of those services through appropriate fees and charges by a 5% increase in 2019/20 for non-statutory fees and charges, and indexed in line with costs in the medium term. This will be reviewed in 2020/21;
- Identify alternative revenue streams and funding opportunities to take pressure off rate increases;
- Explore greater financial and community returns from Council’s property portfolio;
- Increase funding for capital renewal and new/upgrade works;
- Ensure that any new debt is based on a sound business case and demonstrated community benefit;
- Continue to manage the extreme nature of Defined Benefits superannuation shortfalls by quarantining funds in a reserve with an annual increase of $500k; and
- Ensure that any new programs or projects generate specific community value and are funded in a sustainable way.

Key highlights of the 4 year Strategic Resource Plan include:
- Rate increases will be capped in accordance with the rate capping framework set by State Government. Rate dependency for 2019/20 is 70.9% and will remain high over the LTFP.
• An average operating surplus of $17.8 million per year over the next 4 years.
• Infrastructure renewal requirements identified in asset management plans are fully funded with the delivery of $196.3 million of capital works over the next four years.
• Council will utilise $34 million of cash reserves and property sale proceeds over the next 4 years to fund strategic capital projects while maintaining benchmark liquidity ratios.
• Continue to set aside $0.5 million per annum to smooth out the extreme nature of the Defined Benefits Superannuation Shortfall calls.
• Achievement of key financial sustainability ratios over the LTFP.

**Proposed Budget 2019/20**

The 2019/20 Proposed Budget reflects a financially sustainable position while achieving Council's operational objectives. These include the delivery of ongoing services and commitment to new priority and capital projects to meet the existing and growing needs of our community in relation to health, safety, sustainability and infrastructure.

Key highlights of the Budget include:

• A record capital works budget of $62.2 million in 2019/20. The program will result in the completion of the Sandringham Library Redevelopment, the upgrade of several sporting pavilions including the AW Oliver Pavilion, Chisholm Reserve and Elsternwick Oval No. 2 and the Elsternwick Park Nature Reserve Masterplan;
• A decrease in the waste charge of 1.7%, mainly due to lower kerbside recycling waste disposal rates;
• A strong operating surplus of $22.3 million for 2019/20;
• Productivity and efficiency savings of $0.65 million identified in the operating budget;
• New initiatives of $1.85 million including the enhancement of Council’s website and the development of Bayside’s Community Vision;
• Average general rates and municipal charge to increase by 2.50% complying with the rate capping framework set by State Government; and
• Maintenance of a sound cash position with cash and investments.

Recommendation

That Council:


4. In accordance with Section 223 of the Local Government Act 1989, establishes a Special Committee of Council consisting of all Councillors with a quorum of four (4) Councillors to hear submissions in relation to the Proposed Annual Budget 2019/20 on Wednesday 12 June 2019 at 7.30pm at the Council Chambers, Boxshall Street, Brighton.

Support Attachments

1. Proposed Annual Budget 2019/20 (separately enclosed)
2. Long Term Financial Plan 2019/20 - 2028/29 (separately enclosed)
Considerations and implications of recommendation

Liveable community

Social
There are no social impacts associated with this report.

Natural Environment
There are no natural environmental impacts associated with this report.

Built Environment
There are no built environmental impacts associated with this report.

Customer Service and Community Engagement
A community budget briefing has been scheduled on Thursday 16 May 2019 to inform the community about the 2019/20 Budget. The public has the opportunity to make a submission on any proposal contained in the Budget within 28 days of publication of the public notice on 26 April 2019.

The following table summarises the consultation process to finalise the Draft Budget:

<table>
<thead>
<tr>
<th>Event</th>
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</tr>
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<tbody>
<tr>
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<td>Tuesday 25 June 2019 at 7.00pm</td>
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</tbody>
</table>

Human Rights
The implications of this report have been assessed and are not considered likely to breach or infringe upon, the human rights contained in the Victorian Charter of Human Rights and Responsibilities Act 2006.

Legal
This Proposed Budget and LTFP complies with the principles of sound financial management as detailed in section 136 of the Local Government Act 1989 which includes

- Prudently manage financial risks relating to debt, assets and liabilities;
- Provide reasonable stability in the level of rate burden;
- Consider the financial effects of Council decisions on future generations; and
- Provide full, accurate and timely disclosure of financial information.

In accordance with the Local Government Act 1989 section 127, Council must prepare a budget each financial year and must include budget information containing: financial statements, the funding of major initiatives, services and capital works, rating information and any “special order” for rate cap variation.
Finance
In accordance with the legislation, an Annual Budget has been prepared, which details the financial resources required to achieve the Council Plan 2017-2021.

Links to Council policy and strategy
The proposed Budget 2019/20 and Long Term Financial Plan 2019/20 to 2028/29 are identified within Goal 8 Governance in the Council Plan 2017-2021. We want an organisation that is financially sustainable and with decision making that is open, transparent and informed by the community.
Executive summary

Purpose and background
To advise Council of the State Council Meeting of the Municipal Association of Victoria (MAV) and to confirm motions to be put forward to the State Council Meeting which were the subject of previous Council resolutions.

The MAV will be convening its State Council Meeting on Friday 17 May 2019. The State Council is the body consisting of all the representatives of Councils which are financial members of the MAV, and the role of the State Council is to set high-level strategic directions for the MAV.

The State Council enables member councils to put forward motions for consideration; however, motions must have a state-wide significance to local government, and the motion must relate to the MAV Strategic Plan priorities.

Only Council’s appointed representative is able to vote on its behalf at the State Council meeting. Council’s MAV representative is Cr Alex del Porto and substitute representative is Deputy Mayor, Cr Rob Grinter. It should be noted that Cr del Porto will be on leave at the time of the State Council Meeting and Cr Grinter is unable to attend due to a prior commitment. Accordingly, it is recommended that Council appoints the Mayor Cr Michael Heffernan as its appointed representative for the 2019 Mayor MAV State Council Meeting only to put forward a number of motions on behalf of Council. The Mayor has expressed his willingness to attend the meeting.

Key issues
At the February Ordinary Meeting of Council, Council resolved that two motions be put forward to the MAV State Council Meeting regarding public transport improvement namely the billions4buses.melbourne project and a sustainable solution to the recycling crisis.

Public Transport Improvements

This motion emanated from the Commuter Shuttle Bus Service report to continue to advocate for better public transport options in Bayside highlighting the need to fast track the billions4buses.melbourne campaign.

It is recommended that the following motion be put forward to the State Council Meeting:

That the MAV call upon the State Government to fast track public transport improvement in particular improvements to local bus services to improvement frequency and connectivity with the railway schedule.

Rationale

With increased population within Melbourne, the State Government need to fast track several transport infrastructure to provide increased capacity and greater connectivity between the between modes of public transport. These include:
• Billions4buses to upgrade Melbourne’s bus services with 10 minute service frequency on 30 major routes, replacing old buses with modern, quiet, pollution free electric buses, installing bus priority lanes in all new road projects, turn-up and go buses from train stations and more weekend and late night bus services;

• A program to expand commuter parking at train stations to meet current and future demands for access to public transport, given bus connections to rail services are inadequate;

• Introduce improved Parkiteer bicycle cages at all train stations; and

• Review bus timetabling to improve bus/rail connectivity and encourage commuters to take the bus to train stations.

Sustainable solution to the recycling crisis
This motion was recommended as a result of the Environmental Sustainability Framework Action Plan 2019-2023.

It is recommended that the following motion be put forward to the State Council Meeting:

That the MAV call upon the Minister for Environment to urgently convene a taskforce comprising representatives for MAV, the Metropolitan Waste Management Forum, the Metropolitan Waste Management and Resource Recovery Group and key State Government decision makes to identify and implement sustainable solutions to the current crisis in the recycling sector.

Rationale:
A critical factor in the recycling crisis is the lack of local demand for recyclable materials, which necessitates a reliance on foreign commodity markets for local processors to achieve throughput of the material. As the sharp reduction in demand for recyclable materials from Asia recently has caused instability for local recyclers and resulting incidents of stockpiling and landfilling of recyclables, the MAV needs to advocate to the State Government to respond urgently with a whole-of-government Circular Economy initiative to support the generation of local demand for recyclable materials. Such an initiative is well beyond the scope of the Minister for Energy, Environment and Climate Change and needs to involve the following Ministries:

• Economic Development
• Resources
• Small Business
• Creative Industries
• Jobs, Innovation and Trade
• Training and Skills
• Higher Education
• Roads.
Recommendation

That Council:

1. Endorses the following motions to be put forward at the MAV State Council Meeting to be held on 17 May 2019:

   **Public Transport Improvements**
   That the MAV call upon the State Government to fast track public transport improvement in particular: improvements to local bus services to improve frequency and connectivity with the railway schedule.

   **Sustainable solution to the recycling crisis**
   That the MAV call upon the Minister for Environment to urgently convene a taskforce comprising representatives for MAV, the Metropolitan Waste Management Forum, the Metropolitan Waste Management and Resource Recovery Group and key State Government decision makers to identify and implement sustainable solutions to the current crisis in the recycling sector.

2. Appoints the Mayor Cr Michael Heffernan as its representative at the May 2019 MAV State Council Meeting for the purposes of presenting Bayside’s motions and having voting rights at the State Council Meeting.

Support Attachments

Nil
Considerations and implications of recommendation

Liveable community

Social
There are no social impacts associated with this report.

Natural Environment
There are no natural environment implication associated with this report.

Built Environment
There are no built environment implications associated with this report.

Customer Service and Community Engagement
It is intended that the proposed motions will be circulated amongst member Councils prior to the State Council Meeting and Bayside will seek support from neighbouring Councils to support the proposed motions.

Councillors will be advised of the adopted motions following the MAV Meeting.

Human Rights
The implications of this report have been assessed and are not considered likely to breach or infringe upon, the human rights contained in the *Victorian Charter of Human Rights and Responsibilities Act 2016*.

Legal
There are no legal implications associated with this report.

Finance
There are no financial implications associated with this report.

Links to Council policy and strategy
The proposed motions relate to Council’s advocacy role specifically relating to the Integrated Transport Strategy and the Waste Strategy.
Executive summary

Purpose and background
To formally name a roadway from Beach Road to the Beaumaris Motor Yacht Squadron.

A request has been received from the Beaumaris Yacht Squadron (BMYS) to name the roadway from Beach Road down to the Beaumaris Motor Yacht Squadron facilities. The BMYS have had no formal sense of address and require an address for emergency services, deliveries, and other services such as taxis, events and utilities.

Schedule 10 (5) of the Local Government Act 1989 provides that Council may approve, assign or change the name of a road and in exercising that power must act in accordance with the Guidelines in force under the Geographical Place Names Act 1998 and must advise the Registrar under the Act of the action taken.

The guidelines provide that Council, in naming a road consider amongst other things, the following:

- Consideration to the use of an indigenous name;
- Consideration of a historical or heritage significance;
- Names should be easy to pronounce, spell and write; and
- Duplication of names is not allowed within the municipality or within a five kilometre radius.

This particular location along the foreshore leading down to the BMYS has a historical and heritage significance to the once known “Keefers” boat hire. This historical boat hire was significant to the community of the former City of Sandringham and to this day, still has significance over the location.
Given the historical connection "Keefers" had to the area, it is recommended that the roadway shown below be named Keefers Way.

Both the Beaumaris Motor Yacht Squadron and DELWP are supportive of the proposed name and offer no objection to the naming of this roadway to Keefers Way.

The naming of the roadway will formalise the sense of address and provide greater assistance to emergency services, visitors, deliveries and other related services.

**Recommendation**

That Council:

1. Approves the naming of the access roadway from Beach Road through to the Beaumaris Motor Yacht Squadron as "Keefers Way".

2. Advises the Registrar of Geographical Names of Council's resolution in this matter to progress the approvals process by the Registrar.

3. Advises the Beaumaris Motor Yacht Squadron of Council's decision in this matter.

4. Installs appropriate street signage once advice has been received from the Registrar of Geographical Names indicating that the roadway has been formally gazetted.

**Support Attachments**

Nil
Considerations and implications of recommendation

Liveable community

Social
The proposal to name the roadway will provide a sense of address and assist those requiring access to emergency services.

Natural Environment
There are no environmental impacts associated with this report.

Built Environment
There are no built environment implications associated with this report.

Customer Service and Community Engagement
Both the Beaumaris Motor Yacht Squadron and the DELWP have been consulted on the proposed naming of roadway and are both supportive of the proposed name.

Human Rights
The implications of this report have been assessed and are not considered likely to breach or infringe upon, the human rights contained in the Victorian Charter of Human Rights and Responsibilities Act 2016.

Legal
It is a requirement of Schedule 10(5) of the Local Government Act 1989 that Council must approve a proposed name and lodge it with the Registrar of Geographical Place Names.

Finance
There are no financial implications associated with this report other than street signage to be installed.

Links to Council policy and strategy
There are no policy implications associated with this report.
Executive summary

Purpose and background
To seek Council's approval to amend the suburb boundary alignment for one property, currently known as 1 Arthur Street Hampton, to revert to 1 Arthur Street Sandringham.

Key issues
Some 35 years ago, the suburb boundary along Arthur Street was clearly defined by the Registrar of Geographic Names as the suburb of Sandringham, with the exception of one property namely, 1 Arthur Street in Hampton. However, Bayside City Council’s property database has shown that 1 Arthur Street was known as Sandringham for 35 years.

Approximately two years ago, Council was advised by the Department of Environment, Land, Water and Planning, through Land Victoria, that our database was incorrect and we were required to correct this anomaly. Council duly changed its property database to reflect the true suburb boundary of Hampton as registered by the Registrar of Geographic Names.

The residents of 1 Arthur Street has expressed their dissatisfaction with the correction of suburb boundary name from Sandringham to Hampton in Council’s database, and has requested this be amended back to the suburb name of Sandringham. The resident feels that they have lost the connection to the suburb of Sandringham they have had for more than 35 years. The imposition of redirecting notification of change of address/suburb name has also had a direct impact upon the resident’s pension concessions.

The definition of the suburb boundary for this property appears to have no good reason, given that all other properties along both sides of Arthur Street are designated within the suburb boundary of Sandringham.

It is therefore recommended that Council request the Registrar of Geographic Names to amend the suburb boundary to enable 1 Arthur Street to be officially known as 1 Arthur Street, Sandringham.
Recommendation
That Council requests the Registrar of Geographic Names to amend the suburb boundary of 1 Arthur Street from the suburb of Hampton to Sandringham.

Support Attachments
Nil
Considerations and implications of recommendation

Liveable community

Social
The subject property affected by the suburb changed has enjoyed the suburb of Sandringham for more than 35 years and the impact upon the property owners on this recent change has caused distress and they have expressed concern about their safety if calling for emergency services.

Natural Environment
There are no natural environment implications associated with this report.

Built Environment
There are no built environment implications associated with this report.

Customer Service and Community Engagement
The residents have expressed their strong desire for the property to be known as Sandringham as they have done so for more than 35 years.

Human Rights
The implications of this report have been assessed and are not considered likely to breach or infringe upon, the human rights contained in the Victorian Charter of Human Rights and Responsibilities Act 2006.

Legal
There are no legal implications associated with this report.

Finance
There are no financial implications associated with this report.

Links to Council policy and strategy
It is important that our residents have a strong connection with their community and local neighbourhood and this is highlighted in the Council Plan. The realignment of the boundary back to the suburb of Sandringham will continue the connection for the property owner at 1 Arthur Street.
10.10 NAMING OF LANEWAY BETWEEN 12-14 MEREDITH STREET, SANDRINGHAM

Corporate Services - Governance
File No: PSF/19/960 – Doc No: DOC/19/98566

Executive summary

Purpose and background

The purpose of this report is to consider assigning a name to the laneway between 12-14 Meredith Street Sandringham.

Council is required to assign a name to unnamed laneways where properties’ sense of address is via the laneway, and to enable access for emergency services.

The laneway between 12-14 Meredith Street, Sandringham provides access to some properties. A recent Planning application at 12 Meredith Street was approved which provided access from the laneway. Council is therefore required to give this property a sense of address. It should be noted that the laneway does not extend to Wentworth Avenue, as a portion of the laneway has been acquired by 25 Wentworth Avenue. Please refer to the plan shown below.

Council consulted with local residents abutting the laneway, to seek feedback on the proposed name of Banksia Lane. The name Banksia recognises the local flora of the area.

Key issues

As a result of the community consultation, six residents responded and all indicated the need for the lane to be named.

Given the need to name the laneway to provide a sense of address to properties fronting the laneway, it is recommended that the portion of laneway as identified within the map commencing at Meredith Street and extending through to the rear of 37 Tulip Street be named...
Banksia Lane. It is recommended that Council advise the Registrar of Geographical Names of Council’s preferred name being “Banksia Lane”.

Recommendation

That Council:

1. Approves the use of the name ‘Banksia Lane” for the laneway between 12-14 Meredith Street, Sandringham extending to the rear of 37 Tulip Street, Sandringham.

2. Advises the Registrar of Geographical Names of Council decision.

3. Advises abutting owners of the laneway once advice has been received from the Registrar of Geographical Names and the laneway has been formally gazetted.

4. Erects appropriate street name signage once the laneway name has been formally gazetted.

Support Attachments

Nil
Considerations and implications of recommendation

Liveable community

Social
The naming of this laneway will provide those residents whose property fronts the laneway a sense of address but more importantly, provide an address for emergency services.

Natural Environment
There are no natural environment implications associated with this report.

Built Environment
There are no built environment implications associated with this report.

Customer Service and Community Engagement
All properties abutting the laneway were letterbox dropped of the proposal to name the laneway.

Human Rights
The implications of this report have been assessed and are not considered likely to breach or infringe upon, the human rights contained in the Victorian Charter of Human Rights and Responsibilities Act 2006.

Legal
Schedule 10 (5) of the Local Government Act 1989 provides that Council may approve, assign or change the name of a road and in exercising that power must act in accordance with the guidelines in force for the time, being under the Geographical Place Names Act 1998 and must advise the Registrar under the Act of the action taken.

Finance
Approximate cost for Council for the installation of signage is around $500.

Links to Council policy and strategy
This reports relates to Council’s policy on naming of streets and roads and places and has regard to the guidelines of the Geographical Place Names.
Executive summary

Purpose and background

The purpose of this report is to inform Council of the need to cancel the three Planning and Amenity Committee meetings, namely 30 July, 22 October and 26 November 2019.

Council at its Annual Meeting adopted a meeting schedule which included two Planning and Amenity Committee during the months of July, October and November 2019.

These additional meetings were included to assist the decision making process for Council to consider Planning Applications given the back log of applications requiring a decision.

Key issues

Given significant improvements within the Planning Department and Council conducting bi monthly Planning and Amenity Committee meetings over a period of the last 12 months, the organisation has significantly reduced the back log of applications for decision by Council.

The backlog of Planning applications has been reduced from approximately 600 applications in July 2017 to 328 applications in March 2019. Furthermore the timeframes in determining Planning applications has improved significantly. In June 2017, 42% of decisions were determined within 60 statutory days, which has increased to 67% as of March 2019.

As a result, the number of matters needing to be referred to the Planning and Amenity Committee has been in decline. This is reflected in Table 1, with the trend line indicating a reduction in applications.

![No. of Reports to Committee](image)

<table>
<thead>
<tr>
<th>Date</th>
<th>Reports</th>
</tr>
</thead>
<tbody>
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<td>1/06/2017</td>
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</tr>
<tr>
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<td>7</td>
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<tr>
<td>1/09/2017*</td>
<td>5</td>
</tr>
<tr>
<td>1/10/2017*</td>
<td>6</td>
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<tr>
<td>1/11/2017*</td>
<td>10</td>
</tr>
<tr>
<td>1/12/2017*</td>
<td>26</td>
</tr>
<tr>
<td>1/01/2018</td>
<td>14</td>
</tr>
<tr>
<td>1/02/2018</td>
<td>16</td>
</tr>
<tr>
<td>1/03/2018*</td>
<td>13</td>
</tr>
<tr>
<td>1/04/2018*</td>
<td>12</td>
</tr>
<tr>
<td>1/05/2018*</td>
<td>15</td>
</tr>
<tr>
<td>1/06/2018*</td>
<td>15</td>
</tr>
<tr>
<td>1/07/2018*</td>
<td>16</td>
</tr>
<tr>
<td>1/08/2018*</td>
<td>12</td>
</tr>
<tr>
<td>1/09/2018*</td>
<td>6</td>
</tr>
<tr>
<td>1/10/2018*</td>
<td>6</td>
</tr>
<tr>
<td>1/11/2018*</td>
<td>10</td>
</tr>
<tr>
<td>1/12/2018*</td>
<td>7</td>
</tr>
<tr>
<td>1/01/2019*</td>
<td>12</td>
</tr>
<tr>
<td>1/02/2019*</td>
<td>11</td>
</tr>
</tbody>
</table>

Table 1: Number of Reports Presented to the Planning and Amenity Committee.

(* indicates only one meeting in the month   ** indicates anticipated reports for future month)
The continual decline in the number of matters being presented to the committee is considered likely to continue. Therefore it is considered that the need for more than one (1) Planning and Amenity Committee Meeting per month would not be currently warranted.

On this basis, it is recommended that where two meetings of the Planning and Amenity Committee are scheduled in a month, one meeting be cancelled. Therefore the following Planning and Amenity Committee schedule is recommended:

<table>
<thead>
<tr>
<th>Meeting Date</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>30 April 2019</td>
<td></td>
</tr>
<tr>
<td>14 May 2019</td>
<td></td>
</tr>
<tr>
<td>11 June 2019</td>
<td></td>
</tr>
<tr>
<td>16 July 2019</td>
<td></td>
</tr>
<tr>
<td>30 July 2019</td>
<td>To be cancelled</td>
</tr>
<tr>
<td>13 August 2019</td>
<td></td>
</tr>
<tr>
<td>10 September 2019</td>
<td></td>
</tr>
<tr>
<td>8 October 2019</td>
<td></td>
</tr>
<tr>
<td>22 October 2019</td>
<td>To be cancelled</td>
</tr>
<tr>
<td>12 November 2019</td>
<td></td>
</tr>
<tr>
<td>26 November 2019</td>
<td>To be cancelled</td>
</tr>
<tr>
<td>9 December 2019</td>
<td></td>
</tr>
</tbody>
</table>

**Recommendation**

That Council gives public notice of the cancellation of the 30 July 2019, 22 October 2019 and 26 November 2019 Planning and Amenity Committee meetings, and a further review considered at the Annual Meeting of Council.

**Support Attachments**

Nil
Considerations and implications of recommendation

Liveable community

Social
There are no social impacts associated with this report.

Natural Environment
There are no natural environment impacts associated with this report.

Built Environment
There are no built environment impacts associated with this report.

Customer Service and Community Engagement
It is proposed that public notice will be given on the cancellation of the 30 July 2019, 22 October 2019 and 26 November 2019 Planning and Amenity Committee on Council’s website.

Human Rights
The implications of this report have been accessed and are not considered likely to breach or infringe upon, the human rights contained in the Victorian Charter of Human Rights and Responsibilities Act 2006.

Legal
There are legal implications associated with this report.

Finance
There are no financial implications associated with this report.

Links to Council policy and strategy
There are no links to Council policy or strategy in relation to the content of this report.
10.12 PROPOSED DISCONTINUANCE AND SALE OF PART OF THE ROAD AT REAR OF 70 ESPLANADE, BRIGHTON

Corporate Services - Commercial Services
File No: PSF/19/965 – Doc No: DOC/19/92487

Executive summary

Purpose and background
This report seeks a Council resolution to convene a Special Committee of Council in order to hear a submission on the discontinuance and sale of part of the road at the rear of 70 Esplanade, Brighton.

At its Ordinary meeting of 19 February 2019, Council resolved to:

1. Commence the statutory procedures in accordance with the Local Government Act 1989 (LGA 89), for the discontinuance and sale of the road adjoining 70 Esplanade Brighton, highlighted area in Attachment 1 and to sell the land to the owner of 70 Esplanade Brighton via private treaty (the Proposal);
2. Advertise the Public Notice outlining the Proposal in accordance with Section 223 of the Local Government Act 1989 including the discontinuance and sale of the land for $27,500 including GST;
3. Receive a further report outlining any submissions made including any submissions made under the previous public notice;
4. In the event of any submitters requesting to be heard, a further report will be presented to a Special Committee of Council in accordance with section 223 of the Local Government Act 1989 consisting of all Councillors with a quorum of four Councillors to hear/consider the submission/s received at a meeting to be held on 26 March 2019 at 6.30pm in the Council Chambers, Boxshall Street, Brighton; and
5. Write to the owner of 72 Esplanade Brighton, advising him that Council intends to readvertise the Public Notice due to an administrative error including advice that Council will include his submission as if it were made against the subsequent public notice.

Key issues
As part of the statutory procedures, Council gave Public Notice of the Proposal in the Age newspaper, the Bayside Leader and on Council’s website under Sections 82A, 207A and 223 of the Local Government Act 1989 inviting submissions to be lodged on or before 21 March 2019.

The owner of 72 Esplanade, Brighton was notified of Council’s 19 February 2019 resolution on 25 February 2019. However, as part of this correspondence to the owner of 72 Esplanade the incorrect date was provided. As a result, the deadline for submissions was extended to 5 April 2019. The owner of 72 Esplanade then made a subsequent written submission on 5 April 2019 which, amongst other things, requests to be heard at a Special Committee of Council.

It is recommended that Council schedule a Special Committee of Council to allow the owner of 72 Esplanade the right to be heard in accordance with section 223 of the Local Government Act 1989.
Recommendation

That Council:

1. Receive a further report to a Special Committee of Council in accordance with section 223 of the Local Government Act 1989 consisting of all Councillors with a quorum of four Councillors to hear/consider the submissions received at a meeting to be held on 30 April 2019 at 6.30pm in the Council Chambers, Boxshall Street, Brighton.

2. Write to the owner of 72 Esplanade Brighton, advising that Council will hear/consider his submissions in accordance with the above meeting.

Support Attachments

Nil
Considerations and implications of recommendation

Liveable community

Social
While the proposal does not give rise to any social issues, it will generate income for Council as a result of the sale of the land which can be reinvested for community benefit.

Natural Environment
The discontinuance and sale of roads that are no longer reasonably required will improve the amenity of the area.

Built Environment
The proposal will also regularise the current occupation of the land at the rear of 70 Esplanade, Brighton and provide property owners with an opportunity to formalise occupation and gain title to the land.

Customer Service and Community Engagement
All necessary service authorities and Council departments have been consulted.

South East Water require a suitably sized easement in favour of South East Water over the existing 150mm sewer main located at the rear of 70 Esplanade, Brighton.

Melbourne Water does not object to the proposed sale of Council land.

A drainage easement over the land to be discontinued in favour of Council of required. No other objections have been received.

Statutory procedures require Council to give public notice of its intention to discontinue and sell the road and invite submissions from affected parties. In addition, all abutting property owners were advised of the proposal in writing and informed of their right to make a submission. Notification was also provided on Council’s website.

Submitters were invited to request to be heard by Council, or a committee of Council, prior to a decision being made to proceed or otherwise with the proposal. Submissions received have been considered and reported to Council to enable Council to make a decision on whether to discontinue the road in full, in part or not to discontinue the road.

Human Rights
The implications of this report have been assessed and are not considered likely to breach or infringe upon, the human rights contained in the Victorian Charter of Human Rights and Responsibilities Act 2006.

Legal
Council has received legal advice confirming that:

i. The Road is a ‘road’ within the meaning of the Local Government Act 1989 and it is not relevant that the Road is not constructed and is not accessible;

ii. Council has the power to discontinue and sell the Road pursuant to clause 3 of schedule 10 and sections 206, 207A and 223 of the Local Government Act 1989, subject to compliance with the relevant statutory provisions;

iii. Once discontinued, if the Road is to be sold, it can only be sold to one or more of the adjoining owners, being the owners of Unit 2 at 5 Tennyson Street, 7A Tennyson Street and 70 Esplanade, Brighton;
iii. Council’s *Discontinuance and Sale of Rights of Way, Roads and Reserves Policy* acknowledges and gives preferential allocation rights to abutting owners who can demonstrate continuous exclusive occupation of the land such that the occupation would give rise to an adverse possession claim;

iv. It is not possible for Council to discontinue and sell the Road to the Objector or anyone other than the adjoining property owners; and

v. It is not possible for the Objector to sell the Road to the owner of No.70.

Council has a current valuation to support any sale process.

**Finance**

In accordance with Council’s Policy, the land has been allocated to the adjoining property owner as follows:

The owner of 70 Esplanade, Brighton signed a conditional Letter of Acceptance to purchase the land for the sum of $250,000 (excluding GST) on 21 September 2018 on the basis that the road can be discontinued. Matheson Stephen Valuations assessed the current market value at $250,000.
## Options considered

### Option 1

<table>
<thead>
<tr>
<th>Summary</th>
<th>Do not discontinue or sell the road.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefits</td>
<td>Nil.</td>
</tr>
<tr>
<td>Issues</td>
<td>The subject land is landlocked and cannot be accessed by the public. It is also enclosed and occupied by the owner of 70 Esplanade. In the event Council does not wish to discontinue or sell the road it will need to remove the encroachments from its land which may not be possible by virtue of the fact that it is landlocked and Council does not own any adjoining land.</td>
</tr>
</tbody>
</table>
Executive summary

Purpose and background

This report provides a summary and analysis of Council’s financial performance for eight (8) months to 28 February 2019.

The report is designed to analyse actual results against the 2018/19 Adopted Budget to ensure consistency and compliance with the Budget, and to measure Council’s overall financial performance.

The Adjusted Budget for 2018/19 of $21.7M has increased by $2.1M from the Adopted Budget of $19.6M and includes the following adjustments for projects approved by Council in the 2017/18 adopted budget but to be delivered in 2018/19:

- $1.663M Banksia Reserve Beaumaris Pavilion Redevelopment;
- $575k Elsternwick Park No. 1 Oval precinct;
- ($74k) Name and Address (NAR) Administrator; and
- ($45k) Graffiti Prevention.

Please refer to the Detailed Financial Report attached for full analysis.

Key issues

2018/19 Year-to-date operating result

The February 2019 result is a surplus of $20.7M which is $6M favourable to budget.

2018/19 Forecast operating result

The current forecast for the year is a surplus of $24.5M which is $2.8M favourable to Budget.

The underlying forecast is favourable to budget by $1.27M

It should be noted that Council budgets for a surplus in its operating budget each year so as to fund capital works. Any end-of-year surplus that is favourable to budget is quarantined in Council’s infrastructure reserve which is used to fund capital works in future years or other unavoidable projects.

Cash and Investments

The cash position of $116M has increased by $24.8M from the 2017/18 ending balance of $91.2M.

The YTD favourable variance to budget of $23.2M as at February 2019 is mainly due to:

- $13.5M greater opening cash balance than budgeted as of 1 July 2018:
  - Favourable capital works underspend including Rollover of 2017/18 capital projects;
  - Favourable operating result in 2017/18 resulting in $2M transferred to the Infrastructure Reserve, an increase of unspent grant funds $1.6M, as well as
additional resort and recreation and drainage levy income $1.5M transferred to reserves; and

- $5.4M favourable variance in operating activities and $4.2M favourable variance in investing activities.

There will be a significant drawdown on these cash reserves over the next 4 years to fund an expansion of major capital projects.

**Victorian Auditor General’s Office (VAGO) Indicators**

Current forecasts indicate that Council will achieve VAGO indicator targets.

**Local Government Performance Reporting Framework (LGPRF) Indicators**

Current forecasts indicate that Council will achieve LGPRF indicator targets.

**Capital Result**

Capital expenditure is forecast to be underspent by $16.4M for the year driven mainly by the forecast carry forward of project budget to 2019/20 including $9 million for the purchase of the CSIRO site. Excluding the $9 million allocated to purchase the CSIRO site, the forecast at the end of February indicates that 85% of the 2018/19 adjusted budget will be spent by June 2019.

**Recommendation**

That Council notes the operating and capital financial report for eight months to 28 February 2019.

**Support Attachments**

1. Bayside City Council February 2019 ↓
Considerations and implications of recommendation

Liveable community

Social
There are no social impacts associated with this report.

Natural Environment
There are no natural environmental impacts associated with this report.

Built Environment
There are no built environmental impacts associated with this report.

Customer Service and Community Engagement
There are no impacts to customer service.

No community engagement has been undertaken in preparing this report.

Human Rights
The implications of this report have been assessed and are not considered likely to breach or infringe upon, the human rights contained in the Victorian Charter of Human Rights and Responsibilities Act 2006.

Legal

Section 138 of the Local Government Act 1989 prescribes that, at least every three months, a financial report of revenue and expenditure be presented to Council.

Finance
The year-end forecast operating result is a surplus of $24.5M which is $2.8M favourable to budget. Taking into account one-off and timing issues, the underlying operating result is forecast to be $1.27M favourable to budget.

Capital expenditure is forecast to be underspent by $16.4M for the year driven mainly by the forecast carry forward of project budget to 2019/20 including $9 million for the purchase of the CSIRO site. Excluding the $9 million allocated to purchase the CSIRO site, the forecast at the end of February indicates that 85% of the 2018/19 adjusted budget will be spent by June 2019.

Links to Council policy and strategy
The monthly financial report is identified within Goal 8 Governance in the Council Plan 2017-2021. We want an organisation that is financially stable and with decision making that is open, transparent and informed by the community.
Bayside City Council Financial Report 28 February 2019

Operating Result

The Adjusted Budget for 2018/19 of $21.7M has increased by $2.1M from the Adopted Budget of $19.6M and includes the following adjustments for projects to be delivered in 2018/19:

- $1,663k Banksia Reserve Beaumaris Pavilion Redevelopment.
- $575k Elsternwick Park No. 1 Oval precinct.
- ($74k) Name and Address (NAR) Administrator.
- ($45k) Graffiti Prevention.

2018/19 Year to date operating result

The February 2019 result is a surplus of $20.7M which is $6M favourable to budget.

2018/19 Forecast operating result

The current forecast for the year is a surplus of $24.5M which is $2.8M favourable to Budget.

The underlying forecast is favourable to budget by $1.27M and excludes the following one off or timing items totalling $1.52M:

- $1.8M additional Open Space levy.
- $864k additional income from developers relating to drainage contribution.
- $619k sale of discontinuance of Council owned laneways.
- $175k additional grant funding in 2018/19 for ‘Safe Travel in Local Street Program’.
- $129k increase in the grant funding for school crossings in 2018/19.
- $100k additional income from Sustainability Victoria for E Waste Shed.
- $55k additional funding from Department of Treasury and Finance for the transition of the centralised Valuations contract.
- ($1.5M) increase in costs for penalties relating to surrender of leases.
- ($259k) additional costs associated with the purchase of new smaller bins.
- ($257k) reduction in net income for the sale of one Bathing Box as this is unlikely to proceed in 2018/19.
- ($110k) expenditure related to the timing of grant funding for Aged & Disability Regional projects.
- ($90k) for the development and implementation of the state election advocacy campaign.
## Operating Services & New Initiatives Budget

### Income

<table>
<thead>
<tr>
<th>Line Item</th>
<th>2018/19 YTD Adjusted Budget</th>
<th>2018/19 YTD Actuals</th>
<th>2018/19 Adjusted Budget Variance</th>
<th>2018/19 Adjusted Budget</th>
<th>Year End Forecast 2018/19</th>
<th>Adjusted Budget less forecast variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rates and Charges</td>
<td>63,585</td>
<td>63,771</td>
<td>187</td>
<td>95,416</td>
<td>95,521</td>
<td>105</td>
</tr>
<tr>
<td>Statutory Fees and Fines</td>
<td>4,248</td>
<td>5,232</td>
<td>964</td>
<td>6,357</td>
<td>7,355</td>
<td>999</td>
</tr>
<tr>
<td>User Fees</td>
<td>4,900</td>
<td>5,619</td>
<td>719</td>
<td>7,688</td>
<td>8,133</td>
<td>475</td>
</tr>
<tr>
<td>Rental Income</td>
<td>3,441</td>
<td>3,378</td>
<td>(63)</td>
<td>4,120</td>
<td>4,113</td>
<td>(6)</td>
</tr>
<tr>
<td>Grants - Operating</td>
<td>7,115</td>
<td>7,307</td>
<td>192</td>
<td>10,878</td>
<td>10,806</td>
<td>(72)</td>
</tr>
<tr>
<td>Grants - Capital</td>
<td>705</td>
<td>305</td>
<td>(400)</td>
<td>1,370</td>
<td>1,905</td>
<td>535</td>
</tr>
<tr>
<td>Contributions - Cash - Operating</td>
<td>13</td>
<td>61</td>
<td>46</td>
<td>105</td>
<td>150</td>
<td>45</td>
</tr>
<tr>
<td>Contributions - Cash - Capital</td>
<td>1,333</td>
<td>3,586</td>
<td>2,253</td>
<td>3,213</td>
<td>5,901</td>
<td>2,688</td>
</tr>
<tr>
<td>Interest Income</td>
<td>1,436</td>
<td>2,065</td>
<td>619</td>
<td>2,155</td>
<td>2,665</td>
<td>510</td>
</tr>
<tr>
<td>Other Income</td>
<td>1,051</td>
<td>1,062</td>
<td>31</td>
<td>1,713</td>
<td>1,752</td>
<td>40</td>
</tr>
<tr>
<td><strong>Net Profit/(Loss) on Disposal of assets</strong></td>
<td>1</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>87,827</td>
<td>92,397</td>
<td>4,571</td>
<td>132,985</td>
<td>138,302</td>
<td>5,318</td>
</tr>
</tbody>
</table>

### Expenditure

<table>
<thead>
<tr>
<th>Line Item</th>
<th>2018/19 YTD Adjusted Budget</th>
<th>2018/19 YTD Actuals</th>
<th>2018/19 Adjusted Budget Variance</th>
<th>2018/19 Adjusted Budget</th>
<th>Year End Forecast 2018/19</th>
<th>Adjusted Budget less forecast variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Costs</td>
<td>29,900</td>
<td>28,342</td>
<td>1,158</td>
<td>44,929</td>
<td>44,355</td>
<td>574</td>
</tr>
<tr>
<td>Materials and Services</td>
<td>31,176</td>
<td>30,866</td>
<td>310</td>
<td>47,306</td>
<td>50,416</td>
<td>(3,110)</td>
</tr>
<tr>
<td>Bad and Doubtful Debts</td>
<td>-</td>
<td>7</td>
<td>(7)</td>
<td>173</td>
<td>177</td>
<td>(4)</td>
</tr>
<tr>
<td>Depreciation and Amortisation</td>
<td>12,273</td>
<td>12,284</td>
<td>(11)</td>
<td>18,416</td>
<td>18,416</td>
<td>-</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>262</td>
<td>245</td>
<td>18</td>
<td>440</td>
<td>434</td>
<td>6</td>
</tr>
<tr>
<td>Finance Costs</td>
<td>(0)</td>
<td>-</td>
<td>(0)</td>
<td>-</td>
<td>0</td>
<td>(0)</td>
</tr>
<tr>
<td><strong>Total Expenditure</strong></td>
<td>73,210</td>
<td>71,743</td>
<td>1,467</td>
<td>111,265</td>
<td>113,798</td>
<td>(2,533)</td>
</tr>
</tbody>
</table>

### Operating Result - Surplus

<table>
<thead>
<tr>
<th>Line Item</th>
<th>2018/19 YTD Adjusted Budget</th>
<th>2018/19 YTD Actuals</th>
<th>2018/19 Adjusted Budget Variance</th>
<th>2018/19 Adjusted Budget</th>
<th>Year End Forecast 2018/19</th>
<th>Adjusted Budget less forecast variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Result - Surplus</td>
<td>14,617</td>
<td>20,665</td>
<td>6,038</td>
<td>21,720</td>
<td>24,806</td>
<td>2,784</td>
</tr>
</tbody>
</table>
Operating Result by Division

<table>
<thead>
<tr>
<th>Division (in '000s)</th>
<th>2018/19 YTD Adjusted Budget</th>
<th>2018/19 YTD Actuals</th>
<th>2018/19 YTD Budget variance</th>
<th>2018/19 YTD Adjusted Budget Forecast</th>
<th>2018/19 Year End Budget Forecast</th>
<th>2018/19 Adjusted Budget % Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive</td>
<td>2,025</td>
<td>1,960</td>
<td>66</td>
<td>3,216</td>
<td>3,204</td>
<td>(78)</td>
</tr>
<tr>
<td>Corporate Services</td>
<td>4,876</td>
<td>5,013</td>
<td>(137)</td>
<td>8,429</td>
<td>8,430</td>
<td>(2)</td>
</tr>
<tr>
<td>Env. Rec. &amp; Infrastructure</td>
<td>24,098</td>
<td>23,734</td>
<td>364</td>
<td>30,204</td>
<td>30,674</td>
<td>(380)</td>
</tr>
<tr>
<td>City Planning &amp; Amenity</td>
<td>2,217</td>
<td>146</td>
<td>2,070</td>
<td>3,485</td>
<td>2,770</td>
<td>715</td>
</tr>
<tr>
<td>Community and Customer Experience</td>
<td>7,937</td>
<td>6,713</td>
<td>1,224</td>
<td>12,801</td>
<td>12,560</td>
<td>241</td>
</tr>
<tr>
<td>Corporate Finance</td>
<td>(1,984)</td>
<td>(2,532)</td>
<td>548</td>
<td>(3,809)</td>
<td>(2,957)</td>
<td>(912)</td>
</tr>
<tr>
<td><strong>Underlying Operating</strong></td>
<td><strong>39,170</strong></td>
<td><strong>36,634</strong></td>
<td><strong>4,136</strong></td>
<td><strong>60,357</strong></td>
<td><strong>60,772</strong></td>
<td><strong>(415)</strong></td>
</tr>
<tr>
<td>Rates</td>
<td>(63,701)</td>
<td>(64,066)</td>
<td>365</td>
<td>(95,590)</td>
<td>(95,871)</td>
<td>281</td>
</tr>
<tr>
<td>Capital Income</td>
<td>(2,358)</td>
<td>(3,906)</td>
<td>1,549</td>
<td>(4,903)</td>
<td>(7,821)</td>
<td>2,918</td>
</tr>
<tr>
<td>Depreciation</td>
<td>12,273</td>
<td>12,284</td>
<td>(11)</td>
<td>18,416</td>
<td>18,416</td>
<td>-</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>(14,617)</strong></td>
<td><strong>(20,655)</strong></td>
<td><strong>6,038</strong></td>
<td><strong>(21,720)</strong></td>
<td><strong>(24,505)</strong></td>
<td><strong>2,784</strong></td>
</tr>
</tbody>
</table>

Executive forecast unfavourable ($78k)
- ($113k) increase in employee costs mainly due to:
  - ($225k) Additional staff in Human Resources assisting with improving customer service and implementing initiatives identified in the People Strategy 2018/19 as well as organisational realignment partly funded from savings in Strategy & Performance.
  - $103k decrease in employee costs due to long term vacant role and organisational realignment.
- ($135k) increase in costs associated with advertising and recruitment of senior staff vacancies.
- $180k decrease in expenditure relating to project costs to fund additional employee costs.

Corporate Services unfavourable ($2k)
- ($152k) Additional staff in Property and Leasing to assist with the sale of discontinuance of Council owned laneways. Fully offset by $205k discontinuance income.
- ($103k) consulting fees relating to Black and Well St consultation & traffic study and Sandringham Golf Course redevelopment proposal.
- ($100k) increase in annual software support which represents a transition to best of breed cloud solutions as an alternative to capital investment.
- ($90k) additional costs associated with increased sale of discontinuances, leases and Sandringham Driving Range.
- $205k sale of discontinuance of Council owned laneways, offset by additional property staff.
- $100k decrease in expenditure in Information Services relating to storage, security and software licences due to delays with contract negotiations and reduced take up of service in 2018/19.

Environment, Recreation and Infrastructure unfavourable ($380k)
- ($259k) additional costs associated with the purchase of new smaller bins due to the “Shrink your bin and save” campaign.
- ($194k) increase in Utilities for Public Lighting, Electricity and Gas charges as a result of the new contracts negotiated after budget approval and effective 1 July 2018. The new contract is an aggregated portfolio across the majority of Metropolitan Local Councils and is significantly cheaper than the default market rate for energy.
- ($112k) increase in new Beach Cleaning contract rates.
- ($55k) additional expense mainly relating to the Maintenance Service contract review.
• ($55k) additional cost relating to the commuter bus trial approved by council.
• ($60k) increase in the number of green waste collections.
• $246k savings in the kerbside recycling waste disposal contract as a result of a better price per tonnage negotiated with the recycling processor.
• $129k additional income mainly associated with Open Space permits issued for filming activities within the municipality.

City Planning and Amenity favourable $715k
• $790k increase in parking fines.
• $300k increase in parking fees due to higher patronage along foreshore.
• $223k increase in infringement court recoveries related to parking fines.
• $129k increase in the grant funding for school crossings subsidy for 2018/19.
• $110k higher number of skip bin permits.
• ($350k) contract and consultation costs for Hampton Community Infrastructure feasibility Assessment and Master Plan.
• ($162k) increase in number of infringement lodgement fees due to higher number of parking fines.
• ($150k) reduction in statutory planning application income due to the economic uncertainty and downturn in the housing market.

Community & Customer Experience favourable $241k
• ($240k) increase in costs for new Director and manager due to organisational realignment and one staff member moving across from Executive Division.
• ($105k) expenditure for Aged & Disability Regional projects for which funding was received in 2017/18.
• $314k net savings expected in Aged & Disability predominantly due to clients transitioning to NDIS:
  • ($258k) anticipated reduction in grant funding based on projected number of clients transitioned by June 2019 ($442k) and $225k additional grants received.
  • ($162k) reduction in user fees.
  • $800k expected savings in employee costs due to the reduction in services.
  • $75k reduced number of meals delivered.
  • $95k Home Maintenance contract has now ceased and using agency staff costs.

Corporate Finance unfavourable ($912k)
• ($1.5M) increase in costs for penalties relating to surrender of leases.
• ($257k) net reduction in income due to a bathing box unlikely to be sold in 2018/19.
• $414k sale of discontinuance of Council owned laneways.
• $335k increase in interest income from general bank accounts and term deposits mainly due to a favourable opening cash position for the year.
• $107k savings in 2018/19 workcover premium due to improved claims history.

Rates favourable $281k
• $430k increase in supplementary rates over budget.
• $175k interest charged on late payment of rates.
• ($354k) reduction in rates and charges resulting from requests from rate payers for smaller bins.
Cash and Investments

The cash position of $116M has increased by $24.8M from the 2017/18 ending balance of $91.2M.

The YTD favourable variance to budget of $23.2M as at February 2019 is mainly due to:

- $13.5M greater opening cash balance than budgeted as of 1 July 2018:
  - Favourable capital works underspend including Rollover of 2017/18 capital projects
  - Favourable operating result in 2017/18 resulting in $2M transferred to the Infrastructure Reserve, an increase of unspent grant funds $1.6M, as well as additional resort and recreation and drainage levy income $1.5M transferred to reserves.
- $5.4M favourable variance in operating activities and $4.2M favourable variance in investing activities.

Restricted funds include trust funds and reserves.

<table>
<thead>
<tr>
<th>Cash and cash equivalents at the end of the period</th>
<th>30-Jun-18</th>
<th>28-Feb-19</th>
<th>Budget</th>
<th>Variance</th>
<th>Adjusted Budget</th>
<th>Full Year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Unallocated &amp; unrestricted</td>
<td>37,412</td>
<td>64,263</td>
<td>46,791</td>
<td>15,462</td>
<td>23,755</td>
<td>35,203</td>
</tr>
<tr>
<td>Restricted, committed and allocated funds</td>
<td>53,835</td>
<td>51,801</td>
<td>44,115</td>
<td>7,686</td>
<td>37,042</td>
<td>58,449</td>
</tr>
<tr>
<td></td>
<td>91,247</td>
<td>116,084</td>
<td>92,906</td>
<td>23,178</td>
<td>60,797</td>
<td>93,662</td>
</tr>
</tbody>
</table>

Cash & cash equivalents (including investments) consists of:

- Retail banks: 85,026
- Community banks: 4,300
- Cash on hand and at bank: 1,721
- Total cash and cash equivalents: 91,247

Statutory Reserves

- Recreational Land Reserve: 17,905
- Drainage Contribution Reserve: 364
- Car Parking Reserve: 407
- Total Statutory Reserves: 18,766

Funds Subject to Intended Allocation

- Infrastructure Reserve: 8,235
- Dandy Street Beach Improvement Reserve: 2,157
- Community Facilities Enhancement Reserve: 968
- Early Childhood Facilities Reserve: 5,550
- Defined Superannuation Shortfall: 2,500
- Unspent Conditional Grants Reserve: 1,020
- Capital Works Carried Forward Reserve: 9,564
- Total Funds Subject to Intended Allocation: 30,704

Total Reserves

- Total Other Reserves: 49,416

Committed Funds

- Trust Funds and Deposits: 4,425
- Total Committed Funds: 4,425

Total Restricted, Committed and Allocated Funds

- Total Restricted, Committed and Allocated Funds: 53,835
### Victorian Auditor – General’s Office (VAGO) Indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Definitions</th>
<th>VAGO Target (to maintain low risk)</th>
<th>Forecast Performance</th>
<th>Achievable</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Liquidity</strong></td>
<td>The ability to pay liabilities within the next 12 months. (current assets/current liabilities)</td>
<td>&gt; 150%</td>
<td>515.36%</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Self-financing</strong></td>
<td>The ability to replace assets using cash generated from day to day operations (net operating cash flow/underlying revenue)</td>
<td>&gt; 20.0%</td>
<td>31.61%</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Capital Replacement</strong></td>
<td>To ensure sufficient spending on capital renewal and new capital works. (Total capital spend: Depreciation)</td>
<td>&gt; 150%</td>
<td>221.05%</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Indebtedness</strong></td>
<td>The ability to repay debt from own source revenue being revenue not tied to specific projects. (not current liabilities / own source revenue)</td>
<td>&lt; 40.0%</td>
<td>0.75%</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Underlying result</strong></td>
<td>Sufficient operating income to cover operating expenses (new surplus/revenue)</td>
<td>&gt; 0%</td>
<td>16.55%</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Renewal gap</strong></td>
<td>To ensure sufficient spending on existing capital assets. (Renewal capital spend: depreciation)</td>
<td>&gt; 100%</td>
<td>155.54%</td>
<td>Yes</td>
</tr>
</tbody>
</table>

### Local Government Performance Reporting Framework Indicators

<table>
<thead>
<tr>
<th>LGPRF Performance Indicators</th>
<th>Expected Range</th>
<th>2018/19 Forecast</th>
<th>Within Range?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average residential rate per residential property assessment*</td>
<td>$700 to $2,000</td>
<td>$2,100</td>
<td>X</td>
</tr>
<tr>
<td>Expenses per property assessment</td>
<td>$2,000 to $5,000</td>
<td>$2,480</td>
<td>✓</td>
</tr>
<tr>
<td>Unrestricted cash compared to current liabilities</td>
<td>10% to 300%</td>
<td>224.3%</td>
<td>✓</td>
</tr>
<tr>
<td>Loans and borrowings compared to rates</td>
<td>0% to 70%</td>
<td>0.0%</td>
<td>✓</td>
</tr>
<tr>
<td>Loans and borrowings repayments compared to rates</td>
<td>0% to 20%</td>
<td>0.0%</td>
<td>✓</td>
</tr>
<tr>
<td>Adjusted underlying surplus (or deficit)</td>
<td>-20% to 20%</td>
<td>12.8%</td>
<td>✓</td>
</tr>
<tr>
<td>Rates compared to adjusted underlying revenue</td>
<td>30% to 80%</td>
<td>73.2%</td>
<td>✓</td>
</tr>
<tr>
<td>Rates compared to property values**</td>
<td>0.15% to 0.75%</td>
<td>0.14%</td>
<td>X</td>
</tr>
</tbody>
</table>

*The 2018/19 forecast for average residential rate includes the additional waste levy required to fund increases in recycling costs.
**Reduced rates due to the take up of smaller garbage bins.
### Capital Results

<table>
<thead>
<tr>
<th></th>
<th>$'000's</th>
<th>Adjusted Budget</th>
<th>YTD Actuals</th>
<th>Variance</th>
<th>2018/19 Adjusted</th>
<th>Year End Forecast</th>
<th>Forecast Variance</th>
<th>Forecast Rollover</th>
<th>Variance Including Rollover</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital income</td>
<td>(2,358)</td>
<td>(1,906)</td>
<td>1,549</td>
<td>(7,560)</td>
<td>(4,903)</td>
<td>(7,821)</td>
<td>2,918</td>
<td></td>
<td>2,918</td>
</tr>
<tr>
<td>Capital Expenditure</td>
<td>20,148</td>
<td>16,988</td>
<td>3,180</td>
<td>57,117</td>
<td>40,709</td>
<td>16,408</td>
<td>14,498</td>
<td>1,910</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>17,791</strong></td>
<td><strong>14,082</strong></td>
<td><strong>4,729</strong></td>
<td><strong>60,624</strong></td>
<td><strong>53,214</strong></td>
<td><strong>32,888</strong></td>
<td><strong>19,326</strong></td>
<td><strong>14,498</strong></td>
<td><strong>1,910</strong></td>
</tr>
</tbody>
</table>

**Capital revenue**

YTD favourable $1.5M, forecast favourable $2.9M.

The forecast favourable variance in capital income of $2.9M is mainly due to:

- $1.8M additional income for Resort & Recreation Levy.
- $854k additional income from developers relating to drainage contribution unbudgeted.
- $175k additional grant funding received from VicRoads for Church and Male Street Roundabout zebra crossings completed in 2017/18.

**Capital expenditure**

YTD underspend $3.2M, and forecast underspend $16.4M.

The forecast underspend in capital expenditure of $16.4M is mainly due to:

- $2M Dandy St Beach Masterplan Implementation – delayed due to VCAT and remediation works.
- $1.2M Sandringham Village Activity Centre Streetscaping – delayed due to planning permit and Melbourne Water approval.
- $875k – Drain Howell Avenue Renewal Beaumaris – project no longer required.
- $760k Destructor Reserve Pavilion Redevelopment – project on hold due to delays awaiting sign off on design from sports club. Construction to commence in 2019.
- $620k William Street Reserve Pavilion Redevelopment – planning approval required, construction is not anticipated to commence until 2019.
- $570k HMVS Preservation Works – delayed due to approvals required from relevant bodies and anticipated to be carried forward to 2019/20.
- $420k Cheltenham Park Pavilion Redevelopment – anticipated cost savings to be completed in 2018/19.
- $370k Car Park Renewal Construction for B9 and B13 – favourable tender results, project now complete.
- $284k Brighton Beach Oval Precinct Redevelopment – project is currently on hold as scope not approved by club.
- $247k 7 Well Street Brighton-Conversion To Car Parking – delays due to rezoning, construction is not anticipated to commence until 2019/20.
- $240k Car Park Renewal Design for B6 – anticipated cost savings to be completed in 2018/19.
- confirmed, project is no longer required.
**Detailed Schedules**

1. **Income Statement**

<table>
<thead>
<tr>
<th>Line item $'000s</th>
<th>2018/19 Adjusted Budget</th>
<th>2018/19 YTD Actuals</th>
<th>2018/19 YTD Adjusted Budget Variance</th>
<th>2018/19 Year End Adjusted Budget</th>
<th>2019/20 Adjusted Forecast Budget</th>
<th>2018/19 Forecast less than Adjusted Budget Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rates and Charges</td>
<td>63,585</td>
<td>63,771</td>
<td>187</td>
<td>95,416</td>
<td>95,521</td>
<td>105</td>
</tr>
<tr>
<td>Statutory Fees and Fines</td>
<td>4,248</td>
<td>5,232</td>
<td>964</td>
<td>6,357</td>
<td>7,355</td>
<td>999</td>
</tr>
<tr>
<td>User Fees</td>
<td>4,900</td>
<td>5,619</td>
<td>719</td>
<td>7,858</td>
<td>8,133</td>
<td>475</td>
</tr>
<tr>
<td>Rental Income</td>
<td>3,441</td>
<td>3,378</td>
<td>(63)</td>
<td>4,120</td>
<td>4,113</td>
<td>(6)</td>
</tr>
<tr>
<td>Grants - Operating</td>
<td>7,115</td>
<td>7,307</td>
<td>192</td>
<td>10,878</td>
<td>10,806</td>
<td>(72)</td>
</tr>
<tr>
<td>Grants - Capital</td>
<td>705</td>
<td>305</td>
<td>(400)</td>
<td>1,370</td>
<td>1,995</td>
<td>535</td>
</tr>
<tr>
<td>Contributions - Cash - Operating</td>
<td>13</td>
<td>61</td>
<td>46</td>
<td>105</td>
<td>150</td>
<td>45</td>
</tr>
<tr>
<td>Contributions - Cash - Capital</td>
<td>1,333</td>
<td>3,586</td>
<td>2,253</td>
<td>3,213</td>
<td>5,991</td>
<td>2,688</td>
</tr>
<tr>
<td>Interest Income</td>
<td>1,436</td>
<td>2,055</td>
<td>619</td>
<td>2,155</td>
<td>2,665</td>
<td>510</td>
</tr>
<tr>
<td>Other Income</td>
<td>1,051</td>
<td>1,082</td>
<td>31</td>
<td>1,713</td>
<td>1,752</td>
<td>40</td>
</tr>
<tr>
<td>Net Profit/(Loss) on Disposal of assets</td>
<td>-</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td><strong>87,827</strong></td>
<td><strong>92,397</strong></td>
<td><strong>4,571</strong></td>
<td><strong>132,985</strong></td>
<td><strong>138,302</strong></td>
<td><strong>5,318</strong></td>
</tr>
</tbody>
</table>

| **Expenditure**           |                         |                     |                                      |                                 |                                  |                                                   |
| Employee Costs            | 20,500                  | 28,342              | 1,158                                | 44,920                          | 44,355                           | 574                                              |
| Materials and Services    | 31,176                  | 30,866              | 310                                  | 47,306                          | 50,416                           | (3,110)                                           |
| Bad and Doubtful Debts    | -                       | 7                   | (7)                                  | 173                             | 177                              | (4)                                               |
| Depreciation and Amortisation | 12,273              | 12,284              | (11)                                 | 18,416                          | 18,416                           | -                                                |
| Other Expenses            | 262                     | 245                 | 18                                   | 440                             | 434                              | 6                                                |
| Finance Costs             | (0)                     | -                   | (0)                                  | -                               | 0                                | (0)                                               |
| **Total Expenditure**     | **73,210**              | **71,743**          | **1,467**                            | **111,265**                     | **113,798**                       | **(2,533)**                                       |

| **Operating Result - Surplus** | 14,617 | 20,665 | 6,038 | 21,720 | 24,505 | 2,784 |
## 2. Statement of Capital Works

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Property Expenditure</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>9,000</td>
<td>9,000</td>
<td>9,000</td>
<td>9,000</td>
</tr>
<tr>
<td>Buildings</td>
<td>6,531</td>
<td>4,397</td>
<td>2,135</td>
<td>14,979</td>
<td>10,737</td>
<td>4,242</td>
<td>3,409</td>
</tr>
<tr>
<td>Building Improvements</td>
<td>1,248</td>
<td>598</td>
<td>650</td>
<td>3,241</td>
<td>3,253</td>
<td>(12)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Plant &amp; Equipment Expenditure</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixtures, Fittings and Furniture</td>
<td>106</td>
<td>173</td>
<td>(67)</td>
<td>329</td>
<td>362</td>
<td>(53)</td>
<td>-</td>
</tr>
<tr>
<td>Arts and Culture</td>
<td>60</td>
<td>16</td>
<td>44</td>
<td>130</td>
<td>55</td>
<td>75</td>
<td>75</td>
</tr>
<tr>
<td>IT Systems, Network, Servers and Communication</td>
<td>975</td>
<td>770</td>
<td>206</td>
<td>2,090</td>
<td>1,816</td>
<td>244</td>
<td>491</td>
</tr>
<tr>
<td>Library Assets</td>
<td>264</td>
<td>234</td>
<td>30</td>
<td>400</td>
<td>400</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Infrastructure Expenditure</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreshore and Conservation</td>
<td>248</td>
<td>474</td>
<td>(226)</td>
<td>2,700</td>
<td>1,996</td>
<td>704</td>
<td>775</td>
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<tr>
<td>Parks and Recreation</td>
<td>5,124</td>
<td>3,972</td>
<td>1,152</td>
<td>8,649</td>
<td>6,991</td>
<td>1,649</td>
<td>502</td>
</tr>
<tr>
<td>Off-Street Car Parks</td>
<td>603</td>
<td>388</td>
<td>305</td>
<td>2,818</td>
<td>1,962</td>
<td>856</td>
<td>246</td>
</tr>
<tr>
<td>Drainage Infrastructure</td>
<td>1,114</td>
<td>2,286</td>
<td>(1,171)</td>
<td>3,599</td>
<td>3,569</td>
<td>30</td>
<td>-</td>
</tr>
<tr>
<td>Road Infrastructure</td>
<td>3,784</td>
<td>3,662</td>
<td>123</td>
<td>9,229</td>
<td>9,548</td>
<td>(327)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>20,148</td>
<td>16,968</td>
<td>3,180</td>
<td>57,117</td>
<td>40,709</td>
<td>16,408</td>
<td>14,498</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants - Capital</td>
<td>(705)</td>
<td>(305)</td>
<td>(400)</td>
<td>(1,370)</td>
<td>(1,905)</td>
<td>535</td>
<td>-</td>
</tr>
<tr>
<td>Other Income</td>
<td>(320)</td>
<td>(15)</td>
<td>(305)</td>
<td>(320)</td>
<td>(15)</td>
<td>(305)</td>
<td>-</td>
</tr>
<tr>
<td>Contributions - Cash- Capital</td>
<td>(1,333)</td>
<td>(3,586)</td>
<td>2,253</td>
<td>(3,213)</td>
<td>(5,901)</td>
<td>2,088</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>(2,358)</td>
<td>(3,900)</td>
<td>1,549</td>
<td>(4,903)</td>
<td>(7,821)</td>
<td>2,918</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>17,791</td>
<td>13,062</td>
<td>4,729</td>
<td>52,214</td>
<td>32,888</td>
<td>19,326</td>
<td>14,498</td>
</tr>
</tbody>
</table>
### 3. Statement of Cash Flows

<table>
<thead>
<tr>
<th></th>
<th>30-Jun-18 Inflows (Outflows)</th>
<th>28-Feb-19 Inflows (Outflows)</th>
<th>2019 Adjusted Budget Inflows (Outflows)</th>
<th>Full Year Forecast Inflows (Outflows)</th>
<th>Variance</th>
<th>Cashflow Statement - period ended 28 February 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receipts</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rates and charges</td>
<td>88,061</td>
<td>73,816</td>
<td>73,585</td>
<td>251</td>
<td>95,226</td>
<td>95,625</td>
</tr>
<tr>
<td>Statutory fees and fines</td>
<td>7,089</td>
<td>3,569</td>
<td>4,577</td>
<td>(1,008)</td>
<td>6,453</td>
<td>7,643</td>
</tr>
<tr>
<td>User charges</td>
<td>9,444</td>
<td>7,579</td>
<td>6,431</td>
<td>1,148</td>
<td>8,069</td>
<td>8,515</td>
</tr>
<tr>
<td>Rental income</td>
<td>4,171</td>
<td>3,378</td>
<td>3,780</td>
<td>(392)</td>
<td>4,538</td>
<td>4,743</td>
</tr>
<tr>
<td>Contributions - monetary</td>
<td>6,566</td>
<td>3,647</td>
<td>1,359</td>
<td>2,288</td>
<td>3,339</td>
<td>6,112</td>
</tr>
<tr>
<td>Grants - Operating</td>
<td>11,231</td>
<td>7,339</td>
<td>7,214</td>
<td>125</td>
<td>10,972</td>
<td>10,795</td>
</tr>
<tr>
<td>Grants - Capital</td>
<td>719</td>
<td>334</td>
<td>23</td>
<td>311</td>
<td>1,445</td>
<td>2,653</td>
</tr>
<tr>
<td>Interest</td>
<td>2,718</td>
<td>2,242</td>
<td>1,596</td>
<td>733</td>
<td>2,160</td>
<td>3,341</td>
</tr>
<tr>
<td>Trust funds and deposits</td>
<td>(204)</td>
<td>3,036</td>
<td>82</td>
<td>2,954</td>
<td>123</td>
<td>120</td>
</tr>
<tr>
<td>Other receipts</td>
<td>2,097</td>
<td>627</td>
<td>922</td>
<td>(295)</td>
<td>1,878</td>
<td>1,682</td>
</tr>
<tr>
<td>Net GST refund</td>
<td>7,111</td>
<td>4,704</td>
<td>4,133</td>
<td>571</td>
<td>7,847</td>
<td>6,942</td>
</tr>
<tr>
<td>Employee costs</td>
<td>(41,591)</td>
<td>(29,585)</td>
<td>(28,100)</td>
<td>(485)</td>
<td>(44,244)</td>
<td>(43,691)</td>
</tr>
<tr>
<td>Payments to suppliers</td>
<td>(54,378)</td>
<td>(39,023)</td>
<td>(38,204)</td>
<td>(819)</td>
<td>(59,595)</td>
<td>(60,168)</td>
</tr>
<tr>
<td><strong>Net cash provided by (used in) operating activities</strong></td>
<td>44,464</td>
<td>41,663</td>
<td>36,271</td>
<td>5,392</td>
<td>41,211</td>
<td>43,114</td>
</tr>
<tr>
<td><strong>Cash flows from investing activities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments for property, infrastructure, plant &amp; equipment</td>
<td>(40,378)</td>
<td>(16,026)</td>
<td>(21,068)</td>
<td>4,242</td>
<td>(57,117)</td>
<td>(40,706)</td>
</tr>
<tr>
<td>Proceeds from sale property, infrastructure, plant &amp; equipment</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Proceeds from term deposit investments</td>
<td>(9,500)</td>
<td>(21,501)</td>
<td>(14,000)</td>
<td>(7,501)</td>
<td>15,000</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net cash used in investing activities</strong></td>
<td>(49,878)</td>
<td>(38,327)</td>
<td>(35,068)</td>
<td>(3,259)</td>
<td>(42,117)</td>
<td>(40,709)</td>
</tr>
<tr>
<td><strong>Cash flows from financing activities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance costs</td>
<td>(124)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Proceeds from borrowings</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Repayment of borrowings</td>
<td>(2,129)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net cash used in financing activities</strong></td>
<td>(2,250)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net increase (decrease) in cash and cash equivalents</strong></td>
<td>(7,664)</td>
<td>3,336</td>
<td>1,203</td>
<td>2,133</td>
<td>(906)</td>
<td>2,405</td>
</tr>
</tbody>
</table>

**Cash and cash equivalents at the beginning of the period**

9,385

**Cash and cash equivalents at the end of the period**

1,721

**Term Deposits**

89,526

**Total cash and cash equivalents at the end of the period**

91,247

**Unallocated and unrestricted**

37,412

**Restricted, committed and allocated funds**

53,835

**Total**

91,247
## 4. Balance Sheet

### Balance Sheet as at 28 February 2019

<table>
<thead>
<tr>
<th></th>
<th>30-Jun-18 Actual $'000</th>
<th>28-Feb-19 Budget $'000</th>
<th>Variance $'000</th>
<th>Full Financial Year Actual $'000</th>
<th>Variance $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>1,721</td>
<td>5,057</td>
<td>4,880</td>
<td>177</td>
<td>2,771</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>8,207</td>
<td>5,129</td>
<td>4,492</td>
<td>637</td>
<td>9,694</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>84,526</td>
<td>106,027</td>
<td>88,026</td>
<td>18,001</td>
<td>58,026</td>
</tr>
<tr>
<td>Inventories</td>
<td>147</td>
<td>147</td>
<td>110</td>
<td>37</td>
<td>112</td>
</tr>
<tr>
<td>Non current assets classified as held for sale</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other assets</td>
<td>1,634</td>
<td>954</td>
<td>1,018</td>
<td>(64)</td>
<td>1,570</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>96,235</td>
<td>117,314</td>
<td>98,526</td>
<td>18,788</td>
<td>72,173</td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>183</td>
<td>183</td>
<td>169</td>
<td>14</td>
<td>169</td>
</tr>
<tr>
<td>Property, infrastructure, plant and equipment</td>
<td>3,730,154</td>
<td>3,734,838</td>
<td>3,410,749</td>
<td>324,089</td>
<td>3,442,157</td>
</tr>
<tr>
<td>Assets Held for Sale</td>
<td>3,064</td>
<td>3,064</td>
<td>-</td>
<td>3,064</td>
<td>2,500</td>
</tr>
<tr>
<td>Financial assets</td>
<td>5,230</td>
<td>5,230</td>
<td>230</td>
<td>5,000</td>
<td>230</td>
</tr>
<tr>
<td>Other assets</td>
<td>55</td>
<td>55</td>
<td>55</td>
<td>55</td>
<td>55</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td>3,738,688</td>
<td>3,743,370</td>
<td>3,411,203</td>
<td>332,167</td>
<td>3,442,611</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>3,834,921</td>
<td>3,860,684</td>
<td>3,509,729</td>
<td>350,955</td>
<td>3,514,784</td>
</tr>
</tbody>
</table>

### Current liabilities

<table>
<thead>
<tr>
<th></th>
<th>30-Jun-18 Actual $'000</th>
<th>28-Feb-19 Budget $'000</th>
<th>Variance $'000</th>
<th>Full Financial Year Actual $'000</th>
<th>Variance $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade and other payables</td>
<td>11,306</td>
<td>5,728</td>
<td>5,889</td>
<td>(161)</td>
<td>10,062</td>
</tr>
<tr>
<td>Trust funds and deposits</td>
<td>4,425</td>
<td>4,259</td>
<td>4,676</td>
<td>(417)</td>
<td>4,717</td>
</tr>
<tr>
<td>Provisions</td>
<td>7,974</td>
<td>8,179</td>
<td>9,578</td>
<td>(1,399)</td>
<td>9,306</td>
</tr>
<tr>
<td>Interest bearing loans and borrowings</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Income in Advance</td>
<td>455</td>
<td>11,101</td>
<td>7,001</td>
<td>4,100</td>
<td>617</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>24,252</td>
<td>29,267</td>
<td>27,144</td>
<td>2,123</td>
<td>24,085</td>
</tr>
</tbody>
</table>

### Non-current liabilities

<table>
<thead>
<tr>
<th></th>
<th>30-Jun-18 Actual $'000</th>
<th>28-Feb-19 Budget $'000</th>
<th>Variance $'000</th>
<th>Full Financial Year Actual $'000</th>
<th>Variance $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provisions</td>
<td>796</td>
<td>888</td>
<td>1,344</td>
<td>(456)</td>
<td>1,424</td>
</tr>
<tr>
<td>Interest bearing loans and borrowings</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total non-current liabilities</strong></td>
<td>796</td>
<td>888</td>
<td>1,344</td>
<td>(456)</td>
<td>1,424</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>25,047</td>
<td>30,155</td>
<td>28,488</td>
<td>1,667</td>
<td>25,509</td>
</tr>
</tbody>
</table>

### Net assets

|                        | 3,809,874               | 3,830,529              | 3,481,241      | 349,288                          | 3,489,275      |

### Equity

<table>
<thead>
<tr>
<th></th>
<th>3,809,874</th>
<th>3,830,529</th>
<th>3,481,241</th>
<th>349,288</th>
<th>3,489,275</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accumulated surplus</td>
<td>875,870</td>
<td>890,392</td>
<td>897,281</td>
<td>1,111</td>
<td>912,429</td>
</tr>
<tr>
<td>Asset revaluation reserve</td>
<td>2,884,594</td>
<td>2,894,595</td>
<td>2,544,521</td>
<td>340,074</td>
<td>2,544,521</td>
</tr>
<tr>
<td>Other reserves</td>
<td>49,410</td>
<td>47,542</td>
<td>39,439</td>
<td>8,103</td>
<td>32,325</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td>3,809,874</td>
<td>3,830,529</td>
<td>3,481,241</td>
<td>349,288</td>
<td>3,489,275</td>
</tr>
</tbody>
</table>
10.14 COUNCIL ACTION AWAITING REPORT

Executive summary

Purpose and background
This report presents to Council a schedule of actions pending for the period to 23 April 2019.

Key issues
This report contains resolutions of Council that require a further report to Council.

Recommendation
That Council notes the Council Action Awaiting Report.

Support Attachments
### Council Action Awaiting Report Attachment

<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>ITEM</th>
<th>COUNCIL RESOLUTION</th>
<th>DIVISION</th>
<th>COMMENTS/STATUS</th>
</tr>
</thead>
</table>
| 24/05/16        | 10.2 | **Sandringham Village Streetscape Masterplan**  
3. In the event that the bus route change to Bay Rd, Beach Road, Melrose Street and Station Street does not proceed and the Village Square feature not be achievable, a revised Master Plan without the Village Square concept will be presented to a future Council meeting for adoption. | CP&A     | In the event that the bus route changes in Bay Road, Beach Road, Melrose Street and Station Street and does not proceed and the Village Square feature not be achievable, a revised Master Plan without the Village Square concept will be presented at a future Council meeting for adoption. |
| 24/05/16        | 10.7 | **Children's Sensory Garden Investigation**  
That Council:  
1. notes the typical elements of a suburban sensory garden;  
2. proposes the CSIRO site is the preferred location for the establishment of a sensory garden in Bayside;  
3. seeks community feedback regarding the concept of establishing a sensory garden in Bayside to inform future decisions on this matter; and  
4. receives a further report detailing the financial implications associated with the establishment of a sensory garden. | ERI      | A future report will be provided to a future Council meeting detailing the implications of including a sensory garden in the planning of the one hectare passive open space in the CSIRO site.  
The timeline of this report will be subject to the transfer of land (one hectare passive open space) is confirmed and planning can commence. |
| 24/10/17        | 10.1 | **Amendment C151 – Hampton East (Moorabbin) Structure Plan**  
That Council following the Minister for Planning decision in relation to the above receives a report that outlines the scope for an additional study for precincts 3, 5 and 6 including costs, funding options and timing. | CP&A     | A report was submitted to the Minister on 2 May 2018. Council is currently awaiting the Minister’s decision.                                                                                     |
| 24/10/17        | 10.16| **HMVS Cerberus – Heritage Works Permit Update**  
That Council:  
2. Receives a further report once Heritage Victoria has assessed the permit application for conservation and stabilisation of the HMVS Cerberus. | ERI      | A future report will be presented to Council if the permit approved method concrete infill proves problematic or beyond the current Council approved budget.                                             |
<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>ITEM</th>
<th>COUNCIL RESOLUTION</th>
<th>DIVISION</th>
<th>COMMENTS/STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>19/6/18</td>
<td>10.17</td>
<td><strong>Building Inclusive Communities Funding Update</strong>&lt;br&gt;That Council receives a further report no later than 30 June 2019, with options for Council’s ongoing role in relation to disability inclusion, advocacy and planning beyond the cessation of the Building Inclusive Communities funding in June 2019.</td>
<td>ERI</td>
<td>A report will be submitted to Council at the May 2019 meeting.</td>
</tr>
<tr>
<td>21/8/18</td>
<td>10.4</td>
<td><strong>Bayside Environmental Sustainability Framework 2016-2025 - Annual Progress Report</strong>&lt;br&gt;3. Receives a further report in the first quarter of the 2019/20 financial year detailing progress against targets, the overall success of actions and reviewing issues and risks.</td>
<td>ERI</td>
<td>A report will be submitted to the Council Meeting in August 2019.</td>
</tr>
<tr>
<td>21/8/18</td>
<td>10.7</td>
<td><strong>Early Years Infrastructure Plan</strong>&lt;br&gt;That Council:&lt;br&gt;4. receives a further report detailing options for the long term use of the Brighton South Playhouse, once temporary relocations for displaced services undergoing redevelopment works are completed;&lt;br&gt;7. receives a further report following a review of the Infrastructure Plan in year five.</td>
<td>C&amp;CE</td>
<td>A report will be provided to Council on the completion of the development works.</td>
</tr>
<tr>
<td>DATE OF MEETING</td>
<td>ITEM</td>
<td>COUNCIL RESOLUTION</td>
<td>DIVISION</td>
<td>COMMENTS/STATUS</td>
</tr>
<tr>
<td>-----------------</td>
<td>------</td>
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<td>----------</td>
<td>-----------------</td>
</tr>
<tr>
<td>21/8/18</td>
<td>10.10</td>
<td><strong>Ceasing the Bright n Sandy Food and Wine Festival and establish a Local Festivals and Events Fund</strong>&lt;br&gt;That Council receives a report at the end of the 2018/19 financial year on the performance of the Bright and Sandy Food and Wine Festival.</td>
<td>ERI</td>
<td>A report will be submitted to the June 2019 Council Meeting.</td>
</tr>
<tr>
<td>21/8/18</td>
<td>10.13</td>
<td><strong>Brighton Secondary College Synthetic Hockey Facility - Management Committee Financial Update</strong>&lt;br&gt;That Council receives a further report no later than August 2019 from the Management Committee summarising activities, including the financial position of the Brighton Secondary College Hockey Facility Management Committee.</td>
<td>ERI</td>
<td>A report will be submitted to the August 2019 Council Meeting.</td>
</tr>
<tr>
<td>21/8/18</td>
<td>10.15</td>
<td><strong>Statutory Planning - Service, Performance and Delegations</strong>&lt;br&gt;That Council:&lt;br&gt;c) receives a further report in August 2019 on the success of the trial; and&lt;br&gt;d) reviews Statutory Planning performance KPIs during the preparation of the 2019/20 Council Plan</td>
<td>CP&amp;A</td>
<td>A new Performance measure has been included in the 2019/20 Council Plan Review on this Agenda.&lt;br&gt;A report will be submitted to Council in August 2019.</td>
</tr>
<tr>
<td>DATE OF MEETING</td>
<td>ITEM</td>
<td>COUNCIL RESOLUTION</td>
<td>DIVISION</td>
<td>COMMENTS/STATUS</td>
</tr>
<tr>
<td>-----------------</td>
<td>------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>----------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td></td>
<td>2.</td>
<td>Develops a communication strategy to assist in the implementation of Stage 1; and</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3.</td>
<td>Receives a report at the June 2019 Ordinary Meeting of Council on which mid-century modern properties to pursue a planning scheme amendment deemed to be of heritage significance through the voluntary expression of interest process.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20/11/18</td>
<td>10.6</td>
<td><strong>CSIRO - Legal Agreements Update</strong>&lt;br&gt;That Council:&lt;br&gt;Receives a report following the execution of the Deed of Agreement with the CSIRO which outlines the details of the Deed agreement and next steps.</td>
<td>Corp</td>
<td>A report will be submitted to Council following the execution of the Deed of Agreement with the CSIRO.</td>
</tr>
<tr>
<td>20/11/18</td>
<td>10.12</td>
<td><strong>Open Space Management - Service Review</strong>&lt;br&gt;That Council:&lt;br&gt;• 4.2.1 Develop specialist contract specifications for the Community Nursery and Bushland Maintenance functions and provide a report to Council in March 2019 on the Nursery Management and Bushland Maintenance model following further consultation with the Community Nursery Steering Committee.</td>
<td>ERI</td>
<td>A report is included in this Agenda.</td>
</tr>
<tr>
<td>18/12/18</td>
<td>10.3</td>
<td><strong>Response to Notice of Motion 276 - Tree Retention, Landscape Implementation and Vegetation Protection</strong>&lt;br&gt;That Council:&lt;br&gt;1. Continues to review the current planning provisions in the context of the planning scheme review project that is already underway and provide a report in May 2019 on identified opportunities to strengthen policy provisions relating to tree protection and regeneration;</td>
<td>CP&amp;A</td>
<td>A further report will be submitted to the May 2019 Ordinary Council Meeting.</td>
</tr>
<tr>
<td>DATE OF MEETING</td>
<td>ITEM</td>
<td>COUNCIL RESOLUTION</td>
<td>DIVISION</td>
<td>COMMENTS/STATUS</td>
</tr>
<tr>
<td>-----------------</td>
<td>--------</td>
<td>--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>----------</td>
<td>--------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>18/12/18</td>
<td>10.6</td>
<td><strong>Tulip Street Basketball Courts Extension - Project and Funding Update</strong>&lt;br&gt;That Council:&lt;br&gt;2. Receives a further report at a future meeting detailing State Government grant opportunities and preferred funding model for the Tulip Street Basketball Courts Extension project;</td>
<td>ERI</td>
<td>A report will be submitted to a future meeting.</td>
</tr>
<tr>
<td>18/12/18</td>
<td>10.8</td>
<td><strong>Community Engagement Plan for Wilson Reserve and Brighton Recreational Centre Masterplan</strong>&lt;br&gt;That Council:&lt;br&gt;2. Receives a report detailing the outcomes of the community engagement and the draft Masterplan by June 2020.</td>
<td>ERI</td>
<td>A report will be submitted to Council by June 2020.</td>
</tr>
<tr>
<td>19/2/19</td>
<td>7.3</td>
<td><strong>Petition: To Ban Smoking in and around Ricketts Point Marine Sanctuary</strong>&lt;br&gt;That the petition be received and a report be submitted to the April 2019 Ordinary Meeting of Council of this matter.</td>
<td>CP&amp;A</td>
<td>A report is included in this Agenda.</td>
</tr>
<tr>
<td>ITEM</td>
<td>DATE OF MEETING</td>
<td>DIVISION</td>
<td>COUNCIL RESOLUTION</td>
<td>COMMENTS/STATUS</td>
</tr>
<tr>
<td>------</td>
<td>----------------</td>
<td>----------</td>
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</tr>
<tr>
<td>10.4</td>
<td>19/3/19 10.1</td>
<td>ERI</td>
<td>Parking Technology - Church Street Major Activity Centre</td>
<td>A report will be submitted to the June 2019 Ordinary Council Meeting.</td>
</tr>
<tr>
<td></td>
<td>19/3/19 10.2</td>
<td>ERI</td>
<td>Response to Notice of Motion - 277 - Single-Use Plastics</td>
<td>A report will be submitted to the July 2019 Ordinary Council Meeting.</td>
</tr>
<tr>
<td></td>
<td>19/3/19 10.3</td>
<td>CP&amp;A</td>
<td>Hampton Community Infrastructure Feasibility Assessment and Masterplan</td>
<td>A report will be submitted to the December 2019 Ordinary Council Meeting.</td>
</tr>
<tr>
<td></td>
<td>19/3/19 10.5</td>
<td>CP&amp;A</td>
<td>Planning Scheme Amendment C126 - Small Activity Centres Strategy 2014</td>
<td>A report will be submitted to the June 2019 Ordinary Council Meeting.</td>
</tr>
</tbody>
</table>

3. Receive a further report regarding the findings from the community engagement activities at the June 2019 Council meeting.

5. Receive a report at the June 2019 Ordinary Meeting of Council on the merits of the introduction of a local law banning the single-use of plastic similar to the Hobart City Council model.

That Council notes this report and receives a further progress report at or before the 23 July 2019 Ordinary Meeting.

2. Receive a further report at the 17 December 2019 Ordinary Meeting of Council reporting on the outcomes of the case study.

4. Present a report to Council in June 2019 with the outcomes of the study.
Executive summary

Purpose and background

The purpose of this report is to recommend a 12 month extension of the Service Agreement Council has with Community Chef for the production of meals for Council’s Delivered Meals Program, and include an option to extend the Agreement for a further two years, subject to Council’s delivered meals grant being extended to 2022.

The Delivered Meals program provides older residents and residents with a disability who are nutritionally at risk with nutritious, cultural and diet appropriate meals in their homes.

In 2004, a diminishing number of meal suppliers prompted 14 local governments to undertake a feasibility study to determine the merit of establishing a local government Regional Meals Kitchen. Two joint venture companies were subsequently established with the assistance of $15M in grants from the State and Commonwealth Governments – Regional Kitchen Pty Ltd (the land and building company) and RFK Pty Ltd (the food production company trading as Community Chef).

Council on 17 November 2009 resolved to:

2. Make application to purchase 10 shares in Regional Kitchen Pty Ltd and approve an allocation of $200,000 as an investment in the 2009/10 financial year.

In 2013, the Regional Kitchen requested shareholder Councils to purchase additional shares in the Regional Kitchen. Council purchased an additional three shares at a total cost of $30,000, bringing the total value of Councils’ shares with the Regional Kitchen Pty Ltd to $230,000.

The Regional Kitchen Board and the Community Chef Board restructured in 2016, through the amalgamation of the two companies into one company. On 26 April 2016, Council resolved to:

1. Endorse the extension of the service agreement with Community Chef for the supply of meals for the period of three years from 1 July 2016 to 30 June 2019.
2. Transfer all of its existing shares in Community Chef in exchange for one free share in the Regional Kitchen.
3. Sign and affix the Council seal of Bayside City Council to the Application for Shares to Regional Kitchen Pty Ltd.

Community Chef has implemented many efficiency improvements in recent years and diversified its business by targeting a broader range of organisations and developing new products. Their business now includes local government, aged care facilities and hospitals.

Meals are produced and transported to Council’s Meals Distribution Centre at 232 Dendy Street Brighton by Community Chef. They are then packed into eskies by Council staff and delivered to clients by 100 Council volunteers.

Key issues
The existing Service Agreement with Community Chef expires on 30 June 2019.

Council receives an annual grant of $128K from the Commonwealth Government through the Commonwealth Home Support Programme (CHSP). Council has a funding agreement in place until June 2020; however, the recent Federal Budget announced an extension of the CHSP until June 2022 and it is anticipated funding will be extended until this date.

As a shareholder in Community Chef, Council has received Ministerial exemption under Section 186 of the Local Government Act 1989 from needing to go to public tender for meal purchase.

Testing the market for a new meal supplier would require a public tender process that would require additional expenditure when funding is currently only guaranteed until June 2020. There is also a known thin market of meal suppliers.

Council delivers approximately 25,000 meals to more than 300 clients each year. Client satisfaction with Community Chef meals remains high.

**Recommendation**

That Council:

1. Approves an extension of the Service Agreement with Community Chef for the supply of meals for 12 months from 1 July 2019 to 30 June 2020.

2. Approves an option at Council’s discretion for a two year extension of the Service Agreement until June 2022, subject to Council continuing to receive Commonwealth funding for the Delivered Meals service.

**Support Attachments**

1. Regional Kitchen Group Annual Report 2018 (separately enclosed) (confidential)
Considerations and implications of recommendation

Liveable community

Social
The delivery of meals to vulnerable residents who are unable to cater for their dietary needs is a critical service that supports people to remain at home in the community. The delivery of meals through volunteers supports the development of new social networks, strengthening social connectedness and building capacity within the community.

Natural Environment
The Regional Kitchen is a state of the art facility. It utilises technology to maximise efficiencies and environmental benefits, including passive and active energy and water saving systems. Meal packaging is recyclable and meals are delivered in returnable crates.

Built Environment
Not applicable to this report.

Customer Service and Community Engagement
Clients report high levels of satisfaction with the appearance and the taste of meals as well as useability of the packaging.

Human Rights
Council will continue to source meals that meet dietary, cultural and nutritional needs of clients. No change is proposed to service levels or access to the Delivered Meals program.

Therefore, the implications of this report having been assessed according against the human rights matrix are not considered likely to breach or infringe upon the human rights contained in the Victorian Charter of Human Rights and Responsibilities Act 2006

Legal
The Minister for Local Government provided Section 186 Ministerial exemption for Community Chef shareholder Councils from having to go to public tender for meal purchase.

The appointment of a new meals supplier would require a public tender process in a market comprising of a limited number of suppliers.

Finance
The Community Chef Business Plan is provided as a confidential attachment

Links to Council policy and strategy
The provision of nutritious meals to vulnerable residents through volunteer delivery contributes to Goal 7 of the Council Plan 2017 – 2021 where Bayside’s community will be supported and engaged to live an active and healthy lifestyle regardless of age, geographical location, personal circumstance or physical ability and where we encourage and acknowledge community volunteering.
## Options considered

**Option 1**

<table>
<thead>
<tr>
<th>Summary</th>
<th>Enter into a new Service Agreement with Community Chef</th>
</tr>
</thead>
</table>
| **Benefits** | High client satisfaction exists.  
Pasteurised meals are provided with a shelf life of up to 30 days. This reduces wastage by clients and Council.  
No transition costs or issues associated with operational changes and contract management.  
As a part owner of the business, Council attends shareholder meetings and has voting rights. |
| **Issues** | Potential for reduced meal price through a public tender process. |

**Option 2**

<table>
<thead>
<tr>
<th>Summary</th>
<th>Seek an alternative provider through a public tender process</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Benefits</strong></td>
<td>Potential to receive a reduced meal price.</td>
</tr>
</tbody>
</table>
| **Issues** | Cost of a tender process and associated ongoing contract management costs would likely negate any potential savings.  
Requirement to develop and work through a transition process if a new contractor was successful.  
Additional cost involved in operational changes to work practices and processes if a new contractor was successful.  
Limited ability to influence the direction of an alternative provider.  
Risk of reduced satisfaction levels due to changing supplier.  
Funding from the Commonwealth Government is currently only guaranteed until June 2020.  
There is a known think market with suitable meal suppliers. |
**Executive summary**

**Purpose and background**

The purpose of this report is to outline the timeframes and activities involved in the procurement of a contractor for the Infrastructure and Open Space Maintenance Contract.

Through a competitive tender process, a Head Contractor has been sought for the Civil Infrastructure and Open Space Contract (Contract). The Contract brings together services that were previously managed under multiple contracts. These include Tree Management, Open Space Maintenance, Civil Infrastructure Maintenance, Street and Shopping Centre Cleansing, and Foreshore and Toilet Cleansing. The tender specification requires that services are undertaken throughout the proposed new seven year (plus three year option) Contract period be consistent with Council's strategic plans and strategies as updated from time to time during the Contract period.

Through this contract Council is striving to achieve:

- Existing service levels; however, with an outcome focus specification rather than a task focus;
- Value for money through economies of scale;
- Prolonged life of public assets within the municipality;
- Environmentally friendly, innovative and improved service provision over the Contract Term;
- Development of an effective partnering relationship with the Contractor;
- Minimisation of the risk to public safety and Council's exposure to public liability or service failure;
- Promotion of health, safety and welfare of all persons engaged in, or affected by, the Services under the contract;
- Well satisfied ratepayers and service users with these aspects of Council's service delivery;
- Maintained and enhanced aesthetic value of the municipality;
- Enhanced asset management and works management systems; and
- Improved responsiveness to volunteer groups that assist in service delivery.

The evaluation process began following the close of the tender on the 6 February 2019. A number of tenders were received.

Expert advice from consultants and lawyers has assisted the specification and contract development, and the Tender Evaluation Panel. These experts are undertaking a comprehensive financial analysis and evaluation of the financial proposals submitted by the tenderers. A probity adviser has also been appointed to oversee the governance of the tendering, evaluation and contract award process.
Key issues
It was expected that the tender evaluation and contract award process would be completed to allow the contract to commence on 1 July 2019.

A significant number of issues require clarification, and extensive discussion and negotiation is now required by to ensure clarity on outcomes and to ensure the best outcome for Council and the Contractor.

With the complexity of the proposed new contract and necessity for a comprehensive evaluation process due to the different ways the tenderers have submitted their bids, it is anticipated that the awarding of the contract will be delayed.

The current contracts for Civil Infrastructure, Street Cleansing and Open Space and Tree services are proposed to end on 30 June 2019.

There is the capacity to extend the Civil Infrastructure and Street Cleansing contract for an additional short period. Extension of the Open Space and Tree contract requires Ministerial consent.

As a contingency measure, Ministerial consent to extend the Open Space and Tree Contract by three months was requested in December 2018. Further information to support the request was sought by Local Government Victoria on 21 March 2019. A response from the Minister is expected soon.

To achieve the best outcome for this contract it is recommended that the existing contracts be extended to 30 September 2019 subject to receipt of the Ministerial approval and the satisfactory outcome of negotiations with the existing contractor.

Recommendation
That Council approves the extension of Contract No: 080926 Administration Management and Maintenance of Open Space and Trees, Contract No: 080976 Operations of Street Sweeping and Shopping Centre Cleaning Services and Contract No: 080977 Management and Operation of Infrastructure Maintenance Services until 30 September 2019 and authorises the Chief Executive Officer to negotiate the extension provisions in accordance with the proposed budget and any Ministerial conditions.

Support Attachments
Nil
Considerations and implications of recommendation

Liveable community

Social
The provision of maintenance services is critical in ensuring the ability for the community to engage in social activities, and conduct their everyday lives within the municipality.

Natural Environment
Maintenance services are undertaken using environmentally appropriate products at all times and all care is taken to ensure works do not cause any negative impact on the environment.

Built Environment
Maintenance services ensure that Council built assets are maintained to a safe and fit for purpose standard.

Customer Service and Community Engagement
Residents and community groups are advised when any maintenance works are to occur and consulted when the works may impact short term on their use or amenity. The maintenance contracts have strict timelines to ensure the provision of high quality customer service.

Human Rights
The implications of this report have been assessed and are not considered likely to breach or infringe upon the human rights contained in the *Victorian Charter of Human Rights and Responsibilities Act 2006*.

Legal
The works under this contract will maintain infrastructure complying with Council’s responsibility under *Road Management Act 2004*. Ministerial consent has been sought for a short term (three month) extension to the Open Space and Tree Maintenance contract.

Finance
The Contract expenditure for the three month extension is expected to be in line with the current budget. The current value to the works for a three month period is in the order of $4M.

Links to Council policy and strategy
This project is consistent with the 2017 – 2021 Council Plan as identified under Goal 1: Council will work together with the Bayside community to plan and deliver community infrastructure that responds to the changing needs of the Bayside community.

The works under the contracts directly relate to ensuring assets and infrastructure continue to meet current and expected needs.
Executive summary

Purpose and background
The purpose of this report is to appoint a contractor to receive, process and responsibly trade of commingled recyclables for a period of 2 years under the Contract CON/18/107. This is on a schedule of rates contract.

Council provides a kerbside recycling collection service as part of ongoing service delivery, and provides residents with a recycling bin for this service. The collected recyclables are then transported to recycling facility to be processed.

Council’s current contract for the receipt and processing of kerbside recycling commenced on 1 July 2013. The contract is due to expire on 30 June 2019. This contract is for the processing of recyclables only, the collection of the recycling bins does not form part of this contract.

There has been significant turbulence in the recycling sector over the past two years and this short contract is designed to provide Council with an ongoing recycling processor while this industry and market stabilises in a new operating environment.

The changes in the recycling sector have seen significant cost increases to Council.

Key issues
A public tender was advertised on 1 December 2018 and closed on 9 January 2019 with the following submissions received:

- Polytrade Pty Ltd;
- SKM Industries Pty Ltd; and
- Visy Recycling.

After analysing the submissions, the tender evaluation panel found that Visy Recycling was the tenderer that received the highest tender evaluation score when assessed against multiple criteria. This information is detailed in the evaluation matrix presented in confidential Attachment 1.

Recommendation
That Council authorises the Chief Executive Officer or his delegate to award the Contract for the Receipt, Processing and Responsible Trade of Commingled Recyclables (CON/18/107) to Visy Recycling (ABN 49 984 541 896), in accordance with the rate shown in Confidential Attachment 1, for the period 1 July 2019 to 30 June 2021 and execute this in accordance with the terms and conditions of the contract.

Support Attachments
1. Confidential Attachment 1 - CONTRACT CON/18/107 Receipt, Processing and Responsible Trade of Commingled Recyclables (separately enclosed) (confidential)
Considerations and implications of recommendation

Liveable community

Social
Residential recycling and waste management services help residents to keep their property safe and hygienic through the regular removal of waste and recyclables. These services rely on having a reliable processing contractor that is appropriately trained and equipped for this purpose and has a demonstrated track record for the responsible trading of these materials on the commodities market.

Natural Environment
A service of receipt, processing and responsible trading of kerbside recyclables increases resource recovery and reduces the disposal of waste to landfill.

Built Environment
Appropriate recycling services contribute to the amenity of urban streetscapes by ensuring they remain free of waste and are clean, safe and tidy.

Customer Service and Community Engagement
A 2018 survey by conducted on behalf of Council by Metropolis Research revealed that community satisfaction with the recycling waste service is high and indicated that the satisfaction with the service is well above the council average.

Human Rights
The implications of this report have been assessed and are not considered likely to breach or infringe upon the human rights contained in the Victorian Human Rights and Responsibilities Act 2006.

Legal
The request for Tender was undertaken in accordance with the Bayside City Council’s Quotation and Tendering Procedures and section 186 of the Local Government Act 1989.

Finance
Based on the amount of 10,951 tonnes of recyclables forecasted for collection next financial year, the rate tendered by Visy Recycling of $65.00 per tonne equates to an annual cost of $711,815 for this service. Compared to the current contract for this service, this rate represents an annual saving $602,305. This saving reduces the municipal waste charge that is a direct benefit to rate payers. There is a sufficient allocation in the draft 2019/20 operational budget for this activity.

Links to Council policy and strategy
The provision of recycling services is a core function of Council that achieves Goal 5 ‘Environment’ of the Council Plan, states that:

“Council and the Bayside community will be environmental stewards, taking action to protect and enhance the natural environment, while balancing appreciation and use with the need to protect natural assets for future generations”.

An award of the contract is compliant with Council’s Procurement Policy.
The provision of recycling processing services for the kerbside recycling collection service is a core function of Council and support Council to meet the goals set in Council’s Recycling and Waste Management Strategy.

**Options considered**

Following the withdrawal of Polytrade’s contract rate. No other options have been considered in the preparation of this report.
10.18 CONTRACT CON/18/151 BRICKWOOD STREET AND NEW STREET BRIDGE WORKS

Environment, Recreation & Infrastructure - City Assets & Projects
File No: PSF/19/966 – Doc No: DOC/19/90078

Executive summary

Purpose and background
The purpose of this report is to appoint a contractor to undertake the Brickwood Street and New Street Bridge Works under the Contract CON/18/151.

The works under this contract will upgrade the Brickwood Street Pedestrian Bridge and New Street Vehicle Bridge.

These works are part of Bayside’s maintenance program to upgrade and improve bridge infrastructure. The program’s key objectives are to extend the life of the bridge and improve public amenity for residents.

Key issues
A public tender was advertised on Saturday 9 February 2019 and closed on Wednesday 6 March 2019 with no submissions.

The tender was re-released on 8 March 2019 and closed on Wednesday 27 March 2019 with the following submissions received:

- Citywide Service Solutions Pty Ltd;
- Connell Design & Construction Pty Ltd; and
- Entracon Civil Pty Ltd.

After analysing the submissions, the tender evaluation panel found that Entracon Civil Pty Ltd was the tenderer that received the highest tender evaluation score when assessed against the criteria. (Shown in Confidential Attachment 1 – Tender Evaluation Matrix).

Entracon Civil Pty Ltd has been conducting civil works in Melbourne for eleven years and has a history in delivering capital works for State and Local Government. Entracon Civil Pty Ltd is a Melbourne Water approved contractor, which specialises in complex bridge and drainage projects. It has successfully delivered large scale civil projects for Bayside City Council in the past and passed all Quality Assurance and OH&S requirements.

At interview, Entracon Civil Pty Ltd demonstrated experience in this area of work and shared a detailed understanding of the project scope. It is committed to complete the work within the specified timeframe.

As shown in Confidential Attachment 1 – CON/18/151 Brickwood Street and New Street Bridge Works Tender Evaluation Matrix, the tender evaluation panel concluded that Entracon Civil Pty Ltd offer the best value for money and recommends that the contract be awarded to Entracon Civil Pty Ltd.
Recommendation

That Council:

1. Awards contract CON/18/151 Brickwood Street and New Street Bridge Works to Entracon Civil Pty Ltd (ABN 35118370077) for the lump sum price of $623,964.90 (excl. GST) and $686,361.39 (incl. GST).

2. Authorises the Chief Executive Officer to sign all necessary documentation related to CON/18/151 Brickwood Street and New Street Bridge Works.

3. Advises the unsuccessful tenderers accordingly.

Support Attachments

1. Confidential Attachment 1 - CONTRACT CON/18/151 Brickwood Street Tender Evaluation Matrix (separately enclosed) (confidential)
Considerations and implications of recommendation

Liveable community

Social
The works under this contract are aimed at improving the condition and safety of the Brickwood Street Pedestrian Bridge and New Street Vehicle Bridge.

Natural Environment
During the works environmental conditions will be set to prevent damage or pollution to the Elster Creek, the underlying waterway beneath the bridge. Tenderers are encouraged to use other environmentally friendly construction products. No trees or vegetation will be impacted as a result of these works.

Built Environment
Bridge upgrade work improves the condition and increases the life of the bridge. Damaged or deteriorated bridges compromise the structural integrity of the bridge, contributing to failure of the bridge and triggering maintenance works.

Customer Service and Community Engagement
Local residents and businesses will be informed in writing of the work duration and any disruptions prior to commencement of the contract. Council will maintain contact with key stakeholders during the construction period.

Human Rights
The implications of this report have been assessed and are not considered likely to breach or infringe upon the human rights contained in the *Victorian Charter of Human Rights and Responsibilities Act 2006*.

Legal
This request for Tender was undertaken in accordance with the Bayside City Council’s Quotation and Tendering Procedure and section 186 of the *Local Government Act 1989*.

Finance
The Capital Works Budget for 2018/19 has an allocation of $425,000.00 ex GST for the New Street and Brickwood Street Bridge Works. The following table summarises the proposed cost of the project. (Note prices are excluding GST).

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction cost</td>
<td>$623,964.90</td>
</tr>
<tr>
<td>Construction contingency</td>
<td>$60,000.00</td>
</tr>
<tr>
<td>Consultant and project management costs</td>
<td>$50,000.00</td>
</tr>
<tr>
<td>Total Project Cost</td>
<td>$733,964.90</td>
</tr>
</tbody>
</table>

The project cost exceeds the allocated budget by $308,964.90 Ex GST. Additional funds from other under spent Capital Works projects such as the 2018/19 Road Reconstruction Program will be utilised to fund this projects expenditure. It is vital these works occur, to maintain...
deteriorated bridge infrastructure. The budget forecast will be updated to reflect the outcomes of this contract.

**Links to Council policy and strategy**

This project is consistent with the 2017-2021 Council Plan as identified under Goal 1 – Infrastructure – Council will work together with the Bayside community to plan and deliver community infrastructure that responds to the changing needs of the Bayside community.

A key objective of this goal is to have a Bayside where infrastructure is fit for purpose for today and into the future.

Improving civil infrastructure at Brickwood Street Pedestrian Bridge and New Street Vehicle Bridge is integral to ensuring the safety of the increasing number of bridge users.

**Options considered**

Not applicable to this report.
Executive summary

Purpose and background

The purpose of this report is to recommend the appointment of a contractor to undertake construction of stormwater and irrigation systems within A J Steele Reserve, Sandringham and North Road, Brighton Road Reserve under the proposed Contract CON/19/8.

This project will deliver two stormwater harvesting systems that will capture rain water to irrigate turf and trees at A J Steele Reserve, Sandringham and the road reserve at North Road, Brighton.

Key issues

A public tender was advertised in The Age and released through eProcure on Saturday 26 January 2019 and closed on Wednesday 20 February 2019 with no submissions. The tender was re-released on 2 March 2019 and closed 27 March with the following submission:

- Contek Constructions Pty Ltd

From the initial evaluation Contek Constructions Pty Ltd was invited to interview.

Contek Constructions Pty Ltd has been in business for 26 years and has demonstrated experience in delivering similar small scale stormwater harvesting projects. Contek Constructions Pty Ltd has delivered a number of projects for Bayside City Council in the past that were considered successful.

At interview Contek Constructions Pty Ltd demonstrated a good understanding of the project and can complete the work within 12 weeks.

The tender evaluation panel concluded that Contek Constructions Pty Ltd possess the required skills and experience to undertake the work to Councils standards and are recommenced as the preferred tenderer.

Recommendation

That Council:

1. Awards Contract CON/19/8 Construction of small water harvesting and irrigation systems at North Road, Brighton and A J Steele Reserve, Sandringham to Contek Constructions Pty Ltd (ABN 80 060 505 099) for the lump sum price of $492,466.50 (excl. GST) and $541,713.15 (incl GST).

2. Authorises the Chief Executive Officer to sign all necessary documentation related to Contract CON/19/8 Integrated Water Management Strategy Implementation Year 1 Construction.

3. Advises the unsuccessful tenderers accordingly.
Support Attachments

Considerations and implications of recommendation

Liveable community

Social
Integrated water management projects are aimed at utilising water within own suburbs to create a pleasing environment with lush trees for the community by improving health of trees.

Natural Environment
The works under this contract include the implementation of integrated water management principles to capture storm water to irrigate the trees within the A J Steele Reserve, Sandringham and trees in the North Road, Brighton road reserve. Storm water from road surface will be collected, stored and will be used for passive irrigation of large trees.

Built Environment
The works include supply and installation of specialised underground water storage systems, construction of kerb inlets and installation of connecting pipes.

Customer Service and Community Engagement
Together with the contractor, Council will provide further advice to nearby residents prior to commencement of the work and maintain contact with key stakeholders during the construction period. The works will be implemented in accordance with the specifications and relevant statutory requirements.

Human Rights
The implications of this report have been assessed and are not considered likely to breach or infringe upon the human rights contained in the Victorian Charter of Human Rights and Responsibilities Act 2006.

Legal
This Request for Tender was undertaken in accordance with the Bayside City Council’s Quotation and Tendering Procedure and section 186 of the Local Government Act 1989.

Finance
The Capital Works Budget for 2018/19 has an allocation of $264,000 (ex GST) for this project. The following table summarises proposed cost of the project (figures are exclusive of GST).

<table>
<thead>
<tr>
<th>Consultant costs</th>
<th>$56,363</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract Cost</td>
<td>$492,466</td>
</tr>
<tr>
<td>Contingencies &amp; Project Management Costs (10%)</td>
<td>$50,000</td>
</tr>
<tr>
<td><strong>Project Cost</strong></td>
<td><strong>$598,829</strong></td>
</tr>
</tbody>
</table>

The required funding to deliver two stormwater harvesting projects is over the allocated budget and will result in a shortfall of $334,829 (ex GST). Normally this would require the works to be staged over two financial years to ensure Council does not spend beyond it allocation. However, due to an under spend in Council’s drainage portfolio this financial year the shortfall can be covered within the current program. Given there is financial capacity to fund the work and we have completed the design and tendering components, it is considered appropriate to make this adjustment rather than defer one of the sites to next year.
Links to Council policy and strategy

This project is consistent with the 2017-2021 Council Plan as identified under Goal 1 – Infrastructure – Council will work together with the Bayside community to plan and deliver community infrastructure that responds to the changing needs of the Bayside community.

A key objective of this goal is to have a Bayside where infrastructure is fit for purpose for today and into the future.
Executive summary

Purpose and background
The purpose of this report is to appoint a contractor to undertake the purchase, supply and delivery of kitchen caddies, compostable bin liners and the changeover of green waste bin lids under the Contract CON/19/27. This is a schedule of rates contract.

The services provided under this contract will implement the new food and green waste service July 2019.

The work under the contract includes changing the red lids on the existing green waste bins to a green lid when they are out for collection and the delivery of a kitchen caddy and compostable bin liners. A kitchen caddy is a small vessel that can be used with a compostable bin liner to make it easy for households to separate food waste at the source and transfer later to the food and green waste bin.

Key issues
A public tender was advertised on Saturday 2 March 2019 and closed on Wednesday 27 March 2019 with the following submissions received:

- Mastec Australia Pty Ltd; and
- Sulo MGB Australia.

After analysing the submissions, the tender evaluation panel assessed that Mastec Australia Pty Ltd was the tenderer that received the highest tender evaluation score when assessed against multiple criteria. Mastec Australia Pty Ltd also provided the most competitive rate. This information is detailed in the evaluation matrix presented in Confidential Attachment 1.

The schedule of rates tendered by Mastec Australia PTY LTD is shown in Confidential Attachment 2.

Recommendation
That Council authorises the Chief Executive Officer or his delegate to award the Contract for the Purchase, Supply and Delivery of Kitchen Caddies, Compostable Bin Liners and the Changeover of Green Waste Bin Lids (CON/19/27) to Mastec Australia Pty Ltd (ABN 93 352 948 438), in accordance with the rate shown in Confidential Attachment 2, and execute this in accordance with the terms and conditions of the contract.

Support Attachments
1. Attachment 1 - Tender Evaluation Matrix (separately enclosed) (confidential)
2. Attachment 2 - Schedule of Rates (separately enclosed) (confidential)
Considerations and implications of recommendation

Liveable community

Social
Residential recycling and waste management services help residents to keep their property safe and hygienic through the regular removal of waste. These services rely on clear messaging and keeping the service as easy as possible for the community to understand to support behaviour change. Introducing a new food waste service requires people to change behaviours to put food waste in a different bin and changing the bin lids and providing a caddy and bin liners sends a consistent message to the community about the new service offering.

Natural Environment
The appropriate collection of waste assists to keep the natural environment, including our beaches and waterways, free of litter and waste. The Environmental Sustainability Framework sets waste reduction targets over the next ten years. As approximately 50% of what is contained in the domestic waste bin is food waste, the introduction of a food and green waste service increases the diversion of waste from landfill, reduces landfill gas and leachate emissions and creates a resource in compost for the agricultural sector.

Built Environment
Council’s recycling and waste collections contribute to the amenity of urban streetscapes by ensuring they remain free of waste and are clean, safe and tidy for the community, through the collection of waste by an appropriately trained and licensed collections contractors.

Customer Service and Community Engagement
The 2018 survey by Metropolis Research revealed that community satisfaction with the green waste service is high and indicated that the satisfaction with the service is well above the council average.

The Recycling and waste Management Strategy 2018-27 was adopted in October 2018 following consultation with the community. The introduction of a food and green waste services formed a key part of the consultation with the community.

Human Rights
The implications of this report have been assessed and are not considered likely to breach or infringe upon the human rights contained in the Victorian Human Rights and Responsibilities Act 2006.

Legal
The request for Tender was undertaken in accordance with the Bayside City Council’s Quotation and Tendering Procedures and section 186 of the Local Government Act 1989.

Finance
The draft budget for 2019/20 has an allocation of $745,000 to implement this project.
Costs associated with recycling waste services are a 'user pays' service and recovered via the waste charge.
The contract is a schedule of rates contract for:

- Supply, delivery and changeover of green waste bin lids;
- Supply and delivery of kitchen caddies;
- Supply and delivery of compostable bin liners; and
- Delivery of information on the new food and green waste service.

**Links to Council policy and strategy**

The provision of recycling and waste collection and disposal services is a core function of Council that achieves Goal 5 ‘Environment’ of the Council Plan, states that:

> Council and the Bayside community will be environmental stewards, taking action to protect and enhance the natural environment, while balancing appreciation and use with the need to protect natural assets for future generations.

The services under this contract are consistent with Council’s Recycling and Waste Strategy 2018. The most significant action within the strategy was the introduction of a food and green waste service to the community. This contract will ensure the implementation of the new service is completed with minimal impact on the community.

The Recycling and Waste Management Service Review recommended changing over the bin lid colours to comply with industry standard.

**Options considered**

No options have been considered in the preparation of this report.
Executive summary

Purpose and background

The purpose of this report is to award contract number CON/19/51 for the supply of Microsoft software licences.

Council requires Microsoft software licences to enable staff and Councillors to access computers and applications such as email and office products on Council’s 500+ computers and mobile devices.

The Municipal Association of Victoria (MAV) tenders for the supply of Microsoft Software Licences on behalf of Local Government and provides Councils (including Bayside) access to the contracts awarded to Winc & Data3.

The aim of the MAV tender and contract process is to:

- Appoint preferred Whole of Victorian Local Government (WoLG) reseller to deliver Microsoft software and associated services to the Victorian Local Government sector;
- Facilitate a contract that will deliver value for money through a combined expenditure arrangement for Participant Councils for the duration of the contract;
- Streamline the procurement process for the participant councils, thereby reducing procurement costs for both councils and suppliers;
- Create a contract that reflects the requirements of Victorian Local Governments;
- Obtain rates for Councils as favourable for the smallest Councils as they are for the largest Councils; and
- Provide the flexibility to access the contractor’s full range of services as defined within the scope of the requirements.

Key issues

Bayside City Council’s contract for Microsoft licences with Data3 expires on April 30 2019. The purpose of the new contract is to provide Bayside City Council with Microsoft Software Licence entitlements for a further three years.

This will also assist Council’s Information Services Department provide support and services to Council. The Microsoft Software Assurance program offers benefits that include:

- Product Support;
- Automatic entitlements to staying current with new product versions;
- Support and maintenance of products;
- Training - Get help with 24x7 phone and web support;
- Credits for attending classroom training to help build technical skills;
- Deployment / Planning Assistance; and
- Support and with deployment planning services. For example Windows 10 upgrade.
Market Testing

Council sought a quotation for the supply of Microsoft Licences from each of the panel suppliers namely: Data3 and Winc.

The suppliers provided a schedule of rates with unit prices for each item of software required.

Selection Criteria

The following criteria (listed in order of importance) were used to evaluate the quotes:

1. Price; and

2. Contractor’s advice, support and performance: Points are allocated on the basis the contractor’s relevant expertise and advice.

Market test analysis

The evaluation was carried out by analysing the price and the quality of the advice provided by the panel suppliers during the quotation process.

During the quotation evaluation process, Data3 was assessed as providing a better level of advice and support. Data3 also demonstrated a better level of technical understanding of the licence terms and conditions and how they apply to Council.

Recommendation

That Council:

1. Accepts the quoted price for (contract number CON/19/51) supply of Microsoft Licences from Data3, for the total sum of $722,855.04 (Excl' GST).

2. Authorises the Chief Executive Officer to sign all necessary documentation related to contract number CON/19/51.

3. Advises the unsuccessful supplier accordingly.

Support Attachments

1. Confidential Attachment 1 : CON/19/51 Supply of Microsoft software licences (separately enclosed) (confidential)
Considerations and implications of recommendation

Liveable community

Social
There are no social implications associated with this report.

Natural Environment
There are no implications to the natural environment associated with this report.

Built Environment
There are no implications to the built environment associated with this report.

Customer Service and Community Engagement
Having up-to-date software and applications will allow Council staff to be more effective and efficient at work and providing information to its customers and the community.

Human Rights
The implications of this report have been assessed and are not considered likely to breach or infringe upon, the human rights contained in the Victorian Charter of Human Rights and Responsibilities Act 2006.

Legal
This contract requires Council’s approval to authorise the Chief Executive Officer to sign all necessary documentation related to contract number CON/19/51 as the contract value exceeds the Chief Executive’s financial delegation.

Awarding this contract via the MAV panel of suppliers allows Council to be compliant with section 186 of the Victorian Local Government Act (Restriction on power to enter into contracts).

Finance
Council has budget in the 2019/20 financial year for this requirement.

Links to Council policy and strategy
Maintaining the Microsoft Licences allows Council to be consistent with its strategic objective ‘Delivering Contemporary ICT Services’ as identified in Council’s ICT Strategic Plan 2018-2022.
11. Reports by Delegates

1. Association of Bayside Municipalities – Cr Laurence Evans
2. MAV Environment Committee – Director Environment, Recreation & Infrastructure
3. Metropolitan Transport Forum – Director Environment, Recreation & Infrastructure
4. Municipal Association of Victoria – Cr Alex del Porto
5. Inner South Metropolitan Mayors’ Forum – The Mayor Cr Michael Heffernan
6. Metropolitan Local Government Waste Forum – Cr Clarke Martin

12. Urgent Business

13. Notices of Motion

   Nil
14. Confidential Business

That pursuant to Section 89(2) of the Local Government Act 1989, the Council resolves that so much of this meeting be closed to members of the public, as it involves Council consideration of matters coming within some or all of the following categories listed in Section 89(2) of such Act.

(a) Personnel matters;
(b) The personal hardship of any resident or ratepayers;
(c) Industrial matters;
(d) Contractual matters;
(e) Proposed developments;
(f) Legal advice;
(g) Matters affecting the security of Council property;
(h) Any other matter which the Council or Special Committee considers would prejudice the Council or any person;
(i) A resolution to close the meeting to members of the public.

14.1 MINUTES OF THE CHIEF EXECUTIVE OFFICER’S EMPLOYMENT MATTERS COMMITTEE HELD ON 15 APRIL 2019
(LGA 1989 Section 89(2)(a) and (d) personnel matters and contractual matters.)

As Chief Executive Officer, I hereby declare that the contents of this agenda relating to the closed meeting of the ordinary meeting of Council are deemed confidential and accordingly members of Council are reminded that the contents of the agenda are not to be disclosed to any other party.

Mick Cummins
Chief Executive Officer