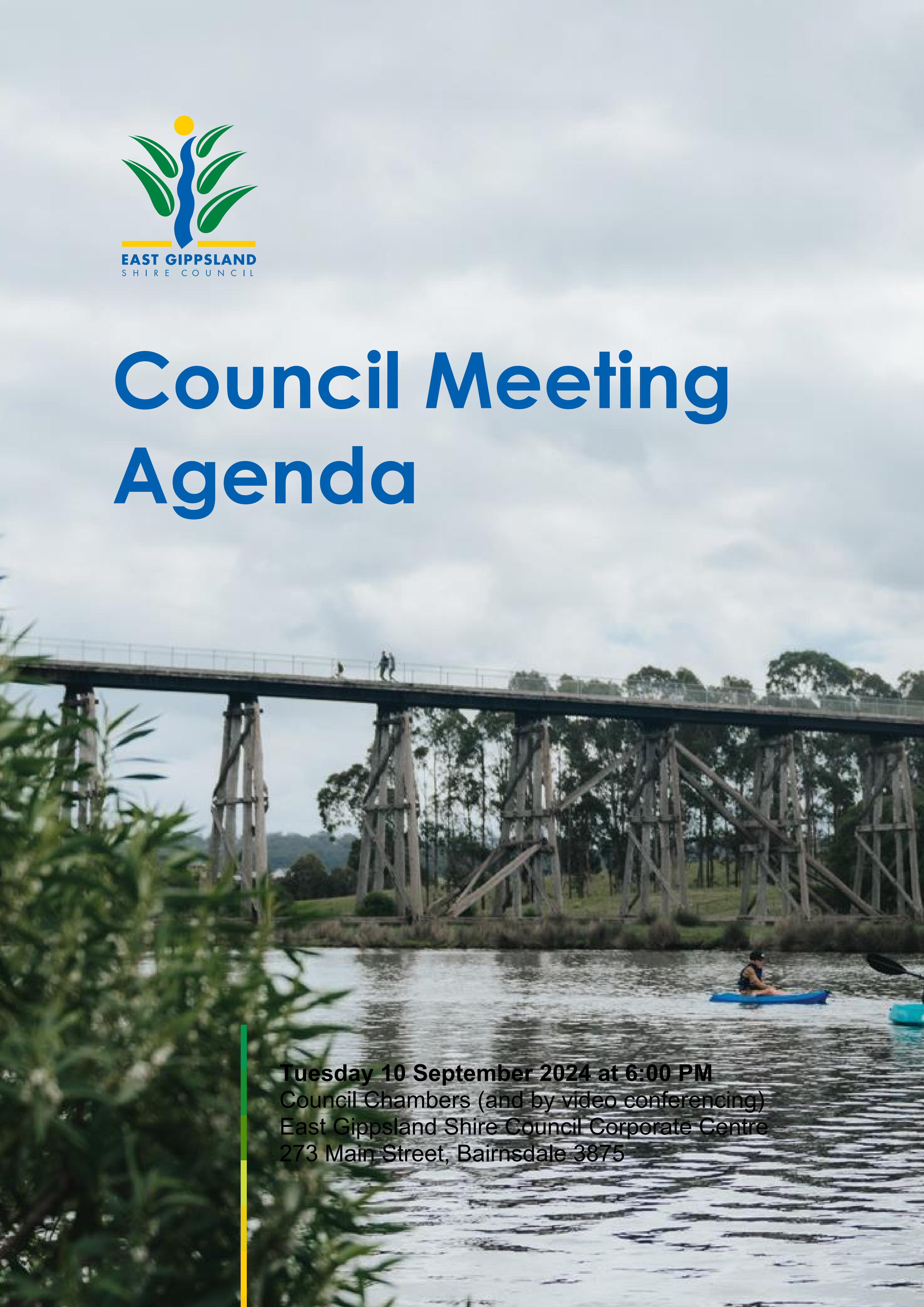

EAST GIPPSLAND
SHIRE COUNCIL

Council Meeting Agenda

Tuesday 10 September 2024 at 6:00 PM
Council Chambers (and by video conferencing)
East Gippsland Shire Council Corporate Centre
273 Main Street, Bairnsdale 3875

Acknowledgement of Country

East Gippsland Shire Council acknowledges the Gunaikurnai, Monero and the Bidawel people as the Traditional Custodians of this land that encompasses East Gippsland Shire, and their enduring relationship with country. The Traditional Custodians have cared and nurtured East Gippsland for tens of thousands of years.

Council value their living culture and practices and their right to self-determination. Council pays respect to all Aboriginal and Torres Strait Islander people living in East Gippsland, their Elders, past, present, and future.

Council information

East Gippsland Shire Council live streams, records and publishes its meetings via webcasting (youtube.com/c/EastGippyTV) to enhance the accessibility of its meetings to the broader East Gippsland community.

These recordings are also archived and available for viewing by the public or used for publicity or information purposes. At the appropriate times during the meeting, any members of the gallery who are addressing the council will have their image, comments or submissions recorded.

No other person has the right to record Council meetings unless approval has been granted by the Chair.

In line with the *Local Government Act* 2020, Councillors are able to attend Council meetings electronically or in person and the meetings will be open to the public via livestreaming.

Members of the public are invited to view the Council Meeting livestreamed by following the link on Council’s website or Facebook page.

Councillors

Cr Tom Crook (Mayor)
Cr Jane Greacen OAM (Deputy Mayor)
Cr Arthur Allen
Cr Sonia Buckley
Cr Mark Reeves
Cr Trevor Stow
Cr Mendy Urie
Cr Kirsten Van Diggele
Cr John White

Executive Leadership Team

Fiona Weigall Chief Executive Officer
Stuart McConnell General Manager Assets and Environment
Sarah Johnston General Manager Business Excellence
Chris Stephenson General Manager Place and Community

Purpose of Council meetings

(1) Council holds scheduled meetings and, when required, unscheduled meetings to conduct the business of Council.
(2) Council is committed to transparency in decision making and, in accordance with the *Local Government Act 2020*, Council and Delegated Committee meetings are open to the public and the community are able to attend.
(3) Meetings will only be closed to members of the public, in accordance with section 66 of the Act, if:
   (a) there are clear reasons for particular matters to remain confidential; or
   (b) a meeting is required to be closed for security reasons; or
   (c) it is necessary to enable the meeting to proceed in an ordinary manner.
(4) A meeting closed to the public for the reasons outlined in sub-rule 3(b) or 3(c) will continue to be livestreamed. In the event a livestream is not available:
   (a) the meeting may be adjourned; or
   (b) a recording of the proceedings may be available on the Council website.

Governance Rules

A copy of East Gippsland Shire Council's governance rules can be found at https://www.eastgippsland.vic.gov.au/council/council-policies

Councillors pledge

As Councillors of East Gippsland Shire Council, we solemnly and sincerely declare and affirm that we will consider each item on this agenda in the best interests of the whole municipal community.

Vision

East Gippsland is an inclusive and innovative community that values our natural environment, puts community at the centre of Council decision-making, and creates the conditions in which communities can thrive.

Our Strategic Objectives

1. An inclusive and caring community that respects and celebrates diversity.
2. Planning and infrastructure that enriches the environment, lifestyle, and character of our communities.
3. A natural environment that is managed and enhanced.
4. A thriving and diverse economy that attracts investment and generates inclusive local employment.
5. A transparent organisation that listens and delivers effective, engaging and responsive services.

Index

1 Procedural

1.1 Recognition of Traditional Custodians

East Gippsland Shire Council acknowledges the Gunaikurnai, Monero and the Bidawel people as the Traditional Custodians of this land that encompasses East Gippsland Shire, and their enduring relationship with country. The Traditional Custodians have cared and nurtured East Gippsland for tens of thousands of years.

Council value their living culture and practices and their right to self-determination. Council pays respect to all Aboriginal and Torres Strait Islander people living in East Gippsland, their Elders, past, present, and future.

1.2 Apologies

1.3 Declaration of Conflict of Interest

1.4 Confirmation of Minutes

That the minutes of the Council Meeting held Tuesday 27 August 2024 be confirmed.

1.5 Next Meeting

The next Council Meeting is scheduled to be held on Tuesday 15 October 2024 at the Corporate Centre, 273 Main Street Bairnsdale commencing at 6.00pm.

1.6 Requests for Leave of Absence

1.7 Open Forum

1.7.1 Petitions
1.7.2 Questions of Council
1.7.3 Public Submissions

1.8 Items for Noting

2 Notices of Motion

2.1 Diversity of Housing Options

Take notice that it is my intention to move at the Council meeting to be held on Tuesday 10 September 2024 at 6.00 pm or at any adjournment of that meeting:

That Council:

1. ***acknowledges the significant levels of housing stress being felt by our community, the homelessness crisis, and the need for a diversity of housing options to be available for residents to meet their individual housing needs;***

2. ***requests Officers to produce a report, for consideration at a future council meeting, on the benefits, impediments and any potential further considerations of a change to the East Gippsland Planning Scheme and General Local Law in relation to the regulation of 'Tiny Homes', with a view to better understanding how such measures have been approached and used by other councils in Australia to reduce the housing stress;***

3. ***requests for the report to include information so to inform future decisions of Council in relation to tiny homes with a view to:***

    a. ***removing regulatory impediments to their adoption and enable greater uptake of Tiny Home; and***
    b. ***as a mechanism to provide greater levels of housing diversity, a cheaper option for resident's experiencing housing stress and to provide greater housing security for the East Gippsland community.***

Signed: Cr Tom Crook
Date: Tuesday 27 August 2024

Rationale

It is acknowledged that there is significant housing stress and a homelessness crisis affecting the community. There is a need for diverse housing options. A report from Officers on the benefits and challenges of regulating tiny homes, drawing on examples from other councils from around Australia is required to inform council future actions to help address this problem.

This report will inform future decisions on removing regulatory barriers and promoting tiny homes as an affordable and diverse housing option to alleviate housing stress and enhance security for residents in East Gippsland.

3 Deferred Business

4 Councillor and Delegate Reports

5 Officer Reports

5.1 Assets and Environment

5.1.1 CON2025 1701R Swifts Creek Recreation Reserve Upgrade

Authorised by General Manager Assets and Environment

Confidentiality Notice

Under section 66(2) of the *Local Government Act* 2020 a meeting considering confidential information may be closed to the public. Pursuant to sections 3(1) and 66(5) of the *Local Government Act* 2020, the information contained in **Confidential Attachment 1** to this report is confidential because it contains private commercial information, which if released, would unreasonably expose the business, commercial or financial undertaking to disadvantage by disclosing financial information to competitors.

Conflict of Interest

Officers preparing this report have no conflict of interest to declare.

Executive Summary

Swifts Creek needs fit-for-purpose community facilities at a recreation reserve that is adaptable and can offer a wide range of positive social and recreational opportunities.

Current facilities are struggling to meet community requirements, visitor expectations and are not helping build on resilience and capacity into the future.

The Swifts Creek Recreation Reserve Upgrade project aims to provide fit-for-purpose sporting and recreation facilities. It will incorporate two key project stages:

1. The first component is the replacement of the existing netball and tennis court facility with a new competition compliant facility. This component is complete and was the subject of a previous contract.

2. The second component is the replacement of existing buildings (changerooms, umpire rooms, toilets, tennis clubroom) with one multipurpose, accessible, and fully compliant facility.

As a result of the invitation to tender and the subsequent tender evaluation provided as **Confidential Attachment 1**, Council is now able to consider the recommendation to award the second component - contract CON2025 1701R, Swifts Creek Recreation Reserve Upgrade.

A Probity Report is provided as **Attachment 2**

Plans for the new facility are included as **Attachment 3.**

Officer Recommendation

That Council:

1. ***receives and notes this report and all attachments pertaining to this report;***

2. ***accepts the tender submitted by ____________ for CON2025 1701R, Swifts Creek Recreation Reserve Upgrade for the contract amount of $________________ exclusive of GST;***

3. ***authorises the Chief Executive Officer or delegate to finalise the terms and to sign the contract in the form proposed; and***

4. ***resolves that Attachment 1 to this report and all discussions relating to that attachment remain confidential.***

Background

The Swifts Creek township is the service, commercial and social hub for residents living north of Ensay and south of Omeo. Swifts Creek is also the medical, education, shopping, and rural supply hub for many communities that surround the Swifts Creek area.

Like many rural communities, sport and recreation plays a critical role in bringing the community together and helps maintain their physical and mental health wellness.

The Swifts Creek Recreation Reserve is located on Crown land that is managed by a Crown appointed volunteer Committee of Management (CoM) and receives an annual allocation from Council. The CoM works closely with Council and the Department of Energy, Environment and Climate Action (DEECA) to ensure the reserve and associated facilities are appropriately maintained and capital replacement is considered.

Council provided annual financial allocation assistance with maintenance and operational costs. Not unlike many other community facilities, maintenance work is carried out by local community volunteers.

In 2019, the Swifts Creek Recreation Reserve CoM engaged Gippsland Regional Sports Assembly (GippSport) whose goal is to enhance the capacity and capabilities of grassroots sporting clubs while promoting healthy, inclusive, and connected communities, to assist them to develop a strategic plan for the recreation reserve. A review of capital replacement options and recommendations was included in the scope of the 2019 strategic plan.

The finding was to prioritise a complete redevelopment of the netball courts, and development of a new multi-purpose, compliant and accessible pavilion to accommodate changerooms, umpire facilities and social facilities.

These new facilities have been designed and constructed based on lasting a minimum of 30 years before capital replacement will be required.

The Swifts Creek Recreation Reserve CoM recognises that the recreation reserve is a critical asset for Swifts Creek and surrounding communities in keeping people of all ages and abilities socially and physically connected. It is also recognised that an active and well-connected community is more able to work together particularly during times of natural disasters such as bushfire events. The recreation reserve is a critical staging space and facility in times of such events.

Scope of Works – the community pavilion works include the following:

- first aid room;
- storage;
- Disability Discrimination Act (DDA) compliance;
- amenities to cater for large gatherings;
- change rooms with sanitary facilities;
- associated civil works to support carparking; and
- new septic evapotranspiration absorption beds to support pavilion use.

The facility has been designed to meet AFL and netball sporting body guidelines. Note that the initial designs for the pavilion included social rooms and facilities. However, due to budget constraints the scope has been adjusted. As a result, the change rooms, and related facilities have been priorities, and the existing social rooms will be retained.

Legislation

As of 1 July 2021, all provisions of the *Local Government Act* 2020 commenced. Some provisions of the *Local Government Act* 1989, that have not been repealed, will remain applicable until such time as they are revoked.

This report has been prepared in accordance with *Local Government Act* 2020.

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

The implications of the report have been assessed and are compliant with the obligations and principles of the *Gender Equality Act* 2020. The need for a Gender Impact Assessment has also been assessed.

Collaborative procurement

Pursuant of section 109(2) of the *Local Government Act* 2020 this report has not been prepared in collaboration with another local government or agency.

Council Plan

This report has been prepared and aligned with the following strategic objectives set out in the Council Plan 2021-2025:

Strategic Objective 2: 2.2 Infrastructure provision and maintenance supports a diverse range of current and future user needs and activities and is both environmentally and financially sustainable.

Council Policy

Procurement has been undertaken in accordance with Council's Procurement Policy.

Community engagement has been undertaken in accordance with Council's Community Engagement Policy.

Options

This report considers the awarding of the Swifts Creek Recreation Reserve Upgrade Pavilion construct package. The tender process used for this project has seen multiple contractors bid for the works. The Tender Evaluation Panel evaluated these options to arrive at a preferred tenderer recommendation as outlined in **Confidential Attachment 1**.

Council has the option to award a contract in accordance with the Tender Evaluation Panel's recommendation, or to not proceed with the procurement.

Resourcing

Financial

The funding available for redevelopment of the Swift Creek Recreation Reserve (including the netball courts already completed) is outlined as follows:

Funding from ERV Local Community Grants Program	**$1,972,196**
*Funding from Emergency Recovery Victorian Council Support Fund**	**$292,000**
Contribution from Committee of Management	**$60,000**
Funding held by CoM - to be utilised by invoicing them incl. GST	**$177,248**
Council Cash	**$420,000**
	$2,921,444

The Council Cash component of this project was not budgeted as part of the 2024/25 budget. The funds will be drawn from the Holding Account. The Holding Account receives savings and funds from cancelled and deferred projects.

A recent detailed condition report in relation to the Hinnomunjie Bridge has indicated that due to the condition the bridge the proposed restoration works are not able to be delivered due to the risks involved and the likely need to replace large parts of the bridge. Officers propose to cancel the current $500,000 budget allocation in relation to the Hinnomunjie Bridge pending resolution of the future requirements for management of the bridge including its heritage values. Any required future works will be budgeted at that time.

Plant and Equipment

Plant and equipment are to be supplied as a condition in the contract by the successful contract in the entirety.

Human Resources

This project will be supervised by a Project Supervisor from Council's Infrastructure Projects Unit. No additional human resources are required to manage this project.

Risk

The risks of this proposal have been considered and as per the Procurement Policy, tenderers were requested to develop a method that minimises risks identified in relation to property access, traffic management, vibration, dust, and other key issues associated with the works.

The project supervisor from the Council's Infrastructure Projects Unit will attend the site to ensure so far as is reasonably practicable that the health and safety of others is not put at risk from work carried out as part of the undertaking.

Economic

The Swifts Creek township is the service, commercial and social hub for residents living north of Tambo Crossing and south of Omeo.

Swifts Creek is also the medical, education, shopping, and rural supply hub for many communities that surround the Swifts Creek area.

The catchment of people who use the facilities is extensive as they are accessible to the Swifts Creek and surrounding communities, as well as sporting competitors and supporters who visit as part of the Omeo and District Football/Netball League competition.

Visitation to the recreation reserve for sporting and other events contributes to the economic activity of the Swifts creek community.

All these fire affected communities will directly benefit from this project including Swifts Creek, Ensay, Ensay North, Brookville, Bindi, Cassilis, Doctors Flat, Reedy Flat, Tambo Crossing, and Tongio.

In accordance with the Procurement Policy, the tender evaluation process used for this tender included a 5% weighting for local content, with preference given to contractors who employ locally and purchase goods and any subcontracted services locally.

Social

Like many rural communities, sport and recreation plays a critical role in bringing community together and helps maintain their physical and mental health wellness. Swifts Creek needs fit-for-purpose community facilities at a recreation reserve that is adaptable and can offer a wide range of positive social and recreational opportunities. The new facilities will meet community requirements, visitor expectations and assist community to build resilience and capacity into the future.

While this is an investment in physical infrastructure the Project is all about stimulating and sustaining inclusive community sporting and social activities for the vital role they will play in building community connections, social ties, community identity and sense of place.

The type of benefits this facility provides is very much around combating social isolation, building community resilience and community social cohesion, and providing opportunities to improve mental and physical wellbeing.

Most of the current facilities (buildings and netball courts) were not designed or constructed with accessibility or universal design principles in mind. Some work has been undertaken over the years to retrofit where possible but none of the current facilities are accessible for all.

The Swifts Creek CoM design sub-committee has worked closely with a local designer to ensure that the overall project is planned and designed using accessibility standards and universal design principles.

One of the outcomes is that the new facilities are inviting and encouraging of the entire community including new users, vulnerable and diverse groups, and volunteers to take advantage of all the opportunities that the recreation reserve and the existing clubs have to offer.

In making the new facilities more accessible to a wider and more diverse range of people the CoM aims to increase the number and diversity of activities offered at the reserve and offer a more encouraging environment for volunteers such as umpires and game officials to become more actively involved.

Gender Impact Statement

The Swifts Creek Recreation Reserve Upgrade has had a Gender Impact Assessment (GIA) completed and is compliant with the obligations and objectives of the Victorian *Gender Equality Act* 2020.

Environmental

In accordance with the Procurement Policy, a 5% weighting has been used in the evaluation of the tenders regarding environmental sustainability, with preference given to contractors who can demonstrate environmentally sustainable and environmentally sensitive practices.

Climate change

This report has been prepared and aligned with the following Climate Change function/category:

Asset Management: Climate change is considered in the design and maintenance of assets and includes responses to direct and indirect impacts.

Engagement

This project was initiated and planned by community members with a strategic plan for the Recreation Reserve being finalised in 2019.

In developing the strategic plan, the CoM asked the community what they value about the recreation reserve and what the community identifies as the vision for the future. The review of this engagement identified:

- That they need ongoing opportunities for physical activity.
- The benefits of playing community sport and maintaining strong local competitions are essential.
- Local youth engagement and activities are needed.
- Livability and community strength are linked to recreation in Swifts Creek.
- Mental health – sport is an important outlet to help reduce isolation in rural communities.

Having engaged with the community and completed the strategic plan in June 2019, the CoM and Council are well informed to deliver these community priorities for the Recreation Reserve.

Furthermore, there has been significant engagement with the Swifts Creek community during the development of the Swifts Creek Reserve Pavilion project design.

This has included:

- A Project Reference Group, with strong community and stakeholder representation.
- Online engagements.
- Mail-outs.
- Regular updates to the community via Your Say, supported by communications through Council's existing communications channels.

The construction stage will have some impact on use of the clubrooms for events and meetings, football and netball training and games during the 2025 season. The Swifts Creek Football Netball Club and the Omeo District Football and Netball League are represented on the Recreation Reserve's CoM and arrangements have been made in conjunction with them and other affected clubs and groups to minimise those impacts.

Council's Project Supervisor will ensure that the community remains informed throughout the project delivery phase and that construction is undertaken in a manner that avoids disruption to the sporting community as much as possible.

Attachments

1. CONFIDENTIAL - CON2025 1701R Tender Evaluation Report [**5.1.1.1** - 15 pages]
2. Probity Review Report [**5.1.1.2** - 2 pages]
3. Plan - Swifts Creek Recreation Reserve [**5.1.1.3** - 4 pages]

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4 September 2024

Ms Cheryl Nicholson
Procurement Co-Ordinator
East Gippsland Shire Council
PO Box 1618
BAIRNSDALE VIC 3875

Dear Cheryl,

Probity Review – CON2025 1701R – Swifts Creek Recreation Reserve Pavilion Construction Works

You have sought probity services in relation to the CON2025 1701R – Swifts Creek Recreation Reserve Pavilion Construction Works. These services have now been completed in accordance with our letter of engagement dated 3 September 2024.

Scope of Services

We have now completed our review and assessment of the governance, probity and compliance aspects of the:

- Tender advertising process,
- Tender documentation,
- Tender evaluation criteria,
- Tender receipt and recording process, and;
- Tender evaluation process and development of Officer's Recommendation.

Purpose

The purpose of this review was to assess the probity of the processes undertaken from the commencement of the procurement process through to the development of a report to Council recommending a tender be accepted.

Key Observations

From a review of Council documentation it was possible to conclude:

- The tender documentation was clear, with evaluation criteria and weightings identified in advance;
- The tender was advertised appropriately;
- Applicants were evaluated in accordance with the documented evaluation criteria and weightings; and

- The report to Council reflects the outcome of the evaluation process.

As we did not attend the tender opening on 9 August 2024, we were unable to confirm that it was undertaken in accordance with the procurement requirements,

Review Conclusion

From the procedures we have undertaken no matter was noted that would indicate that the procurement process, to date, has not been conducted with an appropriate level of probity.

Please do not hesitate to contact me on (03) 5940 2033 or via email gordon.robertson@crowe.com.au should you have any queries.

Yours Sincerely,

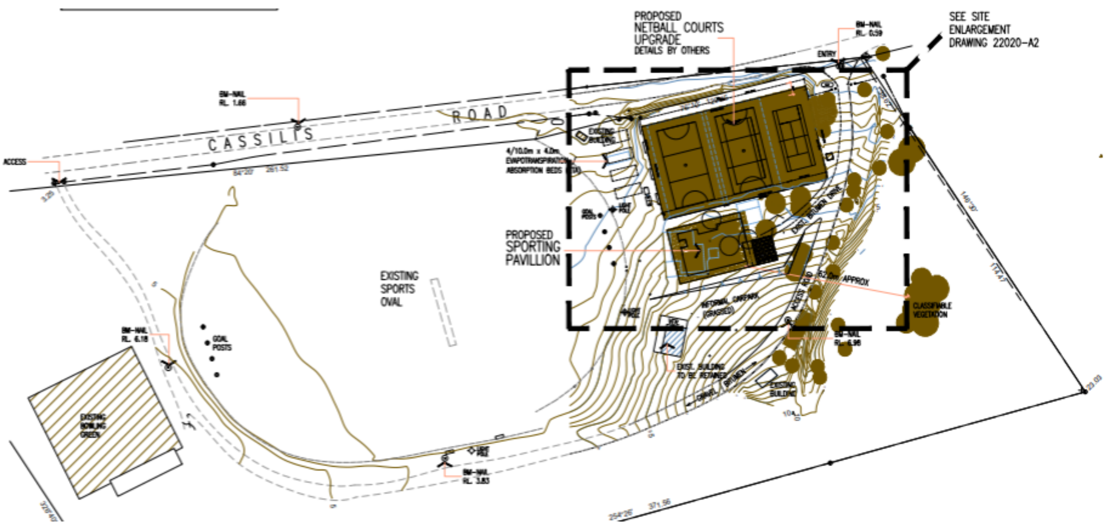
Crowe Audit Australia

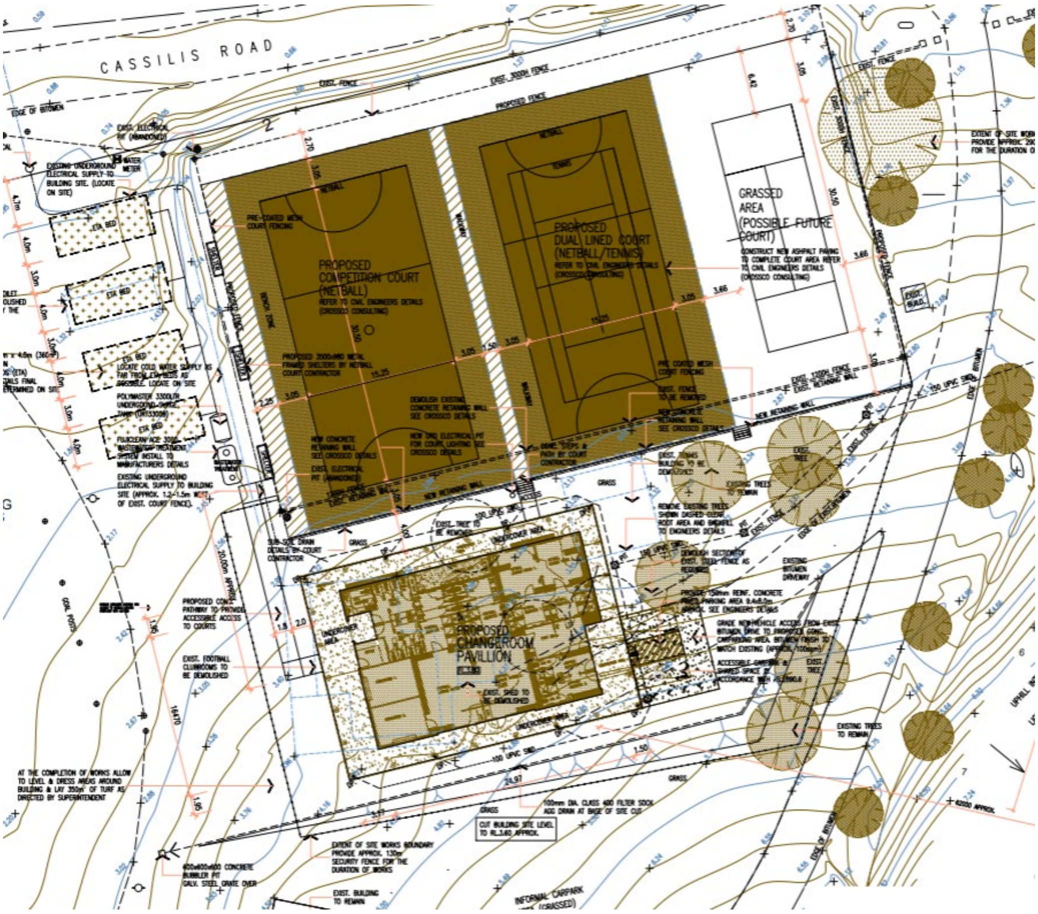
CROWE AUDIT AUSTRALIA

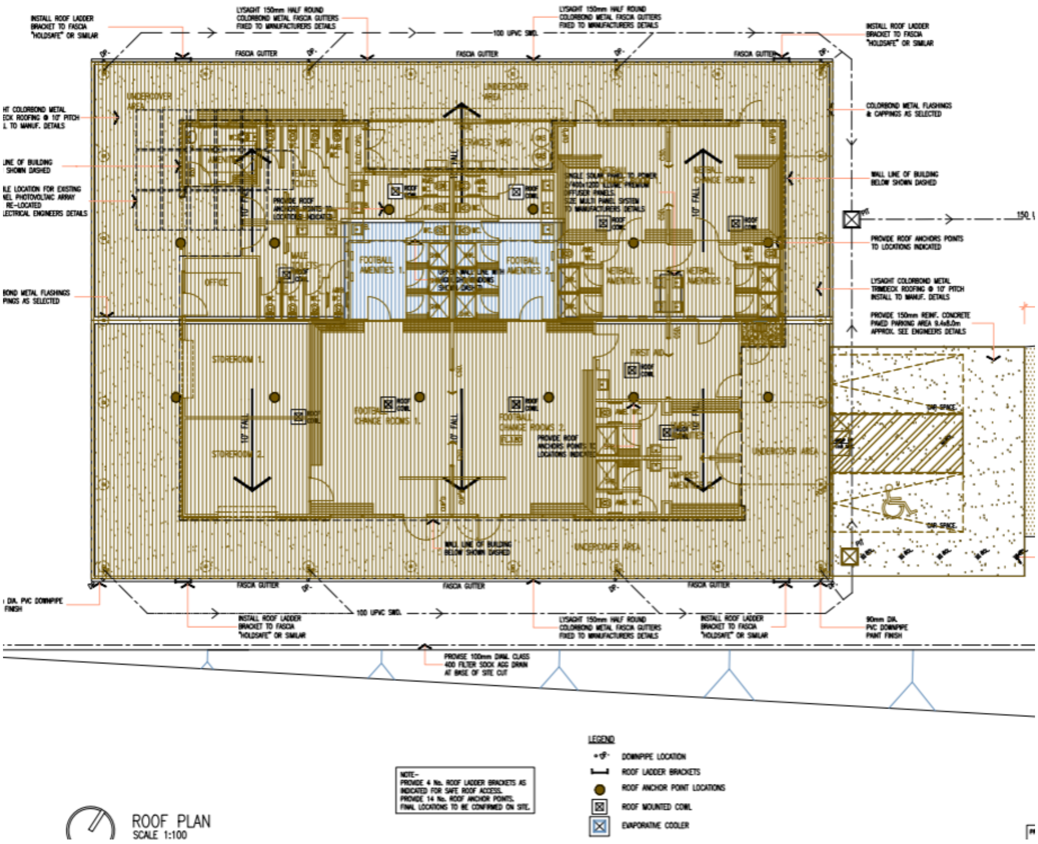
GORDON ROBERTSON
Partner

Swifts Creek Recreation Reserve

Pavilion Plans




CASSILIS ROAD
PROPOSED COMPETITION COURT (NETBALL)
PROPOSED DUAL LINED COURT (NETBALL/TENNIS)
GRASSED AREA (POSSIBLE FUTURE COURT)
PROPOSED CHANGEROOM PAVILLION


ROOF PLAN
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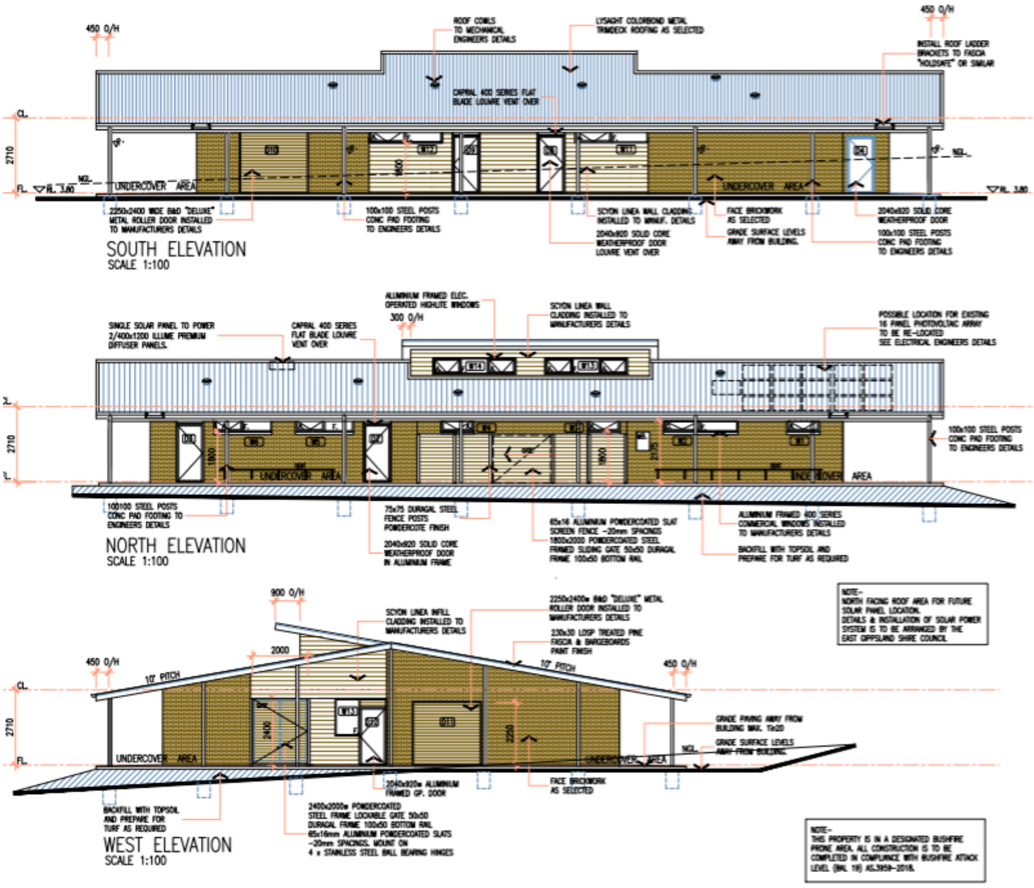
NOTE–
PROVIDE 4 No. ROOF LADDER BRACKETS AS INDICATED FOR SAFE ROOF ACCESS.
PROVIDE 14 No. ROOF ANCHOR POINTS.
FINAL LOCATIONS TO BE CONFIRMED ON SITE.
LEGEND
DOWNPIPE LOCATION
ROOF LADDER BRACKETS
ROOF ANCHOR POINT LOCATIONS
ROOF MOUNTED COWL
EVAPORATIVE COOLER
PROVISE 100mm DIAM. CLASS 400 FILTER SOCK AGG DRAIN AT BASE OF SITE CUT
LYSAGHT 150mm HALF ROUND COLORBOND METAL FASCIA GUTTERS FIXED TO MANUFACTURERS DETAILS
INSTALL ROOF LADDER BRACKET TO FASCIA "HOLDSAFE" OR SIMILAR
100 UPVC SWD.
FASCIA GUTTER
UNDERCOVER AREA


SOUTH ELEVATION
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NORTH ELEVATION
SCALE 1:100
WEST ELEVATION
SCALE 1:100
NOTE- NORTH FACING ROOF AREA FOR FUTURE SOLAR PANEL LOCATION. DETAILS & INSTALLATION OF SOLAR POWER SYSTEM IS TO BE ARRANGED BY THE EAST GIPPSLAND SHIRE COUNCIL.
NOTE- THIS PROPERTY IS IN A DESIGNATED BUSHFIRE PRONE AREA. ALL CONSTRUCTION IS TO BE COMPLETED IN COMPLIANCE WITH BUSHFIRE ATTACK LEVEL (BAL 19) AS.3959-2018.

5.1.2 CON2025 1678 Fire Slashing Services

Authorised by General Manager Assets and Environment

Confidentiality Notice

Under section 66(2) of the *Local Government Act* 2020 a meeting considering confidential information may be closed to the public. Pursuant to sections 3(1) and 66(5) of the *Local Government Act* 2020, the information contained in **Confidential Attachment 1** to this report is confidential because it contains private commercial information, which if released, would unreasonably expose the business, commercial or financial undertaking to disadvantage by disclosing financial information to competitors.

Conflict of Interest

Officers preparing this report have no conflict of interest to declare.

Executive Summary

The purpose of this report is to seek Council to award Tender CON2025 1678 Fire Slashing Services, to provide fire slashing services for six contract service areas throughout the East Gippsland Shire.

This contract replaces CON2020 1385 Fire slashing and Pest Weed Management Services, which expired 30 June 2024, with officers electing not to take up the last remaining option of a further 12-month extension.

A request for tender (RFT) was advertised seeking responses from suitably qualified contractors to undertake this contract. Ten conforming submissions were received before the closing date 7 August 2024 with not all tenderers pricing for all six available areas. The Tender Evaluation report (TEP) is provided at **Confidential Attachment 1.**

This new contract allows for an initial term of 2.5 years with two additional 12-month extension options on a fixed lump sum term. The contract provides for one fire slashing cut in defined areas and a schedule of rates for additional slashing whether that be additional areas or second and subsequent cuts. Council may access the schedule of rates for this purpose and may also access other contractors through other procurement processes (i.e. Council is not obliged to use this contract for any additional works on a rates basis).

The contract also comprises a schedule of rates provision where additional services may be requested outside of the standard services schedule, such as removal of fire hazard debris on Council managed land; and weed treatment on Council managed roadsides and reserves.

For ease of management and to assist tenderers with their submissions, the Contract was divided into six discrete areas, with tenderers able to submit pricing for one or more of these areas. Each area will require that its fire slashing obligations are completed within a 60 working day time frame (3 months) with reporting required on a fortnightly basis. If these obligations are not met, Council has the option to reassign the work to other contractors if deemed necessary.

A Probity Report is provided as **Attachment 2**.

Officer Recommendation

That Council:

1. ***receives and notes this report and all attachments pertaining to this report;***

2. ***accepts the tender submitted by ____________ for CON2025 1678 Fire Slashing Services for the contract amount $________________ exclusive of GST;***

   Area 1 – lump sum price of $_________ (ex GST) and schedule of rates (ex GST);
   Area 2 – lump sum price of $_________ (ex GST) and schedule of rates (ex GST);
   Area 3 – lump sum price of $_________ (ex GST) and schedule of rates (ex GST);
   Area 4 – lump sum price of $_________ (ex GST) and schedule of rates (ex GST);
   Area 5 – lump sum price of $_________ (ex GST) and schedule of rates (ex GST);
   Area 6 – lump sum price of $_________ (ex GST) and schedule of rates (ex GST);

3. ***delegates to the Chief Executive Officer or delegate to finalise the terms and to sign the contract in the form proposed;***

4. ***delegates the power to the Chief Executive Officer or delegate to exercise the two 12 Month extension options in contract CON2025 1678 Fire Slashing Services in accordance with, and on the terms of CON2025 1678 Fire Slashing Services; and***

5. ***resolves that Confidential Attachment 1 to this report and all discussions relating to that attachment remain confidential.***

Background

The management of Council controlled land to prevent fire risk and weed growth is an important component of Council's land manager responsibilities. Given the expanse of Council's local road network and public reserves, it is not possible to undertake this work inhouse whilst also ensuring the continuation of normal parks and gardens management duties. Therefore, this service has previously been delivered by a panel of contractors appointed for multiple years on a schedule of rates basis.

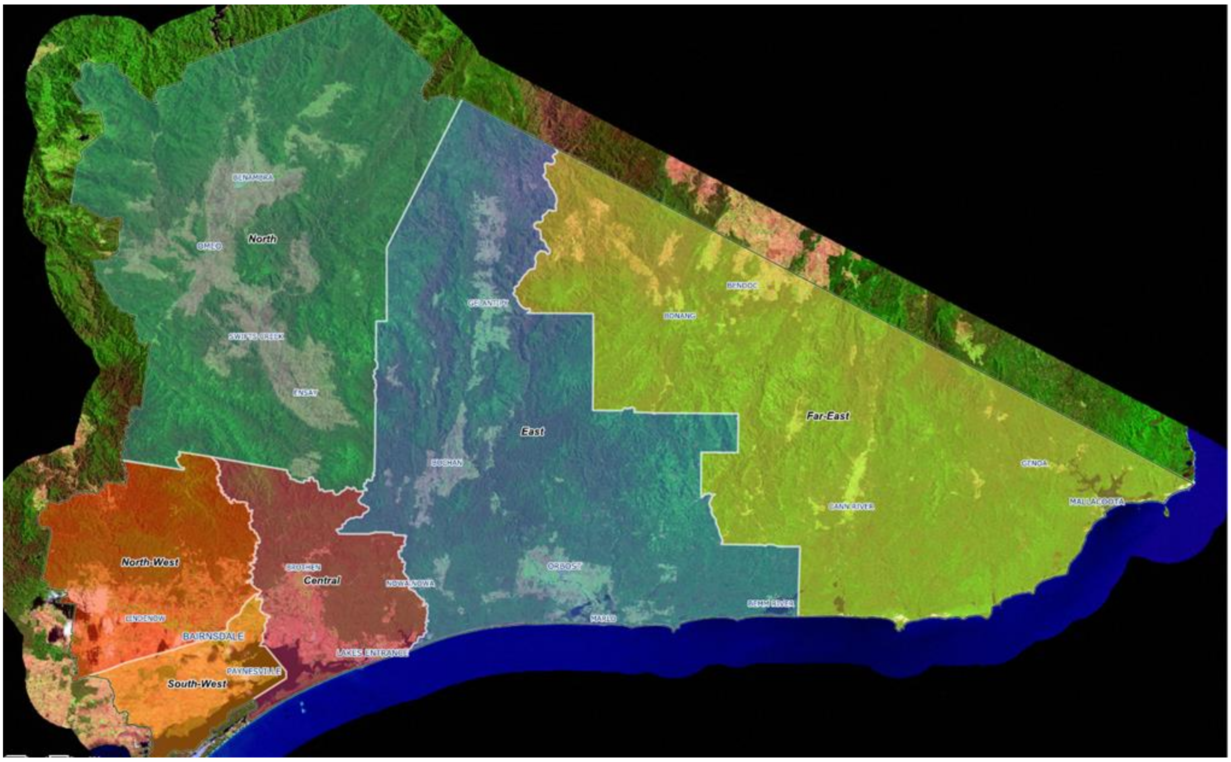
Prior to seeking new tenderers, the contractual instrument was reviewed and redrafted to provide additional clarity and to improve the management of the contract and contractors. The tender was then widely advertised, and all former panel contractors advised that the tender was going back out to market.

Performance of the contractor and quality of work will be monitored throughout the contract period by Council's Road Supervisors and Civil Infrastructure team, in a similar manner to the management of the road management contractors. Each contract area has been geographically portioned to align with Road Supervisor areas of responsibility. This will allow them to work, plan and monitor a solitary contractor for each of their respective areas, predominantly through fortnightly meetings as per contract requirements.

There are options in this Contract to request a second or subsequent fire slashing cut or provide additional services if Council deems necessary using the schedule of rates provided. This work can also be sourced from other contractors if Council determines this will result in the best overall outcome.

The contract has been divided onto six discrete geographic areas, allowing tendering contractors the choice to submit prices for either one or more areas. The areas are defined as:

(1) Service Area 1 – Northwest;
(2) Service Area 2 – Southwest;
(3) Service Area 3 – Central;
(4) Service Area 4 – North;
(5) Service Area 5 – East; and
(6) Service Area 6 – Far-East.



Legislation

As of 1 July 2021, all provisions of the *Local Government Act* 2020 commenced. Some provisions of the *Local Government Act* 1989, that have not been repealed, will remain applicable until such time as they are revoked.

This report has been prepared in accordance with *Local Government Act* 2020.

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

The implications of the report have been assessed and are compliant with the obligations and principles of the *Gender Equality Act* 2020. The need for a Gender Impact Assessment has also been assessed.

Collaborative procurement

Pursuant of section 109(2) of the *Local Government Act* 2020 this report has not been prepared in collaboration with any other agency.

Council Plan

This report has been prepared and aligned with the following strategic objectives set out in the Council Plan 2021-2025:

Strategic Objective 2: 2.2 Infrastructure provision and maintenance supports a diverse range of current and future user needs and activities and is both environmentally and financially sustainable.

Council Policy

This tender process has been managed in accordance with Council's Procurement Policy.

Resourcing

Financial

This service will be funded from Infrastructure operational budget. The estimated operational budget for the service is $1,200,000 for the 2024/25 financial year.

Plant and equipment

Council will be outsourcing all plant and equipment required for the work. There are no plant and equipment implications for Council.

Human Resources

Council's Civil Infrastructure Coordinator will be the Project Supervisor for awarding of works from the panel of providers.

Risk

The risks of this proposal have been considered and Council will not be able to meet its fire prevention requirements nominated in the Municipal Fire Prevention Plan if this contract is not awarded.

Economic

The risk of fire on the local economy is well documented and was experienced very recently. Fire slashing is an important part of mitigating this risk. Similarly, roadside weeds present a risk to our agricultural sector, therefore roadside and reserve weed management is an important component of mitigating the risk of spread into private property and pastures. Tenders were also formally evaluated against a range of local content criteria, which favours contractors positively benefiting the local economy.

Social

As detailed above fire has a serious and devastating effect on communities and individuals. Fire prevention such as roadside slashing is an important part of mitigating this risk.

Environmental

Tenders were evaluated on the potential environmental impact of the plant and equipment. Tenders specified the equipment they would be utilising to provide this service to Council and the TEP reflected on direct damage to vegetation and emissions. This included the age, proposed slashing attachment mechanism and specifications for each piece of plant and equipment.

More broadly fire and weed slashing assists to prevent fire and the spread of weeds, both of which have significant environmental benefit. The contract terms detail specific requirements of Contractors in relation to weed management and the need to ensure machines are washed down to prevent spread.

Climate change

This report has been prepared and aligned with the following Climate Change function/category:

Asset Management: Climate change is considered in the design and maintenance of assets and includes responses to direct and indirect impacts.

Engagement

Council Officers engaged with our internal Emergency Management Unit and local authorities to ensure the most at-risk fire areas were considered when developing this program.

Attachments

1. CONFIDENTIAL - CON2025 1678 Tender Evaluation Report [**5.1.2.1** - 64 pages]
2. CON2025 1678 Probity Review Report [**5.1.2.2** - 2 pages]

Crowe Audit Australia
ABN 13 969 921 386
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Bairnsdale VIC 3875
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www.crowe.com.au

21 August 2024

Ms Cheryl Nicholson
Procurement Co-Ordinator
East Gippsland Shire Council
PO Box 1618
BAIRNSDALE VIC 3875

Dear Cheryl,

Probity Review – CON2025 1678 – Fire Slashing Services

You have sought probity services in relation to the CON2025 1678 – Fire Slashing Services. These services have now been completed in accordance with our letter of engagement dated 21 August 2024.

Scope of Services

We have now completed our review and assessment of the governance, probity and compliance aspects of the:

- Tender advertising process,
- Tender documentation,
- Tender evaluation criteria,
- Tender receipt and recording process, and;
- Tender evaluation process and development of Officer's Recommendation.

Purpose

The purpose of this review was to assess the probity of the processes undertaken from the commencement of the procurement process through to the development of a report to Council recommending a tender be accepted.

Key Observations

From a review of Council documentation it was possible to conclude:

- The tender documentation was clear, with evaluation criteria and weightings identified in advance;
- The tender was advertised appropriately;
- The tender opening was undertaken in accordance with the procurement requirements, and
- Applicants were evaluated in accordance with the documented evaluation criteria and weightings; and
- The report to Council reflects the outcome of the evaluation process.

Review Conclusion

From the procedures we have undertaken no matter was noted that would indicate that the procurement process, to date, has not been conducted with an appropriate level of probity.

Please do not hesitate to contact me on (03) 5940 2033 or via email gordon.robertson@crowe.com.au should you have any queries.

Yours Sincerely,

Crowe Audit Australia

CROWE AUDIT AUSTRALIA

GORDON ROBERTSON
Partner

5.2 Business Excellence

5.2.1 Investment Policy

Authorised by General Manager Business Excellence

Conflict of Interest

Officers preparing this report have no conflict of interest to declare.

Executive Summary

Council's Investment Policy (Policy) is a key financial management document that provides clear directives for the investment of surplus cash while minimising the risk to Council of any investment decisions made.

The Policy (see **Attachment 1**) is reviewed bi-annually, to ensure it continues to reflect industry best practice and Council's approach to risk.

The Policy was last reviewed in November 2022 and was last updated on advice from the Audit and Risk Committee (ARC) to include a statement about how Council could invest surplus funds ethically and with regard to risk.

Ethical investment is defined as a broad-based approach to investing that considers society, the environment and governance, along with financial performance.

In May 2023, there was a further request for Officers to examine what other Councils do to support ethical investment considerations when they are making investment decisions.

Options for ethical investment strategies were presented to the ARC in February 2024 meeting and the internal auditors report at the same meeting sighted the need to consider that environmental, ethical, and social considerations are not just 'going green' - they are *vital to business strategy*.

Officers have undertaken a review of the current Policy and following discussion with Council's ARC and to further support Council's approach to ethical investments, the following has been added into the Policy:

> *"Council will invest funds in green, social or sustainability funds within the Financial Institution Framework, Terms to Maturity Framework and Authorised Investments set out in this policy."*

The update also brings together our investments with local community banks based on the social contribution they make across our region.

Lastly, the update adds Treasury Corporation of Victoria (TCV) as an authorised investment holder of interest-bearing deposits.

Whilst Council already holds loans with TCV, there is no ability under Council's current Policy to have an investment portfolio with them. Based on their Standard and Poor AA rating, their participation in the United Nations Paris-alignment Net Zero Banking Alliance (NZBA) and commitment to having 97% of cash and investments by the end of the 2022/23 held with signatories of NZBA, this gives Council a further investment option that meets best practice investment guidelines and contributes to the broader ethical investment strategy.

The only other changes to the Policy are minor administrative amendments.

Council's ARC reviewed the revised Policy at its meeting held on 19 August 2024.

The revised Policy is provided at **Attachment 1**, along with a tracked-change copy at **Attachment 2**.

Officer Recommendation

That Council:

1. ***receives and notes this report and all attachments pertaining to this report;***
2. ***adopts the revised Investment Policy, as provided at Attachment 1; and***
3. ***authorises the Chief Executive Officer or delegate to amend the adopted Investment Policy without formal Council consideration if the amendments required are of a minor administrative nature.***

Legislation

As of 1 July 2021, all provisions of the *Local Government Act* 2020 commenced. Some provisions of the *Local Government Act* 1989, that have not been repealed, will remain applicable until such time as they are revoked.

This report has been prepared in accordance with Section 103 of the Act which sets out the requirements in relation to the financial institutions in which a Local Government Council may invest.

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

In preparing this report the Victorian *Gender Equality Act* 2020 has been considered. The implications of the report have been assessed and are compliant with the obligations and principles of the *Gender Equality Act* 2020.

Council Plan

This report has been prepared and aligned with the following strategic objectives set out in the Council Plan 2021-2025:

Strategic Objective 5: 5.5 Resources are managed to meet current and future needs and priorities.

Resourcing

Financial

The basis of the Policy is to ensure Council maximises its return on the investment of surplus funds whilst considering ethical and social responsibility when investing.

Human Resources

There are no human resources implications with this report.

Risk

The risks of this proposal have been considered and assessed as being low. Whilst it is noted that when individuals or corporations undertake investment it is prudent to use the services of an Australian Financial Services Licence (AFSL). Investment within the public sector is more highly regulated and use of an independent AFSL is not usual.

Social

The amended Policy supports Council's social responsibility through inclusion of a commitment to ethical investment.

Gender Impact Statement

The Investment Policy has been assessed as not requiring a Gender Impact Assessment (GIA).

Environmental

The amended Policy supports Council's environmental responsibility through inclusion of a commitment to ethical investment.

Climate change

This report is assessed as having no direct impact on climate change.

Engagement

Council's ARC reviewed the revised Policy at its meeting held on 19 August 2024.

Attachments

1. Investment Policy [**5.2.1.1** - 9 pages]
2. Investment Policy tracked changes version [**5.2.1.2** - 8 pages]

Investment Policy

Table of Contents

1. Purpose

To provide a framework to ensure Council optimises its return on investment of funds (funds) which are surplus to immediate cashflow requirements of the day-to-day operation of Council, while mitigating its exposure to risk.

The policy objectives are to ensure that:

- Investment decisions are based on the security of funds by limiting unnecessary exposure to risk.
- Return on surplus funds is maximised through prudent investment while limiting unnecessary exposure to risk.
- Sufficient funds are available to meet daily operational cash requirements.
- All Council investments comply with section 143 of the *Local Government Act 1989* and relevant regulations and Ministerial Guidelines.
- Effective internal controls exist to minimise the risk of misappropriation of Council funds.
- All investment transactions are appropriately authorised and documented

2. Scope

This policy applies to the investment of all funds held by East Gippsland Shire Council, including Bonds, Retentions, Specific Reserves and funds held in trust.

3. Context

As a result of feedback from the Audit and Risk Committee and Councillors at briefings, the policy has been amended to further articulate Council's commitment to ethical investments.

4. Statement

The investment of Council's funds and cash management will comply with the following conditions and Investment Framework.

Council's cash management and investments must also comply with:

- Section 103 of the *Local Government Act 2020*
- Australian Accounting Standards
- Ministerial Guidelines.

4.1 Investment Framework

All investments must comply with the following framework. Percentage limits adopted within each of these frameworks are based on Council's total investment portfolio balance.

Portfolio Credit Framework

The maximum percentage of total funds that can be invested in each Standard and Poor's (SP) rating category at any one time is as follows:

Portfolio Credit Framework		
Long Term Rating	**Short Term Ratings**	**Maximum Percentage of Portfolio**
AAA to AA-	A1+	100%
A+ to A-	A1	80%
BBB+ to BBB-	A2	50%

(e.g. A maximum of 80% of total investments can be in A1 rated institutions.)

Financial Institution Framework

Financial Institutions will be restricted by their SP credit rating so that single entity exposure is limited to a maximum percentage of the total funds as detailed below:

Long Term Rating	Short Term Ratings	Maximum Percentage of Portfolio
AAA to AA-	A1+	50%
A+ to A-	A1	30%
BBB+ to BBB-	A2	20%

(e.g. A maximum of 50% of total investments can be held by an institution with an A1+ rating)

Term to Maturity Framework

The investment portfolio is to be invested within the following terms to maturity constraints. The percentages represent the maximum percentage of total funds invested for each maturity term by each SP rating classification.

Long Term Rating	Short Term Ratings	Short Term (0-6 months)	Medium Term (6-12 months)	Long Term (1-5 years)
AAA to AA-	A1+	100%	70%	20%
A+ to A-	A1	80%	50%	15%
BBB+ to BBB-	A2	60%	30%	10%

(e.g. If 100% of total investments of $10 million was with A1+ rated institutions then a maximum of $2 million could be invested for a period greater than 1 year, a maximum of $7 million for 6-12 months and the balance of $1 million would be invested for 0-6 months).

When assessing the term of investments, especially with regard to long term investments, Council's short and medium-term forecast cash requirements should also be considered to ensure that Council has sufficient funds to meet day to day cash requirements and cash reserves are available to help cover unforeseen events.

Currency

Investments to be denominated in Australian dollars.

Authorised Investments

All funds must be invested with an Australian Prudential Regulatory Authority (APRA) Authorised Deposit Taking Institution (ADI) and comply with section 103 of the *Local Government Act 2020*.

Council endorses the following investment types:

- Bank accepted / endorsed bank bills
- Bank negotiable certificates of deposit
- Bank interest bearing deposits
- Authorised deposit taking institutions
- Government securities of the Commonwealth
- Securities guaranteed by the Victorian Government
- Treasury Corporation of Victoria (TCV) interest bearing deposits

Change in Credit Rating

In the event of the Standard and Poor's credit rating of one of Council's investments being downgraded such that it no longer falls within the investment policy guidelines, it will be divested at maturity or immediately, whichever is deemed most appropriate by General Manager Business Excellence.

Cash Management

For day-to-day cash management purposes, Council must have cash liquid investments of at least $1,000,000 available at any time. Liquid investments comprise:

- Overnight cash deposits with authorised financial institutions that must be banks; and
- Bank bills endorsed or accepted by authorised financial institutions that must be banks.

Funds available for investment will be determined following a review of expected future cash flows taking into consideration the timing of future investment maturities.

Shares

Trading in shares is not an approved investment option. However, Council may hold shares in associated entities as part of its long-term investment portfolio, as approved by the Chief Executive Officer.

Investment Approval

A minimum of three quotations must be sought from approved financial institutions before investing or reinvesting funds.

Managed Funds
Council will not invest in Managed Funds.

Ethical Investment

Ethical investment is a broad-based approach to investing that considers society, the environment and governance, along with financial performance.

Council strives to be a socially responsible and ethical investor in making any investment in an individual financial institution. The ethics of a financial institution that Council invest funds in must be in line with Council's related policies and strategies such as Council's Environmental Sustainability Strategy.

The ways Council can support ethical investment include:

- **Investment in locally based financial institutions.**

Council can invest in local financial institutions in the interests of assisting viability and economic development of the small communities located in the East Gippsland Shire. Any change in locally based financial institutions investments will be reported to a Councillors' discussion session in a timely manner.

- **Investment in Green, Social or Sustainability funds.**

Council can invest funds in green, social or sustainability funds within the Financial Institution Framework, Terms to Maturity Framework and Authorised Investments set out in this policy.

5. Roles and Responsibilities

The following teams or positions have direct and/or supporting responsibilities associated with this Policy:

Party / Parties	Roles and Responsibilities
Audit and Risk Committee	Review Investment Policy and investment reports and provide recommendations as appropriate to Council and Council officers.
Finance Officer	Day to day management of investment funds.
Financial Services Coordinator	Responsible for the daily monitoring of cash and investments and for meeting the requirements of this policy. Monitor investment credit ratings and report to Manager Finance and General Manager Business Excellence.
General Manager Business Excellence	Overall responsibility for policy implementation. Approve actions as a result of changes in credit rating.
Manager Finance	Responsible for the review, regular updating and implementation of the policy and reporting to Executive Leadership Team, Audit and Risk Committee and Council. Approval of placement of funds in accordance with the Instrument of Delegation Chief Executive Officer to staff.

6. Definitions

Term	Meaning
Australian Prudential Regulation Authority	The prudential regulator of the Australian financial services industry.
Council	East Gippsland Shire Council
Council Officer	Member of East Gippsland Shire Council Staff
Financial Institutions	Banks and other regulated deposit taking organisations.
Framework	A set of ideas, principles, agreements, or rules that provides the basis or outline
Investment Portfolio	A collection of investments
Standard and Poor's	International credit rating agency – rating used to assess credit risk

7. Human Rights

Council is committed to upholding the Human Rights principles as outlined in the *Charter of Human Rights and Responsibilities Act 2006* (the Charter). This Policy has been assessed as compliant with the obligations and objectives of the Charter.

8. Gender Equality

This Policy has considered the *Gender Equality Act 2020* in its preparation and has been assessed as not requiring a Gender Impact Assessment (GIA).

9. Risk Reference

This Policy is implemented as a control to mitigate risks in the following categories:

Risk Category	✓	Risk Category	✓
Environmental		Technology and Information Management	
Health and Safety		Assets, Facilities and Security	
Project, Product and Service Delivery		Human Resources	
Financial and Economic	✓	Procurement	
Leadership and Political Awareness		Corporate Governance and Compliance	
Reputation and Corporate Image		Legal	

10. References and Supporting Documents

10.1 Applicable Legislation:

Local Government Act 2020 (section 103

10.2 Supporting Documents:

Council Plan 2021 – 2025 – Strategic Objective 5 A Transparent organization that listens and delivers effective, engaging and responsive services

- 5.5 Resources are managed to meet current and future needs and priorities

Standard and Poor's Credit Ratings: www.standardandpoors.com/home/en/au

Australian Accounting Standards.

Ministerial Guidelines.

11. Review and Revision History

Version Number	Date Approved	Approved By	Review Summary
1	18/7/11	Management/ Audit Committee	
2	19/11/13	Council	
3	01/03/16	Council	
4	06/06/17	Council	
5	04/09/18	Council	Minor administrative changes
6	06/08/19	Council	Officer titles
7	29/11/2022	Council	Minor administrative changes – Updated Council Plan reference Updated *Local Government Act 2020*
8			Updated to include section on Ethical Investment

11.1 Administrative Updates

Minor amendments to this document may be required from time to time. Where amendments do not materially alter the intent of a document, they will be made administratively and approved by the Document Owner.

11.2 Document Control Disclaimer

Printed copies of this document are considered uncontrolled. Please refer to the Corporate Document Register on Council's intranet to access the most current version of this document.

Version number: ~~7~~8
Authorised by: General Manager Business Excellence

Investment Policy 202~~2~~4

TABLE OF CONTENTS

Purpose

To provide a framework to ensure Council optimises its return on investment of funds (funds) which are surplus to immediate cashflow requirements of the day-to-day operation of Council, while mitigating its exposure to risk.

The policy objectives are to ensure that:

- Investment decisions are based on the security of funds by limiting unnecessary exposure to risk
- Return on surplus funds is maximised through prudent investment while limiting unnecessary exposure to risk
- Sufficient funds are available to meet daily operational cash requirements
- All Council investments comply with section 143 of the *Local Government Act 1989* and relevant regulations and Ministerial Guidelines
- Effective internal controls exist to minimise the risk of misappropriation of Council funds
- All investment transactions are appropriately authorised and documented

Scope

This policy applies to the investment of all funds held by East Gippsland Shire Council, including Bonds, Retentions, Specific Reserves and funds held in trust.

Policy Statement

The investment of Council's funds and cash management will comply with the following conditions and Investment Framework.

Council's cash management and investments must also comply with:

- Section 103 of the *Local Government Act 2020*
- Australian Accounting Standards
- Ministerial Guidelines.

Investment Framework

All investments must comply with the following framework. Percentage limits adopted within each of these frameworks are based on Council's total investment portfolio balance.

- **Portfolio Credit Framework**

  The maximum percentage of total funds that can be invested in each Standard and Poor's (SP) rating category at any one time is as follows:

Portfolio Credit Framework		
Long Term Rating	**Short Term Ratings**	**Maximum Percentage of Portfolio**
AAA to AA-	A1+	100%
A+ to A-	A1	80%
BBB+ to BBB-	A2	50%

(e.g. A maximum of 80% of total investments can be in A1 rated institutions.)

- **Financial Institution Framework**

  Financial Institutions will be restricted by their SP credit rating so that single entity exposure is limited to a maximum percentage of the total funds as detailed below:

Long Term Rating	Short Term Ratings	Maximum Percentage of Portfolio
AAA to AA-	A1+	50%
A+ to A-	A1	30%
BBB+ to BBB-	A2	20%

  (e.g. A maximum of 50% of total investments can be held by an institution with an A1+ rating)

- **Term to Maturity Framework**

  The investment portfolio is to be invested within the following terms to maturity constraints. The percentages represent the maximum percentage of total funds invested for each maturity term by each SP rating classification.

Long Term Rating	Short Term Ratings	Short Term (0-6 months)	Medium Term (6-12 months)	Long Term (1-5 years)
AAA to AA-	A1+	100%	70%	20%
A+ to A-	A1	80%	50%	15%
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  (e.g. If 100% of total investments of $10 million was with A1+ rated institutions then a maximum of $2 million could be invested for a period greater than 1 year, a maximum of $7 million for 6-12 months and the balance of $1 million would be invested for 0-6 months).

  When assessing the term of investments, especially with regard to long term investments, Council's short and medium-term forecast cash requirements should also be considered to ensure that Council has sufficient funds to meet day to day cash requirements and cash reserves are available to help cover unforeseen events.

- **Currency**

  Investments to be denominated in Australian dollars.

- **Authorised Investments**

  All funds must be invested with an Australian Prudential Regulatory Authority (APRA) Authorised Deposit Taking Institution (ADI) and comply with section 103 of the *Local Government Act 2020*.

  Council endorses the following investment types:
  - Bank accepted / endorsed bank bills
  - Bank negotiable certificates of deposit
  - Bank interest bearing deposits
  - Authorised deposit taking institutions
  - Government securities of the Commonwealth
  - Securities guaranteed by the Victorian Government
  - Treasury Corporation of Victoria (TCV) interest bearing deposits

- **Change in Credit Rating**

  In the event of the Standard and Poor's credit rating of one of Council's investments being downgraded such that it no longer falls within the investment policy guidelines, it will be divested at maturity or immediately, whichever is deemed most appropriate by General Manager Business Excellence.

- **Cash Management**

  For day-to-day cash management purposes, Council must have cash liquid investments of at least $1,000,000 available at any time. Liquid investments comprise:

  - Overnight cash deposits with authorised financial institutions that must be banks; and
  - Bank bills endorsed or accepted by authorised financial institutions that must be banks.

  Funds available for investment will be determined following a review of expected future cash flows taking into consideration the timing of future investment maturities.

- **Shares**

  Trading in shares is not an approved investment option. However, Council may hold shares in associated entities as part of its long-term investment portfolio, as approved by the Chief Executive Officer.

- **Investment Approval**

  A minimum of three quotations must be sought from approved financial institutions before investing or reinvesting funds.

- **Managed Funds**

  Council will not invest in Managed Funds.

- **Ethical Investment**

  Ethical investment is a broad-based approach to investing that considers society, the environment and governance, along with financial performance.

Council strives to be a socially responsible and ethical investor in making any investment in an individual financial institution. The ethics of a financial institution that Council invest funds in must be in line with Council's related policies and strategies such as Council's Environmental Sustainability Strategy.

The ways Council can support ethical investment include:

- Investment in locally based financial institutions.

Council can invest in local financial institutions in the interests of assisting viability and economic development of the small communities located in the East Gippsland Shire. Any change in locally based financial institutions investments will be reported to a Councillors' discussion session in a timely manner.

- Investment in Green, Social or Sustainability funds.

Council can invest funds in green, social or sustainability funds within the Financial Institution Framework, Terms to Maturity Framework and Authorised Investments set out in this policy.

Roles and Responsibilities

These management positions are responsible for the implementation, communication and compliance monitoring of the policy in their work areas:

Party / Parties	Roles and Responsibilities
Audit and Risk Committee	Review Investment Policy and investment reports and provide recommendations as appropriate to Council and Council officers.
General Manager Business Excellence	Overall responsibility for policy implementation. Approve actions as a result of changes in credit rating.
Manager Finance	Responsible for the review, regular updating and implementation of the policy and reporting to Executive Leadership Team, Audit and Risk Committee and Council. Approval of placement of funds in accordance with the Instrument of Delegation Chief Executive Officer to staff.
Financial Services Coordinator	Responsible for the daily monitoring of cash and investments and for meeting the requirements of this policy. Monitor investment credit ratings and report to Manager Finance and General Manager Business Excellence.
~~Senior~~ Finance Officer	Day to day management of investment funds.

References and Supporting Documents

Council Plan 2021 – 2025 – Strategic Objective 5 A Transparent organization that listens and delivers effective, engaging and responsive services

- 5.5 Resources are managed to meet current and future needs and priorities

Standard and Poor's Credit Ratings: www.standardandpoors.com/home/en/au

Australian Accounting Standards.

Ministerial Guidelines.

Relevant Legislation:

- *Local Government Act* 2020 (section 103)

Privacy and Human Rights Consideration

All personal information collected by East Gippsland Shire Council connected to cash management and investments will be handled in accordance with all applicable privacy legislation and will be used only for the purpose of investing Council funds.

The Investment Policy has been assessed as compliant with the obligations and objectives of the Victorian *Charter of Human Rights and Responsibilities Act* 2006.

Definitions

Term	Meaning
APRA	Australian Prudential Regulation Authority – the prudential regulator of the Australian financial services industry.
Council	East Gippsland Shire Council
Framework	A set of ideas, principles, agreements, or rules that provides the basis or outline
Investment Portfolio	A collection of investments
Financial Institutions	Banks and other regulated deposit taking organisations.
Council Officer	Member of East Gippsland Shire Council Staff
Standard and Poor's	International credit rating agency – rating used to assess credit risk

Revision History and Review

This policy is reviewed bi-annually.

Version Control	Approved Amended Rescinded	Date Effective	Approved By	ECM Document Reference	Summary of Changes
1	Approved	18/7/11	Management/ Audit Committee	4720553	

	General review	15/10/13	Audit Committee		
2	Approved	19/11/13	Council	5523290	
3	Approved	01/03/16	Council	6658650	
4	Approved	06/06/17	Council	7181884	
5	Approved	04/09/18	Council	7730500	Minor administrative changes
6	Approved	06/08/19	Council	8187044	Officer titles
7	Approved	29/11/2022	Council	9744930	Minor administrative changes – Updated Council Plan reference Updated Local Government Act 2020
8					Updated for Ethical Investment

5.3 Place and Community

5.3.1 Economic Development Advisory Committee Unconfirmed Meeting Minutes

Authorised by General Manager Place and Community

Conflict of Interest

Officers preparing this report have no conflict of interest to declare.

Executive Summary

This report provides Council with the unconfirmed minutes of the Economic Development Advisory Committee (EDAC) meetings held on 30 May 2024 and 25 July 2024, provided at **Attachment 1** and **2**, for noting.

Officer Recommendation

That Council receives and notes this report and all attachments pertaining to this report.

Background

The EDAC provides advice, guidance, and recommendations to Council on matters that affect economic development in East Gippsland and its communities.

The roles and responsibilities of EDAC are set out in its Charter (2023).

Key agenda items for discussion at the May meeting included Bairnsdale 2050 and a briefing on the New Energy Opportunities Study. Council's Manager Economic Development and Tourism provided an update on activities and deliverables under Focus Area 3 of the Economic Development Strategy – a unique and compelling tourist destination.

EDAC members raised the February storm event where our community lost power and internet, which impacted the economy and questioned if any reviews were underway to inform future improvements to resilience. An action was noted for Council to invite Gippsland Regional Manager of Telstra to attend next EDAC meeting to answers any questions.

The July meeting included representatives from Telstra, AusNet, and NbN local along with Council's Manager Emergency Management to facilitate a discussion on telecommunications resilience in East Gippsland. This preceded to an update on activities and deliverables under Focus Area 5 of the Economic Development Strategy - Digital Skills and Connections. EDAC members were also engaged in the review and feedback on the Community Vision.

There are no recommendations to Council in the minutes from the May and July EDAC meetings.

Legislation

As of 1 July 2021, all provisions of the *Local Government Act* 2020 commenced. Some provisions of the *Local Government Act* 1989, that have not been repealed, will remain applicable until such time as they are revoked.

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

The implications of this report have been assessed and align with the principles and objects of the *Gender Equality Act* 2020.

Council Plan

This report has been prepared and aligned with the following strategic objectives set out in the Council Plan 2021-2025:

Council Policy

This report is consistent with Council's Advocacy Policy, Community Engagement Policy and Representation Policy.

Options

There are no alternate approaches for Council on this reporting requirement.

Resourcing

Financial

There are no financial implications associated with this report.

Plant and equipment

There are no plant and equipment requirements with this report.

Human Resources

There are no resource issues with this report.

Risk

The risks of minutes have been considered and have been assessed as low.

Economic

The EDAC provides advice, guidance, and recommendations to Council on matters that affect economic development in East Gippsland and its communities.

Social

This report is assessed as having no direct social impact.

Gender Impact Statement

This report is compliant with the obligations and objectives of the Victorian *Gender Equality Act* 2020 and has been assessed as not requiring a Gender Impact Assessment (GIA).

Environmental

There are no environmental implications stemming from this report.

Climate change

Engagement

Not applicable

Attachments

1. Unconfirmed Minutes EDAC 30 May 2024 [**5.3.1.1** - 6 pages]
2. Unconfirmed Minutes EDAC 25 July 2024 [**5.3.1.2** - 4 pages]

East Gippsland Shire Council (Council)
Economic Development Advisory Committee (EDAC)

Draft Unconfirmed Minutes

For meeting held on
Thursday 30 May 2024
9.00am to 11.00am Council Chambers 273 Main Street Bairnsdale

1. Procedural

Attendees: Angela Hutson, Fiona Weigall, Kath Smith, Martin Richardson, Michelle Brooker, Nicholas Kavadis, Rebecca Steenholdt, Steve Holmes, Prue McTaggart

Online: Andrea Lane, Cr Jane Greacen, Liz Mitchell, Cr Mendy Urie (observer), Tanya Taylor

Chair: Fiona Weigall (Council)

Minute taker: Andie McCullagh (Council)

Item 1.1 **Acknowledgement of Country**

Item 2.2 **Welcome:** Fiona Weigall welcomed all to the meeting.

Apologies: Adam Guillot, Chris Savage, Cr Tom Crook, Cr Trevor Stow, Gabrielle Moore and Stephen Angus.

Item 1.3 **Confirmation of previous minutes**
Moved: Angela Hutson
Seconded: Cr Jane Greacen

Item 1.4 **Declaration of conflict of interest**
Nil

Kath Smith entered the meeting at 9.06am

2. Discussion

Item 2.1 **Bairnsdale 2050**
Martin Richardson, Manager Planning

The Bairnsdale 2050 project is a strategic initiative aimed at shaping the future development of Bairnsdale by the year 2050. It provides a broad roadmap for growth and transformation. The project builds upon the earlier Bairnsdale Growth Strategy from 2010, which guided significant developments like residential estates and CBD redevelopment.

The strategy is structured around three main "horizons":

1. Getting the basics right: Addressing fundamental needs and improvements.

2. Building on these basics: Adding value and enhancements to existing infrastructure and services.

3. Transformation: Implementing major changes for a future-ready Bairnsdale.

The project focuses on Bairnsdale and its immediate surroundings, recognising its role as a regional centre serving a larger population for medical, educational, and shopping needs. Background documents and engagement processes have shaped the project's themes, which include the need for approximately 4,500 new houses by 2050 to support an expected population increase of around 9,000 people.

For more details, the community can refer to the Council website.

The EDAC was asked to provide input towards the Bairnsdale 2050 project. Suggested raised by the EDAC members included:

- Address infill areas with facilities to support aging populations, identify land, and link public transport to reduce car usage.

- Consider the future location and expansion of the hospital due to town growth and infrastructure needs.

- Utilise NBN technology to improve connectivity for both the young and aging populations, enabling services like telemedicine and stable internet access.

- Transform Bairnsdale into a solar-powered city, potentially using community batteries and solar panels for new developments.

- Apply Bairnsdale's future development concepts, such as digital and public transport connectivity, canopy cover, and off-grid energy solutions, to other towns in East Gippsland.

Next Steps: There is a need to slow down the strategy development process to ensure adequate engagement and thoroughness. Over the next 6 to 8 weeks, a draft skeleton of the strategy with big picture items and general directions will be created. This draft will then go out for targeted consultations to gather input. The EDAC and other key stakeholders will be engaged for their expertise. Intensive discussions will continue until September, with a pause for the Council election, and aim to finalise the strategy by March or April next year.

Andrea Lane joined the meeting online at 9.16am

Item 2.2 **New Energy Briefing**
Rebecca Steenholdt, Economic Development Coordinator
Angus Chapman, SGS Economics and Planning

As part of our commitment to achieving net zero, Council has engaged SGS Economics and Planning to conduct a study on economic opportunities and employment. This study aims to understand the implications and opportunities for infrastructure, supply chains, and business and labour demands related to major renewable energy projects in Gippsland, including offshore wind energy developments.

It is important for us to consider how new industries and businesses will complement other economic development opportunities and to understand our role in advocacy and facilitation. The study included targeted interviews and surveys of over 100 businesses throughout East Gippsland.

The project will also assess the impacts and opportunities of the new energy economy on local businesses, supply chains, and the labour force in East Gippsland. It will identify capital, operational, and skills gaps and suggests actions the East Gippsland Shire Council can take. Initial key findings include the need for upskilling, networking, well-being support for transitioning workers, and basic services like housing and childcare for an expanding workforce.

The Council's role involves communicating opportunities, supporting networking, and promoting East Gippsland as a key player in the energy transition. The goal is to help local businesses capture emerging opportunities and effectively transition to the new energy economy. Feedback and further discussion are encouraged to refine these strategies.

The EDAC was asked to provide input and provided the following feedback and suggestions:

- Worker Attraction and Retention – Concerns were raised about workers being drawn to areas with more established renewable energy projects, potentially causing a labour shortage in East Gippsland.

- Engagement Challenges – Difficulty in getting businesses to actively participate in the study, despite their initial interest.

- Business Opportunities – Engagement with large energy users, like Patties, to explore renewable energy solutions and financing schemes that do not affect their balance sheets.

- Financial Incentives – Focus on reducing energy costs through transitioning to renewables, which businesses see as a major opportunity for operational cost savings.

- Address Worker Shortage Risks - Develop strategies to retain local workers and attract new ones to East Gippsland, preventing a drain to other areas.

- Enhance Business Participation - Find more effective ways to encourage businesses to follow through on their interest in participating in renewable energy initiatives.

- Leverage Financial Schemes - Utilise innovative financing options, like the rate-based borrowing scheme trialled with Patties, to support businesses in adopting renewable energy without impacting their financial statements.

- Broaden Financial Incentive Strategies - Explore additional methods beyond grants to provide financial benefits and incentives for businesses to invest in renewable energy, emphasising long-term cost savings and efficiency.

Item 2.3 **Economic Development Strategy Update**
Prue McTaggart, Manager Economic Development and Tourism

At the previous EDAC meeting, it was suggested to focus on one area of the economic development strategy at each meeting. Prue provided an overview of the strategy's framework, emphasising its integration with community engagement and sustainability principles. The strategy is aligned with the Council's 2021-2025 plan and other community plans, ensuring interdependencies and complementarity among various council strategies.

The focus strategy of this meeting was on tourism, highlighting key initiatives such as the Visitor Information Services review, website enhancements, and collaborations with tourism bodies like Destination Gippsland and Tourism Australia. Examples included a recent tourism forum and international familiarisation tours, which aimed to promote the region.

The presentation also celebrated achieving global eco-destination certification and discussed ongoing efforts to leverage this status. Support for new and existing tourism operators was highlighted, including an entrepreneur’s program and digital confidence training. Finally, the strategy aims to promote First Nations tourism, with ongoing partnerships to support economic empowerment and self-determination.

Future sessions will continue to provide high-level overviews of different strategy focus areas, and feedback was invited on the session's usefulness.

Question: What is the monitoring and evaluation framework for the entire economic development strategy, including how success is measured, especially given the wide range of business activities involved?

Each action under the four-year action plan has a measure of success that we report back on through the Council's reporting cycles. This is part of the work involved in the implementation plan, where we use data and evidence to ensure we are meeting our goals and progressing as needed.

Andrea Lane left the meeting online at 10.50am

3. General Business

Item 3.1 **Matters from EDAC members**
All

Recent weather incident
Question: Has the council conducted any reviews following the recent weather incident where our community lost power and internet, which impacted the economy? Specifically, were any weaknesses identified in the infrastructure, or was the issue purely environmental? Are there areas that could be improved or modified to create a more stable system?

Council is actively addressing the impact of power and internet outages on the economy, focusing on improving digital connectivity and power supply resilience. After the recent storm, extensive work with Telstra led to new measures and backup systems. Recent efforts include collaborating with Telstra's CEO and exploring new products with Starlink to enhance regional data access. Council is also advocating for community involvement in refuelling generators and trialling microgrids in Mallacoota and Omeo. Discussions with power companies are underway to improve power line management and maintenance to prevent future outages.

Action: *EDAC secretariat to invite Gippsland Regional Manager of Telstra Jenny Gray to attend next EDAC meeting to answers any questions.*

Action: *EDAC secretariat to schedule a presentation on the power agreement with Patties to provide updates to the group. Invite representatives from Ausnet and Mondo, who are involved in deploying community batteries with DEECA, to present their insights as well.*

Regional Tourism Investment Fund
Gab Moore issued an apology however requested that support for several Orbost projects that Council could pursue funding for through the Regional Tourism Investment Fund be tabled for consideration. These projects were also tabled by Nicola Watt as a representative of the Future of Orbost and district project. Namely, the projects included:

- Shared path from Orbost to Marlo
- Shared path from Marlo to Cape Conran

Whilst the projects were acknowledged to have merit, they were not considered to be progressed to meet the requirements in the Regional Tourism Investment Fund Program Guidelines, specifically the mandatory requirements for detailed design, costings, and evidence of completed approvals (including CHMP, vegetation assessments and environmental management plans).

Council has received several requests to pursue projects through this fund and it is important to note that applicants (Council) can submit a maximum of one application, so consideration of project readiness and ability to meet the requirements of the guidelines has been central in determining which project to pursue.

Both the Orbost to Marlo and Marlo to Cape Conran trails have been captured on Council's project pipeline which seeks to align projects with potential future funding sources to support their progression.

Business Roundtables
Council is initiating business roundtables to engage with various sectors and gather their insights. The first session, scheduled for June 19, will involve manufacturing industries like Patties, Vegco, One Harvest and Kennedys Trailers. These sessions aim to provide a platform for businesses to voice their concerns directly to council members. Council plans to engage with sectors such as tourism, construction, developers, and health services. However, these initiatives will pause until after the council elections in September, with plans to resume under the new Council in November.

Reschedule of Committee Meeting dates
The upcoming EDAC meeting is currently set for September 19, however caretaker period has been brought forward a week and the meeting will need to be moved. The 12 September has been tabled and Council officers will now explore alternative dates and confirm. It is essential to schedule this meeting before the caretaker period to maintain momentum, as the subsequent one will not be until February 2025.

Item 3.2 **Updates**
Kath Smith, Acting General Manager Place & Community

Item 3.3 **Economic Development and Tourism Update**
Prue McTaggart Economic Development and Tourism

Item 3.4 **Actions from Previous Meeting**

- Council to investigate barriers for businesses accessing overseas hospitality workers to inform advocacy to State and Federal Government.
- Updated Confidentiality Agreement to be signed by members.
- EDAC Portal issues have now been resolved by IT, please advise the EDAC Secretariat if you have further issues accessing the Portal.

4. Meeting Close

Item 4.1 **Meeting closed at 11.06am**

Next meeting: Thursday 25 July 2024

East Gippsland Shire Council
Economic Development Advisory Committee

Draft Unconfirmed Minutes

For meeting held on
Thursday 25 July 2024
9.00am to 11.00am Council Chambers 273 Main Street Bairnsdale

1. Procedural

Attendees: Alba Elling, Fiona Weigall, Mayor Cr Tom Crook, Cr Trevor Stow, Michelle Brooker, Nicholas Kavadis, Prue McTaggart, Steve Holmes

Online: Cr Jane Greacen, Gabby Moore, Liz Mitchell, Tanya Taylor, Andrea Lane

Chair: Mayor, Cr Tom Crook

Minute taker: Andie McCullagh (Council)

Item 1.1 **Acknowledgement of Country**

Item 2.2 **Welcome:** Mayor, Cr Tom Crook welcomed all to the meeting. Alba Elling introduced herself as the Acting General Manager of Place and Community. Fiona announced Chris Stephenson as the new General Manager of Place and Community.

Apologies: Adam Guillot, Angela Hutson, Chris Savige and Stephen Angus.

Item 1.3 **Confirmation of previous minutes**
Moved: Michelle Brooker
Seconded: Steve Holmes

Item 1.4 **Declaration of conflict of interest**
Nil

2. Discussion

Item 2.1 **Telecommunications Resilience in East Gippsland**

Attendees for discussion:

- Jenny Gray, General Manager Eastern Victoria, Telstra
- Garry Austin, Community Engagement Manager, Telstra
- Kath Smith, Manager Emergency Management, EGSC
- Scott Hardy, Customer and Stakeholder Engagement Lead, Network Operations, AusNet
- Alex Aeschlimann, Regional Development and Engagement Manager, NBN Local

Key representatives from Telstra, AusNet, nbn Local, and Council shared updates on efforts to enhance network stability and response capabilities. Jenny Gray from Telstra reviewed the impact of the February storms, which damaged around 680 sites and outlined Telstra's emergency response framework. The focus includes maintaining core network operations and prioritising service restoration for emergency services and isolated communities.

Kath Smith, Manager Emergency Management from Council discussed ongoing collaborations to bolster telecommunications resilience, including installing resilient power backups across 44 locations and working with various committees to improve community communication.

Garry Austin highlighted the technical challenges faced during the storm, particularly power outages and access issues, which delayed service restoration. He noted improvements in network diversity and generator support, including the use of community volunteers and permanent generators in high-risk areas. The discussion also addressed the importance of redundancy in telecommunications and the potential benefits of emergency mobile phone roaming, though it is still in development.

Scott Hardy reviewed the extensive damage caused by the February storms and the selective restoration efforts, including the allocation of $10 million in grants for infrastructure improvements. New initiatives like Emergency Mobile Management Assistance (EMMA) vehicles were introduced to provide rapid support during crises.

Alex Aeschlimann stressed the need for businesses to invest in backup power and connectivity solutions, stating the effectiveness of satellite backups and generators during outages.

Council expressed interest in further engagement with AusNet and other businesses regarding grant opportunities, emphasizing the need to increase visibility and effectiveness of emergency vehicles and ensure significant benefits for the eastern region.

Action: *Promote the $10 million grant with East Gippsland Businesses and Community to ensure the eastern region is a primary focus for these funds and related initiatives.*

Item 2.2 Economic Development Strategy Update

Prue McTaggart, Manager of Economic Development and Tourism, provided a presentation centred on Focus Area 5 Digital Skills and Connections.

Key focus areas include:

- Developing business owner digital skills
- Improving digital infrastructure
- Implementing next-generation technologies

Notable programs such as the Business Boost Program and collaborations with GippsTech and other partners aim to enhance digital literacy and skills in East Gippsland. The ASBIG program and other initiatives support continuous improvement in small to medium businesses, particularly in manufacturing and agriculture.

Council is also focused on advocating for better digital infrastructure, facilitating training on AI and virtual reality, and connecting businesses with funding opportunities. Recent efforts include a digital technology forum, a career expo in partnership with local educational institutions, and cybersecurity and scam awareness programs for businesses and the community.

The presentation concluded with a call for collaboration and planning for upcoming initiatives over the next 12 months, particularly around digital infrastructure, and technology. Council is keen to leverage opportunities and work collaboratively on these initiatives, especially in high tourism areas where community Wi-Fi could alleviate bandwidth issues caused by increased visitor traffic. It was suggested that the council should explore implementing community Wi-Fi in areas like Lake Entrance to address recurring network issues during peak tourist seasons.

3. General Business

Item 3.1 Review and Feedback on Community Vision

Portia Branton, the Manager of Organisational Strategy and Performance, and Zoe Stephenson, the Corporate Planning and Performance Officer, presented an overview of the Shire's community engagement process and economic development priorities as part of a review of the Community Vision to ensure alignment with community aspirations for 2040. This engagement started on June 28 and will continue through August.

Feedback emphasised the importance of focusing on key priorities like education, workforce development, and local enterprise support. There was a suggestion to refine the list of priorities to avoid being too broad.

Council will continue to engage with the community through various events and digital platforms, with a panel set to analyse the collected data and finalise the Community Vision review. The council is expected to integrate feedback from this engagement with previous economic development strategies, ensuring alignment and avoiding duplication.

Item 3.2 Matters from Economic Development Advisory Committee members

A member suggested that receiving presentation materials earlier would allow for more thoughtful and relevant feedback. They noted that having the documents in advance, rather than just being given a page to read and immediately provide feedback on, would enhance the quality of their input.

Given the limited time remaining in the meeting, members were requested to submit any topics they wish to discuss via email. This will assist in shaping the agenda for the next meeting in September.

Action: *Council to ensure that presentation materials and documents for review be provided in advance as part of the agenda pack.*

Item 3.3 **Council Update**
Alba Elling Acting General Manager Place and Community

Due to the extended duration of other discussions, there was insufficient time to address this topic during the meeting. Points provided below for EDAC to note.

- Budget has been adopted since last time EDAC met.
- Note on the upcoming Council Elections and Caretaker period. Next meeting of EDAC still occur on 12 September. The following meeting won't be scheduled until February 2025.

Item 3.4 **Economic Development and Tourism Department Update**
Prue McTaggart Manager Economic Development and Tourism

A report was provided to EDAC with the agenda prior to the meeting. Time constraints prevented a further update which was provided to EDAC via email.

Item 3.5 **Actions from Previous Meeting**

Due to the extended duration of other discussions, there was insufficient time to address this topic during the meeting.

4. Meeting Close

Item 4.1 **Meeting closed at 11.03am**

Next meeting: Thursday 12 September

6 Mayoral Term Address

7 Urgent Business

8 Confidential Business

9 Close of Meeting