



**ORDINARY COUNCIL MEETING OF
THE HUME CITY COUNCIL**

MONDAY, 14 MAY 2018

7.00 PM

SUNBURY COUNCIL CHAMBER

OUR VISION:

Hume City Council will be recognised as a leader in achieving social, environmental and economic outcomes with a common goal of connecting our proud community and celebrating the diversity of Hume.

This meeting of the Hume City Council will be recorded and published in accordance with Council's Audio Recordings of Council Meetings Policy.

HUME CITY COUNCIL

**Notice of an
ORDINARY COUNCIL MEETING OF THE HUME CITY COUNCIL**
to be held on Monday, 14 May 2018
at 7.00 PM
at the Sunbury Council Chamber

To:	a: Council	Cr Geoff Porter Cr Carly Moore Cr Joseph Haweil Cr Jodi Jackson Cr Drew Jessop Cr Leigh Johnson Cr Naim Kurt Cr Jack Medcraft Cr Ann Potter Cr Karen Sherry Cr Jana Taylor	Mayor Deputy Mayor
	b: Officers	Mr Domenic Isola Mr Peter Waite Mr Daryl Whitfort Ms Margarita Caddick Mr Michael Sharp Ms Kylie Ezzy	Chief Executive Officer Director Sustainable Infrastructure and Services Director Corporate Services Director Community Services Director Planning and Development Director Communications, Engagement and Advocacy

ACKNOWLEDGEMENT OF THE TRADITIONAL CUSTODIANS OF THIS LAND

"I would like to acknowledge that we are meeting on Gunung-Willam-Balluk land. The Gunung-Willam-Balluk of the Wurundjeri are the first and original people of this land. I would like to pay my respects to their Elders, past and present, and the Elders from other communities who may be here today."

ORDER OF BUSINESS

1. PRAYER

Hume City's religious diversity strengthens and enriches community life and supports the well-being of the citizens of Hume City. Hume City Council acknowledges the importance of spiritual life and the leadership offered by the Hume City Inter Faith Leaders Network. In recognition of the religious diversity of residents in Hume City, Council has invited the Inter Faith Leaders Network to take responsibility for the opening prayer at Council meetings. This evening's prayer will be led by Reverend Peter Weeks of the St Thomas' Uniting Church & Wallan Uniting Church.

*Creator God,
you have so linked our lives with one another
that all we do affects the lives of others.
So guide us in the work we do in our daily lives,
and as members of this Council,
that we may do it not for self alone,
but for the common good.*

*God of diversity and harmony,
we give thanks for this community of Hume City:
for its variety of people, cultures and faiths;
for its multi-faceted life and its vibrancy.*

*We ask your blessing on this Council –
those elected to serve and lead;
those employed by Council to carry out its policies;
those whose service is highly-visible,
and those who are in the background.*

*Grant to all a spirit of respect and trust,
and an earnest desire to seek justice
and the common good.*

In the name of Christ. Amen.

2. APOLOGIES

3. DISCLOSURE OF INTEREST

Councillors' attention is drawn to the provisions of the Local Government Act 1989 in relation to the disclosure of conflicts of interests. Councillors are required to disclose any conflict of interest immediately before consideration or discussion of the relevant item. Councillors are then required to leave the Chamber during discussion and not vote on the relevant item.

4. CONDOLENCE MOTIONS

5. ASSEMBLIES OF COUNCIL

In accordance with section 80A(2) of the Local Government Act 1989, Council is required to report, as soon as practicable, to an Ordinary Meeting of Council, a record of any assemblies of Councillors held.

There are no records of assemblies to report on this section of the Agenda.

6. CONFIRMATION OF COUNCIL MINUTES

Minutes of the Ordinary Council Meeting of the 16 April 2018, and the Ordinary Council (Town Planning) Meeting of the 30 April 2018, including Confidential Minutes.

RECOMMENDATION:

THAT the Minutes of the Ordinary Council Meeting of the 16 April 2018, and the Ordinary Council (Town Planning) Meeting of the 30 April 2018, including Confidential Minutes, be confirmed.

NOTICE OF MEETING

7. RECEIPT OF COUNCIL AND COMMUNITY COMMITTEE MINUTES AND RECOMMENDATIONS TO COUNCIL TO BE ADOPTED

Nil

8. PRESENTATION OF AWARDS

Resident of the Month – Mr Des Gilcrist

Nominated by Cr Jack Medcraft

9. NOTICES OF MOTION

Nil

10. PUBLIC QUESTION TIME

11. OFFICER'S REPORTS

The Mayor will ask the Councillors and gallery at the commencement of this section, which reports they wish to speak to. These reports will then be discussed in the order they appear on the notice paper. Reports not called will be dealt with in a block resolution at the end.

<u>Item No</u>	<u>Title</u>	<u>Page</u>
----------------	--------------	-------------

CULTURE AND COMMUNITY

CC069	2018 Arts Awards Program Councillor Nominations	6
--------------	--	----------

GOVERNANCE AND ENGAGEMENT

GE268	Review of Council Special Committees Established Under Section 86 of the Local Government Act 1989	10
GE269	Quarterly Financial Report - March 2018	27
GE270	Approved Contracts Reports - 1 January 2018 - 31 March 2018	36

12. PETITIONS AND JOINT LETTERS

PJL277 PJL277 Petition objecting to Planning Application P20537 - Development of three double storey dwellings at 119 Langton St, Jacana

A petition has been received containing 14 signatures, objecting to Planning Application P20537 – the Development of three double storey dwellings at 119 Langton Street, Jacana.

RECOMMENDATION:

- 1.1 THAT the Petition be received.**
- 1.2 THAT Council notes that the Petition relates to Item SU291 which was considered by Council on Monday 30 April 2018 at which time a copy of the Petition was circulated to Councillors for consideration along with the report.**
- 1.3 THAT the first named signatory of the Petition be advised of the outcome of the matter by the Manager Statutory Planning Building and Control Services.**

NOTICE OF MEETING

PJL278 PJL278 Petition objecting to Planning Application P20955 - Change of Use to allow a Medical Centre and Business at 34 Dianne Ave, Craigieburn

A petition has been received containing 17 signatures, objecting to Planning Application P20955 – Change of Use to allow a Medical Centre and Business at 34 Dianne Ave, Craigieburn.

RECOMMENDATION:

- 1.1 That the Petition be received, circulated to Councillors, and the first named signatory of the Petition be advised that the matter has been referred to the Manager Statutory Planning and Building Control Services for investigation.**

13. DEPUTATIONS

14. URGENT BUSINESS

15. DELEGATES REPORTS

16. GENERAL BUSINESS

17. CONFIDENTIAL MATTERS

The Meeting may be closed to members of the public to consider confidential matters.

RECOMMENDATION:

THAT the Council close the meeting to the public pursuant to Section 89(2) (sub sections as listed), of the Local Government Act 1989 to consider the following items, which are confidential for the reasons indicated:

Report No.	Title	Reason for Confidential
COGE186	Gladstone Park Community Centre Committee of Management – Request to Use Committee Funds to Contribute to the Cost of Installing Solar Panels	(d) contractual matters
COGE187	Rate Arrears as at 31 March 2018	(b) the personal hardship of any resident or ratepayer
COGE188	Capital Works Program 2017/18 - March 2018 Update	(d) contractual matters
COGE189	Assemblies of Council - April 2018	(h) any other matter which the Council or special committee considers would prejudice the Council or any person

NOTICE OF MEETING

18 CLOSURE OF MEETING

**DOMENIC ISOLA
CHIEF EXECUTIVE OFFICER**

9/05/2018

REPORT NO:	CC069
REPORT TITLE:	2018 Arts Awards Program Councillor Nominations
SOURCE:	Tobias Hengeveld, Curator
DIVISION:	Community Services
FILE NO:	HCC09/97
POLICY:	Social Justice Charter
STRATEGIC OBJECTIVE:	3.1 Foster socially connected and supported communities.
ATTACHMENT:	1. <i>Arts Awards Terms of Reference Final</i>

1. SUMMARY OF REPORT:

This report outlines the assessment process for the 2018 Hume Arts Awards and seeks to appoint three Councillors to serve on the Councillor Assessment Panel (CAP) and adopt Terms of Reference for the CAP. The Panel will be responsible for preparing the Hume Arts Awards allocation recommendations for Council consideration.

2. RECOMMENDATION:

That Council:

2.1 adopts the Terms of Reference for the Hume Arts Awards Councillor Assessment Panel

2.2 nominates Councillors Sherry, Jessop and Johnson to the 2018 Hume Arts Awards Councillor Assessment Panel (CAP).

3. LEGISLATIVE POWERS:

The provision of grants is a function of Council as specified by the Local Government Act 1989.

4. FINANCIAL IMPLICATIONS:

Provision has been made within the 2018/19 budget for \$20,000 to be allocated toward the Hume Arts Awards.

5. ENVIRONMENTAL SUSTAINABILITY CONSIDERATIONS:

The assessment of grant applications will be considered within the context of Council's Pathways to Sustainability - an Environmental Framework.

6. CLIMATE CHANGE ADAPTATION CONSIDERATIONS:

The assessment of grant applications will be considered within the context of Council's Pathways to Sustainability - an Environmental Framework.

7. CHARTER OF HUMAN RIGHTS APPLICATION:

The Hume Arts Awards program is underpinned by Council's Social Justice Charter 2014 (SJC) to ensure a human rights based approach in Council's decision making process. The SJC recognises that every citizen has the right to a quality of life that allows them to freely realise their potential. The SJC seeks to advance a fair and just society and to promote respect for every citizen, encourage community participation, strengthen community wellbeing and reduce the causes of disadvantage.

REPORT NO: CC069 (cont.)

8. COMMUNITY CONSULTATION:

In order to build the capacity of the community to participate in arts based community development programs, the Hume Arts Awards are held every two years (from 2017). A greater passage of time between rounds allows for the development of a wider pool of applicants within the community, and a promotional strategy with greater impact. Council conducts Arts Master Classes each alternate year.

9. DISCUSSION:

9.1 The Hume Arts Awards recognise and award the achievement of Hume's talented artists and support costs involved in their arts practice, including further study, training materials and equipment, professional memberships and travel. To be eligible for a Hume Arts Award, applicants must be an individual who lives and / or works in Hume City and has not received an Arts Award before.

9.2 The program is a competitive process, with structured criteria and two panel assessments to ensure best use of Council funds via a rigorous and accountable process. The number of applications this year was 52, compared to 11 in 2016, and 28 in 2015.

9.3 The Hume Arts Awards is open to Hume artists in the following categories:

9.3.1 Artists over 30 in any discipline (up to \$3000)

9.3.2 Artists 19 – 30 years in any discipline (up to \$3000)

9.3.3 Youth Category 12 – 18 years in any discipline (\$500 awards).

9.4 The 2018 Hume Arts Awards utilised the *SmartyGrants* online application system for the first time. Information sessions were delivered in the three principle population centres to support and assist community members to access this application process.

9.5 To govern the assessment process for the Hume Arts Awards, and to guide the Councillor Assessment Panel, Terms of Reference (TOR) have been developed. The TOR outlines the role, requirements and responsibilities of panel members including declaration of any conflict of interest (see Attachment 1).

9.6 The assessment process is divided between two panels made up of:

9.6.1 Officer Assessment Panel (OAP) – responsible for the assessment of all Hume Arts Awards applications.

9.6.2 Councillor Assessment Panel (CAP) – responsible for reviewing the Officer Assessment Panel assessments and for making recommendations for Council consideration.

9.6.3 Assessments by the OAP will be conducted in May following the closing date for applications.

10. CONCLUSION:

Council's Hume Arts Awards play a central role in Council's commitment to social justice, inclusion and community capacity building. This report outlines the key elements of the assessment process that underpins the Hume Arts Awards and seeks nominations for Councillor Representation on the CAP.



HUME ARTS AWARDS ASSESSMENT PANELS

Terms of Reference

1. Purpose

The Hume Arts Awards assessment process will be guided by the principles of the Social Justice Charter.

The review and rating of the Hume Arts Awards applications for all categories will be conducted by the following Panels:

- Officer Assessment Panel (OAP); and
- Councillor Assessment Panel (CAP).

The Hume Arts Awards assessment process has been designed to ensure efficient use of both the Councillor's and Officer's time and a fair and transparent process.

2. Panel Membership

Officer Assessment Panel (OAP)

The Hume Arts Awards will be assessed by the Community Arts and Culture Team, comprising the Coordinator Community Development; Curator; Arts, Community and Cultural Development Officer – Sunbury; and the Arts, Community and Cultural Development Officer – Broadmeadows. Each application will be assessed by each panel member and the OAP will meet to consult on the final recommendations for the CAP. This Panel will be chaired by the Coordinator Community Development.

Councillor Assessment Panel (CAP)

The Councillor Assessment Panel will comprise of three nominated Councillors' (representing each of the Hume City Wards of Aitken, Jacksons Creek and Meadow Valley) and three Council Officers: Director Community Services, Manager Community Strengthening and Coordinator Community Development. The Panel is chaired by the Manager Community Strengthening. Officers from the Arts and Culture Team will attend the CAP meetings and provide background information and information that supports the assessment and recommendations. The purpose of this Panel is to finalise recommendations for the allocation of grant funds for Council consideration.

3. Declaration of Interests

All Panel members will be provided with a copy of Council's Conflict of Interest Information Booklet, and are required to read this prior to any Panel discussions or meetings.

A Panel member with a conflict of interest or perceived conflict of interest in any application must declare their interest in writing on the form provided, prior to discussion about the application. The form is to be handed to the Chair of the Panel, and the person will be requested to leave the room while the Panel considers and/or discusses the application.

4. Resourcing

Copies of the selection criteria and the master assessment form will be provided to the CAP prior to the first meeting.

5. Assessment Panel Meetings

All necessary meetings will be convened by the relevant Chair. If there a high number of applications received, an additional panel assessment meeting may be required.

6. OAP Assessment Process

- 6.1. The Panel will assess Hume Arts Awards applications, where no conflict of interest is involved.
- 6.2. The Panel members will assess all applications against the selection criteria, including scoring and feedback comments.
- 6.3. The Panel will meet at least once to assess the applications, and collate scores and comments into a single document (master assessment form).
- 6.4. If there are a high number of applications, an additional panel assessment meeting may be required.
- 6.5. If an application is deemed ineligible, the reason must be recorded on the master assessment form and referred to the CAP for their attention.
- 6.6. Should an application require 'specialist knowledge' to assist with assessment, the Panel may request the advice of a relevant Council Officer prior to assessing and scoring and making a recommendation.
- 6.7. If an assessment is unable to be completed because additional information is required, the delegate member of the Panel will contact the applicant to obtain the required information.
- 6.8. The lowest ranking applications will be the first applications to be eliminated or to have their recommended grant amounts reduced, should total grants requested exceed total available funds.

7. Councillor Assessment Panel Process

- 7.1. The applications and OAP Panel recommendations will be referred to the Councillor Assessment Panel (CAP) for assessment, where no conflict of interest is involved
- 7.2. The Panel will meet at least once to assess applications.
- 7.3. If there are a high number of applications, as additional Panel assessment meeting may be required.
- 7.4. The Panel will:
 - a) Review and confirm the applications determined as ineligible.
 - b) Review and assess the eligible applications.
 - c) Seek further information where required on particular applications.
 - d) Make final recommendations to be considered by Council on all applications.

8. Reporting

The Coordinator Community Development will prepare the final Hume Arts Awards report and recommendations for Council consideration, with the approval of the Director Community Services and Manager Community Strengthening.

Council's determination on the successful and unsuccessful applications is final. For all ineligible or unsuccessful applications, Council's Coordinator Community Development will provide an explanation to the applicant in writing.

REPORT NO:	GE268
REPORT TITLE:	Review of Council Special Committees Established Under Section 86 of the Local Government Act 1989
SOURCE:	Gavan O'Keefe, Manager Governance
DIVISION:	Corporate Services
FILE NO:	HCC13/476
POLICY:	-
STRATEGIC OBJECTIVE:	5.3 Provide responsible and transparent governance, services and infrastructure which responds to and supports community needs.
ATTACHMENTS:	<ol style="list-style-type: none">1. <i>Submission - Gladstone Park Community Centre Committee of Management</i>2. <i>Submission - Tullamarine Hall Committee of Management</i>3. <i>Submission - Westmeadows Hall Committee of Management</i>

1. SUMMARY OF REPORT:

- 1.1 Hume City Council currently has four special committees established under Section 86 of the *Local Government Act 1989* (the Act) for the purpose of each managing Council community centres or halls. These special committees are delegated from Council the function, duties and powers to oversee the day to day operation of their respective community facilities.
- 1.2 Council at its meeting of 11 September 2017 considered a report (GE225) on the Review of the Council Special Committees Established under Section 86 of the Local Government Act 1989 and adopted the following resolution:
'That the four Local Government Act 1989 Section 86 Committees that manage community facilities be invited to make a submission on the option of the facilities being centrally managed by Council, with the opportunity of a continuing role for existing committee members via the creation of advisory committees.'
- 1.3 The recommended outcomes of this review are presented to Council in this report.

2. RECOMMENDATION:

Campbellfield Community Centre Committee Of Management

- 2.1 **THAT Council notes the decision of the Campbellfield Community Centre Committee of Management to disband and hand back management of the Centre to Council.**
- 2.2 **THAT Council directs the Campbellfield Community Centre Committee of Management to undertake the required actions to disband outlined in the Instrument of Delegation.**
- 2.3 **THAT Council revokes the Instrument of Delegation Pursuant to Section 86 Of the Local Government Act 1989 for the Establishment of a Special Committee of Council - Campbellfield Community Centre Committee of Management, which was adopted on 11 September 2017.**
- 2.4 **THAT Council invites the members of the Campbellfield Community Centre Committee of Management to dinner and to receive certificates of recognition for their service to the community at an upcoming Council meeting.**

REPORT NO: GE268 (cont.)

Gladstone Park Community Centre Committee of Management

- 2.5 THAT Council recognises the Gladstone Park Community Centre Committee of Management's success in providing an accessible facility to members of the community, and endorses the Committee's submission that they continue to manage the Gladstone Park Community Centre.
- 2.6 THAT an independent analysis of user group Hume U3A's use of the Gladstone Park Community Centre be conducted by Council officers to determine the status of U3A as a commercial tenant, with a cost/benefit assessment to measure the value of community benefits provided by U3A's activities, against major use of a facility by a single user group.
- 2.7 THAT all future lease and/or occupancy agreements between Hume U3A and the Gladstone Park Community Centre be negotiated and arranged by Council Officers.
- 2.8 THAT the current lease and/or occupancy agreements between Hume U3A and the Gladstone Park Community Centre remain unchanged until new lease and/or occupancy agreements are negotiated directly with Council.

Westmeadows Hall Committee of Management

- 2.9 That Council recognises the Westmeadows Hall Committee of Management's success in providing an accessible facility to members of the community, and endorses the Committee's submission that they continue to manage the Westmeadows Hall.

Tullamarine Hall Committee of Management

- 2.10 THAT Council disbands the Tullamarine Hall Committee of Management, with operational management of Tullamarine hall reverting back to Council as of 1 July 2018.
- 2.11 THAT Council directs the Tullamarine Hall Committee of Management to undertake the required actions to disband outlined in the Instrument of Delegation.
- 2.12 THAT Council revokes with effect as of 30 June 2018 the Instrument of Delegation Pursuant to Section 86 Of the Local Government Act 1989 for the Establishment of a Special Committee of Council - Tullamarine Hall Committee of Management, which was adopted on 11 September 2017.
- 2.13 THAT members of the Tullamarine Hall Committee of Management be offered a role on an advisory committee to advise council officers on maintenance issues and the general operation of the facility.
- 2.14 THAT Council invites the members of the Tullamarine Hall Committee of Management to dinner and to receive certificates of recognition for their service to the community at an upcoming Council meeting.

3. LEGISLATIVE POWERS:

The *Local Government Act 1989* (the Act).

4. FINANCIAL IMPLICATIONS:

- 4.1 The Committees manage their own bank accounts for each of their respective facilities.
- 4.2 The Instrument of Delegation for each Committee prescribes expenditure limitations, contractual arrangement rules and the financial obligations of the Committees.
- 4.3 The analysis of each committee recommendation details further financial implications.

REPORT NO: GE268 (cont.)

5. ENVIRONMENTAL SUSTAINABILITY CONSIDERATIONS:

There are no environmental sustainability considerations in respect to this report.

6. CLIMATE CHANGE ADAPTATION CONSIDERATIONS:

There are no climate change adaptation implications in respect to this report.

7. CHARTER OF HUMAN RIGHTS APPLICATION:

The matters considered in this report do not engage any of the rights protected in Victorian Charter of Human Rights.

8. COMMUNITY CONSULTATION:

All committees were advised in writing that a review was being conducted into the appropriateness of the management of community facilities by Section 86 Committees and each committee was invited to make a submission to Council on the option of the facilities being centrally managed by Council, with the opportunity of a continuing role for existing committee members via the creation of advisory committees.

Council officers also attended meetings of the Committees to discuss the proposal with committee members.

9. DISCUSSION:

Background

9.1 Hume City Council has utilised Section 86 Committees to manage community halls since the Council was created in 1994. The committees existed under the previous City of Broadmeadows and City of Keilor (Tullamarine Hall).

9.2 A committee's purpose as defined in their Instruments of Delegation is to "have responsibility for effectively managing and controlling the property for the benefit of users of the property and for the wider community."

Assessments

9.3 The management of community facilities by Special Committees was reviewed against the Council Plan Strategic Objective: "improve the provision and management of community facilities and spaces to support community activities".

9.4 Officers also completed an analysis of each of the Special Committees' financial viability, compliance with Council's hall letting processes and governance requirements, committee membership and performance, and the amenity and occupancy of the community facility.

Dissolution of a Committee under the Instrument of Delegation

9.5 A committee may at any meeting resolve to disband and hand back their responsibilities to Council.

9.6 Council may for any reason disband a committee and upon notice to that effect being given by Council to Committee Members, the Committee shall be disbanded.

9.7 Following a decision to disband, a committee Chairperson shall within one month arrange for:

- (a) a financial statement to be prepared, audited and presented to Council;
- (b) the Committee's bank account to be closed and the balance paid to Council; and
- (c) hand over to Council all keys to pavilions and other buildings formerly under the management of the Committee.

Analysis of the Committees of Management

REPORT NO: GE268 (cont.)

Campbellfield Community Centre Committee of Management

9.8 The Committee considered Council's option of the Campbellfield Community Centre being centrally managed by Council at its General Meeting held on 9 November 2017. The Committee resolved the following:

'All committee members have come to a decision to dissolve the Committee and advise that the running of the hall will be handed over to the Hume City Council at the AGM in February and would not like to be part of an Advisory Group. Mario would still like to be considered to continue as cleaner.'

9.9 The Campbellfield Community Centre's AGM was held on 22 February 2018, and the committee formally resolved to disband itself at the meeting.

9.10 Governance officers attended the AGM and assisted the committee with the procedures required to disband.

9.11 Officers from the Community Facilities and Learning Programs Department also attended the AGM to assist in making preparations for direct management of the facility following the committee's disbandment. The operational transition has occurred smoothly with the committee's assistance.

9.12 To recognise the outstanding long term contribution of committee members it is proposed to invite all of the current members to dinner and to receive certificates of recognition for their service to the community at an upcoming Council meeting.

Gladstone Park Community Centre Committee of Management

9.13 The Committee considered Council's option of the Gladstone Park Community Centre being centrally managed by Council at its Extra Ordinary Meeting held on 31 October 2017. The Committee resolved the following:

'That the committee inform Hume Council of the following:

a) We as the Committee of Management of the Gladstone Park Community Centre wish to remain as a Section 86 committee.

b) We don't believe that an Advisory Committee will have the same positive impact on the community and management of the facility as the GPCC CoM.

c) We seek Councils endorsement to continue as a Section 86.'

9.14 The Committee also submitted a written response in support of their recommendation. A copy of this letter is included at Attachment 1.

9.15 Officers have conducted an analysis of the Committee against the assessment criteria, and have concluded, in particular:

(a) Committee Membership and Performance

Committee members are comprised of community members and user group representatives. All committee members are active meeting attendees.

Several years ago there were some issues with the composition of the committee, but these issues now appear to have been addressed.

The committee appears to be able to involve local residents as committee members, and have been successful in getting members to nominate as office bearers for the committee.

Members of the committee are now aware of, and compliant with, their obligations under the Instrument of Delegation, and the Local Government Act 1989.

(b) Financial Viability

REPORT NO: GE268 (cont.)

The committee is in a highly profitable financial position. The net operating profit for 2016/17 was \$28,889.45, and the Committee holds \$168,643.03 in its bank accounts.

The committee is responsible with its spending, and has used funds to significantly improve and develop the Centre over time.

The Centre has a very high occupancy rate, which is primarily activity and learning based. The basketball courts are well utilized by local sporting groups and the internal rooms are booked out weekly in advance.

(c) User Groups

U3A is the Centre's primary user group. U3A have an ongoing agreement with the Committee and Council for use of a significant portion of the Centre for a large part of the week. In conducting the assessment of the Committee's suitability to continue management of the Gladstone Park Community Centre, officers have established that the agreement with U3A needs to be independently analysed to assess the status of U3A's use of the Centre as a commercial tenancy, with a cost/benefit assessment to measure the values of the benefit to the community provided by U3A's activities against major use of a facility by a single user group.

9.16 Officer recommendations

- (a) The management of the Gladstone Park Community Centre by the Committee of Management is currently working well with strong committee membership and active involvement of members who provide an accessible facility to members of the community. Officer's recommend Council endorsement of the Committee's submission to continue management of the Gladstone Park Community Centre.
- (b) The lease/occupancy arrangements with the largest user of the facility, being user group Hume U3A, are recommended to be independently assessed by Council officers, with future agreements negotiated and executed by Council officers. It is also recommended that there are no changes to current lease/occupancy agreements until negotiations with Council, if approved, are completed.

Tullamarine Committee of Management

9.17 The Committee discussed Council's option of the Tullamarine Hall being centrally managed by Council at its General Meeting held on 30 October 2017. The Committee did not make any formal resolutions at its meeting; however a written response from the Chairperson, Mr Robert Romans, was submitted and is included at Attachment 2.

9.18 Mr Romans has advised that he wishes Council to maintain the existing committee structure and believes that Council should continue to allow the Tullamarine Hall Committee of Management to manage the facility based on the following reasons:

- (a) Community Ties;
- (b) Accolades from Hume Council;
- (c) User Groups;
- (d) Account Balance;
- (e) Ongoing participation;
- (f) The Tullamarine Community Hall was set up by community members from Tullamarine on our committee we have members with strong family ties.

REPORT NO: GE268 (cont.)

9.19 Officers have conducted an analysis of the Committee against the assessment criteria, and have concluded, in particular:

(a) Committee membership and performance

The Committee is made up of six people, being three husband and wife couples. This is a less than ideal composition for a Committee, which can at times lead to challenges in the operations of the Committee. Council has previously assisted the Committee with advertising to help find new committee members but the Committee has not been successful in attracting any new members that do not have a family relationship with a current member.

Two committee members (husband and wife) receive a fee for service as booking officer/maintenance officer and secretary/treasurer of the committee. This regularly presents difficulty with the committee maintaining a quorum when discussing payments, as both parties will have a conflict of interest and have to remove themselves from the meeting when payment matters are discussed.

The Committee has expressed a desire to recruit the grandson of the husband and wife booking officer/maintenance officer and treasurer as a Committee member. Officers have reiterated Council's decision that it is not appropriate to appoint the grandson as a Committee member as the appointment of a third member of the one family to the Committee presents various concerns, and has the potential to impede operational and meeting procedure requirements of the Committee.

(b) Hall Hire and Financial Viability

The Tullamarine Hall currently has a small base of regular community users, being Karate and Volleyball clubs, and two religious groups. The number of casual hall hirers has significantly decreased in recent years.

The Hall previously had a condition of hire requiring that all weekend bookings hire security guards and cease amplified music at 11pm. This condition was put in place to address complaints received from residents living in close proximity to the hall, who complained of the anti-social behaviour outside of the hall after weekend bookings. The Committee requested that Council remove the condition as it believed the restriction resulted in low occupancy rates at the Hall. The Committee was given approval to remove the hire condition on 8 May 2017.

The committee currently holds \$61,771.27 across its business transaction and term deposit bank accounts.

In order for the Committee to remain financially viable, it should generate enough revenue from hall hire to pay outgoings. The total of cash and income held by the Committee has reduced over the past two financial years.

(c) Compliance with Governance Requirements

Council has previously advised the committee of its concerns with the Committee's non-compliance with its Instrument of Delegation.

Following consideration of a confidential report outlining concerns with compliance and administrative matters at the Council meeting of 26 October 2015, a letter was forwarded to the Chairperson of the Committee of Management by the Chief Executive Officer advising that the Committee's operational and governance practices must be reviewed to ensure that they comply with its Instrument of Delegation, and that Committee members refresh themselves with their obligations,

REPORT NO: GE268 (cont.)

to ensure that the Committee did not find itself in a position where their Instrument of Delegation was revoked and the Committee disbanded.

Whilst various measures have been put in place to address governance and service issues over the recent life of the committee, there have on occasions been re-occurrences of the behaviours that were of concern to Council.

9.20 Officer Recommendations

- (a) The management of the Tullamarine Hall by the Committee of Management has worked very well for many years, and the commitment of committee members is to be commended. However, in recent years, the Committee has had difficulty in attracting new members, and the number of both regular and casual hall hire bookings has significantly decreased.
- (b) The Tullamarine Hall can be viewed in a similar manner to the Campbellfield Community Centre, in that its diminishing user base has resulted in this significant Council asset being under-utilized. It is the view of officers that in these circumstances, the appropriate model of managing this facility is no longer via a special committee established under Section 86 of Act.
- (c) Officers recommend that the Tullamarine Hall Committee of Management be disbanded, and direct operational management of the Tullamarine Hall reverts back to Council, both as a means to reinvigorate use of the hall by the local community, and as a means to relieve long-standing Committee members of the difficult task of trying to reinvigorate use of the hall themselves.
- (d) Should Council agree to this recommendation, it is further recommended that current committee members be offered a role on an advisory committee to advise council officers on maintenance issues and the general operation of the facility (including advice on expenditure of funds currently held by the committee), so that their experience and expertise in managing the hall can continue to be utilized by Council.

Westmeadows Hall Committee of Management

9.21 The committee discussed Council's option of the Westmeadows Hall being centrally managed by Council at its General Meeting held on 19 October 2017. After discussing the proposal, the committee resolved to write to Council outlining its position on the proposal, although it did not formally resolve its position at the meeting. The correspondence subsequently sent to Council is included at Attachment 3.

9.22 The correspondence from the committee's Chairperson, Mrs Dot White, advises that the committee wishes to maintain the existing committee structure and responsibilities, and as per their written submission, they believe that Council should continue to allow the Westmeadows Hall Committee of Management to manage the Westmeadows Hall based on the following reasons:

- (a) The unique historical status of the Westmeadows Hall, and the committee's dedication to preserving the landmark timber structure, particularly its request of tenants to respect the cultural importance of the building inherited from pioneers;
- (b) The Hall is financially viable and has sufficient reserves to meet its financial obligations;
- (c) The Committee has no trouble in recruiting committee members or filling office bearer positions;

REPORT NO: GE268 (cont.)

- (d) As locals, the Committee is able to keep watch over the Hall every day of the week to ensure the building is safe and secure.

9.22.2 Officers have conducted an analysis of the Committee against the assessment criteria, and have concluded, in particular:

(a) Committee membership and performance

The committee consists of 7 members – comprised of community members and user group representatives. All committee members are active meeting attendees.

The committee has had much success in recruiting local residents as committee members when needed, and has been effective in getting members to nominate as office bearers for the committee.

Members of the committee are aware of, and compliant with, their obligations under the Instrument of Delegation, and the Local Government Act 1989.

(b) Financial Viability and Use of Hall

The committee continues to be in a profitable financial position. Whilst its net operating profit for 2016/17 was only \$2,504.20, the Committee has held steady with its returns over many years, and currently holds \$82,267.39 in its bank accounts.

The committee is responsible with its spending, and has used funds to refurbish and makes improvements to the Hall over time, all of which have been focused on keeping with the historic nature of the Hall.

The Committee ensures maintenance is carried out in a timely manner and that OH&S issues (if any) are quickly resolved.

The Centre has a high occupancy by regular users, which is primarily activity and community group based.

9.23 Officer Recommendations

- (a) The management of the Westmeadows Hall by the Committee of Management has worked well over the years, and strong committee membership and active involvement of members continues to provide efficiency in providing an accessible facility to members of the community.
- (b) Officer's recommend Council endorsement of the Committee's submission to continue management of the Westmeadows Hall.

10. CONCLUSION:

Following a review of the management of community facilities by Section 86 Committees, it is recommended that Council incorporate the management of the Campbellfield Community Centre and the Tullamarine Hall in the centralised system operated by the Community Development and Learning department, and that management of the Westmeadows Hall and the Gladstone Park Community Centre be retained by the current Committees of Management.

Committee of Management
Gladstone Park Community Centre
South Circular Drive;
Gladstone Park 3043

10th November 2017

Gavan O'Keefe,
Manager Governance
Hume City Council.

Dear Gavan,

In response to your letter dated the 21 September 2017, the Committee of Management (CoM) of the Gladstone Park Community Centre (GPCC), have decided after full consultation that we wish to continue our services as a Section 86 committee.

The GPCC CoM is a full committee (including two user group representatives). We have some experienced members and a number of fresh faces with new ideas and enthusiasm to keep the GPCC evolving to successfully continue our community service.

We already have the following attributes:

1. Strong direct links from the GPCC to the Hume community.
2. Existing representation of the current user groups on committee.
3. Continuity of successful community service and stakeholder representation.
4. Long and distinguished history of service to the Hume council and community groups.
5. Existing and trusted contact point and conduit to current user groups and potential future applicants for hire opportunities.
6. Leveraging vision and focus from an existing robust committee structure, protocols, charter and mandate from council.

The history of the committee and its record is rich with successful and dedicated service to the community over forty plus, continuous years. GPCC has always had a strong team base. The Committee has engaged and engendered open dialogue with all the council members to build a rock-solid, harmonious and transparent, working relationship.

GPCC has a history of long serving committee members including Vera Crossley, Margaret Monello, Claire Wolny, Pat Townsend, Fred van Ross, Ray Camilleri, Dot White, myself and we have a returning executive Committee member, John Timbs.

Although 2017 was a year that saw three executive members resign concurrently, every effort has been made to recruit capable replacements and rebuild a new and strong committee. These efforts have been successful considering the tight timeframes and challenges faced. Full transition will always take time as we build new relationships and partnerships with the community and council.

We would like to highlight the following compelling criteria as to why the GPCC should remain in place as a Section 86 committee:

1. User groups

- a) The committee have a close and collaborative relationship with the centres user groups, which has been carefully constructed over many years.
- b) We can respond flexibly to urgent requests for cancellations/extension of hire/changes or extra days as applicable.
- c) The requirements of each group are well recognised and considered in each relationship. The groups are generally responsive and flexible if changes to bookings are needed.
- d) Many groups have longstanding and trusted relationships and commitment to the GPCC.
 - The GP Badminton Club has been a user group of the facility since its opening back in 1976.
 - GPCC Basketball Club since 1984.
 - Soccer Rising Stars since 2009
 - U3A since 2012. (They have been running classes at GPCC for over twenty years. Vera Crossley has been a committee member for that entire period.
 - Vinsara since 2015
 - Taylors Badminton since 2016.
- e) We are concerned that with a change in management structure from a committee of management model to a centralised booking system, the user groups will lose confidence in their trusted support network which may undermine their viability and on-going participation.

2. Booking System

- a) On Pat Townsend assuming the role as Chair, the committee of management instituted a range of strategies to improve the operation of the hall and as these measures took effect then bookings increased accordingly as confidence in the GPCC increased exponentially over a relatively short period.
- b) Generally the GPCC is booked to very high capacity levels exceeding 60%.
- c) Google calendar is the effective tool used to organise and monitor our bookings.
- d) The Google calendar works efficiently and is easily updated for accurate booking information. The potential for over-bookings or double-bookings is therefore eliminated.
- e) Multiple committee members have access to the tool as needed so the information is always current and eminently viewable. Executive members of the committee, like the Secretary and Treasurer have full access and overview rights.
- f) GPCC ensure functional and fundamental compatibility across all user groups. This is vital in respecting the applicable hire times. We are able to give a personalised touch that makes the user groups experience feel special.
- g) We can work with special requests from the user groups from changing rooms or time slots to accommodate their needs and ensure high levels of capacity in our user group bookings.
- h) A prime contribution to the hall and the transition into a high class venue was the major facility update which came from the partnership between committee and council. The upgrade has made the facility much more user friendly and desirable to current and future user groups and is directly reflected in the increase in bookings and the viability of the venue.
- i) There are no perceived complaints about how GPCC is managing the hall and council have always provided positive feedback on CoM activities.

3. Maintenance

- a) The user groups are fully engaged, highly motivated and usually comfortable to report any issues or concerns which require the committee's attention.
- b) Councillor Helen Patsikatheodorou as Mayor was suitably impressed with the endeavours of the committee and allocated financing the Mayoral fund for the front garden to be updated. The Ward fund also assisted with the defibrillator being installed to ensure we offer an enhanced safe venue.
- c) The installation of LED lighting was instigated and financed by the CoM to ensure higher quality venue facilities, while delivering cost savings to the operational budget.
- d) The proposed solar panels project which would deliver further savings to the bottom line has been suspended awaiting the council implementation of an overarching plan for its broader facilities.
- e) The CoM arranged to engage a maintenance man to keep the centre running smoothly and looking at its best when CoM members are not immediately available.
- f) The hall users become 'key eyes' for the CoM, forming a unique bond that is important making users feel they have a stake in the upkeep of the hall. User groups together with the CoM have a real sense of ownership. As an example, CoM members after a particularly violent storm inspected the building (public holiday) found that flooding had occurred and were able to report it immediately, for urgent corrective actions to be taken.
- g) CoM put in many hours of voluntary work to make the hall the best facility that can be utilised by the community.

4. Management

- a) The CoM provide effective management of the GPCC facility.
- b) We have a full, healthy and rounded committee.
Although we are still learning the processes that council mandate, we are prepared to put the required energy and commitment into these activities.
Our protocols have improved over the last few months and will continue to do so into the future.
- c) The CoM have a real sense of belonging and ownership to the GPCC.
Strategies and mission objectives we have developed and have the full commitment of the team are:
 - Community service and collaborative partnerships.
 - GPCC must be cost effective.
 - Financially viable and responsible.
 - User friendly facility that encourages lifelong learning.
 - Innovative improvement strategies.
 - Succession planning.
 - Robust and transparent processes and management outcomes.

5. Finances

- a) We use Recon Accounts Accounting Small Business software to enable us to maintain and present accurate and transparent financial records.
- b) Our financial situation is very stable, with healthy bank accounts and sufficient available funding for operational purposes.
- c) The GPCC revenues pay for the centre upgrades
e.g. Projector in White Room

LED lighting throughout the building
 Recent renovations to the frontage and soundproofing
 The installation of a new projector in the Yellow Room – subject to Council's approval
 Cost for the basketball rings repair and ongoing maintenance – subject to Council's approval.

- d) The centres financial history for 9 months (1 Jan to 30 Sept 2017 YTD) since 2015 have been very healthy.

Year	Income	Average per month	Total Hours utilisation
2015	\$26,497	\$2,944	1500.50
2016	\$36,590	\$4,065	2215
2017	\$41,475	\$4,608	2343.25

This trend shows high financial viability in providing a community service while providing for upkeep and innovative enhancements to the service offering and delivering higher capacity numbers.

- e) When the previous committee was put in place, there was inherited funding to administer: (Fred Van Ross was Treasurer and Pat Townsend was Chair). The committee at that time decided to bring improvements to GPCC and bring the facility up to the current expectations of a high class community resource and attend to the much needed repairs, like the basketball equipment being repaired, the badminton court cleaned and a key register put in place after the whole building was re-keyed.

6. Retaining the Section 86 Committee and current booking system

- a) Being part of the committee of management is vital in the involvement of the community to enable people to use and grow their skills, keeping their minds active and connected to the local community.
- b) Much hard work has been put into the centre over the years to bring it to the standard we see today and we believe this can be maintained and enhanced into the future.
- c) The GPCC has been and is a progressive committee which is why the centre is in such a stable and buoyant situation at this time.
- d) In the optional proposition of a single administrator for all four centres, we feel there would be a definite lack of focus and an appropriate personal touch to the Centre.
- e) Local committees have proven over forty plus years that they are able to successfully and effectively operate the GPCC with highly motivated individuals and a collective harmonious CoM and the current team will continue to offer their unique services and abilities to the Hume community.
- f) Changing the current model of committee of management would be detrimental to the ideal that local communities should be empowered and involved in their community and managing their local infrastructure.
- g) The annual income from the hall is substantial, the current bank balance has been generated by the local community and administered by the representative committee with the view the money is held for the direct benefit of the local community. Therefore it follows that management of the funding and management of the centre should be a local imperative.

The GPCC CoM works tirelessly to improve the provision and management of the community facility to support community activities as per Council's Plan strategic objectives.

We are financially independent with a credit, available sufficient funds to cover our costings and development projects that can improve the experience for our user group. We have proven to be responsible and transparent and will continue to be accountable to the Hume City Council.

There will be four signatories on the bank account and we will require two signatories at all times to make any change which ensures the security commensurate with this responsibility.

At a special committee meeting held on the 31st October 2017, also known as the Extra Ordinary General Meeting (minutes attached), the following motion was discussed.

“We as the Committee of Management of the Gladstone Park Community Centre wish to remain as a Section 86 committee.

We don't believe that an Advisory Committee will have the same positive impact on the community and management of the facility as the GPCC CoM.

We seek Councils endorsement to continue as a Section 86.”

Motion moved by Peter Lazarus, Seconded by Margaret Monello Carried.

The CoM GPCC trust that our proposal will be favourably viewed and that the Hume Council will re-confirm our status as a Section 86 committee going forward into the future.

Yours sincerely,



Carolynne Venn
Chairperson.

Please refer to attachment – Minutes of Extra Ordinary meeting 31/10/17

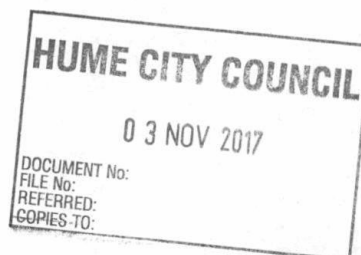
2/11/2017

To Mr. Gavan O' Keefe

Manager Governance

Hume City Council

PO Box 119 Dallas 3047



e

cc. Mayor. Drew Jessop, Tullamarine Hall Committee of Management

Re: Review of Section 86 Committees of Management

Dear Gavin,

Thank you for your letter dated 21st September 2017, as requested I tabled the letter for discussion at our Tullamarine Hall Committee of Management meeting dated 30/10/2017.

After tabling the letter, the existing committee were disappointed that the council has seen fit to review the four special committees under section 86 of the local government act 1989. Some committee members extremely disappointed and the meeting concluded earlier than usual. Your council representative Danna explained the Councils position but the committee members were upset.

On Tuesday morning, the 31/10/2017 I rang you in my capacity as hall president to get a better understanding of the council's intention. After talking to you, you advised me that the Tullamarine Community hall of Management has three options.

1. Justify maintaining the existing hall of management.
2. Disband and hand back all responsibilities to Hume Council.
3. Disband and hand back their responsibilities to Hume Council and become part of the advisory committee.

As president, I discussed the options with our committee and we decided that we would like to maintain the existing committee structure and responsibilities. We understand that the Hume Council could disband our committee in the future. But until then we shall operate as normal until the next AGM in 2018.

The reasons that the Tullamarine Community Hall of Management should continue under section 86 are-

1. Community Ties
2. Accolades from Hume Council
3. User Groups

- 4. Account Balance
- 5. Ongoing participation

The Tullamarine Community Hall was set up by community members from Tullamarine on our committee we have members with strong family ties.

The Tullamarine Community Halls current committee has received many accolades for the Hume Council

2012 R. Romans President Certificate of Appreciation

2012 I. Hutchinson Committee Certificate of Appreciation

2006 J. Hutchinson Secretary Resident of the Month 25 yrs. hall committee, 20 years secretary.

2007 Jan Hutchinson Australian Day Citizen of the year presented by Councilor Gary Jungwirth

The Tullamarine Hall Committee has the following user groups –

Karate, Volleyball, Phycologist, Weekend Functions, Assembly of God Church, Buddhist group /meditation and a Friday Prayer group. The hall is used on a regular basis by Hume residents.

The current Committee has an Investment account with a balance in excess of \$50,000 and a business account in excess of \$10,400. While still paying all the utility bills, janitorial and honorariums, the hall is financially viable.

The Tullamarine Community Hall of Management may be a small committee but we get the job done and have done so for over 30 years. We have tried to attract more committee members but there is a lack of community spirit without a financial incentive. It is disappointing that after many years of service the Hume Council is trying to disband the existing committee which has successfully run the Tullamarine Community Hall. While proposing that existing members from all four of the committees can become part of the advisory board, their impact will be limited and have no actual authority.

The Tullamarine Community Hall of Management will operate as the operating committee until we are advised otherwise.

Looking forward to your reply.

Robert Romans President Tullamarine Hall Committee



1 Rudstone Bend Greenvale 3059.



WESTMEADOWS HALL COMMITTEE OF MANAGEMENT

11 Riddell Street, Westmeadows, Vic 3049

Tel: 0402 123 750

Hume City Council
1079 Pascoe Vale Road
Broadmeadows, Vic, 3047

Att: Mr Gavan O'Keefe

REVIEW OF SECTION 86 COMMITTEES OF MANAGEMENT

I refer to your letter HCC12/711 of 21 September 2017 in which you advised our Committee that Council had resolved, inter alia, to invite Committees that managed community facilities to make a submission on the option of such facilities being centrally managed by council.

At the Westmeadows Hall Committee of Management meeting of 19 October 2017, and following the presentation given by Mr Gavan O'Keefe concerning the review, and after due consideration the Committee resolved to seek retention of its function as is and not opt for the Hall being centrally managed.

Westmeadows Hall is not the usual public building (and there are many) managed by Council's central body. It is unique in that it is one of the limited number of remaining historic public buildings in this city. The building was constructed in 1887 and known as the Forrester's Hall. The Forrester's were one of a number of Friendly Societies that were active in Victoria in the 19th and early part of the 20th century. Halls such as the Westmeadows Hall were the social focus of local citizens.

Our committee is dedicated to preserving this landmark timber structure, a symbol of 130 years of community activities embracing old Broadmeadows heritage. We impress upon our tenants the need to respect the cultural importance of this building inherited from our pioneering past.

In relation to the Governance aspects of the Hall I point out that:

- a. the Hall is financial and has sufficient reserves to meet its financial obligations. In other words the Committee is solvent,
- b. we have no trouble in recruiting committee members, and
- c. we have no difficulty in filling office bearer positions.

In addition, as locals we are able to keep watch over the Hall every day of the week. There is always a committee member in the area to ensure the building is safe and secure.

Committee members ensure the rubbish bins are put out, collected and returned to the cage. This task would fall to council under a central management model.

Since the Committee of Management was formed in 1990 the Hall has been refurbished, re-roofed and a number of improvements incorporated all in keeping with its historic nature. The Committee ensures maintenance is carried out in a timely manner and that OH&S issues (if any) are quickly resolved.

On behalf of the Committee I submit that the Westmeadows Hall is run effectively and efficiently. It is financially sound without any governance issues. The Hall is used every day without trouble and the users keep the place clean and tidy. Our reporting and records accord with Section 140 of the Local Government Act and direction of Council. There has not been any issue regarding the management of Westmeadows Hall since responsibilities for the Hall were transferred to the residents in the 1990s.

In my opinion the Committee has fulfilled the requirements of the Instruments of Delegation issued from time to time including the Instrument of Delegation dated 20 September 2017.

I request that management of the Westmeadows Hall be allowed to continue in its current form.

Yours faithfully

D. White
Chair

REPORT NO:	GE269
REPORT TITLE:	Quarterly Financial Report - March 2018
SOURCE:	Fadi Srour, Manager Finance and Property Development
DIVISION:	Corporate Services
FILE NO:	HCC17/205
POLICY:	-
STRATEGIC OBJECTIVE:	5.3 Provide responsible and transparent governance, services and infrastructure which responds to and supports community needs.
ATTACHMENT:	1. <i>Quarterly Finance Report</i>

1. SUMMARY OF REPORT:

The quarterly financial report provides information to the community and stakeholders on the financial performance and position of Council as at 31 March 2018, as required on a quarterly basis under section 138 – Quarterly Statements of the *Local Government Act, 1989*.

2. RECOMMENDATION:

That the Finance Report for the nine months ended 31 March 2018 be received and noted

3. FINANCIAL IMPLICATIONS:

3.1 The financial statements consist of three main reports:

1. The Income Statement;
2. The Balance Sheet; and
3. The Statement of Cash Flows.

3.2 Two additional reports have also been included that show the level of payments that Council directly makes to businesses, community groups, individuals and employees within Hume.

3.3 From a governance and accountability perspective, Council receives quarterly reports on key financial data with detailed commentary on variance analysis and actions being undertaken. The reporting of this key financial data on a quarterly and annual basis adds to the commitment Council has made to govern in an open manner and be accountable to residents for the management of resources and funding.

4. KEY FINANCIAL INFORMATION:

4.1 Income Statement [*Attachment 1*]

The Income Statement measures how well Council has performed from an operating or recurrent nature. It reports revenues and expenditure from the activities and functions undertaken with the net effect being the resulting surplus figure.

4.2 Attachment 1 identifies that Council has generated \$292.9m in revenue and \$159.9m in expenses. This has resulted in a surplus of \$133m which is \$26.8m above budget for the nine months ended 31 March 2018. This favourable variance is largely due to growth related income including statutory and user fees and contributions.

4.3 Council's Revenue Base

4.3.1 The majority of Council's revenue is derived from rates and charges. During the financial year ended 30 June 2017, rates income was \$163.4m. This equated to 38% of Council's total revenue of \$427.9m.

REPORT NO: GE269 (cont.)

- 4.3.2 For the nine months ended 31 March 2018, rates revenue was \$126.2m which equates to 43.1% of total revenue. Therefore, Council continues to be reliant on its rates revenue as a major source of income.
- 4.4 For the nine months ended 31 March 2018, the major items of revenue earned by Council include:
- | | | |
|-------|------------------------------|-----------|
| 4.4.1 | Rates and charges | \$ 126.2m |
| 4.4.2 | Contributions – non-monetary | \$ 60.8m |
| 4.4.3 | Contributions – monetary | \$ 29.2m |
| 4.4.4 | User fees | \$ 20.0m |
| 4.4.5 | Grants – recurrent | \$ 27.1m |
- 4.5 Council's Expense Base
- 4.5.1 The majority of Council's expenses relates to employee benefits. During the financial year ended 30 June 2017, employee benefits were \$98.2m. This equated to 45% of Council's total expenses of \$218.9m.
- 4.5.2 For the nine months ended 31 March 2018, employee benefits were \$73.5m which equates to 46% of total expenditure.
- 4.6 For the nine months ended 31 March, the major items of expenditure incurred by Council include:
- | | | |
|-------|-------------------------------|----------|
| 4.6.1 | Employee benefits | \$ 73.5m |
| 4.6.2 | Materials and services | \$ 45.8m |
| 4.6.3 | Depreciation and amortisation | \$ 31.5m |
- 4.7 Balance Sheet [*Attachment 2*]
- 4.7.1 The Balance Sheet is a statement at a point in time which shows all the resources controlled by Council and the obligations of Council. The aim of the Balance Sheet is to summarise the information contained in the accounting records relating to assets, liabilities and equity in a clear and intelligible form.
- 4.7.2 The major item on the Balance Sheet consists of property, infrastructure, plant and equipment. These fixed assets made up 91% of Council's total asset base in 2016/17 – a total of \$2.55b. As at 31 March 2018, fixed assets made up 90% of Council's total asset base – a total of \$2.6b.
- 4.7.3 The impact of sound financial management can be seen in the ratepayer equity of \$2.83b which reflects the strong financial position of Council. The information contained within the Balance Sheet also demonstrates that liquidity is strong as demonstrated by the favourable cash balance. Council assets are increasing, which is largely due to developer contributed assets and a substantial capital works program. All of these factors have led to favourable key ratios as identified in this report.
- 4.8 Statement of Cash Flows [*Attachment 3*]
- 4.8.1 The Statement of Cash Flows shows what was actually received and paid by Council, not what was owed or what was recorded. This is largely why it is different to the Income Statement which shows what income was raised and payments incurred during the same period.
- 4.8.2 For example, Council may make a purchase of some goods/services today but may not make payment for those goods/services for another 30 days (in accordance with Council's credit terms). However, as the goods/services have already been provided, the accounting standards require that the cost of these

REPORT NO: GE269 (cont.)

goods/services be recorded in the Income Statement as soon as they have been provided.

4.8.3 Another reason for the difference between the surplus figure reported in the Income Statement and the Cash Flow Statement is the Depreciation and amortisation recorded as expense, \$31.5m at 31 March 2018, (in the Income Statement) with no resulting cash payments.

4.8.4 For the nine months ended 31 March 2018, Council's cash position is \$212.3m which is \$69.8m favourable to budget. This is largely due to commencing the year with a higher than expected cash balance primarily as a result of a larger than expected carried forward in the capital works program, favourable cash contributions from developers, less capital works expenditure in the first nine months of the year and a favourable operating result.

4.9 Buying Local *[Attachment 4]*

4.9.1 The Buying Local report highlights the level of payments made by Council to businesses, community groups and individuals within the municipality. The report includes payments for grants and contributions, materials and services, building and utility costs and contractor and other services. For the nine months ended 31 March 2018, Council made payments to local suppliers totalling \$14.4m. Significantly, the level of local expenditure as a proportion of Council's total payments (including capital works) was 16.75% as at 31 March 2018.

4.9.2 It should be noted that the report only includes payments to suppliers whose mailing address is listed within Hume. There is therefore the possibility that the level of payments to local suppliers is in fact higher.

4.10 Employees Residing within Hume *[Attachment 5]*

4.10.1 The Employees Residing within Hume report highlights the level of salaries paid to employees who reside within Hume and also the number of employees who reside within Hume.

4.10.2 For the nine months ended 31 March 2018, Council paid salaries to employees residing within Hume totalling \$31m, representing 42% of total employee benefits. Also for the nine months ended 31 March 2018, there were 937 employees residing within Hume representing 55.9% of total employees.

4.11 Financial Ratios

4.11.1 The following financial ratios are required to be included in Council's financial report at year-end. Although their value may be limited as key financial indicators, they do provide information on trends.

Ratios	Nine Months to 31-Mar-18 2017/18	Nine Months to 31-Mar-17 2016/17	Twelve Months to 30-Jun-17 2016/17
<u>Debt Servicing Ratio (Target < 3%)</u>			
This ratio measures the extent to which long-term debt is impacting on the annual total income of Council and identifies the capacity of Council to service outstanding debt. The ratio expresses the amount of interest paid as a percentage of Council's total revenue. (The lower the ratio the better).	0.01%	0.03%	0.03%

REPORT NO: GE269 (cont.)

Ratios	Nine Months to 31-Mar-18 2017/18	Nine Months to 31-Mar-17 2016/17	Twelve Months to 30-Jun-17 2016/17
<p>Debt Commitment Ratio (Target < 15%)</p> <p>This ratio identifies Council's debt redemption strategy and expresses the percentage of rate revenue utilised to pay interest and redeem debt principal. (The lower the ratio the better).</p>	0.35%	0.36%	0.35%
<p>Revenue Ratio (Target 65% - 70%)</p> <p>This ratio identifies Council's reliance on rates as a source of income. (The lower the ratio the better).</p>	43.1%	43.42%	38.18%
<p>Debt Exposure Ratio</p> <p>This ratio identifies Council's exposure to debt and expresses the total indebtedness to total realisable assets. (The lower the ratio the better).</p>	5.47%	6.71%	4.55%
<p>Working Capital Ratio (Target 100% - 150%)</p> <p>This ratio identifies Council's ability to meet current liabilities and enables an assessment of Council's liquidity and solvency. The ratio compares the current assets to current liabilities. (The higher the ratio the better).</p>	834.78%	479.95%	311.75%

5. **CONCLUSION:**

The quarterly report has been prepared on an accrual basis and in accordance with accounting practices, including an Income Statement, Balance Sheet and Statement of Cash Flows. Council's financial performance is ahead of expectations.

Attachment 1

INCOME STATEMENT

For the nine months ended 31 March 2018

	Nine months to 31/03/2018 ACTUAL 2017/18 \$'000	Nine months to 31/03/2018 BUDGET 2017/18 \$'000	Twelve months to 30/06/2017 ACTUAL 2016/17 \$'000
Income			
Rates and charges	126,223	123,792	163,372
Statutory fees and fines	10,954	9,851	13,135
User fees	20,031	18,282	23,819
Grants - recurrent	27,108	30,702	46,705
Property rental	1,563	1,341	1,740
Interest	2,847	1,453	3,810
Fair value adjustment on investment property	-	-	3,591
Total income	188,725	185,420	256,172
Expenses			
Employee benefits	73,549	80,055	98,183
Materials and services	45,825	44,750	68,039
Utility costs	3,580	4,245	5,101
Grants, contributions and donations	3,150	3,485	4,169
Bad and doubtful debts	374	-	713
Depreciation and amortisation	31,547	31,586	40,173
Finance costs	40	26	129
Other expenses	1,825	1,940	2,400
Total expenses	159,890	166,086	218,906
Underlying surplus	28,835	19,335	37,266
Net gain on disposal of property, plant, equipment and infrastructure	215	-	171
Net gain on property development	5,236	4,963	2,626
Contributions - non-monetary assets	60,812	49,362	114,183
Contributions - monetary	29,161	19,225	33,697
Grants - capital	8,714	13,287	21,085
Surplus for the year	132,974	106,172	209,028
Other comprehensive income			
Net asset revaluation increment	-	-	147,285
Comprehensive result	132,974	106,172	356,313

Attachment 2

BALANCE SHEET

As at 31 March 2018

	Nine months to 31/03/2018 ACTUAL 2017/18 \$'000	Nine months to 31/03/2017 ACTUAL 2016/17 \$'000	Twelve months to 30/06/2017 ACTUAL 2016/17 \$'000
Assets			
Current assets			
Cash and cash equivalents	212,348	128,755	157,568
Trade and other receivables	24,909	22,621	32,327
Non-current assets classified as held for sale	250	7,207	10,517
Other assets	751	-	1,620
Total current assets	238,257	158,583	202,032
Non-current assets			
Trade and other receivables	300	306	300
Property, infrastructure, plant and equipment	2,617,624	2,354,699	2,553,778
Investment property	39,680	31,382	38,422
Financial assets	310	310	310
Non-current assets classified as held for sale	2,635	9,629	2,635
Total non-current assets	2,660,549	2,396,326	2,595,445
Total assets	2,898,806	2,554,909	2,797,477
Liabilities			
Current liabilities			
Trade and other payables	3,543	2,255	24,495
Interest-bearing loans and borrowings	817	1,056	1,221
Provisions	25,003	23,937	26,128
Development fee obligation	64	5,794	12,962
Total current liabilities	29,425	33,042	64,806
Non-current liabilities			
Interest-bearing loans and borrowings	559	828	559
Trust funds and deposits	7,798	6,168	3,899
Provisions	24,042	27,117	24,210
Development fee obligation	3,311	12,097	3,310
Total non-current liabilities	35,711	46,210	31,978
Total liabilities	65,136	79,253	96,784
Net assets	2,833,670	2,475,656	2,700,693
Equity			
Accumulated surplus	1,616,595	1,437,075	1,479,278
Other reserves	1,217,076	1,038,581	1,221,415
Total equity	2,833,670	2,475,656	2,700,693

Attachment 3

STATEMENT OF CASH FLOWS

For the nine months ended 31 March 2018

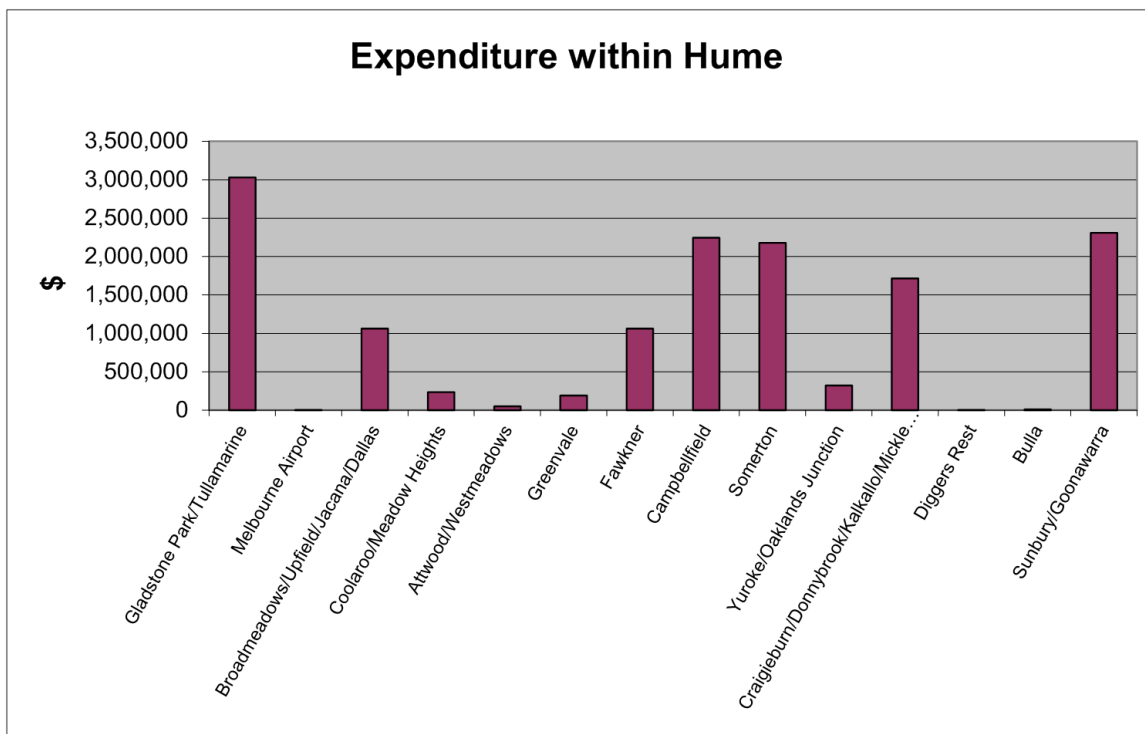
	Nine months to 31/03/2018 ACTUAL 2017/18 \$'000	Nine months to 31/03/2018 BUDGET 2017/18 \$'000	Twelve months to 30/06/2017 ACTUAL 2016/17 \$'000
Cash flows from operating activities			
Receipts			
General rates	126,223	126,787	156,470
Grants - operating	27,108	30,702	46,704
Grants - capital	10,626	11,687	18,822
User fees	26,070	25,622	24,574
Statutory fees and fines	10,488	9,628	12,955
Property rental	1,373	1,341	1,740
Interest	1,753	1,453	3,309
Net trust funds and deposits	986	-	2,514
Contributions - monetary	25,649	19,225	33,992
Net GST refund	-	-	13,743
	230,277	226,445	314,823
Payments			
Payments to employees	(76,935)	(89,451)	(97,086)
Materials and services	(52,823)	(57,818)	(86,316)
Other expenses	(5,405)	(6,184)	(2,411)
Grants, contributions and donations	(3,150)	(3,485)	(4,168)
	(138,314)	(156,939)	(189,980)
Net cash provided by operating activities	91,964	69,505	124,843
Cash flows from investing activities			
Payments for property, plant, equipment and infrastructure	(40,210)	(76,508)	(70,202)
Proceeds from sale of property, plant, equipment and infrastructure	867	586	900
Proceeds from property development	2,605	2,320	1,405
Net cash used in investing activities	(36,739)	(73,602)	(67,897)
Cash flows from financing activities			
Finance costs	(40)	(40)	(129)
Repayment of interest bearing loans and borrowings	(404)	(404)	(450)
Net cash used in financing activities	(444)	(444)	(579)
Net increase in cash and cash equivalents	54,781	(4,542)	56,367
Cash and cash equivalents at the beginning of the period	157,568	147,067	101,201
Cash and cash equivalents at the end of the period	212,348	142,525	157,568

Attachment 4

**Buying Local
Expenditure by Locality**

As at 31 March 2018

Postcode	Suburb	Amount \$
3043	Gladstone Park/Tullamarine	3,027,860
3045	Melbourne Airport	2,310
3047	Broadmeadows/Upfield/Jacana/Dallas	1,061,015
3048	Coolaroo/Meadow Heights	235,257
3049	Attwood/Westmeadows	50,866
3059	Greenvale	192,027
3060	Fawkner	1,063,521
3061	Campbellfield	2,244,905
3062	Somerton	2,176,199
3063	Yuroke/Oaklands Junction	321,692
3064	Craigieburn/Donnybrook/Kalkallo/Mickleham/Roxburgh Park	1,715,138
3427	Diggers Rest	3,381
3428	Bulla	9,973
3429	Sunbury/Goonawarra	2,309,868
Total		14,414,013



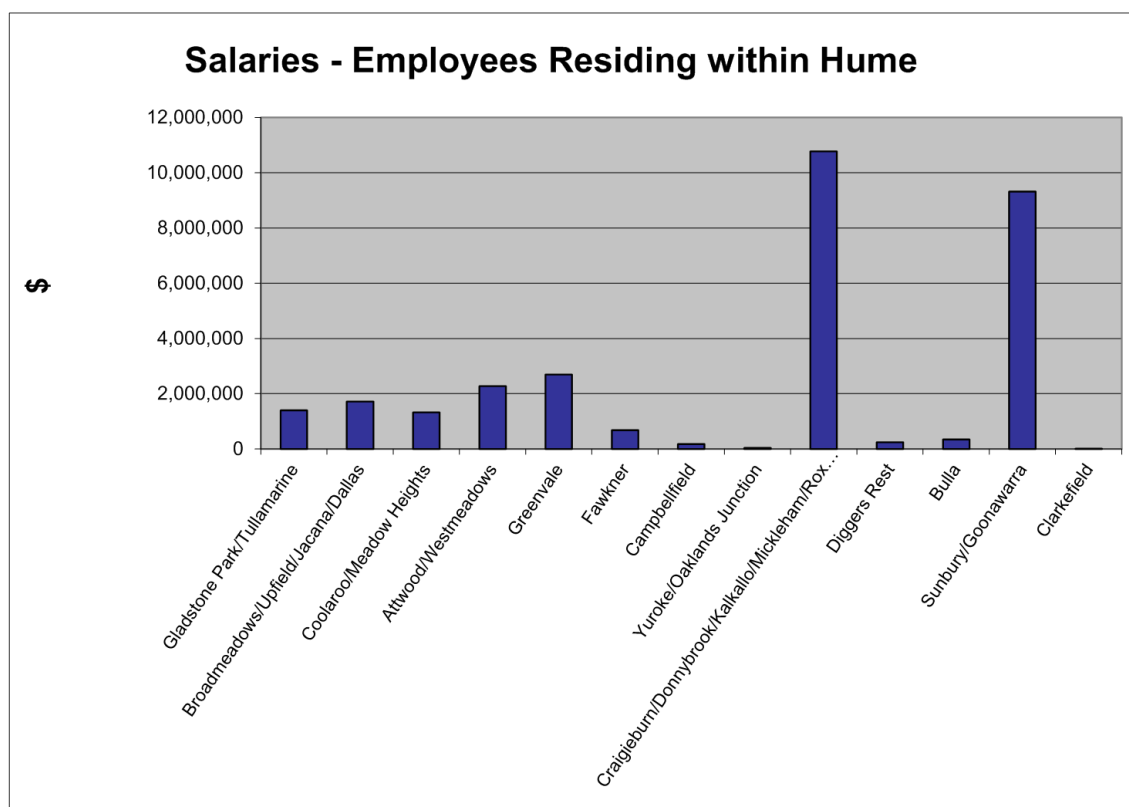
Attachment 5

Employees Residing within Hume

As at 31 March 2018

Postcode	Suburb	Gross Salaries \$
3043	Gladstone Park/Tullamarine	1,399,610
3047	Broadmeadows/Upfield/Jacana/Dallas	1,713,589
3048	Coolaroo/Meadow Heights	1,322,453
3049	Attwood/Westmeadows	2,269,460
3059	Greenvale	2,692,539
3060	Fawkner	684,703
3061	Campbellfield	172,973
3063	Yuroke/Oaklands Junction	40,657
3064	Craigieburn/Donnybrook/Kalkallo/Mickleham/Roxburgh Park	10,775,389
3427	Diggers Rest	238,326
3428	Bulla	341,862
3429	Sunbury/Goonawarra	9,318,558
3430	Clarkefield	4,496
Total		30,974,613

Total number of employees paid that reside within Hume was 937.



REPORT NO:	GE270
REPORT TITLE:	Approved Contracts Reports - 1 January 2018 - 31 March 2018
SOURCE:	Fadi Srour, Manager Finance and Property Development; David Cecala, Coordinator Procurement
DIVISION:	Corporate Services
FILE NO:	HCC04/13
POLICY:	Procurement Policy
STRATEGIC OBJECTIVE:	5.3 Provide responsible and transparent governance, services and infrastructure which responds to and supports community needs.
ATTACHMENTS:	Nil

1. SUMMARY OF REPORT:

This report provides Council with a summary of contracts approved by Council and contracts approved by the Chief Executive Officer (CEO) and Directors under delegated authority for the period 1 January 2018 – 31 March 2018.

2. RECOMMENDATION:

That the report be noted.

3. LEGISLATIVE POWERS:

Legislative Powers to enter into contracts are contained in section 186 of the *Local Government Act 1989*.

4. FINANCIAL IMPLICATIONS:

All approved contracts listed in this report have been provided for in Council's Annual Budget and, for multi-year contracts, in the Strategic Resource Plan.

5. ENVIRONMENTAL SUSTAINABILITY CONSIDERATIONS:

There are no environmental sustainability implications in respect to this report.

6. CLIMATE CHANGE ADAPTATION CONSIDERATIONS:

There are no climate change adaptation considerations in this report.

7. CHARTER OF HUMAN RIGHTS APPLICATION:

There is no charter of human rights application in respect to this report.

8. COMMUNITY CONSULTATION:

Not applicable.

9. DISCUSSION:

9.1 Contracts approved under delegated authority by the Chief Executive Officer

9.1.1 Council has, via an Instrument of Delegation, delegated to the CEO, the power to enter into contracts up to a value of \$500,000.

9.1.2 For the period 1 January 2018 to 31 March 2018, the CEO approved the following contracts up to the value of \$500,000.

REPORT NO: GE270 (cont.)

Contract No	Description	Contractor	Date approved
30 17 2806	Neighbourhood House Feasibility Study 2017	Symplan	02/01/2018
30 17 2794	Supply and Delivery of One Elevating Work Platform Vehicle	GMJ Equipment	05/01/2018
30 17 2785	Provision of Timber Floor Maintenance	Nellakir Australia	12/01/2018
30 17 2799	Supply and Install Sports Floodlights at Progress Reserve West Oval, Coolaroo	IPOWER (Vic) Pty Ltd T/As Power Street Electrics	06/02/2018
30 17 2788	Panel for Energy Efficiency, Mechanical and ESD Consultancy Services	A.G. Coombs Advisory Pty Ltd	06/02/2018
30 17 2811	Installation of Concrete Road Humps at Various Locations	Novacon Group Pty Ltd	08/02/2018
30 17 2810	Construction of car park at Laura Douglas Reserve, King Street, Dallas	MJ Construction Group Pty Ltd	19/02/2018
30 17 2792	Collection of Road Condition Survey Data and Road Reserve Imaging	Pavement Management Services Pty Ltd	26/02/2018
30 17 2793	Supply, installation and commissioning of Sports Lighting at Aston Open Space, Craigieburn	Power Street Electrics	28/02/2018
30 18 2823	Intersection Project Upgrades for Various Locations across Hume	MJ Construction Group Pty Ltd	29/03/2018

9.2 Contracts approved under delegated authority by Directors

9.2.1 Council's Procurement Policy provides for Directors to undertake procurement up to the value of \$100,000.

9.2.2 For the period 1 January 2018 to 31 March 2018 Directors approved the following up to the value of \$100,000.

Contract No	Description	Contractor	Date approved
30 18 2838	Preliminary Concept and Cost Plan for Merrifield West and Lockerbie Community Centres	Canvas Projects Pty Ltd	19/03/2018

9.3 Contracts approved by Council

9.3.1 Council approved the following contracts over \$500,000 for the period 1 January 2018 to 31 March 2018.

REPORT NO: GE270 (cont.)

Contract No	Description	Contractor	Date approved
30 17 2804	Road Side Safety Improvements - Moore Road, Sunbury	Petrolo Construction Pty Ltd	12/02/2018
30 17 2760	Provision of Electrical Services for Hume City Council	Panel contract with four suppliers	26/02/2018
30 17 2750	Provision of Corporate Apparel and Protective Uniforms for Hume City Council	Panel contract with four suppliers	26/02/2018
30 18 2820	PA - 1906-0836 - Library Collections, Furniture, Equipment and Associated Requirements	Panel contract with Procurement Australia covering 14 categories.	13/03/2018
30 17 2744	Provision of Training and Development	Panel contract with 30 suppliers	13/03/2018

10. CONCLUSION:

This report summarises contracts approved either by Council or under delegation by the CEO or a Director for the period. The report ensures transparency of reporting in line with Council's commitment to open and transparent governance.