



Moreland City Council

COUNCIL AGENDA

WEDNESDAY 11 SEPTEMBER 2019

COMMENCING 7 PM

COUNCIL CHAMBER, MORELAND CIVIC CENTRE,
90 BELL STREET, COBURG

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INFORMATION ABOUT COUNCIL MEETINGS

Council encourages its citizens to participate in the local government of Moreland. Accordingly, these notes have been developed to help citizens better understand Council meetings. All meetings are conducted in accordance with Council's Meeting Procedure Local Law 2018.

WELCOME The Mayor, who chairs the meeting, formally opens the meeting, delivers an acknowledgement of country and welcomes all present. This Council meeting will be recorded and webstreamed live to Council's website. This recording will also be available as Video on Demand. Although every care is taken to maintain privacy, gallery attendees are advised they may be recorded.

APOLOGIES Where a Councillor is not present, his/her absence is noted in the minutes of the meeting.

DECLARATION OF INTERESTS AND/OR CONFLICT OF INTERESTS Under the *Local Government Act 1989*, a Councillor has a duty to disclose any direct or indirect pecuniary (financial) interest, s/he may have in any matter to be considered by Council that evening.

CONFIRMATION OF MINUTES The minutes of the previous meeting are placed before Council to confirm the accuracy and completeness of the record.

MINUTES/REPORTS OF SPECIAL COMMITTEES Council considers reports from Special Committees that Councillors represent Council on.

PETITIONS Council receives petitions from citizens on various issues. Any petitions received since the previous Council meeting are tabled at the meeting and the matter referred to the appropriate Director for consideration.

PUBLIC QUESTION TIME This is an opportunity (30 minutes), for citizens of Moreland to raise questions with Councillors.

COUNCIL REPORTS Officers prepare detailed reports, which are considered by Councillors and a Council position is adopted on the matters considered. The Mayor can invite firstly Councillors, secondly Officers, and then citizens in attendance to identify Council reports which should be given priority by the meeting and considered in the early part of the meeting.

NOTICES OF MOTION A motion which has been submitted to the Chief Executive Officer no later than 12 pm (noon) ten days prior to the meeting which is intended to be included in the agenda. The motion should outline the policy, financial and resourcing implications.

NOTICE OF RESCISSION A Councillor may propose a motion to rescind a resolution of the Council, provided the previous resolution has not been acted on, and a notice is delivered to the authorised officer setting out the resolution to be rescinded and the meeting and date when the resolution was carried. For a decision of the Council to be rescinded, the motion for rescission must be carried by a majority of the votes cast. If a motion for rescission is lost, a similar motion may not be put before the Council for at least one month from the date it was last lost, unless the Council resolves that the notice of motion be re-listed at a future meeting. If a motion for rescission is not moved at the meeting for which it is listed, it lapses. A motion for rescission listed on a meeting agenda may be moved by any Councillor present but may not be amended.

FORESHADOWED ITEMS This is an opportunity for Councillors to raise items proposed to be submitted as Notices of Motion at future meetings.

URGENT BUSINESS The Chief Executive Officer or Councillors, with the approval of the meeting, may submit items of Urgent Business (being a matter not listed on the agenda) but requiring a prompt decision by Council.

CONFIDENTIAL BUSINESS Whilst all Council and Committee meetings of Council are open to its citizens, Council has the power under the *Local Government Act 1989* to close its meeting to the general public in certain circumstances which are noted where appropriate on the Council Agenda. Where this occurs, members of the public leave the Council Chamber or Meeting room while the matter is being discussed.

CLOSE OF MEETING The Mayor will formally close the meeting and thank all present.

NEXT MEETING DATE The next Council meeting (To Consider the Draft Annual Report 2018/2019) will be held on Monday 23 September 2019 commencing at 6 pm, in the Council Chamber, Moreland Civic Centre, 90 Bell Street, Coburg. The next Council meeting will be held on Wednesday 9 October 2018 commencing at 7 pm in the Council Chamber, Moreland Civic Centre, 90 Bell Street, Coburg.

A Council meeting designated to consider Planning and Related Matters will be held on Wednesday 11 September 2019 at 6.30 pm.



1. WELCOME

2. APOLOGIES

Leave of absence has been granted to Cr Irfanli - 26 August 2019 to 13 September 2019.

Leave of absence has been requested from Cr Abboud - 12 December 2019 - 10 February 2020.

3. DECLARATION OF INTERESTS AND/OR CONFLICT OF INTERESTS

4. CONFIRMATION OF MINUTES

The minutes of the Council meeting held on 14 August 2019 and the Special Council meeting held on 22 August 2019 be confirmed.

5. MINUTES / REPORTS OF SPECIAL COMMITTEE

Nil.

6. PETITIONS

PET10/19	PETITION TO NOT INSTALL A SPEED HUMP - JOHN AND EDWARD STREET, EAST BRUNSWICK (D19/346593)	6
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7. QUESTION TIME

8. COUNCIL REPORTS

DCF71/19	AMENDMENTS C192 AND C193 - BRUNSWICK ACTIVITY CENTRE INDUSTRIAL LAND REZONING - DECISION GATEWAY 1: AUTHORISATION AND EXHIBITION – COUNCIL ACTION PLAN ITEM (D19/334246)	8
DCF72/19	AMENDMENT C174 - MORELAND HERITAGE GAP STUDY DECISION GATEWAY 3 - CONSIDERATION OF PANEL REPORT AND DECISION ON THE AMENDMENT – COUNCIL ACTION PLAN ITEM (D19/192878)	224
DCF73/19	AFFORDABLE HOUSING ACTION PLAN (D19/319208)	1250
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DCD22/19	REVISED GUIDELINES FOR ARTS INVESTMENT GRANTS PROGRAM (D19/326825)	1324



DCD23/19	SUMMER 2019/2020 SPORTS GROUND SEASONAL TENANCY ALLOCATIONS (CYCLICAL REPORT) (D19/327261)	1333
DBT18/19	GOVERNANCE REPORT - SEPTEMBER 2019 - CYCLICAL REPORT (D19/332340)	1338
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DBT19/19	COLLABORATIVE PROCUREMENT - PUBLIC LIABILITY INSURANCE (D19/347947)	1487
DBT20/19	PROVISION OF TEMPORARY LABOUR HIRE - NEUTRAL VENDOR MANAGED SERVICES - A COLLABORATION OF THE NORTHERN REGION GROUP OF COUNCILS (D19/342081)	1490
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9. NOTICES OF MOTION		
NOM47/19	MORELAND'S GLOBAL CLIMATE STRIKE SUPPORT - CR DORNEY (D19/339615)	1496
NOM48/19	SUPPORT FOR CLIMATE EMERGENCY ACTIONS – CR SUE BOLTON (D19/341309)	1498
NOM49/19	DESIGNING AND PROVIDING PUBLIC SPACES WHICH SUPPORT HOMELESS PEOPLE – CR SUE BOLTON (D19/340014)	1500
NOM50/19	INVESTIGATE IMPROVEMENT OPTIONS FOR CYCLING ON THE UPFIELD AS PART OF THE LEVEL CROSSING REMOVAL PROJECT – CR NATALIE ABBOD (D19/341698)	1504
NOM51/19	SUPPORT FOR CONTAINER DEPOSIT SCHEME – CR NATALIE ABBOD (D19/341733)	1507
NOM52/19	COUNCIL CAR PARKS IN POSSIBLE TRIAL AREA – CR JOHN KAVANAGH (D19/341753)	1509



10. NOTICE OF RESCISSION

Nil.

11. FORESHADOWED ITEMS

Nil.

12. URGENT BUSINESS REPORTS

PET10/19 PETITION TO NOT INSTALL A SPEED HUMP - JOHN AND EDWARD STREET, EAST BRUNSWICK (D19/346593)

A petition has been received containing 33 signatures requesting Council to not install a speed hump on the corner of John and Edward Streets, East Brunswick.

Officer Recommendation

That Council:

1. Receives and note the petition requesting Council to not install a speed hump on the corner of John and Edward Streets, East Brunswick.
2. Refers the petition requesting Council to not install a speed hump on the corner of John and Edward Streets, East Brunswick to the Director City Infrastructure for consideration and response.

Attachment/s

- 1 [↓](#) Petition - Speed Hump - Corner of John and Edward Street, Brunswick East D19/346586

2

Objection Moreland City Council Proposed

Installation of Speed Hump: John Street/Edward Street Corner East Brunswick

We are residents of John Street and surrounding streets of East Brunswick. We are writing to object to the proposal to install a speed hump in John Street near the intersection of Edward Street.

A previous speed hump just 20 metres further north was removed last September 2018. The proposal to re-install another hump 20 metres further south is difficult to understand.

The expiration of over nine months without any hump means the requirement for a speed hump is obsolete.

A speed hump already exists in John Street near Arnold Street. Combined with a speed reducing roundabout about 250 metres further south at the Miller Street/John Street intersection existing arrangements more than adequately control of traffic flows and the 40kmh speed limit in John Street.

We object to the new proposed hump as it represents a waste of Moreland ratepayer money and will reduce parking spaces unnecessarily and request that it not be built.

Name, date, signature and address

NAME:	DATE	ADDRESS	SIGNATURE
	1/2019		

DCF71/19 AMENDMENTS C192 AND C193 - BRUNSWICK ACTIVITY CENTRE INDUSTRIAL LAND REZONING - DECISION GATEWAY 1: AUTHORISATION AND EXHIBITION – COUNCIL ACTION PLAN ITEM (D19/334246)

Director City Futures

City Strategy and Design

Executive Summary

This report has been prepared in response to part 6 of Council's decision at the May 2019 Council meeting (DCF30/19) and outlines the proposed approach for new amendments in relation to sites included in Category 2 Moreland Industrial Land Strategy (MILS) Areas. The decision required officers to seek interest from landowners in Category 2 MILS Areas to rezone their land and enter into an agreement registered on land title to provide for affordable housing and employment uses.

Amendment C192 and C193 seek to proactively rezone industrial land in the Brunswick Structure Plan Area to implement the Brunswick Structure Plan and MILS. The Amendments will implement the objectives of the Moreland Planning Scheme Strategic Framework at Clause 21.03-2 Land for Industry and Economic Regeneration for Employment Areas (Category 2).

While the strategic justification for both Amendments are the same, one seeks to optimise from the rezoning of land through an agreement registered on title to guarantee affordable housing and employment uses, and the other seeks to apply an alternative planning tool to seek employment outcomes. The differences in approach reflect the transition that arose between Council's adoption of MILS and the introduction of a new Commercial 3 Zone which was not contemplated at the time of the Strategy. Council has recognised the reliance placed on MILS by landowners following its adoption and the application of the Commercial 1 Zone at that time, while now embracing the opportunity to use a new zone which will be more successful in delivering MILS Category 2 objectives.

Amendment C192 proposes to amend the planning scheme by rezoning land at 98-102 Albert Street, Brunswick and 197-199 Albion Street, Brunswick to Commercial 1 Zone. The rezoning of these properties to a Commercial 1 Zone is conditional upon the registration of a section 173 Agreement on title that requires a minimum of 30% of the gross floor area of any new building to be for employment and economic uses and a minimum of 20% of dwellings within the same building to be provided for Affordable Housing as defined by the *Planning and Environment Act 1987*.

The proposed rezoning of these properties to a Commercial 1 Zone has been previously exhibited as part of Amendment C164 and has been considered and supported by an independent planning panel (August 2018). As such, it is recommended that a request for the Minister for Planning to prepare, adopt and approve Amendment C192 pursuant to section 20(4) of the *Planning and Environment Act 1987* is appropriate.

Amendment C193 proposes to rezone land (55 properties) within the Brunswick Structure Plan Area identified as Employment Areas (Category 2) to the Commercial 3 Zone with a maximum 50% residential floor area requirement. As this Amendment proposes a new planning tool, a standard amendment process that includes public exhibition and consideration by an independent planning panel is recommended.

These 2 Amendments will complete strategic work that commenced with a previous Amendment (C164) and will complete the implementation of the MILS for Category 2 Employment areas within the Brunswick Structure Plan area.

Officer Recommendation

That Council:

1. Endorses the C164 Background Report at Attachment 1 to this report which outlines the rationale and evidence that underpins the proposed planning scheme changes for Amendment C192.
2. Requests that the Minister for Planning prepares, adopts and approves Moreland Planning Scheme Amendment C192 pursuant to section 20(4) of the *Planning and Environment Act 1987*, as shown at Attachment 2 to this report, following the registration of the Section 173 Agreement on title for the properties at 98-102 Albert Street, Brunswick and 197-199 Albion Street, Brunswick that requires a minimum of 30% of the gross floor area of any new building to be for employment and economic uses and a minimum of 20% of dwellings within the same building to be provided for Affordable Housing as defined by the *Planning and Environment Act 1987*.
3. Endorses the *Moreland Industrial Land Strategy Employment Areas Zoning Review* prepared by Echelon Planning, and the *MILS Employment Areas Feasibility Development Models* prepared by Conceptus Property at Attachments 3 and t 4 to this report which outline the rationale and evidence that underpins the proposed planning scheme changes for Amendment C193.
4. Using its powers as a planning authority under sections 8A and 8B of the *Planning and Environment 1987*, seeks authorisation from the Minister for Planning to prepare Moreland Planning Scheme Amendment C193 as shown at Attachment 5 to this report.
5. Following receipt of the Minister's authorisation, exhibits the Amendment in accordance with Section 19 of the *Planning and Environment Act 1987*.
6. Authorises the Director City Futures to make changes to Amendment C193 based on conditions imposed in any authorisation granted by the Minister for Planning and to make any grammatical changes and correct any errors in the relevant documents.

1. Policy Context

Council Action Plan

The Council Plan 2017-2021, contains strategic initiatives to:

- Enhance liveability, affordability and sustainability by guiding growth, and excellence in urban design and development; and
- Support the local economy and trading environments to enhance economic activity and promote local jobs.

Council Action Plan (CAP) item 24 includes the implementation of MILS for the Brunswick Activity Centre as a deliverable item under the plan (Council Plan reference P1d)). Progressing this project will assist in completing this CAP item.

The Moreland Industrial Land Strategy (2015-2030)

The Moreland Industrial Land Strategy 2015-2030 (MILS) provides a clear land use framework for all industrial land across Moreland. The framework seeks to maintain an appropriate supply of industrial and other commercial zoned land, suited to employment sectors that have positive long-term growth outlooks in Moreland.

Responding to these employment trends is critical to Moreland's broad sustainability objectives and its vision to create sustainable neighbourhoods with an emphasis on the social, cultural, environmental and economic well-being of the population. As Moreland's population continues to grow, maintaining and growing access to new forms of local employment is of increasing importance in achieving goals of reduced travel to work and liveability.

State and Local Policy seeks to encourage housing growth, with good access to transport, shops and services. It also seeks to contribute to economic regeneration through the transition of specific precincts of industrial zoned land to accommodate more diverse employment opportunities and to contribute to housing supply.

The MILS retains Moreland's 3 large concentrations of industrial zoned land in Brunswick, Coburg North and Newlands, and a number of smaller concentrations of industrial land are also recommended for retention.

The MILS allows for the transition of other industrial precincts to prioritise alternative employment uses and, in some instances, to allow for a transition to multi-use or residential outcomes. The MILS also provides a level of certainty regarding the long term expectations for precincts. This will discourage land banking and speculation and allow land owners and occupiers to invest in their businesses.

The MILS categorises all industrial land into one of the following 3 categories:

Category 1 - Core Industry and Employment areas

- Maintain for industry and other employment uses including office and restricted retail and prohibit new residential uses.

Category 2 - Employment areas

- Support the transition from industrial uses to a broader range of employment uses and prioritise employment over residential uses.

Category 3 - Transition - Residential areas

- Support transition to facilitate quality residential development to contribute to Moreland's housing supply.

Economic Development Strategy (2016-2021)

Council's economic development strategy seeks to facilitate the development of a local economy that is growing and productive, and which is socially inclusive and environmentally sustainable. The key objectives are to:

- Work to create new opportunities for sustainable investment and jobs, building on our strengths and encouraging innovation.
- Work in partnership with business and the community to support enterprise, to develop the skills of the local workforce, and promote Moreland as a place to work, live, play and invest.
- Work with our partners to improve economic development outcomes in the wider region, ensuring that Moreland residents have access to a wide range of employment opportunities.

A key goal and implementation action of this strategy is to ensure land is available for industrial and other employment activities by implementing the MILS.

Commercial 3 Zone (C3Z)

Amendment VC149 introduced the C3Z into the Victoria Planning Provisions on 4 October 2018. When Council adopted the MILS 2015-2030 and prepared the previous Amendment C164, the C3Z was not available to Council as a tool to implement the MILS.

Guidance for the application of the C3Z - *Applying the Commercial 3 Zone – Planning Practice Note 85, Department of Environment Land Water and Planning, September 2018* - states that the C3Z can be applied to help facilitate business growth and innovation in select parts of Victoria. It is a mixed-use employment zone which is intended to facilitate the establishment and growth of creative industries, small manufacturers and start-up businesses. The zone promotes the creation of dense, economically diverse, affordable, accessible and amenity-rich precincts which are attractive to new and emerging businesses.

The C3Z is a true 'mixed use' zone, which prioritises employment uses over residential uses by mandating a fixed maximum amount of residential floorspace allowed within a development.

The C3Z guarantees that development will contain a minimum employment floor space, consistent with the MILS, providing greater certainty for landowners, proponents and Council, and improved employment opportunities for the community.

2. Background

Amendment 164

Amendment C164 originally included all MILS Category 2 and Category 3 properties within the Brunswick Structure Plan Area and proposed to rezone properties in Category 2 to the Commercial 1 Zone and Category 3 properties to the Mixed-Use Zone.

Council considered the report and recommendations of the Planning Panel for Amendment C164 at the November 2018 Council meeting (DED70/18). The Panel was generally supportive, noting that the Amendment was well founded and strategically justified. The Panel concluded that Council should adopt the Amendment subject to a number of suggested changes. Council considered this report and the newly released C3Z and resolved to split the amendment to achieve the following:

- Adopt the Amendment as it related to the MILS Category 3 – Transitional Areas including extending the Design and Development Overlays, Parking Overlays and Environmental Overlays to all MILS sites in the Brunswick Activity Centre so that it could be submitted to the Minister for Planning for approval (Part 1); and
- Further investigate the application of the C3Z for the Category 2 Employment Areas.

Part 1 of the Amendment was submitted to the Minister for Planning for approval. The Minister is yet to approve this Amendment. Council officers then engaged consultants to complete an independent planning and economic assessment to determine the appropriateness of applying the C3Z to properties in the MILS Category 2 - Employment Areas. These assessments are included in **Attachments 3 and 4**. The assessments concluded that the C3Z is a stronger planning tool for achieving Council's employment policy objectives for the Category 2 - Employment Areas than the originally proposed Commercial 1 Zone. The C3Z will achieve both Activity Centre policy, and employment policy by creating economically diverse mixed-use precincts which are attractive to new and emerging businesses.

As a result of the consultant report findings, Council considered a further report at the May 2019 Council meeting (DCF30/19). Council resolved to:

1. Split Amendment C164 Part 2 further to create a part 3. Part 3 affects land as described in Attachment 3 to this report (DCF30/19) shown in purple as 'Proposed Commercial 3 Zone', excluding those properties listed in Point 2 in Nicholson and Albion Street.
2. Adopt Amendment C164, Part 2, to:
 - a) Rezone land at 219, 221 Nicholson Street, Brunswick East from Industrial 3 Zone to Commercial 1 Zone and apply the DDO20, PO and EAO as exhibited, and
 - b) Rezone land at 215, 217, 219 Albion Street, Brunswick from Industrial 1 Zone to Commercial 1 Zone and apply the DDO18, PO and EAO.
3. Submit Amendment C164, Part 2 as it applies to the land in Nicholson St and Albion St outlined in Point 2 to the Minister for Planning for approval in accordance with Section 31 of the Planning and Environment Act following the registration of a Section 173 agreement on title for the properties at 215, 217, 219 Albion Street, Brunswick that requires a minimum of 30% of the gross floor area of any new building to be for employment and economic uses and a minimum of 20% of dwellings within the same building to be provided for Affordable Housing as defined by the *Planning and Environment Act 1987*.
4. Abandon Amendment C164, Part 3 as it applies to land described in Attachment 3 to this report [DCF30/19] shown in purple as 'Proposed Commercial 3 Zone', excluding those properties listed in Point 2 in Nicholson and Albion St identified at point 1 of this resolution.
5. Write to all affected land owners and occupiers included in Amendment C164 – Parts 2 and 3 to advise them of these decisions. The letter must also seek interest from landowners to offer to enter into a Section 173 agreement with Council as set out in point 3 of this resolution [DCF30/19], and for the land to be included in a Commercial 1 Zone.
6. Receive a further report outlining the proposed approach for a new amendment in relation to sites included in Amendment C164, Part 3 following consideration of the offers received as a result of the letter outlined in point 5 of this resolution.
7. Notifies submitters to Amendment C164 of Council's decision in relation to the Amendment.

In response to the decision, Council officers directly notified all landowners within MILS Category 2 Areas within the Brunswick Structure Plan Area to seek their interest to enter into an agreement. At one on one meetings Council officers discussed the agreement and zone options with several landowners over a 2-month period. Two landowners have agreed to the terms set by Council. As a result, this report seeks to initiate a Planning Scheme Amendment (C192) to facilitate the rezoning of these properties to a Commercial 1 Zone.

3. Issues

Amendment C192 and the application of the Commercial 1 Zone

Amendment C192 departs from the consultant report findings which recommended the application of the C3Z to areas in the Category 2 Employment Areas with the exception of the properties in MILS Area 38. However, the properties proposed to be included within C192 will use an alternative mechanism to guarantee the provision of employment outcomes on this land.

Landowners whose properties are proposed to be rezoned to the Commercial 1 Zone will be subject to a Section 173 Agreement which includes the mandatory provision of at least 30% of the gross floor area of any new building to be for employment and economic uses. Although this is less than the amount which will be secured through the Commercial 3 Zone, the Agreement will also secure a guaranteed minimum of 20% of dwellings within the same building to be provided for affordable housing.

Achieving affordable housing is a key objective for Moreland and unless the supply of affordable housing in Moreland increases, then the options for many households are limited. These households may be forced to live with a level of housing stress that could damage their wellbeing or could be pushed out of Moreland to somewhere that is cheaper, but is not so well connected to jobs, transport, education and services.

It is recognised that the amount of employment floor space is reduced compared to the application of the Commercial 3 Zone. However, the guaranteed inclusion of affordable housing outcomes is considered an appropriate trade off in this instance and these properties will still deliver on key employment outcomes which are consistent with the objectives for Category 2 Employment areas.

Amendment 193 and the application of the Commercial 3 Zone

For former industrial sites adjacent to Activity Centres where the strategic priority is to achieve increased employment outcomes, it is recognised that current market forces will continue to witness speculation and proposals seeking increased residential floorspace. This is at the expense of employment floor space, with the increased residential floor space sought to be justified by Activity Centre Policy which seeks to accommodate increased population growth. Council officers recommend the rezoning of the 55 properties in MILS Category 2 Employment Areas to the C3Z to provide Council with greater control over the retention and delivery of new employment floorspace.

The previous Amendment C164 originally sought to achieve a commercial and residential mix through the application of the C1Z with an accompanying Design and Development Overlay (DDO) and supported by current local planning policy. The DDO sought to encourage built form outcomes which would encourage and facilitate employment uses.

The C1Z however allows residential uses as of right, where there is a frontage of less than 2 metres at ground level. As residential uses are allowed without the need for a permit, Council officers must rely on negotiation with applicants to achieve the amount of employment floor space sought for Category 2 - Employment Areas. This is a resource intensive process that is subject to the additional cost and uncertainty of reviews before the Victorian Civil and Administrative Tribunal. This impacts on Council's ability to guarantee the quantum and mix of employment uses on these sites, consistent with the outcomes sought for Category 2 – Employment Areas and Council's Activity Centre policy.

For the above reasons, Council officers recommend an Amendment to pursue improved planning outcomes through the increased certainty of employment floor space as provided by the new C3Z.

Human Rights Consideration

The implications of this report have been assessed in accordance with the requirements of the Charter of Human Rights and Responsibilities.

4. Consultation

Previous consultation on Amendment C164

The previous Amendment C164 involved extensive consultation throughout the Amendment process between 16 November 2017 to 22 January 2018. This included direct notification to affected properties, drop in sessions facilitated by staff from the Strategic Planning Unit, consideration through several Council reports at public Council meetings, individual meetings with landowners and a public Panel hearing process.

Councillors have been consulted and updated throughout the C164 Amendment process, including prior to each of the three decision gateways for the Amendment in August 2017, April 2018, November 2018 and on 23 April 2019.

Amendment C192

It is proposed to request the Minister for Planning to use his powers under Section 20(4) of the *Planning and Environment Act 1987* to prepare, adopt and approve Amendment C192. This would mean that there would be no further consultation with landowners or the community. Amendment C192 applies to 98-102 Albert Street, Brunswick and 197-199 Albion Street, Brunswick and seeks the same policy outcomes as the previous Amendment C164. There are no additional proposed changes to the additional controls for parking, contamination and built form controls, including height. The difference is the registration of a section 173 Agreement on the land title.

It is not expected that the amendment would raise any additional issues that haven't been considered and addressed through the previous process. It is further noted that the Panel which considered Amendment C164 supported the amendment and the application of the C1Z and relevant overlays to these properties.

Council officers have discussed this process with officers at Department Environment Land Water and Planning, however should the Minister refuse the request then the option would still be available for Council to pursue a standard amendment process which includes public exhibition.

Amendment C193

A new amendment process for the application of the C3Z will ensure that all affected owners and occupiers of the remaining 55 properties will have the opportunity to provide submissions on the proposed application of the C3Z. An independent Panel appointed by the Minister for Planning will also be convened to consider the merits of the C3Z and any submissions.

It is proposed to directly notify affected owners and occupiers of the Category 2 – Employment Areas identified in Amendment C193 as part of the new amendment exhibition process.

5. Officer Declaration of Conflict of Interest

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

6. Financial and Resources Implications

The funds required to administer this amendment can be accommodated within the 2019/2020 financial year operating budget and current resources of the Strategic Planning Unit of the City Strategy and Design Branch.

7. Implementation






In relation to Amendment C192, a request to prepare, adopt and approve the Amendment pursuant to section 20(4) of the Planning and Environment Act 1987 will be lodged with the Minister for Planning. The Section 173 Agreement for the properties at 98-102 Albert Street, Brunswick and at 197-199 Albion Street, Brunswick will be registered on title prior to this request.

In relation to Amendment C193, authorisation to prepare Amendment C193 will be sought from the Minister for Planning. Following receipt of authorisation, exhibition of the amendment will be undertaken.

The following timeline is broken down into key 'decision gateways' for Council. The timeline is approximate and subject to Ministerial approval timelines and Planning Panels Victoria reporting.

- Decision Gateway 1: Authorisation and exhibition (current report);
- Decision Gateway 2: Submission review and panel request (February 2020); and
- Decision Gateway 3: Panel Report review and approval request (October 2020).

Attachment/s

1 	C164 Background Report	D17/236451
2 	C192 Amendment Documents	D19/339548
3 	MILS Employment Areas Zoning Review - April 2019	D19/150931
4 	MILS Employment Areas - Feasibility Development Models	D19/147900
5 	C193 Amendment Documents	D19/341298



Amendment C164 to the Moreland Planning Scheme

**Brunswick Activity Centre Moreland Industrial Land Strategy
Implementation**

DRAFT Background Report

D17/236451

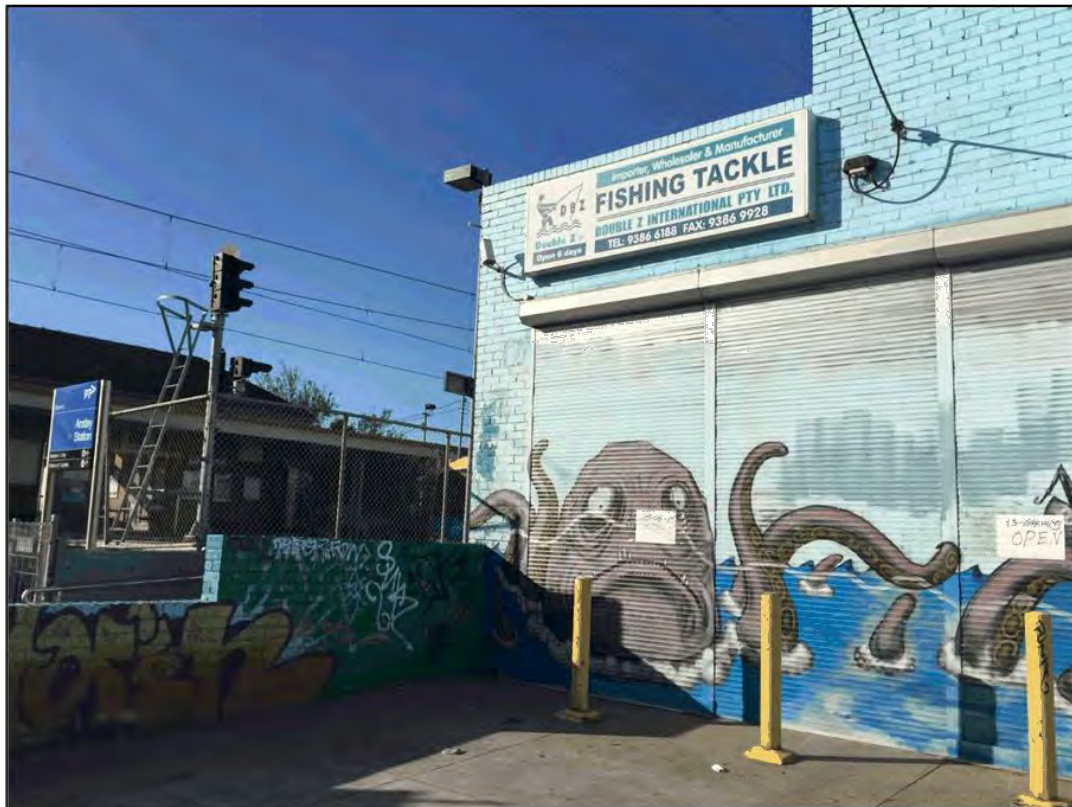


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SECTION 1: OVERVIEW**Purpose of Amendment**

Proposed Amendment C164 will implement the land use directions of the Moreland Industrial Land Strategy 2015-2030 (MILS) for the Brunswick Activity Centre (BAC).

Amendment C164 will facilitate new employment and housing opportunities for rezoning underutilised industrial land that is well serviced by existing infrastructure and public transport. The rezoning of this land will encourage new development and employment opportunities which will add to the vibrancy and mix of uses within the activity centre and assist Council in achieving its vision for the BAC.

The Brunswick Activity Centre Structure Plan Reference Document 2016 (BACSP), which was adopted by Council in October 2016, provides Council's vision for the BAC and includes specific strategies to achieve the vision including a strategy to undertake rezonings where required to give effect to the MILS.

Structure of background report

This background report details the methodology used to select the proposed zones and controls which form the basis for the proposed changes to the Moreland Planning Scheme to implement the MILS.

This Background Report provides the strategic justification for the proposed Amendment C164. It details the rationale for:

- Zone selection
- Height and built form controls including schedules to the Design and Development Overlay
- Potentially contaminated land and the need for an Environmental Audit Overlay
- Application of the Parking Overlay.

Section 8 of the report provides an individual summary of every property affected by Amendment C164 that details all changes proposed by the amendment.

SECTION 2: STRATEGIC JUSTIFICATION FOR AMENDMENT C164

Moreland's activity centres

Moreland is committed to creating sustainable neighbourhoods where people can walk to shops and services, employment, schools, public transport, parks and community services. The *Moreland Activity Centre Framework 2014*, which forms the basis for Moreland's strategic directions in its Municipal Strategic Statement (MSS), identifies a series of different sized activity centres across the municipality. The three largest activity centres – Brunswick, Coburg and Glenroy, are identified to accommodate the most significant change of all the activity centres. In order to manage land use and plan for sustainable growth, Council has developed several key pieces of strategic work specific to each activity centre.

Plan Melbourne 2017-2050, the Victorian State Government's overarching strategic policy for the growth of Melbourne, identifies Brunswick as a major activity centre where there is opportunity for medium and higher density development close to jobs and services.

Brunswick Activity Centre and the Brunswick Structure Plan

The vision for the Brunswick Activity Centre is one of continued economic and social diversity and improved sustainability. Planning for growth and development will focus on three corridors: the Sydney Road/Upfield Corridor, Lygon Street and Nicholson Street. Core Industry and Employment Areas will be protected, Employment Areas will transition from traditional industrial uses to a broader range of employment uses, and declining industrial areas will transform into residential areas. (BACSP pg. 16)

Amendment C134, approved 11 August 2016, implemented the objectives and guidelines of Brunswick Structure Plan (BSP) and the Addendum, which detailed Council's long-term vision for the development of a prosperous and sustainable activity centre. Amendment C134 also implemented the recommendations of the Sydney Road/Upfield Corridor Strategic Framework Plan, which further updated the recommendations of the BSP and Addendum within the Sydney Road/Upfield Corridor.

The panel appointed to consider Amendment C134 recommended Council prepare a policy neutral consolidated reference document to replace the various documents that outline the vision for the BAC detailed in the above paragraph. In October 2016 Council adopted the Brunswick Activity Centre Structure Plan Reference Document (BACSP).

This BACSP document supersedes the following documents as reference documents to the Moreland Planning Scheme:

- The Brunswick Structure Plan (2010)
- The Brunswick Structure Plan Addendum (2012)
- Sydney Road/Upfield Corridor Strategic Framework Plan (2014) (Strategic Framework Plan).

The BACSP also incorporates relevant objectives and strategies from the:

- Brunswick Integrated Transport Strategy (BITS) (2013)
- The recommendations of the Moreland Industrial Land Strategy 2015-2030 (MILS) as it pertains to land within the activity centre.

One of the key strategies of the BACSP under the theme of *Land Use Pattern and Activity* is to:

- Implement rezoning's where required to give effect to the MILS.

Proposed Amendment C164 will implement the outstanding land use directions of the MILS for the BAC in accordance with the BACSP.

The Moreland Industrial Land Strategy 2015-2030

The Moreland Industrial Land Strategy 2015-2030 (MILS) was adopted by Council in July 2016 and implemented into the Moreland Planning Scheme through Amendment C158, gazetted on 6 April 2017. The MILS is the second industrial land strategy for the City of Moreland and it replaced the Moreland Industrial Land Use Strategy 2004 (MILUS), which recommended a comprehensive review after 10-15 years. This review was conducted in 2014/2015 and resulted in the development of the MILS.

The MILS provides a coordinated and evidence based approach to managing growth and strengthening our local economy. It complements Council's objectives for creating a sustainable urban environment where people have access to jobs and business services near to where they live and it ensures we are planning for local employment opportunities now and for future generations.

The MILS, and associated background work which underpinned it, provides a comprehensive analysis of the changing nature of employment in Moreland and implications for industrially zoned land.

The spatial directions of the MILS are represented on the Industrial Land Framework Plan (see **Figure 1** over the page) which categorises all industrial land within Moreland into one of the following three categories:

Category 1 - Core industry and employment areas which seek to maintain land for industry and other employment uses including office and restricted retail and prohibit new residential uses, or

Category 2 - Employment areas which seek to support transition from traditional industrial uses to a broader range of employment uses, and prioritise employment uses over residential uses in Employment Areas, or

Category 3 - Transition - residential areas which seek to support change in these areas to facilitate quality residential development and contribute to housing supply.

The MILS details a clear approach to rezoning land in accordance with the framework and flags the opportunity for Council to take a proactive approach in order to achieve specific strategic visions such as for the BAC. The below excerpt from the MILS sets out when it is considered appropriate for land in the MILS to be proactively rezoned.

When will land be rezoned?

It is not intended that all land identified within the Industrial Framework Plan with potential for an alternative zone would be rezoned all at once.

Some rezoning of land may be initiated by Council where it is necessary to proactively implement a specific strategic vision (e.g. within Activity or Neighbourhood Centres). (Emphasis added)

Other rezonings will occur incrementally, usually at the request of a proponent (landowner or otherwise). Such amendment requests will be assessed against the relevant MILS category, any other relevant strategic directions for the site or precinct expressed in the MSS, and the site or precinct context.

Extract from the MILS Section 6. Planning Scheme Recommendations

Proposed Amendment C164 seeks to proactively implement the land use directions of the MILS for land within the BAC to achieve Council’s vision for the BAC as outlined the in the Brunswick Activity Centre Structure Plan Reference Document. A detailed map which shows the MILS Areas within the BAC affected by proposed Amendment C164 is provided over the page at **Figure 2**.

Figure 1: Moreland Industrial Land Strategy Framework Plan.

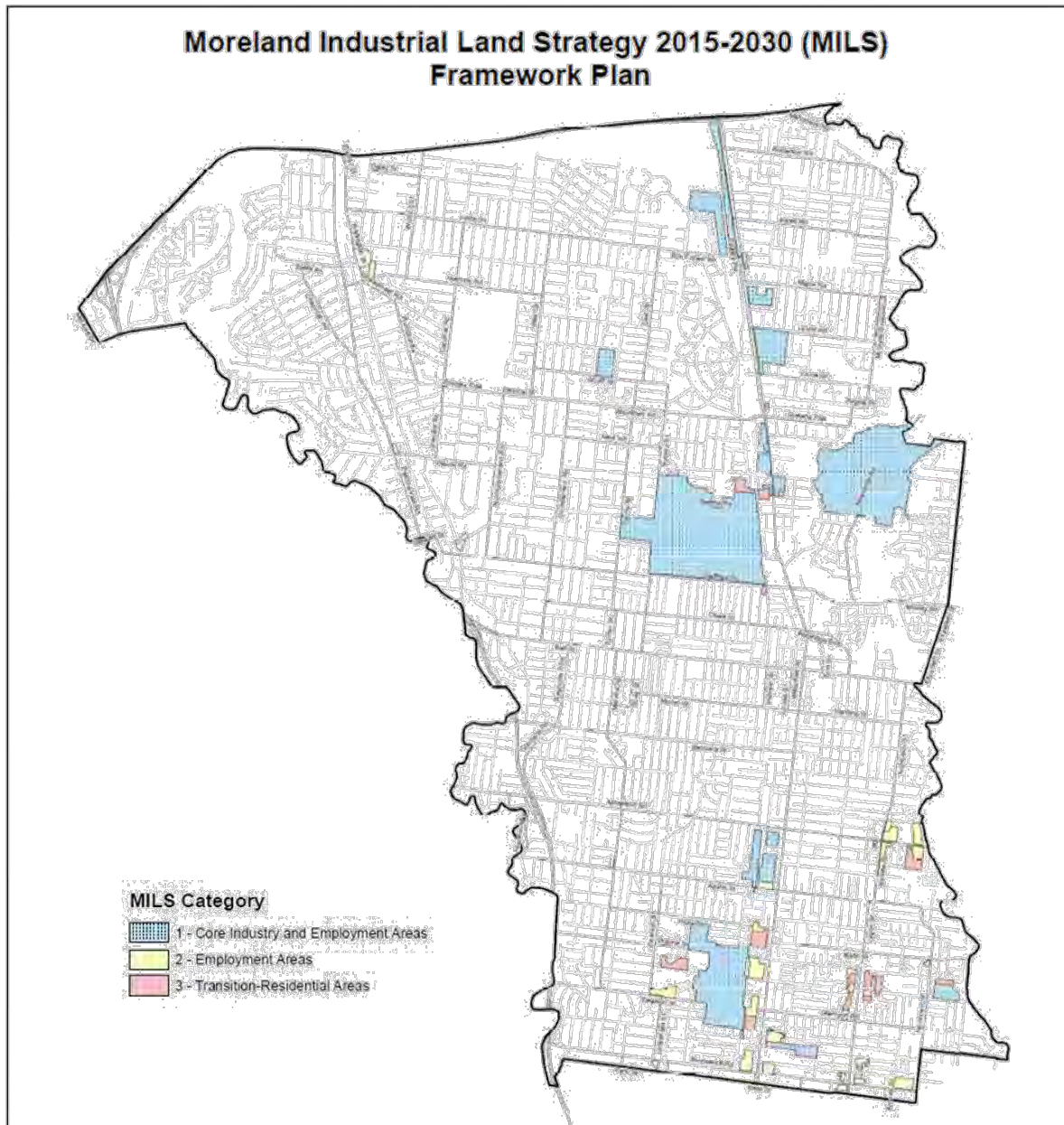
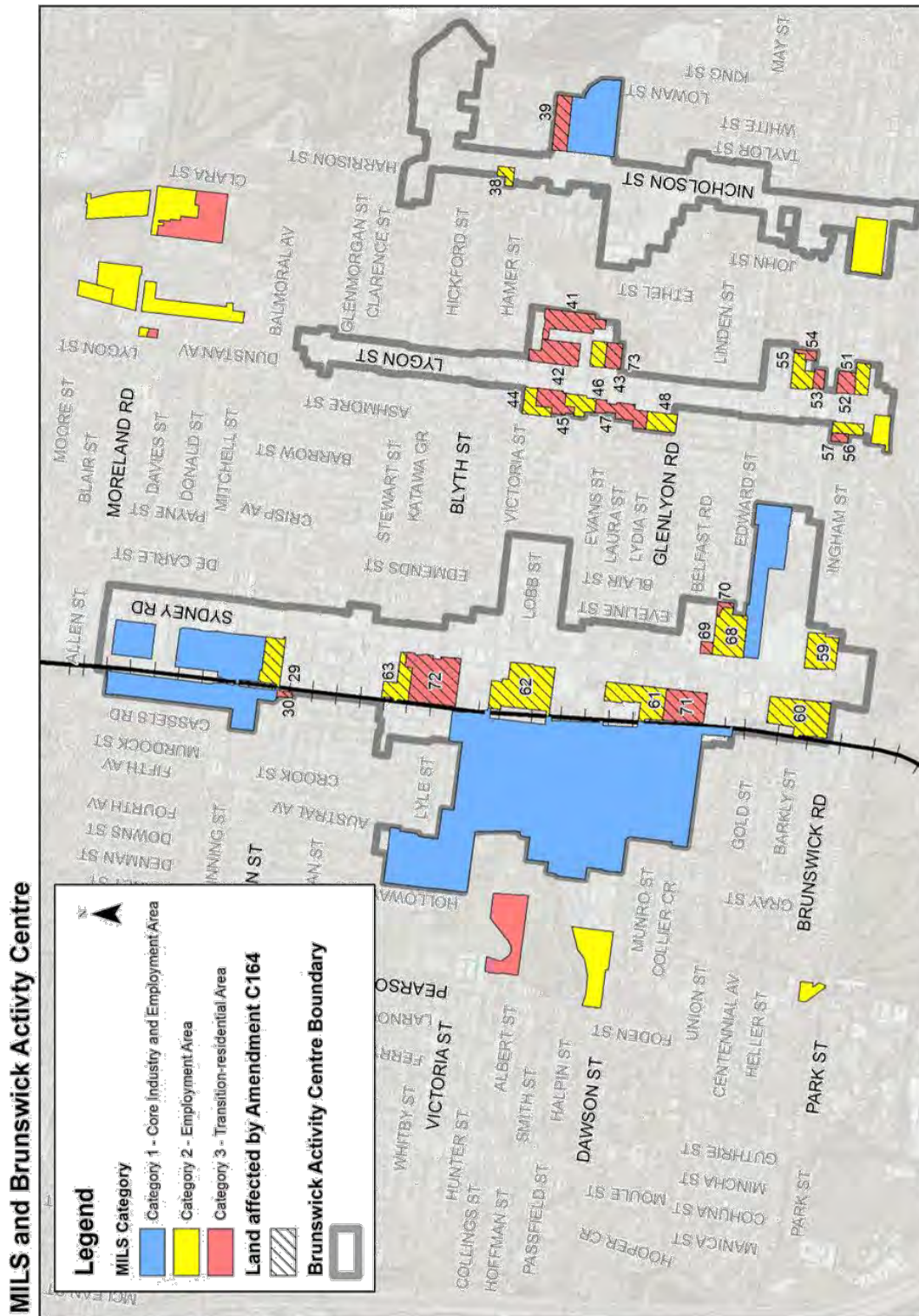


Figure 2: Land within the Brunswick Activity Centre effected by the MILS and Amendment C164



SECTION 3: ZONE SELECTION AND LAND USE

Rezoning of Land identified in the MILS

To achieve the land use directions outlined in the MILS and the Brunswick Activity Centre Structure Plan for the BAC, rezoning of land currently within Industrial 1 and 3 Zone and Commercial 2 Zone is required. The MILS provides specific direction on the appropriate zones to apply within three strategic land use categories (Category 1, 2 and 3).

The tables on the following pages provide an assessment of land within each of the MILS categories. The tables identify the most appropriate zone for land within category 1, 2 and 3 based on their inclusion within the BAC.

The tables are not intended to provide the detail on the proposed zone for each address included within the Amendment. Rather, they provide a holistic assessment of the most appropriate zone to be applied to land within category 1, 2, and 3 within the BAC.

Figure 3 on page 22 shows a complete summary map of the proposed zoning changes and indicates which zone each property is proposed to be included within. **Section 8** of this Report provides the full detail of each individual property included within Amendment C164 and the zone and overlay/s proposed to be applied.

Rationale for zone selection

Table 1, 2 and 3 below set out the rationale for the zone selection for all land to be rezoned. Each table provides in the left hand column the information in the MILS regarding the potential zones for each category. The right hand column provides the rationale for the zone selected to be applied to this category through amendment C164.

Table 1: Category 1 MILS Areas – No rezoning proposed

MILS Implementation Direction	Appropriate zone for these areas within the BAC
<p><i>Implementation (Category 1 – Core Industrial Areas)</i></p> <ul style="list-style-type: none"> • <i>Retain the Industrial 1 and Industrial 3 Zones (IN1Z and IN3Z) to the majority of land in Core Industry and Employment Areas to support industry and complementary businesses and prohibit residential uses.</i> • <i>Apply the Commercial 2 Zone (C2Z) in Core Industry and Employment Areas to facilitate restricted retail uses and prohibit residential uses.</i> • <i>Continue to apply the existing local planning policy for Caretaker’s Houses (clause 22.05) to ensure that caretaker’s houses are not used as a way to create separate dwellings within industrial areas.</i> 	<p>Category 1 Core Industrial Areas within the BAC will continue to prohibit residential uses and will retain a mix of Industrial 1 and Industrial 3 zoned land.</p> <p>Amendment C164 does not propose to rezone Category 1 Core Industrial Areas away from the existing IN1Z and IN3Z.</p>

Table 2: Category 2 MILS Areas – Rezoning proposed

MILS Implementation Direction	Appropriate zone for these areas within the BAC
<p><i>Implementation (Category 2 – Employment Areas)</i></p> <ul style="list-style-type: none"> • Apply the Industrial 3 and Commercial 2 Zones (IN3Z and C2Z) to prioritise employment. • Where residential uses are to be permitted, consider the following options: <ul style="list-style-type: none"> ○ Apply the Commercial 1 Zone (C1Z) and prioritise employment uses as set out in above strategies, or ○ Apply the Special Use Zone or Comprehensive Development Zone and use the schedule to the zone to tailor use provisions to establish permit triggers for residential and other uses, as necessary, or ○ Apply a mix of zones over larger sites, with zones and revised MILS categories applied to ensure employment uses are prioritised. (i.e Remove the Employment Area Category as required and replace with the Core Industry and Employment Area (Category 1) to designate employment areas and the Transition Residential Area (Category 3) to designate residential areas within the site.) • Apply an appropriate planning tool such as an Incorporated Plan Overlay (IPO) or Development Plan Overlay (DPO) in conjunction with any rezoning, to confirm the location of employment uses. 	<p>All of the land affected by proposed Amendment C164 is within the BAC boundary, defined in the Brunswick Structure Plan Reference Document. Activity centres are identified in the MSS and Plan Melbourne to accommodate significant change, and there is a clear policy position to achieve increased housing densities and provide a broad mix of retail uses (including convenience and comparison shopping), commercial and cultural activity, and a diverse mix of employment options.</p> <p>For this reason the Commercial 1 Zone is the most appropriate zone choice for Category 2 - Employment Areas. The Industrial 3 Zone and Commercial 2 Zone prohibit residential uses and are not appropriate. The retention of industrial land in the Category 1 Core Industrial Areas will continue to prohibit residential uses and exclusively provide employment opportunities.</p> <p>Amendment C164 proposes to rezone Category 2 Employment Areas to the Commercial 1 Zone.</p> <p>The rezoning of Category 2 Employment Areas as proposed by Amendment C164 will fully implement the MILS directions for Category 2 Areas within the BAC.</p>

Table 3: Category 3 MILS Areas – Rezoning proposed

MILS Implementation Direction	Appropriate zone for these areas within the BAC
<p><i>Implementation (Category 3 – Transition-residential Areas)</i></p> <ul style="list-style-type: none"> • Apply the Mixed Use Zone (MUZ), Residential Growth Zone (RGZ), or General Residential Zone (GRZ). Zone selection will be informed by the size and location of the site and the ability to manage off 	<p>The MUZ is the most appropriate zone choice for Category 3 - Transition-residential Areas within the BAC. Amendment C164 proposes to rezone category 3 properties to the MUZ.</p> <p>Council’s strategic framework at clauses 21.03-1, 21.03-2 and 21.03-3 sets out a number of key</p>

site impacts and integrate with the scale of the surrounding neighbourhood at site or precinct boundaries. Given the objective for Transition Residential Areas to make a contribution to overall housing supply, the Neighbourhood Residential Zone (NRZ) should only be used in specific circumstances, such as very small and isolated sites.

strategies in regards to housing. These strategies identify which zones should be used to encourage higher density housing and, where development should pay greater respect to neighbourhood character. These strategies include specific guidance for category 3 Transition-residential Areas:

Encourage increased density housing to be located on former industrial sites designated as Transition Residential Areas (Category 3) in the Moreland Industrial Land Strategy 2015-2030 that have been rezoned to the Mixed Use Zone (MUZ) or Residential Growth Zone (RGZ).

The MUZ is included within the suite of residential zones in the Victorian planning Provisions (VPPS) and includes the following purpose relating to the provision of housing at higher densities:

To provide for housing at higher densities

Land use

The MUZ is preferred over the RGZ, Neighbourhood Residential Zone (NRZ) and General Residential Zone (GRZ) as it allows greater flexibility in land uses including allowing some industrial uses. This is important as the MILS seeks to support existing industrial business. The RGZ only supports a limited number of non-residential uses in appropriate locations.

Built form

Category 3 Transition-Residential Areas include a large number of properties with existing non-residential uses and non-residential built form. The MUZ will allow greater flexibility with regard to future uses and encourage higher density housing which is consistent with the objectives of the MILS and the role of Moreland's activity centres.

The Neighbourhood Residential Zone (NRZ) and General Residential Zone (GRZ) are used to encourage minimal and incremental housing growth. In the context of the MILS the NRZ and GRZ would be considered on a limited basis for MILS Areas. They would only be used in locations which

	<p>are not part of or close to an activity centre and surrounded by low scale residential development.</p> <p>Amendment C164 proposes to rezone Category 3 Transition-residential Areas to the Mixed Use Zone.</p> <p>The rezoning of Category 3 Transition-residential Areas as proposed by Amendment C164 will fully implement the MILS directions for Category 3 Areas within the BAC.</p>
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Detailed discussion on the application of zones

There are approximately 288 properties across the BAC included in Amendment C164. Some of these properties have already been rezoned away from an industrial zone through previous amendments. These rezonings however were not in accordance with the current MILS policy, and don't accord with the above rationale in tables 1, 2 and 3.

The below table outlines the how zones will be applied across the BAC based on the rationale in tables 1, 2 and 3 and the existing zone.

Table 4: Zone Application

Existing zone and MILS category scenario	Proposed approach for Amendment C164
<p>CATEGORY 1 MILS AREA</p> <ul style="list-style-type: none"> Currently Zoned either Industrial 3 Zone (IN3Z) or Industrial 1 Zone (IN1Z) or Commercial 2 Zone (C2Z) 	<p>Land in a Category 1 Area is not proposed to be rezoned to ensure that industrial and employment uses are protected and residential uses are prohibited as per the directions in table 1.</p> <p>Recommendation:</p> <p>No rezoning is proposed to land within Category 1.</p>
<p>CATEGORY 2 MILS AREA</p> <ul style="list-style-type: none"> Currently Zoned either Industrial 3 ZONE (IN3Z) or Commercial 2 Zone (C2Z) 	<p>In accordance with the recommendations of Table 2, this land should be rezoned to the Commercial 1 Zone.</p> <p>Recommendation:</p> <p>Rezone land to Commercial 1 Zone.</p>
<p>CATEGORY 2 MILS AREA</p> <ul style="list-style-type: none"> Currently Zoned Commercial 1 Zone (C1Z) 	<p>Land in MILS Area's 59, 60, 61, 62 and 63 was rezoned to the Commercial 1 Zone by Amendment C134, prior to the adoption of the MILS in July 2016. The proposed approach to MILS Category 2 Areas, as outlined in Table 2, is to rezone them to C1Z. As these properties are already within the C1Z it is</p>

	<p>considered that no further zone change is required to implement the land use directions.</p> <p>Recommendation:</p> <p>No change. Existing zone aligns with MILS category.</p>
<p>CATEGORY 3 MILS AREA</p> <ul style="list-style-type: none"> • Currently Zoned Industrial 3 Zone (IN3Z), Commercial 2 Zone (C2Z) 	<p>In accordance with the recommendations of Table 3, this land should be rezoned to the Mixed use Zone.</p> <p>Recommendation:</p> <p>Rezone land to Mixed Use Zone.</p>
<p>CATEGORY 3 MILS AREA</p> <ul style="list-style-type: none"> • Currently Zoned Commercial 1 Zone (C1Z) 	<p>Land in MILS Area’s 71 and 72 was rezoned to the Commercial 1 Zone by Amendment C134, prior to the adoption of the MILS in July 2016. The proposed approach to Category 2 Areas as outlined in Table 3 is to rezone them the Mixed use Zone.</p> <p>Recommendation:</p> <p>Rezone land to Mixed Use Zone.</p>
<p>Land is split between two MILS categories - Category 2 And Category 3</p>	<p>Some land straddles two MILS category boundaries, generally due to irregular property boundaries and where single properties have multiple street frontages. The C1Z is the most appropriate zone for Category 2 Areas and also it can accommodate the outcomes sought within a Category 3 Area. Therefore applying a C1Z to land which is in both categories is appropriate.</p> <p>Recommendation:</p> <p>Rezone land to Commercial 1 Zone.</p>
<p>Land is split between two MILS categories - Category 1 And Category 2</p>	<p>Some land straddles two MILS category boundaries, generally due to irregular property boundaries and where single properties have multiple street frontages. Category 1 Areas should prohibit residential uses therefore a C1Z or MUZ would not be appropriate for this land. The employment outcomes sought by Category 2 can be achieved within a zone that prohibits residential uses.</p> <p>Recommendation:</p> <p>Apply a tailored zone response (see specific example below in Table 4).</p>

Land in two zones or effected by two MILS categories

It is proposed to rezone all affected properties in accordance with the recommendations outlined above. However there are a small number of occasions (seven) where land included within Amendment C164 is either:

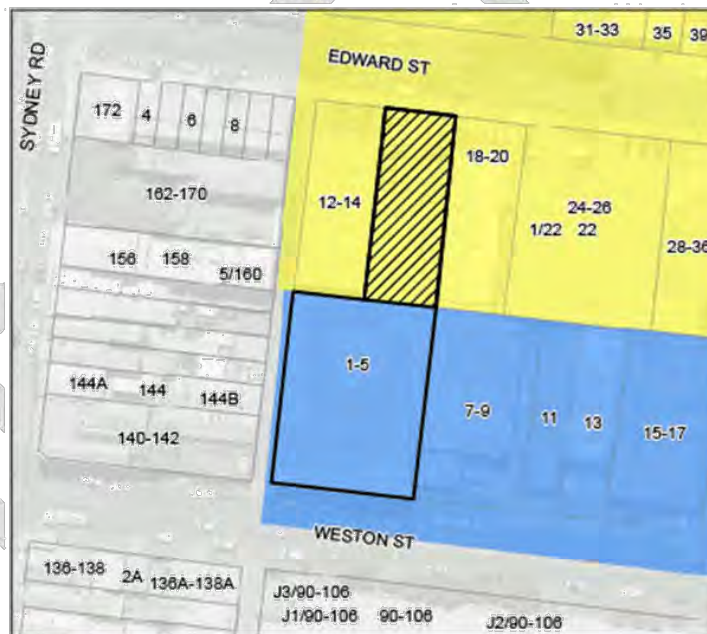
- Land which exists in two MILS categories, or
- Land which exists in two different zones.

These properties require a tailored response. The particular properties effected by this are outlined in **Table 5** over the page and detail is provided in relation to how they are proposed to be treated by Amendment C164. **Figure 3** Amendment C164 – Proposed Rezoning, on the page 22, shows a complete summary of the rezoning proposed across the BAC.

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Table 5: Land in two zones/two MILS categories proposed to be rezoned

Property	Issue and recommendation
<p>1-5 Weston Street, Brunswick MILS Area 68</p>	<p>1-5 Weston has frontages to both Weston Street and to Edward Street. There are different MILS categories which apply to each section. The northern part of the land which fronts Edward Street is in a Category 2 Employment Area and the southern part of the land fronting Weston Street is in a Category 1 Core Industry and Employment Area.</p> <p>As Category 1 Core Industrial and Employment Areas prohibit residential uses, rezoning the property to the Commercial 1 Zone is not appropriate because it allows residential uses as of right. It proposed to rezone the northern part of the site which fronts Edward Street to the C1Z.</p> <p>Recommendation: Apply the C1Z to the northern part of 1-5 Weston Street.</p>



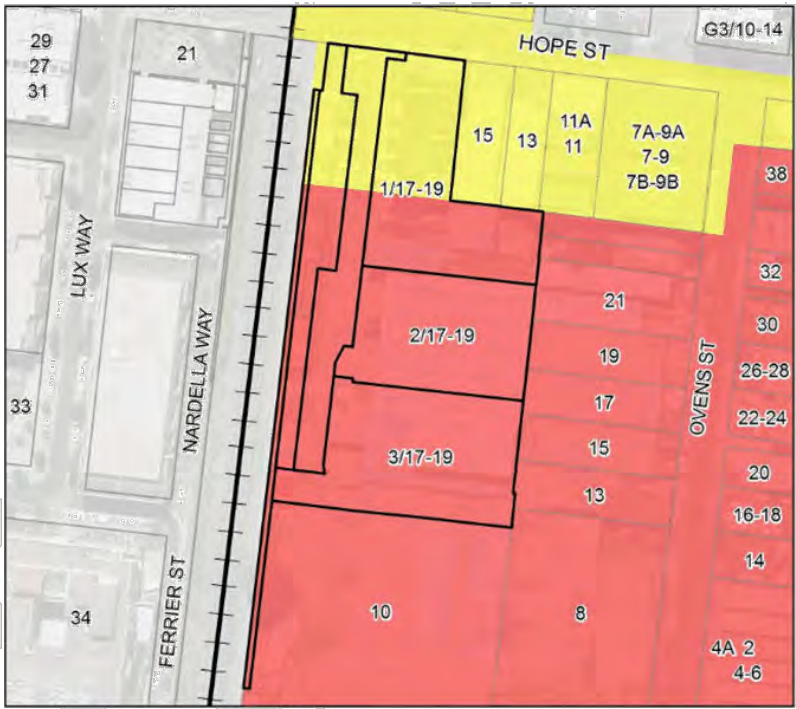
- Category 1 – Core Industrial and Employment Areas
- Category 2 – Employment Areas
- Subject Land
- Part of property to be rezoned

Property	Issue and recommendation
<p>13-15 Edward Street, Brunswick</p> <p>MILS Area 68, 69</p>	<p>13-15 Dodds Street has frontages to both Dodds and Edward Streets. There are different MILS categories which apply to each section. The Dodds Street frontage is in Category 3 and the Edward Street frontage is in Category 2. The C1Z is the appropriate zone to apply because it allows for residential uses to Dodds Street and employment uses at the Edward Street frontage.</p> <p>Recommendation:</p> <p>Apply the C1Z to 13-15 Dodds Street.</p>
<p> Category 2 – Employment Areas Category 3 – Transition-residential Areas Subject Land </p>	

Property	Issue and recommendation
<p>154-158 Victoria Street, Brunswick</p> <p>MILS Area 44, 45</p>	<p>154-158 Victoria Street extends from Victoria Street through to Ann Street and Trafford Street and has frontages to all three streets. The Ann and Trafford Street frontages are within MILS Area 45 which is Category 3. The C1Z is the appropriate zone to apply because it allows for residential uses in the Anne and Trafford Street parts of the property and employment uses in the part of the property with a frontage to Victoria Street.</p> <p>Recommendation:</p> <p>Apply the C1Z to 154-158 Victoria Street.</p>
<p> Category 2 – Employment Areas Category 3 – Transition-residential Areas Subject Land Activity Centre Boundary </p>	

Property	Issue and recommendation
160 Victoria Street, Brunswick MILS Area 44	<p>160-164 Victoria Street is a single land holding split into a number of properties used for industrial/commercial uses. The western half of the land is in the NRZ1 and the eastern half is in the IN3Z. The entire property is within MILS Area 45 and is designated as a Category 2 Employment Area. The NRZ1 does not allow for commercial/employment uses. This is considered a zoning anomaly and it is proposed to rezone the entire property to the C1Z.</p> <p>Recommendation:</p> <p>Apply the C1Z to 160-164 Victoria Street.</p>
<p>The map displays a street grid with Victoria Street at the top, Trafford Street at the bottom, and Ann Street on the right. A blue line indicates the Activity Centre Boundary. A yellow-shaded area represents Category 2 – Employment Areas, and a red-shaded area represents Category 3 – Transition-residential Areas. A black-outlined rectangle highlights the subject land, which is split between NRZ1 (west) and IN3Z (east) zoning. Individual lots are labeled with numbers such as 151, 145, 143, 141, 139, 137, 135, 131, 129, 343, 341, 138, 327, 5/174-176, 4/174-176, 8/174-176, 2/174-176, 6/174-176, 160A, 164, 160, 162, 160B, 164A, 154-158, 8, 6, 4, 2, 315, 313, 307, 305, 3/301, 299, 3/19, 1/19, 25, 27-29, 31, 33, 35, 15, 11, 7, 5, 3, 1, 87-89, and 1.</p> <p>Legend:</p> <ul style="list-style-type: none"> Category 2 – Employment Areas Category 3 – Transition-residential Areas Subject Land Activity Centre Boundary 	

Property	Issue and recommendation
20 Leinster Grove (240-250 Lygon Street), Brunswick MILS Area 73	<p>20 Leinster Grove is part of a larger property known as 240-250 Lygon Street. The part of the site which fronts Lygon Street is in the C1Z and has an approved planning permit for a multi storey residential building which has recently started construction. The rear part of the site is in the C2Z and is in a Category 3 Area. It is proposed to rezone³ the rear part of the site to the MUZ. As the rear part is in category 3 and will be developed separately to the front part of the site this is considered appropriate.</p> <p>Recommendation:</p> <p>Apply the MUZ to the rear part of 240-250 Lygon Street (known as 20 Leinster Grove).</p>
<p> Category 2 – Employment Areas Category 3 – Transition-residential Areas Subject Land Part of property to be rezoned Activity Centre Boundary </p>	

Property	Issue and recommendation
<p>17-19 Hope Street, Brunswick</p> <p>MILS Area 63, 72</p>	<p>17-19 Hope Street is made of six land parcels which have primary access from Hope Street. The land is currently zoned C1Z. It is proposed to retain this land within the C1Z to avoid land locking parcels with different zoning. The Category 3 designation will still apply to the rear lots of 17-19 Hope Street. The C1Z allows for residential uses and is appropriate.</p> <p>Recommendation:</p> <p>No changes are proposed to 17-19 Hope Street (retain within the C1Z).</p>  <p>Legend:</p> <ul style="list-style-type: none"> Category 2 – Employment Areas Category 3 – Transition-residential Areas Subject Land

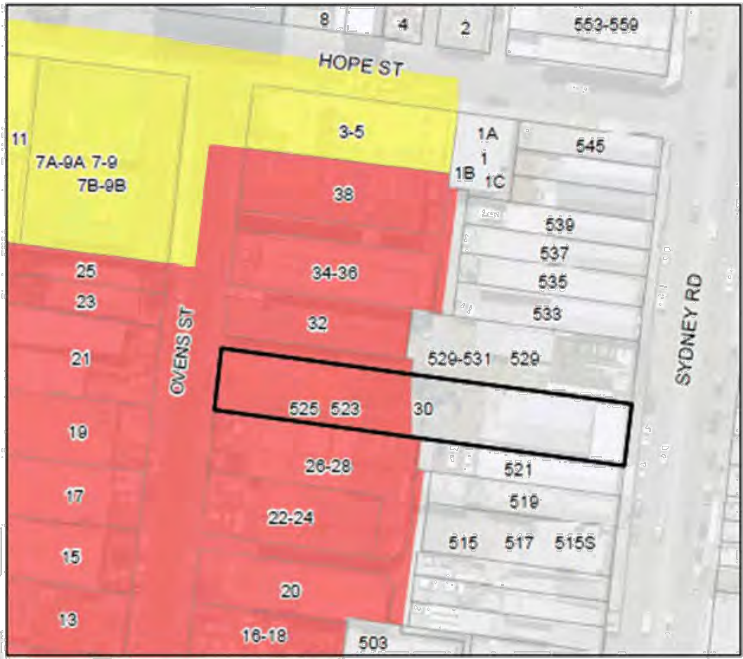
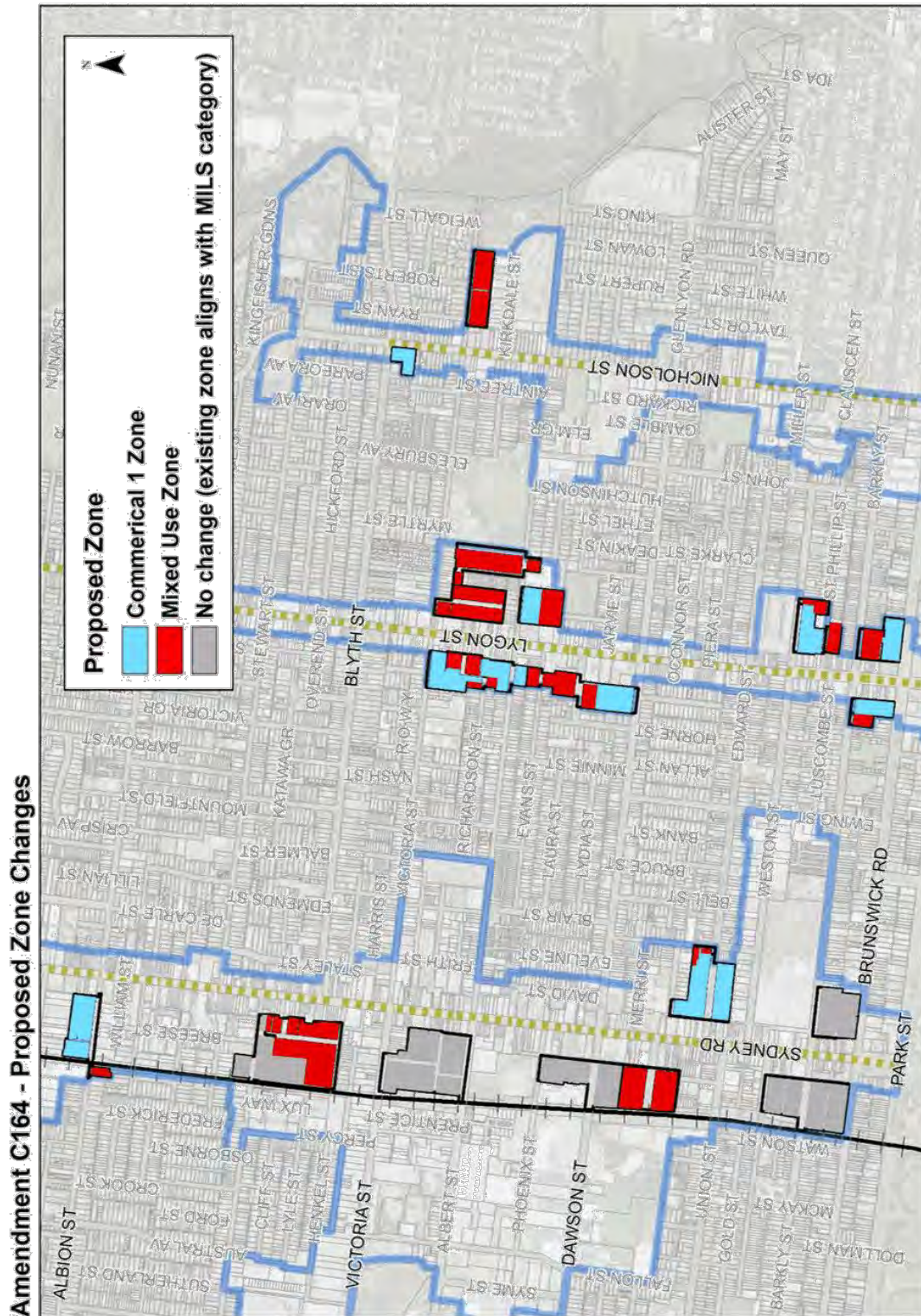
Property	Issue and recommendation
<p>523 Sydney Road, Brunswick</p> <p>MILS Area 72</p>	<p>523 Sydney Road extends through to Ovens Street at the rear. It is proposed to be retained within the C1Z to avoid placing land in two zones. The rear part of the property which fronts Ovens Street is in a Category 3 MILS Area. The C1Z allows for residential uses and is appropriate.</p> <p>Recommendation:</p> <p>No changes proposed to 523 Sydney Road (Retain within the C1Z).</p>  <p> Category 2 – Employment Areas Category 3 – Transition-residential Areas Subject Land </p>

Figure 3: Amendment C164 – Proposed Rezoning



SECTION 4: BUILT FORM AND THE DESIGN AND DEVELOPMENT OVERLAY

Within the BAC, it is appropriate for built form guidance to be provided through a Design and Development Overlay (DDO). An existing DDO applies to each of the three corridors within the Brunswick Activity Centre (BAC), Sydney Road (DDO18), Lygon Street (DDO19) and Nicholson Street (DDO20). The DDO's identify areas which are affected by specific requirements relating to the design and built form of new development within the Activity Centre. The DDO's implement the built form vision for the BAC as outlined in the BACSP. The DDO's include specific guidance relating to built form, public realm and amenity, including guidance where development abuts land adjoining the activity centre.

It is proposed to extend DDO schedules 18, 19 and 20 to include all the properties rezoned by Amendment C164. Some land proposed to be rezoned by Amendment C164 was included within the DDO through Amendment C134, although the land remains within an Industrial or Commercial 2 Zone. In these areas, there is no need to alter the existing DDO.

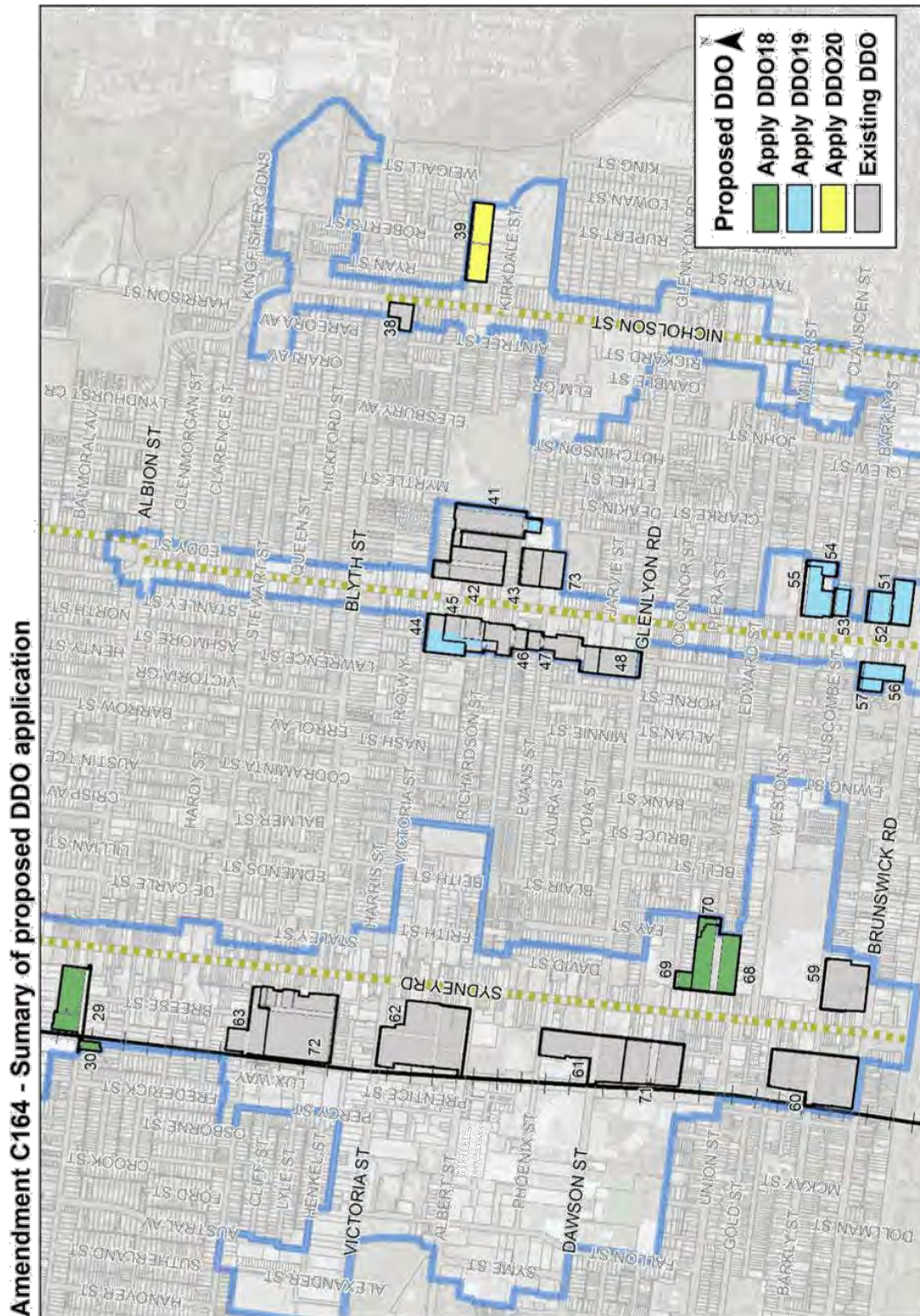
Including land within the DDO's will provide guidance on the following matters:

- Height and urban design outcomes
- Land use conflicts and residential interface treatment
- Specific built form guidance for Category 2 Employment Areas

Figure 4, on the following page, shows the proposed DDO application across the BAC.

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Figure 4: Amendment C164 – Proposed Design and Development Overlay Application



Detailed discussion on the application of the DDO

There are approximately 288 properties across the BAC included in Amendment C164. And some of these properties are already included within DDO18, 19 and 20 through previous amendments.

The below table outlines how the DDO will be applied across the land proposed to be rezoned by Amendment C164.

Table 6: Design and Development Overlay Application

Existing built form scenario	Proposed approach for Amendment C164
<ul style="list-style-type: none"> • DDO 18, 19 or 20 ALREADY APPLIES • INCLUDES A PREFERRED HEIGHT <p>Property is within an existing DDO schedule (18, 19 or 20) applied through Amendment C134, and has an existing preferred height shown.</p>	<p>A number of properties proposed to be rezoned by Amendment C164 are already included within DDO's 18, 19 or 20.</p> <p>These properties are within an industrial zone and were proposed to be rezoned Amendment C134, however this was not supported by the panel appointed to consider the amendment. This was because of the review of the MILUS, which was being undertaken at a similar time and the outcomes of this review and any revision to the directions for industrial land being unclear. The Panel did however support the inclusion of this land within the proposed DDO's to guide future built form.</p> <p>These properties have already undergone significant and rigorous height and built form analysis, which has been tested with the community through an independent Planning Panel process as part of Amendment C134 to the Brunswick Activity Centre. For this reason it not proposed to review the preferred DDO height guidance for these properties.</p> <p>Recommendation:</p> <p>No changes proposed.</p>

<ul style="list-style-type: none"> • DDO 18, 19 or 20 ALREADY APPLIES • DOES NOT INCLUDE A PREFERRED HEIGHT <p>Property is within an existing DDO schedule (18, 19 or 20) applied through Amendment C134 and has no preferred height shown.</p>	<p>A small number (2) of properties are already included within one of the three DDO schedules but have no preferred height specified. This occurred through Amendment C134. It appears that this may be an anomaly which can be corrected through this process.</p> <p>Analysis to determine a preferred height. Will be undertaken for these sites.</p> <p>Recommendation:</p> <p>Amend the DDO schedule in accordance with this recommendation based on the findings of the Urban Design analysis.</p>
<ul style="list-style-type: none"> ▪ DDO 18, 19 OR 20 DO NOT CURRENTLY APPLY TO THE LAND <p>Property is outside of existing DDO 18, 19, 20.</p>	<p>Analysis to determine preferred height and built form outcomes required to inform the content of the DDO to be applied. See section 'Urban Design analysis to inform the DDO content' for a detailed explanation of this analysis.</p> <p>Recommendation:</p> <p>Apply the DDO and amend the DDO schedule to implement height and built form outcomes</p>
<ul style="list-style-type: none"> • ALL CATEGORY 2 EMPLOYMENT AREAS TO WHICH DDO18, 19 or 20 APPLIES • ALL CATEGORY 2 EMPLOYMENT AREAS TO WHICH DDO18, 19 or 20 WILL BE APPLIED <p>All Category 2 Employment Areas in the BAC, including existing properties which are within the Commercial 1 Zone.</p>	<p>It is proposed to include additional built form guidance for all Category 2 Employment Areas that have been rezoned to allow for residential uses (either through amendment C134 or proposed amendment C164) to assist in creating high quality commercial and residential development and to achieve specific outcomes sought by MILS for this land.</p> <p>Clause 21.03 of the MSS includes the following strategies for Category 2 – Employment Areas:</p> <p><i>5.3 Ensure employment uses are prioritised over residential uses in Employment Areas. Where multi-use development including a residential component is proposed, the amount of employment floorspace should be at least equivalent to the amount of all proposed ground and first floor building floorspace (inclusive of car parking, other services and circulation space).</i></p> <p><i>5.4 Encourage flexible floor plate layouts and increased floor to ceiling heights at ground and first floor to facilitate a variety of employment uses over time.</i></p> <p>Recommendation:</p>

	<p>Amend DDO schedules 18, 19 and 20 to include specific guidance for Category 2 – Employment areas including objectives and built form requirements. (refer to discussion below)</p>
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Changes to the DDOs for Category 2 Employment Areas – Further Discussion

The MSS includes the following strategies at Clause 21.03-2:

Facilitate the transition of Employment Areas to accommodate a broader range of employment generating uses, including a mix of industry and office based uses and other compatible employment uses.

Ensure employment uses are prioritised over residential uses in Employment Areas. Where multi-use development including a residential component is proposed, the amount of employment floorspace should be at least equivalent to the amount of all proposed ground and first floor building floorspace (inclusive of car parking, other services and circulation space).

Encourage flexible floor plate layouts and increased floor to ceiling heights at ground and first floor to facilitate a variety of employment uses over time.

Extract from Clause 21.03-2

Ensuring that employment outcomes are achieved within Category 2 Employment Areas is an expected component of development in rezoned land and therefore the inclusion of built form requirements in DDO's 18, 19 and 20, which ascribe this, are considered a necessary element of the amendment.

Commercial and employment uses have different built form requirements to residential uses and therefore specific built form guidance is proposed to be included into the three DDO's. This will ensure that built form outcomes, like low ceiling heights and inflexible floor plates won't prevent or discourage commercial and employment uses from locating within new development. This will also provide a clear nexus between both the policy statements of the MSS and explicit design outcomes sought with Category 2 Areas of the BAC.

Proposed changes to the DDO18, 19 and 20

It is proposed to include the following additional objectives (or similar) into DDO schedules 18, 19 and 20:

- *To encourage development to provide residential accommodation only where it is located above ground floor and first floor employment spaces*
- *To encourage commercial design built forms at ground and first floor of development.*
- *To encourage commercial activation at the ground level of development.*

It is proposed to include the following built form requirements (or similar) into DDO schedules 18, 19 and 20:

- *Development within Category 2 – Employment Areas should achieve commercial built form outcomes, including increased floor to ceiling heights and flexible floor plates, at ground and first floor to facilitate opportunities for employment uses.*

- *Ground floor commercial spaces should provide for commercial activation, through entrances, transparent glazing and architectural features which encourage interaction and visual interest.*

Rationale of changes

The policy intent of the proposed changes is already contained within Councils MSS and was inserted as part of Amendment C158. Therefore, although this will create stronger policy guidance for the development of properties within a Category 2 Employment Area, Amendment C164 is not introducing a 'new' policy direction in this regard.

This additional guidance is considered necessary and an appropriate way to ensure that built form outcomes further the MILS policy objectives and to ensure a variety of employment uses are possible in Category 2 Employment areas. This approach has been used previously in DDO22 to the Moreland Planning Scheme which applied to a former MILUS precinct which has recently been redeveloped. The Victorian Civil and Administrative Tribunal (VCAT) in its decision (Caydon CP Developments Pty Ltd v Moreland CC [2014] VCAT 357 (28 March 2014)), regarding a development within this area, supported Councils position that reducing the amount of commercial floor space, in this example deleting the entire first floor component and replacing it with dwellings, was not consistent with the land use and built form outcomes sought both in its MSS, through the MILUS, and DDO22, which makes specific reference to commercial built form outcomes at ground and first floor.

Senior Member Baird in her decision stated that:

...while DDO22 does not apply to land use but, with other parts of the Scheme, it confirms the policy direction about the form of development of which commercial use is an expected component.

Paragraph 25 of Caydon CP Developments Pty Ltd v Moreland CC [2014] VCAT 357

Although a DDO cannot dictate land use, there are specific built form outcomes which will encourage and ensure that commercial and employment uses can locate within new development. This includes higher floor to ceiling heights and flexible floor plates. The VCAT decision highlights the importance of the nexus between built both form outcomes sought and use outcomes, particularly in a discretionary planning system.

Flexibility for different employment uses

Providing flexibility within new development for commercial and employment generating uses is also considered a key component of the MILS requires implementation through the DDO. In the VACT decision of Russo v Moreland CC [2010] VCAT 1027 (18 June 2010), which considered the development of a former MILUS Multi-use Employment Area site in a Business 2 Zone (now Commercial 1 Zone), Member Naylor noted that:

...Council is keen to see the provision of the first floor as office space but is flexible as to how many tenancies it contains (e.g. it could be one large space or contain multiple tenancies). It seems to me the Council's flexibility is a good thing and the opportunity exists for there to be, potentially, multiple tenancies and possibly even two storey office spaces created as opposed to merely ground and first floors. For example, an internal staircase could provide the opportunity for a retail-style shop front with an office component behind and above.

Paragraph 9 of Russo v Moreland CC [2010] VCAT 1027

The proposed changes to the DDO's will provide for flexibility in size and types of spaces where employment activities may occur on the land, which should encourage the provision of employment generating uses within Category 2 Employment Areas.

The introduction of specific built form controls into the DDO's will assist in implementing these strategies and ensure a consistent approach to Category 2 Employment Area land across the BAC.

Urban design analysis to inform the DDO content

Council's Urban Design Unit has conducted a site by site analysis of:

- All land to be rezoned by Amendment C164 that is not already within a DDO.
- All land to be rezoned by Amendment C164 that is within existing DDO18, 19, or 20 where no height is specified in the DDO.

All land within the existing DDO 18, 19, 20 which is currently zoned to allow for residential use and has a preferred height specified, has not been assessed. Urban design analysis is already existing to support the existing heights included within the DDO. No changes to this are required or proposed.

Sit by site analysis has been used to determine a preferred height for each property reviewed, based on the existing built form policy context. Street wall and frontage guidance has also been analysed. The urban design analysis undertaken in accordance with the following methodology:

1. Review of the following documents:
 - Existing DDO's 18, 19 and 20 (Moreland Planning Scheme)
 - Brunswick Activity Centre Structure Plan Reference Document (October 2016)
 - Sydney Road Upfield Corridor Strategic Framework Plan (DLA)
 - Draft Brunswick Structure Plan (2010)
 - Brunswick Structure Plan Addendum (2012)
 - Statutory Implementation Options for Industrial Precincts in Brunswick MAC (SGS)
 - Brunswick Precinct Industrial Rezoning Model (Planisphere).
2. Context assessment for sites with no preferred height including:
 - Desktop visual review of all precincts (Google Street View) and Council GIS software (moreMaps)
 - Review of surrounding preferred heights and individual street character
 - Review of any other relevant overlay controls including heritage overlays
 - Subject site analysis including site depth and width consideration
 - Preferred future character consideration including MILS category.

Based on the findings of steps 1 and 2 a recommendation for preferred height, and any additional changes or comments (where required) was made.

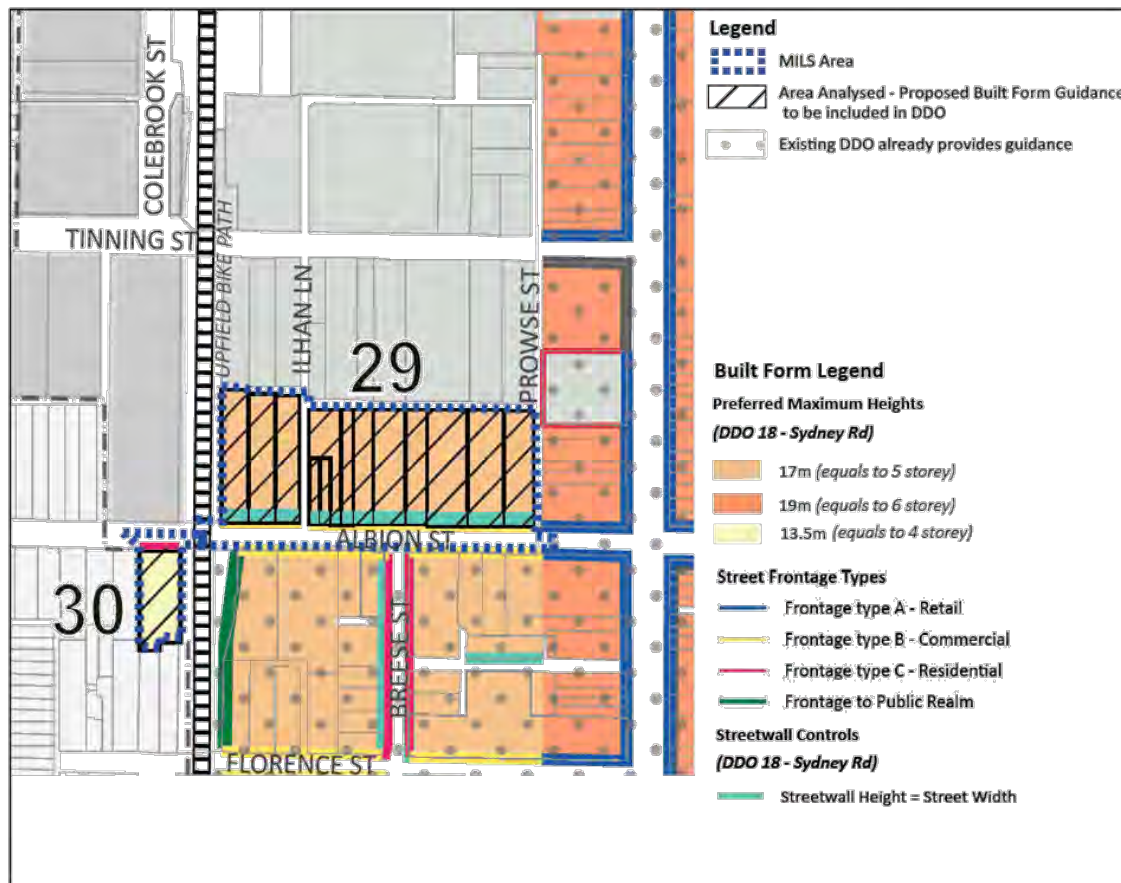
The Proposed Built form guidance maps which follow, indicated which properties have been analysed (shown with hatching) and the outcomes proposed. The maps also includes the existing surrounding built form controls (height/frontage/street wall) taken from BACSP. The analysis presented in the following maps will inform relevant DDO mapping, and be reflected in an updated version of the BACSP when the amendment is approved.

The table underneath each map details the exact nature of the controls proposed to be included in the DDO, as per the example below:

MILS Area No	MILS Cat	Property	Existing Built Form Control	Proposed Built Form Control	Existing Height in DDO	Proposed Height in DDO	Other Controls Proposed in DDO/BACSP	Detailed Analysis
#	Cat 2 or Cat 3	Address detail	None or Existing DDO	Recommendation	Existing height shown in metres and storeys	Recommended height shown in metres and storeys	Street wall or Frontage type	Urban Design assessment of the changes

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Map 1: Proposed Built Form Guidance to be included in DDO18 - MILS Area 29, 30



Summary and analysis and proposed DDO/BACSP content:

MILS Area No	MILS Cat	Property	Existing Built Form Control	Proposed Built Form Control	Existing Height in DDO	Proposed Height in DDO	Other Controls Proposed in DDO/BACSP	Detailed Analysis
29	2	191, 193-195, 197-199, 201, 203, 205, 207, 209, 211, 213, 215, 217, 219 Albion Street	None	Apply DDO18	None	17m (5 storeys)	Add Street wall height of 1:1 (12.5m)	Albion street is a Principle Pedestrian Network (PPN) street therefore solar access to footpaths needs to be maintained (DLA report). Add street wall height control to ensure that development creates an appropriate sense of street enclosure (the DDO specifies street wall height=street width with Albion Street approximate width of 12.5m). This will ensure that Albion Street and the properties south of this narrow street have adequate solar access. The proposed height for the site is the same as per the previous BSP Addendum which is considered still appropriate
29	2	6 Ilhan Lane	None	Apply DDO18	None	17m (5 storeys)	None	The proposed height for the site is the same as per the previous BSP Addendum which is

30	3	220 Albion Street	None	Apply DDO18	None	13.5m (4 storeys)	Add Frontage Type C Residential	<p>considered still appropriate. The site has no street frontage.</p> <p>It is recommended that the maximum building height is lowered to 13.5m or 4 storey from the BSP Addendum's 15m building height (5 storey residential height). The site is an isolated site on western side of Upfield railway where any major height will not create a consistent streetscape. The surrounding land is in the NRZ and has a two storey maximum height. These properties are also affected by a heritage overlay. The site is currently used as a commercial building and can remain to be used as a business as long as the current DDO's residential frontage (Frontage Type C Residential) is retained to create a ground floor transition to the residential dwellings. The site is a wide site (19 m) which can provide the required DDO's side setback to residential zone outside the activity centre. Additional street wall control is not necessary as the maximum height 13.5m is close to the recommended 12.5m for the street wall.</p>
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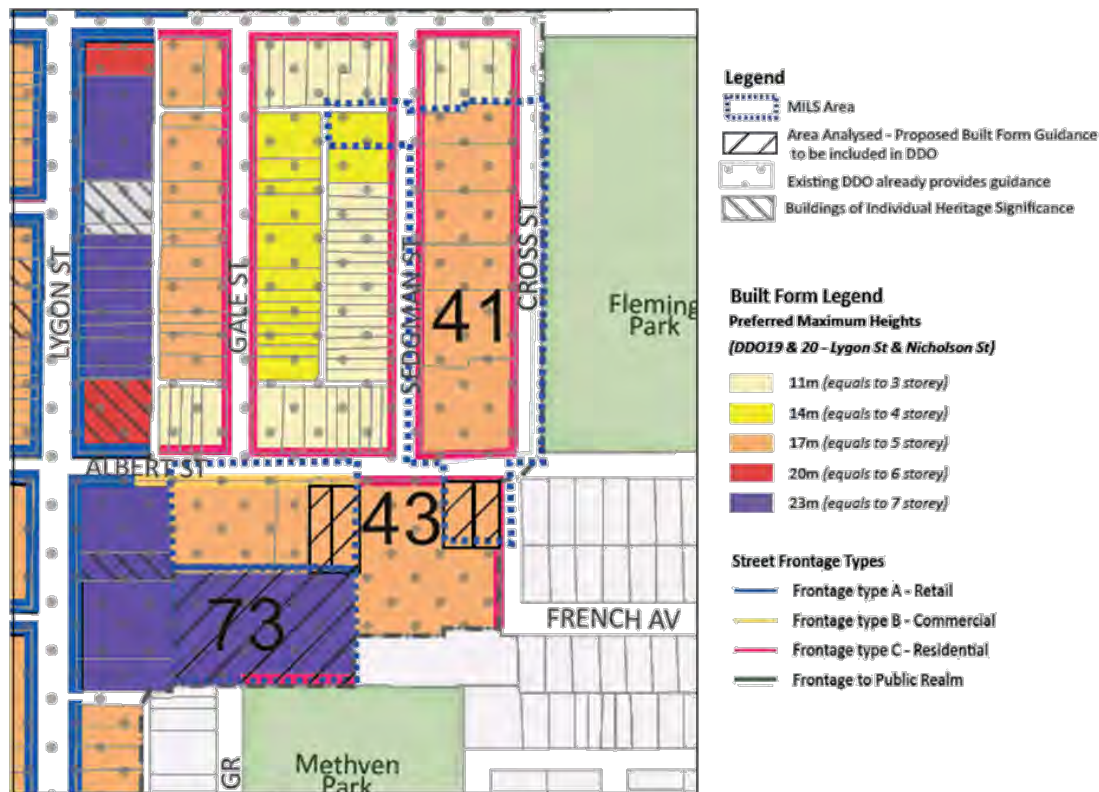
Map 2: Proposed Built Form Guidance to be included in DDO18 - MILS Area 68, 69, 70



Summary and analysis and proposed DDO/BACSP content:

MILS Area No	MILS Cat	Property	Existing Built Form Control	Proposed Built Form Control	Existing Height in DDO	Proposed Height in DDO	Other Controls Proposed in DDO/BACSP	Detailed Analysis
68	2	12-14, 13-15, 18-20, 22, 1/22, 24-26, 28-36, 31-33, 35, 39, 41, 43-45, 47, 55, 57, 59-61 Edward Street	None	Apply DDO18	None	20m (6 storeys)	Apply street wall control: street wall = street width	Extend the maximum building height of the current control North of the site for Dods Street (20m - 6st). This height is appropriate considering the width of the street, the categorisation of MILS type 2, and a general higher height applied in the surrounding area. The adjacent neighbours on the south are to be retained within an industrial zone which is therefore not a sensitive interface. Properties along Weston St's to the south have higher height of 25m (8 storey). A street wall height equal to street width is applied to Edward Street to create appropriate street enclosure scale for the new 20m height. This will mitigate impact of excessive overshadowing on the southern side footpaths.
69	3	13-15 Edward Street	None	Apply DDO18	None	20m (6 storeys)	None	Extend the maximum building height of the current control East of the site for Dods Street (20m - 6st). The site is currently a Council carpark which can accommodate similar height to the neighbour.
70	3	63-65 Edward Street and 17 Charles Street	None	Apply DDO18	None	20m (6 storeys)	None	Extend the maximum building height of the proposed 20m - 6st for MILS precinct 68. Although Charles Street north has a strong residential character, this section of the street has a strong commercial character therefore extending higher built form is considered appropriate. This section of the street is also wider which mitigates negative impacts to properties across the street.

Map 3: Proposed Built Form Guidance to be included in DDO19 - MILS Area 41, 43, 73



Summary and analysis and proposed DDO/BACSP content:

MILS Area No	MILS Cat	Property	Existing Built Form Control	Proposed Built Form Control	Existing Height in DDO	Proposed Height in DDO	Other Controls Proposed in DDO/BACSP	Detailed Analysis
41	3	88, 90 Albert Street	None	Apply DDO19	None	17m (5 storeys)	None	It is proposed to extend existing building height control of DDO 19 which affects the adjacent properties to the site. Extending the heights will create a consistent streetscape and built form for this precinct. The site has no sensitive abutments and is separated from lower scale residential by French Avenue. The proposed height for the site is the same as per the previous BSP Addendum.
43	2	98, 100 Albert Street	DDO19	No change (Retain DDO19)	None (Error)	17m (5 storeys)	None	The overall control is appropriate for the site. It is proposed to apply the same height as the surrounding properties to create a consistent streetscape and built form for this precinct. It appears to be an error that no height was specified for these properties despite already being included within DDO19. The proposed height for the site is the same as per the previous BSP Addendum.
73	3	20 Leintser Grove	DDO19	No change	23m (7 storeys)	No change (Retain 23m)	Add Type C residential frontage	Add Frontage Type C Residential for the boundary along Methven Park to create active frontages to

		(Rear of 240-250 Lygon Street)		(Retain DDO19)				the park. BPIRM recommends Methven Park Interface (page 71). Individual entry doors to ground floor dwellings should be provided for the properties adjacent to public land (DDO 19 Building layout and detailed design), this can be done by creating 'paper road' or a pedestrian path within the site to avoid conflicting private access from the park.
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Map 4: Proposed Built Form Guidance to be included in the DDO19 - MILS Area 44, 45

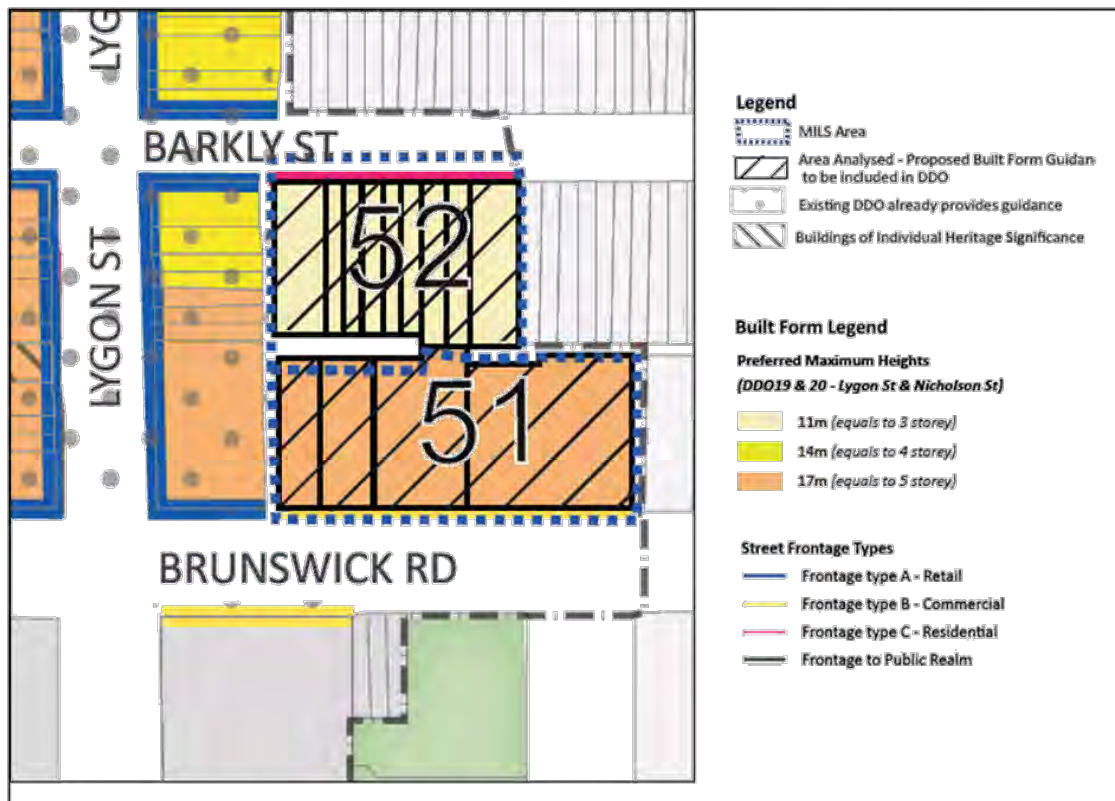


Summary and analysis and proposed DDO/BACSP content:

MILS Area No	MILS Cat	Property	Existing Built Form Control	Proposed Built Form Control	Existing Height in DDO	Proposed Height in DDO	Other Controls Proposed in DDO/BACSP	Detailed Analysis
44	2	150-152 Victoria Street	DDO19	No change (Retain DDO19)	None	14m (4 storeys)	None	The overall control is appropriate for the site. It is proposed to apply the same height as the surrounding properties to create a consistent streetscape and built form for this precinct The proposed height for the site is the

								same as per the previous BSP Addendum.
44	2	154-158 Victoria Street	None	Apply DDO19	None	14m (4 storeys)	None	The overall control is appropriate for the site. Extend the existing building height control of DDO 19 to the site. It is proposed to apply the same height as the surrounding properties to create a consistent streetscape and built form for this precinct The site is a long site with rear within MILS 45 on Ann Street and Trafford Street.
44	2	160-162 Victoria Street	None	Apply DDO19	None	14m (4 storeys)	None	The overall DDO control is appropriate for the site. Extend the existing building height control of DDO19 to the site. It is proposed to apply the same height as the surrounding properties to create a consistent streetscape and built form for this precinct. The proposed height for the site is the same as per the previous BSP Addendum.
44	2	164 Victoria Street	None	Apply DDO19	None	14m (4 storeys)	None	Extend the existing building height control of DDO19 to the site. It is proposed to apply the same height as the surrounding properties to create a consistent streetscape and built form for this precinct. The neighbouring residential is a new 2-storey townhouse, gabled roof, which will not be impacted negatively by the proposed 4 storey for the site.
45	3	(Rear of) 154-158 Victoria Street	None	Apply DDO19	None	14m (4 storeys)	None	The overall control is appropriate for the site. Extend the existing building height control of DDO19 to the site. It is proposed to apply the same height as the surrounding properties to create a consistent streetscape and built form for this precinct. The site is a long site with rear within MILS 45 on Ann Street and Trafford Street. The four storey height will create an appropriate transition with the expected scale of surrounding land.

Map 5: Proposed Built Form Guidance to be included in the DDO19 - MILS Area 51, 52

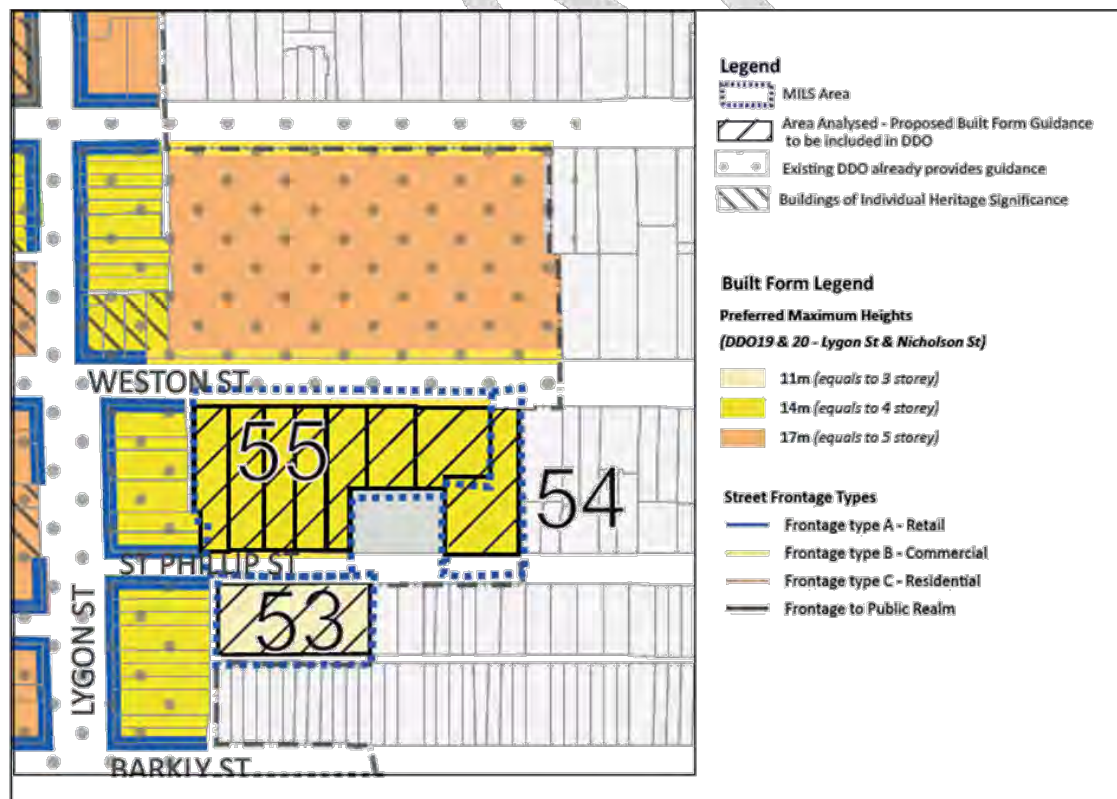


Summary and analysis and proposed DDO/BACSP content:

MILS Area No	MILS Cat	Property	Existing Built Form Control	Proposed Built Form Control	Existing Height in DDO	Proposed Height in DDO	Other Controls Proposed in DDO/BACSP	Detailed Analysis
51	2	85-89, 95-101, 103, 105 Brunswick Road	None	Apply DDO19	None	17m (5 storeys)	None	The overall control is appropriate for the site. Extend the existing building height control of DDO19 to the site. Although the BSP Addendum suggested 4 storeys for these properties, Brunswick Rd is a very wide street, and therefore a higher building height is appropriate. A five storey preferred height will create a consistent character which wrap around onto Lygon Street. It is noted that the precinct is physically separated from the surrounding residential land via a laneway.
52	3	112 Barkly Street	None	Apply DDO19	None	11m (3 storeys)	None	Although occupied by a non-contributory warehouse the site is a narrow and located in the middle of Victorian era heritage precinct. Future development should respect the low-density residential character of Barkly St. The proposed height for the site is the same as per the previous

								BSP Addendum which is considered still appropriate (11m), the site is within a heritage overlay.
52	3	114, 116, 118, 120, 122, 124, 126 Barkly Street	None	Apply DDO19	None	11m (3 storeys)	None	These sites are narrow, intact Victorian terraces. Future development should respect the low-density residential character of Barkly St. The proposed height for the site is the same as per the previous BSP Addendum which is considered still appropriate (11m). The site is within the heritage overlay.
52	3	128 Barkly Street	None	Apply DDO19	None	11m (3 storeys)	None	The proposed height for the site is the same as per the previous BSP Addendum (11m) which is considered still appropriate. The current use is commercial. Future development should respect the low-density residential character of Barkly St. The site is within the heritage overlay therefore the residential character with landscape setback is recommended to be retained.

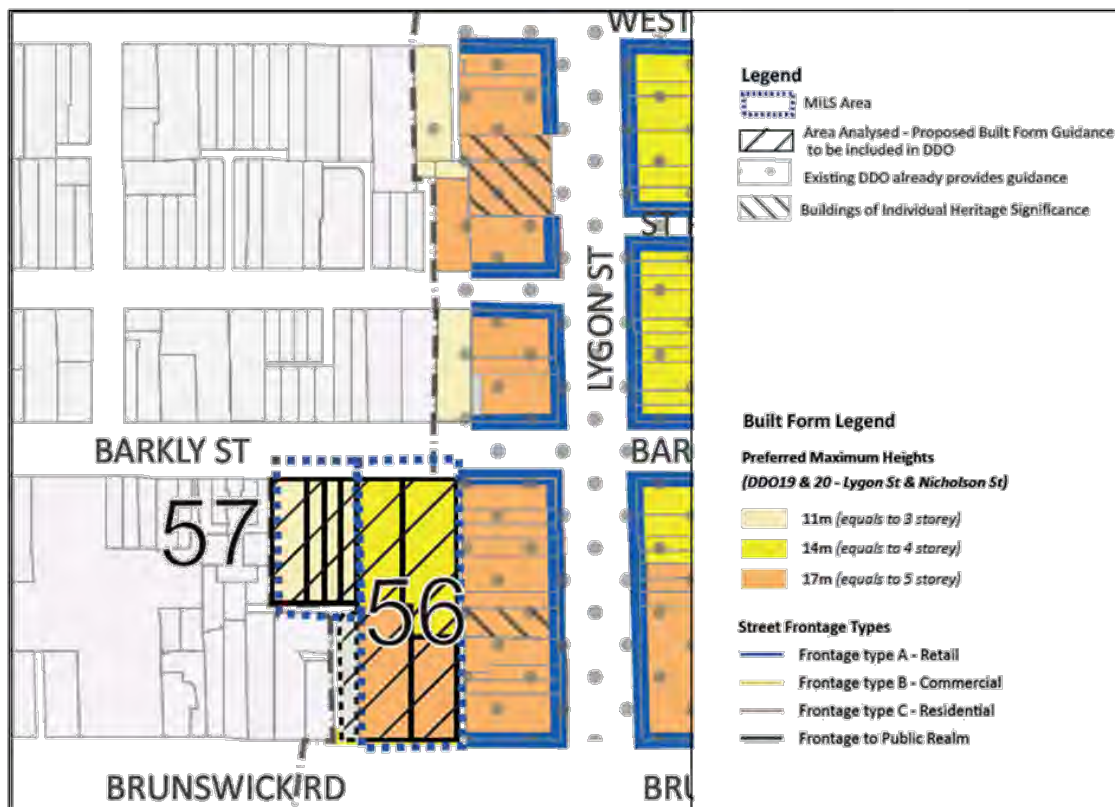
Map 6: Proposed Built Form Guidance to be included in the DDO19 - MILS Area 53, 54, 55



Summary and analysis and proposed DDO/BACSP content:

MILS Area No	MILS Cat	Property	Existing Built Form Control	Proposed Built Form Control	Existing Height in DDO	Proposed Height in DDO	Other Controls Proposed in DDO/BACSP	Detailed Analysis
53	3	2-12 St Phillip Street	None	Apply DDO19	None	11m (3 storeys)	None	The proposed height for the site is the same as per the previous BSP Addendum which is considered still appropriate. It is recommended that Frontage C is removed to allow flexibility of other type of street interfaces. The existing 2 storey brick building used as a multi-office/warehouse is considered a good contribution to the street and can be easily retained with the proposed 3 storey height. The sites across the road have a commercial frontage designation, which will create a consistent low/medium-rise commercial precinct which is appropriate for the narrow St Phillip street, and could accommodate small boutique offices or studios. The surrounding land is low scale 1-2 storey residential in character.
54	3	146 Weston Street	None	Apply DDO19	None	14m (4 storeys)	None	The proposed height for the site is the same as per the previous BSP Addendum which is considered still appropriate. It is recommended that Frontage C is removed to allow flexibility of other type of street interfaces, responding either to the West (commercial frontage) if amalgamation occur or residential frontage to the East. There is no strong justification for a residential frontage for this isolated frontage control.
55	2	120, 122, 124, 126, 132-134, 136-138, 142-144 Weston Street	None	Apply DDO19	None	14m (4 storeys)	None	The proposed height for the site is the same as per the previous BSP Addendum (14m) which is considered still appropriate. These properties have existing commercial built form and a preferred height of 4 storeys will provide an appropriate transition in height from the lower scale development to the south and the higher built form of the former Tip Top site to the north.

Map 7: Proposed Built Form Guidance to be included in the DDO19 - MILS Area 56, 57

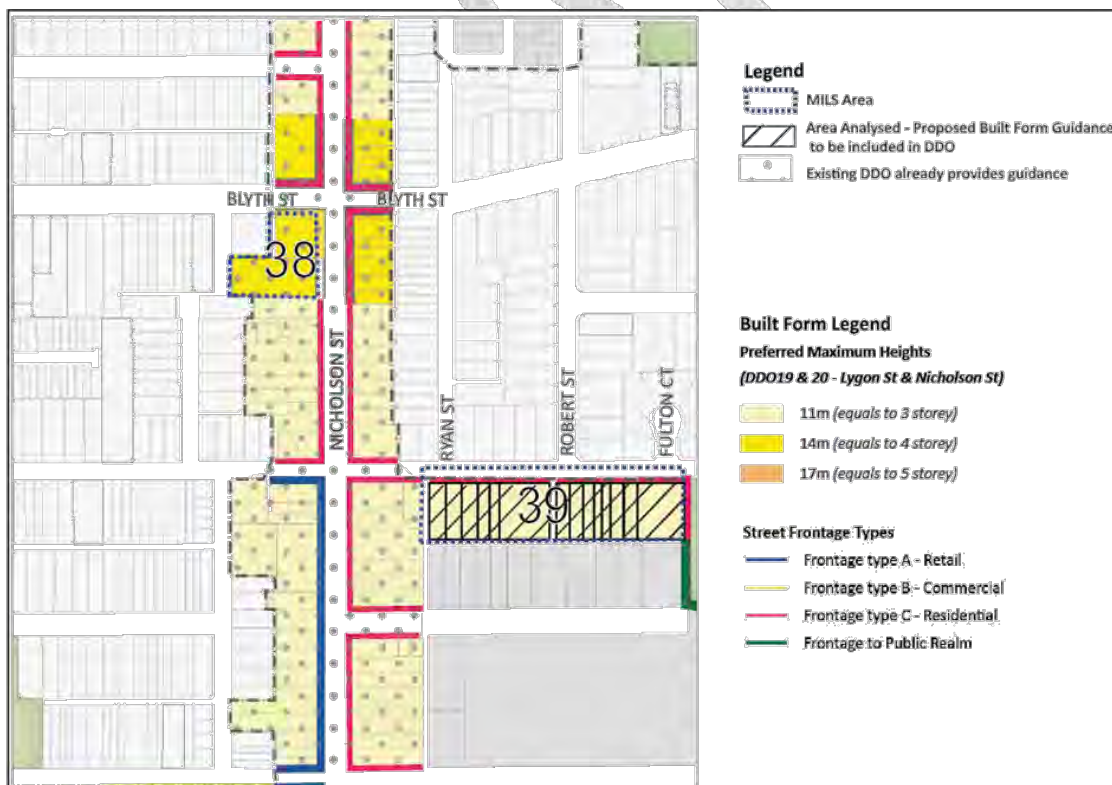


Summary and analysis and proposed DDO/BACSP content:

MILS Area No	MILS Cat	Property	Existing Built Form Control	Proposed Built Form Control	Existing Height in DDO	Proposed Height in DDO	Other Controls Proposed in DDO/BACSP	Detailed Analysis
56	2	130 Barkly Street	None	Apply DDO19	None	14m (4 storeys)	None	BSP Addendum recommends 4st for the site, this height is considered appropriate for the site. The site is wide and abuts land with a preferred height of 5 storeys to the east. Given that Barkly Street is residential in character a lower preferred height of 4 storeys will provide a transition to the lower scale residential character to the west.
56	2	107 Brunswick Road	None	Apply DDO19	None	17m (5 storeys)	None	Although the BSP Addendum suggested 4 storeys for these properties, Brunswick Rd is a very wide street, and therefore a higher building height is appropriate. A five storey preferred height will create a consistent character which wrap around onto Lygon Street.
56	2	109 Brunswick Road (front)	None	Apply DDO19	None	17m (5 storeys)	None	Although the BSP Addendum suggested 4 storeys for these properties, Brunswick Rd is a very wide street, and therefore a higher building height is

								appropriate. A five storey preferred height will create a consistent character which wrap around onto Lygon Street.
56	2	109 Brunswick Road (rear)	None	Apply DDO19	None	14m (4 storeys)	None	Although the front of this property is recommended for 5 storeys, this is not appropriate for the rear of the site which fronts Barkly street. Given that Barkly Street is residential in character a lower preferred height of 4 storeys will provide a transition to the lower scale residential character to the west.
57	3	134, 136, 138, 140 Barkly Street	None	Apply DDO19	None	11m (3 storeys)	None	The proposed height for these sites is the same as per the previous BSP Addendum (11m) which is considered still appropriate. These properties interface with low scale residential development across Barkly Street and existing three storey townhouses. 11m provides an appropriate transition from the taller forms of the activity centre to the east and the lower scale residential built form to the west.

Map 8: Proposed Built Form Guidance to be included in the DDO20 - MILS Area 38, 39



Summary and analysis and proposed DDO/BACSP content:

MILS Area No	MILS Cat	Property	Existing Built Form Control	Proposed Built Form Control	Existing Height in DDO	Proposed Height in DDO	Other Controls Proposed in DDO/BACSP	Detailed Analysis
38	2	221 Nicholson Street	DDO20	No change (Retain DDO20)	14m (4 storeys)	No change (Retain 14m)	None	This site has existing commercial built form and is operated by the radio station Triple R. The Existing four storey preferred height will assist in creating a consistent streetscape and built from character for this intersection.
39	2	219 Nicholson Street	DDO20	No change (Retain DDO20)	14m (4 storeys)	No change (Retain 14m)	Remove Frontage Type C Residential	It is recommended that Frontage C is removed to allow flexibility of other type of street interfaces. There's a potential for ground floor commercial use as per current use or a new residential frontage for apartment typology. The site is a transitional site which can be either more similar to the northern neighbour (commercial frontage) or southern neighbour (residential frontage).
39	3	12-14 Victoria Street	None	Apply DDO20	None	11m (3 storeys)	Add Frontage Type C Residential	Add Frontage Type C Residential for the boundary along Kirkdale Park to create active frontage to the park. Individual entry doors to ground floor dwellings should be provided for the properties adjacent to public land (DDO20 Building layout and detailed design), this can be done by creating 'paper road' or a pedestrian path within the site to avoid conflicting private access from the park. The 'Frontage to Public Realm' interface applied to this edge has not been clarified and may not have multiple direct entry requirements. The proposed height for the site is the same as per the previous BSP Addendum (11m) which is considered still appropriate.
39	3	18, 20, 22, 24, 26, 28, 30, 32-36, 38, 40, 42, 44, 46 Victoria Street	None	Apply DDO20	None	11m (3 storeys)	Add Frontage Type C Residential	The proposed height for the site is the same as per the previous BSP Addendum which is considered still appropriate. A three storey height will provide an appropriate transition to the lower scale residential development to the north, some of which is included within a heritage overlay. The rear of these sites abuts a non sensitive interface across a laneway to industrial buildings which front Kirkdale street.

SECTION 5: ENVIRONMENTAL AUDIT OVERLAY

Ministerial Direction No. 1 – Potentially Contaminated Land (Direction No. 1) requires planning authorities when preparing planning scheme amendments, to satisfy themselves that the environmental conditions of land proposed to be used for a sensitive use (defined as residential, child-care centre, pre-school centre or primary school), agriculture or public open space are, or will be, suitable for that use. This includes any land known to have been used for industry, mining or the storage of chemicals, gas, wastes or liquid fuel.

The Environmental Audit Overlay (EAO) is a mechanism provided in the VPPs and planning schemes to ensure the requirement for an environmental audit under Direction No.1 is met before the commencement of the sensitive use or any buildings and works associated with that use. The application of the overlay, in appropriate circumstances, ensures the requirement will be met in the future but does not prevent the assessment and approval of a planning scheme amendment.

Approach to the application of the Environmental Audit Overlay

In preparing Amendment C164 Moreland City Council engaged Golder Associates to conduct a detailed investigation into 16 industrial areas (approximately 137 properties) in order to determine which of those areas would be recommended to be included in an Environmental Audit Overlay as part of any rezoning which would allow for sensitive uses.

When conducting this investigation Golder Associates collected data from multiple sources, including historic planning schemes, current and historical aerial photographs, utilising Sands & McDougall business directories, internet records, council records, “Brunswick Major Activity Centre – Environmental Audit Overlay Assessment, 15 December 2011”, and checking EPA priority sites, audits and groundwater quality restricted use zones.

Using this information Golder Associates have made an assessment of contamination risk across the Brunswick Activity Centre, including reviewing some sites which have been considered by previous investigations.

Previous Environmental Audit Overlay assessment

In 2011 as part of background work for Amendment C134, which implemented the Brunswick Structure Plan into the Moreland Planning Scheme, an assessment of potentially contaminated land was conducted by Sinclair Knight Merz (SKM); this investigation culminated in the *Brunswick Major Activity Centre – Environmental Audit Overlay Assessment, 15 December 2011* report. This report made recommendations regarding whether the EAO should be applied to land which was rezoned to allow for sensitive uses. Part of these investigations included assessment of land which ultimately wasn't rezoned through the C134 process. Where sites were identified through this process as needing an EAO it is recommended that this is sufficient justification to apply the EAO. Additionally there were some sites which were recommended to not be included in the EAO. Given the passage of time and an absence of understanding as what may have occurred on the sites since the 2011 report was conducted, these sites have been reassessed by Golder.

Methodology for EAO application

As part of the brief provided to Golder, a Council and DELWP (formerly DSE/DPCD) adopted methodology was provided. The methodology is broadly informed by *Ministerial Direction No. 1 – Potentially Contaminated Land (Direction No. 1)* and the *General Practice Note for Potentially Contaminated Land June 2005*. The methodology can briefly be outlined as follows:

- Step 1 – Visual Inspection
- Step 2 – Research Historic land use
- Step 3 – Based on Step 2, confirm those properties that have had a continuous residential or otherwise non-pollution land uses since first developed
- Step 4 – Consider the potential for sub-soil/groundwater contaminants from adjoining properties.

Refer to *Brunswick MILS Rezoning Assessment of Potential for Contamination (GOLDER Pty. Ltd. 28 March 2017)* for further detail.

Summary of proposed EAO application

Figure 5 on page 46, shows a complete summary map of the proposed EAO application for the BAC. This map includes whether a property is proposed to be included with an EAO and which assessment (Golder or SKM) recommended its inclusion or exclusion. The map also indicates properties which are already affected by the EAO.

Table 7 outlines the recommendations of the Golder and SKM assessments and the number of properties effected by the recommendations. This information is shown spatially on the map over the page. Detailed mapping is included as part of the proposed changes to the EAO in the formal amendment material. (Note that assessment has only been provided for the properties which are proposed to be rezoned through Amendment C164; properties which were rezoned through Amendment C134 to a zone which allows sensitive uses, have already been assessed appropriately).

Individual assessment of the properties considered by Golder can be found in *Brunswick MILS Rezoning Assessment of Potential for Contamination (GOLDER Pty. Ltd. 28 March 2017)*.

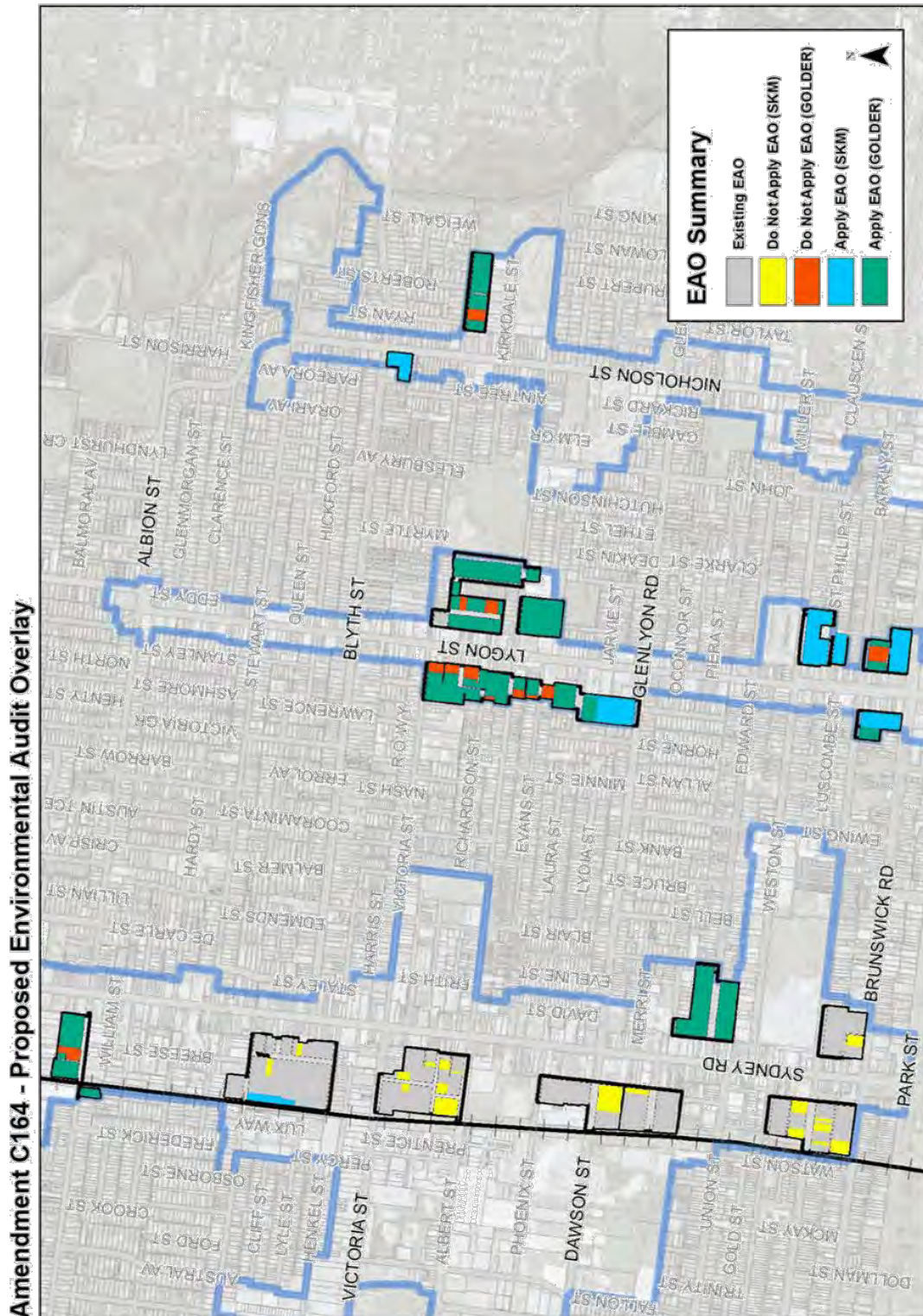
Table 7: Environmental Audit Overlay Application Rationale

Property scenario and assessment detail	Proposed approach to Amendment C164
<ul style="list-style-type: none"> • Existing EAO • Proposed to be rezoned to allow sensitive uses. 	<p>There are 85 properties which already have an EAO applied to them, and are proposed to be rezoned to allow for sensitive uses to occur. The properties were proposed to be rezoned through Amendment C134 to allow sensitive uses however the properties were ultimately not rezoned. It appears that the EAO may have been applied previously in error, due to mapping not being updated, or pre-emptively.</p> <p>No changes proposed.</p>
<ul style="list-style-type: none"> • Proposed to be rezoned to allow for sensitive uses. • Previously recommended for inclusion within an EAO however the land has not been rezoned to allow sensitive uses, thus an EAO has not been applied. <p>(SKM, 2011)</p>	<p>There are 22 properties which were previously recommended by the 2011 SKM assessment to be included in an EAO however this was not implemented as the properties were not rezoned to allow sensitive uses.</p> <p>Apply the EAO to these properties.</p>
<ul style="list-style-type: none"> • Property has been rezoned to a zone which allows sensitive uses. 	<p>There are 44 properties which have already been rezoned to allow for sensitive uses. Application of the EAO was</p>

<ul style="list-style-type: none"> No EAO applied as not required. <p>(SKM, 2011)</p>	<p>considered at this time and the sites were not identified as having potential for contamination. No EAO was applied.</p> <p>No changes proposed.</p>
<ul style="list-style-type: none"> Property proposed to be rezoned to a zone which allows for sensitive uses. Property has been recommended to be included in an EAO. <p>(Golder, 2017)</p>	<p>There are 98 properties which have been identified as having the potential for contamination and are recommended for inclusion within an EAO.</p> <p>Apply the EAO to the properties.</p>
<ul style="list-style-type: none"> Property is proposed to be rezoned to a zone which allows for sensitive uses. Property has low risk for potential contamination and is not recommended to be included in an EAO. <p>(Golder, 2017)</p>	<p>There are 39 properties which have been assessed as having a low risk for potential contamination and are not recommended for inclusion within an EAO.</p> <p>Do not apply EAO, no changes proposed.</p>

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Figure 5: Amendment C164 – Proposed Environmental Audit Overlay application for land to be rezoned



SECTION 6: PARKING OVERLAY

Amendment C164 proposes to apply the Parking Overlay (PO1) to all land to be rezoned to MUZ or C1Z.

Transport policy context

Moreland City Council is committed to supporting sustainable communities. Council has produced an extensive body of work over a number of years relating to transport and car parking, including the Brunswick Integrated Transport Strategy (BITS) and the Moreland Integrated Transport Strategy (MITS). While the MITS provides overall guidance for the management of transport issues across the municipality the BITS provides specific recommendations with relation to traffic and car parking strategies in the Brunswick Activity Centre (BAC).

One of the key objectives of the MITS and BITS is to drive a mode shift toward more environmentally sustainable travel behaviour. Brunswick has an abundance of public transport options which includes three tramlines, one through each of the main corridors, the Upfield train line and numerous cross city bus routes. There are also established bicycle routes for both commuter and recreational users including the Merri Creek Trail, Moonee Ponds Creek Trail and Upfield Shared Bike Path. One of the methods for directing people towards sustainable travel choices is to limit the ability for increased car ownership and to provide the ability for housing without or with minimal car parking provision to be developed.

Parking Overlay application in Moreland

In 2012 The Minister for Planning made changes to the Victorian Planning Provisions (VPP) as they relate to the car parking; Amendment VC90 introduced a new Parking Overlay and provided new rates for calculating parking provision and introduced new guidelines for decision making. Included in the changes was the introduction of a 'Column B' rate, which if 'switched on' through the application of the Parking Overlay, provide for a reduced parking provision pursuant to Clause 52.06. The Column B rates are intended to apply to specific areas including activity centres, commercial and mixed use zones, which have lower parking demand or policy justification for a reduced rate. As part of the roll out of the new provisions the state planning department, the then Department of Planning and Community Development (now DELWP), provided an accelerated process for applying the Parking Overlay (PO) which was consistent with the intended use of the PO and Practice Note 57. Moreland City Council participated in this process.

Council resolved to request that the Minister for Planning to apply a Parking Overlay (Schedule 1) to introduce the 'Column B' car parking rates at Clause 52.06 of the Moreland Planning Scheme to all land located within Business 1, 2, 3, 4 and 5 zones (Now the Commercial 1 and Commercial 2 Zones), the Mixed Use Zone and the Activity Centre Zone within the City of Moreland (See DED6/13).

In 2015, as part of the approval of Amendment C123, the Department of Environment, Land, Water & Planning (DELWP) introduced the PO1 to all Commercial 1 (C1Z), Activity Centre (ACZ), Residential Growth (RGZ1) and Mixed Use (MUZ) zoned land across the municipality. Accordingly

Amendment C164 and the Parking Overlay

Amendment C164 proposes to apply the PO to all land which is rezoned to MUZ and C1Z. This approach is consistent with the existing application of the PO across the municipality and the policy directions in the MITS and BITS for land within the BAC. A map showing a spatial summary of the proposed application of the PO1 is included at **Figure 6** on page 49.

Summary of proposed Parking Overlay application

Figure 6 on the following page, shows a complete summary map of the proposed Parking Overlay application for the BAC. The map indicates:

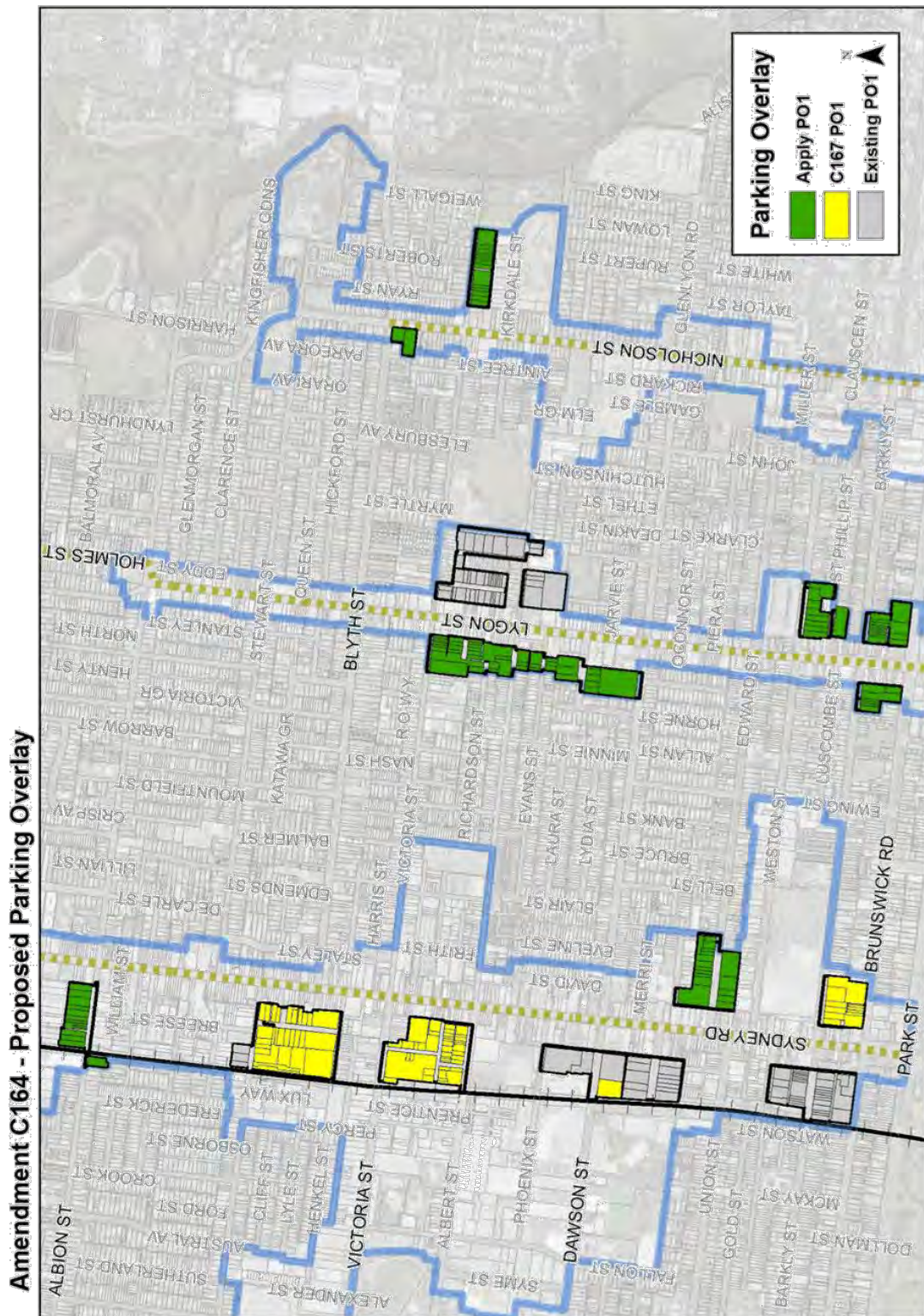
- whether the PO1 is proposed to be applied as part of Amendment C164 (Apply PO1);
- whether there is an existing PO1 affecting the land (Existing PO1); or
- whether the PO1 is proposed to be applied through Amendment C167 (C167 PO1).

The BACSP will be implemented into Clause 21.04 Reference Documents of the Moreland Planning Scheme through proposed Amendment C167. Amendment C167 makes consequential changes to the DDO 18, 19 and 20 and the Parking Overlay that apply within the Brunswick Activity Centre, to ensure these overlays make reference to the updated Reference Document (the BACSP).

Table 8: Parking Overlay Application Rationale

Property scenario	Proposed approach for Amendment C164
Property is proposed to be rezoned to the Commercial 1 Zone by Amendment C164.	There are 60 properties which are proposed to be rezoned to the Commercial 1 Zone by Amendment C164. Apply the PO1 to the property.
Property is proposed to be rezoned to the Mixed Use Zone by amendment C164.	There are 58 properties which are proposed to be rezoned to the Mixed Use Zone by Amendment C164. Apply the PO1 to the property.
The property is in an existing Commercial 1 Zone and not proposed to be rezoned by Amendment C164. Parking Overlay not applied through amendment C23 in error	There are 80 properties which are currently zoned C1Z and categorised as a Category 2 Employment Area. Amendment C167 proposes to apply the PO1 to these properties to correct an error in the PO1 application. No change is proposed.
Property is already affected by the Parking Overlay Schedule 1.	There are 90 properties which are already affected by PO1. These properties were included in the PO1 as part of Amendment C123. No change is proposed.

Figure 6: Amendment C164 – Proposed Parking Overlay application



SECTION 7: CONCLUSION

The MILS provides a sound strategic base for decision making regarding the future of industrial land within Moreland. The MILS provides clear land use directions for *Category 1 Core Industrial*, *Category 2 Employment* and *Category 3 Transition-residential* land within the municipality and proposed Amendment C164 will implement these land use directions into the Moreland Planning Scheme for the Brunswick Activity Centre (BAC) through the retention of *Category 1 Core industrial Areas* and the rezoning of *Category 2 Employment* and *Category 3 Transition-residential Areas*.

Amendment C164 will implement recently adopted Council policy in a proactive manner, which will assist in creating and maintaining a strong and prosperous economy, sustainable neighbourhoods, and helping Moreland to achieve the vision and its broad sustainability objectives for the BAC.

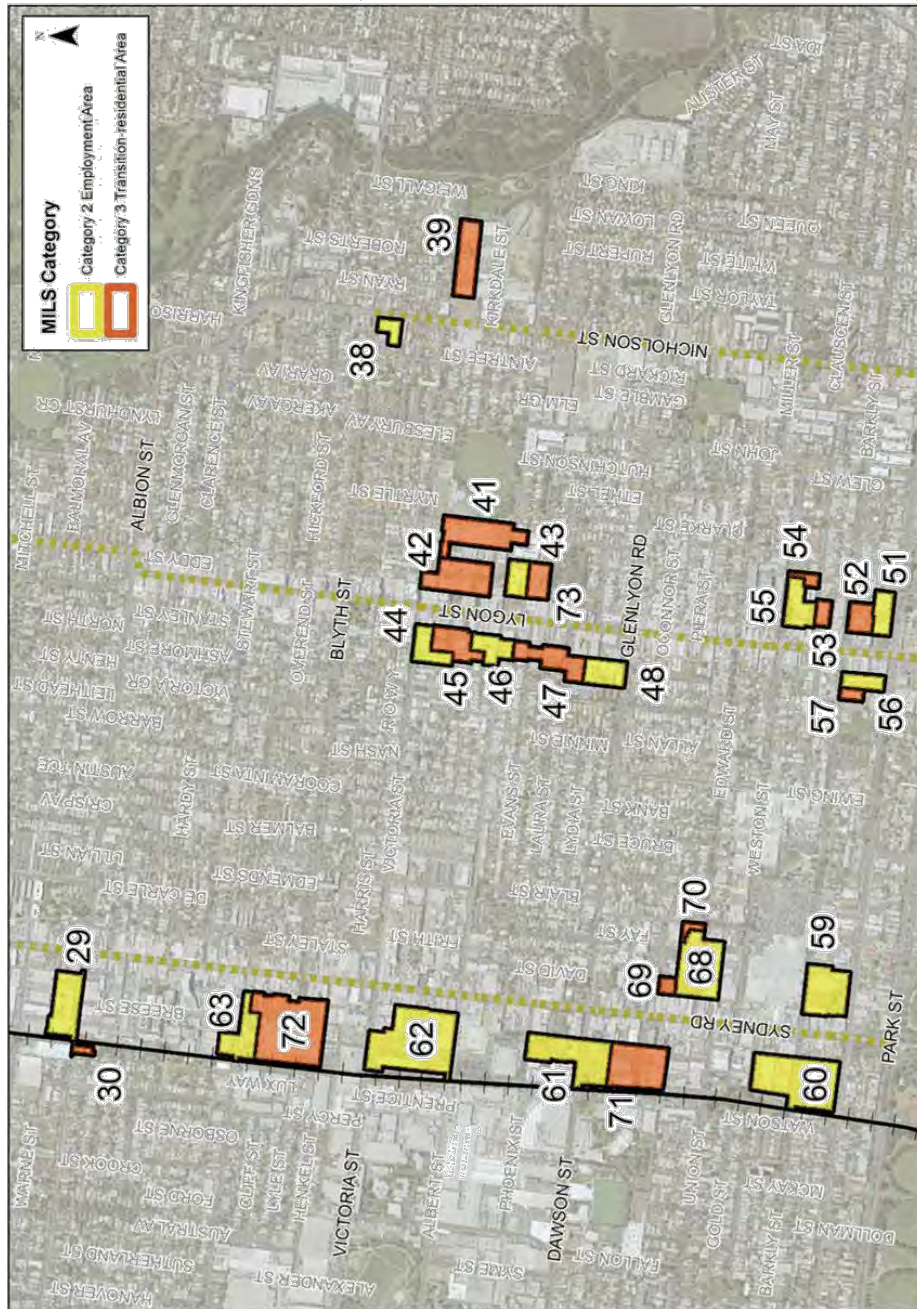
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SECTION 8: INDIVIDUAL PROPERTY SUMMARY OF PROPOSED CHANGES

The following section provides complete details of each property included in Amendment C164 and the effect of the amendment, including proposed heights. The properties are organised by MILS Areas spatially and include a map to help orientate the reader and to locate particular properties.

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Figure 7: Amendment C164 MILS Area Numbers



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Sydney Road Corridor	
MILS Area	Page Number
29	55
30	55
61	75
62	77
63	70
68	84
69	84
70	84
71	75
72	69

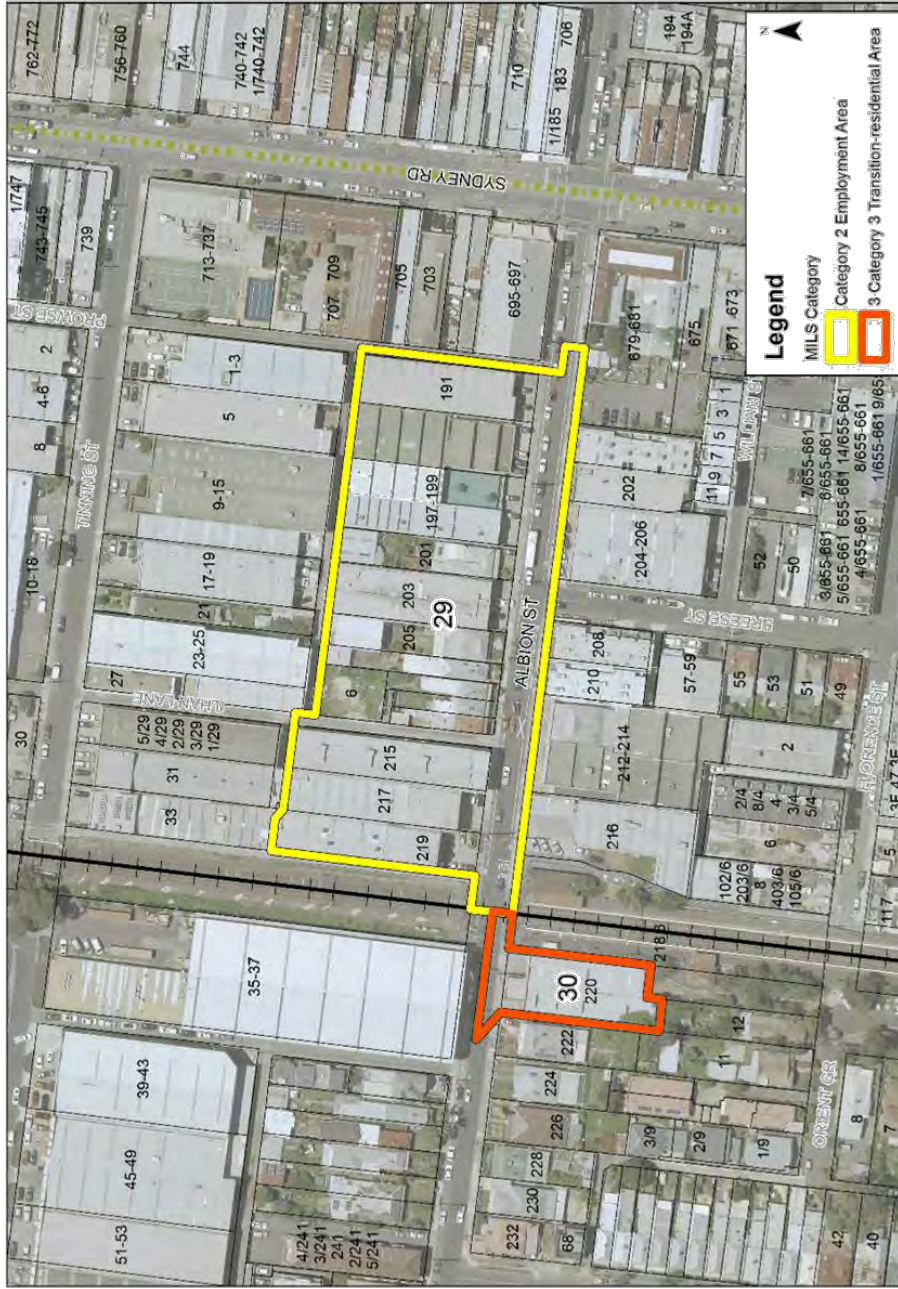
Lygon Street Corridor	
MILS Area	Page Number
41	58
42	58
43	58
44	62
45	62
46	62
47	65
48	65
73	58
51	67
52	67
53	70
54	70
55	70
56	67
57	67
59	72
60	72

Nicholson Street Corridor	
MILS Area	Page Number
38	57
39	57

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MILS Areas 29 and 30



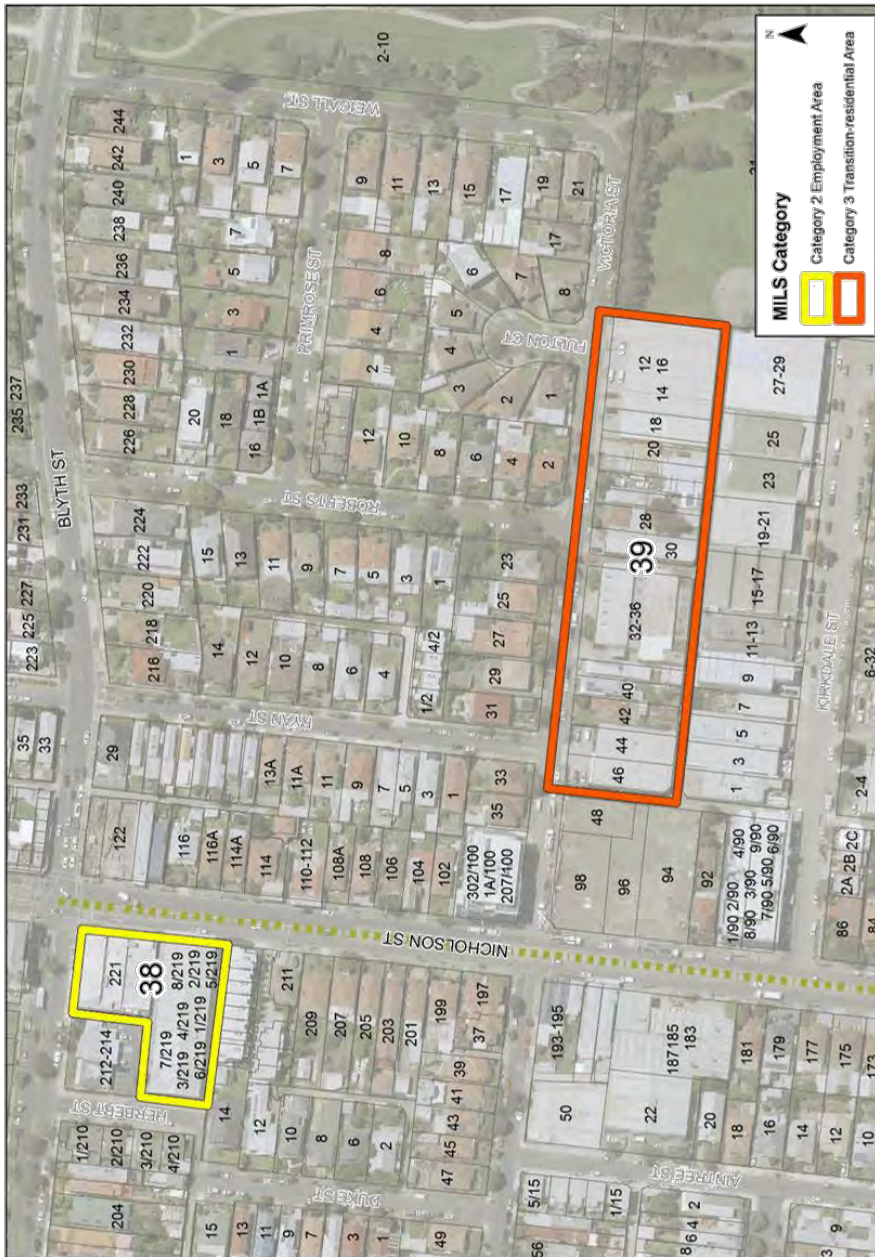
MILS Areas 29 and 30

No	Property Address	MILS Area	MILS Category	Existing Zone	Proposed Zone	Parking Overlay	Environmental Audit Overlay	Design and Development Overlay	Existing Height	Proposed Height	Other changes
1	191 ALBION STREET BRUNSWICK 3056	29	2	IN1Z	C1Z	Apply PO1	Apply EAO (GOLDER)	Apply DDO18	None	17	Add Streetwall control (Streetwall height = street width)
2	193-195 ALBION STREET BRUNSWICK 3056	29	2	IN1Z	C1Z	Apply PO1	Apply EAO (GOLDER)	Apply DDO18	None	17	Add Streetwall control (Streetwall height = street width)
3	197-199 ALBION STREET BRUNSWICK 3056	29	2	IN1Z	C1Z	Apply PO1	Apply EAO (GOLDER)	Apply DDO18	None	17	Add Streetwall control (Streetwall height = street width)
4	201 ALBION STREET BRUNSWICK 3056	29	2	IN1Z	C1Z	Apply PO1	Apply EAO (GOLDER)	Apply DDO18	None	17	Add Streetwall control (Streetwall height = street width)
5	203 ALBION STREET BRUNSWICK 3056	29	2	IN1Z	C1Z	Apply PO1	Apply EAO (GOLDER)	Apply DDO18	None	17	Add Streetwall control (Streetwall height = street width)
6	205 ALBION STREET BRUNSWICK 3056	29	2	IN1Z	C1Z	Apply PO1	Do Not Apply EAO (GOLDER)	Apply DDO18	None	17	Add Streetwall control (Streetwall height = street width)
7	207 ALBION STREET BRUNSWICK 3056	29	2	IN1Z	C1Z	Apply PO1	Do Not Apply EAO (GOLDER)	Apply DDO18	None	17	Add Streetwall control (Streetwall height = street width)
8	209 ALBION STREET BRUNSWICK 3056	29	2	IN1Z	C1Z	Apply PO1	Do Not Apply EAO (GOLDER)	Apply DDO18	None	17	Add Streetwall control (Streetwall height = street width)
9	211 ALBION STREET BRUNSWICK 3056	29	2	IN1Z	C1Z	Apply PO1	Do Not Apply EAO (GOLDER)	Apply DDO18	None	17	Add Streetwall control (Streetwall height = street width)
10	6 ILHAN LANE BRUNSWICK 3056	29	2	IN1Z	C1Z	Apply PO1	Apply EAO (GOLDER)	Apply DDO18	None	17	None
11	213 ALBION STREET BRUNSWICK 3056	29	2	IN1Z	C1Z	Apply PO1	Do Not Apply EAO (GOLDER)	Apply DDO18	None	17	Add Streetwall control (Streetwall height = street width)
12	215 ALBION STREET BRUNSWICK 3056	29	2	IN1Z	C1Z	Apply PO1	Apply EAO (GOLDER)	Apply DDO18	None	17	Add Streetwall control (Streetwall height = street width)
13	219 ALBION STREET BRUNSWICK 3056	29	2	IN1Z	C1Z	Apply PO1	Apply EAO (GOLDER)	Apply DDO18	None	17	Add Streetwall control (Streetwall height = street width)
14	217 ALBION STREET BRUNSWICK 3056	29	2	IN1Z	C1Z	Apply PO1	Apply EAO (GOLDER)	Apply DDO18	None	17	Add Streetwall control (Streetwall height = street width)
15	220 ALBION STREET BRUNSWICK 3056	30	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Apply DDO18	None	13.5	None

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MILS Areas 38 and 39



MILS Areas 38 and 39

No	Property Address	MILS Area	MILS Category	Existing Zone	Proposed Zone	Parking Overlay	Environmental Audit Overlay	Design and Development Overlay	Existing Height	Proposed Height	Other changes
16	221 NICHOLSON STREET BRUNSWICK EAST 3057	38	2	IN3Z	CI2Z	Apply PO1	Apply EAO (SKM)	Existing DDO20	14	No change	None
17	219 NICHOLSON STREET BRUNSWICK EAST 3057	38	2	IN3Z	CI2Z	Apply PO1	Apply EAO (SKM)	Existing DDO20	14	No change	Remove Frontage Type C Residential (No Frontage control proposed)
18	12 VICTORIA STREET BRUNSWICK EAST 3057	39	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Apply DDO20	None	11	Add Frontage Type C Residential
19	20 VICTORIA STREET BRUNSWICK EAST 3057	39	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Apply DDO20	None	11	Add Frontage Type C Residential
20	22 VICTORIA STREET BRUNSWICK EAST 3057	39	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Apply DDO20	None	11	Add Frontage Type C Residential
21	24 VICTORIA STREET BRUNSWICK EAST 3057	39	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Apply DDO20	None	11	Add Frontage Type C Residential
22	26 VICTORIA STREET BRUNSWICK EAST 3057	39	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Apply DDO20	None	11	Add Frontage Type C Residential
23	30 VICTORIA STREET BRUNSWICK EAST 3057	39	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Apply DDO20	None	11	Add Frontage Type C Residential
24	40 VICTORIA STREET BRUNSWICK EAST 3057	39	3	IN3Z	MUZ	Apply PO1	Do Not Apply EAO (GOLDER)	Apply DDO20	None	11	Add Frontage Type C Residential
25	42 VICTORIA STREET BRUNSWICK EAST 3057	39	3	IN3Z	MUZ	Apply PO1	Do Not Apply EAO (GOLDER)	Apply DDO20	None	11	Add Frontage Type C Residential
26	44 VICTORIA STREET BRUNSWICK EAST 3057	39	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Apply DDO20	None	11	Add Frontage Type C Residential
27	46 VICTORIA STREET BRUNSWICK EAST 3057	39	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Apply DDO20	None	11	Add Frontage Type C Residential
28	18 VICTORIA STREET BRUNSWICK EAST 3057	39	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Apply DDO20	None	11	Add Frontage Type C Residential
29	28 VICTORIA STREET BRUNSWICK EAST 3057	39	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Apply DDO20	None	11	Add Frontage Type C Residential
30	32-36 VICTORIA STREET BRUNSWICK EAST 3057	39	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Apply DDO20	None	11	Add Frontage Type C Residential
31	38 VICTORIA STREET BRUNSWICK EAST 3057	39	3	IN3Z	MUZ	Apply PO1	Do Not Apply EAO (GOLDER)	Apply DDO20	None	11	Add Frontage Type C Residential

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MILS Areas 41, 42, 43 and 73



MILS Areas 41, 42, 43 and 73

No	Property Address	MILS Area	MILS Category	Existing Zone	Proposed Zone	Parking Overlay	Environmental Audit Overlay	Design and Development Overlay	Existing Height	Proposed Height	Other changes
32	20 SEDGEMAN STREET BRUNSWICK EAST 3057	41	3	CZZ	MUZ	Existing PO1	Apply EAO (GOLDER)	Existing DDO19	14	No change	None
33	1A CROSS STREET BRUNSWICK EAST 3057	41	3	CZZ	MUZ	Existing PO1	Apply EAO (GOLDER)	Existing DDO19	17	No change	None
34	3 CROSS STREET BRUNSWICK EAST 3057	41	3	CZZ	MUZ	Existing PO1	Apply EAO (GOLDER)	Existing DDO19	17	No change	None
35	5 CROSS STREET BRUNSWICK EAST 3057	41	3	CZZ	MUZ	Existing PO1	Apply EAO (GOLDER)	Existing DDO19	17	No change	None
36	88 ALBERT STREET BRUNSWICK EAST 3057	41	3	CZZ	MUZ	Existing PO1	Apply EAO (GOLDER)	Apply DDO19	None	17	None
37	53-57 ALBERT STREET BRUNSWICK EAST 3057	41	3	CZZ	MUZ	Existing PO1	Apply EAO (GOLDER)	Existing DDO19	17	No change	None
38	90 ALBERT STREET BRUNSWICK EAST 3057	41	3	CZZ	MUZ	Existing PO1	Apply EAO (GOLDER)	Apply DDO19	None	17	None
39	1 CROSS STREET BRUNSWICK EAST 3057	41	3	CZZ	MUZ	Existing PO1	Apply EAO (GOLDER)	Existing DDO19	17	No change	None
40	1B CROSS STREET BRUNSWICK EAST 3057	41	3	CZZ	MUZ	Existing PO1	Apply EAO (GOLDER)	Existing DDO19	17	No change	None
41	34 GALE STREET BRUNSWICK EAST 3057	42	3	CZZ	MUZ	Existing PO1	Do Not Apply EAO (GOLDER)	Existing DDO19	14	No change	None
42	38-40 GALE STREET BRUNSWICK EAST 3057	42	3	CZZ	MUZ	Existing PO1	Apply EAO (GOLDER)	Existing DDO19	14	No change	None
43	132 VICTORIA STREET BRUNSWICK EAST 3057	42	3	CZZ	MUZ	Existing PO1	Apply EAO (GOLDER)	Existing DDO19	17	No change	None
44	28-30 GALE STREET BRUNSWICK EAST 3057	42	3	CZZ	MUZ	Existing PO1	Apply EAO (GOLDER)	Existing DDO19	14	No change	None
45	19-21 GALE STREET BRUNSWICK EAST 3057	42	3	CZZ	MUZ	Existing PO1	Apply EAO (GOLDER)	Existing DDO19	17	No change	None
46	23 GALE STREET BRUNSWICK EAST 3057	42	3	CZZ	MUZ	Existing PO1	Apply EAO (GOLDER)	Existing DDO19	17	No change	None
47	25 GALE STREET BRUNSWICK EAST 3057	42	3	CZZ	MUZ	Existing PO1	Apply EAO (GOLDER)	Existing DDO19	17	No change	None
48	33 GALE STREET BRUNSWICK EAST 3057	42	3	CZZ	MUZ	Existing PO1	Apply EAO (GOLDER)	Existing DDO19	17	No change	None
49	35-37 GALE STREET BRUNSWICK EAST 3057	42	3	CZZ	MUZ	Existing PO1	Apply EAO (GOLDER)	Existing DDO19	17	No change	None
50	39 GALE STREET BRUNSWICK EAST 3057	42	3	CZZ	MUZ	Existing PO1	Apply EAO (GOLDER)	Existing DDO19	17	No change	None

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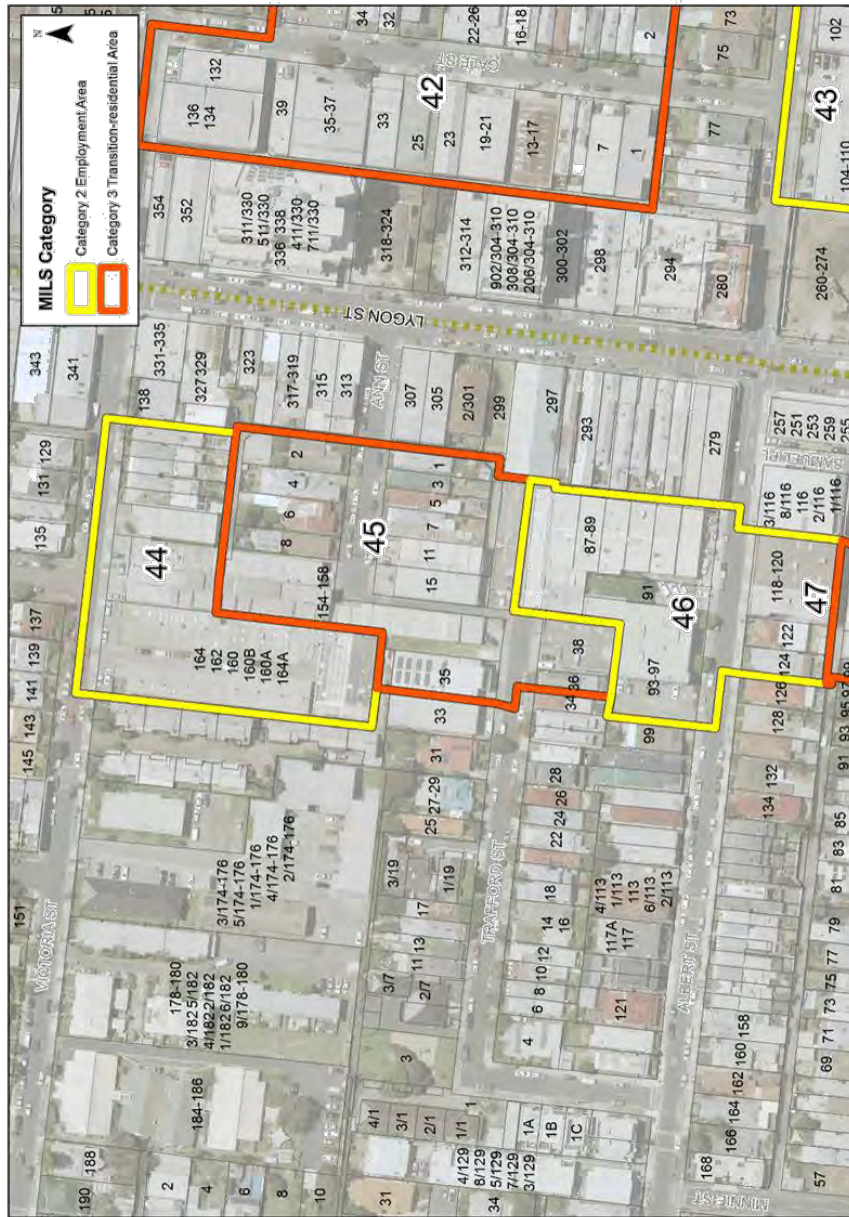
51	2 GALE STREET BRUNSWICK EAST 3057	42	3	CZZ	MUZ	Existing PO1	Apply EAO (GOLDER)	Existing DDO19	14	No change	None
52	4 GALE STREET BRUNSWICK EAST 3057	42	3	CZZ	MUZ	Existing PO1	Do Not Apply EAO (GOLDER)	Existing DDO19	14	No change	None
53	6 GALE STREET BRUNSWICK EAST 3057	42	3	CZZ	MUZ	Existing PO1	Do Not Apply EAO (GOLDER)	Existing DDO19	14	No change	None
54	8 GALE STREET BRUNSWICK EAST 3057	42	3	CZZ	MUZ	Existing PO1	Do Not Apply EAO (GOLDER)	Existing DDO19	14	No change	None
55	10 GALE STREET BRUNSWICK EAST 3057	42	3	CZZ	MUZ	Existing PO1	Do Not Apply EAO (GOLDER)	Existing DDO19	14	No change	None
56	14 GALE STREET BRUNSWICK EAST 3057	42	3	CZZ	MUZ	Existing PO1	Do Not Apply EAO (GOLDER)	Existing DDO19	14	No change	None
57	16-18 GALE STREET BRUNSWICK EAST 3057	42	3	CZZ	MUZ	Existing PO1	Apply EAO (GOLDER)	Existing DDO19	17	No change	None
58	1 GALE STREET BRUNSWICK EAST 3057	42	3	CZZ	MUZ	Existing PO1	Apply EAO (GOLDER)	Existing DDO19	17	No change	None
59	7 GALE STREET BRUNSWICK EAST 3057	42	3	CZZ	MUZ	Existing PO1	Apply EAO (GOLDER)	Existing DDO19	17	No change	None
60	9 GALE STREET BRUNSWICK EAST 3057	42	3	CZZ	MUZ	Existing PO1	Apply EAO (GOLDER)	Existing DDO19	17	No change	None
61	11 GALE STREET BRUNSWICK EAST 3057	42	3	CZZ	MUZ	Existing PO1	Apply EAO (GOLDER)	Existing DDO19	17	No change	None
62	13-17 GALE STREET BRUNSWICK EAST 3057	42	3	CZZ	MUZ	Existing PO1	Apply EAO (GOLDER)	Existing DDO19	17	No change	None
63	134 VICTORIA STREET BRUNSWICK EAST 3057	42	3	CZZ	MUZ	Existing PO1	Existing EAO (SKM)	Existing DDO19	17	No change	None
64	22-26 GALE STREET BRUNSWICK EAST 3057	42	3	CZZ	MUZ	Existing PO1	Apply EAO (GOLDER)	Existing DDO19	14	No change	None
65	32 GALE STREET BRUNSWICK EAST 3057	42	3	CZZ	MUZ	Existing PO1	Do Not Apply EAO (GOLDER)	Existing DDO19	14	No change	None
66	12 GALE STREET BRUNSWICK EAST 3057	42	3	CZZ	MUZ	Existing PO1	Do Not Apply EAO (GOLDER)	Existing DDO19	14	No change	None
67	98 ALBERT STREET BRUNSWICK EAST 3057	43	2	CZZ	C1Z	Existing PO1	Apply EAO (GOLDER)	Existing DDO19	None	17	None
68	100 ALBERT STREET BRUNSWICK EAST 3057	43	2	CZZ	C1Z	Existing PO1	Apply EAO (GOLDER)	Existing DDO19	None	17	None
69	102 ALBERT STREET BRUNSWICK EAST 3057	43	2	CZZ	C1Z	Existing PO1	Apply EAO (GOLDER)	Existing DDO19	17	No change	None
70	104-110 ALBERT STREET BRUNSWICK EAST 3057	43	2	CZZ	C1Z	Existing PO1	Apply EAO (GOLDER)	Existing DDO19	17	No change	None
71	20 LEINSTER GROVE BRUNSWICK EAST 3057	73	3	CZZ	MUZ	Existing PO1	Apply EAO (GOLDER)	Existing DDO19	23	No change	Apply Frontage Type C Residential along the Methven Park boundary

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MILS Areas 44, 45 and 46



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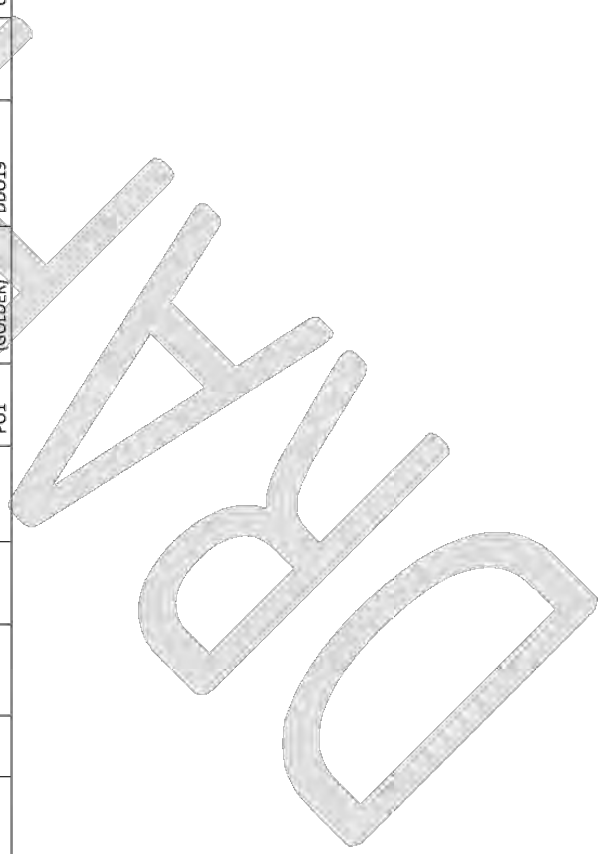
MILS Areas 44, 45 and 46

No	Property Address	MILS Area	MILS Category	Existing Zone	Proposed Zone	Parking Overlay	Environmental Audit Overlay	Design and Development Overlay	Existing Height	Proposed Height	Other changes
72	142 VICTORIA STREET BRUNSWICK 3056	44	2	IN3Z	C1Z	Apply PO1	Do Not Apply EAO (GOLDER)	Existing DDO19	14	No change	None
73	144 VICTORIA STREET BRUNSWICK 3056	44	2	IN3Z	C1Z	Apply PO1	Do Not Apply EAO (GOLDER)	Existing DDO19	14	No change	None
74	146 VICTORIA STREET BRUNSWICK 3056	44	2	IN3Z	C1Z	Apply PO1	Do Not Apply EAO (GOLDER)	Existing DDO19	14	No change	None
75	148 VICTORIA STREET BRUNSWICK 3056	44	2	IN3Z	C1Z	Apply PO1	Apply EAO (GOLDER)	Existing DDO19	14	No change	None
76	150-152 VICTORIA STREET BRUNSWICK 3056	44	2	IN3Z	C1Z	Apply PO1	Apply EAO (GOLDER)	Existing DDO19	None	14	None
77	140 VICTORIA STREET BRUNSWICK 3056	44	2	IN3Z	C1Z	Apply PO1	Do Not Apply EAO (GOLDER)	Existing DDO19	14	No change	None
78	160-164 VICTORIA STREET BRUNSWICK 3056	44	2	IN3Z	C1Z	Apply PO1	Apply EAO (GOLDER)	Apply DDO19	None	14	None
79	154-158 VICTORIA STREET BRUNSWICK 3056	45	2	IN3Z	C1Z	Apply PO1	Apply EAO (GOLDER)	Apply DDO19	None	14	None
80	6 ANN STREET BRUNSWICK 3056	45	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Existing DDO19	11	No change	None
81	8 ANN STREET BRUNSWICK 3056	45	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Existing DDO19	11	No change	None
82	11 ANN STREET BRUNSWICK 3056	45	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Existing DDO19	11	No change	None
83	15 ANN STREET BRUNSWICK 3056	45	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Existing DDO19	11	No change	None
84	36 TRAFFORD STREET BRUNSWICK 3056	45	3	IN3Z	MUZ	Apply PO1	Do Not Apply EAO (GOLDER)	Existing DDO19	14	No change	None
85	1 ANN STREET BRUNSWICK 3056	45	3	IN3Z	MUZ	Apply PO1	Do Not Apply EAO (GOLDER)	Existing DDO19	11	No change	None
86	3 ANN STREET BRUNSWICK 3056	45	3	IN3Z	MUZ	Apply PO1	Do Not Apply EAO (GOLDER)	Existing DDO19	11	No change	None
87	5 ANN STREET BRUNSWICK 3056	45	3	IN3Z	MUZ	Apply PO1	Do Not Apply EAO (GOLDER)	Existing DDO19	11	No change	None
88	2 ANN STREET BRUNSWICK 3056	45	3	IN3Z	MUZ	Apply PO1	Do Not Apply EAO (GOLDER)	Existing DDO19	11	No change	None
89	7 ANN STREET BRUNSWICK 3056	45	3	IN3Z	MUZ	Apply PO1	Do Not Apply EAO (GOLDER)	Existing DDO19	11	No change	None
90	4 ANN STREET BRUNSWICK 3056	45	3	IN3Z	MUZ	Apply PO1	Do Not Apply EAO (GOLDER)	Existing DDO19	11	No change	None

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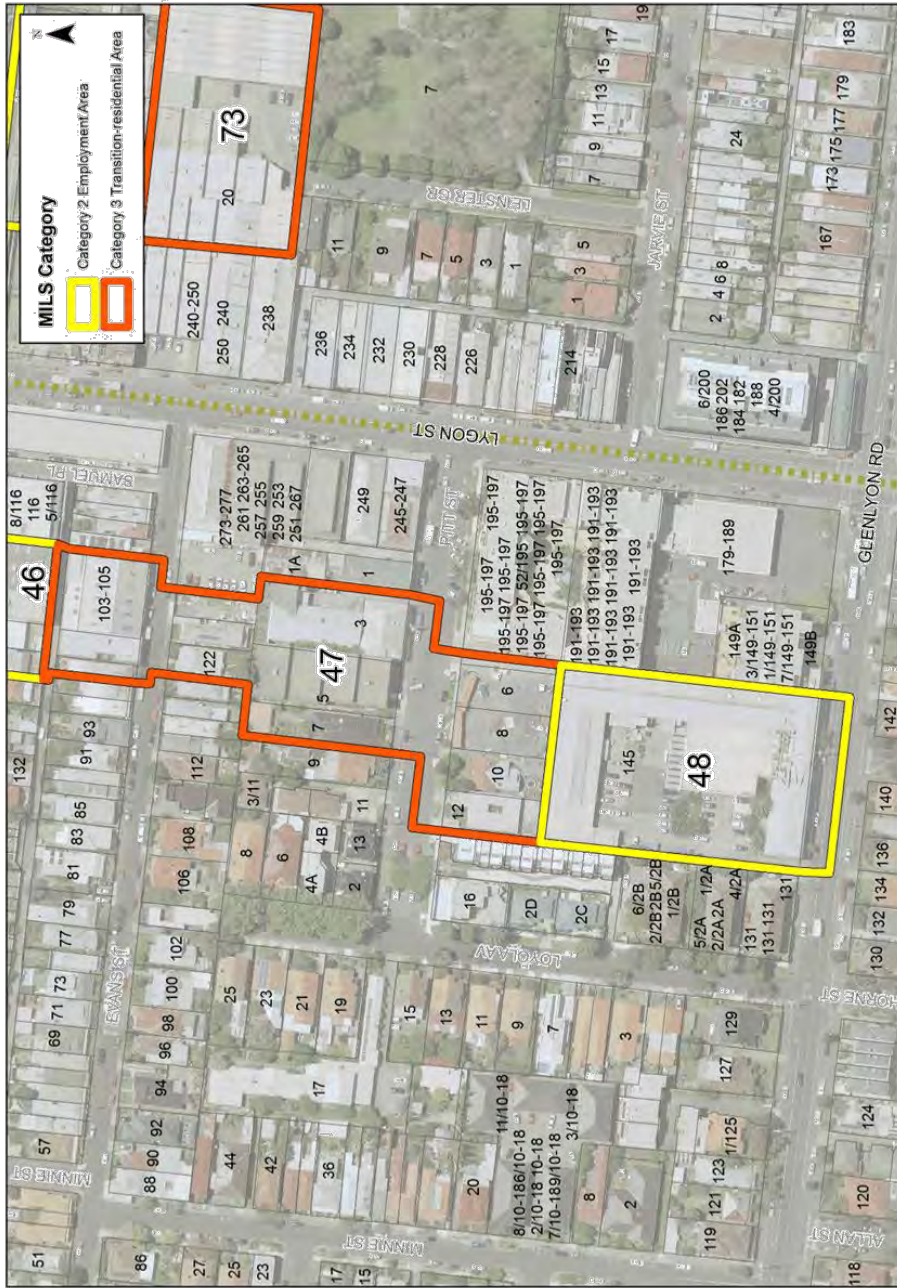
91	35 TRAFFORD STREET BRUNSWICK 3056	45	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Existing DDO19	14	No change	None
92	38 TRAFFORD STREET BRUNSWICK 3056	45	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Existing DDO19	14	No change	None
93	124 ALBERT STREET BRUNSWICK 3056	46	2	IN3Z	C1Z	Apply PO1	Do Not Apply EAO (GOLDER)	Existing DDO19	14	No change	None
94	93-97 ALBERT STREET BRUNSWICK 3056	46	2	IN3Z	C1Z	Apply PO1	Apply EAO (GOLDER)	Existing DDO19	14	No change	None
95	87-89 ALBERT STREET BRUNSWICK 3056	46	2	IN3Z	C1Z	Apply PO1	Apply EAO (GOLDER)	Existing DDO19	14	No change	None
96	122 ALBERT STREET BRUNSWICK 3056	46	2	IN3Z	C1Z	Apply PO1	Do Not Apply EAO (GOLDER)	Existing DDO19	14	No change	None
97	91 ALBERT STREET BRUNSWICK 3056	46	2	IN3Z	C1Z	Apply PO1	Apply EAO (GOLDER)	Existing DDO19	14	No change	None
98	118-120 ALBERT STREET BRUNSWICK 3056	46	2	IN3Z	C1Z	Apply PO1	Apply EAO (GOLDER)	Existing DDO19	14	No change	None



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MILS Areas 47 and 48



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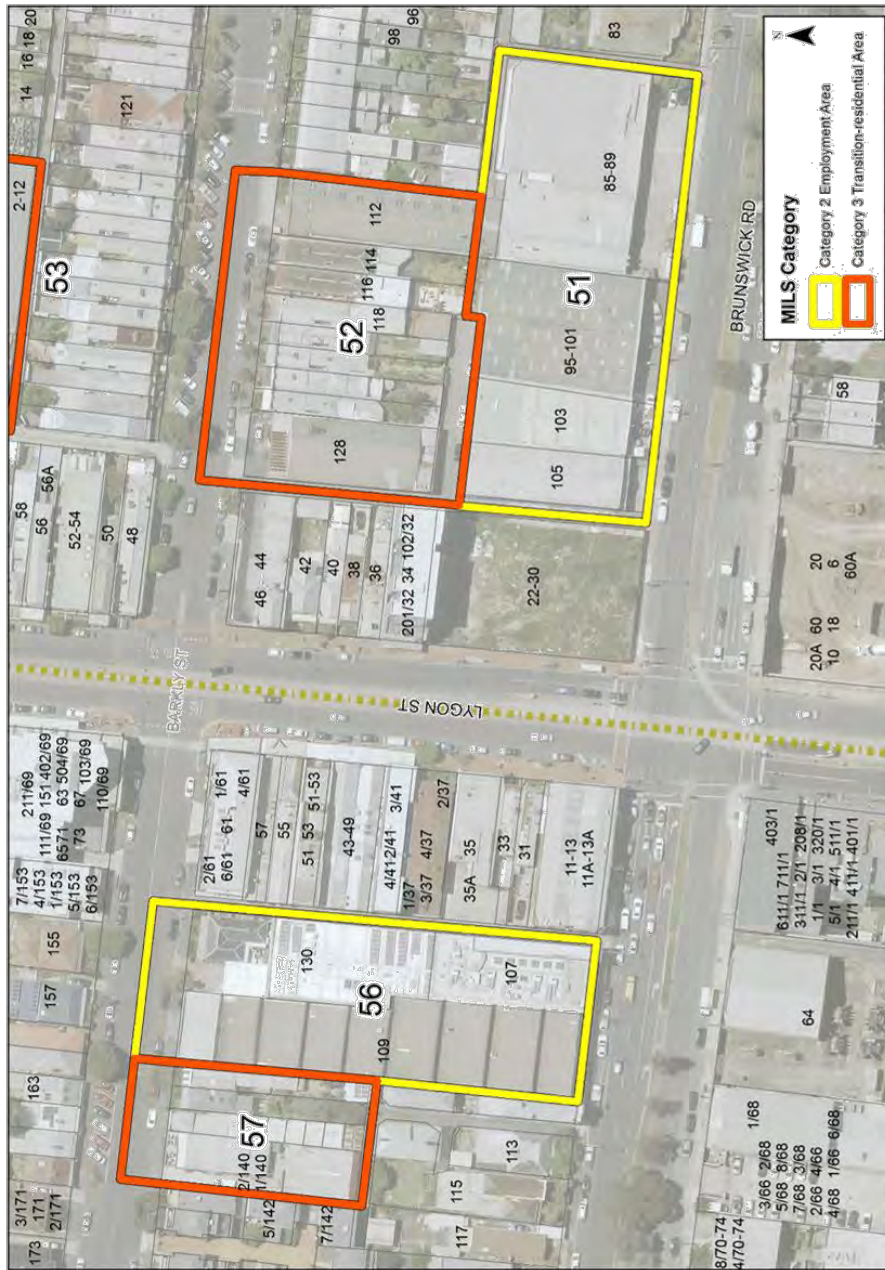
MILS Areas 47 and 48

No	Property Address	MILS Area	MILS Category	Existing Zone	Proposed Zone	Parking Overlay	Environmental Audit Overlay	Design and Development Overlay	Existing Height	Proposed Height	Other changes
99	3 PITT STREET BRUNSWICK 3056	47	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Existing DDO19	14	No change	None
100	6 PITT STREET BRUNSWICK 3056	47	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Existing DDO19	14	No change	None
101	8 PITT STREET BRUNSWICK 3056	47	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Existing DDO19	14	No change	None
102	126 EVANS STREET BRUNSWICK 3056	47	3	IN3Z	MUZ	Apply PO1	Do Not Apply EAO (GOLDER)	Existing DDO19	11	No change	None
103	103-105 EVANS STREET BRUNSWICK 3056	47	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Existing DDO19	11	No change	None
104	5 PITT STREET BRUNSWICK 3056	47	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Existing DDO19	14	No change	None
105	124 EVANS STREET BRUNSWICK 3056	47	3	IN3Z	MUZ	Apply PO1	Do Not Apply EAO (GOLDER)	Existing DDO19	11	No change	None
106	10 PITT STREET BRUNSWICK 3056	47	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Existing DDO19	14	No change	None
107	122 EVANS STREET BRUNSWICK 3056	47	3	IN3Z	MUZ	Apply PO1	Do Not Apply EAO (GOLDER)	Existing DDO19	11	No change	None
108	7 PITT STREET BRUNSWICK 3056	47	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Existing DDO19	14	No change	None
109	12 PITT STREET BRUNSWICK 3056	47	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Existing DDO19	14	No change	None
110	101 EVANS STREET BRUNSWICK 3056	47	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Existing DDO19	11	No change	None
111	99 EVANS STREET BRUNSWICK 3056	47	3	IN3Z	MUZ	Apply PO1	Do Not Apply EAO (GOLDER)	Existing DDO19	11	No change	None
112	145 GLENLYON ROAD BRUNSWICK 3056	48	2	IN3Z	C1Z	Apply PO1	Apply EAO (SKM)	Existing DDO19	14	No change	None

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MILS Areas 51, 52, 56 and 57



MILS Areas 51, 52, 56 and 57

No	Property Address	MILS Area	MILS Category	Existing Zone	Proposed Zone	Parking Overlay	Environmental Audit Overlay	Design and Development Overlay	Existing Height	Proposed Height	Other changes
113	85-89 BRUNSWICK ROAD BRUNSWICK EAST 3057	51	2	IN3Z	C1Z	Apply PO1	Apply EAO (SKM)	Apply DDO19	None	17	None
114	95-101 BRUNSWICK ROAD BRUNSWICK EAST 3057	51	2	IN3Z	C1Z	Apply PO1	Apply EAO (SKM)	Apply DDO19	None	17	None
115	103 BRUNSWICK ROAD BRUNSWICK EAST 3057	51	2	IN3Z	C1Z	Apply PO1	Apply EAO (SKM)	Apply DDO19	None	17	None
116	105 BRUNSWICK ROAD BRUNSWICK EAST 3057	51	2	IN3Z	C1Z	Apply PO1	Apply EAO (SKM)	Apply DDO19	None	17	None
117	112 BARKLY STREET BRUNSWICK EAST 3057	52	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Apply DDO19	None	11	None
118	114 BARKLY STREET BRUNSWICK EAST 3057	52	3	IN3Z	MUZ	Apply PO1	Do Not Apply EAO (GOLDER)	Apply DDO19	None	11	None
119	116 BARKLY STREET BRUNSWICK EAST 3057	52	3	IN3Z	MUZ	Apply PO1	Do Not Apply EAO (GOLDER)	Apply DDO19	None	11	None
120	118 BARKLY STREET BRUNSWICK EAST 3057	52	3	IN3Z	MUZ	Apply PO1	Do Not Apply EAO (GOLDER)	Apply DDO19	None	11	None
121	120 BARKLY STREET BRUNSWICK EAST 3057	52	3	IN3Z	MUZ	Apply PO1	Do Not Apply EAO (GOLDER)	Apply DDO19	None	11	None
122	122 BARKLY STREET BRUNSWICK EAST 3057	52	3	IN3Z	MUZ	Apply PO1	Do Not Apply EAO (GOLDER)	Apply DDO19	None	11	None
123	124 BARKLY STREET BRUNSWICK EAST 3057	52	3	IN3Z	MUZ	Apply PO1	Do Not Apply EAO (GOLDER)	Apply DDO19	None	11	None
124	126 BARKLY STREET BRUNSWICK EAST 3057	52	3	IN3Z	MUZ	Apply PO1	Do Not Apply EAO (GOLDER)	Apply DDO19	None	11	None
125	128 BARKLY STREET BRUNSWICK EAST 3057	52	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Apply DDO19	None	11	None
126	130 BARKLY STREET BRUNSWICK 3056	56	2	IN3Z	C1Z	Apply PO1	Apply EAO (SKM)	Apply DDO19	None	17	None
127	109 BRUNSWICK ROAD BRUNSWICK 3056	56	2	IN3Z	C1Z	Apply PO1	Apply EAO (SKM)	Apply DDO19	None	17-14	None
128	107 BRUNSWICK ROAD BRUNSWICK 3056	56	2	IN3Z	C1Z	Apply PO1	Apply EAO (SKM)	Apply DDO19	None	17	None
129	134 BARKLY STREET BRUNSWICK 3056	57	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Apply DDO19	None	11	None
130	136 BARKLY STREET BRUNSWICK 3056	57	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Apply DDO19	None	11	None
131	138 BARKLY STREET BRUNSWICK 3056	57	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Apply DDO19	None	11	None

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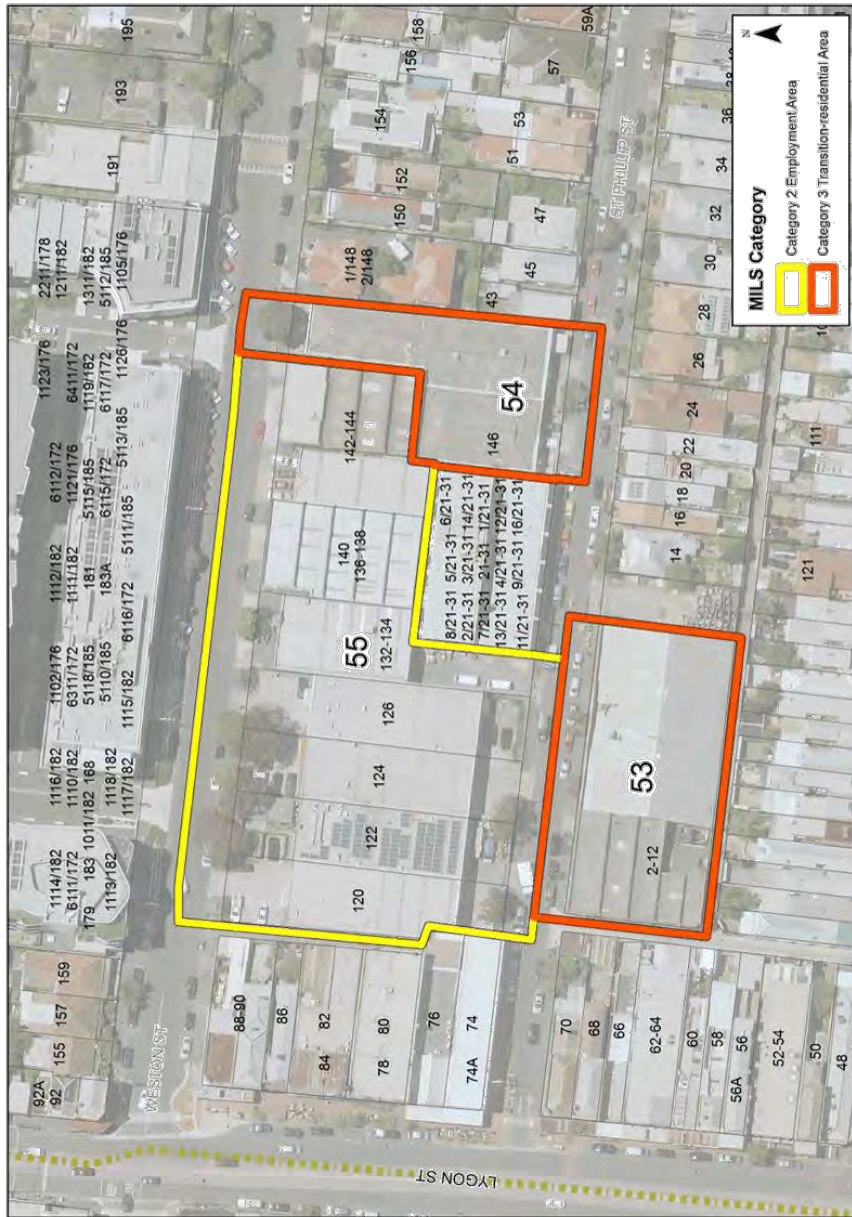
132	1-2/140 BARKLY STREET BRUNSWICK 3056	57	3	IN3Z	MUZ	Apply PO1	Apply EAO (GOLDER)	Apply DDO19	None	11	None
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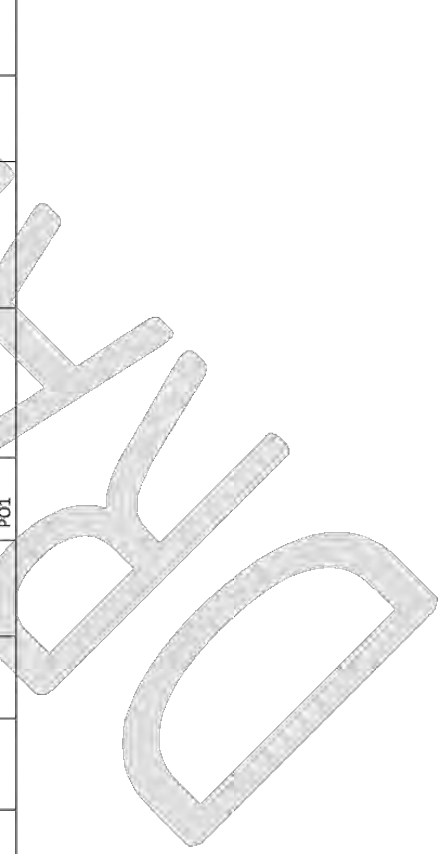
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MILS Areas 53, 54 and 55



MILS Areas 53, 54 and 55

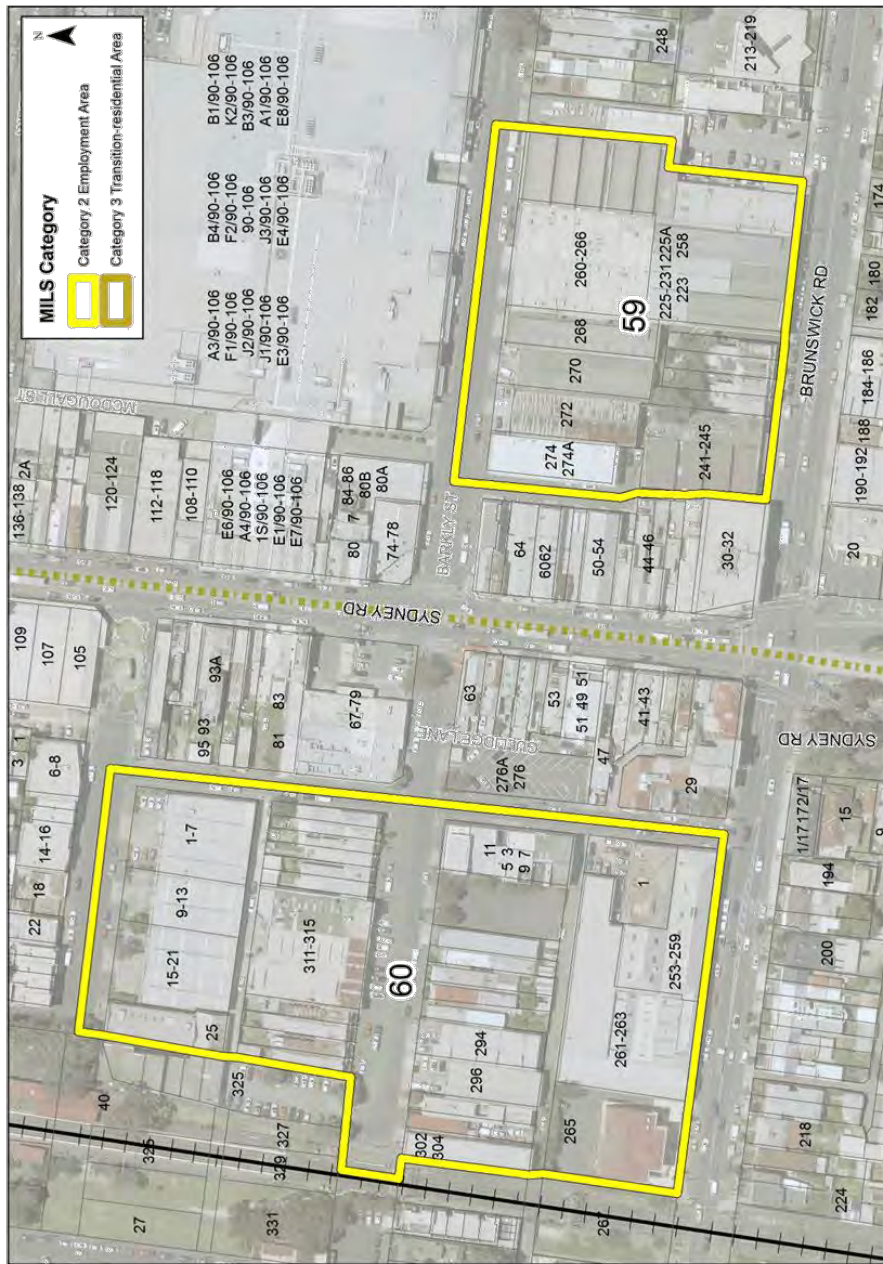
No	Property Address	MILS Area	MILS Category	Existing Zone	Proposed Zone	Parking Overlay	Environmental Audit Overlay	Design and Development Overlay	Existing Height	Proposed Height	Other changes
13	2-12 ST PHILLIP STREET BRUNSWICK EAST 3057	53	3	IN3Z	MUZ	Apply PO1	Apply EAO (SKM)	Apply DDO19	None	11	Remove Frontage Type C Residential (No frontage control proposed)
13	146 WESTON STREET BRUNSWICK EAST 3057	54	3	IN3Z	MUZ	Apply PO1	Apply EAO (SKM)	Apply DDO19	None	14	Remove Frontage Type C Residential from Weston Street (No frontage control proposed)
13	142-144 WESTON STREET BRUNSWICK EAST 3057	55	2	IN3Z	C1Z	Apply PO1	Apply EAO (SKM)	Apply DDO19	None	14	None
13	140 WESTON STREET BRUNSWICK EAST 3057	55	2	IN3Z	C1Z	Apply PO1	Apply EAO (SKM)	Apply DDO19	None	14	None
13	132-134 WESTON STREET BRUNSWICK EAST 3057	55	2	IN3Z	C1Z	Apply PO1	Apply EAO (SKM)	Apply DDO19	None	14	None
13	126 WESTON STREET BRUNSWICK EAST 3057	55	2	IN3Z	C1Z	Apply PO1	Apply EAO (SKM)	Apply DDO19	None	14	None
13	124 WESTON STREET BRUNSWICK EAST 3057	55	2	IN3Z	C1Z	Apply PO1	Apply EAO (SKM)	Apply DDO19	None	14	None
14	122 WESTON STREET BRUNSWICK EAST 3057	55	2	IN3Z	C1Z	Apply PO1	Apply EAO (SKM)	Apply DDO19	None	14	None
14	120 WESTON STREET BRUNSWICK EAST 3057	55	2	IN3Z	C1Z	Apply PO1	Apply EAO (SKM)	Apply DDO19	None	14	None



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MILS Areas 59 and 60



MILS Areas 59 and 60

No	Property Address	MILS Area	MILS Category	Existing Zone	Proposed Zone	Parking Overlay	Environmental Audit Overlay	Design and Development Overlay	Existing Height	Proposed Height	Other changes
142	225-231 BRUNSWICK ROAD BRUNSWICK 3056	59	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DD018	25	No change	None
143	260-266 BARKLY STREET BRUNSWICK 3056	59	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DD018	25	No change	None
144	233 BRUNSWICK ROAD BRUNSWICK 3056	59	2	C1Z	No change	Apply PO1*	Do Not Apply EAO (SKM)	Existing DD018	25	No change	None
145	235 BRUNSWICK ROAD BRUNSWICK 3056	59	2	C1Z	No change	Apply PO1*	Do Not Apply EAO (SKM)	Existing DD018	25	No change	None
146	268 BARKLY STREET BRUNSWICK 3056	59	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DD018	25	No change	None
147	237 BRUNSWICK ROAD BRUNSWICK 3056	59	2	C1Z	No change	Apply PO1*	Do Not Apply EAO (SKM)	Existing DD018	25	No change	None
148	239 BRUNSWICK ROAD BRUNSWICK 3056	59	2	C1Z	No change	Apply PO1*	Do Not Apply EAO (SKM)	Existing DD018	25	No change	None
149	270 BARKLY STREET BRUNSWICK 3056	59	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DD018	25	No change	None
150	241-245 BRUNSWICK ROAD BRUNSWICK 3056	59	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DD018	25	No change	None
151	272 BARKLY STREET BRUNSWICK 3056	59	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DD018	25	No change	None
152	274 BARKLY STREET BRUNSWICK 3056	59	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DD018	25	No change	None
153	302 BARKLY STREET BRUNSWICK 3056	60	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DD018	25	No change	None
154	BLACK STREET BRUNSWICK 3056	60	2	C1Z	No change	Existing PO1	Existing EAO (SKM)	Existing DD018	25	No change	None
155	278-282 BARKLY STREET BRUNSWICK 3056	60	2	C1Z	No change	Existing PO1	Existing EAO (SKM)	Existing DD018	25	No change	None
156	299 BARKLY STREET BRUNSWICK 3056	60	2	C1Z	No change	Existing PO1	Do Not Apply EAO (SKM)	Existing DD018	25	No change	None
157	301 BARKLY STREET BRUNSWICK 3056	60	2	C1Z	No change	Existing PO1	Do Not Apply EAO (SKM)	Existing DD018	25	No change	None
158	303 BARKLY STREET BRUNSWICK 3056	60	2	C1Z	No change	Existing PO1	Existing EAO (SKM)	Existing DD018	25	No change	None
159	1-7 WILSON AVENUE BRUNSWICK 3056	60	2	C1Z	No change	Existing PO1	Existing EAO (SKM)	Existing DD018	25	No change	None
160	305 BARKLY STREET BRUNSWICK 3056	60	2	C1Z	No change	Existing PO1	Do Not Apply EAO (SKM)	Existing DD018	25	No change	None

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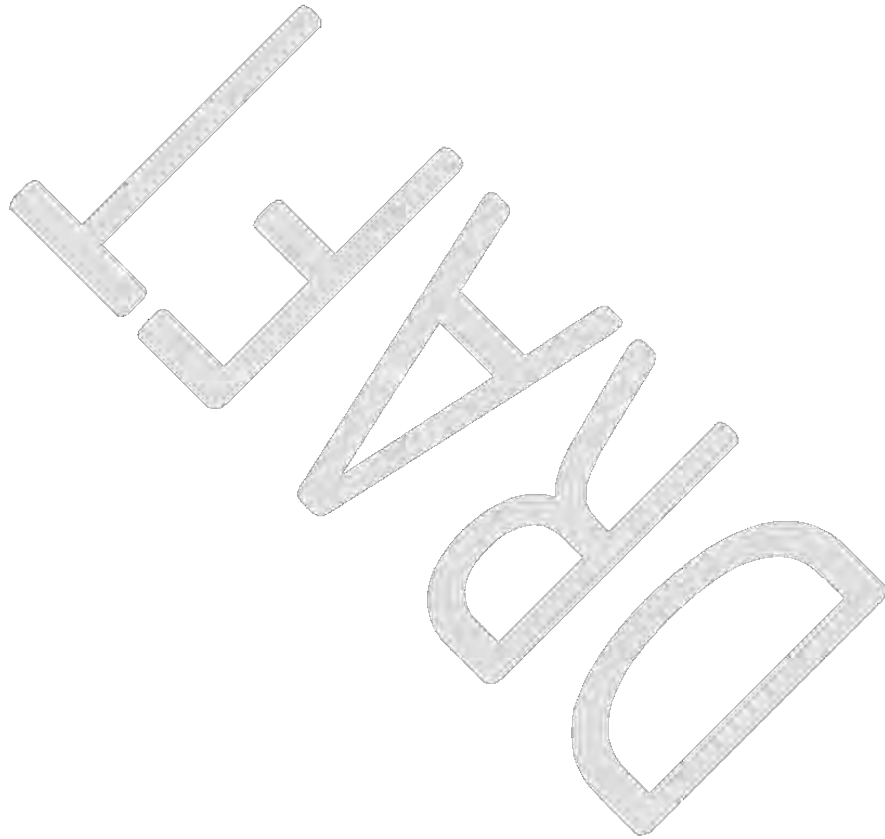
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161	284 BARKLY STREET BRUNSWICK 3056	60	2	C1Z	No change	Existing PO1	Do Not Apply EAO (SKM)	Existing DDO18	25	No change	None
162	307 BARKLY STREET BRUNSWICK 3056	60	2	C1Z	No change	Existing PO1	Do Not Apply EAO (SKM)	Existing DDO18	25	No change	None
163	309 BARKLY STREET BRUNSWICK 3056	60	2	C1Z	No change	Existing PO1	Do Not Apply EAO (SKM)	Existing DDO18	25	No change	None
164	286 BARKLY STREET BRUNSWICK 3056	60	2	C1Z	No change	Existing PO1	Existing EAO (SKM)	Existing DDO18	25	No change	None
165	311-315 BARKLY STREET BRUNSWICK 3056	60	2	C1Z	No change	Existing PO1	Existing EAO (SKM)	Existing DDO18	25	No change	None
166	288 BARKLY STREET BRUNSWICK 3056	60	2	C1Z	No change	Existing PO1	Do Not Apply EAO (SKM)	Existing DDO18	25	No change	None
167	290 BARKLY STREET BRUNSWICK 3056	60	2	C1Z	No change	Existing PO1	Do Not Apply EAO (SKM)	Existing DDO18	25	No change	None
168	9-13 WILSON AVENUE BRUNSWICK 3056	60	2	C1Z	No change	Existing PO1	Existing EAO (SKM)	Existing DDO18	25	No change	None
169	292 BARKLY STREET BRUNSWICK 3056	60	2	C1Z	No change	Existing PO1	Do Not Apply EAO (SKM)	Existing DDO18	25	No change	None
170	294 BARKLY STREET BRUNSWICK 3056	60	2	C1Z	No change	Existing PO1	Existing EAO (SKM)	Existing DDO18	25	No change	None
171	15-21 WILSON AVENUE BRUNSWICK 3056	60	2	C1Z	No change	Existing PO1	Existing EAO (SKM)	Existing DDO18	25	No change	None
172	296 BARKLY STREET BRUNSWICK 3056	60	2	C1Z	No change	Existing PO1	Existing EAO (SKM)	Existing DDO18	25	No change	None
173	317 BARKLY STREET BRUNSWICK 3056	60	2	C1Z	No change	Existing PO1	Do Not Apply EAO (SKM)	Existing DDO18	25	No change	None
174	319 BARKLY STREET BRUNSWICK 3056	60	2	C1Z	No change	Existing PO1	Do Not Apply EAO (SKM)	Existing DDO18	25	No change	None
175	298 BARKLY STREET BRUNSWICK 3056	60	2	C1Z	No change	Existing PO1	Do Not Apply EAO (SKM)	Existing DDO18	25	No change	None
176	321 BARKLY STREET BRUNSWICK 3056	60	2	C1Z	No change	Existing PO1	Do Not Apply EAO (SKM)	Existing DDO18	25	No change	None
177	300 BARKLY STREET BRUNSWICK 3056	60	2	C1Z	No change	Existing PO1	Existing EAO (SKM)	Existing DDO18	25	No change	None
178	323 BARKLY STREET BRUNSWICK 3056	60	2	C1Z	No change	Existing PO1	Do Not Apply EAO (SKM)	Existing DDO18	25	No change	None
179	25 WILSON AVENUE BRUNSWICK 3056	60	2	C1Z	No change	Existing PO1	Existing EAO (SKM)	Existing DDO18	25	No change	None
180	253-259 BRUNSWICK ROAD BRUNSWICK 3056	60	2	C1Z	No change	Existing PO1	Existing EAO (SKM)	Existing DDO18	25	No change	None
181	1 BLACK STREET BRUNSWICK 3056	60	2	C1Z	No change	Existing PO1	Existing EAO (SKM)	Existing DDO18	25	No change	None
182	261-263 BRUNSWICK ROAD BRUNSWICK 3056	60	2	C1Z	No change	Existing PO1	Existing EAO (SKM)	Existing DDO18	25	No change	None

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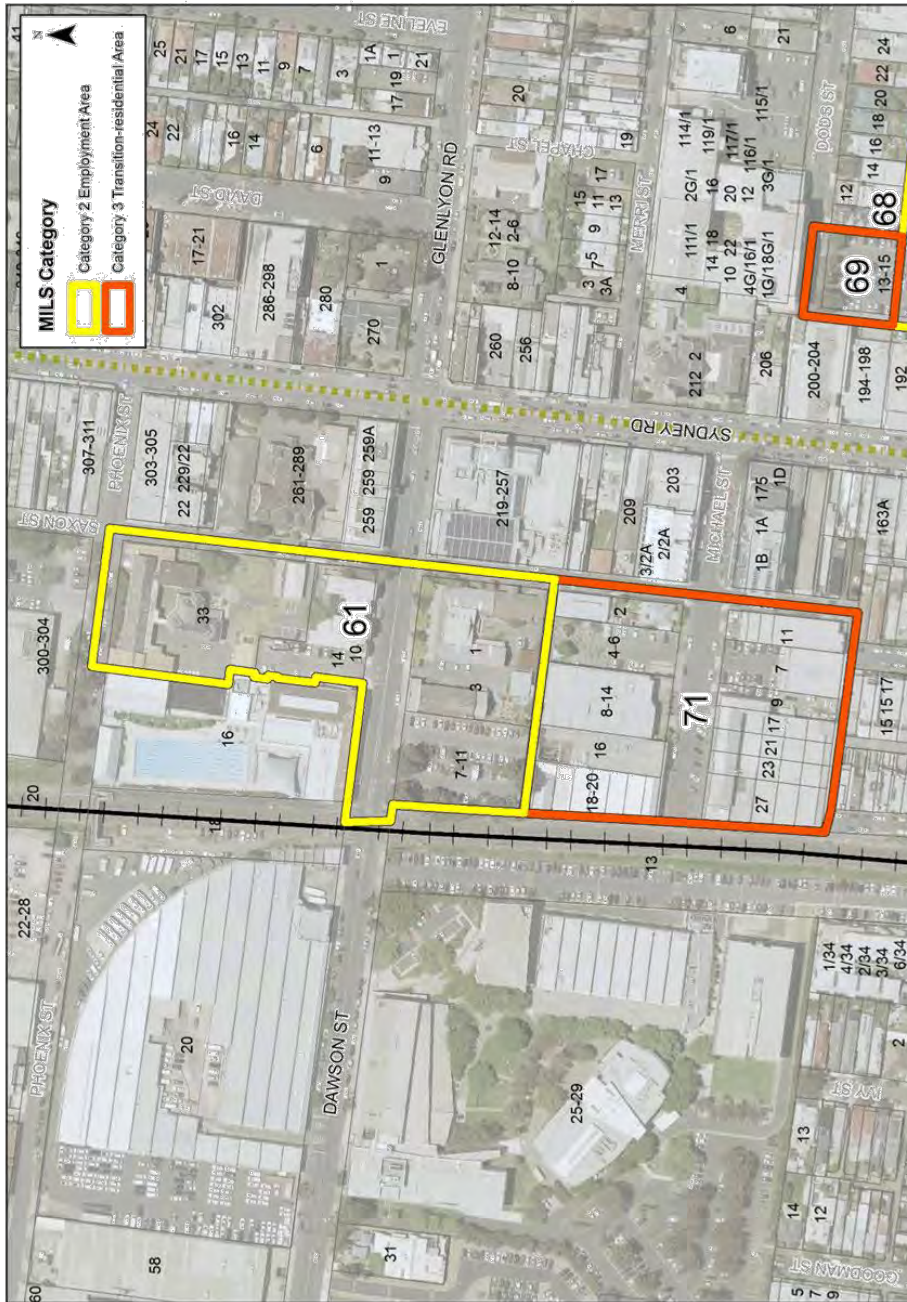
183	265 BRUNSWICK ROAD BRUNSWICK 3056	60	2	C1Z	No change	Existing PO1	Do Not Apply EAO (SKM)	Existing DDO18	25	No change	None
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MILS Areas 61 and 71



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MILS Areas 61 and 71

No	Property Address	MILS Area	MILS Category	Existing Zone	Proposed Zone	Parking Overlay	Environmental Audit Overlay	Design and Development Overlay	Existing Height	Proposed Height	Other changes
184	33 SAXON STREET BRUNSWICK 3056	61	2	C1Z	No change	Existing PO1	Existing EAO (SKM)	Existing DD018	17	No change	None
185	7-11 DAWSON STREET BRUNSWICK 3056	61	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DD018	25	No change	None
186	10 DAWSON STREET BRUNSWICK 3056	61	2	C1Z	No change	Existing PO1	Existing EAO (SKM)	Existing DD018	25	No change	None
187	1 DAWSON STREET BRUNSWICK 3056	61	2	C1Z	No change	Existing PO1	Do Not Apply EAO (SKM)	Existing DD018	25	No change	None
188	18-20 MICHAEL STREET BRUNSWICK 3056	71	3	C1Z	MUZ	Existing PO1	Existing EAO (SKM)	Existing DD018	25	No change	None
189	2 MICHAEL STREET BRUNSWICK 3056	71	3	C1Z	MUZ	Existing PO1	Do Not Apply EAO (SKM)	Existing DD018	25	No change	None
190	4-6 MICHAEL STREET BRUNSWICK 3056	71	3	C1Z	MUZ	Existing PO1	Existing EAO (SKM)	Existing DD018	25	No change	None
191	8-14 MICHAEL STREET BRUNSWICK 3056	71	3	C1Z	MUZ	Existing PO1	Existing EAO (SKM)	Existing DD018	25	No change	None
192	16 MICHAEL STREET BRUNSWICK 3056	71	3	C1Z	MUZ	Existing PO1	Existing EAO (SKM)	Existing DD018	25	No change	None
193	9 MICHAEL STREET BRUNSWICK 3056	71	3	C1Z	MUZ	Existing PO1	Existing EAO (SKM)	Existing DD018	25	No change	None
194	17 MICHAEL STREET BRUNSWICK 3056	71	3	C1Z	MUZ	Existing PO1	Existing EAO (SKM)	Existing DD018	25	No change	None
195	21 MICHAEL STREET BRUNSWICK 3056	71	3	C1Z	MUZ	Existing PO1	Existing EAO (SKM)	Existing DD018	25	No change	None
196	23 MICHAEL STREET BRUNSWICK 3056	71	3	C1Z	MUZ	Existing PO1	Existing EAO (SKM)	Existing DD018	25	No change	None
197	27 MICHAEL STREET BRUNSWICK 3056	71	3	C1Z	MUZ	Existing PO1	Existing EAO (SKM)	Existing DD018	25	No change	None
198	1 MICHAEL STREET BRUNSWICK 3056	71	3	C1Z	MUZ	Existing PO1	Existing EAO (SKM)	Existing DD018	25	No change	None
199	7 MICHAEL STREET BRUNSWICK 3056	71	3	C1Z	MUZ	Existing PO1	Existing EAO (SKM)	Existing DD018	25	No change	None

MILS Areas 62

No	Property Address	MILS Area	MILS Category	Existing Zone	Proposed Zone	Parking Overlay	Environmental Audit Overlay	Design and Development Overlay	Existing Height	Proposed Height	Other changes
200	15 WILKINSON STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DD018	15	No change	None
201	19 WILKINSON STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DD018	15	No change	None
202	269 ALBERT STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DD018	25	No change	None
203	271-273 ALBERT STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DD018	25	No change	None
204	23 WILKINSON STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Do Not Apply EAO (SKM)	Existing DD018	15	No change	None
205	277A ALBERT STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Do Not Apply EAO (SKM)	Existing DD018	25	No change	None
206	275-277 ALBERT STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Do Not Apply EAO (SKM)	Existing DD018	25	No change	None
207	28 WILKINSON STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DD018	25	No change	None
208	275A ALBERT STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DD018	25	No change	None
209	25 WILKINSON STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Do Not Apply EAO (SKM)	Existing DD018	15	No change	None
210	279-281 ALBERT STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DD018	25	No change	None
211	27 WILKINSON STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Do Not Apply EAO (SKM)	Existing DD018	15	No change	None
212	32 WILKINSON STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DD018	25	No change	None
213	29 WILKINSON STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Do Not Apply EAO (SKM)	Existing DD018	15	No change	None
214	283 ALBERT STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DD018	25	No change	None
215	31 WILKINSON STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Do Not Apply EAO (SKM)	Existing DD018	15	No change	None
216	285 ALBERT STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DD018	25	No change	None
217	35 WILKINSON STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Do Not Apply EAO (SKM)	Existing DD018	15	No change	None
218	287 ALBERT STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DD018	25	No change	None

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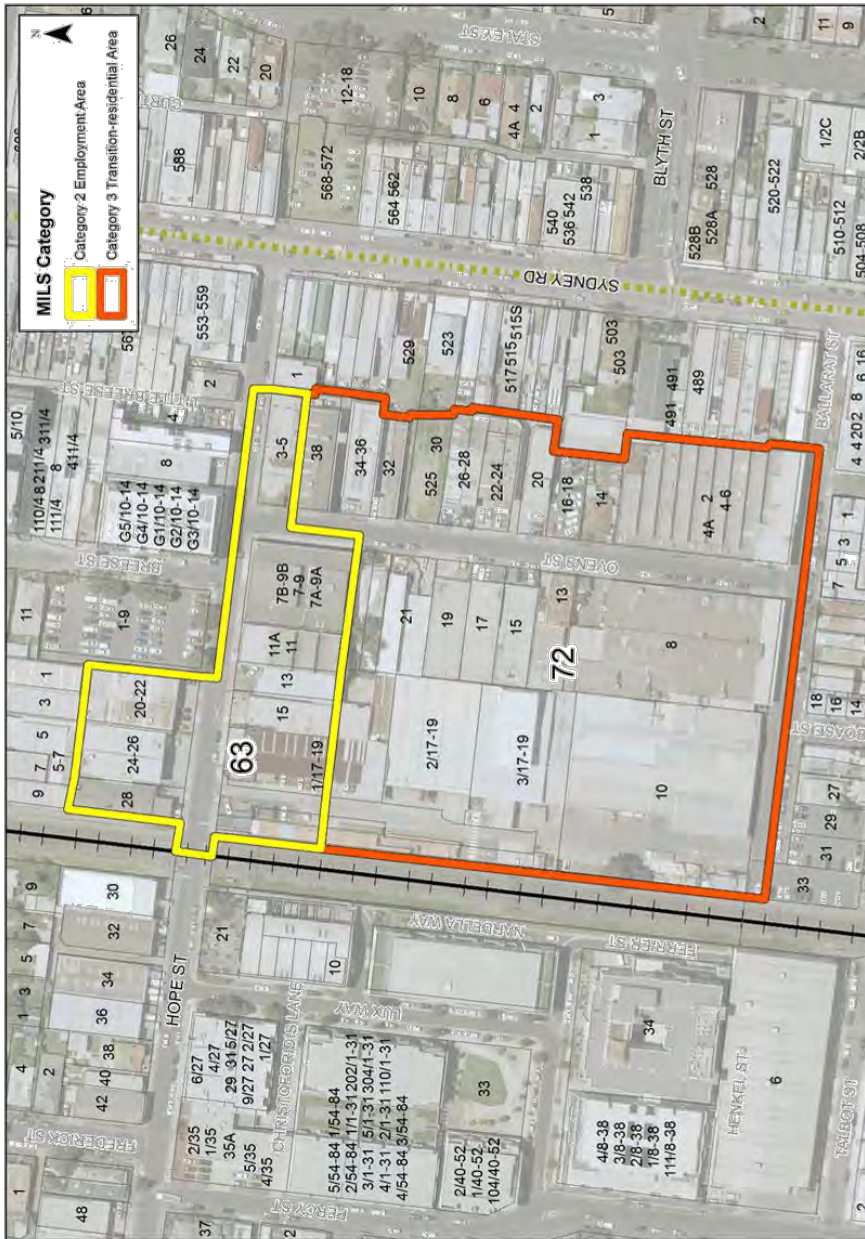
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219	37 WILKINSON STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Do Not Apply EAO (SKM)	Existing DD018	15	No change	None
220	291-293 ALBERT STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Do Not Apply EAO (SKM)	Existing DD018	25	No change	None
221	289 ALBERT STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Do Not Apply EAO (SKM)	Existing DD018	25	No change	None
222	39 WILKINSON STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Do Not Apply EAO (SKM)	Existing DD018	15	No change	None
223	409-411 SYDNEY ROAD BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DD018	15	No change	None
224	261-267 ALBERT STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DD018	25	No change	None
225	1 WILKINSON STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DD018	15	No change	None
226	2-12 WILKINSON STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DD018	15	No change	None
227	7 WILKINSON STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Do Not Apply EAO (SKM)	Existing DD018	15	No change	None
228	9 WILKINSON STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Do Not Apply EAO (SKM)	Existing DD018	15	No change	None
229	11 WILKINSON STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Do Not Apply EAO (SKM)	Existing DD018	15	No change	None
230	WILKINSON STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Do Not Apply EAO (SKM)	Existing DD018	15	No change	None
231	13 WILKINSON STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DD018	15	No change	None
232	10-12 ROSSER STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DD018	15	No change	None
233	14 ROSSER STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DD018	15	No change	None
234	18 ROSSER STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Do Not Apply EAO (SKM)	Existing DD018	25	No change	None
235	338-340 VICTORIA STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DD018	25	No change	None
236	342-348 VICTORIA STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DD018	25	No change	None
237	13 ROSSER STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Do Not Apply EAO (SKM)	Existing DD018	25	No change	None
238	15 ROSSER STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Do Not Apply EAO (SKM)	Existing DD018	25	No change	None
239	368-370 VICTORIA STREET BRUNSWICK 3056	62	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DD018	25	No change	None

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MILS Areas 63 and 72



MILS Areas 63 and 72

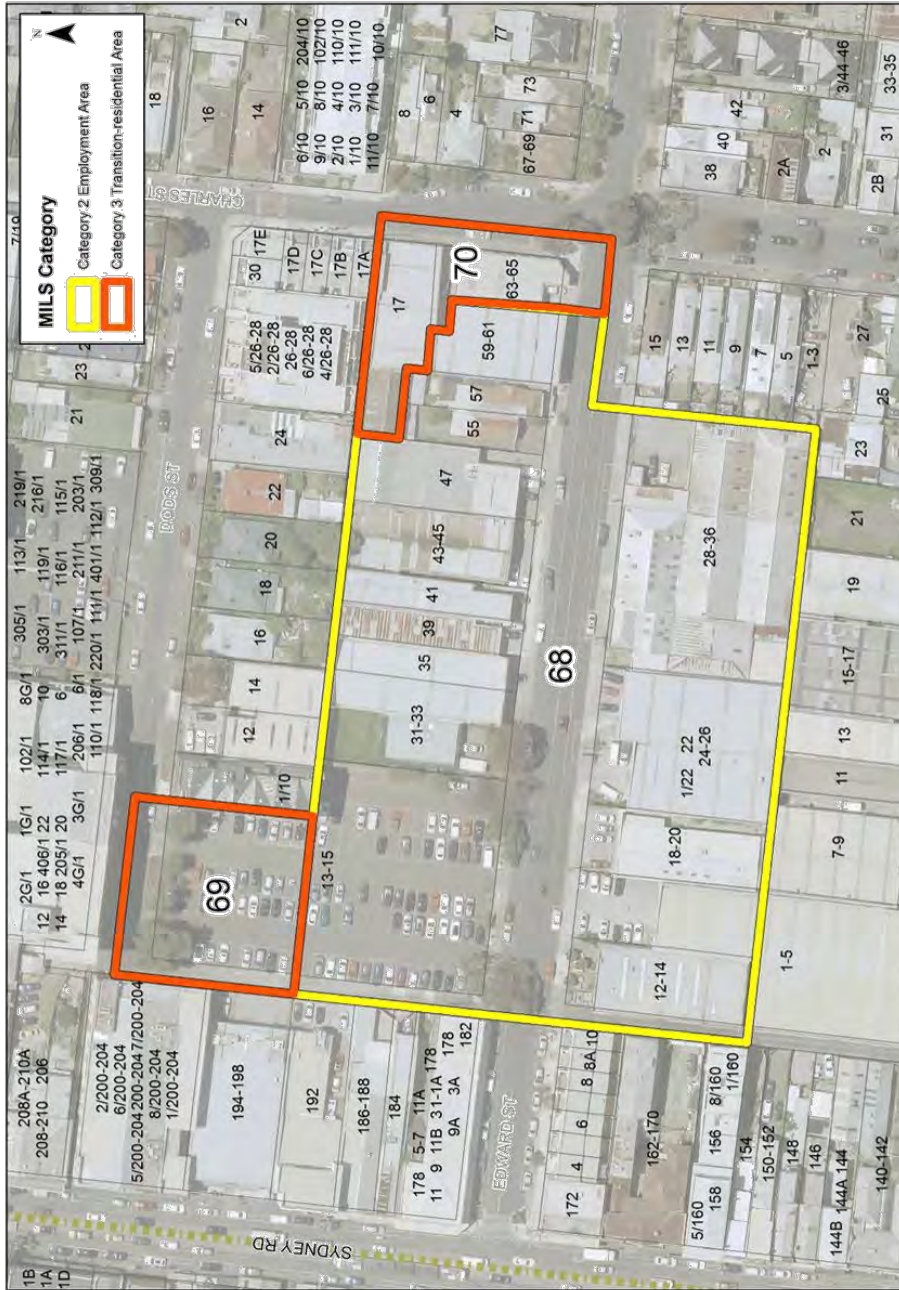
No	Property Address	MILS Area	MILS Category	Existing Zone	Proposed Zone	Parking Overlay	Environmental Audit Overlay	Design and Development Overlay	Existing Height	Proposed Height	Other changes
240	1/17-19 HOPE STREET BRUNSWICK 3056	63	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DDO18	17	No change	None
241	7-9 HOPE STREET BRUNSWICK 3056	63	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DDO18	17	No change	None
242	11 HOPE STREET BRUNSWICK 3056	63	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DDO18	17	No change	None
243	13 HOPE STREET BRUNSWICK 3056	63	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DDO18	17	No change	None
244	15 HOPE STREET BRUNSWICK 3056	63	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DDO18	17	No change	None
245	20-22 HOPE STREET BRUNSWICK 3056	63	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DDO18	17	No change	None
246	24-26 HOPE STREET BRUNSWICK 3056	63	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DDO18	17	No change	None
247	28 HOPE STREET BRUNSWICK 3056	63	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DDO18	17	No change	None
248	3-5 HOPE STREET BRUNSWICK 3056	63	2	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DDO18	17	No change	None
249	19A HOPE STREET BRUNSWICK 3056	72	3	C1Z	No change	Apply PO1*	Apply EAO (SKM)	Existing DDO18	17	No change	None
250	13 OVENS STREET BRUNSWICK 3056	72	3	C1Z	MUZ	Apply PO1*	Existing EAO (SKM)	Existing DDO18	17	No change	None
251	3/17-19 HOPE STREET BRUNSWICK 3056	72	3	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DDO18	17	No change	None
252	15 OVENS STREET BRUNSWICK 3056	72	3	C1Z	MUZ	Apply PO1*	Existing EAO (SKM)	Existing DDO18	17	No change	None
253	17-19 HOPE STREET BRUNSWICK 3056	72	3	C1Z	No change	Apply PO1*	Apply EAO (SKM)	Existing DDO18	17	No change	None
254	4/17-19 HOPE STREET BRUNSWICK 3056	72	3	C1Z	No change	Apply PO1*	Apply EAO (SKM)	Existing DDO18	17	No change	None
255	17 OVENS STREET BRUNSWICK 3056	72	3	C1Z	MUZ	Apply PO1*	Existing EAO (SKM)	Existing DDO18	17	No change	None
256	2/17-19 HOPE STREET BRUNSWICK 3056	72	3	C1Z	No change	Apply PO1*	Existing EAO (SKM)	Existing DDO18	17	No change	None

257	19 OVENS STREET BRUNSWICK 3056	72	3	C1Z	MUZ	Apply PO1*	Existing EAO (SKM)	Existing DDO18	17	No change	None
258	21 OVENS STREET BRUNSWICK 3056	72	3	C1Z	MUZ	Apply PO1*	Existing EAO (SKM)	Existing DDO18	17	No change	None
259	23 OVENS STREET BRUNSWICK 3056	72	3	C1Z	MUZ	Apply PO1*	Do Not Apply EAO (SKM)	Existing DDO18	17	No change	None
260	25 OVENS STREET BRUNSWICK 3056	72	3	C1Z	MUZ	Apply PO1*	Do Not Apply EAO (SKM)	Existing DDO18	17	No change	None
261	2 BALLARAT STREET BRUNSWICK 3056	72	3	C1Z	MUZ	Apply PO1*	Existing EAO (SKM)	Existing DDO18	17	No change	None
262	14 OVENS STREET BRUNSWICK 3056	72	3	C1Z	MUZ	Apply PO1*	Existing EAO (SKM)	Existing DDO18	17	No change	None
263	8 BALLARAT STREET BRUNSWICK 3056	72	3	C1Z	MUZ	Apply PO1*	Existing EAO (SKM)	Existing DDO18	17	No change	None
264	10 BALLARAT STREET BRUNSWICK 3056	72	3	C1Z	MUZ	Apply PO1*	Existing EAO (SKM)	Existing DDO18	19	No change	Rationalise height to follow the property boundary (apparent mapping error)
265	20 OVENS STREET BRUNSWICK 3056	72	3	C1Z	MUZ	Apply PO1*	Existing EAO (SKM)	Existing DDO18	17	No change	None
266	26-28 OVENS STREET BRUNSWICK 3056	72	3	C1Z	MUZ	Apply PO1*	Existing EAO (SKM)	Existing DDO18	17	No change	None
267	16-18 OVENS STREET BRUNSWICK 3056	72	3	C1Z	MUZ	Apply PO1*	Do Not Apply EAO (SKM)	Existing DDO18	17	No change	None
268	22-24 OVENS STREET BRUNSWICK 3056	72	3	C1Z	MUZ	Apply PO1*	Existing EAO (SKM)	Existing DDO18	17	No change	None
269	34-36 OVENS STREET BRUNSWICK 3056	72	3	C1Z	MUZ	Apply PO1*	Existing EAO (SKM)	Existing DDO18	17	No change	None
270	32 OVENS STREET BRUNSWICK 3056	72	3	C1Z	MUZ	Apply PO1*	Existing EAO (SKM)	Existing DDO18	17	No change	None
271	38 OVENS STREET BRUNSWICK 3056	72	3	C1Z	MUZ	Apply PO1*	Existing EAO (SKM)	Existing DDO18	17	No change	None

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MILS Areas 68, 69 and 70



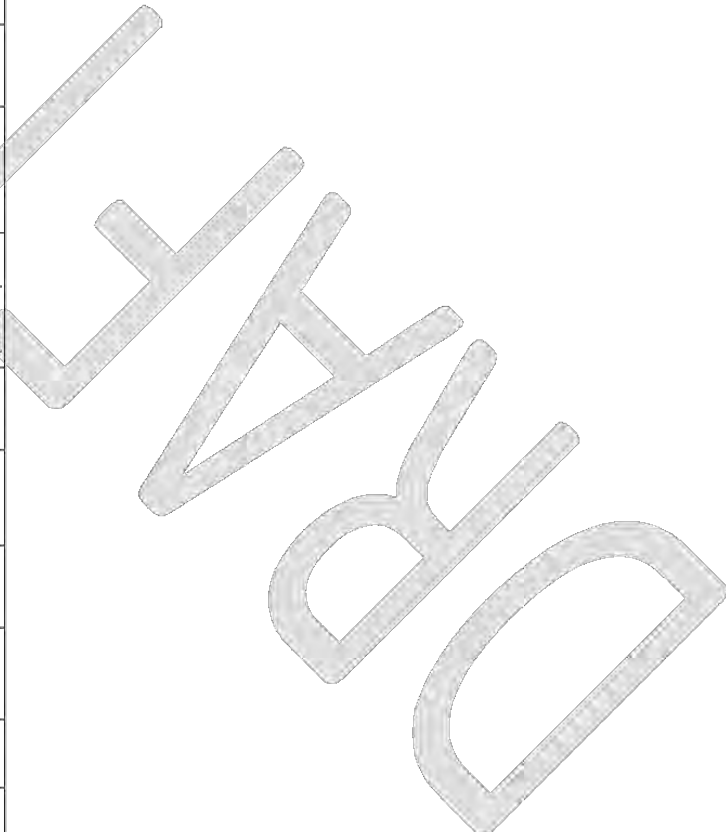
MILS Areas 68, 69 and 70

No	Property Address	MILS Area	MILS Category	Existing Zone	Proposed Zone	Parking Overlay	Environmental Audit Overlay	Design and Development Overlay	Existing Height	Proposed Height	Other changes
272	59-61 EDWARD STREET BRUNSWICK 3056	68	2	IN3Z	C1Z	Apply PO1	Apply EAO (GOLDER)	Apply DDO18	None	20	Add Streetwall control (Streetwall height = street width)
273	28-36 EDWARD STREET BRUNSWICK 3056	68	2	IN3Z	C1Z	Apply PO1	Apply EAO (GOLDER)	Apply DDO18	None	20	Add Streetwall control (Streetwall height = street width)
274	57 EDWARD STREET BRUNSWICK 3056	68	2	IN3Z	C1Z	Apply PO1	Apply EAO (GOLDER)	Apply DDO18	None	20	Add Streetwall control (Streetwall height = street width)
275	55 EDWARD STREET BRUNSWICK 3056	68	2	IN3Z	C1Z	Apply PO1	Apply EAO (GOLDER)	Apply DDO18	None	20	Add Streetwall control (Streetwall height = street width)
276	47 EDWARD STREET BRUNSWICK 3056	68	2	IN3Z	C1Z	Apply PO1	Apply EAO (GOLDER)	Apply DDO18	None	20	Add Streetwall control (Streetwall height = street width)
277	43-45 EDWARD STREET BRUNSWICK 3056	68	2	IN3Z	C1Z	Apply PO1	Apply EAO (GOLDER)	Apply DDO18	None	20	Add Streetwall control (Streetwall height = street width)
278	22 EDWARD STREET BRUNSWICK 3056	68	2	IN3Z	C1Z	Apply PO1	Apply EAO (GOLDER)	Apply DDO18	None	20	Add Streetwall control (Streetwall height = street width)
279	41 EDWARD STREET BRUNSWICK 3056	68	2	IN3Z	C1Z	Apply PO1	Apply EAO (GOLDER)	Apply DDO18	None	20	Add Streetwall control (Streetwall height = street width)
280	39 EDWARD STREET BRUNSWICK 3056	68	2	IN3Z	C1Z	Apply PO1	Apply EAO (GOLDER)	Apply DDO18	None	20	Add Streetwall control (Streetwall height = street width)
281	18-20 EDWARD STREET BRUNSWICK 3056	68	2	IN3Z	C1Z	Apply PO1	Apply EAO (GOLDER)	Apply DDO18	None	20	Add Streetwall control (Streetwall height = street width)
282	13-15 EDWARD STREET BRUNSWICK 3056	68/69	2	IN3Z	C1Z	Apply PO1	Apply EAO (GOLDER)	Apply DDO18	None	20	Add Streetwall control (Streetwall height = street width)
283	35 EDWARD STREET BRUNSWICK 3056	68	2	IN3Z	C1Z	Apply PO1	Apply EAO (GOLDER)	Apply DDO18	None	20	Add Streetwall control (Streetwall height = street width)
284	31-33 EDWARD STREET BRUNSWICK 3056	68	2	IN3Z	C1Z	Apply PO1	Apply EAO (GOLDER)	Apply DDO18	None	20	Add Streetwall control (Streetwall height = street width)

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285	12-14 EDWARD STREET BRUNSWICK 3056	68	2	IN3Z	C1Z	Apply PO1	Apply EAO (GOLDER)	Apply DDO18	None	20	Add Streetwall control (Streetwall height = street width)
286	1-5 WESTON STREET, BRUNSWICK EAST 3057	68	2	IN3Z	C1Z	Apply PO1	Apply EAO (GOLDER)	Apply DDO18	None	20	Add Streetwall control (Streetwall height = street width)
287	63-65 EDWARD STREET BRUNSWICK 3056	70	3	IN3Z	MU2	Apply PO1	Apply EAO (GOLDER)	Apply DDO18	None	20	None
288	17 CHARLES STREET BRUNSWICK 3056	70	3	IN3Z	MU2	Apply PO1	Apply EAO (GOLDER)	Apply DDO18	None	20	None



SECTION 9: REFERENCES

1. Brunswick Integrated Transport Strategy (BITS) (*GTA Consultants, 2013*)
2. Brunswick MILS Rezoning Assessment of Potential for Contamination (*GOLDER Pty. Ltd. 28 March 2017*)
3. Brunswick Activity Centre Structure Plan Reference Document 2016 (*Moreland City Council, 2016*)
4. Brunswick Major Activity Centre – Environmental Audit Overlay Assessment (*SKM 15 December 2011*)
5. Brunswick Precinct Industrial Rezoning Model (*Planisphere, 2010*).
6. Brunswick Structure Plan (*Moreland City Council, 2010*)
7. Brunswick Structure Plan Addendum (*Moreland City Council, 2012*)
8. Moreland Integrated Transport Strategy (MITS) (*Moreland City Council, 2010*)
9. The Moreland Industrial Land Strategy (2015-2030) (*Moreland City Council, 2016*)
10. The Moreland Industrial Land Use Strategy 2004 (*Hansen Partnership and National Economics, 2004*)
11. Statutory Implementation Options for Industrial Precincts in Brunswick MAC (*SGS Planning and Economics, 2012*)
12. Sydney Road Upfield Corridor Strategic Framework Plan (*David Lock Associates, 2014*)

DRAFT

Planning and Environment Act 1987

MORELAND PLANNING SCHEME
AMENDMENT C192
EXPLANATORY REPORT

Who is the planning authority?

This amendment has been prepared by the Moreland City Council is the planning authority for this amendment.

The Amendment has been made at the request of Moreland City Council.

Land affected by the Amendment

The Amendment applies to land at 98-102 Albert Street, Brunswick and 197-199 Albion Street, Brunswick identified in the Moreland Industrial Land Strategy (MILS) 2015-2030 as Category 2 – Employment MILS Areas.

What the amendment does

The Amendment proposes to:

- Rezone land at 98-102 Albert Street, Brunswick from Commercial 2 Zone to Commercial 1 Zone.
- Rezone land at 197-199 Albion Street, Brunswick from Industrial 1 Zone to Commercial 1 Zone.

Strategic assessment of the Amendment

Why is the Amendment required?

The Moreland Industrial Land Strategy 2015-2030

The Moreland Industrial Land Strategy 2015-2030 (MILS) was introduced into the Moreland Planning Scheme through Amendment C158 on 6 April 2017. The MILS provides a coordinated and evidence based approach to managing growth and strengthening our local economy. It complements Council's objectives for creating a sustainable urban environment where people have access to jobs and business services near to where they live, and it enables planning for local employment opportunities now and for future generations.

The amendment affects industrial land within the BAC within the following MILS category:

Category 2 - Employment areas which seek to support transition from traditional industrial uses to a broader range of employment uses, and prioritise employment uses over residential uses in Employment Areas.

Brunswick Activity Centre

The vision for the Brunswick Activity Centre is one of continued economic and social diversity and improved sustainability. Planning for growth and development will focus on three corridors: the Sydney Road/Upfield Corridor, Lygon Street and Nicholson Street. Core Industry and Employment Areas will be protected, Employment Areas will transition from traditional industrial uses to a broader range of employment uses, and declining industrial areas will transform into residential areas. (Brunswick Activity Centre Structure Plan Reference Document Theme 1 Land Use Pattern and Activity pg. 16)

In October 2016 Council adopted the Brunswick Activity Centre Structure Plan Reference Document (BACSP). The BACSP supersedes the following documents as reference documents to the Moreland Planning Scheme:

- The Brunswick Structure Plan (2010)

- The Brunswick Structure Plan Addendum (2012)
- Sydney Road/Upfield Corridor Strategic Framework Plan (2014)

One of the key strategies of the BACSP under the theme of *Land Use Pattern and Activity* is to *Implement rezoning's where required to give effect to the MILS* (pg. 16). Amendment C192 will facilitate new employment and housing opportunities by rezoning underutilised industrial land that is well serviced by existing infrastructure and public transport. The rezoning of this land will encourage new development and employment opportunities which will add to the vibrancy and mix of uses within the activity centre and assist Council in achieving its vision for the BAC.

Zone selection

The subject sites are located within *Category 2 - Employment Areas* and are proposed to be rezoned to the Commercial 1 Zone. The Commercial 1 Zone is supported by a section 173 Agreement that mandates 30% of the gross floor area of any new building to be for employment and economic uses and a minimum of 20% of dwellings within the same building to be provided for Affordable Housing as defined by the Planning and Environment Act 1987. The Commercial 1 Zone with the agreement in place will achieve the residential land use outcomes sought by MILS for Category 2 Areas while still providing flexibility for some existing industrial uses to occur in the context of the BAC.

How does the Amendment implement the objectives of planning in Victoria?

The amendment seeks to implement the following objectives set out at Section 4 of the *Planning and Environment Act 1987*:

- 1(a) - to provide for the fair, orderly, economic and sustainable use, and development of land;
- 1(c) - to secure a pleasant, efficient and safe working, living and recreational environment for all Victorians and visitors to Victoria;
- 1(g) - to balance the present and future interests of all Victorians.

The BAC is identified in *Plan Melbourne 2017-2050* as a place likely to experience significant change over time as the population of Melbourne increases. The amendment will assist in the facilitation of redevelopment of land within the BAC with the proposed zones, implementing the objectives and guidelines of the BACSP and give effect to the policies and objectives set out for activity centres in *Plan Melbourne 2017-2050*.

How does the Amendment address any environmental, social and economic effects?

The proposed rezoning is consistent with the need for the BAC to fulfil its role and function as a centre with a genuine mixture of housing, office and retail while maintaining the amenity of surrounding residential areas and meeting community expectation.

The development opportunities provided for by the rezoning will facilitate a range of employment generating activities that help to retain or create new local employment. Furthermore, the proposed zone will encourage the establishment of residential uses that take advantage of the broad range of community infrastructure, services and facilities within the BAC.

Does the Amendment address relevant bushfire risk?

The land is not included within a bushfire prone area and will not result in any increase to the risk to life, property, community infrastructure and the natural environment from bushfire.

Does the Amendment comply with the requirements of any Minister's Direction applicable to the amendment?

The amendment is consistent with the *Ministerial Direction on the Form and Content of Planning Schemes* pursuant to Section 7(5) of the *Planning and Environment Act 1987*.

Ministerial Direction No 9 – Metropolitan Strategy

Plan Melbourne 2017-2050, the Victorian State Government's overarching strategic policy for the growth of Melbourne, identifies Brunswick as a major activity centre. This status provides an opportunity for medium and higher density development close to jobs and services.

Direction No 9 requires that planning scheme amendments must have regard to *Plan Melbourne*. This amendment is considered to be consistent with the directions and policies of the Strategy. The amendment is considered to facilities the following within *Plan Melbourne*:

- **Delivering Jobs and Investment** – Create a city structure that drives productivity, supports investment through certainty and creates more jobs.
Key Directions – define a new city structure, plan for the expanded central city, plan for jobs closer to where people live, enable transit oriented development and urban renewal.
- **Housing Choice and Affordability** – Provide a diversity of housing in defined locations that cater for different households and are close to jobs and services.
Key Directions – plan for expected housing needs, reduce costs of living by increasing housing supply near services, and facilitate the supply of social and affordable housing.
- **Liveable Communities and Neighbourhoods** – Create healthy and active neighbourhoods and maintain Melbourne's identity as one of the world's most liveable cities.
Key Directions – Create a city of 20 minute neighbourhoods, protect suburbs from inappropriate development, and make our city greener.

The amendment is consistent with Ministerial Direction No. 11 – Strategic Assessments of Amendments. A Strategic assessment of the proposed amendment has been undertaken in accordance with this Ministerial Direction in this explanatory report.

Ministerial Direction No. 19 – Preparation and content of Amendments that may significantly impact the Environment, Amenity and Human Health requires planning authorities to seek the views of the Environment Protection Authority (EPA) in the preparation of planning scheme that could result in use or development of land that may result in significant impacts on the environment, amenity and human health due to pollution and waste. The outcomes from the proposed Amendment will not have any significant impact on the environment, amenity and human health.

How does the Amendment support or implement the Planning Policy Framework and any adopted State policy?

Clause 11 – Settlement

The amendment provides opportunities for redevelopment and intensification in an established urban area with excellent access to public transport and services.

Clause 16 - Housing

The amendment facilitates an increase in housing supply in an established urban area, proximate to a range of services. It also adds to the housing diversity and choice across the Brunswick Activity Centre.

Clause 17 – Economic Development

The amendment will facilitate new employment opportunities and reinvestment into existing urban areas. It will increase the resident workforce within Brunswick, which will support existing and new employment opportunities, and commercial activity within the Brunswick Activity Centre.

Clause 18 – Transport

The amendment facilitates more efficient use of existing transport infrastructure by consolidating urban development in close proximity to tram, bus and train routes. The amendment also seeks to improve the interface of key pedestrian and cycling routes across the Brunswick Activity Centre.

Clause 19 - Infrastructure

The amendment facilitates higher density residential development and employment opportunities within the Brunswick Activity Centre with access to existing infrastructure, services, recreational areas and community facilities.

How does the Amendment support or implement the Local Planning Policy Framework, and specifically the Municipal Strategic Statement?

The Moreland Municipal Strategic Statement (MSS) seeks to encourage housing growth, with good access to transport, retail and services. It also seeks to contribute to economic regeneration through the transition of specific precincts of industrial zoned land to accommodate more diverse employment opportunities and housing supply.

How does the amendment support or implement the Municipal Planning Strategy?

This strategic consideration does not apply as a Municipal Planning Strategy at Clause 02 of the Moreland Planning Scheme has not yet been included.

Does the Amendment make proper use of the Victoria Planning Provisions?

The amendment makes proper use of the Victoria Planning Provisions (VPP) through the selection of an appropriate zone tools to achieve guidance for future land use and development outcomes for the BAC.

How does the Amendment address the views of any relevant agency?

The review of Moreland's previous industrial land strategy and the development of the MILS involved extensive public consultation including public exhibition during Amendment C158 to implement the MILS into the Planning Scheme. As part of this process, and the development of the MILS, the views of the Victorian Planning Authority (formerly the Metropolitan Planning Authority) and the Department of Land Water Environment and Planning were sought.

Public consultation and a supportive planning panel was held as part of the amendment process for Amendment C164.

Does the Amendment address relevant requirements of the Transport Integration Act 2010?

The intent of the amendment broadly aligns with the objectives and decision principles outlined in Section 3 of the Act. The amendment aims to encourage land uses and developments that minimise dependence on car use and facilitate sustainable transport options within the Activity Centre.

The proposed amendment has the potential to facilitate significant residential and commercial development within the Sydney Road and Lygon Street Local Areas with excellent access to the existing train, tram and road network. This will provide convenient access to the transport network, and contribute to social and economic inclusion, and economic prosperity.

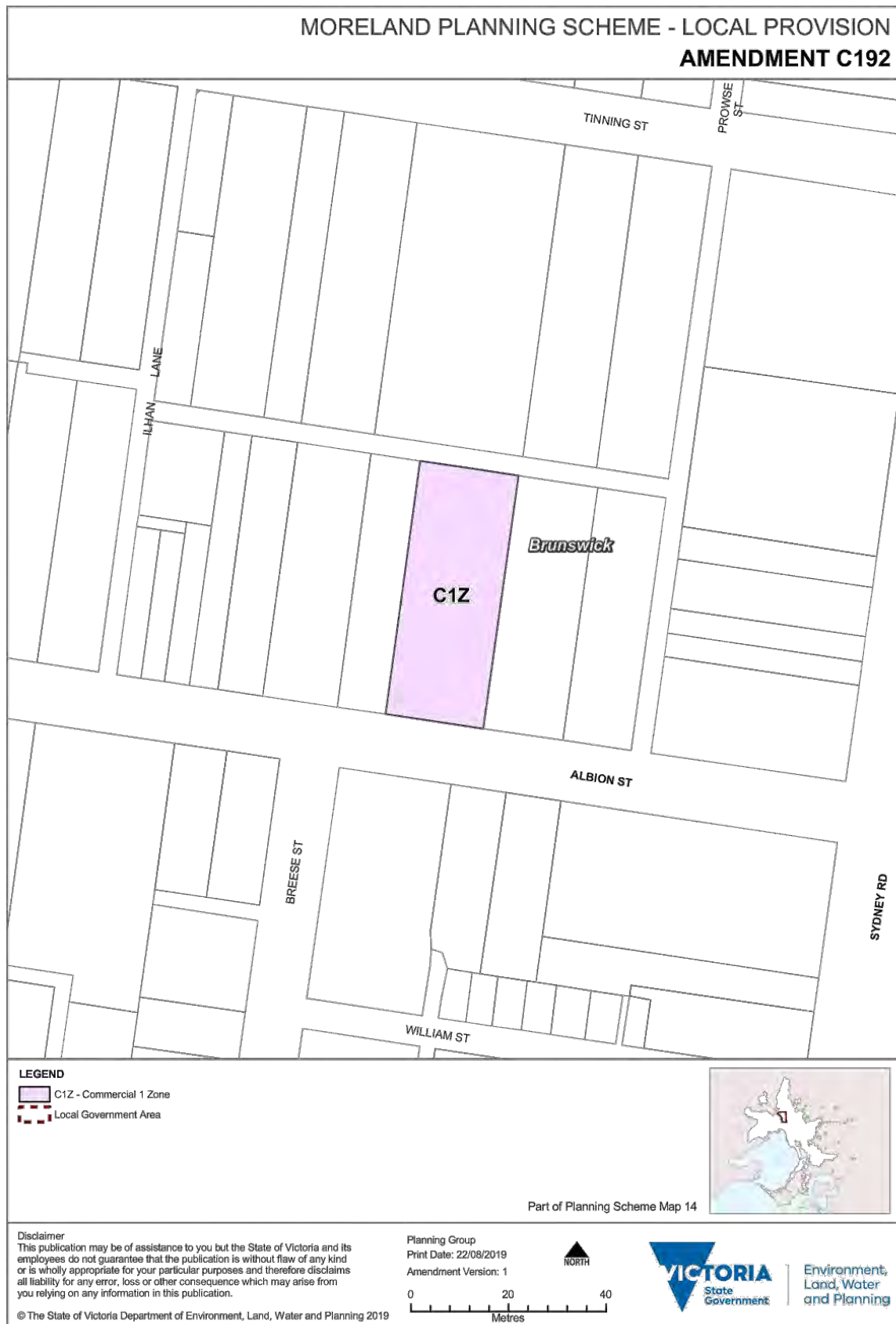
The amendment contributes to the transport system with the integration of redeveloped vacant land in established build-up areas to existing transport networks that can provide access to social and economic opportunities.

Resource and administrative costs

- **What impact will the new planning provisions have on the resource and administrative costs of the responsible authority?**

The rezoning of the land and associated section 173 agreement will result in minor administrative costs for the responsible authority in arranging legal services.

The benefits from the section 173 agreement specific to the commitment to 30% employment and economic uses and 20% affordable housing will be a positive benefit to the responsible authority and Moreland community and will exceed the above-mentioned administrative costs.



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PROJECT NUMBER:	2438
PREPARED BY:	MW- EF- LS
REVIEWED BY:	MW
VERSION:	23/04/19 v3.3



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The original Moreland Industrial Land Use Strategy (MILUS) was first introduced into the Moreland Planning Scheme in 2006, and an update of that strategy- the Moreland Industrial Land Strategy 2015- 30 (MILS) – was incorporated into the Moreland Planning Scheme in 2017.

MILS provides a strategic framework within which Council can make decisions about what industrial zoned land to retain, and what industrial land to allow to be rezoned for other uses, and what these alternative land uses should be. MILS identifies a series of locations are 'Category 2' Employment Areas, which are defined as area where land will be retained for industry and employment uses, and transition to a broader business base and employment opportunities is supported. MILS contemplates allowing residential uses in these areas but only in circumstances where employment outcomes are prioritised to Council's satisfaction:

The Moreland Planning Scheme contains the following vision for Category 2 Employment Areas:

"A select number of precincts of industrial zoned land have been identified as Employment Areas (Category 2) reflecting their suitability to maintain industry and employment uses and potentially transition to a broader business base and employment opportunities to contribute to economic regeneration and more diverse employment opportunities. These areas are predominantly located within or adjacent to activity centres and their transition will support and reinforce the economic and employment objectives of activity centres.

Residential uses in these precincts will only be supported if priorities for employment have been addressed and guaranteed. Where Employment Areas have been rezoned to a zone that allows for residential uses, subsequent planning permit decisions must have regard to policy to prioritise industry and employment uses in these areas."

Council has sought to give effect to the MILS policy for Category 2 and Category 3 Employment Areas within the Brunswick Major Activity Centre (MAC) via Amendment C164 to the Moreland Planning Scheme. This Amendment proposed to rezone land within these areas, as well as to apply a combination of Design and Development, Environmental Audit and Parking Overlays.

The Victorian State Government released the new Commercial 3 zone in September 2018. This is a mixed-use employment zone which is intended to facilitate the establishment and growth of creative industries, small manufacturers and startup businesses. The zone also allows limited residential uses – it sets a default maximum 35% residential floor area and it allows this to be increased to 50% via a schedule to the zone.

This zone did not exist at the time that Council prepared and exhibited Amendment C164. Council has commissioned this Zoning Review report in order to consider the potential appropriateness of the Commercial 3 zone as an implementation tool for Category 2 Employment Areas.

The purpose of this Review Report is to review the potential

zoning of Category 2 Areas within the Brunswick Major Activity Centre and in other locations nominated by Council for other locations across the municipality (as identified in Figure 1). The scope of the review is as follows:

- Review the experiences to date in implementing the Category 2 Employment Areas policy (Chapter 5)
- Identify the key issues relating to implementing the Category 2 Employment Areas policy (Chapter 6)
- Consider potential alternative zoning approaches (Chapters 7 and 8)
- Make recommendations relating to the potential future zoning of Moreland's Category 2 Employment Areas (Chapter 9).

This Report makes the following recommendations regarding the zoning of the following Category 2 Employment Areas within the Municipality:

Brunswick Activity Centre:

- Apply the Commercial 3 Zone (with a schedule for 50% dwelling/residential building GFA) to the majority of Category 2 Employment Areas within the Brunswick Activity Centre.
- Apply the Commercial 1 Zone and a Design and Development Overlay to Employment Area 38 within the Brunswick Activity Centre¹.

1. The purpose of the DDO is to facilitate the creation of flexible floor plates and higher floor-ceiling heights which enable the use of lower level floorspace for commercial purposes.

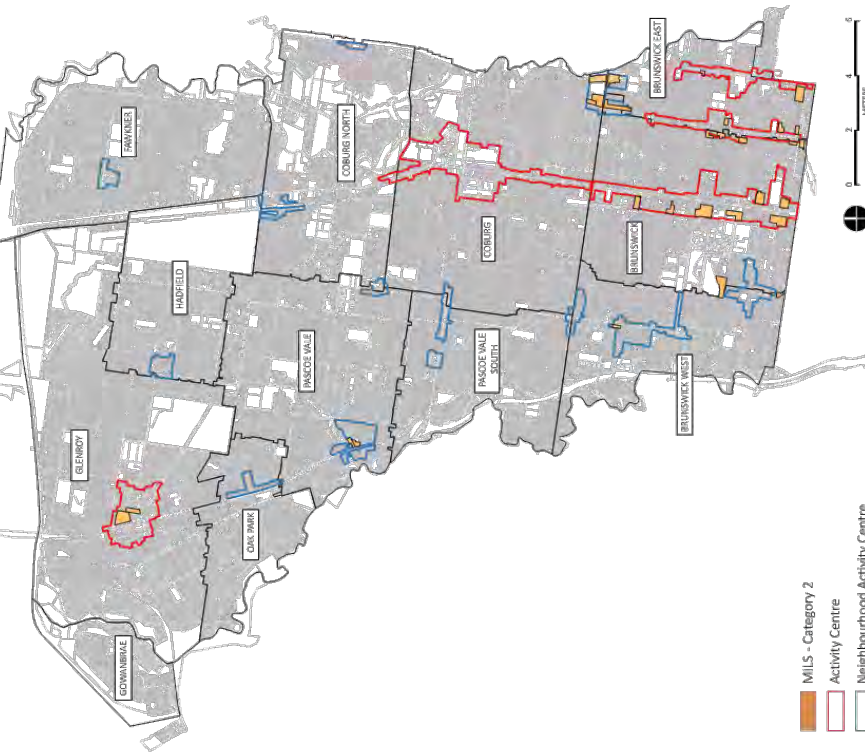


Figure 1. MILS Category 2 Areas within the Brunswick Major Activity Centre and in other locations nominated by Council

Grantham Street Neighbourhood Activity Centre

- Apply the Commercial 1 Zone and a Design and Development Overlay to the Category 2 Employment Areas that adjoin this centre.

Moreland Road

- Apply the Commercial 1 Zone and a Design and Development Overlay to the Category 2 Employment Area that adjoins the Nicholson/Holmes Neighbourhood Activity Centre.
- Apply the Commercial 3 Zone (with a schedule for 0% dwelling/residential building GFA) and a Design and Development Overlay to the Category 2 Employment Areas at 1-9 and 6-32 Moreland Road.

Pascoe Vale Neighbourhood Activity Centre

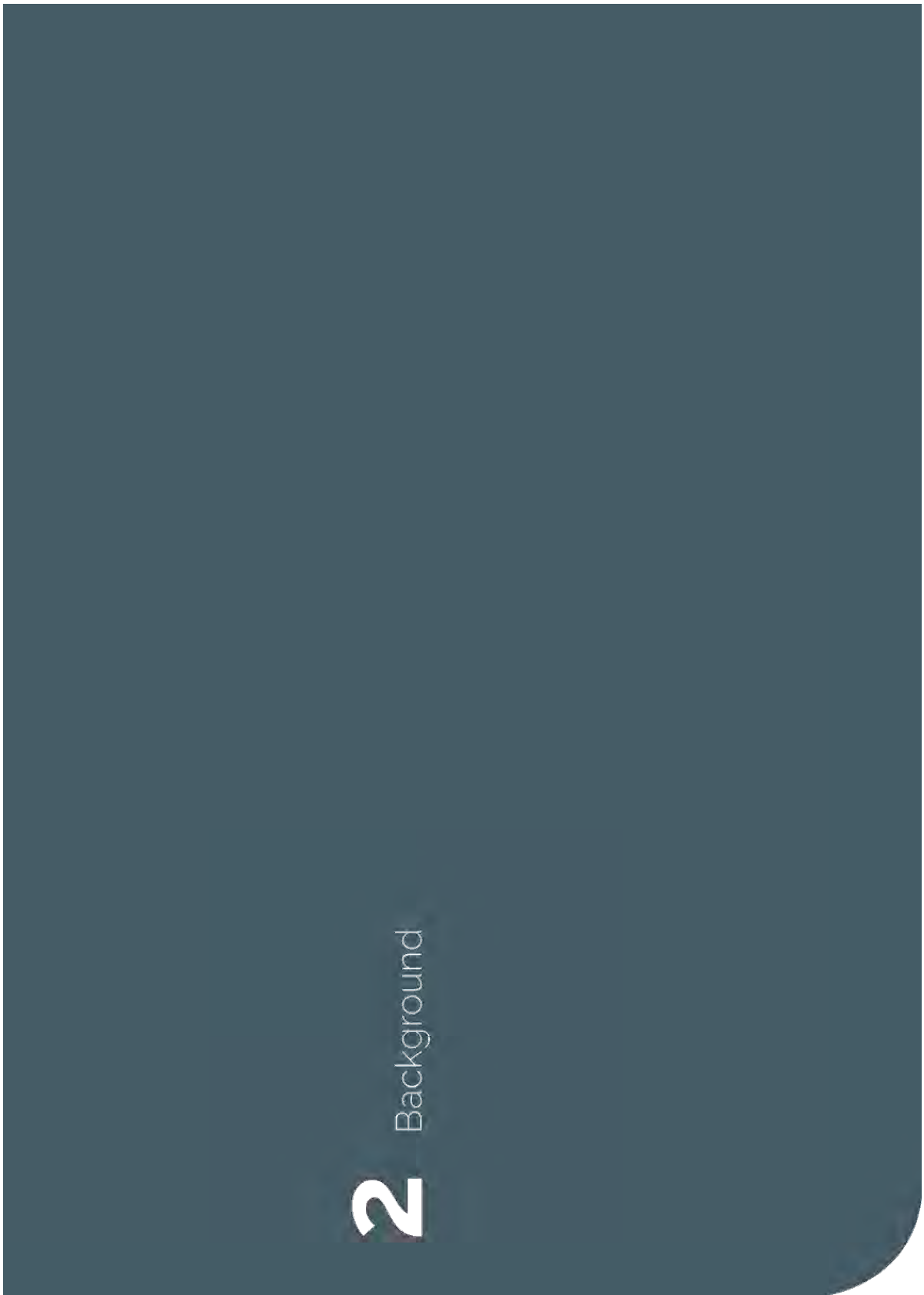
- Apply the Commercial 1 Zone and a Design and Development Overlay to the Category 2 Employment Areas that adjoin this centre.

Oak Park

- Retain the Category 2 Employment Areas in its current Industrial 3 Zone.

Glenroy Major Activity Centre

- Retain the Category 2 Employment Areas in its current Commercial 2 Zone.



2 Background

The City of Moreland first prepared a municipal-wide strategy to guide future zoning, use and development of industrial land supply in 2004. The original Moreland Industrial Land Use Strategy (MILUS) was given effect in the Moreland Planning Scheme in 2006, and an updated strategy known as Moreland Industrial Land Strategy 2015-30 (MILS) was adopted by Council in 2016.

MILS provides a strategic framework within which Council can make decisions about what industrial zoned land to retain and the land uses sought, and what industrial land to allow to be rezoned for other uses, and what these alternative land uses should be.

The Strategy notes that its 15 year strategic time-frame is intended to provide long term investment certainty for the business community and to reduce speculation on industrial land.

It establishes three land use categories, as follows:

Employment Areas (Category 1)- Where land will be retained in industrial zones to support industry and business activity.

Employment Areas (Category 2) – Where land will be retained for industry and employment uses, and transition to a broader business base and employment opportunities is supported. MILS contemplates allowing residential uses in these areas but only in circumstances where employment outcomes are prioritised to Council’s satisfaction.

Transition Residential Areas (Category 3) – Where land will be permitted to transition to residential use.

Amendment C158 to the Moreland Planning Scheme was prepared to give effect to the strategic directions of MILS (refer Chapter 3 for details).

The independent panel that considered MILS and the associated changes to the Moreland Planning Scheme recommended the adoption of Amendment C158, subject to various changes. The Panel made the following comments in respect to MILS and Amendment C158:

“The Amendment is well founded and strategically justified.”¹

“The system of categorising employment land precincts using the adopted set of criteria is legitimate, soundly based and robustly undertaken.”²

“The challenge through the land use planning system is to provide for a variety of employment options in an indeterminate future employment landscape. This implies that the Council should take a precautionary approach by retaining the majority of employment land but also responding to shifts in the nature of employment types and their land use requirements. This is the purpose of MILS and the Panel fully supports this proactive approach to managing employment land supply to meet future demand.”³

“The Panel agrees with Council that a key feature of the implementation of MILS is to allow employment land use to respond effectively to changes in the structure of the local economy and the nature of employment by allowing a more flexible approach to mixed use development without losing the critical importance of retaining or, more to the point, creating substitute commercial floorspace to accommodate local employment in Moreland.”⁴

“The opportunity for Category 2 areas to allow employment space to co-exist with residential development but without it being a token provision or completely dominated by the residential development component is at the core of the challenge for the implementation of MILS... The mechanism now proposed by Council officers, and supported by expert evidence... appears to represent a reasonable response to preserving employment outcomes in a time of a changing employment environment. The Panel supports this revised approach.”⁵

Amendment C158 was gazetted on the 6 April 2017.

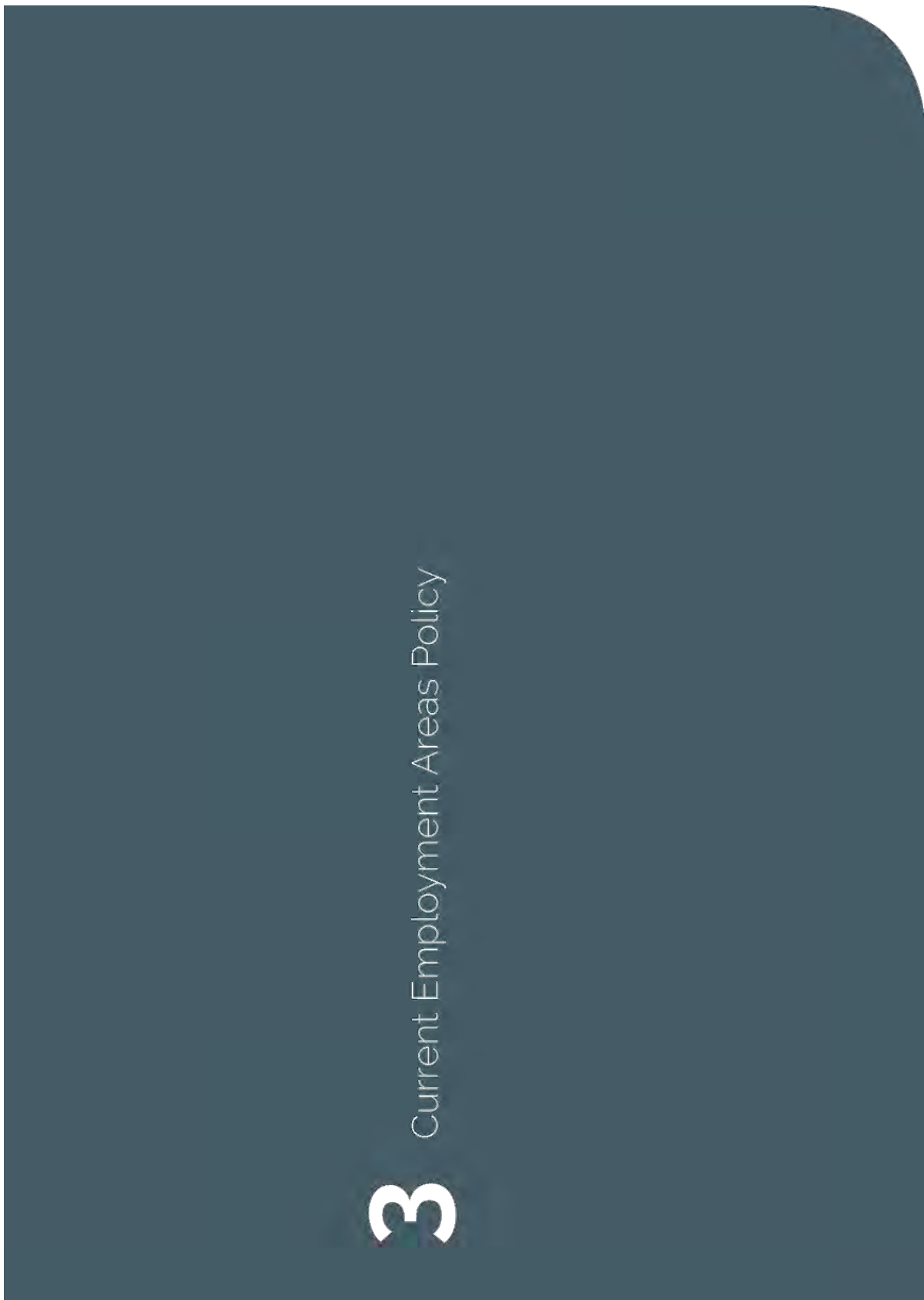
¹ Amendment C158 Panel Report, Page 15

² *Ibid*, page 24

³ *Ibid*, page 29

⁴ Amendment C158 Panel Report, page 32

⁵ *Ibid*



3 Current Employment Areas Policy

3.1 MILS Vision

Amendment C158 to the Moreland Planning Scheme introduced the following vision for the Category 2 Employment Areas identified in MILS⁶:

"A select number of precincts of industrial zoned land have been identified as Employment Areas (Category 2) reflecting their suitability to maintain industry and employment uses and potentially transition to a broader business base and employment opportunities to contribute to economic regeneration and more diverse employment opportunities. These areas are predominantly located within or adjacent to activity centres and their transition will support and reinforce the economic and employment objectives of activity centres.

Residential uses in these precincts will only be supported if priorities for employment have been addressed and guaranteed. Where Employment Areas have been rezoned to a zone that allows for residential uses, subsequent planning permit decisions must have regard to policy to prioritise industry and employment uses in these areas."

3.2 MILS Objectives and Strategies

Amendment C158 also introduced the following strategic directions for the Employment Areas identified in MILS⁷:

Objective 5 – Employment Areas (Category 2)

To support the transition from traditional industrial uses to a broader range of employment uses and prioritise employment uses over residential uses within Employment Areas (Category 2).

Strategies

5.1 *Protect the continued operation of existing viable industries in Employment Areas.*

5.2 *Facilitate the transition of Employment Areas to accommodate a broader range of employment and generating uses, including a mix of industry and office based uses and other compatible employment uses.*

5.3 *Employment uses are considered to be prioritised over residential uses if either of the following are met:*

- *Where multi-use development including a residential component is proposed, the amount of employment floor space should be at least equivalent to the amount of all proposed ground and first floor building floor space (inclusive of car parking, other services and circulation space, or*
- *Where rezoning of a large site is proposed, a proportion of the site should be allocated to employment uses. The area allocated to employment uses should be to Council's*

satisfaction, and included in a zone that prohibits residential use.

5.4 *Encourage flexible floor plate layouts and increased floor to ceiling heights at ground and first floor to facilitate a variety of employment uses over time.*

5.5 *Require new residential and multi-use development in Employment Areas to adopt the agent of change principle, by incorporating design and noise attenuation measures to protect residents from noise from nearby businesses such as locating bedrooms away from noise sources and using appropriate acoustic measures.*

5.6 *Encourage building design and site layouts of industrial and commercial uses in Employment Areas to minimise the potential for adverse amenity and environmental impacts on nearby residential uses.*

5.7 *Encourage redevelopment in Employment Areas to be of a high quality to contribute to an overall improvement in the amenity of the area, including low maintenance landscaping and upgrades to adjoining streetscapes.*

5.8 *Encourage the amenity expectations for residential or other sensitive uses within or adjacent to Employment Areas to be reflective of the multi use nature of the areas and the priority given to employment uses.*

5.9 *Consider the impacts on the viability of existing businesses in deciding whether a site specific or precinct wide rezoning is appropriate.*

⁶ Extract from clause 21.02-3 (Land for Industry and Economic Regeneration) of the Moreland Planning Scheme

⁷ Extract from clause 21.03-2 (Land for Industry and Economic Regeneration) of the Moreland Planning Scheme

3.2 MILS Implementation

Amendment C158 also introduced the following Implementation steps for the Employment Areas identified in MILS⁸:

Employment Areas (Category 2)

Apply the Industrial 3 Zone or Commercial 2 Zone to Employment Areas (Category 2) to prioritise employment.

Where residential uses are to be permitted in Employment Areas, apply one of the following zoning and overlay configurations to achieve Strategy 5.3 of Clause 21.03-2:

- *The Commercial 1 Zone and prioritise employment uses as per Strategy 5.3;*
- *The Special Use Zone or Comprehensive Development Zone and use the schedule to the zone to tailor use provisions to establish permit triggers for residential and other uses, as necessary;*
- *A mix of zones over larger sites as per Strategy 5.3, with zones applied to ensure employment uses are prioritised.*

Consider applying the Incorporated Plan Overlay or Development Plan Overlay in conjunction with any rezoning where confirmation of the location of employment uses is required.

⁸ Extract from clause 21.03-2 (Land for Industry and Economic Regeneration) of the Moreland Planning Scheme

4

Employment Areas and the Brunswick Activity Centre

4.1 Zone Selection

Council has sought to give effect to the MILS policy for Category 2 and Category 3 sites within the Brunswick Major Activity Centre (MAC) via Amendment C164 to the Moreland Planning Scheme.

The amendment seeks to rezone land within these areas, as well as to apply a combination of Design and Development, Environmental Audit and Parking Overlays to these areas.

The following is a summary of the scope of these changes under Amendment C164.

4.2 Built form controls

Amendment C164 applies the existing Design and Development Overlays - Schedule 18, 19 and 20 to rezoned land to provide built form guidance regarding:

- Height and urban design outcomes
- Residential interface treatment
- Specific built form guidance for Category 2 Employment Areas

It also proposes to amend these DDOs to include specific objectives and design outcomes for Category 2 Employment Areas, as shown in the text box below.

- The Commercial 1 Zone is the most appropriate zone to achieve the land use outcomes sought by MILS in the context of the Brunswick Activity Centre, and;

- The Mixed Use Zone will achieve the residential land use outcomes sought by MILS for category 3 areas while still providing flexibility for some existing industrial uses in the context of the BAC.

Design Objectives:

- To encourage development to provide residential accommodation only where it is located above ground floor and first floor employment spaces.
- To encourage commercial design built forms at ground and first floor of development.
- To encourage commercial activation at the ground level of development.

Built form outcomes:

- Development within Category 2 – Employment Areas should achieve commercial built form outcomes, including increased floor to ceiling heights and flexible floor plates, at ground and first floor to facilitate opportunities for employment uses.
- Ground floor commercial spaces should provide for activation, for example through entrances, transparent glazing and architectural features which encourage interaction and visual interest.

4.3 Panel Finding

Note that Council subsequently decided to remove the design objectives from the post-exhibition of the DDOs, but to retain the built form outcomes. It also added the following decision guideline to the post-exhibition version of the DDO:

“how development within Category 2 Employment areas responds to the built form requirements for Category 2 Employment areas.”

The ‘Brunswick Activity Centre MILS Implementation’ Report (August 2017) describes the basis for the selection of these built form provisions as follows:

“Commercial and employment uses have different built form requirements to residential uses and therefore specific built form guidance is proposed to be included into the three DDO’s.

This will ensure that built form outcomes, like low ceiling heights and inflexible floor plates won’t prevent or discourage commercial and employment uses from locating within new development. This will also provide a clear nexus between both the policy statements of the MSS and explicit design outcomes sought with Category 2 Areas of the BAC.”

The Panel that considered Amendment C164 recommended a number of changes to the application of the C1Z and MUZ to the Category 2 and 3 areas. However, the Panel did not give consideration to what the most appropriate zone should be to give effect to the intended employment policy outcomes in Category 2 areas described in MILS and Clause 21.03-2.

The Panel noted that Clause 21.03-2.1 (Implementation) provides direction on the possible zoning options, and it made the following general observation in relation to the selection of zones:

*“Generally, the Panel considers the proposed zoning of land should be consistent with the relevant MILS land category, unless the zoning would be anomalous for the area or result in an unreasonable restriction to existing and/or future land uses as a result of access arrangements and land being in two zones.”*⁹

However, the Panel seemingly accepted that the C1Z was the most appropriate zone to apply to Category 2 areas, and it did not give consideration to alternative zoning approaches (for instance, whether the SUZ or CDZ might be needed in order to tailor use provisions to establish permit triggers for residential and other uses, as referred to in Clause 21.03-2.1. Noting that Commercial 3 Zone was not available at time of the Panel Hearing).

The Panel agreed to the deletion of the design objective in the DDO which sought to limit residential uses to above ground floor and first floor employment spaces.

⁹ Extract from clause 21.03-2 (Land for Industry and Economic Regeneration) of the Moreland Planning Scheme, page 27

¹⁰ Amendment C64 Panel report, page 14



<p>Case Study 2 - Caydon CP Developments Pty Ltd v Moreland City Council (March 2014)</p>	<p>Case Study 1 - Russo v Moreland City Council (June, 2010)</p>	<p>The overall policy aim of creating employment floorspace in designated Employment Areas has remained constant since the first MILUS was drafted in 2004.</p> <p>The expression of this policy aim has incrementally evolved over the past 14 years, and the degree of success in realising this policy has also varied over this time-frame.</p> <p>The following case studies illustrate that the approach taken by the Victorian Civil and Administrative Tribunal (VCAT) to applying the policy has shifted from initial support to a position which characterises the policy as being unimplementable in the absence of having sufficient discretionary powers under the relevant land use zone.</p> <p>The uncertainty created by more recent VCAT decisions has meant that Council is largely left to negotiate employment floorspace outcomes with applicants on a case by case basis.</p> <p>These trends are illustrated in the following case studies.</p>
<p>This hearing related to proposed amendments to an approved development at 21-27 Brunswick Road and 20-26 Barkly Street, Brunswick East. The appellant sought to reduce the amount of commercial floorspace from 2,917 sqm to 1,078 sqm, and to replace three floor levels of office space above an office/retail level with five residential floors.</p> <p>The site was rezoned from Industrial 3 to Commercial 1 in 2010 (Amendment C107), as part of the implementation of original MILUS 2004. At the same time, DDO2 was applied to the site, and it contained a design objective to encourage residential accommodation above ground floor and first floor commercial spaces.</p> <p>At the time of this VCAT hearing, the Moreland Planning Scheme contained the following local policies relating to 'Multi use Employment Precincts' (which applied to the appeal site at that time):</p> <p><i>"On sites in Multi Use - Employment Areas the development must maintain employment activities as a priority. The floor area devoted to employment uses must equal the floor area of former industrial or business buildings on the site to Council's satisfaction, unless otherwise specified in an approved structure plan."</i>¹²</p>	<p>This hearing related to the appropriateness of a planning permit condition which required the first floor of a seven storey building to be used for office rather than residential purposes.</p> <p>At the time of the hearing, the original MILUS 2004 was a reference document under the Moreland Planning Scheme, and Amendment C107 was in progress, which sought to apply a Design and Development Overlay (DDO22) to the site which contained the following design objective (amongst others):</p> <p><i>"To encourage development to provide high-density forms of residential accommodation above ground floor and first floor commercial spaces."</i></p> <p>The Tribunal did not allow the removal of the permit condition, and the member concluded the following:</p> <p><i>"I am of the view the intent of the Council to provide for employment generating opportunities within this precinct should be incorporated into this development, and hence the first floor fronting Brunswick Road should be changed to commercial floor space."</i>¹¹</p>	<p>The Tribunal did not allow the removal of the permit condition, and the member concluded the following:</p> <p><i>"I am of the view the intent of the Council to provide for employment generating opportunities within this precinct should be incorporated into this development, and hence the first floor fronting Brunswick Road should be changed to commercial floor space."</i>¹¹</p>

¹¹ Caydon CP Developments Pty Ltd v Moreland City Council (March 2014) VCAT Ref P2506/2013
¹² Moreland Planning Scheme Clause 22.03, dated March 2014

Case Study 3 - 3 - 11-15 Brunswick Road Pty Ltd v Moreland City Council (January, 2016)

The Tribunal did not allow the proposed reduction in commercial floorspace, and the member concluded the following:

“In my view, there is no doubt that this moves away from the policy outcomes articulated in policy where employment is a priority. Further, while DDO22 does not apply to land use but, with other parts of the Scheme, it confirms the policy direction about the form of development of which commercial use is an expected component.”³³

This hearing related to (amongst other matters) whether or not the first floor of the proposed 8 storey building should be used for commercial floorspace.

At the time of the hearing, the land was in a Commercial 1 zone, and DDO22 applied to it. The land was rezoned as part of the implementation of the original MILUS (Amendment C107) in 2010.

DDO2 was applied to the site, and it contained a design objective to encourage residential accommodation above ground floor and first floor commercial spaces.

At the time of this VCAT hearing, the updated MILS had been prepared and Amendment C158 had been placed on public exhibition. It contained updated policies relating to the future use and development of the subject site, but these were not considered by the Tribunal.

However, the Moreland Planning Scheme contained the following local policies relating to ‘Multi use Employment precincts’ (which applied to the appeal site):

“Facilitate the transition of Multi Use – Employment Precincts to accommodate a wider mix of industrial and commercial uses, such as office uses.

Ensure commercial uses are prioritised over residential uses in Multi Use – Employment Precincts. Where residential development is proposed it should be located within a mixed use building that has commercial uses at

ground and first floor as a minimum.”

“Although DDO22 has a design objective encouraging the provision of commercial spaces at both ground and first floors, we fail to see how this can be achieved given the DDO22 is a buildings and works control and does not control land use. We also note that office is an as-of-right land use in the Commercial 1 Zone. We consider that the additional ground floor commercial space has achieved a suitable overall mix of residential and commercial floor space. Consequently, we do not require additional commercial space at first floor.”³⁴

The Tribunal decision made no reference to the policies contained within clause 21.03 relating to commercial uses at ground and first floors.

³³ Caydon CP Developments Pty Ltd v Moreland City Council (March 2014) VCAT Ref P2506/2013

³⁴ Brunswick Road Pty Ltd v Moreland City Council (January, 2016) VCAT Ref P1935/2015

Case Study 4 - Paragon 23 Pty Ltd v Moreland City Council (January, 2016)

The hearing related to (amongst other matters) whether or not the first floor of the proposed 9 storey building should be used for commercial floorspace at 5, 7-9 Brunswick Road.

At the time of the hearing, the land was in a Commercial 1 Zone, and DDO22 applied to it. The land was rezoned as part of the implementation of the original MILUS (Amendment C107) in 2010.

DDO2 was applied to the site, and it contained a design objective to encourage residential accommodation above ground floor and first floor commercial spaces.

At the time of this VCAT hearing, Amendment C158 had been gazetted and the subject site was included in an 'Employment Area' land use category. The policies relating to the future use and development of the subject site were updated by C158, as follows:

"Facilitate the transition of Employment Areas to accommodate a broader range of employment generating uses, including a mix of industry and office based uses and other compatible employment uses. Employment uses are considered to be prioritised over residential uses if either of the following are met:

- *Where multi-use development including a residential component is proposed, the amount of employment floor space should be at least equivalent to the amount of all proposed ground and first floor building floor space*

¹⁴ Paragon 23 Pty Ltd v Moreland City Council (January, 2016), VCAT Ref P438/2018

Case Study 5 - 1-7 Wilson Avenue Developer Pty Ltd v Moreland (July 2018)

Amendment C160 sought to rezone 1-9 Moreland Road to Mixed Use Zone (MUZ) and Commercial 2 Zone (C2Z) to maximise residential development opportunities and provide employment land.

It also sought to introduce a new Design and Development Overlay (DDO25) to support the transition of this site from industrial to medium density residential development. The Panel noted the following in relation to the Amendment:

"The Panel considers the strategic directions for this site are clear. Despite submissions and evidence which says there is a strategic imperative to maximise the residential opportunities offered by this site, the Panel has found to the contrary. Both the existing and proposed Strategic Framework Plans clearly identify the land within a 'Non-residential area', both identify employment uses as the main focus, and if any residential development is possible, it must be secondary to this employment.

The Panel notes the existing and proposed policy framework, including MILS all recognise the importance of protecting employment land for employment purposes and for taking a long-term perspective towards the protection of this economic resource for the long-term sustainability of the municipality."

The Panel considered the proposal to include the bulk of the site within a MUZ, which is primarily a residential zone; as well as the proposed DDO25 which principally seeks to transition the development of this site from industrial to

Encourage flexible floor plate layouts and increased floor to ceiling heights at ground and first floor to facilitate a variety of employment uses over time."

The Tribunal decided to affirm the decision of Council to refuse the permit application, largely on design grounds.

However, in relation to the question of whether the first floor of the development should be used for commercial floorspace, the Tribunal referenced the earlier Tribunal Decision relating to 11-15 Brunswick Road, and it noted the following:

"...if Council is serious about achieving a specific land use mix, it needs to introduce such controls through a schedule to the Commercial 1 Zone. Such an approach has been taken by Stonnington City Council in the Chapel Street precinct. In the absence of such land use controls, there is no discretion to require a specific land use mix such as setting aside commercial floor space on the ground and first floors in accordance with local policy at Clause 21.03-1 and in DDO22."¹⁵

**Case Study 6 - 1-7 Wilson Avenue
Developer Pty Ltd v Moreland (July 2018)**

medium density residential development, is not consistent with either the existing or proposed policy frameworks which explicitly identify this as a non-residential area, and at best seek, to prioritise employment uses over residential uses.

The outcome of the Amendment was that the front portion of the site was included within the Commercial 2 zone but the balance of the site was retained in the existing Industrial 3 zone.

This hearing related to the decision of Council to refuse to grant a permit for an 8 storey building comprising shops, offices and dwellings. The sole grounds of refusal was as follows:

"The proposal does not achieve Objective 5 (Employment Areas (Category 2)) of Clause 21.03-3 of the Moreland Scheme (sic) because it does not prioritise employment uses over residential uses by providing adequate employment floor space. Specifically, it fails to respond to Strategy 5.3 which states that, where multi-use development including a residential component is proposed, the amount of employment floorspace should be at least equivalent to the amount of all proposed ground and first floor building floorspace (inclusive of car parking, other services and circulation space)."

Prior to the hearing, the applicant circulated amended plans which (amongst other changes) increased the floor area devoted to commercial use from 233sqm at ground level, to 950sqm over ground and first floor levels. In addition, at first floor level there are six work/live spaces proposed.

The Council considered that the amended plans addressed its concerns with the proposal as expressed in the grounds of refusal, and therefore it determined to support the amended proposal.

The Tribunal was therefore not required to make a determination in relation to the Employment policy contained within Clause 21.03-3.



Since the first inception of the MILUS, one of the key issues facing the municipality has been to ensure that the regeneration of nominated Employment Areas prioritises the creation of employment uses over residential uses.

The vision contained within the Moreland Planning Scheme for nominated Employment Areas is clear:

“Residential uses in these precincts will only be supported if priorities for employment have been addressed and guaranteed. Where Employment Areas have been rezoned to a zone that allows for residential uses, subsequent planning permit decisions must have regard to policy to prioritise industry and employment uses in these areas.”

Similarly, the Strategy for employment areas is clear:

“Where multi-use development including a residential component is proposed, the amount of employment floor space should be at least equivalent to the amount of all proposed ground and first floor building floor space (inclusive of car parking, other services and circulation space.”

The planning merit of this approach was endorsed by the independent Panel that considered the revised MILS strategy in 2016.

However, it is evident that there are some significant deficiencies with how this vision and strategy are being implemented.

The current approach to implementing the Employment Areas vision and strategy is to rezone nominated areas to C1Z, and to apply a DDO to those areas to provide guidance on the built form of development.

This approach is not working for the following reasons:

- VCAT has determined that the Commercial 1 Zone does not provide discretion to require a specific land use mix such as setting aside commercial floor space on the ground and first floor. As a result, the Employment Areas floorspace policy cannot be achieved on land within the C1Z, and;
- Both VCAT and the independent Panel in relation to Amendment C164 have concluded that because the Design and Development Overlay is a buildings and works control, it cannot direct that a specific land use mix or configuration be required.

It is therefore necessary for Council to consider alternative approaches to how the planning scheme can give effect to the well-established Employment Areas vision and strategies.

Chapters 7 and 8 review alternative approaches that are being pursued by other Victorian municipalities, as well as reviewing the pros and cons of the current range of alternative planning tools available to Council at this time (including the recently created Commercial 3 Zone).



7.1 Chapel Street Activity Centre Zone

Existing zones which allow both residential and commercial use (eg C1Z, MUZ) do not readily allow the Responsible Authority to mandate a vertical mix of uses, or to set a minimum/maximum quantum of either residential or commercial floorspace.

In response to this issue, a few other metropolitan Councils in Victoria have pursued alternative approaches to requiring the creation of commercial floorspace in 'mixed use' areas. These include:

- The Stonnington Activity Centre Zone
- The Fishermans Bend Urban Renewal Policy and DDOs
- The West Melbourne Special Use Zone and DDOs (draft)

Each of these approaches has evolved in response to a desire to create a 'true mixed use' in circumstances where there is no single 'off the shelf' zoning solution that is suitable to achieve this outcome.

Land within the Chapel Street Activity Centre has been included within the Activity Centre Zone (Schedule 1). The Zone Schedule includes a Land Use and Framework Plan and a table of uses which attach certain conditions to particular uses within the centre.

For example, the use of land for a Dwelling and Office are only 'as of right' uses if they meet specific conditions relating to where they must be located within a building, as follows:

- On land designated for Main Street Uses:
 - A dwelling must be located on the third floor or above, and;
 - An Office must not be located ground floor.
- On land designated for side street uses, a dwelling must be located on the second floor or above.

Comment:

The strength of this approach is that the dwelling and office use conditions in the ACZ provide the legal discretion to require a specific land use mix to be achieved. The ACZ does not mandate the specified configuration - a permit can still be granted to allow for these when the condition is not met. Where such permission is sought, Council must consider the extent to which any such proposal is consistent with the policy intent of the zone.

The Moreland Planning Scheme currently contains a strong policy basis which would support the application of the Activity Centre Zone as a tool for the delivery of non-residential use on the ground and first floor of buildings.



Figure 2. Precinct 1 - Forrest Hill, Stonnington Planning Scheme, Clause 37.08 - Schedule 1

7.2 Fishermans Bend Urban Renewal Area

Land within the Fishermans Bend Urban Renewal Area (FBURA) has been included in the Capital City Zone and a special use zone has been created under the zone to guide land use and development within the area¹⁶. A new local planning policy and a series of overlays have also been applied to the precinct.

An application to use land for a dwelling must be accompanied by a report that addresses how the proposal contributes to the job growth targets and employment floor area set out in the Fishermans Bend Urban Renewal Area Local Policy.

In determining any permit application, the Responsible Authority is also required to consider the impact the proposal has on the realisation of employment targets.

A new local policy has been created which addresses employment outcomes, amongst other matters. The policy contains an objective to 'promote employment generating floor space in all precincts that supports growth in the knowledge, creative, design, innovation, engineering, and service sectors', and it seeks to locate the highest densities of employment opportunities close to existing and planned public transport.

The policy states that proposals will be assessed against the following criteria:

*"The Development in a Core area in the relevant Map in Schedule 1 to the Capital City Zone should provide floor area for employment generating uses. Table 1 sets out the preferred minimum plot ratio that should be provided for a use other than Dwelling."*¹⁷

The policy goes on to state that:

"Where development in the core areas provides less than the minimum plot ratio set out in Table 1, the responsible authority will consider as appropriate:

- *Whether the built form envelope available on the site makes it impractical to provide the minimum plot ratios.*
- *Whether the application is associated with the continued operation or expansion of an existing employment or residential use on site.*
- *Whether the buildings floor to floor heights, layout and design will facilitate future conversion from residential to employment generating uses or from car parking areas to other employment generating uses.*
- *Whether the development can demonstrate that it is contributing to the employment objectives of this policy while providing less than the minimum plot ratio."*¹⁸

The Design and Development Overlays include requirements to provide for the future conversion of those parts of the building accommodating non-employment uses to employment uses. The following requirements have been applied in the DDOs:

Table 9: Adaptable buildings

Building element	Adaptability opportunity
Lower levels up to the height of the street wall	All least 4.0 metres floor to floor height at ground level. At least 3.0 metres floor to floor height for other lower levels.
Car parking areas	<ul style="list-style-type: none"> • In areas not in a basement: Level floors. • A floor-to-floor height at least 3.0 metres. Mechanical parking systems to reduce the area required for car parking
Dwelling layout	The ability for one and two-bedroom dwellings to be combined or adapted into three or more bedroom dwellings.
Internal layout	Minimal load bearing walls to maximise flexibility for retail or commercial refits.

Figure 3. Extract from Schedule 30 of Clause 43.02, Port Phillip Planning Scheme

Comment:

The most significant shortcoming of this approach is that the use of land for a both a dwelling and an office are 'as of right' under the relevant zone schedules¹⁹. Therefore it is possible that VCAT may well determine that the CCZ does not provide discretion to require a specific land use mix such as setting aside commercial floor space in accordance with the Floor Area Ratio (FAR) set out in the local policy.

¹⁶ Amendment GC81 to the Port Phillip and Melbourne Planning Schemes, gazetted in October 2018

¹⁷ Refer clause 22.15 of the Port Phillip Planning Scheme

¹⁸ Ibid

¹⁹ The schedule applies certain conditions to the 'as of right' use of land for a dwelling, but these do not relate to the placement of the use above ground level within a building). If a dwelling is located within a defined core area, is within the prescribed density limits and located outside of specified buffer areas then it will be 'as of right'.

7.3 West Melbourne Structure Plan

The West Melbourne Structure Plan aims to support mixed use development to facilitate a range of business and employment opportunities. It proposes planning controls to help retain and attract a mix of different business and employment opportunities in West Melbourne.

Amendment C309 to the Melbourne Planning scheme has been prepared to give effect to the Structure Plan. It proposes to rezone most of the Mixed Use Zone in the Structure Plan area to a Special Use Zone (SUZ6) to deliver a 'true mix of uses'.

The SUZ6 includes provisions to require a minimum proportion of the floor area be allocated to a use other than accommodation, and to require active ground floor uses along Spencer Street, between Hawke Street and Dudley Street to help deliver a new activity centre.

The wording of the control in relation to the provision of 'non-accommodation' uses is as follows:

"A permit cannot be granted to use land for Accommodation unless for land located in the XXX Precinct as shown on Figure 2, a minimum of XX per cent of the gross floor area of a development is allocated to a use other than Accommodation (excluding carparking, bicycle and loading and unloading facilities, and any bonus floor area under an applicable Design and Development Overlay)."

The specified percentages are 25% (Spencer Precinct), 16.6% (Flagstaff and Adderley precinct) and 20% (Station precinct).

The proposed DDOs for West Melbourne include an objective to 'ensure new development is adaptable and can accommodate different uses over time', together with the following built form outcomes and requirements:

Built form outcomes:

- Adequate floor-to-ceiling heights to ensure developments can be adapted to different uses.
- Fine grain adaptable tenancies within the lower levels of buildings.

Built form requirements:

- Minimum floor-to-ceiling heights of 4 metres for the ground floor, and 3.3 metres for all non-residential uses on other floors.

Amendment C309 has been placed on public exhibition but is yet to be subject to a Panel Hearing or adopted by Council.

Comment:

The strength of this approach is that it mandates in the zone itself that a permit cannot be granted to use land for accommodation unless the nominated percentage of gross floor area is set aside for non-accommodation uses.

Further, the DDOs deal solely with adaptable building design issues and not land use or floorspace ratios.



Figure 4. Special Use Zone Schedule 6 and West Melbourne Structure Plan 2018 Precincts, Melbourne Planning Scheme Amendment C309 (37.01 - Schedule 6)



8.1 Standard VPP Zones

This Chapter outlines the potential alternative Victoria Planning Provisions (VPPs) that might be considered as a means to give effect to the vision and strategies for Moreland's Employment Areas.

It reviews the following standard VPP zones against the strategic directions set out in clauses 21.02-3 and 21.03-2:

- Commercial 1 Zone
- Mixed Use Zone
- Commercial 3 Zone

This Chapter also considers the potential for the following special purpose zones and overlays to be utilised:

- Activity Centre Zone
- Special Use Zone
- Comprehensive Development Zone
- Design and Development Overlay
- Incorporated Plan/Development Plan Overlay

Tables 1 and 2 overleaf assess the intended planning outcomes²⁰ and zone purpose for the C1Z, MUZ and Commercial 3 zone against the intended planning outcome for the Employment Areas described in Clause 21.03-2 of the Moreland Planning Scheme.

The analysis contained in Tables 1 and 2 demonstrates that the Commercial 3 Zone has a much greater ability to support the intended planning outcomes for the Employment Areas described in Clause 21.03-2 than either the Commercial 1 or Mixed Use zones. The particular advantages of the Commercial 3 zone over the C1Z and the MUZ are as follows:

- The statements of purpose of the zone seeks to prioritise employment uses over residential uses.
- The purpose and controls within the zone seek to protect the continued operation of existing viable industries in Employment Areas
- The zone provides a mechanism to enable employment uses to be prioritised over residential uses (Noting that the mechanism differs from the measure contained in Clause 21.03-2)
- The zone contains provisions which require new residential and multi-use development in Employment Areas to adopt the 'agent of change' principle, by incorporating design and noise attenuation measures to protect residents from noise from nearby businesses.

The only outcome that the Commercial 3 zone does not specifically address is the encouragement of flexible floor plate layouts and increased floor to ceiling heights at ground and first floor to facilitate a variety of employment uses over time. This outcome can be readily addressed by a Design and Development Overlay (refer section 8.3).

²⁰ As defined in the Practitioners Guide to Victoria's Planning System Version 1.1

Table 1

Moreland Planning Scheme (cl 21.03)	Zone Purpose		
	Commercial 1	Mixed Use	Commercial 3
<i>To support the transition from traditional industrial uses to a broader range of employment uses and prioritise employment uses over residential uses within Employment Areas</i>	<p>To create vibrant mixed use commercial centres for retail, office, business, entertainment and community uses.</p> <p>To provide for residential uses at densities complementary to the role and scale of the commercial centre</p>	<p>To provide for a range of residential, commercial, industrial and other uses which complement the mixed-use function of the locality.</p> <p>To provide for housing at higher densities.</p>	<p>To provide for a range of industrial, commercial, office and other employment generating uses which support the mixed-use employment function of the area.</p> <p>To provide opportunities for limited retail uses which are complementary to the role and scale of the area.</p> <p>To provide the option for limited residential uses that do not undermine the primary employment and economic development focus of the zone.</p>
Comment	<p>This is a zone for activity centres and it does not seek to prioritise employment uses over residential uses.</p>	<p>This is a zone for mixed use residential areas, and it does not seek to prioritise employment uses over residential uses.</p>	<p>This zone seeks to prioritise employment uses over residential uses.</p>

Table 2

Relevant Clause 21.03 - Strategy	C1Z	MUZ	C3Z
Protect the continued operation of existing viable industries in Employment Areas.			
Facilitate the transition of Employment Areas to accommodate a broader range of employment generating uses, including a mix of industry and office based uses and other compatible employment uses.			
Employment uses are considered to be prioritised over residential uses if either of the following are met: <ul style="list-style-type: none"> Where multi-use development including a residential component is proposed, the amount of employment floor space should be at least equivalent to the amount of all proposed ground and first floor building floor space, or Where rezoning of a large site is proposed, a proportion of the site should be allocated to employment uses. The area allocated to employment uses should be to Council's satisfaction, and included in a zone that prohibits residential use. 			
Encourage flexible floor plate layouts and increased floor to ceiling heights at ground and first floor to facilitate a variety of employment uses over time.			
Require new residential and multi-use development in Employment Areas to adopt the agent of change principle, by incorporating design and noise attenuation measures to protect residents from noise from nearby businesses.	Note 1	Note 1	Note 2
Encourage building design and site layouts of industrial and commercial uses in Employment Areas to minimise the potential for adverse amenity and environmental impacts on nearby residential uses.	Note 3	Note 4	Note 5

Fully achieves outcome
Partially achieves outcome
Does not achieve outcome

Note 1. - The noise standards contained in clauses 55 and 58 apply to residential development.

Note 2. - Clause 34.03-8 contains decision guidelines relating to residential development being designed to mitigate amenity impacts from non-residential uses.

Note 3. - Clause 34.01-2 contains general amenity provisions relating to use.

Note 4. - Clauses 32.04-3 and 32.04-14 contain requirements/decision guidelines relating to use of land for industry, service station or warehouses minimising the potential for off-site impacts. These requirements/guidelines do not relate to development or to other classes of use.

Note 5. - Clause 34.03-8 contains decision guidelines relating to use or development minimising the potential for off-site impacts.

8.2 Special Purpose Zones

The Special Use, Comprehensive Development and Activity Centre Zones each have specific purposes under the Victorian planning system. They are generally intended to be used in circumstances where applying standard zones (in combination with local policy and/or overlays) cannot achieve the intended planning outcome.

The Practitioners Guide to Victoria's Planning System Version provides the following guidance in relation to these zones:

"Where the strategic intent of a site is unknown or the application of a combination of zones, overlays and local policies is not able to achieve the desired planning outcomes, a special purpose zone may be used. These zones include the Special Use Zone, the Comprehensive Development Zone, the Urban Growth Zone and the Activity Centre Zone.

Maintaining consistency of planning controls across Victoria is a VPP principle. Using a special purpose zone is therefore discouraged unless there is clearly no suitable alternative²¹

8.2.1 Special Use Zone

The Special Use Zone provides for the use of land for specific purposes. It allows detailed land use requirements to be prescribed for a particular site. Planning Practice Note 3 (PPN-3) notes that this zone can be considered where an appropriate combination of the other available zones, overlays and local policies cannot give effect to the desired

²¹ Practitioners Guide to Victoria's Planning System Version 1.1. Page 33

²² Ibid, page 114

²³ Ibid, page 51

²⁴ PPN-3, page 3

²⁵ Ibid, page 114

objectives or requirements²².

The SUZ should only be used where the desired land use outcome is not discretionary in the zone that would otherwise apply to the land²³. In circumstances where there is a suitable zone then PPN-3 recommends that the discretion in the zone provisions can be relied upon, in conjunction with a local policy²⁴.

Commentary:

In the case of the MILS strategy, the desired land use outcome (realising a minimum amount of employment floorspace) cannot readily be achieved under the C1Z or MUZ as the use of land for a dwelling and office is 'as of right' under these zones.

The C3 zone may be a suitable alternative given that it allows for a minimum amount of employment floorspace to be realised in mixed use development, via the application of mandated accommodation floorspace limits. However, the floorspace parameters under this zone are relatively narrow (ie 35-50% max. dwelling floorspace) and therefore the SUZ may a viable alternative to the C3Z if being able to set a wider floorspace parameter than permitted under the C3Z is a priority.

8.2.2 Comprehensive Development Zone

The Comprehensive Development Zone provides for larger or more complex developments that are intended

to be developed in accordance with a development plan incorporated in the planning scheme²⁵.

The Zone provides for a customised table of uses (with conditions) to be prepared for land within the zone boundary. It also allows for customised 'use requirements', application requirements and decision guidelines to be prepared.

This zone is typically applied to large land holdings where a development plan is prepared to guide the orderly development of land. It is not typically applied across activity centres or precincts which are held in multiple-ownership.

Commentary:

In the case of the MILS strategy, if the CDZ were to be used, it would be necessary to prepare and incorporate a 'comprehensive development plan' into the planning scheme.

Whilst the CDZ Ordinance would allow for the specific MILS land use and built form outcomes to be prescribed within it, it is not clear that there is any need to have an actual 'comprehensive development plan' for the MILS Employment areas.

For this reason, the CDZ is not recommended as a candidate tool for giving effect to the particular land use outcome described in MILS and Clause 21.03-2.

8.3 Overlays

The Design and Development Overlay is intended to establish requirements relating to the design and built form of new development. It can set customised design objectives, permit requirements and decision guidelines. It is a buildings and works control and is not intended to regulate the use of land.

The Incorporated Plan Overlay (IPO) and Development Plan Overlay (DPO) are intended to be used where some form of plan is required to specify requirements over the development of an area and it is necessary for the plan to be approved under the planning scheme.

The main differences between the IPO and DPO are as follows:

- Under the IPO, a plan becomes incorporated into the planning scheme after the consideration of third party notice (via exhibition of the plan). Once incorporated, the plan can only be amended via a further amendment to the planning scheme.
- Under the DPO, a plan can be approved pursuant to the DPO provisions, without the need for third party notice. A development plan can be amended by the responsible authority at any time.

Unlike most overlays, the IPO and DPO enable a plan to set provisions for use as well as development. Importantly, neither the IPO nor the DPO can change the scope of discretion provided in the zone applying to the land. For example, they cannot create or remove permit requirements under the zone.

determination of the preferred planning provisions for the Employment Areas is one of the last remaining 'pieces of the puzzle' for the centre.

In this context, whilst the ACZ ordinance would allow for the specific MILS land use and built form outcomes to be prescribed within it, applying the ACZ just to the MILS Employment precincts would be inconsistent with the planning intent for this zone to be applied in an integrated manner to entire activity centres.

However, the ACZ could be applied to the whole of the Brunswick Activity Centre if desired. This zone has been applied to the Coburg Major Activity Centre, and its application to the Brunswick MAC would require the translation of various existing policies and controls into the ACZ format. The existing MILS policy guidance for Category 23 employment areas would provide a strategic basis for setting 'use' conditions to dwellings and office uses, similar to that used for Chapel Street in the Stonnington Planning Scheme.

Further assessment is required as to whether the C3 Zone will give effect to the specific employment outcome described in MILS and Clause 21.03-2 (refer Chapter 9 for further discussion). The zoning assessment contained in Chapter 9 of this Report has found that the Commercial 3 zone is a suitable alternative to the SUZ.

8.2.3 Activity Centre Zone

The Activity Centre zone is intended to guide and facilitate the use and development of land in activity centres, and to encourage a mix of uses and intensive development including higher density housing²⁶.

Planning Practice Note 56 (PPN-56) notes that Councils must have an adopted structure plan or a body of significant strategic work progressed for the centre where the ACZ will be applied²⁷.

The Zone provides for a customised table of uses (with conditions) to be prepared for land within the zone boundary. It also allows for customised 'use requirements', application requirements and decision guidelines to be prepared.

A schedule to the ACZ must contain a framework plan for the activity centre, and land use and development objectives, and it may also contain provision for the centre or smaller precincts within it.

Commentary:

The ACZ is intended to be used as an integrated planning tool which dispenses with the usual approach of applying multiple zones and overlays at a centre to achieve desired outcomes.

Most (but not all) of the MILS Employment areas are located on the fringes of the Brunswick Activity Centre. An extensive amount of work has been done in the past to put in place planning controls for the Brunswick Activity Centre, and

²⁶ Practitioners Guide to Victoria's Planning System Version 1.1, page 115

²⁷ Planning Practice Note 56 – Activity Centre Zone, page 2

8.4 The Commercial 3 Zone

Commentary:

A DDO can be prepared to set building design requirements relating to flexible floor plate layouts and increased floor to ceiling heights at ground and first floors.

Whilst an IPO or DPO could be prepared to set requirements in relation to providing residential accommodation above ground floor and first floor employment spaces. However there are a number of drawbacks to using these Overlays across precincts that are held in multiple ownership:

- Both overlays exempt permit applications that are generally in accordance with the approved plan from notice and review
- In the case of the IPO, a plan must be incorporated at the time that the overlay is applied or at later stage via a separate planning scheme amendment. It may be necessary for multiple owners to collaborate to prepare such a plan, or for multiple such plans to be prepared – this is an inefficient and unnecessarily burdensome requirement.
- In the case of the DPO, a plan may be prepared and submitted to the responsible authority and whilst this can occur concurrently with the lodgement of a permit application, it is an efficient method of ensuring that a single policy outcome (ie the provision of residential accommodation above ground floor and first floor employment spaces) is achieved.

The discussion in Box 1 addresses whether there is sufficient strategic planning basic to apply the Commercial 3 Zone to Moreland Employment Areas, having regard to the directions of Planning Practice Note No 85.

BOX 1 - THE STRATEGIC BASIS FOR DETERMINING WHETHER THE C3Z SHOULD BE APPLIED IN MORELAND

The 'Applying the Commercial 3 Zone' Practice Note (PPN-85) states the following in relation to the application of the Commercial 3 Zone:

"The Commercial 3 Zone should be applied following an assessment of the role and function of employment land in the municipality and wider region. Assessments should evaluate the ongoing suitability of established industrial and commercial areas for different types of employment purposes, and determine whether such areas should be retained in an existing industrial or commercial zone, or whether the Commercial 3 Zone should be applied as a means of enabling broader mixed-use employment outcomes."

The primary purpose of the original MILUS and its MILS update was to assess and determine the role and function of employment land in the municipality, in its wider regional context.

These assessments evaluated the ongoing suitability of Moreland's established industrial and commercial areas for different types of employment purposes, and MILS determined which areas should be retained in an existing industrial or commercial zone, and which locations could be rezoned to enable broader mixed-use employment outcomes to be realised.

The 'Core Industrial and Employment Areas', 'Employment Areas' and 'Transitional Residential Areas' identified in Clause 21.03 of the Moreland Planning Scheme represent the outcomes of this assessment. These strategic directions were incorporated into the Moreland Planning Scheme via Amendment C158 in April 2017.

So whilst the C3Z did not exist at the time that Council prepared MILS, this work provides a recent and a sufficiently robust strategic basis on which to determine whether the Commercial 3 Zone should be applied to Moreland's Employment Areas or not.

8.5 Findings

The analysis contained in this chapter and Chapter 9 demonstrates that the Commercial 3 Zone will support the majority of intended planning outcomes for the Employment Areas described in Clause 21.03-2 of the Moreland Planning Scheme.

A Design and Development Overlay can be used to address building heights and designs. The C3Z does not address either building heights or design requirements relating to flexible floor plate layouts and floor to ceiling heights- the DDO is a suitable tool to address these design parameters (as has already been proposed under Amendment C164).

The MILS and Amendment C158 provide a sufficiently recent and robust strategic planning basis on which to decide to apply the Commercial 3 Zone as a means of enabling broader mixed-use employment outcomes (as required under PPN-85).

The Commercial 3 zone contains a mandatory condition relating to the combined permissible residential floor area for buildings on a lot.

There are some significant empirical differences between the employment outcomes provided for under the Commercial 3 zone and those described under Council's current Employment Area policy (Clause 21.03-2).

The Commercial 3 Zone enables the residential Gross Floor Area condition to be varied via a schedule to the Zone. If the floorplate differences between the default Commercial 3 Zone and the Employment Area policy are considered to be too great, then it would be necessary to either vary the Gross Floor Area limit under the Zone Schedule, or pursue an alternative planning tool (such as the Special Use Zone) in order to bring the controls and policy intent into closer alignment.

This issue is examined in greater detail in Chapter 9 of this report.

9

Zoning recommendations for Moreland's
'Category 2' Employment Areas

9.1 Approach

The Moreland Planning Scheme nominates land in 'Category 2' employment areas on the basis that they have been deemed suitable for maintaining industry and employment uses, and potentially transitioning to a broader business base.

It notes that such areas are predominantly located within or adjacent to activity centres and that their transition will also support the economic and employment objectives for those activity centres.

The question of whether to include any of the 'Category 2' Employment Areas in a zone which also allows residential development has been the focus of policy debate since Moreland's industrial strategy was first formulated in 2004.

The Moreland Planning Scheme seeks to retain Category 2 areas for employment purposes. Typically such land is intended to be included in a zone that prioritises employment uses (eg Industrial 3 or Commercial 2), and land rezonings which might allow residential uses are only intended to be considered if priorities for employment have been addressed and guaranteed.

Addressing and guaranteeing priorities for employment use is considered to have been achieved if one of the following two criteria are met:

- Where multi-use development including a residential component is proposed, the amount of employment floor space should be at least equivalent to the amount of all proposed ground and first floor building floor space, or;
- Where rezoning of a large site is proposed,

a proportion of the site should be allocated to employment uses. The area allocated to employment uses should be to Council's satisfaction, and included in a zone that prohibits residential use.

For multi-use development the commercial floorspace criteria are minimum expectations, noting that the default policy preference for land in Category 2 areas is for such areas to be used primarily for employment purposes.

The planning scheme directs that the following zoning be applied to facilitate these scenarios:

- The Commercial 1 Zone, or;
- The Special Use Zone or Comprehensive Development Zone with the schedule to the zone used to tailor use provisions (ie permit triggers for residential and other uses as necessary), or;
- A mix of zones over larger sites, with zones applied to ensure employment uses are prioritised.

Where employment uses cannot be guaranteed via the application of the relevant strategies and zones described above then under the current policy it generally would follow that such land should be retained in an Industrial 3 or Commercial 2 zone.

As discussed in Chapter 6 of this report, applying the Commercial 1 zone to 'Category 2' employment areas cannot guarantee that priorities for employment will be realised. This because this zone does not provide the legal discretion needed to require that the floorspace strategies described in clause 21.03-2 are realised.

The remaining alternative zones contemplated under the

planning scheme are therefore the SUZ, CDZ or (on larger sites) a mix of zones over larger sites, with zones applied to ensure employment uses are prioritised.

The Commercial 3 zone is a new zoning tool that provides the necessary legal discretion to require that the floorspace strategies described in clause 21.03-2 are realised. The Commercial 3 zone is a better tool for this purpose than either the SUZ or CDZ.

The Schedule to the Commercial 3 zone enables the default dwelling/residential building GFA percentage to be revised down (to zero) or up (to 50%), which provides flexibility for the zone to be customised to local circumstances. Planning Practice Note 85 provides guidance on the strategic justification needed to set alternative GFAs under the zone.

As a point of reference, the Commercial 3 zone (with a 50% dwelling/residential building GFA cap) will realise a broadly similar amount of employment floorspace in a 6 storey building as the outcome described in Council's existing Employment Areas policy – refer Text Box at page 37 for details).

Notwithstanding that the Commercial 1 Zone cannot guarantee the delivery of Council's employment outcomes, it is evident from the analysis undertaken in this review that in locations where employment outcomes are unlikely to be achievable in the foreseeable future, and where sites are located in Activity Centres, it may be preferable for the location to have the same zone to it as other lands in the Activity Centre (ie to zone the location Commercial 1).

In light of the preceding analysis, this review recommends that the following general approach be taken to applying zones to Category 2 Employment Areas²⁸ in Moreland:

A - Activity Centre locations

- Where an area is strategically located within or adjacent to an activity centre and the 'mixed use' ²⁹employment development model for Category 2 precinct are likely to be achievable in the foreseeable future (ie the next 5 years), apply the Commercial 3 zone (with a schedule which allows up to 50% dwelling/residential building GFA).
- Where an area is strategically located within or adjacent to an activity centre but the 'mixed use' employment development model for Category 2 precincts are not likely to be achievable in the foreseeable future (ie the next 5 years), then retain the land in a zone that only allows for employment uses, via one of the following approaches:

- o Where there is evidence that the area has an ongoing role as an employment area, that is likely to transition to a broader

employment base over time, then retain the area in a zone that only allows for employment uses, via one of the following approaches:

- Applying Industrial 3 or Commercial 2 zone, or;
- Rezoning the precinct to Commercial 3 (with a schedule which sets the dwelling/residential building GFA to 0%), or;
- For large sites apply a mix of zones, with zones applied to ensure employment uses are prioritised (to the satisfaction of Council).

(The rationale for this approach is that the policy decision to retain these areas as 'Category 2' Employment Areas is already set by the policies contend in Clause 21.03 of the Moreland Planning Scheme – permitting residential use in such precincts is only intended to be supported if the priorities for employment (as described in Strategy 5.3 of Clause 21.03) have been addressed and guaranteed. If the market is not able to support redevelopments of such sites as multi-level mixed use developments in the foreseeable then the current policy calls for such land to

be retained in zone which does not allow for residential use.)

There may be some limited circumstances where existing Category 2 areas in Activity Centre locations that do not have an ongoing role as an employment area due to factors such as their small scale, or poor access to high capacity public transport and other amenities needed to support their role as an employment area.

In such circumstances these areas may be better put to alternative uses that support the achievement of wider activity centre policy outcomes for these locations. It may be preferable to apply the Commercial 1 Zone to land in such circumstances.

²⁸ In this report, the term 'employment area' is intended to mean a precinct that has the potential to accommodate a range of employment generating uses including manufacturing, offices, research and development, creative industries, etc. Whilst some of these types of uses might also be found in activity centres, an employment area is intended to have a focus on catering for jobs and 'enterprise' activities, as distinct to the much wider focus that activity centres have on providing for providing retail, accommodation, leisure, recreation, health and other services.

²⁹ The term 'mixed use employment development model' is a shorthand reference to the multi-use development outcome described in Clause 21.03-2 as follows – 'where multi-use development including a residential component is proposed, the amount of employment floor space should be at least equivalent to the amount of all proposed ground and first floor building floor space.'

- B - Other locations**
- Where an area is not strategically located within or adjacent to an activity centre and the 'mixed use' employment outcomes for Category 2 precincts are unlikely to be achievable in the next 5 years, then pursue one of the following options:
 - Retain the precinct in an Industrial 3 or Commercial 2 zone, or;
 - Rezone the precinct to Commercial 3 (with a schedule which sets the dwelling/residential building GFA to 0%), or;
 - For large sites apply a mix of zones, with zones applied to ensure employment uses are prioritised (to the satisfaction of Council).



9.2 Assessment of Category 2 Employment Areas

Planning Practice Note 85 provides some useful guidance on the assessment of the role and function of employment land. It notes that determining what the right mix of uses is for a given locality will necessarily need to be informed by consideration of what is required to support economic vibrancy and diversity in the area. It also notes that consideration should be given to current and emerging land use and economic trends in the locality, and the foreseeable market feasibility of relevant development models within that context³⁰.

Each of the 'Category 2' Employment Areas that are the subject of this Assessment has a different potential to support the economic vibrancy and land use diversity of its given location. The extent to which each location can support different types of development models also varies.

Whilst the broad role and function of all of the Employment Areas has been established by MILS, and expressed in the policies contained in Clause 21.03 of the Planning Scheme, further strategic assessment of the local context of each Area is considered to be necessary in order to determine which zone to apply to each area.

Each of the Employment Areas identified in the project brief fall within the following broad geographic categories:

- Locations within the Brunswick MAC
- Locations within or adjoining the following Neighbourhood Centres:
 - Grantham Street
 - Nicholson/Holmes
 - Oak Park
 - Pascoe Vale
 - Glenroy
- Locations which are not within or adjoining Neighbourhood Activity Centres

Each 'Category 2' Employment Area has been assessed in relation to the following factors:

- Locational context
- The economic role identified for the precinct in the Moreland Planning Scheme.
- Current and emerging land use & economic trends
- Foreseeable market feasibility of relevant development models

The following sections provide an assessment of each of these locations against the above factors.

The assessment of foreseeable market feasibility of relevant development models has been informed by a feasibility assessment report prepared for Council by Conceptus Property. This report tested the foreseeable market feasibility of the development models contemplated under the C3 zone for the following three contexts:

- **Site Type 1** – Fringe Activity Centre site (within the Brunswick MAC).
- **Site Type 2** – Inner Industrial site (located in Brunswick)
- **Site Type 3** – Outer Industrial Site (located in Pascoe Vale)

The feasibility report compares the foreseeable market feasibility of the C3Z scenarios against a 'Base Case' scenario which is based on the application of the existing Employment Area policy contained in the Moreland Planning Scheme.

³⁰ Refer PPN-85, page 5

FLOORSPACE CORRELATION BETWEEN THE COMMERCIAL 3 ZONE AND COUNCIL POLICY

In considering whether or not to apply the Commercial 3 Zone to Moreland's 'Category' 2' employment areas, it is necessary to understand how the zone requirements correlate to the floorspace outcomes described under the existing Council policy.

The current policy defines prioritisation of employment over residential use as follows:

*"Where multi-use development including a residential component is proposed, the amount of employment floor space should be at least equivalent to the amount of all proposed ground and first floor building floor space (inclusive of car parking, other services and circulation space)."*³¹

The Commercial 3 zone places conditions on the amount of residential floorspace that is permitted. It allows permits to be granted for a dwelling or a residential building subject to the following condition being satisfied:

"The combined gross floor area of all dwellings and residential buildings as a percentage of the combined gross floor area of all buildings on the lot must not exceed the maximum allowable gross floor area percentage specified in the schedule to this zone. If no maximum allowable gross floor area percentage is specified, it must not exceed 35%."

³¹ Moreland Planning Scheme, Clause 21.03-2

The zone schedule also allows for the maximum allowable gross dwelling/residential building floor area percentage to be varied downwards, or upwards, to a maximum of 50% of the combined gross floor area.

In circumstances where buildings are expected to be 5 or more storeys in height (as is typically the case with the nominated Employment Areas), the employment floorspace outcome sought under the Council policy for mixed use employment outcomes is lower than the default 35% dwelling/residential building limited permitted under the Commercial 3 zone, but it is broadly equivalent (but not identical) to the 50% maximum allowable under the schedule.

This is illustrated in the following table, which compares the Council policy and Commercial 3 zone employment floorspace outcomes based on a conceptual 5 storey building scenario:

USE	Commercial 3 Zone		Council Policy
	Scenario A - 35% max GFA	Scenario B - 50% max GFA	
Residential	2268 sqm	3240 sqm	3382 sqm
Employment	4212 sqm	3240 sqm	3098 sqm
Total	6480 sqm	6480 sqm	6480 sqm

Figure 5. Residential and Employment floorspace scenarios

The scenarios illustrates the following:

- If the Commercial 3 zone were to be applied to a 5 storey building on a 1549sqm site, then circa 4,212 sqm GFA would need to be set aside for employment purposes.
- If the Commercial 3 zone were to be applied to the same site, but with a schedule that permitted up to 50% of the GFA as dwelling/residential building, then circa 3,240 sqm GFA would need to be set aside for employment purposes. This compares to a requirement for at least 3,098sqm being required under the existing Council policy.

This comparison suggest that if Councils' current Employment Areas policy is to be applied via a statutory control, then it would be necessary to amend the Schedule to Commercial 3 zone to permit up to 50% of the GFA to be used as dwelling/residential building.

Assumed gross floor area		Level Site Area
Level 1	Level 1	sqm
Level 2	Level 2	1549
Level 3	Level 3	1549
Level 4	Level 4	1333
Level 5	Level 5	1150
Total		899
Total		6480

Figure 6. Floorspace assumptions



9.3 Location Assessment

**LOCATION 1: Brunswick MAC
(Area 29, 38, 43, 44, 46, 48, 55, 51, 56 & 68)**

Current zones: IN1Z, IN3Z, C2Z

All areas are located within the Brunswick Activity Centre boundary, as defined in Clause 21.02 of the Moreland Planning Scheme.

Area 29 and 68 are located along the Sydney Road corridor, with direct access to the Sydney road tram and the Upfield rail line.

Area 43, 44, 46, 48, 55, 51 & 56 are located along the Lygon Street corridor, with access to the Lygon St tram route.

Area 38 is located along the northern part of the Nicholson Street corridor, with access to the Nicholson Street tram route.

Factor	Comment
Identified economic role of the precinct.	<p>The Brunswick Activity Centre is expected to accommodate substantial growth and change. The economic vision for the wider Centre is 'to encourage a broad mix of retail uses, commercial and cultural activity, employment options, administrative and civic centre functions, government investment and regional facilities.' (Clause 21.03-1).</p> <p>The economic objective for all Category 2 precincts is 'to support their transition from traditional industrial uses to a broader range of employment uses, and [to] prioritise employment uses over residential uses.' (Clause 21.03-2)</p>
Current and emerging land use & economic trends	<p>The Brunswick MAC has experienced significant housing growth, typically in the form of mid-rise residential apartment developments. These developments are occurring on sites zoned C1Z or MUZ, and the typically comprise a retail or commercial floorspace at the ground level.</p> <p>Some major new retail developments have been approved in part of the centre (for instance at East Brunswick Village and on Victoria Street). A number of the smaller scale new commercial and retail floorspace created within new residential developments across the activity centre often take time to be taken up by the market, although this varies depending on the location, size, design and asking rental price of such space.</p> <p>Sydney Road Corridor (Areas 29 and 68): There is relatively less apartment construction evident along Sydney Road, although there is considerable apartment development activity located in the large areas of C1Z and MUZ land behind the main shopping strip. There are high concentrations of apartment in the area between Hope Street and Albion Street, and the Nightingale Village projects will add to the apartment supply in this location.</p> <p>A number of apartment projects are planned on larger sites adjacent to Brunswick and Jewell Stations. Significant residential growth is expected to continue to occur in this corridor. The mix of retail uses along Sydney road is undergoing constant incremental change, with a number of new retail, cafes and bars establishing along the length of the street.</p> <p>There is limited evidence of commercial floorspace being created in this area, with exceptions being the ground and very occasionally first floor spaces created as part of apartment approvals in some developments.</p> <p>Lygon Street Corridor (Areas 43, 44, 46, 48, 51, 55, 56): A significant number of sites along the southern and northern part of this corridor have been developed (or will be developed) for apartment developments ranging in scale from 6-10 storeys. The mix of retail uses is progressively changing, with an increase in the number of restaurants, cafes and bars establishing along the southern section of the street.</p> <p>There is limited evidence of commercial floorspace being created in this area, with exceptions being the ground and very occasionally first floor spaces created as part of apartment approvals.</p> <p>Nicholson Street Corridor (Area 38): Area 38 forms part of a relatively compact mixed use area, comprising 3RRR Studios, the Lomond Hotel, an apartment complex and a small strip of shops. This area is physically separated from the rest of the Brunswick MAC by land zoned for residential and mixed use purposes. Opportunity for major redevelopment is limited to a few key sites in this area.</p>



Figure 7. Area 29



Figure 8. Area 68





Figure 9. Victoria St(3), Albert St (4,6), Glenlyon Rd (5), Brunswick East



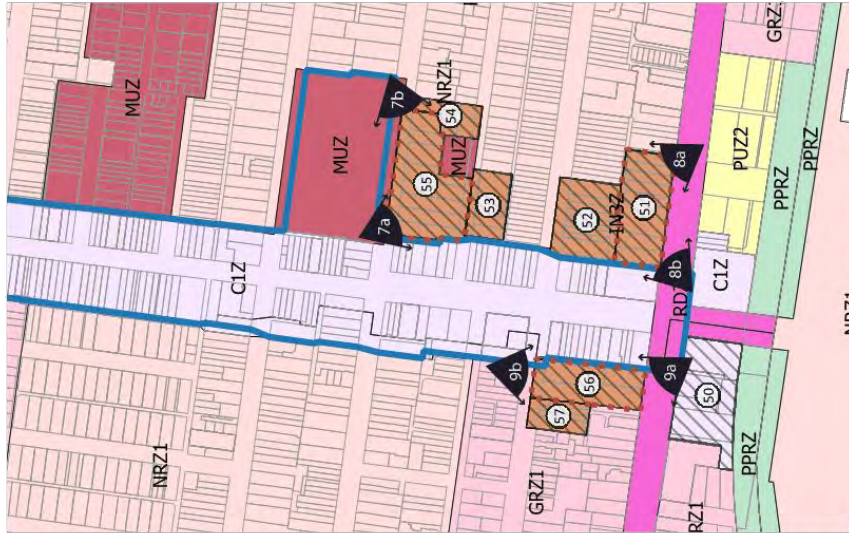


Figure 10. Weston St (7), Brunswick rd (8,9), Barkly St (9), Brunswick East



Foreseeable market feasibility of relevant development models

The Conceptus Property feasibility analysis of a fringe activity centre site in the Brunswick-MAC found the following:

- **Existing Policy** - 5% development profit margin¹
- **Commercial 3 (35% residential)** – 3% development loss
- **Commercial 3 (50% residential)** – 9% development profit margin

The feasibility conclusions were that under the Commercial 3 Zone (50%) scenario, commercial rents would need to increase by 18-30% above current market rent to provide a 15- 20% development return. An increase of this order was found to be a foreseeable scenario over a 5 year time period.

¹ A development margin is the profit that a developer might realise after all land acquisition and developments costs are incurred. A development margin of 15-20% is generally considered acceptable for employing investment funds, having regard to the risk and uncertainty associated with development.

ASSESSMENT AND RECOMMENDATIONS

This assessment considers the current employment area policy (refer chapter 3) and it applies the approach set out in chapter 9.1 of this report to these precincts.

The Brunswick MAC is located close to the Melbourne CBD and a large residential community. It has excellent PT access including a train line and three tram lines, and a network of east-west bus routes. It is expected to continue to experience substantial growth into the future.

The centre will continue to experience housing growth, and this is expected to continue to bring with it strong demand for a variety of retail, recreational and other services. As the population, services and amenities grow, so too will the demand for commercial floorspace, although this will be relatively modest in scale when compared to the Central City and many other inner city precincts such as a South Melbourne or Cremorne.

The Conceptus Property analysis confirms that the Commercial 3 Zone (with a schedule that allows up to 50%

of the floorspace to be used for a dwelling/residential building) is supportable on precincts within the activity that have good access to public transport, services and amenities.

This Conceptus Property analysis suggests that satisfying a 50% employment GFA requirement in a 6 storey building in the Brunswick MAC does not achieve a 20% return in today's market, but that it is foreseeable that such a development will achieve such a return within the next 5 years. This would require rents over this period to rise by circa 32% from present-day levels.

However, not every 'Category 2' are in the Brunswick MAC, has equal suitability for attracting employment floorspace, because not every area has the same access to public transport, services and amenities.

Our assessment of the relative suitability of each area for employment floorspace is shown in the table below.

Suitability of location for employment floorspace	Areas No.	Comment
A	Sydney Rd- Areas 29 and 68	These areas are located close to train stations, tram, bus and cycling routes. They are located centrally within the Brunswick activity centre and have walkable access to a wide range of services and amenities
B	Lygon St - Areas 43, 44, 46, 48, 51, 55, 56	These areas are located close to tram and bus routes. They are located along a retail strip that offers a modest but ever-growing range of services and amenities. The level of amenity available to support employment floorspace is expected to improve over time.
C	Nicholson Street - Area 38	This area is located adjacent to a tram route and a very limited range of retail and other services (including access to the nearby CERES facility). It has limited capacity to accommodate a wide range of employment generating uses.

Areas along the Sydney Road corridor (Areas 29 and 68) are strategically located within the Brunswick Activity Centre. They have access to train, tram and bus services, as well as a variety of retail and other services along Sydney road and Barkly Square. A mixed use development model for these Category 2 areas is likely to be achievable in these locations in the foreseeable future. It is therefore **recommended** that the Commercial 3 Zone (with a schedule for 50% dwelling/residential building GFA) and a DDO (to address flexible building design) be applied to these areas.

Areas along the Lygon Street Corridor (Areas 43, 44, 46, 48, 51, 55, 56) are expected to become more suitable for employment uses over time, as the density and mix of uses on surround land within the activity centre evolves as part of the wider evolution of the Brunswick Activity Centre. A mixed use development model for these Category 2 areas is likely to be achievable in these locations in the foreseeable future. It is therefore **recommended** that the Commercial 3 Zone (with a schedule for 50% dwelling/residential building GFA) and a DDO (to address flexible building design) be applied to these areas.

Whilst Area 38 is located within the Brunswick Activity Centre, the 'mixed use' employment development model for Category 2 Areas is unlikely to be achievable in these locations for the foreseeable future. It is unlikely that this area will have an ongoing role as a viable employment area, and there are alternative uses that will better achieve Activity Centre policy for this location (including housing and retail uses). It is therefore **recommended** that the C1Z and a DDO be applied to this area to address flexible building design.

LOCATION 2: Grantham Street Neighbourhood Centre

Current zones: IN1Z, IN3Z

The Areas are located adjacent to the northern and southern edges of the Grantham Street Neighbourhood Centre. Both precincts have access to the Route 55 road tram and are circa 1km from Jewell Station.

The northern area on Dawson St comprises a series of 1500+ sqm land holdings, whereas the southern area is made up of a limited number of relatively small land holdings on Brunswick Road.

Foreseeable market feasibility of relevant development models

The Conceptus Property feasibility analysis of an inner industrial site in Brunswick found the following:

- **Existing Policy** - 3% development loss
- **Commercial 3 (35% residential)** – 15% development loss
- **Commercial 3 (50% residential)** – nil development profit

The feasibility conclusions were that there is no current or foreseeable market feasibility for any of the mixed employment/residential uses contemplated under either existing policy or the C3Z in this location.

ASSESSMENT AND RECOMMENDATIONS

These Employment Areas adjoin the Grantham Neighbourhood Centre and the Route 55 Tram Line. However, this location does not offer a level of accessibility or amenity that would currently sustain a mixed employment/residential use of the type contemplated under either existing policy or the Commercial 3 zone in this location. The Conceptus Property analysis found that such a development typology would not be foreseeably viable within a 5 year horizon or more.

However, land within these areas is currently supporting a variety of commercial uses, and over time it is likely that commercial activity on these sites could evolve in a manner which could complement and enhance the adjacent Grantham Street Centre. For these reasons, it is desirable that these areas remain in a zone that facilitates commercial uses and that also allows for medium density housing in a mixed use format. A realistic scenario would be for any such developments to comprise commercial uses on the ground floor only, with residential uses above them.

In summary, these Areas are considered to be strategically located on the edge of the Grantham Activity Centre. The scale and nature of employment uses in this area are expected to be modest commensurate with its location adjacent to a Neighbourhood Centre. The 'mixed use' employment development model³² for Category 2 Areas is unlikely to be achievable in these locations in the foreseeable future. Notwithstanding that these Areas are currently being productively used for employment purposes today, the area may not have an ongoing role as a viable employment area in the long-term, and there are potential alternative uses for this location that will better achieve Council's Neighbourhood Centres policy for this location (including provision of housing and retail uses).

It is therefore **recommended** that the C1Z and a DDO be applied to these Areas to address flexible building design.
Current Zone: IN1Z, IN3Z

³² The term 'mixed use employment development model' is a shorthand reference to the multi-use development outcome described in Clause 21.03-2 as follows – 'where multi-use development including a residential component is proposed, the amount of employment floor space should be at least equivalent to the amount of all proposed ground and first floor building floor space.'

Factor	Comment
<p>Identified economic role of the area</p>	<p>The adjoining Grantham Street Neighbourhood Activity Centre is expected to accommodate moderate growth and change (as distinct to the more significant economic growth expected in the Brunswick Activity Centre). The economic vision for the Centre is to 'serve the daily and weekly shopping and service needs of the local community.' The Moreland Planning Scheme anticipates development occurring in accordance with the built form parameters set out in DD024.</p> <p>The economic objective for all Category 2 precincts is 'to support their transition from traditional industrial uses to a broader range of employment uses, and [to] prioritise employment uses over residential uses.' (Clause 21.03-2). The scale and nature of employment activities in this location is aligned to meeting local needs rather than the regional economic role played by larger centres such as Brunswick and Coburg.</p>
<p>Current and emerging land use & economic trends</p>	<p>The northern area currently comprises a mix of existing commercial businesses, including motor vehicle sales and repairs, martial arts, petrol station, offices, storage and wholesale sales. The existing two storey office building was formally occupied by Murray Goulburn and is current occupied by Metropolis smart metering.</p> <p>The southern area is occupied by a collision repair business.</p> <p>There is no evidence of any significant changes in use or development activity in either precinct. Development within the adjoining activity centre has largely comprised low-scale (2-4 storey) residential development.</p>

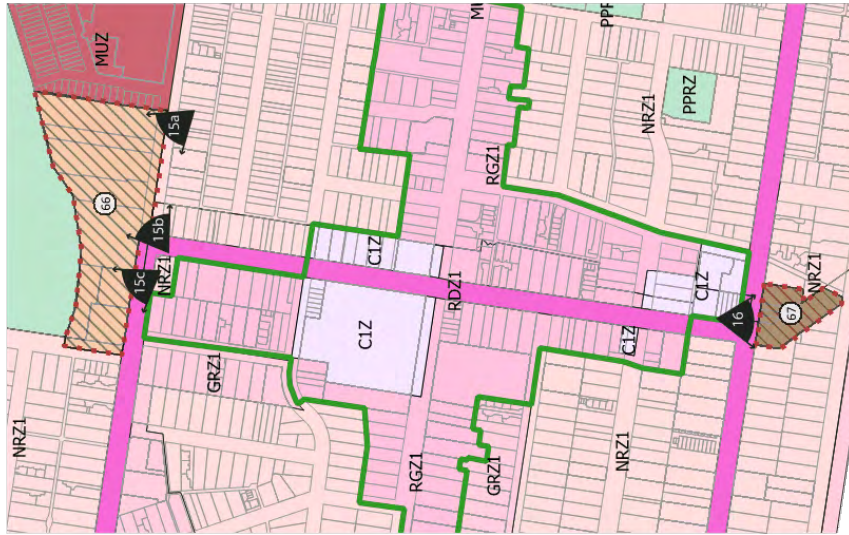
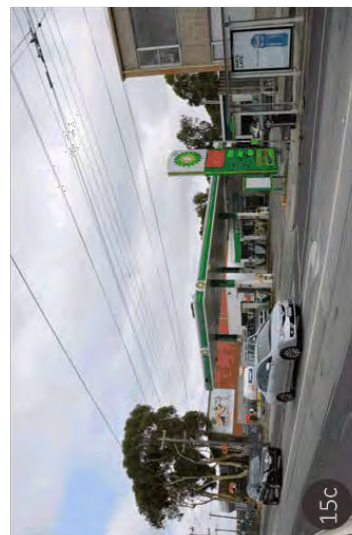
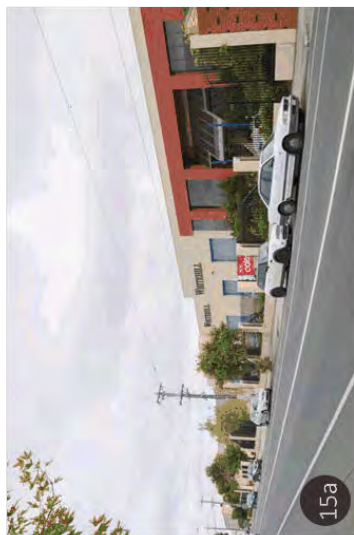
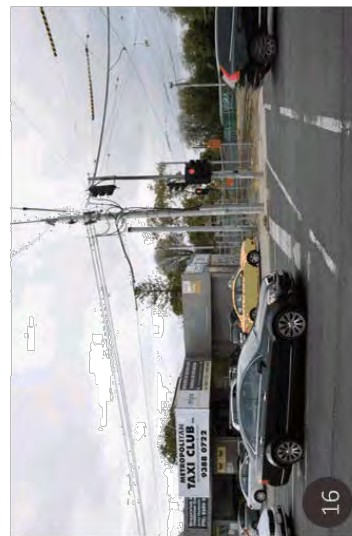


Figure 11. DawsonSt(15)-BrunswickRd(16),BrunswickWest



LOCATION 3: Moreland Road

These three Areas are located on the eastern edge of the Nicholson/Holmes Street Neighbourhood Centre, and are within walking distance of the Nicholson St tram route.

The Area at 51 Moreland road is a large single site comprising a series of well-established double storey warehouse/offices with associated parking, loading and accessways.

The Area at 1-9 Moreland road is a large single site comprising large, older industrial building occupied by a homewares distribution business and other tenancies.

The Area to the south of 1-9 Moreland Road comprises a series of properties of various sizes that are used for various warehouse, distribution and wholesale activities. Mycelium Studios is located in this precinct – this is a large sound, media and design hub which accommodates a range of start-up and small creative industry activities.

Factor	Comment
<p>Identified economic role of the precinct.</p>	<p>The economic objective for all Category 2 precincts is 'to support their transition from traditional industrial uses to a broader range of employment uses, and [to] prioritise employment uses over residential uses.' (Clause 21.03-2)</p> <p>The nearby Nicholson/Holmes Street Neighbourhood Centre is expected to accommodate moderate growth and change. The economic vision for the Centre is to 'serve the daily and weekly shopping and service needs of the local community.' The Moreland Planning Scheme anticipates development occurring in accordance with the built form parameters set out in DD024.</p>
<p>Current and emerging land use & economic trends</p>	<p>The most significant developments in this locality have been the 8-storey 'The Nicholson' social housing project, and the nearby redevelopment of the Brunswick Private Hospital. Otherwise, there is limited evidence of major development activity in this locality.</p> <p>The Nicholson/Holmes Street Neighbourhood Centre currently offers very limited convenience retail or other services/amenities.</p> <p>The precinct at 51 Moreland Road is a well-established and well maintained warehouse/offices complex which appears to be substantially tenanted at this point.</p> <p>There are a range of activities occurring on land at 1-9 and 6-32 Moreland Road although there is no evidence of major redevelopment of any sites in these precincts. The ongoing refurbishment of the warehouse at 6 Moreland Road by Mycelium studios is noteworthy, as this facility accommodates and is continuing to attract a variety of creative industries.</p>

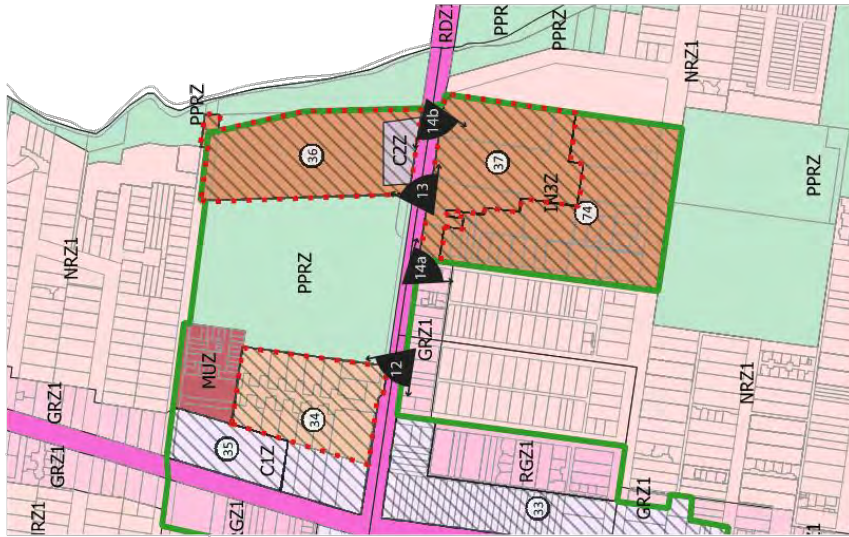
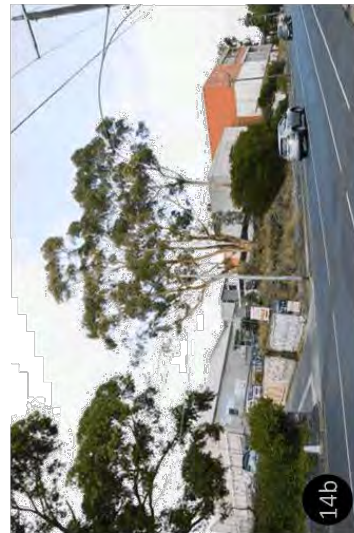


Figure 12. Moreland Road(12,13) Coburg-Moreland Rd(14), Brunswick East



Foreseeable market feasibility of relevant development models

The Conceptus Property feasibility analysis of a mixed employment/residential development for inner industrial sites in Brunswick found the following:

- **Existing Policy** - 3% development loss
- **Commercial 3 (35% residential)** - 15% development loss
- **Commercial 3 (50% residential)** - nil development profit

The feasibility conclusions were based on a multi-level commercial/residential building typology and it found that there is no current or foreseeable market feasibility for this type of development in Brunswick, outside of the Brunswick Activity Centre.

This feasibility was based on a notional site further south of these precincts (at the Grantham St Neighbourhood Centre) which has relatively better access to the tram, local services and amenities than the sites in Moreland Road. The feasibility for a multi-level commercial/residential building typology in the precincts along Moreland road is likely to be even less feasible than in Grantham Street, given its location.

ASSESSMENT AND RECOMMENDATIONS

Land within these Areas is currently supporting a variety of commercial uses. There is limited evidence of major economic renewal or investment in these sites, potentially because landowners are speculating on there being a change in zoning, given the designation of these Areas under MILS.

The development feasibility modelling undertaken by Conceptus demonstrates that the 'mixed use' employment development model for Category 2 Areas³³ is not commercially feasible in locations outside of the Brunswick Activity Centre. This is because these Employment Areas do not offer a level of accessibility or amenity to support a medium-density, mixed employment/residential development model.

The Category 2 Employment Area 34 is strategically located on the edge of the Nicholson/Holmes Activity centre, but the 'mixed use' employment development model³⁴ for Category 2 Areas is unlikely to be achievable in this location in the foreseeable future.

Notwithstanding that this Area is currently being productively used for employment purposes today, the area may not have an ongoing role as a viable employment area in the long-term, and there are potential alternative uses for this location that will better achieve Council's Neighbourhood Centres policy for this location (including provision of housing and retail uses). It is therefore **recommended** that this Area be rezoned to Commercial 1, along with a DDO to address flexible building design.

The two precincts further east (Category 2 Employment Areas 36 and 37) are not strategically located adjacent to the Nicholson/Holmes activity centre. They do not functionally or physically form part of this centre nor are they likely to in the future.

Because the 'mixed use' development model for Category 2 precincts is not likely to be achievable in these areas in the foreseeable future (and the necessary employment outcomes therefore cannot be guaranteed via this mechanism), then the following options should be further considered:

- Retain the precinct in an Industrial 3, or;
- Rezone the precinct to Commercial 2 or Commercial 3 (with a schedule which sets the dwelling/residential building GFA to 0%), or;
- For large sites apply a mix of zones, with zones applied to ensure employment uses are prioritised (to the satisfaction of Council).

Each of these options is discussed below:

Option 1 - Retain the Areas in an Industrial 3 zone:

The current planning policies under the Moreland Planning Scheme support the retention of areas in an Industrial 3 zone in circumstances where employment uses cannot be guaranteed via the application of the 'mixed use' planning strategies and provisions under the planning scheme. This is currently the case for these Areas, and therefore retaining these Areas in their existing zones is one potential response

³³ The term 'mixed use employment development model' is a shorthand reference to the multi-use development outcome described in Clause 21.03-2 as follows - 'where multi-use development including a residential component is proposed, the amount of employment floor space should be at least equivalent to the amount of all proposed ground and first floor building floor space.'

³⁴ *Idem*

to the current planning policies that apply to these sites.

The Industrial 3 Zone would also allow for a wider range of other types of employment uses built on 'as of right' basis, including restricted retails, and small format shop and supermarkets uses. Given the proximity of the location to the nearby Nicholson/Holmes street Neighbourhood Centre, it would not be desirable for such uses to establish on this site and therefore application of the IND3 zone to this site is not recommended.

Option 2 - Rezone the Areas to Commercial 2 or Commercial 3 (with a schedule which sets the dwelling/residential building GFA to 0%).

As discussed in Chapter 8, the Commercial 3 zone will support the majority of the intended planning outcomes for Employment Areas set out in Clause 21.03-2 of the Moreland Planning Scheme.

The Commercial 3 Zone would protect the continued operation of existing industries, and also allow for a wide range of other types of employment uses to occur on an 'as of right' basis.

Alternatively, the Commercial 2 Zone would also allow for a wider range of other types of employment uses built on 'as of right' basis, including restricted retails, and small format shop and supermarkets uses. Given the proximity of the location to the nearby Nicholson/Holmes street Neighbourhood Centre, it would not be desirable for such uses to establish on this site and therefore application of the C2 zone to this site is not recommended.

³⁵ Refer Moreland Planning Scheme, Clause 21.03-2

The application of the Commercial 3 Zone is considered to better advance the current policy aims for Employment Areas than either Industrial 3 Zone or Commercial 2 Zones.

Option 3 - For large sites apply a mix of zones, with zones applied to ensure employment uses are prioritised (to the satisfaction of Council).

This is the second of the two strategies referred to under the planning scheme for guaranteeing that priorities for employment land in Category 2 Employment Areas³⁵. Not all of the land holdings within these Areas are 'large sites' so this strategy would only be relevant for a few of the land holdings within the area. If Council or a landowner wished to pursue a rezoning which allowed residential use to be considered in these locations using this approach, then it would be necessary for a site-specific proposal to be developed that demonstrated how employment uses could be meaningfully prioritised. Such a proposal would need to be supported by a development concept that could be properly tested, with land use and development parameters that could be guaranteed via planning controls such as zoning and (most probably) a Development Plan Overlay or similar instrument.

In the absence of such a proposal, then this option cannot be further contemplated at this point in time.

Having regard to the above analysis, it is **recommended** that the Category 2 Employment Areas 36 and 37 be rezoned to Commercial 3 (with a schedule which sets the dwelling/residential building GFA to 0%), along with a DDO to address flexible building design.

LOCATION 4: Pascoe Vale Neighbourhood Centre

Current zone: IN3Z

The Area is located on the northern edge of the Pascoe Vale Neighbourhood Centre. It adjoins a bus route and it is within close walking distance of the Pascoe Vale train station.

The largest site in the area accommodates the Pascoe Vale Hotel and its carpark. Sites in the northern part of the area comprise a series of automotive repair businesses.

Factor	Comment
Identified economic role of the precinct.	The adjoining Pascoe Vale Neighbourhood Centre is expected to accommodate moderate growth and change. The economic vision for the Centre is to 'serve the daily and weekly shopping and service needs of the local community'. The Moreland Planning Scheme anticipates development occurring in accordance with the built form parameters set out in DD024.
Current and emerging land use & economic trends	The activity centre comprises a mix of convenience retail, cafe and specialist service businesses (such as allied health and beauty therapy services). A number of sites have undergone or are undergoing redevelopment as mid-rise (4-8 storey) apartment developments. The surrounding areas have experienced significant rates of townhouse development over the past decade. Land use within the Employment Area itself appears to be relatively stable with little evidence of significant changes of use in recent years.

Foreseeable market feasibility of relevant development models

The Conceptus Property feasibility analysis of an outer industrial site in Pascoe Vale found the following:

- **Commercial 3 (35% residential)** – 27% development loss
- **Commercial 3 (50% residential)** – 10% development loss

The feasibility conclusions were that there is no current or foreseeable market feasibility for any of the mixed employment/residential uses contemplated under the C3Z in this location.

ASSESSMENT AND RECOMMENDATIONS

This Employment Area adjoins the Pascoe Vale Neighbourhood Centre and the Pascoe Vale train station. However, this location does not offer a level of accessibility or amenity that would sustain a mixed employment/residential use of the type contemplated under either existing policy or the Commercial 3 zone in this location. The Conceptus Property analysis found that such a development typology would not be foreseeably viable within a 5 year horizon or more.

However, land within this Employment Area is currently supporting a variety of commercial uses, and over time it is likely that commercial activity on these sites could evolve in a manner which could complement and enhance the adjacent Activity Centre. For these reasons, it is desirable that these areas remain in a zone that facilitates commercial uses and that also allows for medium density housing in a mixed use format. A realistic scenario would be for any such developments to comprise commercial uses on the ground floor only, with residential uses above them.

In summary, this Area is considered to be strategically located on the edge of the Pascoe Vale Activity Centre, but the 'mixed use' employment development model³⁵ for Category 2 Areas is unlikely to be achievable in these locations in the foreseeable future. Notwithstanding that some sites within this area is currently being productively used for industry employment purposes today, the area may not have an ongoing role as a viable employment area in the long-term, and there are alternative uses for this location that will better achieve Council's Neighbourhood

Centres policy for this location (including provision of housing and retail uses).

It is therefore **recommended** that the CIZ and a DDO be applied to this Area to address flexible building design.

³⁵ The term 'mixed use employment development model' is a shorthand reference to the multi-use development outcome described in Clause 21.03-2 as follows – 'where multi-use development including a residential component is proposed, the amount of employment floor space should be at least equivalent to the amount of all proposed ground and first floor building floor space.'

LOCATION 5: Oak Park

Current zone: IN3Z

The Area is located on Pascoe Vale Road in Oak Park. It is adjoined by a church site, catholic primary school and residential land, and it is within walking distance of the Oak Park train station.

Whilst the site is within walking distance (circa 400m) of the Oak Park Activity Centre, it is physically separated from that centre by the road network and rail line.

The site is occupied by McDonalds and its associated carpark.

Factor	Comment
Identified economic role of the precinct.	The nearby Oak Park Neighbourhood Centre is expected to accommodate moderate growth and change. The economic vision for the Centre is to 'serve the daily and weekly shopping and service needs of the local community.' The Moreland Planning Scheme anticipates development occurring in accordance with the built form parameters set out in DD024. However the Employment Area is not located within DD024. The economic objective for all Category 2 precincts is 'to support their transition from traditional industrial uses to a broader range of employment uses, and [to] prioritise employment uses over residential uses.' (Clause 21.03-2)
Current and emerging land use & economic trends	The activity centre comprises a mix of convenience retail, cafe and specialist service businesses. Some sites within the centre have undergone redevelopment as low-rise (3 storey) apartment developments and the surrounding areas have experienced modest rates of townhouse development over the past decade. Land within the Employment Area itself as remained used as a fast food restaurant for many years, and land use in its immediate surrounds appears to be relatively stable with little evidence of significant changes of use in recent years.

Foreseeable market feasibility of relevant development models

The Conceptus Property feasibility analysis of an outer industrial site in nearby Pascoe Vale found the following:

- **Commercial 3 (35% residential) – 27%** development loss
- **Commercial 3 (50% residential) – 10%** development loss

The feasibility conclusions were that there is no current or foreseeable market feasibility for any of the mixed employment/residential uses contemplated under the CSZ in this type of location.

ASSESSMENT AND RECOMMENDATIONS

This Employment Area is physically disconnected from the Oak Park Neighbourhood Centre but within walking distance of the Pascoe Vale train station.

It does not offer a level of accessibility or amenity that would currently sustain a mixed employment/residential use of the type contemplated under either existing policy or the Commercial 3 zone in this location. The Conceptus Property analysis found that such a development typology would not be foreseeably viable within a 5 year horizon or more.

The Area is not strategically located within or adjacent to the Oak Park activity centre. Because the 'mixed use' development model for Category 2 precincts is not likely to be achievable in this area in the foreseeable future (and the necessary employment outcomes therefore cannot be guaranteed via this mechanism), then the following options should be further considered:

- For large sites apply a mix of zones, with zones applied to ensure employment uses are prioritised (to the satisfaction of Council).
- Retain the precinct in an Industrial 3 or Commercial 2 zone, or;
- Rezone the precinct to Commercial 3 (with a schedule which sets the dwelling/residential building GFA to 0%); or;

Each of these options is discussed below:

Option 1 - For large sites apply a mix of zones, with zones applied to ensure employment uses are prioritised (to the satisfaction of Council).

If Council or a landowner wished to pursue a rezoning which allowed residential use to be considered in these locations using this approach, then it would be necessary for a site-specific proposal to be developed that demonstrated how employment uses could be meaningfully prioritised, in a way which was commercially feasible within a foreseeable time-frame. Such a proposal would need to be supported by a development concept that could be properly tested, with land use and development parameters that could be guaranteed via planning controls such as zoning and (most probably) a Development Plan Overlay or similar instrument.

In the absence of such a proposal, then this option cannot be further contemplated at this point in time.

Option 2 - Retain the Areas in an Industrial 3 or Commercial 2 zone:

The current planning policies under the Moreland Planning Scheme support the retention of areas in an Industrial 3 or Commercial 2 zone in circumstances where employment uses cannot be guaranteed via the application of the planning strategies and provisions under the planning scheme. This is currently the case for this Area, and therefore retaining this Area in its existing zone is an acceptable response to the current planning policies that apply to these sites.

Option 3 - Rezone the Areas to Commercial 3 (with a schedule which sets the dwelling/residential building GFA to 0%):

As discussed in Chapter 8, the Commercial 3 zone will support the majority of the intended planning outcomes for Employment Areas set out in Clause 21.03-2 of the Moreland Planning Scheme.

The application of this zone might better advance the current policy aims for Employment Areas than the Industrial 1 or Commercial 2 zones. However, it would not fully protect the continued operation of the existing business on this site (the zone applies a 150sqm floorspace limit to food and drink premises).

It is therefore **recommended** that this area be retained in its current IN3Z zone

LOCATION 6: Glenroy

Current zone: C2Z

The precincts are located on the north-eastern edge of the Glenroy Activity Centre. It is opposite the Glenroy station and various amenities and services within the centre itself.

The area adjoins existing residential areas and the road network layout and its proximity to the station and retail strip means that the area experiences some congestion which is disadvantageous for industrial activity in this location.

Factor	Comment
Identified economic role of the precinct.	The Glenroy Activity Centre is expected to accommodate substantial growth and change. The economic vision for the wider Centre is 'to encourage a broad mix of retail uses, commercial and cultural activity, employment options, administrative and civic centre functions, government investment and regional facilities.' (Clause 21.03-1).
Current and emerging land use & economic trends	The economic objective for all Category 2 precincts is 'to support their transition from traditional industrial uses to a broader range of employment uses, and [to] prioritise employment uses over residential uses.' (Clause 21.03-2)
	The precinct currently comprises a number of long-standing industrial and manufacturing businesses, including the Glenroy Bakery and Gibbs Stockfeeds. Other businesses in the area include food manufacturing, automotive supplies and repairers. Land immediately south of the Area is being used as a commercial office, accommodating a legal firm and mental health service facility (Headpspace). Otherwise, there is little evidence of any significant changes in use or development activity in this precinct, or in the areas immediately adjoin the Area.

Foreseeable market feasibility of relevant development models

The Conceptus Property feasibility analysis of an outer industrial site in nearby Pascoe Vale found the following:

- **Commercial 3 (35% residential) – 27%** development loss
- **Commercial 3 (50% residential) – 10%** development loss

The feasibility conclusions were that there is no current or foreseeable market feasibility for any of the mixed employment/residential uses contemplated under the C2Z in this type of location.

ASSESSMENT AND RECOMMENDATIONS

This Employment Area is a relatively large precinct that is strategically located next to the Glenroy train station and the main Activity Centre.

This location does not offer a level of accessibility or amenity that would currently sustain a mixed employment/residential use of the type contemplated under either existing policy or the Commercial 3 zone. The Conceptus Property analysis found that such a development typology would not be foreseeably viable within a 5 year horizon or more.

However, land within these areas is currently supporting a variety of commercial uses, some of which are long-established in this location. It is likely that commercial activity on these sites will evolve over time in a manner which complements and enhances the adjacent Activity Centre as the property market matures in this region.

Glenroy is designated as an Activity Centre that will accommodate substantial growth and change over time. From an employment land and economic development perspective it is important that sufficient land is retained in the centre to enable its business base to broaden in future.

Land in this Area is well located to cater for such growth in the future, given that it is opposite a train station and adjoin a range of amenities and services in the main part of the Glenroy Activity Centre. The two storey office building accommodating a legal firm and health services is an example of a broadened business activity that is envisaged under MILs for this location over time.

There is no evident need to release this land to enable potential alternative Activity Centre uses such as housing or retail uses to establish in the centre.

The land has an ongoing role as a viable employment area supporting a mix of industrial and commercial activities.

The land in this area be retained in a zone the only allows for employment uses, via one of the following approaches:

- For large sites apply a mix of zones, with zones applied to ensure employment uses are prioritised (to the satisfaction of Council).
- Retaining the land in the Commercial 2 zone, or;
- Rezoning the area to Commercial 3 (with a schedule which sets the dwelling/residential building GFA to 0%), or;

Each of these options is discussed below:

Option 1 - For large sites apply a mix of zones, with zones applied to ensure employment uses are prioritised (to the satisfaction of Council).

There are no large sites in this precinct that readily lend themselves to 'spot rezoning' of this nature.

Option 2 - Retain the Areas in Commercial 2 zone:

The current planning policies under the Moreland Planning Scheme support the retention of areas in a Commercial 2 zone in circumstances where employment uses cannot be guaranteed via the application of the planning strategies and provisions under the planning scheme. This is currently the case for this Area, as rezoning the land to C1Z or MUZ would allow residential development to occur without the discretion to guarantee employment floorspace outcomes, and rezoning the land to C3 would require a level of commercial floorspace to be delivered in mixed use development that is beyond what is feasible in the foreseeable future.

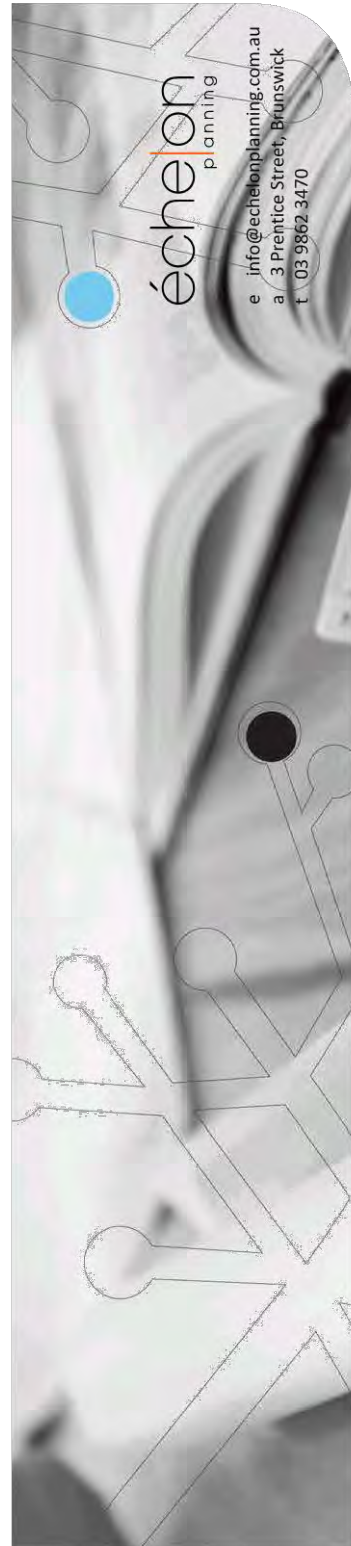
In these circumstances, retaining this area in its existing Commercial 2 zone is an acceptable response to the current planning policies that apply to these sites.

Option 3 - Rezone the Areas to Commercial 3 (with a schedule which sets the dwelling/residential building GFA to 0%):

As discussed in Chapter 8, the Commercial 3 zone will support the majority of the intended planning outcomes for Employment Areas set out in Clause 21.03-2 of the Moreland Planning Scheme.

The Commercial 3 zone would protect the continued operation of existing industries, and also allow for a wide range of other types of employment uses to occur on an 'as of right' basis. The application of this zone is considered to better advance the current policy aims for Employment Areas than the Industrial 1 or Commercial 2 zones.

This precinct is centrally located within the activity centre adjacent to the train station and it presents opportunities for the future growth in retail, commercial and other uses within this activity centre over the longer term. Whilst the land could be rezoned to Commercial 3 (with a 0% accommodation floorspace) the Commercial 2 zone is likely to better support the future growth in various forms of retail and commercial activities in this centre over time. It is therefore **recommended** that the land be retained in the Commercial 2 Zone.





MILS Employment Areas
Feasibility Development Models

PREPARED FOR

Moreland City Council

10/04/2019

Version
FINAL



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1.0 Executive Summary

Conceptus Property have been commissioned by Moreland Council to assess the commercial viability of mixed use development models that could have a Commercial 3 Zone applied to selected identified sites.

The sites that are subject to the feasibility modelling are located within the Moreland Industrial Land Use Strategy 2015-2030 (MILS) and are more specifically classified within the Category 2 Employment Area land use category.

Sites within the Category 2 Employment Areas are expected to be retained for industry and employment uses, and from traditional industrial uses to broader employment generating uses.

The three (3) site types that have been selected within the municipality of Moreland have been categorised as follows based on their location characteristics:

Site Type 1 – Fringe Activity Centre Site

This site classification is envisaged to cover sites within the Brunswick Structure Plan Area and more specifically, sites that are on the fringes of the Brunswick MAC.

Site Type 2 – Inner Industrial Site

This site classification is envisaged to cover industrial sites that are outside the Brunswick MAC but located within the suburb of Brunswick.

Site Type 3 – Outer Industrial Site

This site classification is envisaged to cover industrial sites that are within outer areas of the Moreland municipality such as Pascoe Vale, Coburg and Coburg North.

The feasibility modelling has been based on a mixed use development, with varying proportions of residential floor area (either 35% or 50%) as a percentage of total building area, as noted within the Development Scenarios Summary below.

The purpose of the feasibility modelling is to establish whether the development scenario (within each site type) is commercially viable, taking into account the current and foreseeable market demand for these uses, if the Commercial 3 zoning was applied.

For the purpose of this report when considering the 'foreseeable market demand' a forecast period of up to 5 years from the time of publishing this report is considered.



1.0 Executive Summary (cont.)

1.1 Feasibility Testing Results

Site Type 1 - Fringe Activity Centre Site with 50% residential

Recommendation: **Viable**

A mixed use development comprising 50% residential floor area (as a proportion of the total building floor area) was the only development scenario modelled that derived a positive development margin (c.10% profit on cost).

This site was located on the fringe of the Brunswick Activity Centre and within an area of reasonably high levels of amenity.

On this basis, one could conclude that this form of mixed use development, in a comparable location, could be considered a commercially viable medium term development proposition.

It is considered that foreseeable growth in demand for commercial uses (and rent levels) would enable a developer to achieve a satisfactory commercial return (15% – 20% profit margin) within a 5 year time horizon.

By way of reference, a developer would expect a development margin (profit) of approximately 15-20% for a development to be commercially viable.

Site Type 1 - Fringe Activity Centre Site with 35% residential

Site Type 2 – Inner Industrial Site with 35% or 50% residential

Site Type 3 – Outer Industrial Site with 35% or 50% residential

Recommendation: **Not viable**

All other development scenarios modelled have showed that a mixed-use development form is not feasible within any other site types listed above.

This would indicate that the inner industrial and outer industrial site types, if the Commercial 3 zoning were to be applied, would be unlikely to generate development interest (in a mixed-use form) based on a lack of commercial viability.

1.2 BASECASE Model Results

A feasibility model was developed based on mixed use development that represents the current planning scheme controls for both Site Type 1 and Site Type 2. This is referred to as the BASECASE model. The methodology by which the BASECASE was developed is detailed further in Section 3.0 of this report.

The purpose of the BASECASE model was to develop a 'relative' feasibility viewpoint in comparison to the application of the Commercial 3 zoning over the subject site.

The BASECASE modelling shows that for **Site Type 1** the application of the Commercial 3 zoning could be considered as slightly value accretive (or at least equivalent) when compared to the current planning scheme controls.



1.0 Executive Summary (cont.)

The BASECASE modelling shows that for **Site Type 2** the application of the Commercial 3 zoning could also be considered as slightly value accretive (or at least equivalent) when compared to the current planning scheme controls.

Both relative comparisons noted above assume that the Commercial 3 zoning was applied with a 50% residential component.

1.3 Sensitivity Testing

For each development scenario, sensitivity testing was undertaken to model the level of commercial rent required to achieve an acceptable development margin of approximately 20% profit on cost.

This showed that the Site Type 1 fringe activity centre site, with a 50% residential component, would require a 18 -30% increase in current market rent to provide a 15 - 20% development return.

An increase of this magnitude would be considered feasible and has assisted in forming the conclusion that a fringe activity centre site type can be considered viable within a 5-year time period.

All other sites types (with either a 35% or 50% residential component) would require substantially greater levels of rental increase that are not deemed to be achievable within a medium-term time horizon.

1.4 Underlying Factors

The principal factor driving the large development loss within most of the feasibility models, is the lack of current (and foreseeable) market demand for commercial premises in these locations.

The proposed C3 Zone is structured such that the commercial (or employment generating use) is the predominant use. As such, if there is no substantial market (either current or foreseeable) that underpins demand for such premises, the development economics will continue to produce a development loss.

Furthermore, the relative proportions of residential development (35% up to max. 50%) that are allowable within the C3 Zone are not significant enough to result in a material value uplift to the development economics in most cases.



1.0 Executive Summary (cont.)

1.5 Development Scenario Summary

The following tables summarise the key metrics from the development feasibility modelling undertaken across each site type.

Site Type 1 – Fringe Activity Centre Site

Metric	<i>Mixed Use Building with 35% Residential Floor Space</i>
Development Profit / (Loss)	(\$0.8 mill)
Development Margin	(3%)

Metric	<i>Mixed Use Building with 50% Residential Floor Space</i>
Development Profit / (Loss)	\$2.9mill
Development Margin	9%

Metric	<i>Mixed Use Building – BASECASE Model</i>
Development Profit / (Loss)	\$1.7 mill
Development Margin	5%

Site Type 2 – Inner Industrial Site

Metric	<i>Mixed Use Building with 35% Residential Floor Space</i>
Development Profit / (Loss)	(\$2.7mill)
Development Margin	(15%)

Metric	<i>Mixed Use Building with 50% Residential Floor Space</i>
Development Profit / (Loss)	\$0
Development Margin	0%

Metric	<i>Mixed Use Building – BASECASE Model</i>
Development Profit / (Loss)	(\$0.7 mill)
Development Margin	(3%)

Site Type 3 – Outer Industrial Site

Metric	<i>Mixed Use Building with 35% Residential Floor Space</i>
Development Profit / (Loss)	(\$4.18 mill)
Development Margin	(27%)

Metric	<i>Mixed Use Building with 50% Residential Floor Space</i>
Development Profit / (Loss)	(\$1.9 mill)
Development Margin	(10%)



2.0 Introduction

Each of the three (3) site types that are subject of feasibility modelling within this report are located within MILS and are classified as Category 2 Employment Area land.

Selection of the appropriate sample sites was completed in conjunction with Echelon Planning and in line with the report that Echelon Planning have been commissioned to complete.

The purpose of the Conceptus report is to assist the review being undertaken by Echelon Planning, as it relates to assessing the commercial viability of applying the Commercial 3 Zone. It is intended that the output of this report will inform the Echelon Planning report findings.

2.1 Site Type Locations

Site Type 1 – Fringe Activity Centre Site

The fringe activity centre site selected is located within the Brunswick Activity centre, is adjacent to the Lygon St corridor and is zoned Commercial 2.

The current built form is indicative of the nature of buildings within the locality, being a mix of residential premises and industrial warehouse type building.

The site is rectangular in shape and is well suited to a mixed use form of development with good access to local amenities and public transport along the Lygon St corridor.

Current Zoning: Commercial 2

Site Address: 98-102 Albert Street Brunswick East

Site Type 2 – Inner Industrial Site

The inner industrial site selected is outside the Brunswick Activity centre approximately 500 m west of Sydney Road and 100 m north the Grantham St Local activity centre.

The current built form is a petrol station with surrounding properties comprising a mix of industrial type warehouses and adjoining single tenant office buildings.

The site is rectangular in shape and is well suited to a mixed use form with good access to the main collector road and reasonable access to public transport (tram line) along Dawson St. The site has good access to public open space being adjacent to Gilpin Park.

Current Zoning: Industrial 1

Site Address: 142 Dawson Street, Brunswick West



2.0 Introduction (cont.)

Site Type 3 – Outer Industrial Site

The site selected is at the northern end of the Moreland municipality being located in the suburb of Pascoe Vale.

The current built form is a Hotel (Pub) with surrounding properties comprising a mix of industrial type warehouses and residential.

The site is irregular in shape with two road frontages and is in close proximity to the local activity centre, comprising a small quantity (low order) retail offering. The site is well located to public transport being 100m from the Pascoe Vale train station and has good access to key collector roads.

Current Zoning: Industrial 3

Site Address: 12 Railway Parade Pascoe Vale

2.2 Purpose of the Feasibility Modelling

The purpose of the feasibility modelling is to establish whether each development scenario (within each site type) is commercially viable taking into account market assumptions regarding both revenue and development cost inputs.

In line with the guidance provided in Planning Practice Note 85, the feasibility modelling has taken into account the current and foreseeable market demand for the uses allowed within the Commercial 3 zoning, as applied (in the respective proportions) noted within each development scenario described in Section 4 of this report.



3.0 Methodology

The following methodology was adopted in completing the feasibility models contained within this report.

Establishing Market Data Set

Data has been sourced from a combination of publicly available transaction data, active real estate agents and local developers that have experience and knowledge in various forms of development comprising each of the development scenarios described in Section 4.0 of this report.

Comparable data sets have been compiled for key feasibility model inputs that comprise the following:

- Sales rates (both land and completed developments)
- Residential sales rates (completed developments)
- Rental rates for various uses (offices, industrial warehouses)

A market range has been established for the relevant feasibility input and this has been nominated within the summary table under 'Feasibility Parameters' in Section 4.0 of this report

Feasibility Modelling

Feasibility models have been modelled using Estate Master proprietary software program.

Some assumptions have been used to build each of the feasibility models. The assumptions have been noted in Section 4.0 of this report.

BASECASE Model

The BASECASE model was established to determine the relative difference in development viability when comparing the 'current state' planning scheme controls and the 'potential state' application of the Commercial 3 zoning.

The parameters used to establish the area of employment floor space for the BASECASE model was Clause 21.03 (Objective 5 – Employment Area Category 2) in the Moreland Planning Scheme.

The overall building height envelope used within the BASECASE model was the same as the other development models however the variable adopted in the BASECASE was the application an employment floor space area of at least equivalent to all proposed ground and first floor building floor space.

Target Developer Margins

Each of the feasibility models have been modelled with a target developer margin of approximately 20%.

This reflects the risk and return acceptable for employing investment funds by a conventional property developer to developments of this nature.

A target margin range of between 15 – 20% could be considered acceptable for developers in considering whether a development is viable.



3.0 Methodology (cont.)

Building Envelope and Developable Areas

In conjunction with Echelon Planning, the appropriate building height, setback and light well requirements were established for each of the of the site locations selected in this report.

This assessment was completed in accordance with Clause 22.07 of the Moreland Planning Scheme and the draft Brunswick Activity Centre Design Development Overlays.

The desktop assessment did not take into account site specific or contextual design factors that might impact the developable floor area in any given development scheme.

Upon determining a suitable building envelope, standard allowances for common areas, services corridors and other items were factored in to determine the developable areas for both commercial and residential components.

Likewise, some standard spatial assumptions were determined to ascertain approximate areas required for car parking both in undercroft and basement form.

The key building envelope parameters have been summarised in the relevant tables within Section 4.0 of this report.

Utilised Building Envelope

In some instances, the building envelope (or building height) established was not utilised in full. This has been noted in the Development Summary section of the table in Section 4.0.

This was driven by the assessment of potential market demand (and area requirement) for commercial uses being limited, due to the location characteristics of the particular site.

Quantity Surveyor Input

Benchmark cost data utilised on similar viability testing models has been utilised to inform the various development cost inputs within the feasibility model.

Property Value Appreciation arising from potential Planning Scheme Changes

The application of the Commercial 3 Zone anticipates that an allowable broadening of uses could apply across landholdings that do not currently exist.

The potential impact on property values because of planning scheme changes is largely dependent on the breadth of the planning scheme changes and other allowable uses.

Although the existing data set for property values in these Brunswick study areas is based on current planning scheme controls, the feasibility models (in some instances) have made allowances for a rise in property value as a result of planning scheme changes that broaden the allowable uses.



4.0 Feasibility Modelling Summary

The following tables summarise the key outputs and inputs from each of the feasibility models for each of the Site Types.

Refer to Appendix A for copy of Estate Master Feasibility program summary outputs.

The Target Developers Margin for the purpose of this feasibility exercise is approximately 20 %.

Key Feasibility Assumptions

The following assumptions have been made with regards to other feasibility inputs within each of the models.

1. Construction Contingency of between 5-10 % was adopted depending on development scenario
2. Approx. 50% equity contribution was modelled for the purpose of interest calculations
3. Interest rate of 6% was adopted
4. GST has been excluded from all cost and revenue assumptions
5. No cost and revenue assumptions have been included beyond February 2019

4.1 Site Type 1 – Fringe Activity Centre Site

Site Details and Feasibility Parameters

Address	98-102 Albert Street Brunswick East
Site Area	1567m²
Current Zoning	C2Z
Proposed Uses	Office Use and Residential
Forecast Land Value	\$2800 p/m ²
Forecast Net Rent – Office	\$235 p/sqm
Capitalisation Rate – Offices	5.75%
Sales Rates - Residential Apartments	\$8200 p/sqm (exc GST)



4.0 Feasibility Modelling Summary (cont.)

A. Site Type 1 - Mixed Use Building with 35% Residential Floor Space

Metric	
Development Profit / (Loss)	c.(\$0.83 mill)
Development Margin	c. (3%)
TOTAL DEVELOPMENT COST	c.\$27 mill
Development Summary	<p>Proposed Height envelope 5 Storeys Utilised building envelope – c. 4 storeys Part Undercroft Parking c. 26 cars Part Basement parking c. 50 cars</p> <p><u>Note</u> The foreseeable market for commercial space in this location for a development of this size is considered to be no greater than 3000m². This has resulted in a utilised building envelope that is less than the proposed height envelope.</p>
Net Lettable Area	<p>Ground Floor – 300m² (Office/ Workshop) Level 1 – 1400m² (Offices) Level 2 – 1300m² (Offices) Level 3-900 m² (Residential) Approx. 26 apartments Level 4 -715 m² (Residential)</p>

Sensitivity Analysis

Commercial Rent Sensitivity

Net Rent Required to achieve a 20% development 'target' margin.

- \$350 p/m² (50% increase above current)

An increase of this magnitude over a 5 year period is not considered achievable.

Location Sensitivity

The feasibility model was also tested based on the assumption that the subject site was located adjacent to the Sydney Road corridor to determine whether a location with higher amenity and improved location characteristics would result in varying feasibility results.

Varying feasibility variables comprised:

- Higher Net Rent (\$265 p/sqm) reflective of central location closer to higher amenity
- Higher corresponding land values (\$3800 p/sqm)

Based on these revised variables there was no material change to the development position (loss) as noted below.

Metric	Location Sensitivity Scenario
Development Profit / (Loss)	(\$1.0 mill)
Development Margin	(3%)



4.0 Feasibility Modelling Summary (cont.)

B. Site Type 1 - Mixed Use Building with 50% Residential Floor Space

Metric	
Development Profit / (Loss)	\$2.9mill
Development Margin	9%
TOTAL DEVELOPMENT COST	\$31 mill
Development Summary	Proposed Height envelope 5 Storeys Utilised building envelope – 5 storeys Part Undercroft Parking c. 23 cars Part Basement parking c. 68 cars
Net Lettable Area	Ground Floor – 320m ² (Office/ Workshop) Level 1 – 1400m ² (Offices) Level 2 – 1100m ² (Offices) Level 2 – 300 m ² (Residential) Level 3–966 m ² (Residential) Level 4–764 m ² (Residential) Level 5–764 m ² (Residential) Approx. 45 apartments total

Sensitivity Analysis

Commercial Rent Sensitivity

Net Rent Required to achieve a c. 20% development 'target' margin

- \$305 p/m² (30% increase above current)

An increase in rent of this magnitude over a 5 year time period **is** considered possible.

Location Sensitivity

The feasibility model was also tested based on the assumption that the subject site was located adjacent to the Sydney Road corridor to determine whether a location with higher amenity and improved location characteristics would result in varying feasibility results.

Varying feasibility variables comprised:

- Higher Net Rent (\$265 p/sqm) reflective of central location closer to higher amenity
- Higher corresponding land values (\$3800 p/sqm)

Based on these revised variables there was no material change to development position (profit).

Metric	Location Sensitivity Scenario – 50% Residential
Development Profit / (Loss)	\$3.5 mill
Development Margin	10%

However, a location in close proximity to the Sydney Road corridor is more likely to achieve a 15-20% development margin within a shorter time horizon due to the potential for greater demand and higher rent increases.



4.0 Feasibility Modelling Summary (cont.)

C. Site Type 1 - BASECASE Model Comparison

Metric	Mixed Use Building - BASECASE Model
Development Profit / (Loss)	\$1.7mill
Development Margin	5%
TOTAL DEVELOPMENT COST	\$30mill
Development Summary	Proposed Height envelope 5 Storeys Utilised building envelope – 5 storeys Part Undercroft Parking c. 24 cars Part Basement parking c. 64 cars
Net Lettable Area	Ground Floor – 280m2 (Office/ Workshop) Level 1 – 1400m2 (Offices) Level 2 – 1200m2 (Offices) Level 3 – 900m2 (Residential) Level 4 – 765m2 (Residential) Level 5 - 765m2 (Residential) Approx. 40 apartments total

Summary

Based on the feasibility analysis undertaken, a Commercial 3 zoning applied to a mixed use development with a 50% proportion of residential area, is likely to be viable within the short to medium term (5years).

This view based on the results of the 'current market' feasibility modelling that derives a 9-10% profit margin for a development of this form. It can be assumed that there is likely to be foreseeable growth in demand for well located inner suburban commercial (office) premises that are in areas that have high social and infrastructure amenity.

Consequently, a mixed use development of only 35% residential area is unlikely to be viable within a reasonable time horizon that would align with a developers expectations.

When making a relative comparison to the BASECASE model, the application of the Commercial 3 zoning with a 50% residential component shows a relative improvement in profit margin from 3% (BASECASE) to 9% (C3Z with 50% residential).

Taking into account the purpose of establishing the BASECASE, it could be considered that the application of the Commercial 3 Zone is value accretive (or at least of equivalent value) when compared to the current planning scheme controls.



4.0 Feasibility Modelling Summary (cont.)

4.2 Site Type 2 – Inner Industrial Site

Site Details and Feasibility Parameters

Address	142 Dawson Street Brunswick West
Site Area	1286m²
Current Zoning	IN1Z
Uses	Office Use and Residential
Land Value	\$2500 p/sqm
Net Rent – Office	\$200 p/sqm
Capitalisation Rate – Offices	5.75%
Sales Rates - Residential Apartments	\$8000 p/sqm (exc GST)

A. Site Type 2 – Mixed Use Building with 35% Residential Floor Space

Metric	
Development Profit / (Loss)	(\$2.7mill)
Development Margin	(-15%)
TOTAL DEVELOPMENT COST	\$18.6mill
Development Summary	<p>Proposed Height envelope 5 Storeys Utilised building envelope – c. 3-4 storeys Part Undercroft Parking c. 23 cars Part Basement parking c. 28 cars</p> <p><u>Note</u> The foreseeable market for commercial space in this location for a development of this size is considered no greater than 2000m².</p> <p>This has resulted in a <u>utilised</u> building envelope that is less than the <u>proposed</u> height envelope.</p>
Net Lettable Area	<p>Ground Floor – 170m² (Office/ Workshop) Level 1 – 1100m² (Offices) Level 2 – 730m² (Offices) Level 3 – 800m² (Residential) Level 4 – 300m² (Residential) Approx. 18 apartments total</p>

Sensitivity Analysis

Commercial Rent Sensitivity

Net Rent Required to achieve a c 20% development 'target' margin

- \$380 p/m² (90% increase above current)

An increase of this magnitude over a 5 year time period is not considered possible.



4.0 Feasibility Modelling Summary (cont.)

B. Site Type 2 – Mixed Use Building with 50% Residential Floor Space

Metric	
Development Profit / (Loss)	\$0
Development Margin	0%
TOTAL DEVELOPMENT COST	\$23 mill
Development Summary	Proposed Height envelope 5 Storeys Utilised building envelope – 5 storeys Part Undercroft Parking c. 23 cars Part Basement parking c. 43 cars
Net Lettable Area	Ground Floor – 170m ² (Office/ Workshop) Level 1 – 1160m ² (Offices) Level 2 – 670m ² (Offices) Level 2 – 260m ² (Residential) Level 3 – 650m ² (Residential) Level 4 – 545m ² (Residential) Level 5 – 545m ² (Residential) Approx. 33 apartments total

Sensitivity Analysis

Commercial Rent Sensitivity

Net Rent Required to achieve a c 20% development 'target' margin

- \$330 p/m² (65% increase above current)

An increase of this magnitude over a 5 year time period is not considered possible.

C. Site Type 2 – BASECASE Model Comparison

Metric	
Development Profit / (Loss)	(\$0.7mill)
Development Margin	(3%)
TOTAL DEVELOPMENT COST	\$22.7mill
Development Summary	Proposed Height envelope 5 Storeys Utilised building envelope – 5 Storeys Part Undercroft Parking c. 23 cars Part Basement parking c. 43 cars
Net Lettable Area	Ground Floor – 170m ² (Office/ Workshop) Level 1 – 1165m ² (Offices) Level 2 – 935m ² (Offices) Level 3 – 650m ² (Residential) Level 4 – 545m ² (Residential) Level 5 – 545m ² (Residential) Approx. 29 apartments total



4.0 Feasibility Modelling Summary (cont.)

Summary

Based on the feasibility analysis undertaken, a Commercial 3 zoning applied to a mixed use development with a 35% or 50% proportion of residential area is unlikely to be viable within a medium to long term period (5-10 years).

For the purpose of this report a time period greater than 8 years is considered long term.

This view is based on the results of the 'current market' feasibility modelling that derives a negative or at best 'breakeven' profit for a development of this form.

The sensitivity testing applied to varying rental levels show that it is unrealistic to expect demand (and rental levels) to grow to the amount required to achieve a 15-20% target profit margin in order make this form of development a viable proposition.

The factor driving the lack of viability is the low demand for commercial space in an inner industrial location. This lower level of demand is largely driven by a yet to be established market and lower level of amenity in these locations that are suited to commercial uses.

Although the amenity for residential use could be considered reasonably high (in select locations of this site type), the weighted value attributable to this residential use is relatively low as a proportion to the overall building area, therefore minimising the opportunity for value uplift to the overall development economics.

When making a relative comparison of the BASECASE model the application of the Commercial 3 zoning with a 50% residential component when compared to the BASECASE model shows a relative improvement in margin, albeit both development profit (and margin) are still not considered as conducive of a viable development proposition.

Taking into account the purpose of establishing the BASECASE, it could be considered that the application of the Commercial 3 Zone is value accretive (or at least of equivalent value) when compared to the current planning scheme controls.

4.3 Site Type 3 – Outer Industrial Site

Site Details and Feasibility Parameters

Address	12 Railway Parade Pascoe Vale
Site Area	1500m²
Current Zoning	IN3Z
Uses	Office Use and Residential
Land Value	\$2000 p/sqm
Net Rent – Office	\$180 p/sqm
Capitalisation Rate – Offices	5.75%
Sales Rates - Residential Apartments	\$8000 p/sqm (exc GST)



4.0 Feasibility Modelling Summary (cont.)

A. Site Type 3 - Mixed Use Building with 35% Residential Floor Space

Metric	
Development Profit / (Loss)	(\$4,18 mill)
Development Margin	(27%)
TOTAL DEVELOPMENT COST	\$15.1 mill
Development Summary	<p>Proposed Height envelope 5 Storeys Utilised building envelope – c. 2 storeys Part Undercroft Parking c. 18 cars Part Basement parking c. 20 cars</p> <p><u>Note</u> The foreseeable market for commercial space in this location for a development of this size is considered no greater than 1500 m2.</p> <p>This has resulted in a <u>utilised</u> building envelope that is less than the <u>proposed</u> height envelope.</p>
Net Lettable Area	<p>Ground Floor – 300m2 (Office/ Workshop) Level 1 – 1200m2 (Offices) Level 2 – 808m2 (Residential) Approx. 13 Apartments</p>

Sensitivity Analysis

A. Commercial Rent Sensitivity

Net Rent Required to achieve a approximately 20% development 'target' margin.

- \$430 p/m2 (140% increase above current market levels)

An increase of this magnitude over a 5 year time period is not considered possible.



4.0 Feasibility Modelling Summary (cont.)

B. Site Type 3 - Mixed Use Building with 50% Residential Floor Space

Metric	
Development Profit / (Loss)	(\$1.9 mill)
Development Margin	(10%)
TOTAL DEVELOPMENT COST	\$18.3 mill
Development Summary	<p>Proposed Height envelope 5 Storeys Utilised building envelope – c. 3storeys Part Undercroft Parking c. 18 cars Part Basement parking c. 31 cars</p> <p><u>Note</u> The foreseeable market for commercial space in this location for a development of this size is considered no greater than 1500 m2.</p> <p>This has resulted in a <u>utilised</u> building envelope that is less than the <u>proposed</u> height envelope.</p>
Net Lettable Area	<p>Ground Floor – 300m2 (Office/ Workshop) Level 1 – 1200m2 (Offices) Level 2 – 800m2 (Residential) Approx. 25 Apartments Level 3 – 700m2 (Residential)</p>

Sensitivity Analysis

Commercial Rent Sensitivity

Net Rent Required to achieve a c 20% development 'target' margin

- \$400 p/m2 (122% increase above current market levels)

An increase of this magnitude over a 5 year time period is not considered possible.



4.0 Feasibility Modelling Summary (cont.)

Summary

Based on the feasibility analysis undertaken, a Commercial 3 zoning applied to a mixed use development with either a 35% or 50% proportion of residential area within an outer industrial site is unlikely to be viable within a 10 year period.

This view is based on the results of the 'current market' feasibility modelling that derives a large development loss and negative development profit.

The sensitivity testing applied to varying rental levels show that it is unrealistic to expect demand and rental levels to grow to the amount required to achieve a 15-20% target profit margin in order make this form of development a viable proposal.

The factor driving the lack of viability is the lack of foreseeable demand for commercial office space in an outer industrial area largely driven by the lack of perceived amenity for the intended commercial uses.

Although there will be certain locations (such as the case study site chosen) that have good access to public transport, for a commercial use to be viable, this alone cannot be regarded as the primary driver that will generate demand for a level of commercial space that is required to underpin the underlying value of a mixed use development under a Commercial 3 Zone.



Conclusions

When considering the commercial viability of undertaking a mixed use development within a Commercial 3 Zone, the key consideration in any assessment will be whether there is any foreseeable demand for commercial/office or other employment generating uses.

The application of an allowable component of residential use (by a proportion of up to 50% of building floor area) under the C3Z will not enable a mixed use development to be viable if there is no 'substantial' appetite for commercial/office premises.

The Commercial 3 Zone allowing a proportion of residential use will likely 'bring forward' the timing of when a development of this form becomes viable, but only once the market has started to show signs of a demand for commercial uses.

In this regard the application of this Commercial 3 zoning could be viewed as an 'accelerator' of this form of development in an area that is showing signs of transitioning.

From a commercial perspective (and based on the feasibility modelling undertaken), the application of a Commercial 3 Zone in the context of the MILS employment areas, could only be considered viable in a location regarded as a 'Fringe Activity Centre' site and with an allowable proportion of up to 50% of residential floor area as a proportion of the total building area.

It should also be noted that even when selecting the application of the C3 Zone within a fringe activity centre area, consideration should be given to the site specific location and the sites micro attributes for the predominant commercial use. In particular the level of amenity and proximity to public transport will be key determinants in realising a market demand for the intended commercial and employment generating uses.



Annexure A - Financial Feasibility Models

Site Type 1 – Fringe Activity Centre Site

Mixed Use Building with 35% Residential Floor Space

ARGUS EstateMaster Development Feasibility **SUMMARY OF PROJECT RETURNS**

Moreland MILS
35% residential - Albert
Fringe Industrial Site

Time Spent: Feb-19 to Jul-22 (41 Months)
Type: Mixed Use
Status: Under Review
Site Area: 1,567 SqM
FSR: -1
Project Size: 23 Units 1 per 68.13 SqM of Site Area
7,438 GFA 1 per 0.21 SqM of Site Area

				Total AUD	AUD Per SqM of Site Area	AUD Per GFA	AUD Per Total Net Revenue
Revenues							
	Quantity	SqM	AUD/SqM				
Gross Sales Revenue	2	4,666.00	5,838.62	27,243,000	17,385	3,664	103.7%
Residential - 1 Bedroom Units	1	1,615.00	8,200.00	13,243,000			
Commercial Office	1	3,050.00	4,590.16	14,000,000			
Retail Shops	-	1.00	-	-			
Less Selling Costs				(669,720)	(427)	(90)	-2.5%
Less Purchasers Costs				-	-	-	0.0%
NET SALES REVENUE				26,573,280	16,958	3,574	101.1%
	Average Yield	SqM	AUD/SqM/annum				
Gross Rental Income	5.75%	3,050.00	263.93	-	-	-	0.0%
Commercial Office	5.75%	3,050.00	263.93	-	-	-	0.0%
Less Outgoings & Vacancies				-	-	-	0.0%
Less Letting Fees				(120,750)	(77)	(16)	-0.5%
Less Incentives (Rent Free and Fitout Costs)				(176,250)	(112)	(24)	-0.7%
Less Other Leasing Costs				-	-	-	0.0%
NET RENTAL INCOME				(297,000)	(190)	(40)	-1.1%
Interest Received				-	-	-	0.0%
Other Income				-	-	-	0.0%
TOTAL REVENUE				26,276,280	16,769	3,534	100.0%
Costs							
Land Purchase Cost				4,387,600	2,800	590	16.7%
Land Acquisition Costs				241,318	154	32	0.9%
Construction Costs (inc. Contingency)				19,504,881	12,447	2,623	74.2%
Other Construction Costs				17,731,710	11,316	2,385	67.5%
Contingency				1,773,171	1,132	238	6.7%
Professional Fees				1,760,390	1,123	237	6.7%
Statutory Fees				365,000	233	49	1.4%
Miscellaneous Costs 1				70,000	45	9	0.3%
Miscellaneous Costs 2				-	-	-	0.0%
Miscellaneous Costs 3				-	-	-	0.0%
Project Contingency (Reserve)				-	-	-	0.0%
Land Holding Costs				279,000	178	38	1.1%
Pre-Sale Commissions				-	-	-	0.0%
Finance Charges (inc. Fees)				210,000	134	28	0.8%
Interest Expense				288,137	184	39	1.1%
Plus Corporate Tax				-	-	-	0.0%
TOTAL COSTS				27,106,327	17,298	3,645	103.2%
Performance Indicators				Per SqM of Site Area		Per GFA	
¹ Net Development Profit				(830,047)	(530)	(112)	
³ Development Margin (Profit/Risk Margin)	Based on total costs (no selling costs)			-2.99%			
⁴ Residual Land Value	Based on Target Margin of 16%			443,379	283	60	
⁵ Net Present Value	Based on Discount Rate of 16% p.a. Nominal			(3,734,459)			
⁶ Benefit Cost Ratio				0.8154			
⁷ Project Internal Rate of Return (IRR)	Per annum Nominal			-1.78%			
⁸ Residual Land Value	Based on NPV			871,369	556	117	
Equity IRR	Per annum Nominal			-1.79%			
Equity Contribution				14,000,000			
Peak Debt Exposure				13,465,416			
Equity to Debt Ratio				107.26%			
⁹ Weighted Average Cost of Capital (WACC)				2.89%			
¹⁰ Breakeven Date for Cumulative Cash Flow				N.A. (Negative Profit)			
¹¹ Yield on Cost				2.90%			
¹² Rent Cover				0 Yrs, 0 Mths			
¹³ Profit Erosion				0 Yrs, 0 Mths			

Footnotes:
 1. Development Profit: is total revenue less total cost (including interest paid and received)
 2. Note: No redistribution of Developer's Gross Profit
 3. Development Margin: is profit divided by total costs (no selling costs)
 4. Residual Land Value: is the maximum purchase price for the land whilst achieving the target development margin.
 5. Net Present Value: is the project's cash flow stream discounted to present value. It includes financing costs but excludes interest and corp tax.
 6. Benefit-Cost Ratio: is the ratio of discounted incomes to discounted costs and includes financing costs but excludes interest and corp tax.
 7. Internal Rate of Return: is the discount rate where the NPV above equals zero.
 8. Residual Land Value (based on NPV): is the purchase price for the land to achieve a zero NPV.
 9. The Weighted Average Cost of Capital (WACC) is the rate that a company is expected to pay to finance its assets.
 10. Breakeven date for Cumulative Cash Flow: is the last date when total debt and equity is repaid (ie when profit is realised).
 11. Yield on Cost is Current Net Annual Rent divided by Total Costs, including all Selling Costs.
 12. The total net development profit divided by the current net annual rental expressed as a number of years/months.
 13. The period of time post practical completion that it can remain unsold (but leased out) until finance and land holding costs erodes the profit for the development to zero.



Annexure A - Financial Feasibility Models

Site Type 1 – Fringe Activity Centre Site

Mixed Use Building with 50% Residential Floor Space

SUMMARY OF PROJECT RETURNS

ARGUS EstateMaster Development Feasibility

Moreland MILS
50% residential - Albert
Fringe Industrial Site

Time Spent: Feb-19 to Jul-22 (41 Months)
Type: Mixed Use
Status: Under Review
Site Area: 1,567 SqM
FSR: -1
Project Size: 23 Units 1 per 68.13 SqM of Site Area
7,438 GFA 1 per 0.21 SqM of Site Area

				Total AUD	AUD Per SqM of Site Area	AUD Per GFA	AUD Per Total Net Revenue
Revenues							
	Quantity	SqM	AUD/SqM				
Gross Sales Revenue	3	5,749.25	6,198.06	35,634,217	22,740	4,792	103.8%
Residential - 1 Bedroom Units	1	2,745.00	8,200.00	22,509,000			
Commercial Office	1	2,866.00	4,579.63	13,125,217			
Retail Shops	-	1.00	-	-			
Not Classified	1	137.25	-	-			
Less Selling Costs				(1,031,612)	(658)	(139)	-3.0%
Less Purchasers Costs				-	-	-	0.0%
NET SALES REVENUE				34,602,605	22,082	4,653	100.8%
	Average Yield	SqM	AUD/SqM/annum				
Gross Rental Income	5.75%	2,866.00	263.33	-	-	-	0.0%
Commercial Office	5.75%	2,866.00	263.33	-	-	-	0.0%
Less Outgoings & Vacancies				-	-	-	0.0%
Less Letting Fees				(113,205)	(72)	(15)	-0.3%
Less Incentives (Rent Free and Fitout Costs)				(165,675)	(106)	(22)	-0.5%
Less Other Leasing Costs				-	-	-	0.0%
NET RENTAL INCOME				(278,880)	(178)	(38)	-0.8%
Interest Received				-	-	-	0.0%
Other Income				-	-	-	0.0%
TOTAL REVENUE				34,323,725	21,904	4,616	100.0%
Costs							
Land Purchase Cost				4,387,600	2,800	590	12.8%
Land Acquisition Costs				241,318	154	32	0.7%
Construction Costs (inc. Contingency)				23,441,440	14,959	3,152	68.3%
Other Construction Costs				21,310,400	13,599	2,866	62.1%
Contingency				2,131,040	1,360	287	6.2%
Professional Fees				2,075,315	1,324	279	6.0%
Statutory Fees				365,000	233	49	1.1%
Miscellaneous Costs 1				70,000	45	9	0.2%
Miscellaneous Costs 2				-	-	-	0.0%
Miscellaneous Costs 3				-	-	-	0.0%
Project Contingency (Reserve)				-	-	-	0.0%
Land Holding Costs				279,000	178	38	0.8%
Pre-Sale Commissions				-	-	-	0.0%
Finance Charges (inc. Fees)				240,000	153	32	0.7%
Interest Expense				333,908	213	45	1.0%
Plus Corporate Tax				-	-	-	0.0%
TOTAL COSTS				31,433,581	20,060	4,227	91.6%
Performance Indicators							
¹ Net Development Profit				2,890,144	Per SqM of Site Area 1,844	Per GFA 389	
³ Development Margin (Profit/Risk Margin)		Based on total costs (no selling costs)		8.90%			
⁴ Residual Land Value		Based on Target Margin of 15%		2,835,026	1,809	381	
⁵ Net Present Value		Based on Discount Rate of 15% p.a. Nominal		(1,758,211)			
⁶ Benefit Cost Ratio				0.9243			
⁷ Project Internal Rate of Return (IRR)		Per annum Nominal		8.54%			
⁸ Residual Land Value		Based on NPV		2,734,272	1,745	368	
Equity IRR		Per annum Nominal		4.87%			
Equity Contribution				16,000,000			
Peak Debt Exposure				15,851,862			
Equity to Debt Ratio				104.05%			
⁹ Weighted Average Cost of Capital (WACC)				2.94%			
¹⁰ Breakeven Date for Cumulative Cash Flow		Month 41		Jul-2022			
¹¹ Yield on Cost				2.32%			
¹² Rent Cover				3 Yrs, 10 Mths			
¹³ Profit Erosion				2 Yrs, 7 Mths			

Footnotes:
 1. Development Profit: is total revenue less total cost including interest paid and received
 2. Note: No redistribution of Developer's Gross Profit
 3. Development Margin: is profit divided by total costs (inc selling costs)
 4. Residual Land Value: is the maximum purchase price for the land whilst achieving the target development margin.
 5. Net Present Value: is the project's cash flow stream discounted to present value. It includes financing costs but excludes interest and corp tax.
 6. Benefit-Cost Ratio: is the ratio of discounted incomes to discounted costs and includes financing costs but excludes interest and corp tax.
 7. Internal Rate of Return: is the discount rate where the NPV above equals Zero.
 8. Residual Land Value (based on NPV): is the purchase price for the land to achieve a zero NPV.
 9. The Weighted Average Cost of Capital (WACC) is the rate that a company is expected to pay to finance its assets.
 10. Breakeven date for Cumulative Cash Flow is the last date when total debt and equity is repaid (ie when profit is realised).
 11 Yield on Cost is Current Net Annual Rent divided by Total Costs, including all Selling Costs.
 12. The total net development profit divided by the current net annual rental expressed as a number of years/months.
 13. The period of time post practical completion that it can remain unresold (but leased out) until finance and land holding costs erodes the profit for the development to zero.



Annexure A - Financial Feasibility Models

Site Type 1 – Fringe Activity Centre Site

BASECASE Model – Current Planning Scheme Controls

ARGUS EstateMaster Development Feasibility **SUMMARY OF PROJECT RETURNS**

Moreland MILS
 BASECASE - Albert
 Fringe Industrial Site

Time Spent: Feb-19 to Jul-22 (41 Months)
 Type: Mixed Use
 Status: Under Review
 Site Area: 1,567 SqM
 FSR: -1
 Project Size: 23 Units 1 per 68.13 SqM of Site Area
 7,436 GFA 1 per 0.21 SqM of Site Area

				Total AUD	AUD Per SqM of Site Area	AUD Per GFA	AUD Per Total Net Revenue
Revenues							
	Quantity	SqM	AUD/SqM				
Gross Sales Revenue	2	5,376.00	6,220.93	33,443,704	21,343	4,498	103.8%
Residential - 1 Bedroom Units	1	2,432.00	8,200.00	19,942,400			
Commercial Office	1	2,943.00	4,587.60	13,501,304			
Retail Shops	-	1.00	-	-			
Less Selling Costs				(932,709)	(595)	(125)	-2.9%
Less Purchasers Costs				-	-	-	0.0%
NET SALES REVENUE				32,510,995	20,747	4,372	100.9%
	Average Yield	SqM	AUD/SqM/annum				
Gross Rental Income	5.75%	2,943.00	263.79	-	-	-	0.0%
Commercial Office	5.75%	2,943.00	263.79	-	-	-	0.0%
Less Outgoings & Vacancies				-	-	-	0.0%
Less Letting Fees				(116,449)	(74)	(16)	-0.4%
Less Incentives (Rent Free and Fitout Costs)				(170,081)	(109)	(23)	-0.5%
Less Other Leasing Costs				-	-	-	0.0%
NET RENTAL INCOME				(286,530)	(183)	(39)	-0.9%
Interest Received				-	-	-	0.0%
Other Income				-	-	-	0.0%
TOTAL REVENUE				32,224,465	20,564	4,334	100.0%
Costs							
Land Purchase Cost				4,387,600	2,800	590	13.6%
Land Acquisition Costs				241,318	154	32	0.7%
Construction Costs (inc. Contingency)				22,591,281	14,417	3,038	70.1%
Other Construction Costs				20,537,528	13,106	2,762	63.7%
Contingency				2,053,753	1,311	276	6.4%
Professional Fees				2,007,302	1,281	270	6.2%
Statutory Fees				365,000	233	49	1.1%
Miscellaneous Costs 1				70,000	45	9	0.2%
Miscellaneous Costs 2				-	-	-	0.0%
Miscellaneous Costs 3				-	-	-	0.0%
Project Contingency (Reserve)				-	-	-	0.0%
Land Holding Costs				279,000	178	38	0.9%
Pre-Sale Commissions				-	-	-	0.0%
Finance Charges (inc. Fees)				240,000	153	32	0.7%
Interest Expense				347,212	222	47	1.1%
Plus Corporate Tax				-	-	-	0.0%
TOTAL COSTS				30,528,713	19,482	4,106	94.7%
Performance Indicators				Per SqM of Site Area		Per GFA	
¹ Net Development Profit				1,695,752	1,082	228	
³ Development Margin (Profit/Risk Margin)	Based on total costs (no selling costs)		5.39%				
⁴ Residual Land Value	Based on Target Margin of 18%		2,006,915	1,281	270		
⁵ Net Present Value	Based on Discount Rate of 16% p.a. Nominal		(2,409,653)				
⁶ Benefit Cost Ratio			0.8933				
⁷ Project Internal Rate of Return (IRR)	Per annum Nominal		5.70%				
⁸ Residual Land Value	Based on NPV		2,116,791	1,351	285		
Equity IRR	Per annum Nominal		3.14%				
Equity Contribution			15,000,000				
Peak Debt Exposure			15,928,990				
Equity to Debt Ratio			97.14%				
⁹ Weighted Average Cost of Capital (WACC)			3.04%				
¹⁰ Breakeven Date for Cumulative Cash Flow	Month 41		Jul-2022				
¹¹ Yield on Cost			2.47%				
¹² Rent Cover			2 Yrs, 2 Mths				
¹³ Profit Erosion			1 Yrs, 6 Mths				

Footnotes:
 1. Development Profit: is total revenue less total cost (including interest paid and received)
 2. Note: No redistribution of Developer's Gross Profit
 3. Development Margin: is profit divided by total costs (no selling costs)
 4. Residual Land Value: is the maximum purchase price for the land whilst achieving the target development margin.
 5. Net Present Value: is the project's cash flow stream discounted to present value. It includes financing costs but excludes interest and corp tax.
 6. Benefit-Cost Ratio: is the ratio of discounted incomes to discounted costs and includes financing costs but excludes interest and corp tax.
 7. Internal Rate of Return: is the discount rate where the NPV above equals zero.
 8. Residual Land Value (based on NPV): is the purchase price for the land to achieve a zero NPV.
 9. The Weighted Average Cost of Capital (WACC) is the rate that a company is expected to pay to finance its assets.
 10. Breakeven date for Cumulative Cash Flow: is the last date when total debt and equity is repaid (ie when profit is realised).
 11. Yield on Cost is Current Net Annual Rent divided by Total Costs, including all Selling Costs.
 12. The total net development profit divided by the current net annual rental expressed as a number of years/months.
 13. The period of time post practical completion that it can remain unsold (but leased out) until finance and land holding costs erodes the profit for the development to zero.



Annexure A - Financial Feasibility Models

Site Type 2 – Inner Industrial Site

Mixed Use Building with 35% Residential Floor Space

ARGUS EstateMaster		Development Feasibility		SUMMARY OF PROJECT RETURNS				
Moreland MILS								
35% Resi - Dawson Inner Industrial								
Linkages to Database Property								
Time Span:	Feb-19 to May-22 (39 Months)							
Type:	Mixed Use							
Status:	Under Review							
Site Area:	1,286 SqM							
FSR:	:1							
Project Size:	23 Units		1 per 65.91 SqM of Site Area					
	2,700 GFA		1 per 0.47 SqM of Site Area					
					Total AUD	AUD Per SqM of Site Area	AUD Per GFA	AUD Per Total Net Revenue
Revenues								
	Quantity	SqM	AUD/SqM					
Gross Sales Revenue	3	3,164.85	5,220.76	16,522.922	12,848	6,120	104.2%	
Residential - 1 Bedroom Units	1	1,077.00	8,000.00	8,616,000				
Commercial Office	1	2,033.00	3,889.29	7,906,922				
Retail Shops	-	1.00	-	-				
Not Classified	1	53.85	-	-				
Less Selling Costs				(337,549)	(262)	(125)	-2.1%	
Less Purchasers Costs				-	-	-	0.0%	
NET SALES REVENUE				16,185,373	12,586	5,995	102.0%	
	Average Yield	SqM	AUD/SqM/annum					
Gross Rental Income	5.81%	2,033.00	225.97	-	-	-	0.0%	
Commercial Office	5.81%	2,033.00	225.97	-	-	-	0.0%	
Less Outgoings & Vacancies				-	-	-	0.0%	
Less Letting Fees				(68,910)	(54)	(26)	-0.4%	
Less Incentives (Rent Free and Fitout Costs)				(252,750)	(197)	(94)	-1.6%	
Less Other Leasing Costs				-	-	-	0.0%	
NET RENTAL INCOME				(321,660)	(250)	(119)	-2.0%	
Interest Received				-	-	-	0.0%	
Other Income				-	-	-	0.0%	
TOTAL REVENUE				15,863,713	12,336	5,875	100.0%	
Costs								
Land Purchase Cost				3,215,000	2,500	1,191	20.3%	
Land Acquisition Costs				176,825	138	65	1.1%	
Construction Costs (inc. Contingency)				13,094,290	10,182	4,850	82.5%	
Other Construction Costs				11,903,900	9,257	4,409	75.0%	
Contingency				1,190,390	926	441	7.5%	
Professional Fees				1,247,543	970	462	7.9%	
Statutory Fees				310,000	241	115	2.0%	
Miscellaneous Costs 1				60,000	47	22	0.4%	
Miscellaneous Costs 2				-	-	-	0.0%	
Miscellaneous Costs 3				-	-	-	0.0%	
Project Contingency (Reserve)				-	-	-	0.0%	
Land Holding Costs				234,000	182	87	1.5%	
Pre-Sale Commissions				-	-	-	0.0%	
Finance Charges (inc. Fees)				150,000	117	56	0.9%	
Interest Expense				42,330	33	16	0.3%	
Plus Corporate Tax				-	-	-	0.0%	
TOTAL COSTS				18,529,988	14,409	6,863	116.8%	
Performance Indicators				Per SqM of Site Area	Per GFA			
¹ Net Development Profit				(2,666,276)	(2,073)	(988)		
³ Development Margin (Profit/Risk Margin)	Based on total costs (no selling costs)			-14.13%				
⁴ Residual Land Value	Based on Target Margin of 15%			(1,347,479)	(1,048)	(499)		
⁵ Net Present Value	Based on Discount Rate of 15% p.a. Nominal			(4,043,323)				
⁶ Benefit Cost Ratio				0.7117				
⁷ Project Internal Rate of Return (IRR)	Per annum Nominal			-13.86%				
⁸ Residual Land Value	Based on NPV			(651,498)	(507)	(241)		
Equity IRR	Per annum Nominal			-6.01%				
Equity Contribution				15,000,000				
Peak Debt Exposure				3,902,872				
Equity to Debt Ratio				400.13%				
⁹ Weighted Average Cost of Capital (WACC)				1.20%				
¹⁰ Breakeven Date for Cumulative Cash Flow				N.A. (Negative Profit)				
¹¹ Yield on Cost				2.43%				
¹² Rent Cover				0 Yrs, 0 Mths				
¹³ Profit Erosion				0 Yrs, 0 Mths				

Footnotes:

- Development Profit: is total revenue less total cost including interest paid and received
- Note: No redistribution of Developer's Gross Profit
- Development Margin: is profit divided by total costs (inc selling costs)
- Residual Land Value: is the maximum purchase price for the land whilst achieving the target development margin.
- Net Present Value: is the project's cash flow stream discounted to present value. It includes financing costs but excludes interest and corp tax.
- Benefit-Cost Ratio: is the ratio of discounted incomes to discounted costs and includes financing costs but excludes interest and corp tax.
- Internal Rate of Return: is the discount rate where the NPV above equals Zero.
- Residual Land Value (based on NPV): is the purchase price for the land to achieve a zero NPV.
- The Weighted Average Cost of Capital (WACC) is the rate that a company is expected to pay to finance its assets.
- Breakeven date for Cumulative Cash Flow: is the last date when total debt and equity is repaid (ie when profit is realised).
- Yield on Cost: is Current Net Annual Rent divided by Total Costs, including all Selling Costs.
- The total net development profit divided by the current net annual rental expressed as a number of years/months.
- The period of time post practical completion that it can remain unsold (but leased out) until finance and land holding costs erodes the profit for the development to zero.



Annexure A - Financial Feasibility Models

Site Type 2 - Inner Industrial Site

Mixed Use Building with 50% Residential Floor Space

SUMMARY OF PROJECT RETURNS

ARGUS EstateMaster Development Feasibility

Moreland MILS
50% Resi - Dawson
Inner Industrial

Time Spent: Feb-19 to May-22 (39 Months)
Type: Mixed Use
Status: Under Review
Site Area: 1,286 SqM
FSR: -1
Project Size: 23 Units 1 per 55.91 SqM of Site Area
2,700 GFA 1 per 0.47 SqM of Site Area

				Total AUD	AUD Per SqM of Site Area	AUD Per GFA	AUD Per Total Net Revenue
Revenues							
	Quantity	SqM	AUD/SqM				
Gross Sales Revenue	3	4,134.00	5,783.00	23,906,922	18,590	8,854	103.8%
Residential - 1 Bedroom Units	1	2,000.00	8,000.00	16,000,000			
Commercial Office	1	2,033.00	3,889.29	7,906,922			
Retail Shops	-	1.00	-	-			
Not Classified	1	100.00	-	-			
Less Selling Costs				(559,069)	(435)	(207)	-2.4%
Less Purchasers Costs				-	-	-	0.0%
NET SALES REVENUE				23,347,853	18,155	8,647	101.4%
	Average Yield	SqM	AUD/SqM/annum				
Gross Rental Income	5.81%	2,033.00	225.97	-	-	-	0.0%
Commercial Office	5.81%	2,033.00	225.97	-	-	-	0.0%
Less Outgoings & Vacancies				-	-	-	0.0%
Less Letting Fees				(68,910)	(54)	(26)	-0.3%
Less Incentives (Rent Free and Fitout Costs)				(252,750)	(197)	(94)	-1.1%
Less Other Leasing Costs				-	-	-	0.0%
NET RENTAL INCOME				(321,660)	(250)	(119)	-1.4%
Interest Received				-	-	-	0.0%
Other Income				-	-	-	0.0%
TOTAL REVENUE				23,026,193	17,905	8,528	100.0%
Costs							
Land Purchase Cost				3,215,000	2,500	1,191	14.0%
Land Acquisition Costs				176,825	138	65	0.8%
Construction Costs (inc. Contingency)				17,060,670	13,266	6,319	74.1%
Other Construction Costs				15,509,700	12,060	5,744	67.4%
Contingency				1,550,970	1,206	574	6.7%
Professional Fees				1,564,854	1,217	580	6.8%
Statutory Fees				310,000	241	115	1.3%
Miscellaneous Costs 1				60,000	47	22	0.3%
Miscellaneous Costs 2				-	-	-	0.0%
Miscellaneous Costs 3				-	-	-	0.0%
Project Contingency (Reserve)				-	-	-	0.0%
Land Holding Costs				234,000	182	87	1.0%
Pre-Sale Commissions				-	-	-	0.0%
Finance Charges (inc. Fees)				180,000	140	67	0.8%
Interest Expense				238,775	186	88	1.0%
Plus Corporate Tax				-	-	-	0.0%
TOTAL COSTS				23,040,123	17,916	8,533	100.1%

Performance Indicators		Per SqM of Site Area	Per GFA
¹ Net Development Profit		(13,931)	(5)
³ Development Margin (Profit/Risk Margin)	Based on total costs (no selling costs)	-0.06%	
⁴ Residual Land Value	Based on Target Margin of 15%	415,861	154
⁵ Net Present Value	Based on Discount Rate of 15% p.a. Nominal	(2,567,712)	
⁶ Benefit Cost Ratio		0.8493	
⁷ Project Internal Rate of Return (IRR)	Per annum Nominal	0.90%	
⁸ Residual Land Value	Based on NPV	801,734	297
Equity IRR	Per annum Nominal	-0.04%	
Equity Contribution		12,000,000	
Peak Debt Exposure		11,452,847	
Equity to Debt Ratio		108.05%	
⁹ Weighted Average Cost of Capital (WACC)		2.88%	
¹⁰ Breakeven Date for Cumulative Cash Flow		N.A. (Negative Profit)	
¹¹ Yield on Cost		1.95%	
¹² Rent Cover		0 Yrs, 0 Mths	
¹³ Profit Erosion		0 Yrs, 0 Mths	

Footnotes:
 1. Development Profit: is total revenue less total cost including interest paid and received
 2. Note: No redistribution of Developer's Gross Profit
 3. Development Margin: is profit divided by total costs (inc selling costs)
 4. Residual Land Value: is the maximum purchase price for the land whilst achieving the target development margin.
 5. Net Present Value: is the project's cash flow stream discounted to present value. It includes financing costs but excludes interest and corp tax.
 6. Benefit-Cost Ratio: is the ratio of discounted incomes to discounted costs and includes financing costs but excludes interest and corp tax.
 7. Internal Rate of Return: is the discount rate where the NPV above equals Zero.
 8. Residual Land Value (based on NPV): is the purchase price for the land to achieve a zero NPV.
 9. The Weighted Average Cost of Capital (WACC) is the rate that a company is expected to pay to finance its assets.
 10. Breakeven date for Cumulative Cash Flow: is the last date when total debt and equity is repaid (ie when profit is realised).
 11. Yield on Cost: is Current Net Annual Rent divided by Total Costs, including all Selling Costs.
 12. The total net development profit divided by the current net annual rental expressed as a number of years/months.
 13. The period of time post practical completion that it can remain unsold (but leased out) until finance and land holding costs erodes the profit for the development to zero.



Annexure A - Financial Feasibility Models

Site Type 2 - Inner Industrial Site

BASECASE Model - Current Planning Scheme Controls

ARGUS EstateMaster Development Feasibility SUMMARY OF PROJECT RETURNS

Moreland MILS
 BASECASE1 - Dawson
 Inner Industrial

Time Spent: Feb-19 to May-22 (39 Months)
 Type: Mixed Use
 Status: Under Review
 Site Area: 1,286 SqM
 FSR: -1
 Project Size: 23 Units 1 per 55.91 SqM of Site Area
 2,700 GFA 1 per 0.47 SqM of Site Area

				Total AUD	AUD Per SqM of Site Area	AUD Per GFA	AUD Per Total Net Revenue
Revenues							
	Quantity	SqM	AUD/SqM				
Gross Sales Revenue	3	4,135.95	5,538.15	22,905,530	17,811	8,484	103.8%
Residential - 1 Bedroom Units	1	1,739.00	8,000.00	13,912,000			
Commercial Office	1	2,309.00	3,894.99	8,993,530			
Retail Shops	-	1.00	-	-			
Not Classified	1	86.95	-	-			
Less Selling Costs				(507,295)	(394)	(188)	-2.3%
Less Purchasers Costs				-	-	-	0.0%
NET SALES REVENUE				22,398,235	17,417	8,298	101.5%
	Average Yield	SqM	AUD/SqM/annum				
Gross Rental Income	5.81%	2,309.00	226.33	-	-	-	0.0%
Commercial Office	5.81%	2,309.00	226.33	-	-	-	0.0%
Less Outgoings & Vacancies				-	-	-	0.0%
Less Letting Fees				(78,390)	(61)	(29)	-0.4%
Less Incentives (Rent Free and Fitout Costs)				(252,750)	(197)	(94)	-1.1%
Less Other Leasing Costs				-	-	-	0.0%
NET RENTAL INCOME				(331,140)	(257)	(123)	-1.5%
Interest Received				-	-	-	0.0%
Other Income				-	-	-	0.0%
TOTAL REVENUE				22,067,095	17,159	8,173	100.0%
Costs							
Land Purchase Cost				3,215,000	2,500	1,191	14.6%
Land Acquisition Costs				176,825	138	65	0.8%
Construction Costs (inc. Contingency)				16,836,820	13,092	6,236	76.3%
Other Construction Costs				15,306,200	11,902	5,669	69.4%
Contingency				1,530,620	1,190	567	6.9%
Professional Fees				1,546,946	1,203	573	7.0%
Statutory Fees				310,000	241	115	1.4%
Miscellaneous Costs 1				60,000	47	22	0.3%
Miscellaneous Costs 2				-	-	-	0.0%
Miscellaneous Costs 3				-	-	-	0.0%
Project Contingency (Reserve)				-	-	-	0.0%
Land Holding Costs				234,000	182	87	1.1%
Pre-Sale Commissions				-	-	-	0.0%
Finance Charges (inc. Fees)				187,500	146	69	0.8%
Interest Expense				127,745	99	47	0.6%
Plus Corporate Tax				-	-	-	0.0%
TOTAL COSTS				22,694,836	17,648	8,405	102.8%

Performance Indicators		Per SqM of Site Area	Per GFA
¹ Net Development Profit		(627,741)	(488)
³ Development Margin (Profit/Risk Margin)	Based on total costs (no selling costs)	-2.71%	(232)
⁴ Residual Land Value	Based on Target Margin of 15%	(61,523)	(48)
⁵ Net Present Value	Based on Discount Rate of 15% p.a. Nominal	(2,991,227)	
⁶ Benefit Cost Ratio		0.8227	
⁷ Project Internal Rate of Return (IRR)	Per annum Nominal	-2.08%	
⁸ Residual Land Value	Based on NPV	406,495	151
Equity IRR	Per annum Nominal	-1.31%	
Equity Contribution		15,000,000	
Peak Debt Exposure		8,110,508	
Equity to Debt Ratio		190.97%	
⁹ Weighted Average Cost of Capital (WACC)		2.06%	
¹⁰ Breakeven Date for Cumulative Cash Flow		N.A. (Negative Profit)	
¹¹ Yield on Cost		2.25%	
¹² Rent Cover		0 Yrs, 0 Mths	
¹³ Profit Erosion		0 Yrs, 0 Mths	

Footnotes:
 1. Development Profit: is total revenue less total cost including interest paid and received
 2. Note: No redistribution of Developer's Gross Profit
 3. Development Margin: is profit divided by total costs (inc selling costs)
 4. Residual Land Value: is the maximum purchase price for the land whilst achieving the target development margin.
 5. Net Present Value: is the project's cash flow stream discounted to present value. It includes financing costs but excludes interest and corp tax.
 6. Benefit-Cost Ratio: is the ratio of discounted incomes to discounted costs and includes financing costs but excludes interest and corp tax.
 7. Internal Rate of Return: is the discount rate where the NPV above equals Zero.
 8. Residual Land Value (based on NPV): is the purchase price for the land to achieve a zero NPV.
 9. The Weighted Average Cost of Capital (WACC) is the rate that a company is expected to pay to finance its assets.
 10. Breakeven date for Cumulative Cash Flow: is the last date when total debt and equity is repaid (ie when profit is realised).
 11. Yield on Cost: is Current Net Annual Rent divided by Total Costs, including all Selling Costs.
 12. The total net development profit divided by the current net annual rental expressed as a number of years/months.
 13. The period of time post practical completion that it can remain unleased (but leased out) until finance and land holding costs erodes the profit for the development to zero.



Annexure A - Financial Feasibility Models

Site Type 3 – Outer Industrial Site

Mixed Use Building with 35% Residential Floor Space

ARGUS EstateMaster Development Feasibility		SUMMARY OF PROJECT RETURNS					
Moreland MILS							
35% Residential							
Outer Industrial Site - Railway Pda							
Linkages to Database Property							
Time Span:	Feb-19 to Feb-22 (36 Months)						
Type:	Mixed Use						
Status:	Under Review						
Site Area:	1,500 SqM						
FSR:	:1						
Project Size:	34 Units	1 per 44.11 SqM of Site Area					
	11,407 GFA	1 per 0.13 SqM of Site Area					
			Total AUD	AUD Per SqM of Site Area	AUD Per GFA	AUD Per Total Net Revenue	
Revenues							
	Quantity	SqM	AUD/SqM				
Gross Sales Revenue	3	2,358.40	4,823.46	11,375,652	7,584	997	103.8%
Residential - 1 Bedroom Units	1	808.00	8,000.00	6,464,000			
Commercial Office	1	1,509.00	3,254.91	4,911,652			
Retail Shops	-	1.00	-	-			
Not Classified	1	40.40	-	-			
Less Selling Costs				(307,677)	(205)	(27)	-2.8%
Less Purchasers Costs				-	-	-	0.0%
NET SALES REVENUE				11,067,976	7,379	970	101.0%
	Average Yield	SqM	AUD/SqM/annum				
Gross Rental Income	5.77%	1,509.00	187.87	-	-	-	0.0%
Commercial Office	5.77%	1,509.00	187.87	-	-	-	
Less Outgoings & Vacancies				-	-	-	0.0%
Less Letting Fees				(42,525)	(28)	(4)	-0.4%
Less Incentives (Rent Free and Fitout Costs)				(67,500)	(45)	(6)	-0.6%
Less Other Leasing Costs				-	-	-	0.0%
NET RENTAL INCOME				(110,025)	(73)	(10)	-1.0%
Interest Received				-	-	-	0.0%
Other Income				-	-	-	0.0%
TOTAL REVENUE				10,957,951	7,305	961	100.0%
Costs							
Land Purchase Cost				3,000,000	2,000	263	27.4%
Land Acquisition Costs				165,000	110	14	1.5%
Construction Costs (inc. Contingency)				10,369,085	6,906	908	94.5%
Other Construction Costs				9,417,350	6,278	826	85.9%
Contingency				941,735	628	83	8.6%
Professional Fees				1,078,727	719	95	9.8%
Statutory Fees				155,000	103	14	1.4%
Miscellaneous Costs 1				60,000	40	5	0.5%
Miscellaneous Costs 2				-	-	-	0.0%
Miscellaneous Costs 3				-	-	-	0.0%
Project Contingency (Reserve)				-	-	-	0.0%
Land Holding Costs				237,000	158	21	2.2%
Pre-Sale Commissions				-	-	-	0.0%
Finance Charges (inc. Fees)				80,000	53	7	0.7%
Interest Expense				6,421	4	1	0.1%
Plus Corporate Tax				-	-	-	0.0%
TOTAL COSTS				15,141,233	10,094	1,327	138.2%
Performance Indicators				Per SqM of Site Area	Per GFA		
¹ Net Development Profit				(4,183,282)	(2,789)	(367)	
³ Development Margin (Profit/Risk Margin)	Based on total costs (no selling costs)			-27.08%			
⁴ Residual Land Value	Based on Target Margin of 15%			(2,482,469)	(1,655)	(218)	
⁵ Net Present Value	Based on Discount Rate of 15% p.a. Nominal			(4,129,741)			
⁶ Benefit Cost Ratio				0.6467			
⁷ Project Internal Rate of Return (IRR)	Per annum Nominal			-69.89%			
⁸ Residual Land Value	Based on NPV			(964,740)	(643)	(85)	
Equity IRR	Per annum Nominal			-24.42%			
Equity Contribution				8,000,000			
Peak Debt Exposure				1,035,408			
Equity to Debt Ratio				829.73%			
⁹ Weighted Average Cost of Capital (WACC)				0.65%			
¹⁰ Breakeven Date for Cumulative Cash Flow				N.A. (Negative Profit)			
¹¹ Yield on Cost				1.84%			
¹² Rent Cover				0 Yrs, 0 Mths			
¹³ Profit Erosion				0 Yrs, 0 Mths			

Footnotes:

- Development Profit: is total revenue less total cost including interest paid and received
- Note: No redistribution of Developer's Gross Profit
- Development Margin: is profit divided by total costs (inc selling costs)
- Residual Land Value: is the maximum purchase price for the land whilst achieving the target development margin.
- Net Present Value: is the project's cash flow stream discounted to present value. It includes financing costs but excludes interest and corp tax.
- Benefit-Cost Ratio: is the ratio of discounted incomes to discounted costs and includes financing costs but excludes interest and corp tax.
- Internal Rate of Return: is the discount rate where the NPV above equals Zero.
- Residual Land Value (based on NPV): is the purchase price for the land to achieve a zero NPV.
- The Weighted Average Cost of Capital (WACC) is the rate that a company is expected to pay to finance its assets.
- Breakeven date for Cumulative Cash Flow is the last date when total debt and equity is repaid (ie when profit is realised).
- Yield on Cost is Current Net Annual Rent divided by Total Costs, including all Selling Costs.
- The total net development profit divided by the current net annual rental expressed as a number of years/months.
- The period of time post practical completion that it can remain unsold (but leased out) until finance and land holding costs erodes the profit for the development to zero.



Annexure A - Financial Feasibility Models

Site Type 3 – Outer Industrial Site

Mixed Use Building with 50% Residential Floor Space

ARGUS EstateMaster Development Feasibility		SUMMARY OF PROJECT RETURNS					
Moreland MILS 50% Residential Outer Industrial Site - Railway Pde							Linkages to Database Property
Time Span:	Feb-19 to Feb-22 (36 Months)						
Type:	Mixed Use						
Status:	Under Review						
Site Area:	1,500 SqM						
FSR:	:1						
Project Size:	34 Units	1 per 44.11 SqM of Site Area					
	11,407 GFA	1 per 0.13 SqM of Site Area					
				Total AUD	AUD Per SqM of Site Area	AUD Per GFA	AUD Per Total Net Revenue
Revenues							
	Quantity	SqM	AUD/SqM				
Gross Sales Revenue	3	3,085.00	5,481.90	16,911,652	11,274	1,483	103.2%
Residential - 1 Bedroom Units	1	1,500.00	8,000.00	12,000,000			
Commercial Office	1	1,509.00	3,254.91	4,911,652			
Retail Shops	-	1.00	-	-			
Not Classified	1	75.00	-	-			
Less Selling Costs				(409,117)	(273)	(36)	-2.5%
Less Purchasers Costs				-	-	-	0.0%
NET SALES REVENUE				16,502,536	11,002	1,447	100.7%
	Average Yield	SqM	AUD/SqM/annum				
Gross Rental Income	5.77%	1,509.00	187.87	-	-	-	0.0%
Commercial Office	5.77%	1,509.00	187.87	-	-	-	0.0%
Less Outgoings & Vacancies				-	-	-	0.0%
Less Letting Fees				(42,525)	(28)	(4)	-0.3%
Less Incentives (Rent Free and Fitout Costs)				(67,500)	(45)	(6)	-0.4%
Less Other Leasing Costs				-	-	-	0.0%
NET RENTAL INCOME				(110,025)	(73)	(10)	-0.7%
Interest Received				-	-	-	0.0%
Other Income				-	-	-	0.0%
TOTAL REVENUE				16,392,511	10,928	1,437	100.0%
Costs							
Land Purchase Cost				3,000,000	2,000	263	18.3%
Land Acquisition Costs				165,000	110	14	1.0%
Construction Costs (inc. Contingency)				13,300,155	8,867	1,166	81.1%
Other Construction Costs				12,091,050	8,061	1,060	73.8%
Contingency				1,209,105	806	106	7.4%
Professional Fees				1,314,012	876	115	8.0%
Statutory Fees				155,000	103	14	0.9%
Miscellaneous Costs 1				60,000	40	5	0.4%
Miscellaneous Costs 2				-	-	-	0.0%
Miscellaneous Costs 3				-	-	-	0.0%
Project Contingency (Reserve)				-	-	-	0.0%
Land Holding Costs				237,000	158	21	1.4%
Pre-Sale Commissions				-	-	-	0.0%
Finance Charges (inc. Fees)				95,000	63	8	0.6%
Interest Expense				1,315	1	0	0.0%
Plus Corporate Tax				-	-	-	0.0%
TOTAL COSTS				18,327,482	12,218	1,607	111.8%
Performance Indicators				Per SqM of Site Area	Per GFA		
¹ Net Development Profit				(1,934,971)	(1,290)	(170)	
³ Development Margin (Profit/Risk Margin)		Based on total costs (no selling costs)		-10.33%			
⁴ Residual Land Value		Based on Target Margin of 15%		(961,785)	(641)	(84)	
⁵ Net Present Value		Based on Discount Rate of 15% p.a. Nominal		(2,391,548)			
⁶ Benefit Cost Ratio				0.8283			
⁷ Project Internal Rate of Return (IRR)		Per annum Nominal		-33.05%			
⁸ Residual Land Value		Based on NPV		734,322	490	64	
Equity IRR		Per annum Nominal		-7.57%			
Equity Contribution				9,500,000			
Peak Debt Exposure				84,019			
Equity to Debt Ratio				N.A.			
⁹ Weighted Average Cost of Capital (WACC)				0.00%			
¹⁰ Breakeven Date for Cumulative Cash Flow				N.A. (Negative Profit)			
¹¹ Yield on Cost				1.51%			
¹² Rent Cover				0 Yrs, 0 Mths			
¹³ Profit Erosion				0 Yrs, 0 Mths			

Footnotes:
 1. Development Profit: is total revenue less total cost including interest paid and received
 2. Note: No redistribution of Developer's Gross Profit
 3. Development Margin: is profit divided by total costs (inc selling costs)
 4. Residual Land Value: is the maximum purchase price for the land whilst achieving the target development margin.
 5. Net Present Value: is the project's cash flow stream discounted to present value. It includes financing costs but excludes interest and corp tax.
 6. Benefit-Cost Ratio: is the ratio of discounted incomes to discounted costs and includes financing costs but excludes interest and corp tax.
 7. Internal Rate of Return: is the discount rate where the NPV above equals Zero.
 8. Residual Land Value (based on NPV): is the purchase price for the land to achieve a zero NPV.
 9. The Weighted Average Cost of Capital (WACC) is the rate that a company is expected to pay to finance its assets.
 10. Breakeven date for Cumulative Cash Flow: is the last date when total debt and equity is repaid (ie when profit is realised).
 11. Yield on Cost: is Current Net Annual Rent divided by Total Costs, including all Selling Costs.
 12. The total net development profit divided by the current net annual rental expressed as a number of years/months.
 13. The period of time post practical completion that it can remain unsold (but leased out) until finance and land holding costs erodes the profit for the development to zero.

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ADVISORY
ACQUISITIONS
DEVELOPMENT

Planning and Environment Act 1987

MORELAND PLANNING SCHEME

AMENDMENT C193

EXPLANATORY REPORT

Who is the planning authority?

This amendment has been prepared by the Moreland City Council who is the planning authority for this amendment.

The Amendment has been made at the request of the Moreland City Council.

Land affected by the Amendment

The Amendment applies to industrial land within the Brunswick Activity Centre identified in the Moreland Industrial Land Strategy (MILS) 2015-2030 as *Category 2 – Employment MILS Areas* listed in Table 1 below.

What the amendment does

The Amendment proposes to rezone land to Commercial 3 Zone with a maximum allowable percentage of the combined gross floor area of all buildings on a lot for dwelling and residential building uses not exceeding 50%.

Table 1. Affected properties

Affected Properties	
87-89 ALBERT STREET BRUNSWICK 3056	31-33 EDWARD STREET BRUNSWICK 3056
91 ALBERT STREET BRUNSWICK 3056	35 EDWARD STREET BRUNSWICK 3056
93-97 ALBERT STREET BRUNSWICK 3056	39 EDWARD STREET BRUNSWICK 3056
104-110 ALBERT STREET BRUNSWICK EAST 3057	41 EDWARD STREET BRUNSWICK 3056
118-120 ALBERT STREET BRUNSWICK 3056	43-45 EDWARD STREET BRUNSWICK 3056
122 ALBERT STREET BRUNSWICK 3056	47 EDWARD STREET BRUNSWICK 3056
124 ALBERT STREET BRUNSWICK 3056	55 EDWARD STREET BRUNSWICK 3056
191 ALBION STREET BRUNSWICK 3056	57 EDWARD STREET BRUNSWICK 3056
193-195 ALBION STREET BRUNSWICK 3056	59-61 EDWARD STREET BRUNSWICK 3056
201 ALBION STREET BRUNSWICK 3056	145 GLENLYON ROAD BRUNSWICK 3056
203 ALBION STREET BRUNSWICK 3056	6 ILHAN LANE BRUNSWICK 3056

Affected Properties	
205 ALBION STREET BRUNSWICK 3056	140 VICTORIA STREET BRUNSWICK 3056
207 ALBION STREET BRUNSWICK 3056	142 VICTORIA STREET BRUNSWICK 3056
209 ALBION STREET BRUNSWICK 3056	144 VICTORIA STREET BRUNSWICK 3056
211 ALBION STREET BRUNSWICK 3056	146 VICTORIA STREET BRUNSWICK 3056
213 ALBION STREET BRUNSWICK 3056	148 VICTORIA STREET BRUNSWICK 3056
130 BARKLY STREET BRUNSWICK 3056	150-152 VICTORIA STREET BRUNSWICK 3056
85-89 BRUNSWICK ROAD BRUNSWICK EAST 3057	154-158 VICTORIA STREET BRUNSWICK 3056 (EXCEPT FOR THE LAND DEFINED AS CATEGORY 3 AT THE REAR)
95-101 BRUNSWICK ROAD BRUNSWICK EAST 3057	160-164 VICTORIA STREET BRUNSWICK 3056
103 BRUNSWICK ROAD BRUNSWICK EAST 3057	1-5 WESTON STREET, BRUNSWICK EAST 3057
105 BRUNSWICK ROAD BRUNSWICK EAST 3057	120 WESTON STREET BRUNSWICK EAST 3057
107 BRUNSWICK ROAD BRUNSWICK 3056	122 WESTON STREET BRUNSWICK EAST 3057
109 BRUNSWICK ROAD BRUNSWICK 3056	124 WESTON STREET BRUNSWICK EAST 3057
12-14 EDWARD STREET BRUNSWICK 3056	126 WESTON STREET BRUNSWICK EAST 3057
13-15 EDWARD STREET BRUNSWICK 3056 (EXCLUDING THE REAR SECTION WHICH FRONTS DODS STREET)	132-134 WESTON STREET BRUNSWICK EAST 3057
18-20 EDWARD STREET BRUNSWICK 3056	140 WESTON STREET BRUNSWICK EAST 3057
22 EDWARD STREET BRUNSWICK 3056	142-144 WESTON STREET BRUNSWICK EAST 3057
28-36 EDWARD STREET BRUNSWICK 3056	

Strategic assessment of the Amendment

Why is the Amendment required?

The Moreland Industrial Land Strategy 2015-2030

The Moreland Industrial Land Strategy 2015-2030 (MILS) was introduced into the Moreland Planning Scheme through Amendment C158 on 6 April 2017. The MILS provides a coordinated and evidence based approach to managing growth and strengthening our local economy. It complements Council's objectives for creating a sustainable urban environment where people have access to jobs and business services near to where they live, and it enables planning for local employment opportunities now and for future generations.

The amendment affects industrial land within the BAC within the following MILS categories:

Category 2 - Employment areas which seek to support transition from traditional industrial uses to a broader range of employment uses, and prioritise employment uses over residential uses in Employment Areas.

Brunswick Activity Centre

The vision for the Brunswick Activity Centre is one of continued economic and social diversity and improved sustainability. Planning for growth and development will focus on three corridors: the Sydney Road/Upfield Corridor, Lygon Street and Nicholson Street. Core Industry and Employment Areas will be protected, Employment Areas will transition from traditional industrial uses to a broader range of employment uses, and declining industrial areas will transform into residential areas. (Brunswick Activity Centre Structure Plan Reference Document Theme 1 Land Use Pattern and Activity pg. 16)

In October 2016 Council adopted the Brunswick Activity Centre Structure Plan Reference Document (BACSP). The BACSP supersedes the following documents as reference documents to the Moreland Planning Scheme:

- The Brunswick Structure Plan (2010)
- The Brunswick Structure Plan Addendum (2012)
- Sydney Road/Upfield Corridor Strategic Framework Plan (2014)

One of the key strategies of the BACSP under the theme of *Land Use Pattern and Activity* is to *implement rezoning's where required to give effect to the MILS* (pg. 16). Amendment C193 will facilitate new employment and housing opportunities by rezoning underutilised industrial land that is well serviced by existing infrastructure and public transport. The rezoning of this land will encourage new development and employment opportunities which will add to the vibrancy and mix of uses within the activity centre and assist Council in achieving its vision for the BAC.

Zone selection

Land within *Category 2 – Employment Areas* are proposed to be rezoned to the Commercial 3 Zone (C3Z). The purpose of the C3Z is:

- To provide for a range of industrial, commercial, office and other employment generating uses which support the mixed-use employment function of the area.
- To promote collaborative and high-quality working environments which support the area through good urban design and high-amenity, accessible and well-connected places.
- To provide opportunities for limited retail uses which are complementary to the role and scale of the area.
- To provide the option for limited residential uses that do not undermine the primary employment and economic development focus of the zone. To facilitate the use, development and redevelopment.

The C3Z will achieve the employment outcomes sought by MILS for Category 2 Areas while still providing flexibility for some residential uses to occur in the context of the BAC. As part of this Amendment a 50% maximum percentage of residential floor space will be mandated through the schedule to the C3Z. This ensures a minimum percentage of commercial employment generating floor space is provided as part of any development. The use of floor space controls within the C3Z has significantly greater strength for planning decision-making compared to a local policy.

How does the Amendment implement the objectives of planning in Victoria?

The amendment seeks to implement the following objectives set out at Section 4 of the *Planning and Environment Act 1987*:

- 1(a) - to provide for the fair, orderly, economic and sustainable use, and development of land;
- 1(c) - to secure a pleasant, efficient and safe working, living and recreational environment for all Victorians and visitors to Victoria;
- 1(g) - to balance the present and future interests of all Victorians.

The BAC is identified in *Plan Melbourne 2017-2050* as a place likely to experience significant change over time as the population of Melbourne increases. The amendment will assist in the facilitation of redevelopment of land within the BAC with the proposed zone, implementing the objectives and guidelines of the BACSP and give effect to the policies and objectives set out for activity centres in *Plan Melbourne 2017-2050*.

How does the Amendment address any environmental, social and economic effects?

The proposed application of the C3Z provides clear direction for investment and provides certainty to Council, the community and the development sector about the proposed uses within the activity centre.

The controls are consistent with the need for the BAC to fulfil its role and function as a centre with a genuine mixture of housing, office and retail while maintaining the amenity of surrounding residential areas and meeting community expectation.

The proposed rezoning of industrial land responds to the decline in traditional manufacturing industries in Moreland and more specifically Brunswick, and the strong presence of residential uses in these precincts. Growing pressures faced by increasing demand for residential land, limited availability of residential land in close proximity to the CBD, increasing land prices and greater potential for conflict between uses and traffic problems in residential streets has also contributed to the decline.

The development opportunities provided for by the rezoning will facilitate a range of employment generating activities that help to retain or create new local employment. Furthermore, the proposed zones will encourage the establishment of residential uses that take advantage of the broad range of community infrastructure, services and facilities within the BAC.

Does the Amendment address relevant bushfire risk?

The land is not included within a bushfire prone area and will not result in any increase to the risk to life, property, community infrastructure and the natural environment from bushfire.

Does the Amendment comply with the requirements of any Minister's Direction applicable to the amendment?

The Amendment is consistent with the *Ministerial Direction on the Form and Content of Planning Schemes* under Section 7(5) of the Act.

Ministerial Direction No 1 – Potentially Contaminated Land

The previous industrial use of some properties within the BAC meet the definition of potentially contaminated land defined in *Ministerial Direction No 1 – Potentially Contaminated Land*. As the MUZ would allow for sensitive uses either as-of-right or subject to a planning permit, an EAO is proposed to apply to these properties as part of Amendment C164 Part 1.

Ministerial Direction No 9 – Metropolitan Strategy

Plan Melbourne 2017-2050, the Victorian State Government's overarching strategic policy for the growth of Melbourne, identifies Brunswick as a major activity centre. This status provides an opportunity for medium and higher density development close to jobs and services.

Direction No 9 requires that planning scheme amendments must have regard to *Plan Melbourne*. This amendment is considered to be consistent with the directions and policies of the Strategy. The amendment is considered to facilities the following within *Plan Melbourne*:

- *Delivering Jobs and Investment* – Create a city structure that drives productivity, supports investment through certainty and creates more jobs.
Key Directions – define a new city structure, plan for the expanded central city, plan for jobs closer to where people live, enable transit oriented development and urban renewal.
- *Housing Choice and Affordability* – Provide a diversity of housing in defined locations that cater for different households and are close to jobs and services.
Key Directions – plan for expected housing needs, reduce costs of living by increasing housing supply near services, and facilitate the supply of social and affordable housing.

- Liveable Communities and Neighbourhoods – Create healthy and active neighbourhoods and maintain Melbourne's identity as one of the world's most liveable cities.
Key Directions – Create a city of 20 minute neighbourhoods, protect suburbs from inappropriate development, and make our city greener.

The amendment is consistent with *Ministerial Direction No. 11 – Strategic Assessments of Amendments*. A Strategic assessment of the proposed amendment has been undertaken in accordance with this Ministerial Direction in this explanatory report.

Ministerial Direction No. 19 – Preparation and content of Amendments that may significantly impact the Environment, Amenity and Human Health requires planning authorities to seek the views of the Environment Protection Authority (EPA) in the preparation of planning scheme that could result in use or development of land that may result in significant impacts on the environment, amenity and human health due to pollution and waste. The outcomes from the proposed Amendment will not have any significant impact on the environment, amenity and human health.

How does the Amendment support or implement the Planning Policy Framework and any adopted State policy?

Clause 11 – Settlement

The amendment provides opportunities for redevelopment and intensification in an established urban area with excellent access to public transport and services.

Clause 16 - Housing

The amendment facilitates an increase in housing supply in an established urban area, proximate to a range of services. It also adds to the housing diversity and choice across the Brunswick Activity Centre.

Clause 17 – Economic Development

The amendment will facilitate new employment opportunities and reinvestment into existing urban areas. It will increase the resident workforce within Brunswick, which will support existing and new employment opportunities, and commercial activity within the Brunswick Activity Centre.

Clause 18 – Transport

The amendment facilitates more efficient use of existing transport infrastructure by consolidating urban development in close proximity to tram, bus and train routes. The amendment also seeks to improve the interface of key pedestrian and cycling routes across the Brunswick Activity Centre.

Clause 19 - Infrastructure

The amendment facilitates higher density residential development and employment opportunities within the Brunswick Activity Centre with access to existing infrastructure, services, recreational areas and community facilities.

How does the Amendment support or implement the Local Planning Policy Framework, and specifically the Municipal Strategic Statement?

The Moreland Municipal Strategic Statement (MSS) seeks to encourage housing growth, with good access to transport, retail and services. It also seeks to contribute to economic regeneration through the transition of specific precincts of industrial zoned land to accommodate more diverse employment opportunities and housing supply.

How does the amendment support or implement the Municipal Planning Strategy?

This strategic consideration does not apply as a Municipal Planning Strategy at Clause 02 of the Moreland Planning Scheme has not yet been included.

Does the Amendment make proper use of the Victoria Planning Provisions?

The amendment makes proper use of the Victoria Planning Provisions (VPP) through the selection of the appropriate tool to achieve guidance for future land use outcomes for the BAC. The Commercial 3 Zone has been selected to provide clarity for the specific land use outcomes that are seeking to be achieved consistent with the MILS.

How does the Amendment address the views of any relevant agency?

The review of Moreland's previous industrial land strategy and the development of the MILS involved extensive public consultation including public exhibition during Amendment C158 to implement the MILS into the Planning Scheme. As part of this process, and the development of the MILS, the views of the Victorian Planning Authority (formerly the Metropolitan Planning Authority) and the Department of Land Water Environment and Planning were sought.

Public consultation and a planning panel was held as part of the amendment process for Amendment C164.

Does the Amendment address relevant requirements of the Transport Integration Act 2010?

The intent of the amendment broadly aligns with the objectives and decision principles outlined in Section 3 of the Act. The amendment aims to encourage land uses and developments that minimise dependence on car use and facilitate sustainable transport options within the Activity Centre.

The proposed amendment has the potential to facilitate significant residential and commercial development within the Sydney Road and Lygon Street Local Areas with excellent access to the existing train, tram and road network. This will provide convenient access to the transport network, and contribute to social and economic inclusion, and economic prosperity.

The amendment contributes to the transport system with the integration of redeveloped vacant land in established build-up areas to existing transport networks that can provide access to social and economic opportunities.

Resource and administrative costs**• What impact will the new planning provisions have on the resource and administrative costs of the responsible authority?**

The amendment is expected to have a positive impact on administration and resources. By taking a proactive approach to the implementation of the MILS, and the application of a zone that clarifies the ultimate use envisaged in these employment areas, the amendment will reduce uncertainty and assist in preventing land speculation within the BAC. A proactive rezoning which affects a number of precincts is an efficient use of Council resources. The amendment will therefore have a positive impact on the resource and administrative cost for the responsible authority.

Where you may inspect this Amendment

The Amendment is available for public inspection, free of charge, during office hours at the following places:

- **Coburg Citizen Services Centre**, Moreland City Council, 90 Bell Street, Coburg.
- **Brunswick Citizen Services Centre**, Moreland City Council, 233 Sydney Road, Brunswick.
- **Brunswick Library**, 233 Sydney Road, Brunswick
- **Campbell Turnbull Library**, 220 Melville Road, Brunswick West
- **Coburg Library**, Corner of Victoria and Louisa Streets, Coburg

In addition, amendment documentation and information can be viewed online at:

- **Moreland City Council** website at www.moreland.vic.gov.au.
- **Department of Environment Land Water and Planning** website at www.delwp.vic.gov.au/public-inspection.

Submissions

Any person who may be affected by the Amendment may make a submission to the planning authority. Submissions about the Amendment must be received by **XX**.

A submission must be sent to:

Moreland City Council
Strategic Planning Unit
Submission to Amendment C193
Locked Bag 10
MORELAND VIC 3058

Please be aware that all submissions to amendments are public documents that must be made available for viewing by any person as part of the planning process.

For further information, please contact Moreland City Council's Strategic Planning Unit on (03) 9384 9215.

Panel hearing dates

In accordance with clause 4(2) of Ministerial Direction No.15 the following panel hearing dates have been set for this amendment:

- directions hearing: [insert directions hearing date]
- panel hearing: [insert panel hearing date]

Further details regarding the full panel hearing will be provided by Planning Panels Victoria post the Directions Hearing.

VICTORIA PLANNING PROVISIONS

34.0304/10/2018
VC149**COMMERCIAL 3 ZONE**

Shown on the planning scheme map as **C3Z** with a number (if shown).

Purpose

To implement the Municipal Planning Strategy and the Planning Policy Framework.

To provide for a range of industrial, commercial, office and other employment generating uses which support the mixed-use employment function of the area.

To promote collaborative and high-quality working environments which support the area through good urban design and high-amenity, accessible and well-connected places.

To provide opportunities for limited retail uses which are complementary to the role and scale of the area.

To provide the option for limited residential uses that do not undermine the primary employment and economic development focus of the zone.

To facilitate the use, development and redevelopment of land in accordance with the objectives specified in a schedule to this zone.

34.03-104/10/2018
VC149**Operation**

The schedule to this zone may specify:

- Objectives to be achieved for the area.
- A maximum allowable percentage (not exceeding 50%) of the combined gross floor area of all buildings on a lot for dwelling and residential building uses.

34.03-208/09/2019
VC159**Table of uses****Section 1 - Permit not required**

Use	Condition
Art and craft centre	
Education centre (other than Primary school and Secondary School)	
Food and drink premises	The leasable floor area must not exceed 150 square metres.
Home based business	
Industry (other than Materials recycling and Transfer station)	<p>Must not be a purpose listed in the table to Clause 53.10 except for boiler makers, bakery, smallgoods production and joinery.</p> <p>The land must be at least the following distances from land (not a road) in a residential zone, Activity Centre Zone, Commercial 1 Zone, Capital City Zone, Docklands Zone, land used for a hospital, primary school, or secondary school, land not in this zone used for any other education centre, or land in a Public Acquisition Overlay to be acquired for a hospital, primary school, secondary school, or for any other education centre on land not in this zone:</p> <ul style="list-style-type: none"> ▪ The threshold distance, for a purpose listed in the table to Clause 53.10.

VICTORIA PLANNING PROVISIONS

Use	Condition
	<ul style="list-style-type: none"> ▪ 30 metres, for a purpose not listed in the table to Clause 53.10. ▪ If a purpose listed in the table to Clause 53.10, the land must be at least the threshold distance from land used for a dwelling or residential building.
Informal outdoor recreation	
Manufacturing sales	
Market	
Office	
Place of assembly (other than Place of worship)	The leasable floor area must not exceed 200 square metres.
Postal agency	
Railway	
Research centre	
Tramway	
Any use listed in Clause 62.01	Must meet the requirements of Clause 62.01.

Section 2 - Permit required

Use	Condition
Adult sex product shop	<p>Must be at least 200 metres (measured by the shortest route reasonably accessible on foot) from a residential zone or, land used for a hospital, primary school or secondary school or land in a Public Acquisition Overlay to be acquired for a hospital, primary school or secondary school.</p> <p>The leasable floor area must not exceed 200 square metres.</p>
Dwelling	<p>The combined gross floor area of all dwellings and residential buildings as a percentage of the combined gross floor area of all buildings on the lot must not exceed the maximum allowable gross floor area percentage specified in the schedule to this zone. If no maximum allowable gross floor area percentage is specified, it must not exceed 35%.</p> <p>Any frontage at ground floor level must not exceed 4 metres.</p>
Leisure and recreation (other than Informal outdoor recreation, Major sports and recreation facility and Motor racing track)	
Place of worship	The leasable floor area must not exceed 250 square metres.
Residential building	The combined gross floor area of all dwellings and residential buildings as a percentage of the combined gross floor area of all buildings on the lot must not exceed the maximum allowable gross

VICTORIA PLANNING PROVISIONS

Use	Condition
	<p>floor area percentage specified in the schedule to this zone. If no maximum allowable gross floor area percentage is specified, it must not exceed 35%.</p> <p>Any frontage at ground floor level must not exceed 4 metres.</p>
Shop (other than Adult sex product shop)	The leasable floor area must not exceed 200 square metres.
Utility installation (other than Minor utility installation and Telecommunications facility)	
Warehouse	The leasable floor area must not exceed 500 square metres.
Any other use not in Section 1 or 3	

Section 3 - Prohibited

Use
Accommodation (other than Dwelling and Residential building)
Major sports and recreation facility
Motor racing track
Retail premises (other than Adult sex product shop, Food and drink premises, Manufacturing sales, Market, Postal agency and Shop)

34.03-3
04/10/2018
VC149

Use of land

A use must not detrimentally affect the amenity of the neighbourhood, including through the:

- Transport of materials, goods or commodities to or from the land.
- Appearance of any building, works or materials.
- Emission of noise, artificial light, vibration, smell, fumes, smoke, vapour, steam, soot, ash, dust, waste water, waste products, grit or oil.

34.03-4
04/10/2018
VC149

Subdivision

A permit is required to subdivide land.

34.03-5
04/10/2018
VC149

Buildings and works

A permit is required to construct a building or construct or carry out works.

This does not apply to:

- The installation of an automatic teller machine.
- An alteration to an existing building façade provided:
 - The alteration does not include the installation of an external roller shutter.
 - At least 80 per cent of the building facade at ground floor level is maintained as an entry or window with clear glazing.

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- An awning that projects over a road if it is authorised by the relevant public land manager.
- Structural changes to a building provided the size of the building is not increased.

An apartment development must meet the requirements of Clause 58.

The height of a storey at the ground floor level of a new building must be at least 4 metres measured from finished floor level to the ceiling.

Maintenance

All buildings and works must be maintained in good order and appearance to the satisfaction of the responsible authority.

34.03-6

04/10/2018
VC149

Application requirements**Use**

An application to use land must be accompanied by the following information, as appropriate:

- A description of the proposed use and the types of activities which will be carried out and any proposed staging of use and activities on the land.
- Plans drawn to scale and dimensioned which show:
 - The siting and use of buildings.
 - Areas not required for immediate use.
 - Adjacent buildings and uses.
- The likely effects, if any, on adjoining land, including noise levels, traffic, the hours of delivery and despatch of goods and materials, hours of operation and light spill, solar access and glare.
- Pedestrian connectivity and accessibility to the land and surrounding land.
- The means of maintaining land not required for immediate use.
- If an industry or warehouse use:
 - The type and quantity of goods to be stored, processed or produced.
 - Whether a Works Approval or Waste Discharge Licence is required from the Environment Protection Authority.
 - Whether a notification under the Occupational Health and Safety Regulations 2017 is required, a licence under the Dangerous Goods Act 1985 is required, or a fire protection quantity under the Dangerous Goods (Storage and Handling) Regulations 2012 is exceeded.
 - The likely effects on adjoining land, including air-borne emissions and emissions to land and water.

Subdivision

An application to subdivide land must be accompanied by the following information, as appropriate:

- Plans drawn to scale and dimensioned which show:
 - Site shape, size, dimensions and orientation.
 - The pattern of subdivision of the surrounding area.
 - Easements.
 - Location of drainage and other utilities.
 - Street frontage features such as poles, street trees and kerb crossings.
 - Access points.

VICTORIA PLANNING PROVISIONS

- Pedestrian connectivity and accessibility to the land and surrounding land.
- Any natural features.

Buildings and works

An application to construct a building or construct or carry out works must be accompanied by the following information, as appropriate:

- Plans drawn to scale and dimensioned which show:
 - The boundaries and dimensions of the site.
 - Adjoining roads.
 - The location, height and use of buildings and works on adjoining land.
 - Levels of the site and the difference in levels between the site and surrounding properties to a defined point at the site boundaries or to Australian Height Datum (AHD).
 - Any contaminated soils and filled areas, where known.
 - The layout of existing and proposed buildings and works.
 - The internal layout and use of the proposed development.
 - All access and pedestrian areas.
 - All driveway, car parking and loading areas.
 - Existing vegetation and proposed landscape areas.
 - All external storage and waste treatment areas.
 - The location of easements and services.
- Elevation plans drawn to scale and dimensioned which show:
 - The building form and scale.
 - Setbacks to property boundaries.
 - Finished floor levels and building heights to a defined point at the site boundaries or to Australian Height Datum (AHD).
- Details of measures to mitigate noise, odour, vibration and other amenity impacts.
- Shadow diagrams based on the equinox shown for existing conditions and the proposed development.
- A schedule of finishes for the proposed development detailing materials and colours of external surfaces including walls, roofs and fences.
- Construction details of all drainage works, driveways, vehicle parking and loading areas.
- Pedestrian connectivity and accessibility to the land and surrounding land.
- A landscape layout which includes the description of vegetation to be planted, the surfaces to be constructed, site works specification and method of preparing, draining, watering and maintaining the landscape area.

An application to construct or extend an apartment development, or to construct or extend a dwelling in or forming part of an apartment development, must be accompanied by an urban context report and design response as required in Clause 58.01.

VICTORIA PLANNING PROVISIONS

34.03-704/10/2018
VC149**Exemption from notice and review**

An application to subdivide land or construct a building or construct or carry out works is exempt from the notice requirements of section 52(1)(a), (b) and (d), the decision requirements of section 64(1), (2) and (3) and the review rights of section 82(1) of the Act. This exemption does not apply to land within 30 metres of land (not a road) which is in a residential zone, land used for a hospital, primary school, or secondary school, land not in this zone used for any other education centre, or land in a Public Acquisition Overlay to be acquired for a hospital, primary school, secondary school, or for any other education centre on land not in this zone.

34.03-804/10/2018
VC149**Decision guidelines**

Before deciding on an application, in addition to the decision guidelines in Clause 65, the responsible authority must consider, as appropriate:

General

- The Municipal Planning Strategy and the Planning Policy Framework.
- The objectives set out in a schedule to this zone.
- The interface with adjoining zones.
- The extent that the layout and design of the new use or development minimises the potential for off-site impacts, including from noise, fumes, odour or vibrations, ensuring that:
 - existing uses are not compromised by a new use or development, or
 - a new use or development is designed to address amenity impacts from, and to, existing uses.

Access

- Movement systems through and around the site including the movement of pedestrians and cyclists, and vehicles providing for supplies, waste removal, emergency services and public transport.
- The provision of car parking, loading of vehicles and access to parking spaces and loading bays.
- Providing for pedestrian connectivity and accessibility through the site and adjoining land including to, and from, public areas.

Uses other than dwelling and residential building

- The effect that existing uses may have on the proposed use.
- The mixture of uses on the land and the primacy of non-residential uses.
- The complementary but limited role of shop, other associated retail uses, food and drink premises, place of assembly and place of worship uses in the area.
- The drainage of the land.
- The availability of and connection to services.
- The effect of traffic to be generated on roads.
- The interim use of those parts of the land not required for the proposed use.
- Whether the use is compatible with adjoining and nearby land uses.

Dwelling and residential building uses

- Whether the use is complementary and appropriate to the area and does not undermine the primary employment and economic development focus of the area.

VICTORIA PLANNING PROVISIONS

- Whether the dwelling or residential building is designed to effectively mitigate noise, odour, vibration and other associated amenity impacts from non-residential uses.
- Whether the use is compatible with adjoining and nearby land uses.

Subdivision

- Provision for vehicles providing for supplies, waste removal and emergency services and public transport.
- The effect the subdivision will have on the potential of the area to accommodate the uses which will maintain or enhance its competitive strengths.
- The pattern of subdivision and its effect on the spacing of buildings.
- For subdivision of land for residential development, the objectives and standards of Clause 56.

Building and works

- The design, scale, height, setback, appearance and material of the proposed buildings and works.
- The design of the public realm.
- The relationship between the proposed building and the public realm.
- The movement of pedestrians and cyclists, and vehicles providing for supplies, waste removal, emergency services and public transport.
- The provision of car parking.
- The streetscape, including the conservation of buildings, the design of verandahs, access from the street front, protecting active frontages to pedestrian areas, the treatment of the fronts and backs of buildings and their appurtenances, illumination of buildings or their immediate spaces and the landscaping of land adjoining a road.
- The storage of rubbish and materials for recycling.
- Defining the responsibility for the maintenance of buildings, landscaping and paved areas.
- The interface with adjoining zones, especially the relationship with residential zones.
- Consideration of the overlooking and overshadowing as a result of building or works affecting adjoining land in a General Residential Zone, Neighbourhood Residential Zone, Residential Growth Zone or Township Zone.
- The availability of and connection to services.
- The provision for solar access to the building and on the public realm.
- The objectives, standards and decision guidelines of Clause 54 or Clause 55. This does not apply to an apartment development.
- For an apartment development, the objectives, standards and decision guidelines of Clause 58.

34.03-904/10/2018
VC149**Signs**

Sign requirements are at Clause 52.05. This zone is in Category 1.

MORELAND PLANNING SCHEME

~~1920~~
C192

SCHEDULE 1 TO CLAUSE 34.03 COMMERCIAL 3 ZONE

Shown on the planning scheme map as **C3Z1**.

BRUNSWICK ACTIVITY CENTRE**1.0****Objectives**

~~1920~~
C192

- To support transition from traditional industrial uses to a broader range of employment uses, and prioritise employment uses over residential uses.
- To support the retention and growth of existing industrial and related businesses in Moreland.
- To facilitate new industrial and related business investment in Moreland.

2.0**Maximum allowable gross floor area percentage**

~~1920~~
C192

The maximum allowable percentage of the combined gross floor area of all buildings on a lot for dwelling and residential building uses must not exceed 50%.





DCF73/19 AFFORDABLE HOUSING ACTION PLAN (D19/319208)

Director City Futures

City Strategy and Design

Executive Summary

The Affordable Housing Action Plan (AHAP) is the successor to the Moreland Affordable Housing Strategy 2014-2018 and responds to a changed and significantly more engaged policy environment at state level.

The lack of supply of affordable housing is continuing to negatively impact Moreland's diverse community and access to affordable, and safe, housing affects people's health and their life opportunities, and many of the homes in high housing stress contain children. Recent research identifies a need for at least 7,000 new affordable homes by 2036.

The objective of the AHAP is to increase the provision of affordable housing in Moreland through policy, advocacy, applied skills and investment. The AHAP defines 4 areas of activity where Council can be most effective in increasing the supply of affordable housing and sets out actions for 2019/2020 under each area.

Officer Recommendation

That Council endorses the Affordable Housing Action Plan at Attachment 1 to this report.

1. Policy Context

The Affordable Housing Action Plan (AHAP) is supported and guided by:

Moreland Community Vision 2025 - Moreland's People

- Direction: Housed.
- Outcome: The Moreland community has access to affordable housing.

Moreland Council Plan 2017-2021 - Strategic Objective 2: Progressive City

- Key Priority 1: Enhance liveability, affordability and sustainability by guiding growth, and excellence in urban design and development.

Moreland Municipal Health and Wellbeing Plan 2017-2021- Focus Area: Liveable Neighbourhoods

- Outcome 3: Moreland has a range of housing that meets community needs.

Moreland Municipal Strategic Statement- Clause 21.03 Strategic Framework

- Objective 8: To contribute to housing affordability.
- 8.2 Encourage developments to include a proportion of affordable rental housing to be owned and managed by a registered Housing Association, Housing Provider or similar not for profit organisation.

2. Background

The AHAP is the successor to the Moreland Affordable Housing Strategy 2014-2018 (MAHS), which had a broad scope and identified 36 implementation actions. Many of these actions were designed in response to a lack of State Government policy that was addressed by the release of 'Homes for Victorians' in 2017. The establishment of Moreland Affordable Housing Ltd (MAH), Council's 'land trust' entity, has also responded to a key aim of the MAHS.

Since the development of the MAHS, there has been an increase in the number of community members in housing crisis, including those rough sleeping. This has pointed to a need for Council to respond beyond the advocacy role identified in the MAHS and work with the State Government, direct service providers and community members (including those directly affected) to facilitate the flow of good information and capacity-building.

After 2014 the provision of affordable and social housing has stalled due primarily to limited State and Federal funding policy settings, however during this time Council directly supported new affordable housing including the Lighthouse Home in Merlynston and the Women's Property Initiatives Coburg Townhouses.

The establishment of MAH in late 2018 sees Council continue to learn how it can effectively deliver affordable housing on Council land. The first key action of MAH will be undertaking a feasibility assessment of 5 sites to enable the selection of one site to progress an affordable housing development.

The *Planning and Environment Act 1987* was amended in 2017 and the State Government's introduction of an affordable housing definition and related instruments came into effect on 1 June 2018. This new definition enables Council to negotiate agreements with private developers to deliver affordable housing as part of the planning permit process. Delivery of affordable housing in this way is voluntary and is negotiated through the planning permit application process. Council's trial of the Design Excellence Scorecard attempts to deliver more affordable housing outcomes through these planning permit application negotiations.

3. Issues

Why an action plan?

Council has clear strategic goals in the Moreland 2025 Community Vision, Council Plan 2017-2021, Municipal Public Health and Wellbeing Plan 2017-2021 and Municipal Strategic Statement, which give a mandate to prepare an Action Plan with an aim to increase the supply of affordable housing. The MAHS was an appropriate document within the context of the period from 2013 to 2017 when there was a lack of clear policy direction and funding from other levels of government. In addition, Moreland no longer needs to justify and evidence the important role of local government in this space as there is now broad acceptance across local governments in Victoria of the need to be taking action.

The action plan is at **Attachment 1**.

What is in the plan?

The objective of the AHAP is to:

increase the provision of affordable housing in Moreland through policy, advocacy, applied skills and investment.

The *Planning and Environment Act 1987* defines affordable housing as:

housing, including social housing, that is appropriate to the needs of very low, low and moderate income households.

The supporting Ministerial Notice lists principles that must be considered, including allocation (implying affordable housing must be allocated to eligible households), affordability and longevity (implying the housing should be retained as affordable housing over time).

The AHAP identifies 4 key areas where Council can be effective in increasing the supply of affordable housing:

Focus Area 1 Facilitate the supply of affordable housing in new developments

In the context of affordable housing being defined in and made an objective of the *Planning and Environment Act 1987*, Council is committed to actions that support the use of its planning functions to increase the provision of affordable housing.

Focus Area 2 Develop affordable housing on Council land

Council through the strategic use of the Moreland Housing Reserve supports MAH to develop affordable housing projects on its land.

Focus Area 3 Advocate for effective policy and increased investment

Actions are targeted at all levels of government to change policy, increase investment and enable community, not-for-profit and commercial stakeholders to respond to the housing crisis and increase the provision of affordable housing.

Focus Area 4 Build community capacity to support people in housing crisis.

With 800 community members homeless and many more in high housing stress, Council is committed to play its part to support those without safe, affordable homes. Actions seek to provide information, maintain networks, and promote suitable applications to the Community Grants Program.

The actions identified under each focus area are specific and resourced actions that will be reported on at the end of the financial year.

Human Rights Consideration

The implications of this report have been assessed in accordance with the requirements of the Charter of Human Rights and Responsibilities.

4. Consultation

The Moreland Housing Advisory Committee (which provided community and stakeholder input to the affordable housing space over the life of the previous strategy) has provided feedback on the AHAP in a facilitated session.

Advice was sought from officers across Council involved in the current and future implementation of actions to support increasing the supply of affordable housing.

The AHAP is not seeking to change to a service, activity, infrastructure or strategic direction set out in existing strategies. It provides a greater focus on delivery of the outcomes Council is seeking. On this basis and in accordance with Council's Community Engagement and Public Participation Policy, wider consultation with the community has not occurred.

Councillors were briefed on the AHAP at a Councillor Briefing on 19 August 2019.

5. Officer Declaration of Conflict of Interest

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

6. Financial and Resources Implications

The funds required to action this the actions identified for 2019/2020 are budgeted for within the current year budget of the units of Council identified in the plan.

For Focus Area 2, Council has requested a detailed proposal from MAH in February 2020 on how it proposes to undertake its first project. Council has previously resolved the funding for MAH for the 2019/2020 financial year.

7. Implementation

Officers from Council's City Strategy and Design Branch will coordinate quarterly meetings with units delivering actions and will provide a report to Council with a review of 2019/2020 actions and updated 2020/2021 actions in August 2020.

Attachment/s

- [1](#)  Draft Affordable Housing Action Plan 2019/20 D19/307658

Affordable Housing Action Plan 2019/20



The lack of supply of affordable housing is negatively impacting Moreland's diverse community

- A lack of affordable, and safe, housing affects people's health and their life opportunities, and many of the homes in high housing stress contain children.
- A Home in Moreland research identifies a need for 7,000 new affordable homes by 2036.

This Action Plan has 4 Focus Areas:

1. Facilitate the supply of affordable housing in new developments
2. Develop affordable housing on council land
3. Advocate for effective policy and increased investment
4. Communicate about and build capacity for services supporting community members in housing crisis.

Focus Areas 1-3 look to take action to directly increase the provision of affordable housing in Moreland.

The actions under Focus Area 4 are about services for those who do not currently have secure housing.

Cover Photo: Coburg Town Houses. Developed by Women's Property Initiatives. Designed by Schored Projects.

Moreland Affordable Housing Strategy 2019 | 2

Moreland's Affordable Housing Strategic Goals

Moreland has clear strategic goals to increase supply of and access to affordable housing, as set out in the following documents:

Moreland Community Vision 2025 - Moreland's People

Direction: Housed

Outcome: The Moreland community has access to affordable housing.

Moreland Council Plan 2017-21 - Strategic Objective 2: Progressive City

Key Priority 1: Enhance liveability, affordability and sustainability by guiding growth, and excellence in urban design and development

Moreland Municipal Health and Wellbeing Plan 2017-21- Focus Area: Liveable Neighbourhoods

Outcome #3: Moreland has a range of housing that meets community needs.

Moreland Municipal Strategic Statement -

Clause 21.03 Strategic Framework

Objective 8: To contribute to housing affordability.

8.2 Encourage developments to include a proportion of affordable rental housing to be owned and managed by a registered Housing Association Housing Provider

The Action Plan supports the delivery of these strategic goals.

Defining Affordable Housing

The most commonly used measure of whether housing is considered affordable is the 30:40 indicator which identifies a household as being in housing affordability stress when it has an income level in the lower 40 per cent of Australia's income distribution and is paying more than 30 per cent of its income in housing costs.

The Victorian *Planning and Environment Act 1987* defines affordable housing as housing, including social housing, that is appropriate to the needs of very low, low and moderate income households. The supporting Ministerial Notice lists principles that must be considered, including allocation (implying affordable housing must be allocated to eligible households), affordability and longevity (implying the housing should be retained as affordable housing over time).

Background

- This Action Plan is the successor to the Moreland Affordable Housing Strategy 2014-18 (MAHS).
- The MAHS contained 36 implementation actions. Many of the actions were designed in response to a state government policy vacuum which was addressed by the release of Homes For Victorians in 2017.
- Council directly supported new affordable housing including the Lighthouse Home in Merlynston and the Women's Property Initiatives Coburg Townhouses but this is in the context of growth in the provision of affordable and social housing stalling due primarily to limited state and federal funding.
- Council's "land trust" entity, Moreland Affordable Housing Ltd- the establishment of which was a key aim of the MAHS- came into being in late 2018 and Council continues to learn how it can deliver housing on council land.
- An increase in the number of community members in housing crisis, including those rough sleeping, pointed to a need for Council to respond beyond the advocacy role identified in the MAHS and work with the state government, direct service providers and community members (including those directly affected) to facilitate the flow of good information and capacity-building.

Engagement

Council's Affordable Housing strategic goals have remained the same since the development of MAHS therefore this Action Plan does not represent a change in strategic direction or service in this area, and provides a greater emphasis on delivery of these strategic goals.

In line with the Community Engagement and Public Participation in Moreland Policy 2018, key stakeholders were engaged to provide information and evidence to support the design of this plan and the development of actions. These have included community housing providers, private developers, community service providers and community members engaged in the housing issue. The Moreland Housing Advisory Committee has provided consistent input of community and stakeholder views in the affordable housing space over the life of the previous strategy and in the development of this plan or similar not for profit organisation.

Reporting and Monitoring

This Plan will be subject to annual reporting and review, to identify and resource specific actions every year under each of the Focus Areas. Each action has an area of Council responsible for it, with a cost and a measure of success. Officers from Council's City Strategy and Design branch will conduct a quarterly check-in with the relevant areas to monitor progress, collaborate and help plan for the following year's actions. Defining yearly actions ensures they are relevant, achievable and respond to a changing local, state and national environment offering scope to take advantage of opportunities as they arise.

Resourcing

Most of the costs for the actions in the plan for the 2019/20 year are in the unit budgets. The allocation in Focus Area 2 to Moreland Affordable Housing Ltd (\$217,000 in 2019/20 as part of a \$635,000 commitment 2018/19-2022/23) and Homelessness Street Count in Focus Area 4 (\$27,000 in 2019/20) are funded through specific operational budgets. Beyond 2019/20, it is anticipated that actions under Focus Areas 1, 3, and 4 will be primarily resourced through the annual budgets of the relevant units of Council however a small number of actions may require successful budget bids or sourcing additional funding for projects (in region of \$25,000-\$60,00 per project). These are actions will be further scoped in 2019/2020 and reflected in the review and reporting of AHAP in 2020.

With Focus Area 2, Council has requested a detailed proposal from Moreland Affordable Housing Ltd in February 2020 on how it proposes to undertake its first project on one or more of 5 potential Council land sites. Council has previously resolved the funding for Moreland Affordable Housing Ltd for the 2019/20 financial year.

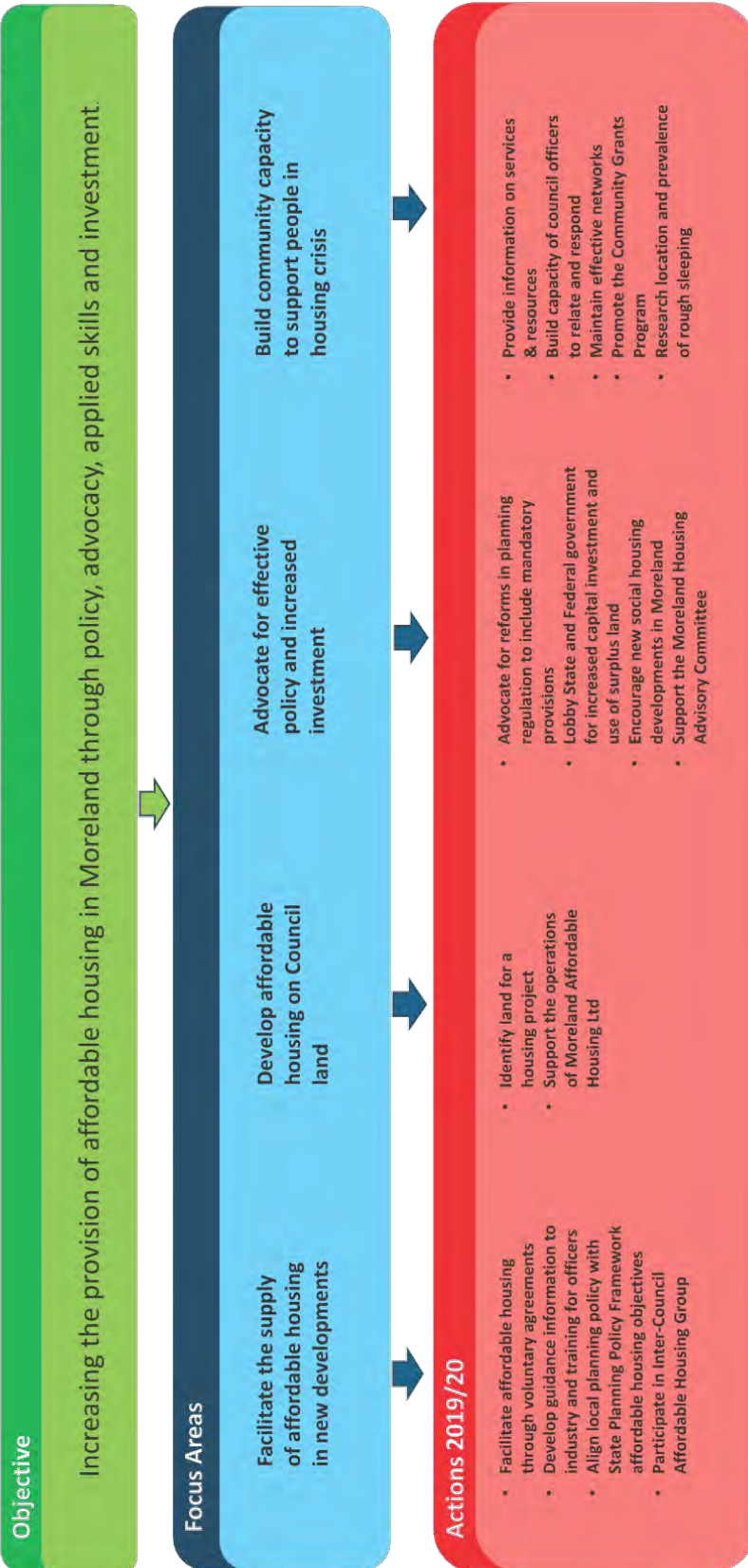
Guiding principles

The implementation of this Action Plan will be guided by the following principles:

- Supporting evidence base - all actions to be designed and justified by current research and reputable data.
- Ensure lived experience participation in research, consultation and design.
- Rolling evaluation - quarterly meeting to monitor progress of actions and annual reporting.



Affordable Housing Action Plan
Plan on a Page



Focus Area 1

Facilitate the supply of affordable housing in new developments

Council is committed to using its planning functions to increase the provision of affordable housing.

Actions	Resources	Measure (2019/20)	Timing	Lead & supporting units
1.1 Facilitate affordable housing through voluntary s.173 agreements, promoting the trial of the Design Excellence Scorecard and in value capture from rezonings.	Urban Planning Budget; Strategic Planning Budget	Evaluation report	May 2020	Urban Planning; Strategic Planning
1.2 Develop resources and support ongoing training for staff to facilitate affordable housing outcomes. i.e. fact sheet for development industry, toolkit for planners, standard planning permit conditions, Moreland s.173 agreement template and affordable housing report template	Strategic Planning Budget Urban Planning Budget	4 officers undertake specialist training; Resources on Council website & intranet	June 2020 Dec 2019	Strategic Planning; Urban Planning
1.3 Align the Moreland Planning Policy Framework to the State Planning Policy Framework to strengthen affordable housing objectives in the Moreland Planning Scheme.	Strategic Planning Budget	Council decision to seek authorisation for a Planning Scheme Amendment as part of the implementation of the planning scheme review.	March 2020	Strategic Planning; City Strategy and Design
1.4 Participate in the Inter Council Affordable Housing Group (ICAHG) to work with the State Government to further requirements for affordable housing to be provided by private development.	Strategic Planning Budget	Attend ICAHG meetings as scheduled	ongoing	Strategic Planning; City Strategy and Design

Policy justification

The Victorian Planning and Environment Act 1987 was amended in 2018 to make facilitating the provision of affordable housing an objective of the Act. The State Planning Policy Framework has strengthened its Affordable Housing objectives to reflect the changes in the Act. The Moreland Planning Scheme Review 2018 recommended undertaking research to explore how the Scheme could be amended to facilitate the provision of affordable housing.

Long term objective

MSS Clause 21.03 Strategic Framework
Objective 8: To contribute to housing affordability.

Focus Area 2

Develop affordable housing on Council land

Council draws on the experience of being directly involved in a number of community housing projects during the early 2000s into establishing an arms-length entity to develop affordable housing projects on its land and air rights over its land.

Actions	Resources	Measure (2019/20)	Timing	Lead & supporting units
2.1 Allocation land for a housing project	From existing service unit budgets	Feasibility report to Council	March 2020	City Strategy and Design; Property; Strategic Transport
2.2 Support the operations of Moreland Affordable Housing Ltd	OPEX \$217k	MOU and Annual Activity Plan endorsed	August 2019	City Strategy and Design

Long term objective

Council Plan 2017-21 P1e) Affordable Housing Policy Implementation:

- Establish Moreland Housing Trust
- Progress site selection and development options

Municipal Health and Wellbeing Plan 2017-21 states: "Council will establish Moreland Affordable Housing Ltd. to increase the provision of social and affordable housing options in the municipality"

Focus Area 3

Advocate for effective policy and increased investment

Action is required across all levels of government which then enables community, Not For Profit and commercial stakeholders to respond to the housing crisis.

Actions	Resources	Measure (2019/20)	Timing	Lead & supporting units
3.1 Advocate to the State Government to include mandatory Affordable Housing contributions in the Victoria Planning Provisions (VPP)	City Strategy and Design service unit budgets	Through Inter Council Affordable Housing Group (ICAHG) - investigate common approach	ongoing	City Strategy and Design; Engagement & Partnerships
3.2 Lobby State and Federal government for a sustained increase in capital investment and use of surplus land for public and community housing	City Strategy and Design service unit budget	1 x ALGA & 1 x MAV resolution proposed On agenda in 2 x Meetings with Government party MPs	ongoing	City Strategy and Design; Engagement & Partnerships
3.3 Encourage new social housing developments in Moreland	City Strategy and Design service unit budget	1 event & 4 stakeholder meetings	June 2020	City Strategy and Design; Communications
3.4 Support the Moreland Housing Advisory Committee	City Strategy and Design service unit budget	4 meetings per year	June 2020	City Strategy and Design

Long term objective

Council Plan 2017-21: Progressive City- Enhance liveability, affordability and sustainability by guiding growth, and excellence in urban design and development

Focus Area 4

Build community capacity to support people in housing crisis

800 community members are homeless and many more in high housing stress. Council is committed to play its part to support those without safe, affordable homes.

Actions	Resources	Measure (2019/20)	Timing	Lead & supporting units
4.1 Provide information on services & resources to the community (including trader and community organisations)	Community Wellbeing service unit budget	Development of resource list; # traders and organisations engaged	ongoing	Community Wellbeing Customer Service; Places
4.2 Build capacity of council officers to have a Human Rights-informed response to situations involving community members in crisis	Library Services unit budget	Delivery of the homelesslibrary.com program	June 2020	Organisational Performance; Community Wellbeing
4.3 Maintain effective networks with government, community and not for profit organisations	Community Wellbeing service unit budget	Development of a Moreland Homeless Persons Protocol	June 2020	Community Wellbeing; City Strategy and Design
4.4 Promote the Community Grants Program	Community Wellbeing service unit budget	# applications granted with a focus on homelessness / affordable housing	May 2020	Community Wellbeing
4.5 Research location and prevalence of rough sleeping	OPEX \$27k	StreetCount undertaken	June 2020	Community Wellbeing

Long term objective

The *Municipal Health and Wellbeing Plan 2017-21* states that Council will work with our partners, the State Government and the community to monitor and respond to homelessness in the municipality.

Further Information

Contact affordablehousing@moreland.vic.gov.au
or call (03) 9240 1111



EMF30/19 DRAFT FINANCIAL AND PERFORMANCE STATEMENTS 2018/19 (D19/334203)

Executive Manager Finance

Finance Management

Executive Summary

Council's Financial and Performance Statements (the Statements) for the 2018/19 financial year have been prepared and reviewed by the Victorian Auditor General's Office and Council's Audit and Risk Management Committee.

This report seeks Council's 'in principle' approval of the Statements and the appointment of 2 Councillors and the Chief Executive Officer to sign the 2018/2019 Statements in their final form.

Council is reporting an accounting surplus of \$23.874 million for the financial year 2018/19. This accounting surplus includes items such as non-cash contributions, capital grants, loan redemptions and committed capital or operational expenditure for future years.

After excluding non-cash items included in the accounting surplus, capital expenditure and committed funding requirements, Council had an unrestricted surplus of \$4.075 million.

It is recommended that Council commits the unrestricted surplus of \$4.075 million to the Significant Project Reserve.

Officer Recommendation

That Council, in accordance with the recommendations of the Audit and Risk Management Committee, and having considered Council's Financial and Performance Statements for 2018/2019 Statements at Attachments 1 and 2 to this report:

1. Notes Council officers will make administrative changes to the accompanying notes to the Financial and Performance Statements for 2018/2019.
2. Approves 'in principle' the Financial and Performance Statements 2018/2019.
3. Authorises the Principal Accounting Officer to implement any non-material changes to the statements as recommended by the Auditor-General, for approval by the Chief Executive Officer.
4. Notes any material changes requested or agreed by the Auditor General will be discussed with the Chair of Audit and Risk Management Committee and presented to Council for approval.
5. Authorises the Mayor, Cr Natalie Abboud, Deputy Mayor, Cr Mark Riley, and the Acting Chief Executive Officer, Grant Thorne, to certify the Financial and Performance Statements for 2018/2019 in their final form.
6. Notes the unrestricted cash surplus of \$4.075 million transfers to the Significant Project Reserve.

REPORT

1. Policy Context

Section 132 of the *Local Government Act 1989* (the Act) requires a Council to:

- Pass a resolution giving its approval, 'in principle', to the Financial and Performance Statements before they are submitted to the Auditor.
- Authorise 2 Councillors to certify the Statements in their final form, after any changes recommended or agreed by the Auditor have been made.

This report is in keeping with Council's commitment to accountability and sound financial management.

2. Background

Preliminary audit work has been completed by the Victorian Auditor General's Office (VAGO), and Council officers have prepared a draft set of the Financial and Performance Statements for 2018/19 (the Statements) for submission to the Auditor-General in accordance with the Act (the Statements are included at **Attachments 1 and 2**). VAGO has advised the Audit and Risk Management Committee that, subject to a review of the final version, it intends to recommend to the Auditor-General that Council's 2018/19 Statements should be given confirming audit opinions without qualification.

The following process is required to ensure Council's 2018/19 Statements are submitted to the Auditor-General in a timely manner, enabling the Auditor-General to officially express his opinion prior to the statutory deadline of 30 September 2019:

- Council must review the draft Statements, approve the Statements 'in principle' and authorise 2 specific Councillors and the Chief Executive Officer to sign the Statements. The 'in principle' Statements and the Council resolution are provided to VAGO;
- VAGO checks the approved 'in principle' Statements. These Statements, the Council resolution and VAGO's recommended Audit Report are then forwarded to the Auditor-General for review;
- The Auditor-General reviews the Statements and requests changes where appropriate;
- The Principal Accounting Officer considers any changes requested by the Auditor-General and, where appropriate, incorporates them into the 'in principle' Statements;
- The Principal Accounting Officer will identify matters of significance, if any, including proposed qualification issues, not previously considered by the Council, for approval by the Chief Executive Officer in consultation with the Mayor and Deputy Mayor;
- If Council and the Auditor-General are satisfied with the Statements in their final form, the Statements are to be signed by the 2 authorised Councillors and the Chief Executive Officer, and forwarded to the Auditor-General;
- The signed Auditor-General's Audit Reports will be issued to Council once the formally signed Statements have been received and checked by VAGO; and
- Council's 2018/19 Annual Report, including the audited Statements must be forwarded to the Minister for Local Government by 30 September 2019.

3. Issues

Key outcomes of the 2018/19 accounts

Council is reporting an accounting surplus of \$23.874 million for the financial year 2018/19. This accounting profit includes items such as non-cash contributions, capital grants, loan redemptions and committed capital or operational expenditure for future years.

Significant income statement movements

Major differences in the income statement compared to last year include:

Revenue

- Increase in rates and charges of \$10.040 million. This was primarily driven by Council rates increasing by 2.25%, the annualised impact of supplementary rates from 2017/18, supplementary rates received in 2018/19, the removal of the vacant land differential rate and associated rates rebate and an increase in the waste charge due to changes in the recycling industry;
- Decrease in contributions monetary by \$3.005 million due to record high numbers of Open Space contributions received in 2017/2018;
- Decrease in contributions non-monetary by \$24.742 million due to a number of land assets recognised as Councils in the 2017/18 financial year by the Titles office; and
- Council's investment properties decreased in value in 2018/19 by \$5.957 million, in comparison to 2017/18 when they increased in value by \$6.667 million. This appears as a \$5.957 million expense in the 2018/19 financial statements.

Expenses

- Increase in materials and services of \$9.709 primarily due to costs that were operational in nature during the construction of Oak Park Sports and Aquatic Precinct and a \$1.2 million increase in utility costs;
- Increase of \$3.105 million in employee benefit expenditure, primarily due to the Enterprise Bargaining Agreement increases; and
- Decrease in net loss on disposal of property, infrastructure, plant and equipment of \$2.472 million primarily due to Council selling two properties no longer required by services that were relocated to the newly constructed Pascoe Vale Community Centre.

Capital works statement

An increase of \$51.533 million in capital works relative to 2017/18 largely due to the completion of Oak Park Sports and Aquatic Precinct and the unbudgeted purchase of properties acquired as part of the 'A Park Close to Home' Framework. Properties purchased in 2018/19 include:

- Queens Parade, Fawkner;
- Kernan Street, Pascoe Vale South;
- Spry Street, Coburg North;
- McBryde Street, Fawkner;
- West Street and Breese Street, Brunswick;
- Tinning Street, Brunswick;
- Outlook Drive, Glenroy; and
- Frith Street, Brunswick.

Cash flow statement

Councils cash decreased by \$19.849 million over the 2018/19 financial year, primarily due to the unbudgeted property purchases. As these purchases were made from the Public Resort and Recreation Land Fund Reserve, specifically held for the purchase and development of open space and recreational land, this did not impact Council's operating cash or ability to continue paying debtors.

VAGO financial sustainability ratios

Council uses financial sustainability ratios, as defined by VAGO to monitor trends and performance and assess longer term financial risk. Result of Council's performance against these ratios is outlined in the table below.

Indicator	2018/19	2017/18	2016/17	2015/16	2014/15
Net result (%) Net result/Total revenue	11.0% (Green)	26.4% (Green)	18.4% (Green)	11.7% (Green)	18.4% (Green)
<p>A positive result indicates a surplus, and the larger the percentage, the stronger the result. Council's five-year average, being 16.8% is greater than 0%, this indicates Council's ability to generate surpluses consistently. (Long-term risk indicator: Green)</p>					
Adjusted underlying result Adjusted underlying surplus/Adjusted underlying revenue	17.4% (Green)	17.7% (Green)	17.8% (Green)	8.3% (Green)	11.2% (Green)
<p>Indicator of the broad objective that an adjusted underlying surplus should be generated in the ordinary course of business. Council's five-year average, being 14.5% is greater than 5%, this indicates that Council generates sufficient surpluses to fund operations. (Long-term risk indicator: Green)</p>					
Liquidity (ratio) Current assets/Current liabilities	2.13 (Green)	3.48 (Green)	2.67 (Green)	2.42 (Green)	1.38 (Green)
<p>A ratio of one or more means there are more cash and liquid assets than short-term liabilities. A ratio greater than 1 means an entity can sufficiently fund its short-term liabilities. Council's five-year average, being 2.4, suggests that there is no immediate issues with repaying short-term liabilities as they fall due. (Long-term risk indicator: Green)</p>					
Internal financing (%) Net operating cash flow/Net capital expenditure	74% (Green)	143% (Green)	270% (Green)	210% (Green)	148% (Green)
<p>This measures the ability of an entity to finance capital works from generated cash flows. As Council's five-year average, being 169%, is greater than 100%, this confirms that Council is generating enough cash from operations to fund new assets. (Long-term risk indicator: Green)</p>					
Indebtedness (%) Non-current liabilities/own-sourced revenue	15.7% (Green)	21.3% (Green)	24.7% (Green)	31.4% (Green)	25.8% (Green)
<p>The higher the percentage, the less the entity is able to cover non-current liabilities from the revenues the entity generates. Council's five-year average, being 24%, is well below the benchmark of 40%. This suggests that there are no concerns over the ability to repay debt from own-source revenue: (Long-term risk indicator: Green)</p>					

Indicator	2018/19	2017/18	2016/17	2015/16	2014/15
Capital replacement (ratio) Cash outflows for property, plant and equipment/Depreciation	2.95 (Green)	2.13 (Green)	1.28 (Amber)	1.14 (Amber)	1.67 (Green)
<p>Comparison of rate of spending on infrastructure with its depreciation. A ratio higher than 1 indicates that spending is faster than the depreciation rate.</p> <p>Council's five-year average, being 1.8, is well above the benchmark of 1.5, thus confirming that there is a low risk of insufficient spending on asset renewal.</p> <p>(Long-term risk indicator: Green)</p>					
Renewal gap (ratio) Renewal and upgrade expenditure/depreciation	1.31 (Green)	1.24 (Green)	0.80 (Amber)	0.86 (Amber)	0.94 (Amber)
<p>Comparison of the rate of spending on existing assets through renewing, restoring, and replacing existing assets with depreciation. A ratio higher than 1 indicates that spending on existing assets is faster than the depreciation.</p> <p>Council's five-year average is 1.03, against a benchmark of 1.00. This may indicate insufficient spending on the renewal of existing assets if the focus is not maintained on this expenditure.</p> <p>It is a positive sign for Council that this ratio has been higher for the most recent 2 financial years.</p> <p>(Long-term risk indicator: Amber)</p>					

Unrestricted cash surplus

Council achieved an unrestricted cash surplus of \$4.075 million for the 2018/2019 financial year. This surplus is primarily the result of increased revenue through 2018/2019 and realised savings in delivery the Capital Works Plan. Council officers continue to focus on delivering projects on time, with a small carry-forward of funds required to finish projects in early 2019/20.

It is recommended the unrestricted surplus of \$4.075 million be committed to the Significant Projects Reserve to be used for the delivery of W heatsheaf Community Hub.

Audit and Risk Management Committee recommendation

The Audit and Risk Management Committee met on 3 September 2019 to consider the draft Statements and recommended that:

- Council approves 'in principle' the Annual Statements for the year ending 30 June 2019;
- Council officers make administrative changes to the notes;
- Subject to review of the final version of the Statements, Council authorises the:
 - Chief Executive Officer, Mayor and Cr Riley to certify the final version of the Statements;
 - Principal Accounting Officer (Executive Manager Finance) to implement any non-material changes to the statements as recommended by the Auditor-General and provide a summary of such changes to the Audit and Risk Management Committee at its next meeting. Any material changes will be discussed with the Chair of Audit and Risk Management Committee prior to being presented to Council; and
 - Chief Executive Officer to send the statements to the Auditor-General.
- The Committee records its appreciation to all the staff involved in the end of year closing of the City's accounts and the preparation of the Financial Statements and Performance Statement.

Human Rights Consideration

The implications of this report have been assessed in accordance with the requirements of the Charter of Human Rights and Responsibilities.

4. Consultation

Council's Audit and Risk Management Committee examined the 2018/2019 Statements at its meeting on 3 September 2019.

5. Officer Declaration of Conflict of Interest

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

6. Financial and Resources Implications

The preparation of the Statements and the associated auditing fees are included in the approved budget and therefore do not have any further financial or resource impacts.

The outcome of the Statements, in particular the Auditor-General's assessment of Council's long-term financial sustainability will provide useful guidance for Council's long-term financial planning.

7. Implementation

Subject to Council's decision and receipt of the Auditor-General's official audit opinion, a copy of the audited reports will be submitted to the Minister for Local Government before 30 September 2019.

The Statements will form part of Council's Annual Report and will be published on Council's website.

Attachment/s

- | | | |
|-------------------|--|------------|
| 1 | Moreland City Council Financial Accounts 2018-2019 | D19/332383 |
| 2 | Draft Performance Statement 2018-19 | D19/332431 |

MORELAND CITY COUNCIL
ANNUAL FINANCIAL REPORT
For the Year Ended 30 June 2019

**Moreland City Council
Financial Report
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Certification of the Financial Statements

In my opinion the accompanying financial statements have been prepared in accordance with the *Local Government Act 1989*, the *Local Government (Planning and Reporting) Regulations 2014*, Australian Accounting Standards and other mandatory professional reporting requirements.

Elizabeth Rowland, Certified Practising Accountant
Principal Accounting Officer

Date : September, 2019
Coburg

In our opinion the accompanying financial statements present fairly the financial transactions of Moreland City Council for the year ended 30 June 2019 and the financial position of the Council as at that date.

As at the date of signing, we are not aware of any circumstances which would render any particulars in the financial statements to be misleading or inaccurate.

We have been authorised by the Council and by the *Local Government (Planning and Reporting) Regulations 2014* to certify the financial statements in their final form.

Natalie Abboud
Mayor and Councillor

Date : September, 2019
Coburg

Mark Riley
Deputy Mayor and Councillor

Date : September, 2019
Coburg

Grant Thorne
Chief Executive Officer (Acting)

Date : September, 2019
Coburg

Comprehensive Income Statement For the Year Ended 30 June 2019

	Note	2019 \$'000	2018 \$'000
Income			
Rates and charges	3.1	151,525	141,484
Statutory fees and fines	3.2	12,988	12,130
User fees	3.3	7,013	7,251
Grants - operating	3.4	17,973	18,300
Grants - capital	3.4	4,933	3,437
Contributions - monetary	3.5	15,235	18,240
Contributions - non monetary	3.5	618	25,360
Fair value adjustments for investment property	6.4	-	6,677
Other income	3.7	7,167	7,124
Total income		<u>217,451</u>	<u>240,004</u>
Expenses			
Employee costs	4.1	84,151	81,256
Materials and services	4.2	68,094	58,385
Depreciation	4.3	25,503	24,139
Bad and doubtful debts	4.4	3,365	3,126
Borrowing costs	4.5	1,404	2,188
Other expenses	4.6	229	169
Net loss on disposal of property, infrastructure, plant and equipment	3.6	4,875	7,347
Fair value adjustments for investment property	6.4	5,957	-
Total expenses		<u>193,577</u>	<u>176,609</u>
Surplus for the year		<u>23,874</u>	<u>63,395</u>
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation (decrement) / increment	6.2	<u>(102,834)</u>	<u>146,370</u>
Total Comprehensive result		<u>(78,960)</u>	<u>209,764</u>

The above comprehensive income statement should be read in conjunction with the accompanying notes.

Balance Sheet
As at 30 June 2019

	Note	2019 \$'000	2018 \$'000
Assets			
Current assets			
Cash and cash equivalents	5.1 a)	30,057	49,906
Trade and other receivables	5.1 c)	26,621	19,792
Other financial assets	5.1 b)	69,000	56,000
Inventories	5.2	350	242
Other assets	5.2	1,196	1,315
Total current assets		127,223	127,256
Non-current assets			
Unlisted Shares	6.3	2	2
Property, infrastructure, plant and equipment	6.2	2,015,780	2,068,231
Investment property	6.4	26,695	32,652
Other assets	5.2	1,653	1,890
Total non-current assets		2,044,131	2,102,775
Total assets		2,171,354	2,230,031
Liabilities			
Current liabilities			
Trade and other payables	5.3	24,430	12,863
Trust funds and deposits	5.3	7,077	3,516
Provisions	5.5	19,104	19,122
Interest-bearing loans and borrowings	5.4	9,105	1,090
Total current liabilities		59,716	36,590
Non-current liabilities			
Provisions	5.5	1,765	1,806
Interest-bearing loans and borrowings	5.4	26,217	35,316
Total non-current liabilities		27,982	37,122
Total liabilities		87,698	73,712
Net Assets		2,083,656	2,156,318
Equity			
Accumulated surplus		635,595	586,499
Asset revaluation reserve	9.1	1,397,755	1,500,589
Other reserves	9.1	50,306	69,231
Total Equity		2,083,656	2,156,318

The above balance sheet should be read in conjunction with the accompanying notes.

**Statement of Changes in Equity
For the Year Ended 30 June 2019**

2019	Note	Total \$'000	Accumulated Surplus \$'000	Asset Revaluation Reserve \$'000	Other Reserves \$'000
Balance at beginning of the financial year		2,156,318	586,499	1,500,589	69,231
Recognition of previously unrecognised non-current assets					
- Infrastructure assets		58	58	-	-
- Building assets		5,382	5,382	-	-
- AASB 9 adjustment		858	858	-	-
Surplus for the year		23,874	23,874	-	-
Net asset revaluation increment / (decrement)	9.1	(102,834)	-	(102,834)	-
Transfers to other reserves	9.1 b)	-	(30,429)	-	30,429
Transfers from other reserves	9.1 b)	-	49,353	-	(49,353)
Balance at end of the financial year		2,083,656	635,595	1,397,755	50,306

2018		Total \$'000	Accumulated Surplus \$'000	Asset Revaluation Reserve \$'000	Other Reserves \$'000
Balance at beginning of the financial year		1,936,546	523,563	1,354,219	58,763
Recognition of previously unrecognised non-current assets					
- Infrastructure assets		258	258	-	-
- Land assets		9,750	9,750	-	-
Surplus / (deficit) for the year		63,395	63,395	-	-
Net asset revaluation increment / (decrement)	9.1	146,370	-	146,370	-
Transfers to other reserves	9.1 b)	-	(34,702)	-	34,702
Transfers from other reserves	9.1 b)	-	24,235	-	(24,235)
Balance at end of the financial year		2,156,318	586,499	1,500,589	69,231

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows
For the Year Ended 30 June 2019

	Note	2019 Inflows/ (Outflows) \$'000	2018 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates and charges		147,384	143,553
Statutory fees and fines		9,237	10,029
User fees		7,556	8,679
Grants operating		19,770	20,113
Grants capital		5,426	3,781
Contributions - monetary		16,049	19,812
Interest		3,468	3,665
Trust funds and deposits taken		19,961	19,252
Other receipts		4,410	4,171
Net GST refund		7,278	7,714
Materials and services		(61,784)	(72,670)
Employee costs		(92,630)	(88,137)
Trust funds and deposits repaid		(16,399)	(18,833)
Other payments		(241)	(185)
Net cash provided by operating activities	9.2	<u>69,484</u>	<u>60,944</u>
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment		(75,331)	(51,451)
Proceeds from sale of property, infrastructure, plant and equipment		1,484	260
Payments for other financial assets		(13,000)	3,700
Net cash used in investing activities		<u>(86,846)</u>	<u>(47,491)</u>
Cash flows from financing activities			
Finance costs		(1,404)	(2,188)
Repayment of interest bearing loans and borrowings		(1,084)	(10,822)
Net cash used in financing activities		<u>(2,487)</u>	<u>(13,009)</u>
Net increase in cash and cash equivalents		(19,849)	444
Cash and cash equivalents at the beginning of the financial year		49,906	49,462
Cash and cash equivalents at the end of the financial year	5.1 (a)	<u>30,057</u>	<u>49,906</u>
Financing arrangements	5.6		
Restrictions on cash assets	5.1		

The above statement of cash flows should be read in conjunction with the accompanying notes.

Statement of Capital Works For the Year Ended 30 June 2019

	2019	2018
	\$'000	\$'000
Property		
Land	38,231	691
Buildings	25,628	18,546
Total property	63,859	19,238
Plant and equipment		
Plant, machinery and equipment	1,975	2,236
Fixtures, fittings and furniture	150	227
Computers and telecommunications	-	1,184
Library books	1,001	1,033
Total plant and equipment	3,126	4,680
Infrastructure		
Roads	5,549	5,530
Bridges	731	205
Footpaths and cycleways	4,403	3,742
Drainage	4,475	2,867
Other infrastructure	11,897	6,245
Total infrastructure	27,055	18,590
Total capital works expenditure	94,040	42,507
Represented by:		
New asset expenditure	55,054	12,643
Asset renewal expenditure	30,270	19,578
Asset expansion expenditure	5,675	-
Asset upgrade expenditure	3,041	10,286
Total capital works expenditure	94,040	42,507

The above statement of capital works should be read in conjunction with the accompanying notes.

**Notes to the Financial Report
For the Year Ended 30 June 2019**

Introduction

The Moreland City Council was established by an Order of the Governor in Council on 21 June 1994 and is a body corporate.

The Council's main office is located at 90 Bell Street, Coburg.

Statement of compliance

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 1989*, and the *Local Government (Planning and Reporting) Regulations 2014*.

Significant accounting policies**(a) Basis of accounting**

The accrual basis of accounting has been used in the preparation of these financial statements, whereby assets liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated judgements are based on professional judgement derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AAS's that have significant effects on the financial statements and estimates relate to:

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.2);
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.2); and
- the determination of employee provisions (refer to Note 5.5).

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation, and disclosure has been made of any material changes to comparatives.

**Notes to the Financial Report
For the Year Ended 30 June 2019**

Note 1 Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent or \$3 million where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures detailed below are those adopted by Council on 25 June 2018. The budget was based on assumptions that were relevant at the time of adoption of the budget. Council sets guidelines and parameters for revenue and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

These notes are prepared to meet the requirements of the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

1.1 Income and Expenditure

	Budget 2019 \$'000	Actual 2019 \$'000	Variance 2019 \$'000	Variance 2019 %	Ref
Revenue					
Rates and charges	150,327	151,525	1,198	0.8%	
Statutory fees and fines	11,354	12,988	1,634	14.4%	1
User fees	5,353	7,013	1,660	31.0%	2
Grants - Operating	15,950	17,973	2,023	12.7%	3
Grants - Capital	2,181	4,933	2,752	126.2%	4
Contributions - cash	12,604	15,235	2,631	20.9%	5
Contributions - non-monetary assets	-	618	618	100.0%	6
Other income	7,317	7,167	(150)	-2.0%	
Fair value adjustments for investment property					
Total revenues	205,086	217,451	12,365	6.0%	
Expenses					
Employee costs	90,505	84,151	6,354	7.0%	7
Materials and services	56,031	68,094	(12,063)	-21.5%	8
Bad and doubtful debts	1,377	3,365	(1,988)	-144.4%	9
Depreciation and amortisation	25,432	25,503	(71)	-0.3%	
Finance costs	1,358	1,404	(46)	-3.4%	
Other expenses	511	229	282	55.2%	10
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	-	4,875	(4,875)	100.0%	11
Fair value adjustments for investment property	-	5,957	(5,957)	100.0%	12
Total expenses	175,214	193,577	(18,363)	-10.5%	
Net surplus (deficit)	29,872	23,874	(5,998)	-20.1%	

**Notes to the Financial Report
For the Year Ended 30 June 2019**

(i) Explanation of material variations

<u>Ref.</u>	<u>Item</u>	<u>Explanation</u>
1	Statutory fees and fines	Better than anticipated results in Parking fine revenues and Perin court recoveries.
2	User fees	Health Registration Fees and Local Law Infringements had increased activity for the financial year.
3	Grants - Operating	Commonwealth Financial Assistance Grants instalment relating to 2019/20 was received in advance on 30 June 2019
4	Grants - Capital	Unbudgeted State Government grants to construct Wheatshaf Hub and the City Oval Masterplan were received during the year.
5	Contributions - cash	Sub-divider contributions and revenue for the Developer Contribution Plan were higher than anticipated due to increased development activity.
6	Contributions - non-monetary assets	This variance is due to the recognition of developer contributed drain assets
7	Employee costs	Council had a higher turnover of staff during the year than previous years, vacancies were filled by agency staff as recruitment procedures occurred.
8	Materials and services	The primary reasons for this variance are use of agency staff to fill staff vacancies, higher than budgeted consultancy costs and expenditure originally budgeted as part of the capital program which were actually operating in nature.
9	Bad and doubtful debts	At balance date debtors were assessed for recoverability. As a result the increase in the provision for Parking debtors was higher than budget.
10	Other Expenses	The primary reasons for this variance are increased audit fees as well and legal advisor costs
11	Net gain/(loss) on disposal of property, infrastructure, plant and equipment	Some infrastructure assets were disposed with no proceeds.
12	Fair value adjustments for investment property	Market valuations undertaken for Council's investment properties by qualified valuers, resulted in this overall decrease.

Notes to the Financial Report
For the Year Ended 30 June 2019

Note 1 Performance against budget (cont)

1.2 Capital Works

	Budget 2019 \$'000	Actual 2019 \$'000	Variance 2019 \$'000	Variance 2019 %	Ref
Property					
Land	-	38,231	(38,231)	-	1
Buildings	17,423	25,628	(8,205)	(47.1)	2
Total Property	17,423	63,859	(46,436)	(266.5)	
Plant and Equipment					
Plant, machinery and equipment	1,502	1,975	(473)	(31.5)	3
Fixtures, fittings and furniture	197	150	47	23.8	4
Computers and telecommunications	557	-	557	100.0	5
Library books	1,000	1,001	(1)	(0.1)	
Total Plant and Equipment	3,256	3,126	130	4.0	
Infrastructure					
Roads	11,297	5,549	5,748	50.9	6
Bridges	135	731	(596)	(441.5)	7
Footpaths and cycleways	3,286	4,403	(1,117)	(34.0)	8
Drainage	1,190	4,475	(3,285)	(276.1)	9
Other infrastructure	7,110	11,897	(4,787)	(67.3)	10
Total Infrastructure	23,018	27,055	(4,037)	(17.5)	
Total Capital Works Expenditure	43,697	94,040	(50,343)	(115.2)	
Represented by:					
New asset expenditure	5,212	55,054	(49,842)	(956.3)	11
Asset renewal expenditure	27,631	30,270	(2,639)	(9.6)	
Asset expansion expenditure	-	5,675	(5,675)	-	12
Asset upgrade expenditure	10,854	3,041	7,813	72.0	13
Total Capital Works Expenditure	43,697	94,040	(50,343)	(115.2)	

**Notes to the Financial Report
For the Year Ended 30 June 2019**

(i) Explanation of material variations

<u>Ref.</u>	<u>Item</u>	<u>Explanation</u>
1	Land	Council undertook several (unbudgeted) strategic purchases of land as part of its 'Park Close to Home: A Framework to Fill Open Space' initiative. Council is committed to creating new open space and A Park Close to Home will help deliver on this commitment. It should be noted that these purchases, whilst unbudgeted, have been funded by reserves specifically established for this purpose.
2	Buildings	Several large projects have been capitalised in 2018-19, predominantly the Oak Park Sports and Aquatic Precinct (\$19.326 million).
3	Plant, machinery and equipment	A greater number of Plant, machinery and equipment purchases were able to be capitalised than budgeted.
4	Fixtures, fittings and furniture	A lesser number of fixtures, fittings and furniture purchases were able to be capitalised than budgeted due to the application of asset recognition criteria.
5	Computers and telecommunications	Purchases of computers and telecommunications equipment were not capitalised due to the application of asset recognition criteria.
6	Roads	A significant portion of expenditure budgeted for Council's road reconstruction and rehabilitation projects were re-classified as drainage assets upon capitalisation.
7	Bridges	Capitalised expenditure on bridge repairs and retaining walls was higher than budget as a result of the application of asset recognition criteria.
8	Footpaths and cycleways	A portion of expenditure budgeted for Council's road reconstruction and rehabilitation projects were re-classified as footpaths and cycleways assets upon capitalisation.
9	Drainage	A significant portion of expenditure budgeted for Council's road reconstruction and rehabilitation projects were re-classified as drainage assets upon capitalisation.
10	Other infrastructure	The variance to budget is largely related to expenditure on the Oak Park Sports and Aquatic Precinct which was classified as other infrastructure during capitalisation.
11	New asset expenditure	Relates to Council's unbudgeted purchases of land to increase the level of open space within Moreland as funded by Reserves
12	Asset expansion expenditure	Mainly relates to Oak Park Sports and Aquatic Precinct partly reclassified as expansion in nature
13	Asset upgrade expenditure	Predominantly relates to Oak Park Sports and Aquatic Precinct being partly reclassified as expansion in nature whilst some road and recreation projects were delayed.

Notes to the Financial Report For the Year Ended 30 June 2019

Note 2.1 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

2.1 (a) Chief Executive Officer Management

Chief Executive Officer Management oversees the management executive group, manages overall operations and sets the tone, vision and culture of Council.

Finance & Property

Finance and Property provides efficient, effective and proactive support services across council to enable the delivery of policy commitments, council vision and mission. The provision of these services includes finance and rating services, property and procurement.

City Infrastructure Department

City Infrastructure is responsible for Council's infrastructure and fleet assets. This includes designing, building, expanding, renewing, cleansing and maintaining a diverse range of assets that underpin the wellbeing of the community. The department is also responsible for local laws and waste collection.

Business Transformations

Business Transformation is responsible for corporate functions relating to people, culture and business enhancement. This includes human resources, corporate governance, organisational performance and information technology.

Engagement & Partnerships

Engagement & Partnerships is responsible for Council's external interface with the community, businesses, government and other partners. The Directorate enhances the organisation's capacity for engagement, major partnership projects, economic development and the delivery of holistic place outcomes.

City Futures

City Futures is responsible for influencing development in the city, including urban planning decision-making and urban policy/strategy development, transport and waste strategy, urban design and streetscape improvement, environmental health and building services. The Department takes the lead on all Council external facing strategies that support our response to population growth, the promotion of sustainable transport and environmental change within the city.

Community Development Department

Community Development provides high quality community focused programs, service delivery and communication to residents. It is responsible for services relating to infants, children, youth, family and aged. Leading the achievement of our wellbeing outcomes including recreation, health, education, cultural vibrancy, safety and social cohesion.

**Notes to the Financial Report
For the Year Ended 30 June 2019**

Note 2.1 Analysis of Council results by program

2.1 (b) Summary of revenues, expenses, assets and capital expenses by program

	Income	Expenses	Surplus / (Deficit)	Grants included in income	Total assets
2019	\$'000	\$'000	\$'000	\$'000	\$'000
Chief Executive Officer Management	-	568	(568)	-	6
Finance & Property	149,456	46,037	103,418	4,710	516
City Infrastructure Department	31,737	59,387	(27,650)	3,572	666
Business Transformations	470	19,609	(19,140)	-	220
Engagement & Partnerships	691	7,583	(6,892)	120	85
City Futures	17,373	19,245	(1,872)	424	216
Community Development Department	17,724	41,147	(23,423)	14,080	462
	217,451	193,577	23,874	22,906	2,171

	Income	Expenses	Surplus / (Deficit)	Grants included in income	Total assets
2018	\$'000	\$'000	\$'000	\$'000	\$'000
Chief Executive Officer Management	0	633	(633)	-	8
Finance & Property	173,424	46,191	127,233	5,569	583
City Infrastructure Department	27,588	52,047	(24,459)	2,006	657
Business Transformations	719	17,193	(16,474)	-	217
Engagement & Partnerships	495	6,326	(5,831)	-	80
City Futures	20,401	16,274	4,127	388	205
Community Development Department	17,378	37,944	(20,566)	13,774	479
	240,004	176,609	63,395	21,737	2,230

**Notes to the Financial Report
For the Year Ended 30 June 2019**

	2019	2018
	\$'000	\$'000
Note 3 Funding for the delivery of our services		
3.1 Rates and charges		
Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is the total market value of the land plus buildings and other improvements.		
The valuation base used to calculate general rates for 2018/2019 was \$61.2110 billion (2017/2018 \$49.100 billion). The 2018/2019 rate in the CIV dollar was 0.0022004 (2017/2018, 0.0025681).		
General Rates	133,315	124,962
Supplementary rates and rate adjustments	2,832	2,766
Waste management charge	14,879	13,300
Special rates and charges	498	457
Total rates and charges	151,525	141,484
The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2018 and the valuation will be first applied in the rating year commencing 1 July 2018.		
Annual rates and charges are recognised as revenues when Council issues annual rates notices. Supplementary rates are recognised when a valuation and reassessment is completed and a supplementary rates notice issued.		
3.2 Statutory fees and fines		
Infringements and costs	7,970	6,309
Fines Victoria recoveries	517	487
Town planning fees	1,624	2,225
Land information certificates	161	178
Other fines	500	638
Permits	2,216	2,293
Total statutory fees and fines	12,988	12,130
Statutory fees and fines (including parking fees and fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.		
3.3 User fees		
Parking	332	290
Aged services fees	1,780	1,904
Registration fees	1,722	1,541
Road occupancy charges	115	130
Building services	662	591
Valuation fees/supplementary charges	108	41
Waste management services	216	539
Right of way closures	50	182
Other fees	2,028	2,034
Total user fees	7,013	7,251
User fees are recognised as revenue when the service has been provided or the payment is received, whichever first occurs.		

**Notes to the Financial Report
For the Year Ended 30 June 2019**

	2019	2018
	\$'000	\$'000
3.4 Funding from other levels of government		
Grants were received in respect of the following:		
Summary of grants		
Commonwealth funded grants	12,247	13,161
State funded grants	10,659	8,576
Total	22,906	21,737
(a) Operating Grants		
<i>Recurrent – Commonwealth Government</i>		
Commonwealth Financial Assistance Grants – general purpose	2,316	4,503
Commonwealth Financial Assistance Grants – local roads	2,394	896
Families and children	787	640
Home help	5,575	5,201
Food services	795	784
Other	148	249
<i>Recurrent – State Government</i>		
Home help	1,530	1,907
Libraries	1,216	1,297
Families and children	2,226	2,042
Food services	51	63
Other	374	411
Total recurrent operating grants	17,413	17,991
<i>Non-recurrent – State Government</i>		
Environment protection	166	309
Families and children	96	-
Other culture	30	-
Community welfare	50	-
Other	217	-
Total non-recurrent operating grants	560	309
Total operating grants	17,973	18,300
(b) Capital Grants		
<i>Recurrent – Commonwealth Government</i>		
Roads to recovery	231	889
<i>Recurrent – State Government</i>		
Recreation	1,316	2,241
Other	6	28
Total recurrent capital grants	1,552	3,157
<i>Non-recurrent – State Government</i>		
Recreation	2,410	280
Community safety	167	-
Buildings	750	-
Other	54	-
Total Capital Non-recurrent	3,381	280
Total capital grants	4,933	3,437
c) Unspent grants received on condition that they be spent in a specific manner		
Balance at start of year	1,809	1,238
Received during the financial year and remained unspent at balance date	2,702	1,809
Received in prior years and spent during the financial year	(1,809)	(1,238)
Balance at year end	2,702	1,809

Grant income is recognised when Council obtains control of the contribution. This is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and are valued at their fair value at the date of transfer.

**Notes to the Financial Report
For the Year Ended 30 June 2019**

	2019	2018
	\$'000	\$'000
3.5 Contributions		
Monetary	15,235	18,240
Non-monetary	618	25,360
Total contributions	15,852	43,600
<i>Contributions of non monetary assets were received in relation to the following asset classes.</i>		
Land under roads	-	141
Property	618	24,094
Infrastructure	-	1,124
	618	25,360

Monetary and non-monetary contributions are recognised as revenue when Council obtains control over the contributed asset.

In 2018 a one-off project initiated by the Land Titles Office to reconcile Crown land parcels as part of a digitisation project, resulted in the titles of various land parcels being transferred to Moreland City Council.

3.6 Net loss on disposal of property, infrastructure, plant and equipment

Non Infrastructure Assets

Proceeds of Sale	1,484	260
Write down value of assets disposed	(2,167)	(1,326)
	(683)	(1,066)

Infrastructure Assets

Proceeds of Sale	-	-
Write down value of assets disposed	(4,192)	(6,280)
	(4,192)	(6,280)

Total

Proceeds of sale	1,484	260
Write down value of assets disposed	(6,360)	(7,606)
Total	(4,875)	(7,347)

The profit or loss on sale of an asset is determined when control of the asset has passed to the buyer. A significant portion of assets sales are infrastructure assets where Council receives no proceeds upon disposals.

3.7 Other income

Interest	3,155	3,332
Investment property rental	451	387
Other rent	1,958	1,866
Sale of non plant and equipment	73	78
Legal costs reimbursed	377	318
Payroll reimbursements	109	126
Other	1,043	1,017
Total other income	7,167	7,124

Interest is recognised as it is earned.

Other income is measured at the fair value of the consideration received or receivable and is recognised when Council gains control over the right to receive the income.

Note 4 The cost of delivering services

4.1 Employee costs

a) Total Employee costs

Wages and salaries	65,493	63,085
Workcover	2,010	1,875
Casual staff	375	449
Annual leave and long service leave	7,276	7,671
Superannuation	6,685	6,427
Fringe benefits tax	65	119
Other	2,248	1,631
Total employee costs	84,151	81,256

**Notes to the Financial Report
For the Year Ended 30 June 2019**

	2019	2018
	\$'000	\$'000
(b) Superannuation		
Council made contributions to the following		
Defined benefit fund		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	614	659
	<u>614</u>	<u>659</u>
Employer contributions payable at reporting date.	-	-
Accumulation funds		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	3,527	3,548
Employer contributions - other funds	2,531	2,210
	<u>6,058</u>	<u>5,758</u>
Employer contributions payable at reporting date.	566	564

Refer to note 9.3 for further information relating to Council's superannuation obligations.

4.2 Materials and services

Utilities	4,512	3,338
Contractors	14,757	12,208
Works contracts	166	586
General services	31,466	26,293
Office services and supplies	6,676	5,205
Other supplies	2,985	2,372
Materials	537	413
Minor equipment and medical supplies	1,045	988
Other related costs	2,068	2,801
Property leases and rentals	237	416
Fire Services Property Levy	220	168
Council grants and sponsorships	1,918	2,254
Insurance	1,506	1,343
Total materials and services	<u>68,094</u>	<u>58,385</u>

4.3 Depreciation and amortisation

Property	5,034	3,971
Plant and Equipment	3,546	3,502
Infrastructure	16,686	16,429
Total depreciation	<u>25,266</u>	<u>23,903</u>
<i>Prepayment asset</i>		
Rights of use of Animal Shelter	236	236
Total depreciation and amortisation	<u>25,503</u>	<u>24,139</u>

Refer to note 5.2(c) and 6.2 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

4.4 Bad and doubtful debts

Parking fine debtors	2,658	1,992
Other debtors	707	1,134
Total bad and doubtful debts	<u>3,365</u>	<u>3,126</u>
Movement in provisions for doubtful debts		
Balance at the beginning of the year	2,586	1,474
New Provisions recognised during the year	707	1,134
Amounts already provided for and written off as uncollectable	17	22
Amounts provided for but recovered during the year	(34)	(45)
Balance at end of year	<u>3,276</u>	<u>2,586</u>

Provision for doubtful debt is recognised based on an expected credit loss model. This model considers both historic and forward looking information in determining the level of impairment.

Bad debts has increased between years due to a change of Council's debt write off policy.

**Notes to the Financial Report
For the Year Ended 30 June 2019**

	2019	2018
	\$'000	\$'000
4.5 Borrowing costs		
Interest - Borrowings	1,404	2,188
Total borrowing costs	1,404	2,188

Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council.

4.6 Other expenses

Auditors' remuneration	107	64
Auditors' remuneration - Internal	102	104
Councillors' allowances	20	1
Total other expenses	229	169

Note 5 Our financial position

5.1 Financial assets

a) Cash and cash equivalents

Cash on hand	6	7
Cash at bank	14,551	8,699
Term Deposits (maturity < 90 days)	15,500	41,200
Total cash and cash equivalents	30,057	49,906

b) other financial assets

Term Deposits (maturity > 90 days)	69,000	56,000
Total cash and cash equivalents and other financial assets	99,057	105,906

Council's cash and cash equivalents and other financial assets are subject to external restrictions that limit amounts available for discretionary use. These include:

Trust funds and deposits (Note 5.3)	7,077	3,516
Total restricted funds	7,077	3,516

Total unrestricted cash and cash equivalents and other financial assets	91,980	102,391
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Intended allocations

Although not externally restricted the following amounts have been allocated for specific future purposes by Council:

Restricted Reserves (Note 9.1)	22,178	50,832
Total funds subject to intended allocations	22,178	50,832

Cash and cash equivalents include cash on hand, deposits at call and other highly liquid investments with original maturities of 90 days or less, net of outstanding bank overdrafts.

Other financial assets are valued at fair value, being market value, at balance date. Term deposits are measured at original cost. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.

**Notes to the Financial Report
For the Year Ended 30 June 2019**

	2019	2018
	\$'000	\$'000
5.1 Financial assets (cont)		
c) Trade and other receivables		
Current		
<i>Statutory receivables</i>		
Rates debtors	11,657	10,703
Parking infringement debtors	11,224	7,933
Provision for doubtful debts - parking infringements	(7,159)	(5,359)
<i>Non statutory receivables</i>		
Other debtors	6,434	5,138
Provision for doubtful debts - other debtors	(3,276)	(2,586)
Fire Services Property Levy debtors	5,211	2,024
Net GST receivable	2,531	1,939
Total trade and other receivables	26,621	19,792

Short term receivables are carried at invoice amount. A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred. Long term receivables are carried at amortised cost using the effective interest rate method.

d) Ageing of Receivables

At balance date other debtors representing financial assets were past due but not impaired. These amounts relate to a number of independent customers for whom there is no recent history of default. The ageing of the Council's trade & other receivables (excluding statutory receivables) was:

Current (not yet due)	1,870	(411)
Past due by up to 30 days	535	1,806
Past due between 31 and 180 days	138	881
Past due between 181 and 365 days	12	12
Past due by more than 1 year	603	264
Total trade & other receivables	3,158	2,552

e) Ageing of individually impaired Receivables

At balance date, other debtors representing financial assets with a nominal value of \$3,276,479 (2018: \$2,586,374) were impaired. The amount of the provision raised against these debtors was \$3,276,479 (2018: \$2,586,374). They individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

The ageing of receivables that have been individually determined as impaired at reporting date was:

Current (not yet due)	23	-
Past due by up to 30 days	80	-
Past due between 31 and 180 days	605	66
Past due between 181 and 365 days	707	562
Past due by more than 1 year	1,862	1,959
Total trade & other receivables	3,276	2,586

5.2 Non-financial assets**a) Inventories**

Inventories held for distribution	350	242
Total inventories	350	242

Inventories held for distribution are measured at cost adjusted when applicable for any loss of service potential.

All other inventories, including land held for sale, are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.

b) Other assets**Current**

Prepayments	568	810
Accrued income	592	495
Other	36	10
Total	1,196	1,315

Non-current

Prepayments	1,653	1,890
Total	1,653	1,890

**Notes to the Financial Report
For the Year Ended 30 June 2019**

	2019	2018
	\$'000	\$'000
5.2 Non-financial assets (cont)		
c) Intangible assets		
Council has no intangible assets at this time. (2018: \$ Nil)		
5.3 Payables		
Trade and other payables		
Current		
Trade payables	14,481	4,631
Accrued expenses	9,949	8,232
Total trade and other payables	24,430	12,863
Trust funds and deposits		
Refundable deposits	922	873
Trust funds	663	644
Retention amounts	615	598
Fire services levy	4,131	921
Other refundable deposits	747	480
Total trust funds and deposits	7,077	3,516

Amounts received as deposits and retention amounts controlled by Council are recognised as Trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited. Trust funds that are forfeited, resulting in council gaining control of the funds, are to be recognised as revenue at the time of forfeit.

Council currently maintains separate and distinct Trust Funds for the Gavin Environment Trust, the Blackburn Bequest Trust and the Inner Circle Linear Trust. These funds are held and administered in accordance with the Trust Deed arrangements.

Refundable deposits – deposits are taken by Council as a form of surety in a number of circumstances, including in relation to building works, contract deposits and the use of civic facilities.

Fire Service Levy – Council is the collection agent for fire services levy on behalf of the State Government. Council remits amounts received on a quarterly basis. Amounts disclosed here will be remitted to the State Government in line with that process.

Retention Amounts – Council has a contractual right to retain certain amounts until a contractor has met certain requirements or a related warrant or defect period has elapsed. Subject to the satisfactory completion of the contractual obligations, or the elapsing of time, these amounts will be paid to the relevant contractor in line with Council's contractual obligations.

**Notes to the Financial Report
For the Year Ended 30 June 2019**

5.4 Interest-bearing liabilities

	2019	2018
	\$'000	\$'000
Current		
Borrowings - secured (1)	9,105	1,090
	9,105	1,090
Non-current		
Borrowings - secured (1)	26,217	35,316
	26,217	35,316
Total	35,322	36,406

(1) Borrowings are secured by Council's general rate income.

The maturity profile for Council's borrowings is:

Not later than one year	9,105	1,090
Later than one year and not later than five years	10,647	19,446
Later than five years	15,570	15,870
Total	35,322	36,406

Borrowings are initially measured at fair value, being the cost of the interest bearing liabilities, net of transaction costs. The measurement basis subsequent to initial recognition depends on whether the Council has categorised its interest-bearing liabilities as either financial liabilities designated at fair value through the profit and loss, or financial liabilities at amortised cost. Any difference between the initial recognised amount and the redemption value is recognised in net result over the period of the borrowing using the effective interest method. The classification depends on the nature and purpose of the interest bearing liabilities. The Council determines the classification of its interest bearing liabilities at initial recognition.

Aggregate carrying amount of interest-bearing loans and borrowings:

Current	9,105	1,090
Non-current	26,217	35,316
Total interest-bearing loans and borrowings	35,322	36,406

**Notes to the Financial Report
For the Year Ended 30 June 2019**

5.5 Provisions

	Annual leave	Long service leave	Service Gratuity	Other	Total
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
2019					
Balance at beginning of the financial year	6,796	14,085	14	33	20,928
Additional provisions	5,614	1,987	0	-	7,601
Amounts used	(5,727)	(2,277)	(7)	-	(8,010)
Increase (decrease) in the discounted amount arising because of time and the effect of any change in the discount rate	34	317	-	-	351
Balance at the end of the financial year	6,717	14,112	8	33	20,869
2018					
Balance at beginning of the financial year	6,376	13,353	16	33	19,778
Additional provisions	6,316	2,493	0	-	8,809
Amounts used	(5,800)	(1,757)	(2)	-	(7,560)
Increase (decrease) in the discounted amount arising because of time and the effect of any change in the discount rate	(96)	(4)	-	-	(99)
Balance at the end of the financial year	6,796	14,085	14	33	20,928
				2019	2018
				\$'000	\$'000
(a) Employee provisions					
Current provisions expected to be settled wholly within 12 months					
Annual leave				5,632	6,172
Long service leave				2,230	2,126
				7,862	8,298
Current provisions expected to be settled wholly after 12 months					
Annual leave				1,086	624
Long service leave				10,116	10,153
Service gratuity				8	14
Other				33	33
				11,242	10,824
Total Current provisions				19,104	19,122
Non-current					
Long service leave				1,765	1,806
				1,765	1,806
Aggregate carrying amount of employee provisions:					
Current				19,104	19,122
Non-current				1,765	1,806
				20,869	20,928

The calculation of employee costs and benefits includes all relevant on-costs and are calculated as follows at reporting date.

Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

Liabilities that are not expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

**Notes to the Financial Report
For the Year Ended 30 June 2019**

5.5 Provisions (cont)*Long service leave*

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

Current Liability – unconditional LSL is disclosed as a current liability even when the council does not expect to settle the liability within 12 months because it will not have the unconditional right to defer settlement of the entitlement should an employee take leave within 12 months.

The components of this current liability are measured at :

- present value - component that is not expected to be settled within 12 months.
- nominal value - component that is expected to be settled within 12 months.

Classification of employee costs

Non-current liability – conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non-current liability. There is an unconditional right to defer settlement of the entitlement until the employee has completed the requisite years of service.

This non-current LSL liability is measured at present value.

Retirement gratuities

Retirement gratuities were provided to certain employees who were, prior to the formation of Moreland City Council, employed by the City of Brunswick. The liability represents payment amounts calculated on the basis of achieved levels of available sick leave. At balance date, the liability is measured at the present value of estimated future cash flows to be made for this entitlement.

5.6 Financing arrangements

	2019	2018
	\$'000	\$'000
The Council has the following funding arrangements in place as at 30 June.		
Bank overdraft	4,000	4,000
Credit card facilities	800	462
Total facilities	4,800	4,462
Used facilities	83	143
Unused facilities	4,717	4,318

**Notes to the Financial Report
For the Year Ended 30 June 2019**

5.7 Commitments

The Council has entered into the following commitments

Commitments are not recognised in the Balance Sheet. Commitments are disclosed at their nominal value and presented inclusive of the GST payable.

2019	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
Operating					
Garbage collection	447	-	-	-	447
Leisure centres	1,029	866	-	-	1,895
IT systems support	787	697	-	-	1,484
Consultancies	8	8	-	-	16
Environmental Operations	443	-	-	-	443
Animal Welfare	39	79	210	-	329
Building Management	60	60	-	-	120
Total	2,813	1,710	210	-	4,733
Capital					
Consultancies	1,067	460	-	-	1,527
Works	5,774	1,170	-	-	6,944
Total	6,840	1,630	-	-	8,471
2018					
	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
Operating					
Garbage collection	438	447	-	-	884
Leisure centres	1,278	1,895	-	-	3,173
IT systems support	550	1,015	-	-	1,565
Consultancies	189	-	-	-	189
Environmental Operations	657	443	-	-	1,099
Total	3,112	3,799	-	-	6,911
Capital					
Consultancies	109	-	-	-	109
Works	2,704	1,172	650	-	4,526
Total	2,813	1,172	650	-	4,635

Street cleansing contracts included in 2018 disclosure has been removed as upon further review of contracts they were deemed to be contract type 'schedule of rates' type contracts.

**Notes to the Financial Report
For the Year Ended 30 June 2019**

	2019	2018
	\$'000	\$'000
5.7 Commitments (cont)		
Operating leases		
At the reporting date, the Council had the following obligations under non-cancellable operating leases for the lease of equipment and land and buildings for use within Council's activities (these obligations are not recognised as liabilities):		
Not later than one year	82	79
	82	79
Operating lease receivables		
The Council has entered into commercial property leases on its investment property, consisting of surplus freehold office and/or retail complexes. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 10 years. All leases include a CPI based revision of the rental charge annually.		
Future minimum rentals receivable under non-cancellable operating leases are as follows:		
Not later than one year	1,552	1,614
Later than one year and not later than five years	5,834	5,866
Later than five years	15,101	16,485
	22,488	23,965

Note 6 Assets we manage**6.1 Non-current assets classified as held for sale**

Balance at beginning of financial year	-	600
Transfers (from) assets held for sale	-	(600)
Total Non-current assets classified as held for sale	-	-

Non-current assets classified as held for sale (including disposal groups) is measured at the lower of its carrying amount and fair value less costs to sell and are not subject to depreciation. Non-current assets, disposal groups and related liabilities assets are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale (or disposal group sale) is expected to be completed within 12 months from the date of classification.

**Notes to the Financial Report
For the Year Ended 30 June 2019**

6.2 Property, infrastructure, plant and equipment**Summary of property, infrastructure, plant and equipment**

	At Fair Value 2018 \$'000	Acquisitions \$'000	Contributions \$'000	Found Assets \$'000	Depreciation \$'000	Disposal \$'000	Transfers \$'000	Revaluations \$'000	At Fair Value 2019 \$'000
Land	1,366,441	38,231	-	-	-	(1,120)	-	(102,834)	1,300,718
Buildings	183,494	25,628	-	5,382	(5,034)	(628)	-	-	208,842
Plant and Equipment	14,429	3,126	-	-	(3,546)	(419)	-	-	13,590
Infrastructure	477,565	27,055	618	153	(16,686)	(4,288)	-	-	484,416
Work in progress	26,302	77,324	-	-	-	(1,372)	(94,040)	-	8,213
Total	2,068,231	171,364	618	5,535	(25,266)	(7,828)	(94,040)	(102,834)	2,015,780

Derecognition of assets and impairments are included in the disposal amount.

The found building asset relates to the inclusion of further componsatisation of buildings previously not recognised.

The vast majority of found infrastructure assets discovered during the financial year that require to be recognised as Council assets, are drains.

Summary of Work in Progress

	Opening WIP \$'000	Additions \$'000	Transfers \$'000	Write Offs \$'000	Closing WIP \$'000
Property	22,071	51,300	(69,268)	(911)	3,192
Plant and Equipment	121	3,287	(3,126)	(12)	270
Infrastructure	4,109	22,737	(21,646)	(449)	4,752
Total	26,302	77,324	(94,040)	(1,372)	8,213

Asset recognition thresholds and depreciation periods

	Depreciation Period	Threshold Limit \$'000
Property		
Land		
Land	Not applicable	No limit
Land under roads	Not applicable	No limit
Buildings		
Buildings	5 to 200 years	1
Plant and equipment		
Plant and equipment	3 to 10 years	3
Furniture and fittings	3 to 10 years	1
Computer equipment	3 to 10 years	1
Library books	3 to 10 years	1
Motor vehicles	5 to 10 years	3
Artworks	Not applicable	1
Infrastructure		
Roads surface	10 to 30 years	1
Road pavement	50 to 100 years	1
Drains	20 to 100 years	1
Footpaths (includes shared footways)	15 to 50 years	1
Kerb and channel	15 to 75 years	1
Bridges	35 to 80 years	1
<i>Other infrastructure</i>		
Street furniture	10 to 20 years	10
Recreational, leisure and community facilities	10 to 50 years	5
Parks, open space and streetscapes	10 to 25 years	5
Playground equipment and other structures	10 to 50 years	5

**Notes to the Financial Report
For the Year Ended 30 June 2019**

6.2 Property, infrastructure, plant and equipment (cont.)

a) Land and Buildings	Land - specialised \$'000	Land - non specialised \$'000	Land Under Roads \$'000	Total Land \$'000	Buildings - specialised \$'000	Total Buildings \$'000	Work In Progress \$'000	Total Property \$'000
At fair value 1 July 2018	1,104,943	257,515	3,983	1,366,441	282,863	282,863	22,071	1,671,376
Accumulated depreciation at 1 July 2018	-	-	-	-	(99,369)	(99,369)	-	(99,369)
	1,104,943	257,515	3,983	1,366,441	183,494	183,494	22,071	1,572,006
Movements in fair value								
Acquisition of assets at fair value	556	37,675	-	38,231	25,628	25,628	51,300	115,159
Recognition of found assets	-	-	-	-	17,940	17,940	-	17,940
Revaluation increments/decrements	(87,054)	(15,780)	-	(102,834)	-	-	-	(102,834)
Fair value of assets disposed	-	(1,120)	-	(1,120)	(1,246)	(1,246)	-	(2,366)
Impairment losses recognised in operating result	-	-	-	-	-	-	(911)	(911)
Transfers	-	-	-	-	-	-	(69,268)	(69,268)
	(86,497)	20,775	-	(65,723)	42,322	42,322	(18,879)	(42,280)
Movements in accumulated depreciation								
Depreciation and amortisation	-	-	-	-	(5,034)	(5,034)	-	(5,034)
Recognition of found assets	-	-	-	-	(12,558)	(12,558)	-	(12,558)
Accumulated depreciation of disposals	-	-	-	-	617	617	-	617
	-	-	-	-	(16,975)	(16,975)	-	(16,975)
At fair value 30 June 2019	1,018,445	278,290	3,983	1,300,718	325,186	325,186	3,192	1,629,096
Accumulated depreciation at 30 June 2019	-	-	-	-	(116,344)	(116,344)	-	(116,344)
	1,018,445	278,290	3,983	1,300,718	208,842	208,842	3,192	1,512,752

**Notes to the Financial Report
For the Year Ended 30 June 2019**

6.2 Property, infrastructure, plant and equipment (cont.)

b) Plant and Equipment

	Motor Vehicles \$'000	Plant and equipment \$'000	Furniture and fittings \$'000	Computer equipment \$'000	Library books \$'000	Artwork \$'000	Plant and equipment \$'000	Work In Progress \$'000	Total plant and equipment \$'000
At fair value 1 July 2018	16,677	4,523	2,384	21,149	16,421	824	61,977	121	62,099
Accumulated depreciation at 1 July 2018	(11,487)	(3,322)	(1,806)	(19,305)	(11,629)	-	(47,548)	-	(47,548)
	5,190	1,201	578	1,844	4,792	824	14,429	121	14,551
Movements in fair value									
Acquisition of assets at fair value	1,656	305	150	-	1,001	14	3,126	3,287	6,413
Fair value of assets disposed	(1,036)	(23)	-	(17,668)	(8,166)	-	(26,892)	-	(26,892)
Transfers	-	-	-	-	-	-	-	(3,126)	(3,126)
	620	282	150	(17,668)	(7,165)	14	(23,766)	149	(23,617)
Movements in accumulated depreciation									
Depreciation and amortisation	(1,465)	(234)	(90)	(842)	(916)	-	(3,546)	-	(3,546)
Accumulated depreciation of disposals	993	20	-	17,294	8,166	-	26,473	-	26,473
	(472)	(214)	(90)	16,453	7,250	-	22,927	-	22,927
At fair value 30 June 2019	17,297	4,805	2,534	3,481	9,256	838	38,211	270	38,481
Accumulated depreciation at 30 June 2019	(11,959)	(3,535)	(1,896)	(2,853)	(4,378)	-	(24,621)	-	(24,621)
	5,338	1,270	638	629	4,878	838	13,590	270	13,860

**Notes to the Financial Report
For the Year Ended 30 June 2019**

6.2 Property, infrastructure, plant and equipment (cont.)

c) Infrastructure

	Road Surface \$'000	Road pavement \$'000	Drainage \$'000	Footpaths \$'000	Kerb and channel \$'000	Bridges/retaining walls \$'000	Other Infrastructure \$'000	Work In Progress \$'000	Total Infrastructure \$'000
At fair value 1 July 2018	78,061	286,649	153,112	106,234	87,162	23,750	116,173	4,109	855,249
Accumulated depreciation at 1 July 2018	(20,129)	(135,156)	(57,106)	(56,092)	(45,832)	(7,125)	(52,136)	-	(373,575)
	57,932	151,493	96,007	50,142	41,330	16,624	64,037	4,109	481,674
Movements in fair value									
Acquisition of assets at fair value	2,027	2,784	4,475	4,403	738	731	11,897	22,737	49,792
Contributed Assets	-	-	618	-	-	-	-	-	618
Recognition of found assets	10	-	266	6	-	-	7	-	289
Derecognition of assets	-	(26)	(138)	-	-	-	(49)	-	(212)
Fair value of assets disposed	(1,634)	(1,756)	(255)	(2,154)	(544)	(302)	(2,948)	-	(9,593)
Impairment losses recognised in operating result	-	-	-	-	-	-	-	(449)	(449)
Transfers	-	-	-	-	-	-	-	(21,646)	(21,646)
	403	1,002	4,967	2,255	194	429	8,908	642	18,799
Movements in accumulated depreciation									
Depreciation and amortisation	(2,296)	(2,773)	(1,608)	(2,948)	(1,323)	(391)	(5,347)	-	(16,686)
Contributed Assets	-	-	(1)	-	-	-	-	-	(1)
Recognition of found assets	(8)	-	(126)	-	-	-	(2)	-	(135)
Derecognition of assets	-	16	73	-	-	-	27	-	117
Accumulated depreciation of disposals	463	1,157	110	1,640	372	31	1,627	-	5,400
	(1,841)	(1,599)	(1,551)	(1,308)	(951)	(360)	(3,695)	-	(11,306)
At fair value 30 June 2019	78,464	287,651	158,079	108,489	87,356	24,178	125,081	4,752	874,049
Accumulated depreciation at 30 June 2019	(21,970)	(136,755)	(58,657)	(57,400)	(46,783)	(7,485)	(55,830)	-	(384,881)
	56,493	150,896	99,422	51,089	40,573	16,693	69,250	4,752	489,168

**Notes to the Financial Report
For the Year Ended 30 June 2019**

6.2 Property, infrastructure, plant and equipment (cont.)

Acquisition

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date.

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction and an appropriate share of directly attributable variable and fixed overheads.

In accordance with Council's policy, the threshold limits have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

Land under roads

Land under roads acquired after 30 June 2008 is brought to account using the fair value basis. Council does not recognise land under roads that it controlled prior to that period in its financial report.

Depreciation and amortisation

Buildings, plant and equipment, infrastructure and other assets having limited useful lives are systematically depreciated over their useful lives to the Council in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually.

Where assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and residual values and a separate depreciation rate is determined for each component.

Road earthworks are not depreciated on the basis that they are assessed as not having a limited useful life.

Artworks are not depreciated.

Straight line depreciation is charged based on the residual useful life as determined each year.

Depreciation periods used are listed at note 6.2 and are consistent with the prior year unless otherwise stated.

Repairs and maintenance

Routine maintenance, repair costs and minor renewal costs are expensed as incurred. Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

Valuation of land and buildings

A revaluation is necessary when the fair value of each revalued class of asset differs materially from its carrying amount at balance date. Mr. Stephen Davy AAPI, a certified practicing valuer of Opteon Property Group, has completed a review of the carrying amount of land and building assets as at 30 June 2019. The valuation of buildings is at fair value based on current replacement cost less accumulated depreciation at the date of valuation. The valuation of land is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. All freehold land reserved for public open space is valued at a discount of 20 percent to market value based on legal precedents. The review methodology included analysis of recent land and building sales to determine the movement in values as displayed by the market. In order to ascertain a level of market value movement the valuer had regard for recent sales throughout the Moreland Municipality from the 1st July 2018 to the 30th June 2019 to determine the material change in the underlying land value of each property sector. The property sectors referred to include Residential, Commercial and Industrial. From their analysis, Building Assets since the last valuation undertaken at 30 June 2018 was not material. However, the material change in the underlying land value of each sector over the analysed period has been Residential -13.30%, Commercial 3.09%, Industrial 2.46%. This change was applied to Moreland Councils land asset register as a desk top revaluation as at 30 June 2019.

Valuation of land under roads

Land under roads is valued at fair value. Fair value is based on Council valuations for land under roads in existence at the date acquired for subsequent acquisitions using site values adjusted for englobo (undeveloped and/or unserved) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services. Council in its policy on land under roads has elected not to bring to account the value of Land Under Roads in existence prior to 30 June 2008.

Any significant movements in the unobservable inputs for land and land under roads will have a significant impact on the fair value of these assets

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2019 are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Date of Valuation
Land - Non Specialised	-	278,290	-	June 2019
Land - Specialised	-	-	1,018,445	June 2019
Land under roads	-	-	3,983	N/A
Buildings	-	-	208,842	June 2018
Total	-	278,290	1,231,270	

No transfers between levels occurred during the year.

**Notes to the Financial Report
For the Year Ended 30 June 2019**

6.2 Property, infrastructure, plant and equipment (cont.)*Valuation of infrastructure*

Fair value assessments have been performed at 30 June 2019 for Infrastructure. This assessment demonstrated that fair value was materially similar to carrying value, and therefore a full revaluation was not required this year. The next scheduled full revaluation for this purpose will be conducted in 2019/20.

The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation.

Details of the Council's infrastructure assets and information about the fair value hierarchy as at 30 June 2019 are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Date of Valuation
Roads	-	-	207,389	June 2016
Bridges	-	-	16,693	June 2016
Drains	-	-	99,422	June 2016
Footpaths	-	-	51,089	June 2016
Kerb & Channel	-	-	40,573	June 2016
Other Structures	-	-	69,250	June 2016
Total	-	-	484,416	

No transfers between levels occurred during the year.

*Description of significant unobservable inputs into level 3 valuations**Specialised land and land under roads*

The market based direct comparison method is used for specialised land although is adjusted to reflect the specialised nature of the assets being valued. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 5 per cent and 95 per cent. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$3 and \$5,696 per square metre.

Specialised buildings

Specialised buildings are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs is calculated on a square metre basis and ranges from \$125 to \$30,000 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 1 year to 99 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

Infrastructure assets

Infrastructure assets are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 4 years to 99 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

	2019 \$'000	2018 \$'000
Reconciliation of specialised land		
Land under roads	3,983	3,983
Parks and reserves	1,018,445	1,104,943
Total specialised land	1,022,428	1,108,926

**Notes to the Financial Report
For the Year Ended 30 June 2019**

	2019	2018
	\$'000	\$'000
6.3 Investments in associates, joint arrangements and subsidiaries		
Unlisted Shares		
Shares in MAPS Group Ltd	2	2
	<u>2</u>	<u>2</u>
Unlisted shares in the MAPS Group Limited are valued at cost. Dividends are recognised when they accrue.		
	2019	2018
	\$'000	\$'000
6.4 Investment property		
Balance at beginning of financial year	32,652	25,975
Acquisitions	-	-
Fair value adjustments	(5,957)	6,677
Balance at end of financial year	<u>26,695</u>	<u>32,652</u>

Investment property, comprising freehold office complexes, is held to generate long-term rental yields. Investment property is measured initially at cost, including transaction costs. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefit in excess of the originally assessed performance of the asset will flow to the Council. Subsequent to initial recognition at cost, investment property is carried at fair value, determined annually by independent valuers. Changes to fair value are recorded in the Comprehensive Income Statement in the period that they arise. Rental income from the leasing of investment properties is recognised in the Comprehensive Income Statement on a straight line basis over the lease term.

Valuation of investment property

Independent valuations of investment properties were performed at 30 June 2019 by Mr. Stephen Davy AAPI a certified practicing valuer of Opteon Property Group, who has experience in the location and category of the property being valued. The valuation is at fair value, based on the current market value for the property.

**Notes to the Financial Report
For the Year Ended 30 June 2019**

Note 7 People and relationships**7.1 Council and key management remuneration****a) Related Parties**

Parent entity

Moreland City Council is the parent entity.

Subsidiaries and Associates

Interests in subsidiaries and associates are detailed in Note 6.3.

b) Key Management Personnel

Details of persons holding the position of Councillor or other members of key management personnel at any time during the year are:

Councillors

Councillor Natalie Abboud (Deputy Mayor from 1/7/18 to 29/10/18; Mayor from 29/10/18 to current)

Councillor Mark Riley (Deputy Mayor from 29/10/18 to current)

Councillor John Kavanagh (Mayor from 1/7/18 to 29/10/18)

Councillor Dale Martin

Councillor Annalivia Carli Hannan

Councillor Jess Domey

Councillor Oscar Yildiz JP

Councillor Lambros Tapinos

Councillor Sue Bolton

Councillor Ali Inanli

Councillor Helen Davidson

Chief Executive Officer and other Key Management Personnel

Chief Executive Officer

Director Corporate Services

Director City Futures

Director Engagement & Partnerships

Acting Director City Futures

Dr Nerina Di Lorenzo

James Scott

Kirsten Coster

Joseph Tabacco

Phillip Priest

Director Community Development

Director City Infrastructure

Executive Manager Finance

Director Business Transformation

Executive Manager

Arden Joesph

Grant Thome

Elizabeth Rowland

Suzana Vujcovic

Anita Craven

	2019	2018
	No.	No.
Total Number of Councillors	11	12
Total of Chief Executive Officer and other Key Management Personnel	10	9
Total Number of Key Management Personnel	21	21

c) Remuneration of Key Management Personnel

Total remuneration of key management personnel was as follows:

Short-term benefits

Long-term benefits

Post employment benefits

Termination benefits

Total

2019

\$'000

2,519

50

202

-

2,771

2018

\$'000

2,174

36

194

-

2,403

The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:

	2019	2018
	No.	No.
\$10,000 - \$19,999	-	2
\$20,000 - \$29,999	-	1
\$30,000 - \$39,999	9	8
\$40,000 - \$49,999	-	1
\$50,000 - \$59,999	-	1
\$60,000 - \$69,999	1	-
\$70,000 - \$79,999	1	1
\$120,000 - \$129,999	1	-
\$190,000 - \$199,999	-	1
\$210,000 - \$219,999	-	1
\$220,000 - \$229,999	1	-
\$230,000 - \$239,999	1	-
\$240,000 - \$249,999	2	-
\$250,000 - \$259,999	1	-
\$260,000 - \$269,999	2	1
\$280,000 - \$289,999	1	3
\$380,000 - \$389,999	1	1
	21	21

**Notes to the Financial Report
For the Year Ended 30 June 2019**

7.1 Council and key management remuneration (cont)

d) Senior Officers Remuneration

A Senior Officer is an officer, other than Key Management Personnel, who:

- a) has management responsibilities and reports directly to the Chief Executive; or
- b) whose total annual remuneration exceeds \$148,000

The number of Senior Officers are shown below in their relevant income bands:

	2019	2018
	No.	No.
Income Range:		
\$148,000 - \$149,999	-	4
\$150,000 - \$159,999	7	8
\$160,000 - \$169,999	4	5
\$170,000 - \$179,999	3	6
\$180,000 - \$189,999	2	-
\$190,000 - \$199,999	2	4
\$200,000 - \$209,999	3	1
\$210,000 - \$219,999	2	-
\$220,000 - \$229,999	1	-
\$230,000 - \$239,999	-	1
	<u>24</u>	<u>29</u>
	\$	\$

Total Remuneration for the reporting year for Senior Officers included above, amounted to :

4,254,963	4,923,958
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7.2 Related party disclosure

a) Transactions with related parties

During the period Council entered into the following transactions with related parties.

	2019	2018
	\$'000	\$'000
	<u>-</u>	<u>-</u>

b) Outstanding balances with related parties

No balances are outstanding at the end of the reporting period in relation to transactions with related parties

<u>-</u>	<u>-</u>
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c) Loans to/from related parties

Council does not make loans or receive loans from related parties. No guarantees have been provided.

<u>-</u>	<u>-</u>
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d) Commitments to/from related parties

The aggregate amount of commitments in existence at balance date that have been made, guaranteed or secured by the council to a related party are as follows:

<u>-</u>	<u>-</u>
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The total remuneration amounts disclosed within Note 7.1 and Note 7.2 includes annual and long service leave on costs.

**Notes to the Financial Report
For the Year Ended 30 June 2019**

Note 8 Managing uncertainties

8.1 Contingent assets and liabilities

a) Contingent assets

As at 30 June 2019 there were no Contingent Assets identified by Council. (2018 Nil)

b) Contingent liabilities

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme to ensure that the liabilities of the fund are covered by the assets of the fund, matters relating to this potential obligation are outlined below. As a result of the increased volatility in financial markets the likelihood of making such contributions in future periods has increased. At this point in time it is not known if additional contributions will be required, their timing or potential amount.

Council is presently involved in several confidential legal matters, which are being conducted through Council's solicitors. As these matters are yet to be finalised, and the financial outcomes are unable to be reliably estimated, no allowance for these contingencies has been made in the financial report.

Council was a participant of the MAV Liability Mutual Insurance (LMI) Scheme. The LMI scheme provides public liability and professional indemnity insurance cover. The LMI scheme states that each participant will remain liable to make further contributions to the scheme in respect of any insurance year in which it was a participant to the extent of its participant's share of any shortfall in the provision set aside in respect of that insurance year, and such liability will continue whether or not the participant remains a participant in future insurance years.

	2019	2018
	\$'000	\$'000
c) Guarantees for loans to other entities	-	-

The amount disclosed for financial guarantee in this note is the nominal amount of the underlying loan that is guaranteed by the Council, not the fair value of the financial guarantee. Financial guarantee contracts are not recognised as a liability in the balance sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that the right will be exercised.

Contingent assets and contingent liabilities are not recognised in the Balance Sheet, but are disclosed by way of a note and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

Notes to the Financial Report For the Year Ended 30 June 2019

8.2 Change in accounting standards

The following new AAS's have been issued that are not mandatory for the 30 June 2019 reporting period. Council has assessed these pending standards and has identified the following potential impacts will flow from the application of these standards in future reporting periods.

Revenue from contracts with customers (AASB 15) (applies 2019/20 for LG Sector)

The standard shifts the focus from the transaction-level to a contract-based approach. Recognition is determined based on what the customer expects to be entitled to (rights and obligations), while measurement encompasses estimation by the entity of the amount expected to be entitled for performing under the contract. The full impact of this standard is not known however it is most likely to impact where contracts extend over time, where there are rights and obligations that may vary the timing or amount of the consideration, or where there are multiple performance elements. This has the potential to impact on the recognition of certain grant income.

Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities (AASB 2016-7) (applies 2019/20)

This Standard defers the mandatory effective date of AASB 15 for not-for-profit entities from 1 January 2018 to 1 January 2019.

Leases (AASB 16) (applies 2019/20)

The classification of leases as either finance leases or operating leases is eliminated for lessees. Leases will be recognised in the Balance Sheet by capitalising the present value of the minimum lease payments and showing a 'right-of-use' asset, while future lease payments will be recognised as a financial liability. The nature of the expense recognised in the profit or loss will change. Rather than being shown as rent, or as leasing costs, it will be recognised as depreciation on the 'right-of-use' asset, and an interest charge on the lease liability. The interest charge will be calculated using the effective interest method, which will result in a gradual reduction of interest expense over the lease term.

Council has elected to adopt the modified retrospective approach to the transition to the new lease standard. This will mean that only existing operating leases for non low value assets, with remaining terms greater than 12 months, will be recognised on transition (1 July 2019). Based on our current lease commitments and an assumption of a continuation of the current leasing arrangements Council expects that the transition to the new standard will see the initial recognition of \$480,839 in lease related assets and an equivalent liability.

Income of Not-for-Profit Entities (AASB 1058) (applies 2019/20)

This standard replaces AASB 1004 Contributions and establishes revenue recognition principles for transactions where the consideration to acquire an asset is significantly less than fair value to enable not-for-profit entity to further its objectives.

Notes to the Financial Report For the Year Ended 30 June 2019

8.3 Financial Instruments

(a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank borrowings. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in notes of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of our financial instruments will fluctuate because of changes in market prices. The Council's exposures to market risk is primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk.

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Our interest rate liability risk arises primarily from long-term loans and borrowings at fixed rates which exposes us to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rate.

Our loan borrowings are sourced from major Australian banks by a tender process or the issuing of bonds by the Local Government Funding Vehicle. Overdrafts are arranged with major Australian banks. We manage interest rate risk on our net debt portfolio by:

- diversification of investment product;
- monitoring of return on investment; and
- benchmarking of returns and comparison with budget.

There has been no significant change in the Council's exposure, or its objectives, policies and processes for managing interest rate risk or the methods used to measure this risk from the previous reporting period.

Interest rate movements have not been sufficiently significant during the year to have an impact on the Council's year end result.

(c) Credit Risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause us to make a financial loss. We have exposure to credit risk on some financial assets included in our balance sheet. To help manage this risk:

- we have a policy for establishing credit limits for the entities we deal with;
- we may require collateral where appropriate; and
- we only invest surplus funds with financial institutions which have a recognised credit rating specified in our investment policy.

Notes to the Financial Report For the Year Ended 30 June 2019

8.3 Financial Instruments (cont)

(c) Credit Risk (cont)

Receivables consist of a large number of customers, spread across the ratepayer, business and government sectors. Credit risk associated with the Council's financial assets is minimal because the main debtor is secured by a charge over the rateable property.

There are no material financial assets which are individually determined to be impaired.

We may also be subject to credit risk for transactions which are not included in the balance sheet, such as when we provide a guarantee for another party. Details of our contingent liabilities are disclosed in note 8.1(b).

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. Council does not hold any collateral.

(d) Liquidity risk

Liquidity risk includes the risk that, as a result of our operational liquidity requirements or we will not have sufficient funds to settle a transaction when required, we will be forced to sell a financial asset at below value or may be unable to settle or recover a financial asset.

To help reduce these risks we:

- have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitor budget to actual performance on a regular basis; and
- set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 8.1c) and is deemed insignificant based on prior periods' data and current assessment of risk.

There has been no significant change in Council's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 5.4.

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value

(e) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible' over the next 12 months:

- A parallel shift of + 1% and -1% in market interest rates (AUD) from year-end rates of 2.00%.

These movements will not have a material impact on the valuation of Council's financial assets and liabilities, nor will they have a material impact on the results of Council's operations.

Notes to the Financial Report For the Year Ended 30 June 2019

8.4 Fair value measurement

Fair value hierarchy

Council's financial assets and liabilities are not valued in accordance with the fair value hierarchy, Council's financial assets and liabilities are measured at amortised cost.

Council measures certain assets and liabilities at fair value where required or permitted by Australian Accounting Standards. AASB 13 Fair value measurement, aims to improve consistency and reduce complexity by providing a definition of fair value and a single source of fair value measurement and disclosure requirements for use across Australian Accounting Standards.

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Under AASB 13 fair value is an exit price regardless of whether that price is directly observable or estimated using another valuation technique.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within a fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use on an asset result in changes to the permissible or practical highest and best use of the asset. Further details regarding the fair value hierarchy are disclosed at Note 6.2, Property, infrastructure, plant and equipment.

Notes to the Financial Report For the Year Ended 30 June 2019

8.4 Fair value measurement (cont)

In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from two to three years. The valuation is performed either by experienced Council officers or independent experts.

Where the assets are revalued, the revaluation increments are credited directly to the asset revaluation reserve except to the extent that an increment reverses a prior year decrement for that class of asset that had been recognised as an expense, in which case the increment is recognised as revenue up to the amount of the expense. Revaluation decrements are recognised as an expense except where prior increments are included in the asset revaluation reserve for that class of asset, in which case the decrement is taken to the reserve to the extent of the remaining increments. Within the same class of assets, revaluation increments and decrements within the year are offset.

Impairment of assets

At each reporting date, the Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the Comprehensive Income Statement, unless the asset is carried at the revalued amount, in which case the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

8.5 Events occurring after balance date

No matters have occurred after balance date that require disclosure in the financial report.

**Notes to the Financial Report
For the Year Ended 30 June 2019**

Note 9 Other matters**9.1 Reserves**

	Balance at beginning of reporting period	Increment (decrement)	Balance at end of reporting period
(a) Asset revaluation reserves	\$'000	\$'000	\$'000
2019			
Property			
Land	1,086,048	(102,834)	983,214
Buildings	78,844	-	78,844
	1,164,892	(102,834)	1,062,058
Infrastructure			
Road surface	62,783	-	62,783
Road pavement	96,429	-	96,429
Bridges	12,224	-	12,224
Footpaths	30,470	-	30,470
Drainage	53,771	-	53,771
Kerb and channel	27,746	-	27,746
Other structures	52,274	-	52,274
	335,697	-	335,697
Total asset revaluation reserves	1,500,589	(102,834)	1,397,755
2018			
Property			
Land	950,215	135,833	1,086,048
Buildings	68,307	10,537	78,844
	1,018,522	146,370	1,164,892
Infrastructure			
Road surface	62,783	-	62,783
Road pavement	96,429	-	96,429
Bridges	12,224	-	12,224
Footpaths	30,470	-	30,470
Drainage	53,771	-	53,771
Kerb and channel	27,746	-	27,746
Other structures	52,274	-	52,274
	335,697	-	335,697
Total asset revaluation reserves	1,354,219	146,370	1,500,589

The asset revaluation reserve is used to record the increased (net) value of Council's assets over time.

**Notes to the Financial Report
For the Year Ended 30 June 2019**

9.1 Reserves (cont.)

	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
(b) Other reserves	\$'000	\$'000	\$'000	\$'000
2019				
Public resort and recreation land fund (Restricted)	49,734	12,183	(41,595)	20,322
Housing strategy	820	50	(131)	740
Moonee ponds creek development	59	-	(59)	-
Leisure centre development reserve	3,390	341	(605)	3,126
Moreland Defined Benefit Reserve	6,007	2,415	-	8,422
Significant Projects Reserve	1,327	9,188	(101)	10,415
Bridge works Reserve	1,400	500	-	1,900
Oak Park SAC Redevelopment	2,469	2,504	(4,939)	34
Wheatsheaf Rd Precinct	702	-	(702)	-
Saxon St Precinct	643	-	(643)	-
PVCC on Rogers Reserve	(506)	506	-	0
Local Government Funding Vehicle reserve	2,087	1,405	-	3,492
Developer Contribution Plan Reserve (Restricted)	1,098	1,337	(579)	1,856
Total Other reserves	69,231	30,429	(49,353)	50,306
2018				
Public resort and recreation land fund (Restricted)	36,482	14,469	(1,217)	49,734
Housing strategy	770	50	-	820
Moonee ponds creek development	77	-	(18)	59
Leisure centre development reserve	3,056	748	(415)	3,390
Moreland Defined Benefit Reserve	3,811	2,196	-	6,007
Significant Projects Reserve	-	2,291	(964)	1,327
Bridge works Reserve	-	1,400	-	1,400
Merlynston Progress Hall	400	-	(400)	-
Oak Park SAC Redevelopment	11,467	9,256	(18,254)	2,469
Wheatsheaf Rd Precinct	415	410	(123)	702
Saxon St Precinct	348	410	(115)	643
PVCC on Rogers Reserve	1,265	-	(1,770)	(506)
Local Government Funding Vehicle reserve	682	1,405	-	2,087
Developer Contribution Plan Reserve (Restricted)	(10)	2,067	(960)	1,098
Total Other reserves	58,763	34,702	(24,235)	69,231

The Public Resort and Recreation Land Fund accumulates developers contributions paid to Council and is used to provide or improve recreation land and facilities.

The Housing Strategy provides funds for the purchase of community housing projects along with other housing initiatives.

The Moonee Ponds Creek Development provides funds for the revitalisation of the Moonee Ponds Creek required because of freeway and CityLink works.

Moreland Defined Benefit Reserve provides funds for payments requested by Vision Super to meet our superannuation obligations under the defined benefit scheme.

Bridges works Reserve funds works to construct or repair major bridges within Moreland City Council.

The Oak Park SAC Redevelopment Reserve accumulates funds set aside to be used in the complete redevelopment of the Oak Park facility.

The Leisure Centre Development Reserve accumulates funds from the savings derived from the outsourcing of the leisure centre facilities. These funds are and will continue to be used to maintain and upgrade these facilities.

The Wheatsheaf Road Precinct Reserve accumulates funds to be used in the development of the former primary school in Wheatsheaf Road.

The Saxon Street precinct reserves accumulates funds to be used to redevelop the former school site located at Saxon Street in Brunswick.

The PVCC on Rogers Reserve accumulates funds to be used to build the Pascoe Vale Community Centre at Rogers reserve.

The Local Government Funding Vehicle reserve accumulates funds to be used to reduce the LGFV bonds held by Council.

The Developers Contribution Plan Reserve (DCP) accumulates developers funds paid to Council in respect of developments within particular Plan areas and is used to contribute towards payment of a ten year Capital works program with each of the twelve DCP areas.

**Notes to the Financial Report
For the Year Ended 30 June 2019**

	2019	2018
	\$'000	\$'000
9.2 Reconciliation of cash flows from operating activities to surplus		
Surplus for the year	23,874	63,395
Depreciation	25,503	24,139
(Profit)/loss on disposal of property, infrastructure, plant and equipment	4,875	7,347
Fair value adjustments for investment property	5,957	(6,677)
Contributions - Non-monetary assets	(618)	(25,360)
Finance costs	1,404	2,188
<i>Change in assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	(6,829)	2,270
(Increase) / decrease in prepayments	479	191
(Increase)/decrease in accrued income	(123)	(228)
Increase/(decrease) in trade and other payables	11,567	(7,826)
(Increase)/decrease in inventories	(107)	(63)
(Decrease)/increase in trust funds	3,562	419
(Decrease)/increase in provisions	(59)	1,150
Net cash provided by operating activities	69,484	60,944

9.3 Superannuation

Moreland City Council makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). The Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. Obligations for contributions to the Fund are recognised as an expense in the Comprehensive Income Statement when they are due.

Accumulation

The Fund's accumulation category, Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (9.5 per cent required under Superannuation Guarantee Legislation, (2017/18, 9.5 per cent)).

Defined Benefit Plan

Moreland City Council does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a multi-employer sponsored plan.

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of Moreland City Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

Funding arrangements

Council makes employer contributions to the defined benefit category of the Fund at rates determined by the Trustee on the advice of the Fund's Actuary.

As at 30 June 2018 an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit Category. The vested benefit index (VBI) of the defined benefit category of which Council is a contributing employer was 106.0%. The financial assumptions used to calculate the VBIs were:

Net Investment Return	6.0% p.a.
Salary Inflation	3.5% p.a.
Price Inflation (CPI)	2.0% p.a.

Vision Super has advised that the estimated VBI at 30 June 2019 was 107.1%

The VBI is to be used as the primary funding indicator. Because the VBI was above 100 per cent, the actuarial investigation determined the defined benefit category was in a satisfactory financial position and that no change was necessary to the defined benefit category's funding arrangements from prior years.

*Employer contributions**Regular contributions*

On the basis of the results of the interim actuarial investigation conducted by the Fund's Actuary as at 30 June 2018, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2019, this rate was 9.5 per cent of members' salaries. (2017/18, 9.5 per cent) This rate will increase in line with any increase to the Superannuation Guarantee (SG) contribution rate. In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

9.3 Superannuation (cont)

Funding calls

If the defined benefit category is in an unsatisfactory financial position at actuarial investigation or the defined benefit category's VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the defined benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 97 per cent.

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Council) are required to make an employer contribution to cover the shortfall.

Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's defined benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up.

If there is a surplus in the Fund, the surplus cannot be returned to the participating employers.

In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

The 2018 interim actuarial investigation surplus amounts

An actuarial investigation is conducted annually for the Defined Benefit category of which Council is a contributing employer. Generally, a full actuarial investigation is conducted every three years and interim actuarial investigations are conducted for each intervening year. An interim investigation was conducted as at 30 June 2018 and a full actuarial investigation was conducted as at 30 June 2017

The Fund's interim actuarial investigation as at 30 June 2018 identified the following in the defined benefit category of which Council is a contributing employer:

- A VBI surplus of \$131.9 million (2017: \$69.8 million)
- A total service liability surplus of \$218.3 million (2017: \$193.5 million)
- A discounted accrued benefits surplus of \$249.1 million (2017: \$228.8 million).

The VBI surplus means that the market value of the Fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2018.

The total service liability surplus means that the current value of the assets in the Fund's defined benefit category plus expected future contributions exceeds the value of expected future benefits and expenses.

Council was notified of the 30 June 2018 VBI during August 2018. (2017: August 2017)

2019 interim actuarial investigation

An interim actuarial investigation will be conducted for the Fund's position as at 30 June 2019. It is anticipated that this actuarial investigation will be completed in October 2019.

Certification of the Performance Statement

In my opinion, the accompanying performance statement has been prepared in accordance with the *Local Government Act 1989* and the Local Government (Planning and Reporting) Regulations 2014.

Elizabeth Rowland, Certified Practising Accountant

Principal Accounting Officer

Dated:

In our opinion, the accompanying performance statement of the *Moreland City Council* for the year ended 30 June 2019 presents fairly the results of council's performance in accordance with the *Local Government Act 1989* and the Local Government (Planning and Reporting) Regulations 2014.

The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.

At the date of signing, we are not aware of any circumstances that would render any particulars in the performance statement to be misleading or inaccurate.

We have been authorised by the council and by the Local Government (Planning and Reporting) Regulations 2014 to certify this performance statement in its final form.

Natalie Abboud

Mayor and Councillor

Dated:

Mark Riley

Councillor

Dated:

Grant Thorne

Chief Executive Officer (Acting)

Dated:

PERFORMANCE STATEMENT

Service Performance Indicator		2017-18	2018-19	2019-20	2020-21	2021-22	Material Variation and Comment
C 1	Expenses per head of municipal population	1,022.2	94.90	1,000.12	1.0	.22	The result achieved has remained consistent.
C 2	Total expenses per head of municipal population	4,003.2	3,931.99	3,941.14	3,934.		The result achieved has remained consistent.
C 3	Population density per length of road	2.9	2.1	2.19	2	.91	The increase in 2019 (2.4) is in line with the increase in previous two years (2.1 and 3.0 respectively) this represents a significant population growth trend in a well established metropolitan municipality where the opportunities for even metropolitan subdivision is limited. The population growth is a result of increasing housing opportunities, available through numerous 2 lot subdivisions and the construction of multi level accommodation.
C 4	Municipal population kilometres of local roads	92.3	934.3	9.11	9	3.31	The result achieved has remained consistent.
C	Own source revenue per head of municipal population	.94	12.3	119.		104.3	Recreation recurrent grants were slightly lower than in prior years due to the finalisation of two grants relating to the Campbell Reserve.
C	Own source revenue per head of municipal population	.00	.00	.00	.00		Socio-economic indices for Areas (SIFA) is an assessment of the welfare of Australian communities. The indices have been compiled by the Australian Bureau of Statistics and are informed by five census data. The index ranks areas from most disadvantaged to least disadvantaged (10). Moreland's result increased from 10 following the release of 2011 Census data.
Service Performance Indicator		2017-18	2018-19	2019-20	2020-21	2021-22	Material Variation and Comment
AF	Aquatic Facilities Utilisation	.49	.1	.30	.1		With an increase in the number of facilities, following the reopportunity for aquatic centres, a favourable sum of general increase in membership and participation numbers throughout the year, aquatic facilities saw an overall increase in attendance at the municipality.

<p>Animal Management <i>H ealth and safety</i></p> <p>AM 4 <i>Animal management prosecutions</i></p>	<p>umber of successful animal management prosecutions</p> <p>F ood Safety <i>H ealth and safety</i></p> <p>F S 4 <i>Critical and major non-compliance outcome notifications</i></p> <p>umber of critical non compliance outcome notifications and ma or non compliance notifications about a food premises followed up umber of critical non compliance outcome notifications and ma or non compliance notifications about a food premises 100</p>	<p>3.00</p> <p>100.00</p>	<p>2.00</p> <p>9 . 0</p>	<p>3.00</p> <p>9 . 0</p>	<p>3.00</p> <p>100.00</p>	<p>Moreland C ity C ouncil applies resources to ensure that e management matters are investigated and where appropriate in C ourt. C ouncil has successfully prosecuted all cases that brought before a Magistrate. umerous other matters hav resolved prior to attendance in court.</p> <p>The embedding of the ris based premises assessment prc focussed effort on following up non compliant premises has the follow up rate.</p>
<p>G overnance <i>S atisfaction</i></p> <p>G Satisfaction with council decisions</p>	<p>C ommunity satisfaction rating out of 100 with how council has performed in ma ing decisions in the interest of the community</p>	<p>.00</p>	<p>4.00</p>	<p>9.00</p>	<p>4.00</p>	<p>The result is in line with prior years and is a continuous imprc focus for C ouncil. C ouncil continues to increase its transpare the livestreaming of meetings and interaction with the commu range of platforms.</p>
<p>H ome and Community Care (H ACC) <i>Particip ation</i></p> <p>H C Participation in HACC service</p> <p>umber of people that received a H ACC service M unicip for H ACC services 100</p> <p><i>Particip ation</i></p> <p>H C Participation in HACC service by CALD people</p> <p>umber of C ALD people who receive a H ACC C service population in relation to C ALD people for H ACC C services 100</p>	<p>1 .0</p> <p>1 .</p> <p>M unicipal target 100</p>	<p>Reporting C eased 1 JulyC eased 201</p> <p>Reporting C eased 1 JulyC eased 201</p> <p>Reporting C eased 1 JulyC eased 201</p>	<p>Reporting C eased 1 JulyC eased 201</p> <p>Reporting C eased 1 JulyC eased 201</p>	<p>Reporting C eased 1 JulyC eased 201</p> <p>Reporting C eased 1 JulyC eased 201</p>	<p>Reporting C eased 1 JulyC eased 201</p> <p>Reporting C eased 1 JulyC eased 201</p>	<p>Reporting on H ACC ceased on 1 July 201 due to the intro C ommonwealth Government s D IS and C H S P p</p> <p>Reporting on H ACC ceased on 1 July 201 due to the intro C ommonwealth Government s D IS and C H S P p</p>

<p>Library Participation</p> <p>LB 4 Active library members</p>	<p>1 .1</p>	<p>1 . 3</p>	<p>14.</p>	<p>13.</p>	<p>The number of active library members has declined by 1.1% in 2018-19, a result of the requirement to register as a library member in order to access the free wifi. Wifi use has increased since the policy change. Additionally, the figures still do not include attendance at Maternal and Child Health (MCH) services. Community outreach sessions, which continue to be strong. Additional community led programs started this year including the Turf Club and rdu communities, and a new program, Libraries After Dark has been growing. Meanwhile our online presence continues to develop, with increased usage of our website (14% increase) and Facebook page impressions (up 4%).</p>
<p>Number of active library members</p> <p>Municipal population</p> <p>Maternal and Child Health (MCH) Participation</p> <p>MCH Participation in the MCH service</p> <p>Number of children who attend the MCH service at least once (in the year)</p> <p>Number of children enrolled in the MCH service</p> <p>Participation</p> <p>MCH Participation in the MCH service by Aboriginal children</p> <p>Number of Aboriginal children who attend the MCH service at least once (in the year)</p> <p>Number of Aboriginal children enrolled in the MCH service</p>	<p>100</p>	<p>1.90</p>	<p>9.1</p>	<p>1.41</p>	<p>Council makes contact with 100% of families following a birth. In some cases, families opt to see alternative family support services. Our service assists families to connect with other support services and networks. The increase is due to a concerted effort to increase attendance at the Early Age and Stage program.</p> <p>Rates of engagement from Aboriginal and Torres Strait Islander families has risen with a higher rate of births this year. Some Aboriginal families do to choose to access MCH services from an Aboriginal Community Controlled Health Service which is available in a neighbouring municipality.</p>

Road Satisfaction	Community satisfaction has remained constant. The average the previous 4 years is . Whilst the number of sealed roads may have peaked, any improvement in community is only likely to occur in the longer term.	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
Statutory Planning Decision making	Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads	1,094.14	1,094.14	1,094.14	1,094.14	1,094.14	1,094.14	1,094.14	1,094.14	1,094.14	1,094.14	1,094.14
Statutory Planning Decision making	Number of VCAT decisions that did not set aside council's to a planning application number of VCAT decisions in relation to planning applications 100	39.3	39.3	39.3	39.3	39.3	39.3	39.3	39.3	39.3	39.3	39.3
Waste Collection Waste diversion	Percentage of waste diverted has remained consistent. Tonnages for all waste streams are lower despite an increase in number of properties being serviced. This is reflective of Council's strategy to reduce and reuse.	44.1	44.1	44.1	44.1	44.1	44.1	44.1	44.1	44.1	44.1	44.1
Waste Collection Waste diversion	Weight of recyclables and green organics collected from kerbside bins	44.1	44.1	44.1	44.1	44.1	44.1	44.1	44.1	44.1	44.1	44.1
Waste Collection Waste diversion	Weight of garbage, recyclables and green organics collected from kerbside bins	44.1	44.1	44.1	44.1	44.1	44.1	44.1	44.1	44.1	44.1	44.1
Financial Performance Indicator												
Efficiency Revenue level	Dimensional measure	Result	Result	Result	Result	Result	Result	Result	Result	Result	Result	Result
1	Average residential rate per residential property assessment	1,494.4	1,091.1	1,091.1	1,091.1	1,091.1	1,091.1	1,091.1	1,091.1	1,091.1	1,091.1	1,091.1
E	Residential rate revenue number of residential property assessments	2,132.0	2,242.0	2,242.0	2,242.0	2,242.0	2,242.0	2,242.0	2,242.0	2,242.0	2,242.0	2,242.0
2	Expenses per property assessment	2,132.0	2,140.3	2,140.3	2,140.3	2,140.3	2,140.3	2,140.3	2,140.3	2,140.3	2,140.3	2,140.3
	Total expenses number of property assessments	2,132.0	2,140.3	2,140.3	2,140.3	2,140.3	2,140.3	2,140.3	2,140.3	2,140.3	2,140.3	2,140.3

Workforce turnover		Average number	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
3	Resignations and terminations compared to average staff		9.1	9.4	9.9	9.9	12.14	9.4	9.9	9.9	9.9	9.9	9.9	9.9	9.9
	Number of permanent staff resignations and terminations of permanent staff for the financial year	Average number													
L1 Liquidity															
	Working capital														
L1	Current assets compared to current liabilities	242.23	2.94	34	34	34	34	34	34	34	34	34	34	34	34
	Current assets	100													
	Current liabilities	100													
	Restricted cash														
L2	Unrestricted cash compared to current liabilities	9.4	9.02	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Liquidity															
	Unrestricted cash	100													
	Current liabilities	100													
Asset renewal															
O1	Asset renewal compared to depreciation	.33	2.39	1.11	1.11	1.11	1.11	1.11	1.11	1.11	1.11	1.11	1.11	1.11	1.11
	Asset renewal	100													
	Depreciation	100													
O2	Loans and borrowings compared to rates	3.4	34.2	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
	Loans and borrowings	100													
	Interest bearing loans and borrowings	100													
	Rate revenue	100													
O3	Loans and borrowings repayments compared to rates	11.12	2.0	9.22	9.22	9.22	9.22	9.22	9.22	9.22	9.22	9.22	9.22	9.22	9.22
	Loans and borrowings	100													
	Interest and principal repayments on interest bearing loans and borrowings	100													
	Rate revenue	100													
	Interest and principal repayments on interest bearing loans and borrowings	100													
O4	Non-current liabilities compared to own source revenue	33.2	2.9	21.2	21.2	21.2	21.2	21.2	21.2	21.2	21.2	21.2	21.2	21.2	21.2
	Non-current liabilities	100													
	Own source revenue	100													

Operating position										
<i>Adjusted underlying result</i>										
O P1	Adjusted underlying surplus (or deficit)									Surplus has decreased between years due to less non mc contributions, decrease in value of investment properties and increase in materials and services costs.
	Adjusted underlying surplus (deficit)	Adjusted underlying revenue								
	Stationarity									
<i>Rates concentration</i>										
S 1	Rates compared to adjusted underlying revenue									Council's rate revenue has increased in 2019 due to the differential rate on vacant land and associated rebate contribution. The increase in the waste charge due to the recycling industry. There was also a decrease in cash contributions from 2018.
	Rate revenue	Adjusted underlying revenue	100							
	Rates effort									
S 2	Rates compared to property values									After the introduction of rate capping, rates income has remained stable.
	Rate revenue	Capital improved value of rateable properties in the municipality	100							

DCD22/19 REVISED GUIDELINES FOR ARTS INVESTMENT GRANTS PROGRAM (D19/326825)

Director Community Development

Cultural Development

Executive Summary

The Arts Investment Grants program was developed to align with the 2017-2021 Council Plan and the 2017-2022 Arts and Culture Strategy: Creative Capital which both aim to 'strengthen and invest in the significant creative sector in Moreland and enhance its standing as a destination for the arts'.

Two rounds of the Arts Investments Grants program have been completed to date. Round 1 was open from 24 January 2018 to 21 March 2018 and Round 2 was open from 2 November 2018 to 7 December 2018.

A review of the 2 funding rounds of the Arts Investment Grants program was conducted looking at the types of initiatives and companies funded, the funding allocations provided and the impact the funding has had on the local creative sector. The review found that the program has been very well received by the community and has had a significant impact on the local arts community. Funds received from the grants have been used to establish new gallery spaces, provide professional development, introduce new arts infrastructure such as photographic darkrooms, fabrication workshops and studios, 3D printing and Virtual Reality studios. In several cases funds have also been used to keep the doors of important arts organisation open to the public and has led to new income streams for local arts organisations, increasing their sustainability and ability to pay artists.

An Evaluation Report was produced following the review that included several recommended changes to the program for Round 3 in 2019/2020 including;

- Addressing the confusion between the Arts Investment Grants program and the Arts Activation Grants program by making minor changes to the grant categories, program objectives and funding priorities;
- Narrowing the eligibility criteria from businesses in the broader creative industries sector, to businesses in the arts sector;
- Narrowing the eligibility criteria to exclude public companies from applying;
- Minor changes to the list of exclusions, eligibility criteria and funding preferences;
- Streamlining the application process in line with the Arts Activation Grants, allowing for video applications; and
- Strengthening the acquittal process.

The Moreland Arts Advisory Committee has been consulted in relation to the Arts Investment Grants program review and subsequent updated Arts Investment Grants Program Guidelines. The Arts Investment Grants Program Guidelines have been revised accordingly.

Officer Recommendation

That Council adopts the draft revised Arts Investment Grants Program Guidelines at Attachment 1 to this report.

1. Policy Context

The Council Plan 2017-2021 (Council Plan) is committed to the vision that:

Moreland will be known for its proud diversity and for being a connected, progressive and sustainable city in which to live, work and play.

The Arts Investment Grants program is in line with this vision and meets two Strategic Indicators from the Council Plan under the Progressive Cities Strategic Objective:

- Strengthen the significant creative sector in Moreland and enhance its standing as a destination for the arts; and
- Support the local economy and trading environments to enhance economic activity and promote local jobs.

The Arts Investment Grants program is critical to achieving the aims of the 2017–2022 Arts and Culture Strategy: Creative Capital. The vision for this strategy is to:

strengthen the significant creative sector in Moreland and enhance its standing as a destination for the arts.

This will be achieved through enhancing the capacity of Moreland's creative sector to maintain and grow creative practice in the municipality. The Arts Investment Grants program is part of Council's role as a supporter – where Council encourages a thriving creative sector through investment, facilitation and advocacy.

Commitment 11: Support arts activity that contributes to the social or economic vitality of Moreland through an Arts Investment Program for small or emerging arts organisations

The Arts Investment Grants program is also critical to achieving the aims of the 2018–2023 Arts Infrastructure Plan. The Arts Infrastructure Plan supports the Council Plan in addressing the physical spaces that support the creative industry and are essential to the ongoing livelihood of the arts sector. This plan states that:

Moreland's arts sector is thriving yet vulnerable. The conditions that have made Moreland an attractive place for artists to establish and thrive include affordable rents, small-scale premises and disused industrial spaces are now vulnerable to significant change as the inner urban areas of Melbourne continue to gentrify.

In addition, the lack of available grants relating to infrastructure needs is having a significant impact leading to the displacement of arts spaces and the arts community that these spaces support. The grants directly relate to several priority needs identified in the Arts Infrastructure Plan including:

- Affordable making spaces;
- Creative spaces that are 'fit-for-purpose'; and
- Financial security for artists.

2. Background

During consultation for the 2017-2022 Arts and Culture Strategy: Creative Capital, support for independent arts professionals and small to medium arts organisations based in Moreland was often cited as a high priority. Benchmarking with other comparable municipalities such as Yarra, Darebin and Maribyrnong found that each have arts organisation funding programs which are highly successful in maintaining and attracting high calibre small to medium arts organisations to their municipality. As a commitment of Creative Capital, Council allocated \$50,000 per annum over 2 financial years to develop and pilot an Arts Investment Grants program. This commitment was subsequently included in Council's 4-year Council Plan, with specific details regarding the grants objectives, categories and assessment criteria being endorsed by Council on 6 December 2017.

The Arts Investment Grants program was designed to provide financial support to organisations either established in Moreland or planning on delivering high quality programming to the municipality. These grants aim to provide organisations with funding to grow their practice and address infrastructure needs. Two rounds of the Arts Investments Grants have been completed to date.

- Round 1 was open from 24 January – 21 March 2018
- Round 2 was open from 2 November – 7 December 2018.

A review of the 2 funding rounds was conducted looking at the types of initiatives and companies funded, the funding allocations provided and the impact the funding has had on the local community and the creative sector. In reviewing the Arts Investment Grants program, several recommendations were made to strengthen outcomes and remove a number of small issues relating to the grant application process, funding and acquittal process.

Round 3 of the Arts Investment Grants is scheduled to open in October 2019.

3. Issues

Recommended changes to the Arts Investment Grants Program Guidelines at **Attachment 1** include:

- Addressing the confusion between the Arts Investment Grants program and the Arts Activation Grants program by making minor changes to the grant categories, program objectives and funding priorities;
- Narrowing the eligibility criteria from businesses in the broader creative industries sector, to businesses in the arts sector. The most widely applied definition of creative sector businesses includes industries such as Architecture, Advertising, Marketing and Software development. Council should instead restrict eligibility according to the Australia Council definition of the arts sector;
- Narrowing the eligibility criteria to exclude public companies from applying;
- Minor changes to the list of exclusions, eligibility criteria and funding preferences;
- Streamlining the application process in line with the Arts Activation Grants, allowing for video applications; and
- Strengthening the acquittal process.

Human Rights Consideration

The implications of this report have been assessed in accordance with the requirements of the Charter of Human Rights and Responsibilities.

4. Consultation

The Moreland Arts Advisory Committee has been consulted in relation to the Arts Investment Grants program review and subsequent updated Arts Investment Grants Program Guidelines.

5. Officer Declaration of Conflict of Interest

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

6. Financial and Resources Implications

The \$50,000 funds required to action this resolution are budgeted for within the current year budget of Arts and Culture. Due to the success of this grants program and return for Council investment, ongoing funding will be sought for 2020/21 and subsequent years, as recommended by the Moreland Arts Advisory Committee.

7. Implementation

Round 3 of the Arts Investment Grants program will open in October 2019.

Attachment/s

- 1 [↓](#) Round 3 - Arts Investment Grants Program Guidelines 2019 D19/339395

ARTS INVESTMENT GRANTS PROGRAM GUIDELINES



Arts Investment Grants Program Guidelines

DRAFT

Council Approved

For Review

ARTS INVESTMENT GRANTS PROGRAM GUIDELINES

Purpose of the Arts Investment Grants Program

The Arts Investment Grants Program has been developed to align with the 2017-2021 Council Plan and the 2017-2022 Arts and Culture Strategy: Creative Capital, which both aim to 'strengthen and invest in the significant creative sector in Moreland and enhance its standing as a destination for the arts'.

Objectives of Arts Investment Grants Program

Applications need to address at least one of the following objectives:

- Support Moreland's arts sector to maintain and grow their practice in the municipality
- Address identified arts infrastructure needs in the municipality
- Provide capacity building opportunities to the local arts sector

Grant Types Available

Infrastructure Grants

Grants of up to \$10,000 are available for new arts infrastructure projects which address one or more of the objectives of the Arts Investment Program in line with the funding preferences. This can include either moving or expanding premises, the purchase of new equipment or maintenance and fit out of arts facilities. Applicants are required to demonstrate how this will make a valuable contribution to the arts sector of Moreland.

Organisational Grants

Grants of up to \$5,000 are available for Moreland based organisations that can demonstrate having delivered outcomes aligned with at least one of the Arts Investment Program objectives for at least three years. This funding can be used for annual operational costs or professional development activities available for the growth of the sector.

Funding Preferences

Preference will be given to applications which:

- Enhance Moreland's profile as a vibrant arts locality
- Encourage and champion diversity and Aboriginal culture
- Demonstrate partnerships with other organisations
- Align strongly with commitments in Moreland's Arts and Culture Strategy: Creative Capital
- Demonstrate clear potential for impact on and growth of the arts sector in Moreland
- Encourage environmental sustainability in line with Council's policies

Eligibility Requirements

This program is only open to organisations whose primary business is in the arts sector. This includes literature, music, theatre, musical theatre, opera, dance, circus, comedy, puppetry, arts festivals, visual arts and crafts, community arts, experimental arts and Aboriginal and Torres Strait Islander arts.

Organisations can make one application annually to either of these categories.

Infrastructure Grants

All applications must meet the following criteria:

- Groups or organisations which are incorporated, cooperatives, charitable organisations or auspiced by an incorporated entity
- Have adequate public liability insurance or guarantee that it will be obtained upon notification of successful funding
- Have no outstanding grant acquittals or outstanding debts owing to Council

ARTS INVESTMENT GRANTS PROGRAM GUIDELINES

Organisational Grants

All applications must meet the following criteria:

- An organisation which meets the objectives of the Arts Investment Grants Program and has delivered outcomes aligned with at least one Arts Investment Grants Program objective for at least 3 years.
- All eligibility requirements of Infrastructure Grants above

What will not be funded?

- Competitions, commercial or fundraising activities
- The entire cost of an initiative/project/program
- Initiatives that will require ongoing funding from Council to be sustained
- Applicants seeking funding to cover outstanding loans or debts
- Applicants where the recipient organisation/s promote and/or benefit directly from electronic gaming machines or from any form of gambling including sports betting and lotteries
- Projects or work that will be used for the purposes of academic assessment
- Applicants submitted after the project has occurred (no retrospective funding)
- Projects held outside Moreland
- School based activities
- Projects already partially or wholly funded by Council via other funding streams
- Applications which have lobbied or canvassed Councillors or Council Officers
- Projects that have received Project or Operational Funding from the Community Grants program for the same activity in the same financial year
- Organisations whose primary purpose is not in the arts sector.

Annual Grant Round Timeline

Grant Type	Grants Advertised	Applications Due	Expected Notification
Infrastructure Grants up to \$10,000	October	November	January
Organisational Funding up to \$5,000	October	November	January

Application

Applications need to be submitted online via Moreland City Council's Smarty Grants administration system. Council can accept video applications through Smarty Grants however please check with the Arts Officer for details on how to submit your video application. The online application form will include the questions outlined below:

Your Proposal

- What do you plan to do?
- How does it meet at least one of the objectives of the Arts Investment Grants Program?
- What will be achieved through this proposal and how will you demonstrate that these outcomes have been achieved?
- Who is involved? Who is in your project team and what are their roles? Demonstrate that they have the experience and ability to deliver the proposed initiative. Outline any collaborations or partnerships with other groups or organisations.

Budget

- Please submit a budget. Your total income and expenditure must equal the same amount for your budget to be accepted as part of your application. The budget must be realistic and show other income sources, including in-kind support. It should demonstrate why you need the grant.

ARTS INVESTMENT GRANTS PROGRAM GUIDELINES

Support Documents

- Please supply a maximum of three letters of support from partner organisations, artists or key stakeholders who can validate that your proposal will make a valuable contribution to the arts sector in Moreland.

All applicants are strongly encouraged to speak to a member of the Arts and Culture Unit before submitting their application.

Assessment Process and Criteria

Council is committed to ensure that the assessment of all grant applications is coordinated in a fair and transparent manner.

Assessment Process

1. An Officer from the Arts and Culture Unit will assess each application to confirm that it is eligible. This officer will be the main contact officer for questions and assistance while applications are open, and this officer will not participate or have any authority or decision-making responsibilities regarding the assessment panel process.
2. A panel of at least 4 officers from across Council and one representative of the Moreland Arts Board will assess the eligible applications against the Assessment Criteria. The panel will be Chaired by the Unit Manager Arts and Culture.
3. A report from the panel with recommendations for funding will be made to the Director Community Development for endorsement.

Assessment Criteria

The application will be assessed and scored by an assessment panel who will examine how clearly it shows these qualities:

Assessment Criteria	Score	%
<u>Sector need</u> : The potential of the project/program to enhance the quality and strength of the arts sector in Moreland through either growing creative practice in the municipality or aligned with an identified arts infrastructure need	Score out of 5	25%
<u>Response to funding preferences</u> : The degree to which the grant responds to funding preferences	Score out of 5	25%
<u>Capacity of organisation</u> : The application outlines roles and responsibilities of a project team that is suitable and capable to manage and deliver the project	Score out of 5	25%
<u>Budget</u> : The budget is balanced, realistic, shows other income sources, including in-kind support	Score out of 3	15%
<u>Support documents</u> : Application includes letters of support	Score out of 2	10%
Total	Score out of 20	100%

ARTS INVESTMENT GRANTS PROGRAM GUIDELINES

Conflict of Interest

All those involved in the assessment of applications must declare any conflict of interest that exists, including but not limited to, personal or business connections with any applicant. The person is required to step down from participating in any vote or decision-making process undertaken in regard to the specific applicant.

Lobbying

Lobbying or canvassing Councillors or Council employees in relation to any grant application is prohibited. This includes asking Councillors or Council employees for Letters of Support, to recommend your project to assessment panel members or to discuss the application with assessment panel members on your behalf. Any application submitted where the applicant that has canvassed or lobbied a Councillor or Council employee will be deemed ineligible.

Capacity Building

A number of capacity building activities will be offered as part of the Arts Investment Program. These include, but are not limited to:

- Professional Development Workshops
- Participation in the Arts Investment Community of Practice program - a quarterly networking/professional development event with other Arts Investment Program grant recipients.

Funding Terms and Conditions

Successful applicants will be required to:

- Enter into a funding agreement with Council which sets out the conditions and reporting requirements.
- Use the grant funding for the project outlined in the proposal
- Be covered by an appropriate public liability insurance policy
- Acknowledge Arts Moreland and Moreland City Council by using their logos on all promotional material relating to the activity
- Return any unspent funds to Council
- Obtain any relevant legal permissions with regards to copyright and intellectual property rights
- Submit a one-page written project acquittal or attend a mandatory project-close interview at the completion of the project
- Submit a financial acquittal (a true statement of actual income and expenditure after the activity is completed), including receipts upon request
- Attend a minimum of 3 Community of Practice Group meetings (4 scheduled annually)

Copyright and Intellectual Property

Where an activity will use copyright material, or another entity's intellectual property, it is the applicant's responsibility to seek and obtain all the necessary permissions. All intellectual property rights within the application and delivery of event will be held exclusively by the applicant/s.

DCD23/19 SUMMER 2019/2020 SPORTS GROUND SEASONAL TENANCY ALLOCATIONS (CYCLICAL REPORT) (D19/327261)

Director Community Development

Community Wellbeing

Executive Summary

Council has a strong commitment in providing its community with sporting and recreational facilities and opportunities, encouraging them to stay active to improve their health and wellbeing outcomes.

Council's Allocation and Use of Sporting Facilities, Grounds and Pavilions Policy (the Policy) supports participation in team based sports and provides a framework for the seasonal allocation of sporting grounds and pavilions to clubs through a tenancy agreement.

Facilities are allocated to clubs with sound governance structures, open membership for men, women and juniors, have elected committees and a demonstrated commitment to social responsibility. Clubs are also committed to participating in any club development program required by Council.

A key part of the Policy is sporting clubs' compliance with fielding junior teams and a minimum of one female team. In the 2019 winter and annual seasons, all clubs complied with fielding a junior team and a female team in either junior or senior age groups.

For the summer 2019/2020 season, all clubs have registered a junior team, with all 12 cricket clubs registering a female team with their relevant local cricket association.

Officer Recommendation

That Council:

1. Allocates sports grounds and pavilions for the 2019/2020 summer season to the clubs nominated in Attachment 1 to this report.
2. Notes that any club owing ground or pavilion fees from previous seasons, or with outstanding utility fees, will not be offered summer 2019/2020 ground allocation until payment is made, or an agreed payment plan is in place, in accordance with the information in Confidential Attachment 2, relating to winter season allocations.
3. Notes that clubs will be required to provide all compliance documentation prior to receiving their summer 2019/2020 sports ground seasonal allocation.
4. Authorises the Director Community Development to make changes to the allocation of facilities for the duration of the 2019/2020 summer season as required.
5. Notes current junior and female participation levels at sports clubs contained within this Summer 2019/2020 Sports Ground Tenancy Allocations report.

1. Policy Context

Council's Allocation and Use of Sporting Facilities, Grounds and Pavilions Policy 2016 (the Policy), together with the Sporting Facilities, Grounds and Pavilions User Guide (the User Guide) provides a framework for the allocation of Council's sports facilities including an outline of the terms and conditions of use.

2. Background

Council adopted a revised policy at the February 2016 Council meeting. The Policy, together with the User Guide outlines the terms and conditions of use for Council's sports facilities.

Priority leasing and allocation of facilities will be given to clubs that:

- Are inclusive of people with disabilities, and actively support juniors, females and people from culturally and linguistically diverse backgrounds (CALD) to participate in recreation;
- Demonstrate participation by Moreland residents;
- Comply with all previous occupancy requirements; and
- Have completed approved capital work projects to the satisfaction of Council.

Clubs providing sport, recreation and physical activity opportunities must develop and demonstrate policies, strategies and active programs that increase the participation, general health and wellbeing of juniors, girls and women.

The Policy states that by October 2019, leasing and allocation of Council facilities will only be provided to clubs whose membership provides the following in their respective sporting codes:

- At least one junior team/side;
- At least one female team/side;
- Registered sport association development programs; and
- Female representation on club committee and/or board.

3. Issues

Sporting ground capacity

Tenancy and allocation applications are firstly considered in relation to the capacity of Moreland's sporting grounds, and secondly with respect to the club's compliance with the Policy.

As with previous seasons, Council's facilities (grounds and pavilions) are being fully utilised/occupied. With capacity maximised and no new facilities available, Council officers are mindful to ensure allocations do not exceed ground capacity.

Excessive allocations result in overused and damaged playing surfaces. This creates unsafe playing conditions and leads to temporary ground closures, which can impact upon club utilisation in the medium term and create additional maintenance requirements to bring back to the appropriate standards.

Sporting ground and pavilion allocation policy compliance - summer 2019/2020

A list of 13 clubs applying for a summer 2019/2020 sports ground and pavilion allocation is listed in **Attachment 1** along with the participation levels of genders in juniors and seniors, including numbers of teams each club has. The data is requested as part of each club's tenancy application prior to season starting. It may be subject to change as registration days are held, training resumes and the season starts.

The Policy was updated in February 2016 to include a requirement for at least one female team. In the past, not all clubs have been compliant with this, however a 3-year period was granted for clubs to undertake further team development. The minimum requirement is for clubs to field a junior female team by season 2019/2020.

In partnership with Council and the State and local cricket associations, Moreland's cricket clubs have been working hard to establish female teams. For the upcoming 2019/2020 summer season, all 12 cricket clubs have registered a female and junior team with their associated competition as part of each club's tenancy application. Council officers have been liaising with the local cricket associations who have confirmed that all 12 cricket clubs have registered female teams.

Should any club fail to maintain a female team for commencement of the 2019/2020 season competition, the Policy indicates that they will be considered non-compliant and Council will reserve the right not to allocate facilities for this upcoming season.

Human Rights Consideration

The implications of this report have been assessed in accordance with the requirements of the Charter of Human Rights and Responsibilities.

4. Consultation

Recreation Services has consulted all relevant sporting bodies including Cricket Victoria, Victorian Turf Cricket Association, North West Metropolitan Cricket Association and the Victorian Sub District Cricket Association in the preparation of this report. Internal consultation has also been undertaken between the Recreation Services and Open Space units to confirm the allocation of facilities.

5. Officer Declaration of Conflict of Interest

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

6. Financial and Resources Implications

Any club owing ground or pavilion fees from previous seasons, or with outstanding utility fees, will not be offered summer 2019/2020 ground allocation until payment is made, or an agreed payment plan is in place. There are no Summer clubs that have an outstanding debt owing.

Confidential Attachment 2 outlines clubs who have outstanding debts owing to the Winter season allocation.

The projected fees and charges income for the 2019/2020 summer sports ground and pavilion rental is \$99,821.

7. Implementation

Following Council's decision, clubs will receive written confirmation of their allocation within 14 days.

Attachment/s

1 [↓](#) Summer Sports Ground allocations 2019 - 2020

D19/332067

2 Outstanding Debtors - Summer 2019 - 2020 Sports ground Tenancy Allocation

D19/332141

Pursuant to sections 77(2)(c) and 89(2)(d) this attachment has been designated as confidential by the Chief Executive Officer because it relates to contractual matters.

Club	Venues to be allocated		Allocation of Sporting Facilities, Grounds and Pavilion Policy compliance										Females on Committee	Documentation required for allocation* *as at time of report Incorporation (copy) Public Liability Insurance (copy) Liquor Licence (copy) Food Registration (copy) Strategic Plan (copy) Sport Club Constitution (copy) AGM minutes (copy) Annual Report (copy)	Affiliated Association
	Training grounds	Match grounds	Junior development program	Juniors		Junior teams		Seniors		Senior teams		Females			
				Male	Female	Male	Female	Male	Female	Male	Female				
SUMMER ALLOCATIONS															
Brunswick Cricket Club	Gillon Oval	Gillon Oval Holbrook Reserve Allard Park Clifton Park West	Junior Blasters	134	25	13	3	70	40	6	3	Yes	Submitted	VSDCA VTCA NWMCA	
Brunswick Ultimate Frisbee (Moreland Sports Club)	Allard Park	Allard Park Wylie Reserve	N/A	6	4	0	0	82	57	2	2	Yes	Annual Report, AGM minutes & Strategic Plan outstanding	UV AFDA	
Coburg Cricket Club	City Oval	City Oval Hellam Reserve Parker Reserve East Parker Reserve West	Junior Blasters	150	12	12	0	85	35	6	2	Yes	Incorporation, PLI & Liquor Licence outstanding	VSDCA NWMCA CV	
East Coburg Cricket Club	Brearley Reserve	Brearley Reserve Jackson Reserve	Junior Blasters	80	7	6	1	80	6	5	1	Yes	Food Registration & Strategic Plan outstanding	VTCA NWMCA	
Halg Fawkner Cricket Club	Mutton Reserve	Mutton Reserve East Mutton Reserve West	Junior Blasters	100	30	8	3	50	10	4	1	Yes	Food Registration, Strategic Plan outstanding	VTCA NWMCA	
Glenny Cricket Club	Sewell Reserve Wallace Reserve	Sewell Reserve Cole Reserve South Wallace Reserve	Junior Blasters	31	2	3	0	70	20	5	1	Yes	Food Registration & Strategic Plan outstanding	VTCA NWMCA	
Oak Park Cricket Club	JP Fawkner	JP Fawkner East Reserve	Junior Blasters	25	10	2	1	55	13	6	1	Yes	PLI outstanding	NWMCA	
Pascoe Vale Hadfield Cricket Club	Raeburn Reserve Martin Reserve	Raeburn Reserve Martin Reserve Parker Reserve East	Junior Blasters	55	17	6	2	40	10	4	1	Yes	Liquor Licence outstanding	VTCA NWMCA CV	
Pascoe Vale Central Cricket Club	Oak Park Reserve (casual allocation)	Oak Park Reserve East Oak Park Reserve West (casual allocation)	Junior Blasters	40	12	2	1	110	15	6	1	Yes	PLI & Food Registration outstanding	NWMCA	
Pascoe Vale United Cricket Club	Cook Reserve	Cook Reserve Wallace Reserve West	Junior Blasters	50	17	4	3	50	12	4	1	Yes	Strategic Plan outstanding	NWMCA	
St Andrews Pascoe Vale Cricket Club	Cole Reserve	Cole Reserve North Cole Reserve South Cole Reserve West	Junior Blasters	45	30	3	3	50	15	4	1	Yes	PLI, AGM minutes & Food Registration outstanding	VTCA NWMCA CV	
St Francis de Sales Cricket Club	JP Fawkner West Reserve Rayner Reserve	JP Fawkner West Reserve JP Fawkner East Reserve Rayner Reserve McDonald Reserve	Junior Blasters	70	30	7	2	75	8	4	1	Yes	Food registration & Sports Club Constitution outstanding	VTCA NWMCA CV	
West Coburg Cricket Club	Shore Reserve Morris Reserve	Shore Reserve Fleming Park Morris Reserve McDonald Reserve	Junior Blasters	173	33	12	3	78	11	6	1	Yes	Strategic Plan outstanding	VTCA NWMCA	

Highlights Female Participation - Teams

DBT18/19 GOVERNANCE REPORT - SEPTEMBER 2019 - CYCLICAL REPORT (D19/332340)

Director Business Transformation

Corporate Governance

Executive Summary

The Governance Report has been developed as a monthly standing report to Council to provide a single reporting mechanism for a range of statutory compliance, transparency and governance matters.

The Governance Report – September 2019 includes:

- Reports from Committee to Council;
- Assemblies of Councillors records;
- Responses to On Notice items taken at the 14 August 2019 Council meeting;
- Appointment and authorisation to enforce the *Planning and Environment Act 1987*;
- Review of the Election Period Policy; and
- Chief Executive Officer Employment Matters Policy and Terms of Reference.

This report recommends that Council notes the Reports from Committee to Council, Records of Assemblies of Councillors and responses to On Notice Items and appoints and authorises officers under the *Planning and Environment Act 1987*. The report also recommends Council releases the Chief Executive Officer Employment Matters policy to the public and adopts the updated Election Period Policy.

Officer Recommendation

That Council:

1. Notes the reports from Committees to Council at Attachment 1 to this report.
2. Notes the Records of Assemblies of Councillors held between 1 July and 30 July 2019 at Attachment 2 to this report.
3. Notes the responses to Question Time - On Notice items from the 14 August 2019 Council meeting at Attachment 3 to this report.
4. In the exercise of the powers conferred by section 147(4) of the *Planning and Environment Act 1987* and section 232 of the *Local Government Act 1989*:
 - a) Appoints and authorises the Council staff referred to in the Instruments at Attachment 4 to this report, as set out in each instrument.
 - b) Determines the instruments come into force immediately the common seal of Council is affixed to the instrument and remain in force until Council determines to vary or revoke.
 - c) Authorises the affixing of Council's common seal.
5. In accordance with Section 93B of the *Local Government Act 1989*:
 - a) Adopts the Election Period Policy, at Attachment 5 to this report.
 - b) Makes a copy of the Election Period Policy available at Council's offices and on Council's website and provides a copy to all Councillors.
6. Determines the Chief Executive Officer Employment Matters Policy and CEO Employment Matters Committee Terms of Reference are not confidential information and publishes the Chief Executive Officer Employment Matters Policy on its website.

1. Policy Context

The appointment of Councillors to specific areas of responsibility and committees provides a framework for relationships between Councillors and the administration of Council and reporting back of these committees to Council is an important transparency mechanism.

Section 80A of the *Local Government Act 1989* (the Act) sets out the context in which the Assembly of Councillors Records must be reported to Council.

The Meeting Procedure Local Law 2018 provides for the Chairperson to take a question On Notice and a written response to be provided to the person, should the question require a detailed answer that is not available at the meeting.

Section 224 of the *Local Government Act 1989* provides for the appointment of Authorised Officers for the purposes of the administration and enforcement of any Act, regulations or local laws which relate to the functions and powers of the Council.

Under the *Planning and Environment Act 1987* Authorised Officers can only be appointed by Council as this act prohibits delegation of the power to appoint Authorised Officers.

2. Background

The Governance Report has been developed as a standing monthly report to Council to provide a single reporting mechanism for a range of statutory compliance, transparency and governance matters.

In accordance with best practice and good governance principles, and to ensure compliance with the requirements of the *Local Government Act 1989* (the Act), this report incorporates matters including reporting of advisory committees, records of Assemblies of Councillors, items relating to the delegation of Council powers, and policy and strategy reporting.

3. Issues

Reports from Committee to Council

The minutes and a summary of the key issues discussed at the following meetings are provided at **Attachment 1** for Council's information:

- Friends of Aileu Community Committee meeting – 7 May 2019; and
- Moreland Arts Advisory Committee meeting – 13 August 2019.

Assemblies of Councillors

An Assembly of Councillors is a meeting of an advisory committee of the Council, if at least 1 Councillor is present, or a planned or scheduled meeting of at least half of the Councillors and 1 member of Council staff which considers matters that are intended or likely to be the subject of a decision of the Council or delegate.

Some examples include Councillor Briefings, meetings with residents/developers/clients/organisations/government departments/statutory authorities and consultations. Councillors further requested that all Assembly of Councillors Records be kept for Urban Planning Briefing meetings, irrespective of the number of Councillors in attendance.

Records of Assemblies of Councillors and Planning Briefings held during the period 1 June to 31 June 2019 are presented at **Attachment 2** for the following meetings:

- Finance Review Committee – 3 July;
- Councillor Briefing – 8 July, 17 July, 29 July;
- Planning Briefing – 22 July;
- Friends of Aileu Community Committee – 23 July.

On Notice Responses

At the 14 August 2019 Council meeting, 2 questions asked were taken On Notice during Public Question Time. In addition, as the time allowed for Public Question Time had elapsed, 8 remaining questions were also taken on notice:

- ON11/19 – Contamination in Merlynston Creek;
- ON12/19 – Parking on Sydney Road;
- ON13/19 – Road Safety in Batman Avenue;
- ON14/19 – Sydney Road Project;
- ON15/19 – Sydney Road Project;
- ON16/19 – Sydney Road Project;
- ON16/19 – Sydney Road Project;
- ON17/19 – Sydney Road Project;
- ON18/19 – Sydney Road Project; and
- ON19/19 – Sydney Road Project.

A copy of Council's responses is included at **Attachment 3**.

Appointment and Authorisation to enforce the *Planning and Environment Act 1987*

The appointment of Authorised Officers facilitates the administration and enforcement of any Act, regulations or local laws which relate to the functions and powers of the Council. Authorisations are made to specific Council officers in accordance with their roles and responsibilities.

Under the *Planning and Environment Act 1987* Authorised Officers can only be appointed by Council as this Act prohibits delegation of the power to appoint authorised officers.

The position description for Councils Urban Planners includes the objective:

To undertake such duties, in consultation with the Planning Coordinator, Unit Manager Urban Planning and Group Manager City Development, as are necessary to achieve compliance with the Moreland Planning Scheme, Planning and Environment Act and related legislation.

Therefore, it is recommended that all urban planners are authorised to undertake planning enforcement work, rather than relying solely on Planning Enforcement staff. This requires authorisation under the *Planning and Environment Act 1987* to comply with legislative requirements such as entry of land powers.

The Instruments of Appointment and Authorisation at **Attachment 4** concern 10 Urban Planners.

Election Period Policy

The *Local Government Act 1989 (the Act)* sets out the requirements for municipal general elections (election). The election period, or caretaker period, is the period commencing 32 days before the election. For the next election on 24 October 2020, the election period will commence on 22 September 2020.

Following the *Local Government (Improved Governance) Amendment Act 2015 (Amendment Act)*, Moreland's election period policy was comprehensively reviewed in preparation for the election in October 2016. The Victorian Inspectorate also reviewed all election period policies prior to the election.

Section 93B of *the Act* requires all councils to review, and if required, amend an election period policy not later than 12 months before the commencement of each election period. The policy must include:

- Procedures intended to prevent the Council from making inappropriate decisions or using resources inappropriately during the election period before a general election;
- Limits on public consultation and the scheduling of Council events; and
- Procedures to ensure that access to information held by Council is made equally available and accessible to candidates during the election.

The Election Period Policy (the Policy) has been reviewed. The policy details requirements, restrictions and procedures for Councillors, candidates and Council officers during an election period. It also ensures Council resources are not used for candidacy purposes at any time (including State and Federal elections).

Amendments proposed in the Policy (at **Attachment 5**) include:

- Aligning the policy with the changes made this year to the Councillor Code of Conduct to address Councillors as candidates in State and Federal elections;
- A prohibition on election signage on Council land;
- Inclusion of obligations for Council staff making decisions under delegation;
- Inclusion of explicit wording to address use of council facilities and resources such as photos;
- More detailed information about the obligations of the CEO and officers in the 'certification process'.

Chief Executive Officer Employment Matters Policy and Advisory Committee Terms of Reference (CEO Employment Matters Policy and TOR)

On 12 June 2019, Council considered a staffing matter in relation to the resignation of the then Chief Executive Officer, Dr Nerina Di Lorenzo, in a meeting closed to the public in accordance with sections 77(2)(c) and 89(2)(a) of the *Local Government Act 1989*. Following consideration of that item, Council determined to endorse a Terms of Reference for the CEO Employment Matters Committee (formerly known as the CEO Selection Review Panel). Council also endorsed a CEO Employment Matters Policy.

As with other Council policies it is appropriate that the CEO Employment Matters Policy is made available to the public on Council's website. As with other Advisory Committees, it is also appropriate the Terms of Reference for the CEO Employment Matters Committee are made available. The Terms of Reference will be included in the Council meeting agenda when Council is considering appointments to committees annually.

To facilitate this transparency, it is recommended Council removes the confidential designation for the CEO Employment Matters Policy and TOR.

Human Rights Consideration

The implications of this report have been assessed in accordance with the requirements of the Charter of Human Rights and Responsibilities.

4. Consultation

Advisory committees provide a valuable communication and consultation link between the organisation, Councillors, Council and the community.

Consultation regarding Amendment C164 Part 2 will be conducted in accordance with the requirements of the *Planning and Environment Act 1987*.

5. Officer Declaration of Conflict of Interest

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

6. Financial and Resources Implications

There are no financial implications associated with this report.

7. Implementation

Governance activity, including reports of committees to Council, Assemblies of Councillors and On Notice items, will continue to be reported to Council monthly.

Subject to Council's decision:

- The Instruments of Appointment and Authorisation will be duly executed;
- The Election Period and CEO Employment Matters Policies will be published on Council's website.

Attachment/s

1 ↓	Committee to Council Reports - September 2019	D19/334147
2 ↓	Assembly of Councillors Record - 1 July 2019 - 31 July 2019	D19/314370
3 ↓	On Notice response - August 2019 Council meeting	D19/346543
4 ↓	Instruments of Appointment to enforce the Planning and Environment Act 1987	D19/334741
5 ↓	Election Period Policy 2019 (draft)	D19/345840

**MINUTES FRIENDS OF AILEU COMMUNITY COMMITTEE
MEETING 7 MAY 2019 (D19/294108)**

The minutes of the Friends of Aileu Community Committee meeting held on 7 May 2019 are provided for Council's information.

Key Items Discussed:

- The meeting noted with thanks the significant and continuing contributions of Gary Jungwirth to Friends of Aileu and Timor-Leste;
- Dr Martin Hall provided a summary of the work undertaken to date on the Aileu Oral Health Education Project, including the presentation on the project to the International Association of Dental Research conference in Vancouver, Canada, plans for continuing the project and prospects for further funding from the philanthropical sector;
- Preparations for the study tour visit to Melbourne by Aileu Municipal Secretary, Mrs Victoria Mesquita do Rego, scheduled for June 2019;
- Preparations for the Friends of Aileu & Council delegation to Aileu scheduled for July 2019;
- CERES Global permaculture, local agriculture, school and community gardens engagement in Timor-Leste, scheduled for July;
- Tabling of the Evaluation Report on the Timor-Leste School Garden program;
- Project activities in Aileu to be supported by the Merri Health 2018/19 donation of \$25,000 and the Hume City Council 2018/19 Aileu Education Grant of \$5,140.

Attachment/s

- 1 Minutes Friends of Aileu Community Committee Meeting 7 May 2019 D19/285241
adopted



Friends of Aileu Community Committee: Meeting Minutes	
Adopted FACC meeting 23 July 2019	
Date	Tuesday 7 May 2019
Venue	Hume Global Learning Centre
1	Introduction
1.1	Acknowledgement of Country: By the Chair Cr Karen Sherry
1.2	Welcome: By the Chair
1.3	i) Attendance
	<p><u>Hume City Council:</u> Cr Karen Sherry</p> <p><u>Partner organisations:</u> Martin Hall (Dental Health Services Victoria), Joe Caputo (Merri Health)</p> <p><u>Community members:</u> Richard Brown, Mark Higginbotham, John Rutherford, Heather Bridges</p> <p><u>Non-member meeting participants:</u> Graham Romanes (for Glenyys Romanes)</p> <p><u>Hume City Council:</u> Julie Andrews</p> <p><u>Project Officer:</u> Chris Adams</p>
	ii) Apologies
	<p><u>Hume City Council:</u> Cr Joseph Haweil</p> <p><u>Moreland City Council:</u> Cr Annalivia Carli Hannan (leave), Mayor Cr Natalie Abboud (interim FACC representative), Cr Mark Riley</p> <p><u>Partner organisations:</u> Carlo Carli (Merri Health), Ben Walta and Jane Burns (CERES), Patricia Vickers Rich (Prime Sci!, Monash & Swinburne), Sally Vong (North Richmond Community Health)</p> <p><u>Community members:</u> Anne Jungwirth, Gary Jungwirth, Glenyys Romanes, Helen Patsikatheodorou, Paul O'Sullivan, Helena Grunfeld, Andrea Spinoso</p> <p><u>Non-member meeting participants:</u> Heather McGrath</p>
	iii) Gary Jungwirth
	<p>Motions (Action Project Officer):</p> <ul style="list-style-type: none"> a) The meeting acknowledged and thanked Gary Jungwirth for his significant and continuous contributions since the founding of Friends of Aileu in May 2000 b) Contact Honorary Consulate and if agreed, write to Timor-Leste Ambassador about Gary Jungwirth's situation and contributions to Timor-Leste, possibly seeking consideration of an award and/or letter of acknowledgement c) Prepare a card on which attendees at the annual dinner and forum could be invited to leave a message for Gary <p>Moved: J Rutherford / M Higginbotham - Passed</p>
1.4	Confirmation of Agenda: The meeting accepted the Agenda, with Item 4 Martin Hall presentation to be brought forward after Item 2 Minutes

Friends of Aileu Community Committee meeting: Minutes 7 May 2019

1.5	Conflicts of Interest: The chair reminded members of the requirement to declare any conflict of interest. None declared
2	Minutes of Previous Meeting
2.1 - 2.4	Minutes of the previous meeting (Attachment 1 to agenda) and status updates on Action Items were noted. Recommendation: The Minutes be accepted Motion: J Rutherford / R Brown – Passed.
4	Presentation on Oral Health Education Project
4.1	Dr Martin Hall gave a comprehensive oral report on the project, including: <ul style="list-style-type: none"> a) Costa family has donated a further \$10,000 (previous donation of \$7,000) and has been accommodating about reporting requirements b) Late last year Martin attended a conference in Darwin, organised by Maluk Timor, and supported Ana Tilman in presenting a report (baseline and initial outcomes of phase 1 implementation) on the Aileu project c) Maluk Timor NGO (lead by Dr Chris Fenton) is proposing to offer communication, coordination and collaboration services relating to health projects and activities in Timor-Leste d) Following the conference Ana has been engaged for oral health education work with a school in Dili (funds from Glebe St Church), in addition to her ongoing work with the Maubara clinic e) Maluk Timor wish to incorporate Aileu project approach (teacher training, student tooth brushing and screening/silver fluoride application and with some urgent extractions) into the other Australian-led oral health activities operating in Timor-Leste, which are all largely clinically-oriented only f) Martin is working on future collaboration with Balibo House Trust dental clinic, and potentially with Friends of Baucau g) Martin and Bradley Christian will present the Aileu project, baseline and initial outcomes of phase 1 implementation, to the IADR conference in Vancouver in June, with a full report and complementary poster version h) Further funding, possibly \$30,000 p.a. for 3 years may be forthcoming from Borrows Foundation, which will allow expansion of the Aileu project to more students and schools i) Sally Vong (North Richmond Community Health) will visit Timor-Leste 15-25 May, taking Ana Tilman, fellow dental nurse Carlos and dental technician Ana Paula to the participating schools in Aileu (using some of the Costs funding) j) More work required to engage Timor-Leste Ministry of Health Dental service management, however, Dr Lucio PhD Hobart, now working elsewhere in Ministry Health, is supportive k) In response to questions, Martin observed that while malnutrition (indicated by stunting) is still a major issue it is probably not getting worse, however, there is strong evidence of increasing consumption of sugar, and observation of increased caries in the general younger population, but which is not evident in the Aileu project cohort of students

4.2	The meeting thanked Dr Martin Hall for the presentation and acknowledged the great work being done by the project team and the positive impacts evident amongst the participating schools and students and more widely in respect of oral health interventions in Timor-Leste
3	Upcoming Activities, Events and Dates
3.1	Annual Dinner and Forum: East Timor's Historic Choice, 1999 – all ready for the event
3.2	Mrs Victoria do Rego visit – still awaiting grant of visa, visit will possibly proceed during last 2 weeks of June, Action: Project Officer to arrange an informal get-together with committee members during Mrs Victoria's visit
3.3	METAC Commemoration for the Timor-Leste Independence Day and fundraising in advance of 30 August 20 th anniversary of Popular Consultation 2:30-8:00 pm Sunday 19 May, Collingwood Underground, 44 Harmsworth Street, Collingwood Victoria 3066 (METAC flyer tabled)
3.4	CERES Global permaculture, agriculture, school and community gardens engagement - Dili, Atauro and Aileu 1-14 July
3.5	Friends of Aileu delegation - Dili and Aileu 8-14 Jul, with councillors Sherry, Haweil and Riley (the latter approved by Moreland Council 8 July, along with a \$3,000 donation in lieu of travel by Mayor Cr Natalie Abboud)
3.6	Friends of Aileu Newsletter, May 2019 – copy tabled
3.7	Friends of Aileu Annual Report 2018 To be considered by MCC 8 May and HCC 13 May A summary document of the Annual Report was also prepared this year – copy tabled It was noted that the summary report was being translated into Tetun for sharing with Aileu partners
3.8	Communications and 20th Anniversary Activities May 2020 - Discussions continuing with Hume and Moreland Communications teams, including joint meeting 9 May
3.9	School Garden Program Evaluation - Evaluation undertaken mid 2018 / Report released 26 March 2019, a summary of key points and a copy of the full Evaluation Report were tabled PERMATIL's achievements in assisting school communities develop gardens in over 150 schools with donations from a range of sources was noted, along with the initial indications of the value of the program and identification of areas for improvement
5	Finance and Fundraising
5.1	Budget 2019 and Financial Summary to 30 April (<u>Attachment A to these Minutes</u>) was tabled and discussed

	The success of the music event organised by Aoife Carli-Hannan and the Grassroots Gathering network at CERES on 31 March, was noted, as was the beyond expectations fundraising result of \$4,200 (funds to appear in Friends of Aileu account in early May)
5.2	<p><u>Recommendations:</u></p> <p>That the meeting:</p> <ul style="list-style-type: none"> a) Endorse the Budget and Financial Summary to 30 April b) Endorse the Project Officer progressing future transfers of funds for: <ul style="list-style-type: none"> i. Community health related projects supported by Merri Health donation, generally as per summary of proposals at <u>Attachment B to these Minutes</u> ii. Education related activities supported by Hume City Council donation, generally as per summary of proposals at <u>Attachment C to these Minutes</u> <p><u>Motion:</u> M Higginbotham / H Bridges - Passed</p>
5.3	<p>Activities supported by Merri Health in 2018: The Project Officer spoke to a set of slides used as part of feedback presentation to Merri Health Boards on 30 April, noting Merri Health has confirmed it will process its 2018/19 donation of \$25,000 shortly</p> <p>Regarding the Maryknoll Sisters' Vida Saudeval project, the meeting acknowledged that Sister Julia has achieved a great deal during her 10 years in Aileu</p>
6	<p>Recent Activities</p> <p>Various activities were noted</p> <p>The Project Officer spoke to two sets of slides:</p> <ul style="list-style-type: none"> a) The first illustrating the participants at the 16 April workshop where the Aileu Anan Associated presented the results of the interview survey of scholarship beneficiaries to the Municipal Administrator and stakeholders b) The Second being one the presentation itself (Tetun language) provided by Abilio de Araujo,
7	<p>Other Business</p> <p>Nil</p>
The meeting closed at 8:50 pm	
Next Meeting: Tuesday 23 July May, 6:00 pm for 6:30-8:30 pm, Moreland Civic Centre	

Attachment B

Merri Health support for community health activities in Aileu in partnership with Friends of Aileu in 2019		
Proposed priorities for Merri Health 2018/19 donation of \$25,000 plus \$1,500 carried over from 2017/18 donation		
Implementing Partner Organisation	Project/Activity	Amount
Aileu Municipal Health Service	Community health programs assessment and equipment	\$6,250
Uma Ita Nian Parish Clinic	Community Based Rehabilitation and Nutrition program for women and children in remote villages	\$1,250
	Disability Workshop training, programs and equipment	\$2,500
Rui Sarmento	Food Production program with village farmers groups	\$2,500
Aileu Resource and Training Centre	Community health, nutrition & agriculture education and training activities – Kadalak Dame garden	\$2,500
	Community health, nutrition & agriculture education and training – Na Terra training	\$2,000
	Community health, nutrition & agriculture education and training activities – Manu Casa reforestation	\$2,000
Suku Liurai community and Dom Baumeta School	Complete second and final stage of rehabilitation of spring-sourced/gravity-fed water supply system	\$6,000
PERMATIL & the Timor-Leste Ministry of Education	PERMATIL school garden facilitators' stipends and costs for training in school communities	\$1,500
Total		\$26,500

Attachment C

Hume City Council 2019 support for education activities in Aileu in partnership with Friends of Aileu		
Proposed priorities during 2019 for Hume City Council 2018/19 grant of \$5,140		
Implementing Partner Organisation	Project/Activity	Amount
Timor-Leste National UNESCO Commission, supported by PrimeSci! (Swinburne and Monash), working with Aileu Resource and Training Centre	Three training visits to Aileu by curator of the O Mundo Perdido (Lost World) exhibition at the UNESCO Commission premises in Dili, to help improve educational use of the Aileu exhibition on Timor-Leste geology & prehistoric flora and fauna	\$1,500
PERMATIL, working with Aileu Education Office and Primary Schools	Support for Aileu Primary School students to participate in national Perma-Kids Camp in Suku Seloi Craik, Aileu	\$1,750
Maryknoll Sisters, working with Aileu Education Office, High Schools and CAFÉ Reference School	Further development of educational programs and resources for Aileu High School Students, focussing on science laboratory and library facilities	\$1,890
Total		\$5,140

**MORELAND ARTS ADVISORY COMMITTEE
MINUTES - 13 AUGUST 2019 (D19/325613)**

The Moreland Arts Advisory Committee meeting was held on 13 August 2019.

Key Items Discussed:

- An update was provided regarding the evaluation report and review into the Moreland Writers in Residence Program. A discussion was held regarding the residency program.
- An update was also provided regarding the 2019/2020 Festival season.
- Discussion was also held regarding the opportunity for Moreland City Council to make a submission to Creative Victoria's Creative State Strategy consultation, which is currently being reviewed in preparation for the next Creative State Strategy.
- Discussion was also held regarding the Graffiti Scoping Study report which was prepared by a consultant and new Collaborative Graffiti Intervention Program pilot for 2019/2020.

Attachment/s

- | | | |
|---|--|------------|
| 1 | Arts and Culture - Moreland Arts Advisory Committee - Meeting 13 August 2019 - Minutes | D19/325664 |
|---|--|------------|

MORELAND ARTS ADVISORY COMMITTEE (MORELAND ARTS BOARD) – Minutes

Date: Tuesday 13 August 2019
Time: 6.00pm – 7.30pm
Venue: Council Chambers, Coburg Civic Centre
Chair: Cr Mark Riley
Secretary: Craig Rogers (Unit Manager Arts and Culture)
Guests: Amber Stuart (Executive Producer Festivals)
Attendees: Jane Hartnell, Rohini Sharma, Fern Smith, Dan Wollmering, Izzy Roberts-Orr, Bobby Virgona (Next Wave)
Apologies: Linda Short, Luke Duncan King, Mitchel Brannan, Olivia Poloni, Genimaree Panozzo (Manager Cultural Development)

Agenda Item	Notes and Agreements	Who
Welcome & Introductions	<ul style="list-style-type: none"> - Welcome - Acknowledgement of country - Cr Riley informed the committee of an upcoming meeting on Treaty at 33 Saxon Street on evening of Thursday 15 August. - Minutes from previous meeting accepted by members as a true reflection. - Several items were updated as followed: <ul style="list-style-type: none"> - Arts Investment Program feedback incorporated into new draft, which has been presented to Moreland Executive Group and guidelines have been endorsed to go to Council in September, with grants opening October. - John Pascoe Fawkner statue consultant has now provided complete report which is going through internal processes. Will be presented back to committee in October. - LXP feedback gone to relevant Officer. Also discussed at political level through Notice of Motion. Heritage public artworks were discussed, and Craig Rogers will follow up and form a list of works that may be affected by the LXP project. Social enterprise project levy discussed. - Request that minutes include updates on items. - Question regarding the future of MoreArt. Discussion that due to lack of information from LXP and bike path closures, currently considering options for MoreArt. Potentially looking at a date change to early 2020. 	Chair

Writers in Residence Program	<ul style="list-style-type: none"> - Program came about through current Arts and Culture Strategy. First round was 2018/2019 and was subsequently evaluated. - Emily Brewin, Kate Lefoe and Robert Skinner were the selected writers and received \$3,000 stipend, desk for 3 X months and each held a public outcome - The committee discussed proposed changes to the program and provided feedback as follows: <ul style="list-style-type: none"> - Targeting applicants from Moreland's Human Rights Policy priority groups through additional questions and weighted selection criteria. - Partnering with community to support applications from these groups. - Criteria to be weighted equally rather than putting too high a weighting on diversity criteria. - Could include a criterion about the impact that this opportunity will provide the writer. - The program is for writers at any point in their careers, but this could be listed explicitly, i.e. Emerging, mid-career and established. - There is a need to be careful not to uphold biases and barriers of the industry. - Assessment panel includes Unit Manager Arts and Culture, an Officer from Libraries, an arts advisory committee member and two industry representatives. - This is a fantastic initiative that has taken some time to eventuate. - Make it clearer that all forms of writing are accepted, to both applications and selection panel. - Review the requirement of a public outcome – could be a workshop, or a reading, or providing an excerpt of work for the Council website. - Could be an opportunity to also include a networking opportunity. - Further feedback can be submitted to Craig Rogers. - Craig Rogers to meet again with Izzy Roberts-Orr - Call out for applicants will be around October. 	Craig Rogers
Introduction to Festivals Program	<ul style="list-style-type: none"> - Amber Stuart presented the festival program to the committee, including Coburg Carnivale, Fawkner Festa, Coburg Night Market, Carols by the Lake, Sydney Road Street Party, Brunswick Music Festival and Glenroy Festival. - The impact of W heatsheaf Hub developments on the Glenroy Festival was discussed. - Feedback was provided that the Fawkner Festa call out was well-framed. - The committee offered to provide assistance to the program as required. - A full review of the festivals program will occur over 2019/2020. 	Amber Stuart
Creative State Strategy	<ul style="list-style-type: none"> - Creative Victoria's Creative State Strategy is currently being reviewed. - Moreland City Council are producing a submission as an opportunity to speak about how much local government 	Craig Rogers

	<p>does for Arts and Culture and how there could be more of a connection with State Government.</p> <ul style="list-style-type: none"> - There is currently significant State government support for rural and outer metropolitan Councils but limited opportunities for inner city Councils. - Council often apply for funding in the same round as artists and arts organisation and are often not funded. - Municipal Association of Victoria is putting in a submission and setting up meeting between CEOs and Executive. There is a State government funded arts and culture advocate at MAV. Cr Riley expressed that he would consider attending MAV events. - It was suggested that feedback from local artists could be included in the submission, however timelines are tight. - Key issues raised included infrastructure framework, professional development, connections with state government and professional pathways for artists. 	
Graffiti Scoping Study and Program	<ul style="list-style-type: none"> - Last financial year a consultant was engaged to write a scoping study on a collaborative graffiti intervention program. It included community consultation, priority sites, and a suite of material to consider. - The aim is to intervene in high tagging areas, work with community and maintain presence in the area and to have different styles of intervention in different areas. - A curatorial framework for the program has been created including embedding gender equity and working with local artists. - Council has funded the program for a 1-year pilot, which includes a part-time staff member, and there is a hope that it will be continued. - The program was discussed as follows: <ul style="list-style-type: none"> - Bill poster walls could be used as an intervention. - It would be good to look at graffiti intervention along the train line. Unfortunately, this is beyond the current resourcing of the program. - Health issues for graffiti artists should be considered. - High quality, anti-graffiti coating is imperative. - Ensure consultation with people who tag, including partnering with Youth Services to build relationships and primary schools. - Look at the successful Signal program. - An Officer will be appointed in next few weeks to start mid-September. They will attend the December committee meeting to discuss this program again. 	Craig Rogers
Any other business	Close	Chair

Next Meeting – Thursday 17th October, 6:00pm - 7:30pm

ASSEMBLY OF COUNCILLORS RECORD

1 July 2019 to 31 July 2019

An Assembly of Councillors is a meeting of an advisory committee of the Council, if at least one Councillor is present, or a planned or scheduled meeting of at least half of the Councillors and one member of Council staff which considers matters that are intended or likely to be:

- the subject of a decision of the Council; or
- subject to the exercise of a function, duty or power of the Council that has been delegated to a person or committee.

Assembly of Councillors does not include a meeting of the Council, a special committee of the Council, an audit committee established under section 139 of the *Local Government Act* a club, association, peak body, political party or other organisation.

Assembly details	Councillor attendees	In	Out	Officer attendees	Matters discussed	Conflict of interest disclosures
Finance Review Meeting 3 July 2019	<u>In Attendance</u> Cr Abboud Cr Riley <u>Apologies</u> <u>Absent</u>	5.05 pm 5.05 pm pm pm pm pm pm pm pm	5.30 pm 5.30 pm pm pm pm pm pm pm pm	Nerina Di Lorenzo Liz Rowlands Melissa Baker	<ul style="list-style-type: none"> • Council Financial Management Report May 2019 	No
Councillor Briefing 8 July 2019	<u>In Attendance</u> Cr Abboud Cr Bolton Cr Dorney Cr Irfanli Cr Kavanagh Cr Martin Cr Riley <u>Apologies</u> Nil <u>Absent</u> Nil <u>Leave of absence</u> Cr Carli Hannan Cr Davidson Cr Tapinos Cr Yildiz JP	6 pm 6 pm 6 pm 7.14 pm 6 pm 6 pm 6 pm	9 pm 8.30 pm 9 pm 9 pm 9 pm 9 pm 9 pm	Nerina Di Lorenzo Liz Rowlands Arden Joseph Grant Thorne Phil Priest Sue Vujcevic Joseph Tabacco Richard Tolliday Olivia Wright Maria Luisa Nardella Kathy Rose Maria Rico Andrew Dodds	<ul style="list-style-type: none"> • LXRP Update • VicRoads external presentation • Expression of Interest – 420 Victoria Street, Brunswick recommendations • Weed Management • Council agenda discussion 	Cr Dorney – 420 Victoria Street, Brunswick Left the meeting for the discussion of this item

Assembly details	Councillor attendees	In	Out	Officer attendees	Matters discussed	Conflict of interest disclosures
Councillor Briefing 17 July 2019	<u>In Attendance</u> Cr Abboud Cr Dorney Cr Irfanli Cr Kavanagh Cr Riley <u>Apologies</u> Cr Bolton Cr Martin <u>Absent</u> Nil <u>Leave of absence</u> Cr Carli Hannan Cr Davidson Cr Tapinos Cr Yildiz JP	6 pm 6 pm 6.10 pm 6 pm 6 pm	9 pm 9 pm 9 pm 9 pm 9 pm	Nerina Di Lorenzo Liz Rowlands Arden Joseph Grant Thorne Phil Priest Sue Vujcevic Joseph Tabacco	<ul style="list-style-type: none"> Briefing – The way forward Councillor only discussion – CEO recruitment Workshop 	Nil
Planning Briefing 22 July 2019	<u>In Attendance</u> Cr Abboud Cr Carli Hannan Cr Kavanagh Cr Martin Cr Riley <u>Apologies</u> Cr Bolton Cr Irfanli <u>Absent</u> Nil <u>Leave of absence</u> Cr Carli Hannan Cr Davidson Cr Tapinos Cr Yildiz JP	6.10 pm 6.15 pm 6.10 pm 6.10 pm 6.10 pm	7.20 pm 7.40 pm 7.40 pm 7.40 pm 7.40 pm	Robert Shatford Vita Galante Lachlan MacGowan Mark Hughes	<ul style="list-style-type: none"> 47 Park Street, Pascoe Vale (MPS/2018/897) 1 Champ Street, Coburg (MPS/2018/268) 151 Melbourne Avenue, Glenroy (MPS/2018/676) 737-757 Sydney Road, Coburg North (MPS/2018/393) 	Cr Abboud – 1 Champ Street, Coburg Left the meeting for discussion of this item.
Councillor Briefing 29 July 2019	<u>In Attendance</u> Cr Abboud Cr Carli Hannan Cr Davidson Cr Dorney Cr Martin Cr Riley Cr Tapinos Cr Yildiz JP <u>Apologies</u> Cr Bolton Cr Irfanli Cr Kavanagh <u>Absent</u> Nil <u>Leave of absence</u> Cr Carli Hannan Cr Davidson Cr Tapinos	6 pm 6 pm 6 pm 6 pm 6 pm 6 pm 6 pm 6 pm	8.30 pm 8.30 pm 8.30 pm 8.30 pm 8.30 pm 8.30 pm 8.30 pm 7.30 pm	Nerina Di Lorenzo Liz Rowlands Arden Joseph Grant Thorne Phil Priest Sue Vujcevic Joseph Tabacco Hayley Rosenboom Maria Louisa Nardella Alex Sheko Olivia Wright Lee Dowler Giovanna Savini Craig Griffiths	<ul style="list-style-type: none"> Sydney Road, Part 2 Public Transport Victoria update Coles Update 	Nil



Moreland City Council

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Doc. No. D19/337533
Enq: Alli Coster
Tel: 8311 4373

Mr J Englart



Dear Mr Englart

E-COLI CONTAMINATION CONCERNS IN MERLYNSTON CREEK

Thank you for your question taken on notice at the Council meeting held on 14 August 2019, regarding your concerns about e-coli contamination in the Merlynston Creek.

Council is not aware of any water testing specific to e-coli within the Merlynston Creek however, are aware of contamination concerns upstream in the Hume City Council area of Jack Roper Reserve. Current advice from the EPA obtained via officers at Hume City Council indicates that impacts within and downstream of the Merlynston Creek area are not expected.

While Council is not aware of any current contamination issues within Moreland's waterways, Council does not recommend swimming or paddling in urban waterways and as stated on our web page, dogs are prohibited within any creek or waterway. For this information please go to; <https://www.moreland.vic.gov.au/community-health/animals-and-pets/owning-a-pet/walking-your-dog/>.

Council officers are liaising with officers at Hume City Council regarding the Merlynston Creek and current contamination concerns and have been invited to the community forum to be held at Hume with the EPA when a date is confirmed.

If you require further information regarding this matter, please contact Alli Coster Unit Manager Open Space Design & Development on 8311 4300.

Yours sincerely

Greg Gale
ACTING DIRECTOR CITY INFRASTRUCTURE

30/08/2019

Moreland Language Link:

廣東話	9280 1910	தமிழ்	9280 1918
Italiano	9280 1911	普通话	9280 0750
Ελληνικά	9280 1912	हिन्दी	9280 0751
ગુજરાતી	9280 1913		
Türkçe	9280 1914	All other languages	
Tiếng Việt	9280 1915	9280 1919	

From: [Alexander Sheko](#)
To: [REDACTED]
Subject: On notice item from 14 August Council meeting - Sydney Road Improvement Project
Date: Friday, 30 August 2019 4:10:00 PM

Dear Mr Helou,

I'm writing in response to your question from the 14 August Council meeting, which was taken on notice. Thank you for taking the time to submit a question.

You asked whether Council would modify the parking restrictions in the car park behind Brunswick Market.

This car park is privately owned and as such Council is unable to modify parking restrictions there.

I would be happy to discuss this issue with you ~~further~~ and can be reached on 9240 2432.

Regards,

Alexander Sheko

Transport Strategy Implementation Lead

Moreland City Council
90 Bell Street Coburg VIC 3058
03 9240 2432
asheko@moreland.vic.gov.au



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CRS: 851721
Doc. No: D19/336491
Enq: Zaki Benamar
Tel: 9240 2293

Wasim Ehsan
[REDACTED]

Dear Wasim,

TRAFFIC CALMING REQUEST – BATMAN AVENUE, COBURG

I refer to your enquiry to Council on 12 August 2019 regarding vehicle speed and volume in Batman Avenue, Coburg.

A traffic speed and volume survey was undertaken in Batman Avenue, midblock between Gaffney Street and Armstrong Street, from 18 March and 25 March 2018, the results of which are presented as follows:

- The average (24 hour total) weekday volume was 190 vehicles,
- The average speed was 27.0 km/h, and
- The 85th percentile speed (the speed at which 85% of vehicle travel at or below) was 30.9 km/h.

Batman Avenue is classified as a local road in the Moreland Integrated Transport Strategy. Council advises that the speeds measured are below the posted speed limit for a road with a 40km/h speed limit. The volume recorded does not exceed Council's preferred maximum for local roads of 3,000 vehicles per day.

Council prioritises its annual Capital Works Program based on speed, volumes and VicRoads' casualty data. Sites with higher speed, volume and road casualty data including serious injury or fatality are given a higher priority in funding. On this basis, Council will not be installing traffic management devices in Batman Avenue at this time.

It is acknowledged that some drivers may exhibit hoon-like behaviour or speeding, which is a matter for Victoria Police. Enforcement and education are considered to be the most successful tools in combating isolated instances of speeding. If you continue to witness occasions of excessive speeding, I encourage you to report them to Victoria Police by calling the Hoon Hotline on 1800 333 000.

If you require more information regarding the above, please contact Council's Transport Engineering Team Leader, Zaki Benamar on 9240 2293

Yours sincerely



Lee Dowler
TRANSPORT COORDINATOR
29 / 8 / 2019

CC: Cr Abboud

Moreland Language Link

廣東話	9280 1910	हिंदी	9280 1918
Italiano	9280 1911	普通话	9280 0750
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Ref: D19/345939
Enq: Alexander Sheko
Tel: 9240 2432

Mr M Oldaker

Dear Mr Oldaker,

ON NOTICE ITEM FROM 14 AUGUST 2019 COUNCIL MEETING

I'm writing in response to your question from the 14 August Council meeting, which was taken on notice. Thank you for taking the time to submit a question.

Council resolved to provide in-principle support for "Option 3" in recent Department of Transport (DoT) consultation on Sydney Road, noting that this is the option which most aligns with the Moreland Integrated Transport Strategy (MITS) 2019 and the Movement and Place network classification for Sydney Road which prioritises cyclists and trams. Movement and Place is a state government framework to plan streets both as corridors for movement and places where people want to linger and spend time.

Council notes that there are likely to be both positive and negative impacts to local businesses, which would be better understood following a trial to gather information. As such, Council has requested that the state government conduct a six-month trial of "Option 3" between Brunswick Road and Glenlyon Road, Brunswick. This trial would involve, among other things, consultation with local businesses, measures to support them, and use of features such as parklets and outdoor dining/trading to support activity in the area.

Please note that any decisions on such changes are the responsibility of the state government, as Sydney Road is an arterial road managed by DoT.

The other options in DoT consultation were assessed by Council officers and found to be less aligned towards Council's objectives. I have attached the analysis of options that was included as an attachment to the Council report, but to summarise:

- Option 1A creates bottlenecks at tram stops which may delay trams and cars while providing only minor opportunities for pedestrian and place improvements and no improvements for cyclists
- Option 1B makes no change to Sydney Road other than introducing accessible tram stops (which are a feature of all Options)
- Option 2 may improve tram speeds during peak hour but this is subject to compliance from drivers as there is no physical separation (signage only)
- Option 4 provides only minor improvements to cyclist safety and may introduce new risks while likely delaying trams

As such, Council has no plans to support or request trials of other options at this time.

I would be happy to discuss your concerns with you further and can be reached on 9240 2432.

Yours sincerely



Alexander Sheko
TRANSPORT STRATEGY IMPLEMENTATION LEAD

02 / 09 / 2019

Att: D19/346003 – Council Officer analysis of Department of Transport consultation options for Sydney Road Improvement Project

Moreland Language Link

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ANALYSIS OF SYDNEY ROAD IMPROVEMENT PROJECT CONSULTATION OPTIONS

This table summarises the expected impact on all user categories of the five options being consulted on by DOT. As all options include accessible tram stops, the accessibility benefits of these stops are not included in the analysis. The impact of each option on each user category is also shown as follows:

	1 – Significant negative impact	2 – Some negative impact	3 – No/marginal impact	4 – Some positive impact	5 – Significant positive impact	
Option	Walking/Place	Cycling	Trams	General traffic	Parking	Officer comment
1A	Widened footpaths at tram stop locations only, allowing for some placemaking and greening (4)	No change (3)	Potential for delays due to increased congestion as cars now merge into a single lane at tram stops (2)	Potential for delays due to increased congestion as cars now merge into a single lane at tram stops (2)	Minimal loss of parking (3)	This option presents some modest opportunities for wider footpaths, and greater placemaking and greening. However, it entails the loss of the clearway and is likely to delay trams and motorists due to pinch points created at the tram stops.
1B	No change (3)	No change (3)	No change (3)	No change (3)	Minimal loss of parking (3)	This option represents a "do-minimum" with new accessible tram stops only. It provides no benefit to tram running, cyclist safety or place, but does not entail loss of road capacity or parking.
2	No change (3)	No change (3)	Potential for improved speed and reliability during peak hours however this is subject to driver compliance which is unlikely (3-4)	Potential for delays as motorists may only use left lane during peak periods (2)	Minimal loss of parking (3)	This option potentially improves tram running on Sydney Road which is among the slowest tram corridors in Melbourne. However, as the dedicated tram lane operates only in peak and is enforced by signage rather than physical separation, it is unlikely to provide significant benefit as some motorists will not comply.

Option	Walking/Place	Cycling	Trams	General traffic	Parking	Officer comment
3	Widened footpaths along entire corridor, allowing for placemaking and greening (5)	Separated bike lane along entire corridor, improving safety and attracting more cyclists (5)	Likely delays as trams must share single lane with motorists at all times however are no longer delayed by motorists pulling into/out of on street parking (impact unclear)	Likely delays as motorists must share single lane with trams at all times (1)	Loss of parking along entire corridor (1)	<p>This option represents the most radical change however is the only option which improves cycling conditions on Sydney Road. It also provides significant opportunities for placemaking and greening by extending the kerb along the entire corridor.</p> <p>Although removal of the clearway may result in some delay to tram services during weekday peak periods, this may be mitigated by reduced traffic as the road is less attractive for through traffic. Outside these times, tram running is likely to improve due to reduced delay from vehicles entering/exiting on-street parking and lower local traffic volumes searching for parking. The overall impact of this option on trams is not fully known.</p> <p>This option represents the most significant removal of car parking on Sydney Road which has the potential to impact local traders. Relocation of loading zones and pick-up/drop-off areas is likely to be required, along with placemaking and promotions activities to support business activity.</p>

Option	Walking/Place	Cycling	Trams	General traffic	Parking	Officer comment
4	Widened footpaths at tram stop locations and other selected locations only, allowing for some placemaking and greening (4)	Potential for negative safety impact as there is no separated lane and motorists may attempt to overtake trams causing conflict with cyclists (2)	Likely delays as trams must share single lane with motorists at all times (1)	Likely delays as motorists must share single lane with trams at all times (1)	Loss of some parking (2)	<p>This option is similar to Option 1A but provides for more opportunities to widen footpaths while still retaining parking. It may reduce safety for cyclists due to inconsistency of conditions and the likelihood of motorists attempting to overtake trams.</p> <p>Tram travel speeds are likely to be negatively impacted as trams would share a single lane with vehicles at all times, and also continue to be held up by traffic caused by vehicles searching for parking, as well as vehicles pulling into/out of on-street spaces.</p>



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Ref: D19/346448
Enq: Alexander Sheko
Tel: 9240 2432

Mr T Babbel

Dear Mr Babbel,

ON NOTICE ITEM FROM 14 AUGUST 2019 COUNCIL MEETING

I'm writing in response to your question from the 14 August Council meeting, which was taken on notice. Thank you for taking the time to submit a question.

Council has resolved to provide in-principle support for "Option 3" in recent Department of Transport (DoT) consultation on Sydney Road, which includes removing on-street parking to provide wider footpaths and physically separated bicycle lanes. Council has also requested that the state government conduct a trial of this change between Brunswick Road and Glenlyon Road to better understand its impacts, particularly with respect to local businesses. Please note that, as Sydney Road is an arterial road managed by DoT, any changes (other than parking restrictions) are ultimately the responsibility of the state government, with Council as a key stakeholder advocating on behalf of the community.

Recent surveys commissioned by Council found that 13 per cent of shoppers and other visitors to Sydney Road park on the street itself, with a majority of drivers parking in off-street car parks or side streets. The majority of all visitors (61 per cent) arrive by foot, bicycle or public transport.

Removal of the opportunity to park on Sydney Road may cause some people who previously did so to park in side streets or off-street car parks, or alternatively arrive by a different mode of transport. While some people who previously drove to Sydney Road may choose to no longer come to Sydney Road as a result of such changes, it is also likely that safer cycling conditions and more pleasant streetscapes will result in people coming to Sydney Road who previously did not do so, or coming more often. The purpose of the trial is to be able to better understand these effects before developing a final position.

Council is also able to manage on-street parking which means that additional people seeking to find parking in side streets doesn't necessarily make it more difficult for residents to find parking. As part of implementing the Moreland Integrated Transport Strategy (MITS) 2019, Council is applying timed parking restrictions to all currently unrestricted parking in and near Activity Centres such as Sydney Road. This may increase the availability of customer parking as it will discourage commuter parking. This change will not reduce the number of available business permit bays.

I would be happy to discuss this issue with you further and can be reached on 9240 2432.

Yours sincerely



Alexander Sheko
TRANSPORT STRATEGY IMPLEMENTATION LEAD

02 / 09 / 2019

Moreland Language Link

廣東話	9280 1910	हिंदी	9280 1918
Italiano	9280 1911	普通话	9280 0750
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عربي	9280 1913		
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Tiếng Việt	9280 1915		9280 1919

From: Alexander Sheko
To: [REDACTED]
Subject: On notice item from 14 August Council meeting - Sydney Road Improvement Project
Date: Friday, 30 August 2019 3:59:00 PM

Dear Dr Lee,

I'm writing in response to your question from the 14 August Council meeting, which was taken on notice. Thank you for taking the time to submit a question.

Council has resolved to provide in-principle support for "Option 3" in recent Department of Transport (DoT) consultation on Sydney Road, which includes removing on-street parking to provide wider footpaths and physically separated bicycle lanes, and request a six-month trial of this change between Brunswick Road and Glenlyon Road. Please note that, as Sydney Road is an arterial road managed by DoT, any changes (other than parking restrictions) are ultimately the responsibility of the state government, with Council as a key stakeholder advocating on behalf of the community.

As part of the decision made at that meeting, Council resolved that a trial would include relocation of loading and drop-off opportunities onto side streets, an increase in disabled parking, consultation with businesses impacted by the trial, and consultation with Ambulance Victoria.

If a trial was supported by DoT and were to proceed, no parking would be available on Sydney Road in the vicinity of your medical centre however we would be happy to discuss further with you on the appropriate location of drop-off bays and disabled bays in nearby side streets.

The options developed by DoT are concepts only and more detailed design would occur prior to any change being implemented on the street. We would seek input from Ambulance Victoria with respect to ambulance access.

I would be happy to discuss this issue with you further and can be reached on 9240 2432.

Regards,

Alexander Sheko

Transport Strategy Implementation Lead

Moreland City Council
90 Bell Street Coburg VIC 3058
03 9240 2432
asheko@moreland.vic.gov.au

From: [Alexander Sheko](#)
To: [REDACTED]
Subject: On notice item from 14 August Council meeting - Sydney Road Improvement Project
Date: Friday, 30 August 2019 3:49:00 PM

Dear Ms Falkner,

I'm writing in response to your question from the 14 August Council meeting, which was taken on notice. Thank you for taking the time to submit a question.

Council has resolved to provide in-principle support for "Option 3" in recent Department of Transport (DoT) consultation on Sydney Road, which includes removing on-street parking to provide wider footpaths and physically separated bicycle lanes, and request a six-month trial of this change between Brunswick Road and Glenlyon Road. Please note that, as Sydney Road is an arterial road managed by DoT, any changes (other than parking restrictions) are ultimately the responsibility of the state government, with Council as a key stakeholder advocating on behalf of the community.

DoT has developed concept options only and more detailed design would occur prior to any change being implemented on the street. As such, there is limited detail at this stage however a trial would be unlikely to involve significant construction.

If the trial requested by Council is supported by DoT and further planning occurs, Council will engage with impacted traders to seek input on how we can best support businesses during the trial and provide as much notice of any change as possible.

I would be happy to discuss this issue with you further and can be reached on 9240 2432.

Regards,

Alexander Sheko

Transport Strategy Implementation Lead

Moreland City Council
90 Bell Street Coburg VIC 3058
03 9240 2432
asheko@moreland.vic.gov.au

From: [Alexander Sheko](#)
To: [REDACTED]
Subject: On notice item from 14 August Council meeting - Sydney Road Improvement Project
Date: Friday, 30 August 2019 1:16:00 PM

Dear Dr Fairchild,

I'm writing in response to your question from the 14 August Council meeting, which was taken on notice. Thank you for taking the time to submit a question.

Council has resolved to provide in-principle support for "Option 3" in recent Department of Transport (DoT) consultation on Sydney Road, which includes removing on-street parking to provide wider footpaths and physically separated bicycle lanes. DoT has developed concept options only and more detailed design would occur prior to any change being implemented on the street. Please note that, as Sydney Road is an arterial road managed by DoT, any changes (other than parking restrictions) are ultimately the responsibility of the state government, with Council as a key stakeholder advocating on behalf of the community.

To some extent, the design of bicycle lanes can discourage pedestrians or motorists from taking up space intended for cyclists, although this is not always the case. For example, the width of the bicycle lane can prevent cars from parking in it. I am aware that the width of the physically separated lanes on Wellington Street, Collingwood permits drivers to illegally park their vehicles in the bicycle lane.

Should DoT proceed to implementing any change to Sydney Road involving physically separated bicycle lanes, Council can include the issue that you have raised in any discussions around design.

I would be happy to discuss this issue with you further and can be reached on 9240 2432.

Regards,

Alexander Sheko

Transport Strategy Implementation Lead

Moreland City Council
90 Bell Street Coburg VIC 3058
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asheko@moreland.vic.gov.au



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Ref: D19/341992
Enq: Alexander Sheko
Tel: 9240 2432

Mr J Hoffmann
[REDACTED]

Dear Mr Hoffmann,

ON NOTICE ITEM FROM 14 AUGUST 2019 COUNCIL MEETING

I'm writing in response to your question from the 14 August Council meeting, which was taken on notice. Thank you for taking the time to raise your concerns about the impact of reduced parking on local businesses on Sydney Road.

The officer recommendations relating to Sydney Road, which were substantially endorsed by Council at the August 2019 meeting, were developed following extensive discussion between Council's Transport, Economic Development, Places and Urban Design Units. This included consideration of how these changes would potentially impact on businesses (in both positive and negative ways), particularly in light of Council's commitments to ensuring the economic viability and attractiveness of activity centres such as Sydney Road.

As such, Council has resolved to provide in-principle support for one of the options in recent Department of Transport (DoT) consultation, which involves removal of on-street parking for wider footpaths and physically separated bicycle lanes, and to request that the state government conduct a six-month trial between Brunswick Road and Glenlyon Road to better understand the impacts of this kind of change. These types of changes are ultimately the decision of the state government, as Sydney Road is an arterial road managed by DoT.

The proposed trial in the south end of Sydney Road would not affect parking near your business. However, Council also resolved to request the state government use physically separated bicycle lanes on Sydney Road to create a safe detour route around Level Crossing Removal Project (LXRP) works which will close the Upfield Shared Path during construction. If approved by the state government, this would have the effect of temporarily removing parking on Sydney Road near your business.

Earlier this year, Council adopted the Moreland Integrated Transport Strategy (MITS) 2019 and approved introducing parking restrictions to all currently unrestricted parking in and around the Brunswick, Coburg and Glenroy Activity Centres, which includes the area of Coburg near your business. This would have the effect of preventing all-day parking by commuters and would likely increase availability of shorter term (e.g. 2P) parking for your customers in nearby side streets.

In advocating for state government changes to Sydney Road, a key consideration for Council will be how best to support local businesses. For example, as part of the six-month trial proposed in the southern section of Sydney Road, Council would provide loading and drop-off areas in side streets, increase disabled parking, introduce improved signage to

direct drivers to nearby off-street car parks, and consult with traders to determine the best way to provide support during the trial period.

I would be happy to discuss your concerns with you further and can be reached on 9240 2432.

Yours sincerely



Alexander Sheko
TRANSPORT STRATEGY IMPLEMENTATION LEAD

02 / 09 / 2019

Moreland Language Link

廣東話	9280 1910	हिंदी	9280 1918
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Moreland City Council

Moreland City Council

Instrument of Appointment and Authorisation (*Planning and Environment Act 1987*)

Instrument of Appointment and Authorisation

In this instrument 'officer' means

- **Andrew Wilson, Principal Urban Planner**

By this instrument of appointment and authorisation Moreland City Council –

1. under section 147(4) of the *Planning and Environment Act 1987* appoints the officer to be an authorised officer for the purposes of the *Planning and Environment Act 1987* and the regulations made under that Act; and
2. under section 232 of the *Local Government Act 1989* authorises the officer generally to institute proceedings for offences against the Acts and regulations described in this instrument.

It is declared that this instrument –

- (a) comes into force immediately upon its execution;
- (b) remains in force until:
 - (i) varied or revoked, or
 - (ii) the officer's employment by Moreland City Council ceases.

This instrument is authorised by a resolution of the Moreland City Council on 11 September 2019.

The COMMON SEAL of)
 MORELAND CITY COUNCIL)
 was affixed on September 2019)
 with the authority of the Council:

.....
 Chief Executive Officer

.....
 Councillor



Moreland City Council

Moreland City Council

Instrument of Appointment and Authorisation (*Planning and Environment Act 1987*)

Instrument of Appointment and Authorisation

In this instrument 'officer' means

- **Anne-Marie Edgely, Senior Urban Planner**

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Moreland City Council

Moreland City Council

Instrument of Appointment and Authorisation (*Planning and Environment Act 1987*)

Instrument of Appointment and Authorisation

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- **Dijana Sarac, Senior Urban Planner**

By this instrument of appointment and authorisation Moreland City Council –

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Moreland City Council

Moreland City Council

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Instrument of Appointment and Authorisation

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- **Hannah Scott, Urban Planner**

By this instrument of appointment and authorisation Moreland City Council –

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Moreland City Council

Moreland City Council

Instrument of Appointment and Authorisation *(Planning and Environment Act 1987)*

Instrument of Appointment and Authorisation

In this instrument 'officer' means

- **Jacqueline Bernoth, Senior Urban Planner**

By this instrument of appointment and authorisation Moreland City Council –

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Councillor



Moreland City Council

Moreland City Council

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Instrument of Appointment and Authorisation

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- **Lindsey Coutts, Senior Urban Planner**

By this instrument of appointment and authorisation Moreland City Council –

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Councillor



Moreland City Council

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Instrument of Appointment and Authorisation (*Planning and Environment Act 1987*)

Instrument of Appointment and Authorisation

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- **Narelle Jennings, Unit Manager Urban Planning**

By this instrument of appointment and authorisation Moreland City Council –

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- **Nia Kolokas, Urban Planner**

By this instrument of appointment and authorisation Moreland City Council –

1. under section 147(4) of the *Planning and Environment Act 1987* appoints the officer to be an authorised officer for the purposes of the *Planning and Environment Act 1987* and the regulations made under that Act; and
2. under section 232 of the *Local Government Act 1989* authorises the officer generally to institute proceedings for offences against the Acts and regulations described in this instrument.

It is declared that this instrument –

- (a) comes into force immediately upon its execution;
- (b) remains in force until:
 - (i) varied or revoked, or
 - (ii) the officer's employment by Moreland City Council ceases.

This instrument is authorised by a resolution of the Moreland City Council on 11 September 2019.

The COMMON SEAL of)
 MORELAND CITY COUNCIL)
 was affixed on September 2019)
 with the authority of the Council:

.....
 Chief Executive Officer

.....
 Councillor



Moreland City Council

Moreland City Council

Instrument of Appointment and Authorisation (*Planning and Environment Act 1987*)

Instrument of Appointment and Authorisation

In this instrument 'officer' means

- **Peter Connell, Senior Urban Planner**

By this instrument of appointment and authorisation Moreland City Council –

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Moreland City Council

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- **Kristen Argus, Urban Planner**

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.....
 Chief Executive Officer

.....
 Councillor



Appendix 1

Policy ID no: DCS16-CL

Election Period Policy

Date Adopted by Council:	11 September 2019
Commencement Date:	12 September 2019
Review Date:	August 2023
Responsible Department	Business Transformation

This policy has been adopted by Council.

Election Period Policy

1 INTRODUCTION

The *Local Government Act 1989* (the Act) requires Council to prepare, adopt and maintain an Election Period Policy in relation to procedures to be applied by Council during the election period for a general election. Council must continue to maintain the election period policy by reviewing and, if required, amending the policy not later than 12 months before the commencement of each subsequent general election period.

2 CONTEXT

Under Section 93B of the Act, an election period policy must include:

- Procedures intended to prevent the Council from making inappropriate decisions or using resources inappropriately during the election period before a general election
- Limits on public consultation and the scheduling of Council events
- Procedures to ensure that access to information held by Council is made equally available and accessible to candidates during the election.

Inappropriate decisions made by a Council during an election period includes:

- Decisions that would affect voting in an election
- Decisions that could reasonably be made after the election.

Section 55 of the Act imposes limitations on Council publications during a local government general election period (prohibiting 'electoral matter' which is intended or likely to affect voting in an election). 55D of the Act states a council must not print, publish or distribute or cause, permit or authorise to be printed, published or distributed, any advertisement, handbill, pamphlet or notice during the election period unless the advertisement, handbill, pamphlet or notice has been certified, in writing, by the Chief Executive Officer. This does not include the publication of any document published before the commencement of the election period or required to be published under any Act or Regulation.

Section 93A of the Act sets out major policy decisions that must not be made during a general election period:

- The employment, remuneration or termination of the Chief Executive Officer
- Contracts exceeding specified values (\$150,000 for goods and services, and \$200,000 for works contracts, or one per cent of the Council's revenue – whichever is higher)
- Entrepreneurial ventures exceeding specified values (\$100,000, or one per cent of the Council's revenue, whichever is higher).

Section 76D of the Act prescribes serious penalties for any Councillor who inappropriately makes use of their position or information obtained in their role, to gain an advantage, or disadvantage another (Misuse of Position).

3 OBJECTIVES

To support and ensure the conduct of good governance for Council and the organisation during Election Periods through the transparency and accountability of Councillors, Council officers, and candidates during an election period.

The policy complies with the *Local Government Act 1989*, which requires councils to have an election period policy that sets out requirements relating to conduct, decision making, transparency and equity, and use of Council resources during an election period.

4 POLICY DETAILS

4.1 ELECTION CARETAKER PERIOD

During the 'Election Period' for a Municipal General Election the Council will be deemed to be in 'Caretaker Mode'. The election 'caretaker' period extends for 32 days - from the last day nominations for the election can be received, until 6pm on election day.

During an election period, Councillors:

- Will continue to fulfil their duties (unless they are granted a leave of absence)
- Will continue to engage, and communicate with, the community in their Councillor role
- Must comply with the Act and Councillor Code of Conduct, and
- Must not use their position to influence Council officers, or access Council resources or information, in support of any election campaign or candidacy.

4.2 MAJOR POLICY DECISIONS

Section 93A of the Act prohibits the making of 'Major Policy Decisions' during the election period.

Major Policy decisions are defined by the Act. A major policy decision means any decision:

- Relating to the employment or remuneration of a Chief Executive Officer, other than a decision to appoint an acting Chief Executive Officer;
- To terminate the appointment of the Chief Executive Officer under section 94 of the Act;
- To enter into a contract the total value of which exceeds whichever is the greater of \$150,000 or 1% of the Council's revenue from rates in the preceding financial year; and
- To exercise any power under section 193 of the Act if the sum assessed under section 193(5A) in respect of the proposal exceeds whichever is the greater of \$100,000 or 1% of the Council's revenue from rates in the preceding financial year. Section 193 of the Act relates to the entrepreneurial powers of Council.

If the Council considers that there are extraordinary circumstances where the municipality or the local community would be significantly disadvantaged by the Council not making a particular Major Policy Decision, the Council will, by resolution, request an exemption from the Minister for Local Government, in accordance with section 93A(2) of the Act.

It shall be the ultimate responsibility of the Chief Executive Officer to determine if a matter is a major policy decision. Where possible, the Chief Executive Officer will ensure that matters are scheduled for Council to ensure that major policy decisions are resolved prior to the commencement of the Election Period or scheduled for determination by the incoming Council.

4.3 INAPPROPRIATE DECISIONS

Council will avoid making that would affect voting at an election or decisions that may unreasonably bind an incoming Council and could be deferred until after the election. These are defined in the Act as inappropriate decisions.

Examples of inappropriate decisions include:

- Allocating community grants or other direct funding to community organisations
- Major planning scheme amendments
- Changes to strategic objectives and strategies identified in the Council Plan
- Adopting policy
- Setting advocacy positions.

Council will however, allow an exception to this principle where:

- A decision will be considered only if absolutely necessary for Council operational purposes or pursuant to a statutory requirement.

The only items to be considered at an Ordinary Council or Special Committee Meeting held during the election period, will be the Annual Report, and administrative items to complete the Council's term of office, for example, routine governance items (including assemblies of Councillor reporting). Public Question Time will be suspended during the election period.

At a Council Meeting designated to consider Planning and Related Matters, only permit applications that may otherwise be subject of an application to VCAT on the grounds Council has failed to determine within the prescribed time will be considered.

Considerations for Officers with Delegated Authority

Before making decisions under delegated authority during the election period, officers should consider the following:

- Whether the decision is 'significant'
- The urgency of the issue (that is, can it wait until after the election?)
- The possibility of financial repercussions if it is deferred
- Whether the decision is likely to be controversial
- The best interests of Council.

Officers requiring assistance in determining whether a decision is likely to be inappropriate should seek advice from the Manager Corporate Governance in the first instance.

4.4 CARETAKER STATEMENT

During the election period, the Chief Executive Officer will ensure that a Caretaker Statement is included in every report submitted to the Council or to a special committee of Council for a decision.

The Caretaker Statement will specify one or more of the following:

- The recommended decision is not a Major Policy Decision, as defined in section 93A of the *Local Government 1989*, or an Inappropriate Decision within the meaning of the Election Period Policy.
- The recommended decision is not a Major Policy Decision, as defined in section 93A of the *Local Government 1989*. The recommended decision is an Inappropriate Decision within the meaning of the Election Period Policy, but the following negative consequences of a failure to make a decision on this matter outweigh the consequences of binding an incoming Council. [Insert description of negative consequences of failure to make decision].
- The recommended decision is a Major Policy Decision, as defined in section 93A of the *Local Government 1989*, but an extraordinary circumstances exemption was granted by the Minister for Local Government on [insert date].

During the election period, the Council will not make a decision on any matter or report that does not include one of these Caretaker Statements.

Councillors will refrain from moving motions or raising matters at a meeting that could potentially influence voting at the election. There will be no Notices of Motion accepted during the Caretaker Period.

4.5 CANDIDACY

A Councillor must not use Council resources for candidacy, or any purpose that may be perceived as being used for candidacy (individual or political party). This applies to a Councillor standing in local, state, or federal government elections, and for any other elected positions, for example, positions on boards. Such use would constitute misuse of position by the Councillor.

4.5.1 State and Federal Government Elections

Councillors will ensure there is a demonstrable distinction between their obligations to Council and their personal interests as a candidate, or member of a political party, in an election period prior to a state or federal election. In accordance with the Councillor code of conduct, a Councillor who becomes an endorsed candidate of a registered political party or publicly expresses an intention to run as a candidate in a state or federal election, is a 'Prospective Candidate' and will provide written advice to the Chief Executive Officer, as soon as practicable, who will then advise all Councillors.

Councillors will not use Council resources or participate in electioneering at Council events, meetings or functions, in support of any candidate in a state or federal election.

Where clauses of this policy apply to a Councillor or candidate, it is intended that they be applied in the case of a state, federal or Council election.

4.6 COUNCIL PUBLICATIONS

Public resources, including Council Publications, must not be used in a way that would influence the way people vote in elections.

Electoral matter

The Council will ensure that it complies with section 55D of the Act which requires that a Council does not print, publish or distribute or cause, permit or authorise to be printed, published or distributed an electoral advertisement, handbill, pamphlet or notice during the election period unless it only contains information about the election process.

The following definitions from the Act are noted:

- Section 3(1) 'electoral advertisement, handbill, pamphlet or notice' means an advertisement, handbill, pamphlet or notice that contains electoral matter, but does not include an advertisement in a newspaper announcing the holding of a meeting;
- 'publish' means publish by any means including by publication on the Internet;
- Section 3(1A) 'electoral matter' means matter, which is intended or likely to affect voting in an election but does not include any electoral material produced by or on behalf of the Returning Officer for the purposes of conducting an election.
- Section 3(1B) without limiting the generality of the definition of 'electoral matter', matter is to be taken to be intended or likely to affect voting in an election if it contains an express or implicit reference to, or comment on -
- (a) the election; or
 - (b) a candidate in the election, or
 - (c) an issue submitted to, or otherwise before, the voters in connection with the election.

The Chief Executive Officer must certify a Council publication does not include 'electoral matter' before it can be issued. The Chief Executive Officer can authorise an officer/s to vet material, however only the Chief Executive Officer can formally certify material for publication (this function may not be delegated). Council will not issue, publish or distribute any publication during an election period, other than media and social media responses/statements on a service or issue, or those that are required under an Act or regulation, or the Annual Report media release.

'Publications' include hard copy and electronic advertisements, promotional media releases, fliers, posters, newsletters/updates, booklets, surveys, invitations and group mailouts/emails.

Any publications to be issued during the election period are to be forwarded to the relevant Director for approval, and then sent to the Governance department for vetting for electoral matter. Once vetted, the publication will then be submitted to the Chief Executive Officer for certification.

Appendix 1 contains the certification memorandum required for a publication during the election period.

Council publications available in Council facilities will be reviewed before the election period to identify and temporarily remove anything that might reasonably influence the election.

The Chief Executive Officer, or delegate, will be the primary spokesperson for Council communications during an election period.

Media and social media responses and statements will only be issued during an election period in the name of the Chief Executive Officer. These will be subject to certification by the Chief Executive Officer.

Council officers will not make any public statement that could be construed as influencing the election.

Annual Report

It is a requirement of the Act that Council's Annual Report is prepared and Submitted to the Minister for Local Government by the end of September. As this is a statutory requirement, it does not require certification by the Chief Executive Officer.

4.7 COUNCIL RESOURCES

The Council will also ensure other Council resources are not used inappropriately in ways that may influence voting in an election. This includes financial, human and material resources. Any staff member who considers that a particular use of Council resources may influence voting in the election must advise their Director or the Chief Executive Officer and obtain approval before authorising, using or allocating the resource.

In applying these principles, the Council understands that the following will be the normal practice during the election period:

- Council resources, including offices, support staff, hospitality services, equipment and stationery will be used exclusively for normal Council business during the Caretaker Period, and will not be used for the personal advantage of any Councillor or candidate in connection with any election. This does not apply to the provision of space for the Returning Officer.
- No new publications or pamphlets, including Inside Moreland will be published by Council during the election period.
- Speeches for Councillors will only be prepared by Council staff in relation to events that are part of the normal services or operations of the Council and such speeches will not be circulated or available for publication.
- No Council logos, letterheads, business cards, photos or other Moreland City Council branding will be used for, or linked in any way, to a candidate's election campaign.
- it is recommended that staff who are either following Councillors/candidates Facebook pages or who are friends with them unfriend the Councillor/candidate during this period.
- There will be no ward or Councillor meetings held.
- The Executive Assistant to the Mayor and Councillors or any other Council staff member will not be asked to undertake any tasks connected directly or indirectly with electioneering.
- Reimbursements of Councillors' out-of-pocket expenses during the Election Period will only apply to costs that have been incurred in the performance of normal Council duties, and not for expenses that could be perceived as supporting or being connected with a candidate's election campaign.

- Where Councillors have Council funded equipment, including laptops, tablets, printers and mobile phones, these are not to be used for election purposes or in a manner that could be perceived as supporting or being connected with a candidate's election campaign.

Council Facilities and Meeting Rooms

Council Facilities/Halls for Hire Council facilities will be able to be hired by Federal and State political members and officers, and local candidates (including Councillors) at the normal corporate hire rate determined for the facility, in the lead up to an election, but not during an election period.

To avoid a perception that Council facilities are being used to promote any candidacy, no promotional material related to the event/hired use, apart from directional signage, is able to be displayed in the common public areas of the facility being hired. This will be advised at time of booking.

Candidates wishing to conduct electioneering activities in public space, for example, a stall at a shopping strip or park, must act in accordance with Council's local laws and procedures. No other promotional material, including signage, posters, flyers or banners, for any political candidacy is permitted on Council land or in its facilities at any time.

It is an offense under Council's local laws to display this material on Council land, and penalties apply.

Use of the Title 'Councillor'

Councillors may use the title Councillor in their election material, as they continue to hold office during the caretaker period.

While a Councillor can refer to themselves as Councillor in all communication issued by the Councillor (verbal or written), it must be made clear that it is the communication of a candidate and not a position of Council.

Photographs and Images

Photographs and images paid for by Council or taken by Council officers are not to be used in electoral material for any candidate. This includes images of Councillors, Council events, and Council owned or maintained infrastructure.

Photographs taken by Councillors, their family or friends, or professional photos they have directly commissioned and paid for, may be used in electoral material.

4.8 ELECTION SIGNAGE ON COUNCIL LAND

In order to ensure Council resources including buildings and land will not be used to support any electioneering activity, Council prohibits any type of candidate election signage being erected or displayed on Council land, including:

- Council owned/managed parks, reserves, buildings (exteriors) and nature strips
- Road dividing strips (median strips, traffic islands, roundabouts)
- Trees, shrubs or plants • Street signs, traffic control signs, parking signs

If election signage is displayed on Council Land:

- Council may request the immediate removal of the signage by the owner or candidate, or may remove the signage without notification to the owner or candidate.
- An infringement notice and fine may be issued to the candidate, in accordance with the General Local Law.
- Any costs incurred by Council to remove signage, and/or any costs caused by the signage, for example, damage to trees, may be charged to the candidate.
- If election signage is displayed on Crown, Federal or State land in the City of Moreland, Council contact the relevant land manager to request the sign be removed.

- Victoria Police will be contacted in the event of any one attempting to obstruct Council officers removing signage.
- Council will report all instances of the display on Council land of candidate election signage for a local government election, to the Victorian Electoral Commission.

In accordance with the EPA Act, advertising material/documents may not be affixed to any fixed structure for example, light poles, traffic lights etc without the consent of the owner, occupier or manager of the structure

4.9 PUBLIC CONSULTATION AND COUNCIL EVENTS

Public consultation is an integral part of Council's policy development process and operations, however, there are concerns that consultation undertaken close to a general election may become an issue in itself and influence voting.

Council events in the lead up to an election can also raise concerns over the potential use of sitting Councillors using them for electioneering purposes.

If consultation must be undertaken or an event held during this time, the Council must explain to the community the special circumstances making it necessary and how the risks influencing the election will be mitigated or prevented.

Therefore:

- No public consultation under section 223 of the Act will be conducted during this period.
- Consultation for the purpose of planning permit applications and operational issues such as canvassing residents views on small-scale traffic treatments, installation of single trees and the like will be allowed as they are operational in nature and are unlikely to impact the conduct of the election.
- Civic Events will cease during this time.
- No election material or active campaigning is to be conducted at Council sponsored festivals.

4.10 EQUITABLE ACCESS TO COUNCIL INFORMATION

The Council recognises that all election candidates have a right to information from the Council administration. However, it is important that sitting Councillors continue to receive information that is necessary to fulfil their elected roles. Neither Councillors nor candidates will receive information or advice from Council staff that might be perceived to support election campaigns, and transparency will be observed and practised in the provision of all information and advice during the Election Period.

Information and briefing material prepared by staff for Councillors during the Election Period will relate only to factual matters or to existing Council policies and services. All such requests are to be issued through the offices of the responsible Council Director who will maintain a register of requests made and advice provided. Such information will not relate to new policy development, new projects or matters that are the subject of public or election debate or that might be perceived to be connected with a candidate's election campaign.

A copy of the document/advice will then be passed to the Manager Corporate Governance as issued during the Election Period. The document/advice will be emailed or provided in a hardcopy format to all sitting Councillors and candidates to access. Candidates will be advised of this process in writing.

An Information Request Register will be maintained by the Governance Branch during the Election Period. This Register will be a public document that records all requests for information by

Councillors and candidates, and the responses given to those requests. Only information that can be reasonably accessed will be released.

All requests for information are to be directed to the Manager Corporate Governance.

4.11 PUBLICITY

It is recognised that Council publicity is intended to promote normal services or operations of the Council. Council publicity will not be used in any way that might be construed as intended to influence the outcome of the Council election.

- During the Election Period, no Council employee may make any public statement that could be construed as influencing the election. This does not include statements of clarification that are approved by the Chief Executive Officer.
- During the Election Period, publicity campaigns, other than for the purpose of conducting the election, will be avoided. Where a publicity campaign is deemed necessary for a Council service or operation, it must be approved by the Chief Executive Officer. In any event Council publicity during the Election Period will be restricted to promoting the normal services or operations of the Council.
- Any requests for media advice or assistance from Councillors during the Election Period will be channelled through the Chief Executive Officer or the Manager Community Engagement. In any event, no media advice and/or assistance or media releases will be provided in relation to election campaign matters, or in regard to publicity that involves specific Councillors.
- Councillors will not use their position as an elected representative or their access to Council staff and other Council resources to gain media attention in support of matters that could be construed as relating to an election campaign.

Information published on Council's website with regard to sitting Councillors will be limited to statements of facts about their roles and responsibilities as a Councillor. For example, contact details, roles and responsibilities as assigned by Council resolution.

Council Websites and Social Media

The only new material published on Council's websites or social media sites during an election period will be:

- The Agenda and Minutes for any Council or Special Committee meetings;
- The Annual Report
- Key service disruption information

Service information already published on the website will be reviewed to ensure it does not include anything that might be seen as likely to influence the election.

4.12 ASSISTANCE TO CANDIDATES

A copy of this Policy must be given to each Councillor as soon as practicable after it is adopted, be available for inspection by the public at the Council office and be published on Council's website. The Chief Executive Officer will ensure that all Councillors, Managers and staff are informed of the requirements of this policy.

The Council affirms that all candidates for the Council election will be treated equally.

Any assistance and advice to be provided to Candidates as part of the conduct of the Council Election will be provided equally to all candidates. The types of assistance that are available will be documented and communicated to all candidates in advance.

All election related enquiries from candidates, whether sitting Councillors or not, will be directed to the Returning Officer or, where the matter is outside the responsibilities of the Returning Officer, to the Chief Executive Officer or the Director Business Transformation.

5 MONITORING, EVALUATION AND REVIEW

The requirements of this policy will be monitored throughout the caretaker period to ensure compliance.

The policy will be further reviewed and updated not later than 12 months before the commencement of each subsequent general election period.

6 ASSOCIATED DOCUMENTS

Local Government Act 1989

Certification Memo – Appendix 1



Certification

Memorandum

To: Manager Corporate Governance

From: [insert name and title]

Subject: CERTIFICATION OF PUBLICATION DURING ELECTION PERIOD

Date:

Section 55D of the Act specifies a Council must not print, publish or distribute or cause, permit or authorise to be printed, published or distributed, any advertisement, handbill pamphlet or notice (including group emails) during the election period unless the advertisement, handbill, pamphlet or notice has been certified, in writing, by the Chief Executive Officer.

In accordance with the Election Period Policy, Council further commits that where a publication is deemed necessary for a Council service or function, it will be certified by the Chief Executive Officer

Insert details of publication here including:

Information on who is intended to receive it and why it needs to be issued during the election period:

Council Officer name and signature: _____ Date: _____

Director Use only:

The attached material has been reviewed and, to the best of my knowledge, does not contain any electoral related matter. In accordance with the requirements of s55D(1) of the Local Government Act 1989, please certify that you as Moreland City Council's Chief Executive Officer authorise this material to be printed, published or distributed.

Director name and signature: _____ Date: _____

Governance review:

The attached material has been reviewed and, to the best of my knowledge, does not contain any electoral related matter. In accordance with the requirements of s55D(1) of the Local Government Act 1989, please certify that you as Moreland City Council's Chief Executive Officer authorise this material to be printed, published or distributed.

Governance name and signature: _____ Date _____

Certification by Chief Executive Officer

I Certify the attached material is suitable for printing, publishing or distributing on behalf of Moreland City Council.

Name and Signature: _____ **Date:** _____

DCF74/19 AUSTRALIAN ENERGY FOUNDATION - PROPOSED CHANGES TO CONSTITUTION AND PROPOSED NEW 5-YEAR FUNDING AGREEMENT (D19/339230)

Director City Futures

City Change

Executive Summary

The purpose of this report is:

- 1) To present the Australian Energy Foundation's (AEF) (previously Moreland Energy Foundation or MEFL) request to become fully independent of Moreland City Council (Council) by removing Council from its constitution; and
- 2) To present a draft Funding Agreement 2020-2021 to 2024-2025 with Australian Energy Foundation for in principle support and direction.

Council established MEFL (now AEF) in 1996 as a vehicle to reduce greenhouse emissions from the Moreland community. Privatisation of the electricity industry resulted in the sale of the Brunswick Electricity Undertaking and Coburg Electricity in 1996, and Council, led by Mayor Mike Hill at the time, resolved to set aside 10% of the invested proceeds of the sale of the assets of the electricity supply undertakings to provide a base for the creation of MEFL.

Since 1996, Moreland has provided significant annual funding to MEFL and entered into multiple 5-year Memoranda of Understanding (MOUs). This has been based on a shared core objective to see the Moreland community live and work in a zero-climate impact future.

On 1 July 2019, MEFL changed its name to Australian Energy Foundation (AEF). This name change was led by MEFL and recognises the foundation's focus on continuing to scale up and expand service offerings beyond Moreland and Victoria. This name change did not require approval from Council. MEFL (now AEF) has grown significantly over the last plus 20 years to become an organisation in its own right, and no longer seeks Council's oversight or backing. Now, beyond a name change, AEF seeks to be autonomous from Council and have the ability to change its constitution to expand its strategic objectives.

It is noted that Council can only change the 'Objects of Company' in the AEF Constitution (refer to section 2 in Attachment 1 to this report). The Objects of Company refer to the mission of AEF to promote protection of the environment by reducing greenhouse gas emissions through seven identified means. Council is referred to in a number of other sections of the constitution to provide a governance role, including with the role of having a Councillor and Council officer on the Board, and the Board need to have a Councillor present to meet quorum, and therefore to be able to make decisions. Council does not have the power to agree or disagree to this power being removed, however Council should note this intention of AEF to remove all governance powers of Council and consider its support to endorse this.

The current MOU between Council and MEFL (now AEF) expires on 30 June 2020. A funding agreement, rather than an MOU, is proposed for the next agreement between AEF and Council to better reflect the intention to be fully independent of Council and follows legal advice on the impacts of their broadening remit and growth in the market. Unlike an MOU, a funding agreement includes additional clauses including intellectual property (IP), insurance, liability and return of and suspension of funding.

In line with independence, Council will no longer provide the grants of the past, instead market testing the delivery of services this money is set aside for. However, at the request of AEF, a fellowship in memory of former Mayor Mike Hill, and a Moreland innovation projects grant in recognition of Council's long association is proposed to be established. These initiatives form the basis of a new funding agreement and are broadly outlined in Attachment 3.

A new five-year funding agreement is largely developed and shown at Attachment 3 to this report. It still requires some further refinements as Council officers work with counterparts at AEF. The draft Funding Agreement will be subject to delivery of measures outlined in the agreement, and the detailed action plans and accompanying grant funding agreed annually.

Officer Recommendation

That Council:

1. Notes the Australian Energy Foundation is seeking to operate fully independently of Council.
2. Consents to the changes to the Australian Energy Foundation Constitution, marked up at Attachment 1 to this report, which:
 - a) Removes the requirement for Council consent to change Objects of Company.
3. Endorses the changes to the Australian Energy Foundation Constitution, marked up at Attachment 1 to this report, which:
 - a) Removes Council representative positions from the composition of the Board, including the requirement of a Council appointed director to be present to achieve a quorum;
 - b) Removes the requirement of Australian Energy Foundation to obtain Council consent or comply with Council guidelines in relation to borrowing or lending; and
 - c) Removes Council's right to inspect and audit the accounts of the Company.
4. Supports in principle the development of the five-year Moreland City Council and Australian Energy Foundation Funding Agreement including:
 - a) The establishment of a Mike Hill fellowship and innovation pilots to be delivered in the City of Moreland included in at Attachment 4 to this report.
 - b) The provision of a grant up to a value of \$200,000 plus GST in 2020/2021, subject to the annual budget process.
5. Authorises the Chief Executive Officer to finalise and sign the Moreland City Council and Australian Energy Foundation Funding Agreement 2021/2021 to 2024/2025 which is to be generally in accordance with Attachment 3 to this report.

1. Policy Context

Council and the Australian Energy Foundation's (AEF) (previously Moreland Energy Foundation or MEFL) relationship is based on a shared objective to see the Moreland community live and work in a zero-climate impact future. Until recently, Council has seen AEF as its primary delivery partner for engaging the Moreland community and facilitating key sectors and stakeholders towards this objective. This complements Council's agenda, which necessarily involves working with key services such as development approvals (both private and Council), urban design, infrastructure (including drainage, waste and transport).

A Funding Agreement with AEF aligns with the Council policies and strategies listed below:

- Council Plan 2017-2021 – Strategic Objective Progressive City
- Zero Carbon Moreland 2040 Framework

2. Background

A brief history of Council's establishment of MEFL

Moreland City Council established MEFL (now AEF) as a vehicle to reduce greenhouse emissions from the Moreland community. Council's commitment to establish MEFL was shaped by Brunswick's long history in providing innovative energy services to the community and its commitment to the Local Agenda 21 program and its forerunners. Reduction of greenhouse emissions from the Moreland community has been defined through development and implementation of Council adopted strategies including: Greenhouse Action Plan 2001, Climate Action Plan 2007-2012, Zero Carbon Evolution Strategy 2014 and the more recent Zero Carbon Evolution (ZCE) Refresh to 2020 and Zero Carbon Moreland 2040 Framework.

Before the privatisation of the electricity industry, the City of Brunswick's Electricity Supply Department provided high profile programs to promote energy efficiency in the community. Privatisation of the electricity industry resulted in the sale of the Brunswick Electricity Undertaking and Coburg Electricity Undertaking. In 1996, Council resolved to set aside 10% of the invested proceeds of the sale of the assets of the electricity supply undertakings to provide a base for the creation of MEFL.

Name change

On 1 July 2019, MEFL changed its name to Australian Energy Foundation (AEF). This name change was led by MEFL and recognised the foundation's focus on continuing to scale up and expand service offerings beyond Moreland and Victoria. This name change did not require approval from Council. The then MEFL Chief Executive Officer briefed Councillors of this proposed name change earlier in 2019.

Constitution

AEF has grown significantly over the last 20 years to become an organisation in its own right, and no longer seeks Council's oversight or backing. As part of clarifying expanded strategic objectives and autonomy, AEF seeks to change its constitution to be fully independent of Council.

The current constitution was prepared using standard clauses for a company incorporated under the laws that existed before the *Corporations Act 2001* commenced, with some specific additional clauses directed to ensuring Council retained a strong governing role for *Local Government Act 1989* compliance purposes. Clauses that divide the membership between executive and community members and assign different rights to those membership classes are also included.

The current constitution has 3 areas that give specific powers to Council:

- Any changes to the 'Objects of Company' must be agreed by Council;
- That a Councillor and a Council officer appointed by the Chief Executive Officer must be on the Board; and
- That a Council representative must be physically present to achieve quorum, regardless of the numbers.

History of funding between Council and AEF

Since 2005, Council and MEFL entered into arrangements whereby funding was provided through a specific Memorandum of Understanding (MOU) each 5-year period. These MOUs accommodated Council needs through moving away from the 'trust arrangement' and accommodated MEFL through providing funding security. The current MOU between Council and MEFL expires on 30 June 2020.

In 2018/19, Council provided funds to MEFL which was uncompetitively granted. This was made up as follows:

- \$425,000 via the agreed 5-year MOU;
- \$400,000 for the delivery of the ZCE Refresh to 2020 activities and objectives for Moreland; and
- \$166,000 for separate pilot initiatives - (\$120,000 from a ZCE Reserve held by MEFL for a Moreland Power pilot and \$46,000 re-allocated from Council's operating project budget for Accelerate Solar towards the Cooling Communities stage 2 project.

3. Issues

Constitution

AEF is seeking to operate fully independently of Council and remove all Council powers from its constitution. Council has power to only consent to changes to the "Objects of Company" in the Constitution as per section 2 of the constitution. This section of the constitution currently reads:

Objects of company

2 The Australian Energy Foundation promotes protection of the environment by reducing greenhouse gas emissions through:

2.1 actively promoting community awareness of the need to minimise greenhouse gas emissions and maximise energy efficiency through exposure to the Foundation's activities and initiatives

2.2 promoting the use of greenhouse friendly and energy efficient domestic, commercial and industrial appliances

2.3 encouraging the incorporation of energy efficiency features in new greenhouse friendly technologies through programs including education, subsidies and best practice

2.4 facilitating the development of local energy management and renewable energy technologies and expertise

2.5 facilitating research into new energy efficient technologies that will assist in reducing greenhouse gas emissions

2.6 increasing the number of energy efficiency audits and monitor efficiency improvements undertaken by local households, businesses and other organisations

2.7 developing and analysing data regarding energy consumption so as to prioritise activities of the greatest environmental benefit.

The matters listed above are the objects of the Company. These objects can only be altered by a majority vote of the executive members with the prior written consent of the Moreland City Council (the "Council"). Any disputes or disagreements between members or the directors about the interpretation of these objects shall be referred by the Board to the Council for resolution. The Council's decision shall be final and binding upon the members and the directors.

Additionally, there are other areas in the Constitution where Council has powers, including with their representation on the Board by an appointed Councillor and Council officer to assist with the governance and strategic functions. AEF seek to remove Council's governance powers and can do so without Council consent.

The proposed constitutional changes would mean Council will no longer have control/influence on the AEF Board and the strategic directions. By accepting these amendments, Council will also be foregoing any responsibility for the Foundation's successes/failures and impact.

For approximately 18 months, there has not been a Council officer on the AEF Board. Council still has a Councillor on the Board who is appointed by Council each year. Council was also not involved in developing the current AEF Strategic Plan and this plan does not reference Moreland City Council.

The continued growth and independence of AEF is reflective of the need for climate action beyond local boundaries.

The constitution that removes Council's powers is shown in **Attachment 1**.

Funding agreement

The current MOU between Council and MEFL expires on 30 June 2020. In light of the nature of change and expansion in AEF legal advice was sought as part of preparing the next iteration of an agreement. The legal advice is shown in **Confidential Attachment 2**.

The legal advice indicates, given the nature of the change, Council should consider what AEF provides and decide which activities could be funded via a grant, or which activities should be competitively procured/tendered via a fee for service arrangement. Further, the existing agreement is a MOU, and MOU's are traditionally seen as non-binding arrangements between very close entities. With the broadening of AEF's activities and independence, and the move within Council to confirm which activities may appropriately be the subject of a (non-competitive) grant, advice is that a new agreement is best set up as a funding agreement. A funding agreement would apply only to those activities which do not require market testing.

A funding agreement, would also include further clauses such as intellectual property, insurance, liability, return of and suspension of funding etc.

The proposed Funding Agreement 2021/2021 to 2024/2025 (Funding Agreement) is not yet finalised. Officers in AEF and Council have been working on it over many months and are close to agreement. The current working draft is shown at **Attachment 3**.

Key aspects of the funding agreement include:

- Two main activities would be the subject of grant funding:
 - Establishment of a Mike Hill Fellowship to honour Mike as a founder of MEFL and to build local champions in Moreland for action on climate change;
 - Investigate and undertake innovation in Moreland through energy innovation pilots (addressing barriers to energy transition) to inform decisions to adjust/replicate/scale pending business cases.

Schedule 3 of the Funding Agreement will include high level objectives and performance measures proposed for these two activities as shown at **Attachment 4** to this report.

The Funding Agreement is drafted to be somewhat fluid (particularly towards the latter years of the arrangement). Prior to 3 months before the start of each financial year, Council and AEF will agree on a more detailed annual plan under the 2 activities listed above and agree funding based on performance measures.

The proposed Funding Agreement has clauses to allow Council to consider holding back some of the annual funding until there is demonstrated delivery against the approved annual plan.

The proposed Funding Agreement includes the flexibility to include new activities in the final 3 years (subject to the agreement of the annual plan).

Request for tenders/quotation

Legal advice is that, given the nature of the services provided, Council should no longer provide bulk uncontested funding to AEF to deliver services under its Zero Carbon strategies and frameworks. In future, Council will need to develop and manage strategic activities by external parties through a competitive procurement process. The details and timing of specific work packages are yet to be determined. Once community and stakeholder consultation on the draft Zero Carbon Moreland Action Plan 2020/2021 – 2024/2025 is complete and presented to Council for in November 2019, Council officers will be in a better position to work through how to scope and package fee for service work to take to the market in 2020/2021.

Human Rights Consideration

The implications of this report have been assessed in accordance with the requirements of the Charter of Human Rights and Responsibilities.

4. Consultation

Senior Council officers have been meeting senior AEF officers to progress these matters since early 2019. Councillors were updated at the Councillor Briefing held on 19 August 2019.

Former Mayor Mike Hill's family was consulted to understand their thoughts on the proposed Mike Hill Fellowship and have confirmed they are very supportive of this initiative to honour Mike who was a leading force in the creation of MEFL.

5. Officer Declaration of Conflict of Interest

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

6. Financial and Resources Implications

The annual budget required for the proposed Funding Agreement will be agreed each year, up to a grant of \$200,000. The actual amount is to be agreed in principle by 31 March of the financial year preceding it, based on agreement of the action plan for the year ahead, and demonstrated delivery against the current year action plan.

The annual MOU funds have been paid to MEFL from an allocated base (recurrent) budget, adopted annually by Council as part of the budget process. This amount is approximately \$429,000 in 2019/2020, indexed by inflation from the previous year(s). It is proposed that the annual Funding Agreement to AEF be paid from this base budget, if Council resolves to continue the base funding in 2020/2021.

Additionally, there is a 'Zero Carbon Moreland' operating budget of \$408,000 in 2019/2020 for AEF to implement the ZCE Refresh to 2020. The ZCE Refresh to 2020 expires 30 June 2020 and will be superseded by the Zero Carbon Moreland Action Plan 2020/2021 to 2024/2025. Following the adoption of a new 5-year action plan, a budget bid will be referred to the 2020/2021 budget process for funding. In this process the continuation of the quantum of funds allocated within Base (MOU) and Operating project (Zero Carbon activities) that have previously been paid uncompetitively to MEFL will be sought as a minimum. This amount would allow for funding the new Funding Agreement with AEF with the greater balance of funds used to manage and deliver key programs and initiatives in the final Zero Carbon Moreland 5-year action plan.

It is noted that the Mike Hill Fellowship is a new initiative and if agreed, would reduce the available funds for implementing the actions in the Zero Carbon Moreland Action Plan 2020/2021 to 2024/2025.

7. Implementation

Council's decision will be provided to AEF so the proposed changes to the constitution can be presented to the AEF Annual General Meeting in October 2019 for their Executive Members to vote on.

Council officers will finalise the Funding Agreement and commit to agree the detailed annual plan prior to 31 March 2020 for the 2020/2021 year being the first year of the new Funding Agreement.

Attachment/s

1	AEF Constitution - AEF proposed changes to write Council out	D19/350375
2	Legal Advice on Moreland Energy Foundation	D19/343078
	<i>Pursuant to sections 77(2)(c) and 89(2)(d) this attachment has been designated as confidential by the Chief Executive Officer because it relates to contractual matters.</i>	
3	Draft Funding Agreement Council and AEF 2020-2021 to 2024-2025	D19/350408
4	Schedule 3 - Draft Funding Agreement	D19/350407

Company Constitution

of

Australian Energy Foundation Ltd

ACN [095 439 160]

(as amended ~~19 August 2019~~^{30###insert date of general meeting when changes are made}
~~April 2019~~)

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A Nature of company

Nature of Company

- 1 Australian Energy Foundation Ltd (ACN 095 439 160) is a company. It
 - 1.1 is limited by guarantee
 - 1.2 does not have a share capital.

Objects of company

- 2 The Australian Energy Foundation promotes protection of the environment by reducing greenhouse gas emissions through:
 - 2.1 actively promoting community awareness of the need to minimise greenhouse gas emissions and maximise energy efficiency through exposure to the Foundation's activities and initiatives
 - 2.2 promoting the use of greenhouse friendly and energy efficient domestic, commercial and industrial appliances
 - 2.3 encouraging the incorporation of energy efficiency features in new greenhouse friendly technologies through programs including education, subsidies and best practice
 - 2.4 facilitating the development of local energy management and renewable energy technologies and expertise
 - 2.5 facilitating research into new energy efficient technologies that will assist in reducing greenhouse gas emissions
 - 2.6 increasing the number of energy efficiency audits and monitor efficiency improvements undertaken by local households, businesses and other organisations
 - 2.7 developing and analysing data regarding energy consumption so as to prioritise activities of the greatest environmental benefit.

The matters listed above are the objects of the Company. ~~These objects can only be altered by a majority vote of the executive members with the prior written consent of the Moreland City Council (the "Council"). Any disputes or disagreements between members or the directors about the interpretation of these objects shall be referred by the Board to the Council for resolution. The Council's decision shall be final and binding upon the members and the directors.~~

Liability of members

- 3 The liability of an executive member is limited to the following extent:
- an executive member is bound to contribute up to **one** dollar (\$1) towards the debts of the company if it is wound up while he or she is a member or within 12 months after he or she ceases to be a member. Community members shall have no liability to contribute on a winding up.
 - Members are liable to pay the annual membership fee determined by the Board (if any).

Number of members

- 4 The Company must always have at least one member. The maximum number of members is unlimited.

B Establishment and operation of Gift Fund

Maintaining a Gift Fund

- 5 The Company shall establish and maintain a public fund (the **Gift Fund**) to be called the [Australia Energy Foundation Fund] for the specific purpose of supporting the environmental objects and purposes of Australian Energy Foundation (**Gift Fund Purposes**).

Operation of the Gift Fund

- 6 The Company shall invite the public to make contributions to the Gift Fund.
- 7 The Gift Fund shall be maintained by the Company
- 7.1 to which gifts of money or property or Deductible Contributions for the Gift Fund Purposes are to be made;
 - 7.2 to which any money received by the Company because of those gifts or Deductible Contributions is to be credited; and
 - 7.3 that does not receive any other money or property.
- 8 The Gift Fund must comply with subdivision 30-E of the ITAA 97 at all times.

Executive committee to control the Gift Fund

- 9 The Directors shall ensure that the Gift Fund shall be controlled by an executive committee which consists of:
- 9.1 no fewer than three members; and
 - 9.2 members the majority of whom are Responsible Persons.

- 10 The Department and any other relevant body which requires it must be notified of any changes to the membership of the executive committee of the Gift Fund.

Limits on use of the Gift Fund

- 11 The Company must use the following only for the Gift Fund Purposes:
- 11.1 gifts or Deductible Contributions made to the Gift Fund; and
 - 11.2 any money or property received because of those gifts or Deductible Contributions.
- 12 No portion of the assets or income of the Gift Fund shall be distributed directly or indirectly to any individual except as bona fide compensation for services rendered or expenses incurred on behalf of the Gift Fund.
- 13 The Directors shall ensure that the Company complies with any obligations under the ITAA 97, the ACNC Act, the Act or any other legislation, and with any rules that the Treasurer or Minister or any other relevant body requires regarding the use of funds being for Gift Fund Purposes.
- 14 The Company must apply the assets and income of the Gift Fund according to the Gift Fund Purposes and without instructions or influence from any donor.

Winding-up of the Gift Fund

- 15 At the first instance of the winding up of the Gift Fund or the Gift Fund or Company ceasing to maintain deductible gift recipient status, any surplus assets of the Gift Fund or Company remaining after the payment of liabilities attributable to the Gift Fund shall not be paid to or distributed to any Member, but shall be given or transferred to:
- 15.1 some other fund, authority or institution having objects similar to the Gift Fund Purposes; and
 - 15.2 whose rules shall prohibit the distribution of its or their income among its or their members; and
 - 15.3 such fund, authority or institution must also be eligible for tax deductibility of donations under the ITAA 97; and
 - 15.4 if the Company is listed on the Register of Environmental Organisations, such fund, authority or institution must also be listed on the Register of Environmental Organisations.
- 16 The identity of the fund, authority or institution referred to in clause must be decided by the Directors.
- 17 Where gifts to a fund, authority or institution are deductible only if, among other things, the conditions set out in the relevant table item in Subdivision 30-B of ITAA 97 are satisfied, a transfer under this clause 17 to that fund, authority or institution must be made in accordance with or subject to those conditions.

Bank account and receipts

- 18 The Company must maintain a separate bank account for the Gift Fund.
- 19 Receipts for gifts must state:
- 19.1 the name of the Gift Fund as agreed by the Directors;
 - 19.2 the Australian Business Number (ABN) of the Company;
 - 19.3 the name of the donor;
 - 19.4 the date the gift was received; and
 - 19.5 the fact that the receipt is for a gift.
- 20 Receipts for Deductible Contributions must state:
- 20.1 the name of the Gift Fund as agreed by the Directors;
 - 20.2 the ABN of the Company;
 - 20.3 the fact that the Deductible Contribution was made in return for either or both:
 - (i) a right to attend or participate in a specific fund-raising event;
 - (ii) the purchase of goods and services at an auction held at a fund-raising event;
 - 20.4 the name of the donor;
 - 20.5 the date the Deductible Contribution was given;
 - 20.6 the amount of the Deductible Contribution if the Deductible Contribution is money; and
 - 20.7 the GST inclusive market value of the benefit provided in return for the Deductible Contribution.

Report to the Department

- 21 Statistical Information requested by the Department on the donations to the Public Fund will be provided within four months of the end of the financial year.
- 22 An audited financial statement for the organisation and its public fund will be supplied with the annual statistical return. The statement will provide information on the expenditure of public fund monies and the management of public fund assets.

Altering this Constitution

- 23 The Commissioner, the ACNC and the Department (as applicable) must be notified of:
- 23.1 any change to the name of the Company of the name of the public fund;

- 23.2 any alterations made to this clause B of the Constitution;
- 23.3 any non-compliance with any other guidelines required, including any departure from the model rules for public funds contained in the Guidelines to the Register of Environmental Organisations.

C Admission to Membership

Membership

- 24 Without prejudice to any special rights conferred on members of the Company, the directors may admit a person for membership as an executive member or as a community member, as the directors think fit and in accordance with the class of membership requested in the application submitted to the Company by the prospective member.

Eligibility for membership

- 25 A person is not eligible for membership unless that person is willing to support the objectives for which the Company is established.

Sponsorship

- 26 A person, other than the subscribers to the Constitution, is not eligible for membership unless that person is sponsored by another member or a director.

Applications

- 27 Application for membership must be in writing signed by the applicant and countersigned by the member or the director sponsoring the applicant and delivered to the Secretary. The application must be in a form required or approved by the Board, and accompanied by membership fee determined by the Board (if any).

Consideration of Applications

- 28 The Board will consider each application for membership at the first meeting following receipt of the application accompanied by such information as may be reasonably necessary to satisfy the Board as to the applicant's eligibility. Applications may only be accepted by three quarters or more of the directors at that meeting approving the application.

Approval or Rejection of Applications

- 29 The Board has absolute discretion as to whether to approve or reject any application for membership and is under no obligation to supply an applicant with any reason for a rejection.

Notice of Acceptance

- 30 Upon an application being accepted, the Secretary will send to the applicant written notice of acceptance.

Certificate of membership

- 31 A member is entitled to receive a certificate of membership in a form approved by the Board and signed on behalf of the Company in such manner as may from time to time be determined by the Board.

Minimum membership Period

- 32 The minimum membership period is 1 year from the date of a person becoming a member.
- 33 The rights and privileges of a member are not transferable.

Rights of executive member

- 34 The Company may admit an executive member who shall have the following rights, privileges and obligations:
- 34.1 the right to receive notice of any general meeting of the Company;
 - 34.2 the right to vote at any general meeting of the Company where each executive member shall have one vote;
 - 34.3 the right to receive detailed financial reports (including cash flow statements) of the Company annually to be audited in each Financial Year and to raise all enquiries in respect of these reports by notice in writing to the Board of Directors, which shall answer in reasonable detail within 21 days;
 - 34.4 all other rights, privileges and obligations of members pursuant to the *Corporations Law* or contained in this Constitution.

Rights of community members

- 35 The Company may admit community members who shall have the following rights, privileges and obligations:
- 35.1 the right to receive notice of any general meeting of the Company;
 - 35.2 the right to vote on the appointment of or removal of the community representative director where each community member shall have one vote;
 - 35.3 the right to receive annual reports of the Company.

D Register of members

Keeping of Register

- 36 A Register of members shall be kept in the office of the Company which sets out in full the names, address and category of membership of the Company. The Register shall also show in respect of each member:
- 36.1 the date of admission to membership

- 36.2 the date of cessation of membership
- 36.3 the category of membership, and
- 36.4 such other information as the Board may from time to time determine.

Availability of Register

- 37 The Register of members shall be available for inspection by members at the registered office of the Company during normal business hours.

E Cessation of membership

Resignation of a member

- 38 Subject to clause 32, an executive member or community member may at any time, by notice in writing to the Company, resign as a member.

F Representation

Appointment of Representative and Alternate Representative

- 39 Without prejudice to the provisions of the *Corporations Law* relating to the appointment of a representative or proxy by a body corporate each member (other than an individual) shall, by notice in writing to the Secretary, appoint an individual who shall be an officer or employee of that member, to represent that member at all general meetings that the member is entitled to attend. The member may also, by the same method, appoint another individual who shall also be an officer or employee of that member to act as an alternate to the representative.

Voting by Representative

- 40 A reference in this Constitution to members attending and voting at any meeting or being entitled to do so includes an executive member or community member attending and voting by a representative (whether as alternate or otherwise) appointed in accordance with clause 39.

Power of Representative

- 41 A representative who is authorised under clause 39 is, in accordance with the authority and until it is revoked, entitled to exercise on the member's or community member's behalf the same powers as the member could, if it were a natural person, exercise as an executive member or community member of the Company. An alternate representative may exercise the same powers of the representative if the representative is not available or present to exercise those powers.

Change of Representative and Alternate Representative

- 42 A representative may be changed at any time by the executive member or community member giving notice in writing to the Secretary of the termination of the appointment and of the appointment of another representative in substitution for the previous representative. The appointment of an alternate representative may be changed or terminated in the same manner as the representative's appointment but the appointment of the alternate is immediately terminated when the appointment of the representative is terminated.

G General meetings

Power to convene

- 43 Any director may convene a general meeting whenever he or she thinks fit.

Convening of General Meetings

- 44 A general meeting may be convened by the Chairperson. The Chairperson will convene a general meeting upon receipt of a written request from members holding 5 per cent of the votes at a general meeting.

Notice

- 45 A notice of a general meeting must specify the place, the day and the hour of meeting and must state the general nature of the business to be transacted at the meeting.
- 46 If an annual general meeting is convened, it is not necessary for a notice of an annual general meeting to state that the business to be transacted at the meeting includes:
- 46.1 consideration of accounts and the reports of the directors and auditors and
 - 46.2 election of directors.

Notice period and content

- 47 Except when the *Corporations Law* permits shorter notice to be given, 21 clear days notice must be given to all persons entitled to receive those notices from the Company. Any notice must specify the place and day and hour of meeting and for the special business, the general nature of that business.

Nature of business

- 48 Special business includes all business that is transacted at an extraordinary general meeting, and all business transacted at an annual general meeting except the following:
- 48.1 consideration of the accounts
 - 48.2 consideration of the balance sheets
 - 48.3 consideration of the directors' and auditor's reports

48.4 the election of directors in place of retiring directors

48.5 the appointment of the Company auditor and the fixing of his or her remuneration.

Annual General Meeting

49 An annual general meeting of the Company may be held. At an annual general meeting in addition to the business that must be conducted in accordance with the *Corporations Law* in respect of financial statements, the directors' report and auditor's report, the directors must also put before the meeting a budget for the following year.

Circular resolution

50 The Company may pass a resolution without a general meeting being held if all the members entitled to vote on the resolution sign a document containing a statement that they are in favour of the resolution set out in the document

H Proceedings at general meetings

Quorum

51 Business may not be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Two executive members (including any proxy for an executive member and any person representing an executive member in accordance with the *Corporations Law*) constitute a quorum.

Effect of no quorum

52 If a quorum is not present within 30 minutes from notified starting time for the meeting:

52.1 where the meeting was convened on the requisition of members - the meeting is cancelled

52.2 in any other case the meeting is postponed to the same place on the same day and at the same time the following week, or to any other time and place chosen by the directors. If a quorum is not present within half an hour after the starting time of the postponed meeting, it is cancelled.

Chairperson of directors

53 The chairperson elected as chairperson of directors meetings, if any, shall preside as chairperson at every general meeting.

Vacancy in chairperson

54 Where a general meeting is held and:

54.1 no person has been elected as a chairperson of directors

54.2 that chairperson is not present within 15 minutes after the time appointed for the holding of the meeting or is unwilling to act,

the executive members present must elect one of their number to be chairperson of the meeting.

Adjournment

55 The chairperson may at any time adjourn a meeting with the meeting's consent. The chairperson *must* adjourn a meeting if the meeting votes to adjourn it. The only business that can be transacted at an adjourned meeting is the unfinished business from the original meeting.

Notice where a meeting is adjourned for 30 days

56 When a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of an original meeting.

Form of notice for adjourned meeting

57 Except as provided by in the previous clause, it is not necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Right to discuss the management of the company

58 The chairperson of a meeting of member must allow a reasonable opportunity for members at the meeting to question, discuss or comment on the management of the Company. Directors of the Company shall answer members' questions if they are capable of doing so. If the directors are unable to answer questions, then they must invite the members to submit them to the Company in writing. If questions are submitted in writing, the directors of the Company must provide an answer in writing.

Voting on show of hands

59 At any general meeting a resolution put to the vote of the meeting is decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded according to clause 62.

60 Unless a poll is duly demanded, a declaration by the chairperson that a resolution has a show of hands been carried or carried unanimously, or by a particular majority, or lost, must be made in the minutes of the meeting.

61 An entry recording the chairperson's declaration of voting in the book containing the minutes of the proceedings of the Company is conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

Poll

62 A poll may be demanded:

62.1 by the chairperson

62.2 by at least 3 members present in person or by proxy

62.3 by a member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting

63 A poll demanded on the election of a chairperson or on a question of adjournment must be taken immediately.

64 A poll demanded on any other subject is taken in such manner and either at once or after an interval or adjournment or otherwise as the chairperson directs. The result of the poll is the resolution of the meeting at which the poll was demanded.

65 A demand for a poll may be withdrawn.

Casting vote of chairperson

66 If the votes are equal, whether on a show of hands or on a poll, the chairperson of the meeting at which the show of hands takes place or at which the poll is demanded is not entitled to a second or casting vote.

Proxy holders and representatives voting rights

67 At meetings of members each executive member or community member entitled to vote may vote in person or by proxy or attorney.

68 On a show of hands every person present who is a member or a Representative of a member has one vote and on a poll every person present in person or by proxy, attorney or representative has one vote.

Incapacity

69 This clause applies where an executive member or community member is of unsound mind or is a person whose person or estate is liable to be dealt with under the law relating to mental health. The member's committee or trustee or such other person as properly has the management of the member's estate may exercise any rights of the member in relation to a general meeting as if the committee, trustee or other person were the executive member or community member.

Objection to voter

70 An objection may be raised to the qualification of a voter only at the meeting or adjourned meeting at which the vote objected to is cast.

71 Any objection is referred to the chairperson of the meeting, whose decision is final and a vote not disallowed by the chairperson is valid for all purposes.

Appointment of proxy

72 An instrument appointing a proxy must be in writing signed by the appointor or an attorney duly authorised in writing or, if the appointer is a body corporate, signed by a duly authorised officer or attorney or in accordance with the *Corporations Law*.

- 73 Instruments appointing a proxy may specify the manner in which the proxy is to vote in respect of a particular resolution and in that event the proxy is not entitled to vote on the resolution except as specified in the instrument. Unless otherwise instructed the proxy may vote as he or she thinks fit.
- 74 An instrument appointing a proxy is deemed to confer authority to demand or join in demanding a poll.
- 75 An instrument appointing a proxy may be in the following form, or any other form acceptable to the Company.

To: Australian Energy Foundation Ltd
I/we, [*Name of executive member/s or community member/s*], of
[*Address of executive member/s or community member/s*], being a
member/members of the Company, appoint [*Name of proxy 1*], of

[*Address of proxy 1*] or in the member's absence, appoint [*Name of proxy 2*] of [*Address of proxy 2*] as my/our proxy to vote for me/us on my/our behalf at the annual general*/general meeting* of the Company to be held on the [*Date of meeting*] as at any adjournment of that meeting.

I wish to direct my proxy to vote in favour of or against the following resolutions at the meeting (*Insert details of how you want your proxy to vote. If no details are completed, the proxy will be free to exercise this proxy as he/she sees fit*).

The proxy may exercise this proxy as he/she thinks fit in respect of each resolution where this proxy does not contain specific directions as to how the proxy is to vote in respect of that resolution.

Signed [*date*]

* *Strike out whichever is not desired.*

Lodgement of proxy

- 76 A document appointing a proxy (and any power of attorney under which it is signed, or a certified copy of that power) must be received by the Company at least 48 hours before the time of the meeting. If the document is not received on time, the proxy cannot vote at the meeting.
- 76.1 A document appointing a proxy is deemed to be received when it is received at any of the following:
- 57.1.1 the Company's registered office or
 - 57.1.2 a fax number at the Company's registered office or
 - 57.1.3 a place, fax number or electronic address specified for the purpose in the notice of meeting.

Effect of proxy vote

- 77 A vote given according to an instrument of proxy or of a power of attorney is valid if no notice in writing of the death or unsoundness of mind, revocation of the instrument or authority has been received by the Company at the registered office before the commencement of the meeting or adjourned meeting at which the said instrument is acted upon.

I Sole members and the passing of resolutions

- 78 Where a sole member signs a minute recording the member's decision to a particular effect, the recording of the decision counts as the passing by the member of a resolution to that effect. This clause shall override any other clause relating to members resolutions.

J Appointment, removal and remuneration of directors**Appointment of directors**

- 79 Other than any director who becomes a director pursuant to Section 120 of the *Corporations Law* the first directors are appointed in writing by all or a majority of the subscribers to the Constitution.

Minimum and maximum number of directors on incorporation

- 80 On incorporation of the Company:
- 80.1 the minimum number of directors is one
- 80.2 the maximum number is 12.
- 81 The board of directors of the Company will comprise the following directors:
- 81.1 One community representative elected by a majority of community members
~~2 representatives appointed by the Council, of which 1 shall be an officer of the Council appointed on the recommendation of the Chief Executive Officer of the Council and 1 shall be a Councillor of the Council.~~
- 81.2 A minimum of 4 persons with relevant expertise and skills to be appointed by the Board of Australian Energy Foundation~~MEFL~~
- 81.3 The Chief Executive Officer of Australian Energy Foundation~~MEFL~~
- Board members shall serve a three year term of office.
- 82 Each third year at or before the annual general meeting a person or entity appointing a director shall notify the Company in writing whether that director is to be re-appointed for the following three year period and, if not, the name of the person appointed as director for the following three years.

Change to numbers of directors

- 83 The Company may by resolution increase or decrease the minimum and maximum number of directors with the prior consent of the Council subject to any conditions Council imposes

Alternate directors

- 84 A director may, with the approval of the other directors, appoint a person to be an alternate director in his place during such period as he or she thinks fit. ~~A director appointed by the Council also needs the Council's prior consent to appointing an alternate director.~~ An appointment, or the termination of an appointment, of an alternate director shall be effected by a notice in writing signed by the director who makes or made the appointment and served on the Company.
- 85 An alternate director is entitled to notice of meetings of the directors and, if the appointor is not present at such a meeting, is entitled to attend and vote in his or her stead. An alternate director may exercise any powers that the appointor may exercise and the exercise of any such power by the alternate director shall be deemed to be the exercise of the power by the appointor.
- 86 The appointment of an alternate director may be terminated at any time by the appointor notwithstanding that the period of the appointment of the alternate director has not expired, and terminates in any event if the appointor vacates office as a director.

Authority of sole director

- 87 Where the minimum number of directors is one, a single director acting as a sole director may exercise all the powers and discretions conferred on the directors under this Constitution or under the *Corporations Law*.

Period of office

- 88 Each of the directors hold office until the director vacated office or is removed or retires under this Constitution.

Retirement from office

- 89 At each third annual general meeting, all directors must retire from office.

Retirement from office

- 90 A retiring director is eligible for re-election.

Casual vacancy

- 91 The directors have power at any time to appoint any person to be a director to fill a casual vacancy in the community representatives elected by the community members to hold office until the annual general meeting. Otherwise the person or entity appointing a director has the power to fill a casual vacancy in that appointment. The directors must not make an appointment so that the total number of directors at any time exceeds the maximum number fixed according to clause 80.

Removal of Directors

- 92 The person or entity appointing a director may remove that director and appoint another person in his or her place. The community members may, by resolution:
- 92.1 remove any director elected by community members from office but not so as to have fewer than the minimum number of directors fixed according to clause 80.
 - 92.2 appoint any person as a community representative director (as a replacement of any director removed) but not so as to exceed the maximum number of directors fixed according to clause 80.

Election of community representatives

- 93 After the incorporation of the Company and the admission of community members:
- 93.1 The Board shall determine a time and place for a meeting of the community members to elect the 1 community representative as director.
 - 93.2 The community members may requisition a meeting of the Company to enable the community members to remove the director elected by community members and elect a replacement director at any time where 10% of community members in writing request such a meeting. Upon receipt of such a requisition the Board shall, as soon as practicable, call a meeting of the community members for that purpose.

Director qualification

- 94 A person that becomes a director must prior to becoming a director consent to becoming executive member of the Company. Where a person ceases to be a director that person automatically ceases to be an executive member.

Vacation of office

- 95 In addition to the circumstances in which the office of a director becomes vacant under the *Corporations Law*, a director ceases to hold office immediately any of the following happens.
- 95.1 The director becomes bankrupt.
 - 95.2 The director becomes mentally unfit to hold office, or the director or his or her affairs are made subject to any law relating to mental health or incompetence.
 - 95.3 The director resigns by giving the Company written notice.
 - 95.4 The director becomes disqualified by law from being a director.
 - 95.5 Without the consent of the other directors, the director is absent from meetings of directors for a continuous period of 6 months.

95.6 By the time of the annual general meeting of the Company, the person or entity appointing that director has not notified the Company in writing of the re-appointment of that director for the following year.

95.7 The director ceases to be a member of the Company.

~~95.8 Where the director is appointed by the Council he or she ceases to either hold office as a Councillor or be a council officer.~~

K Powers and duties of directors

General power of management

96 Subject to the *Corporations Law* and to this Constitution, the operations and business of the Company is managed by the directors who may pay all expenses incurred in promoting and forming the Company, and may exercise all such powers of the Company as are not, by the *Corporations Law* or by this Constitution, required to be exercised by the Company in general meeting. The directors shall from time to time, as they think fit, consult with the members concerning the operations and business of the Company.

Lending Powers

~~97 Subject to complying with any guidelines set by the Council, or obtaining the Council's consent if the Council requires, and clause 2 of this Constitution, the directors may issue secured and unsecured loans.~~

Borrowing Powers

~~98 Subject to complying with any guidelines set by the Council, or obtaining the Council's consent if the Council requires, the directors may;~~

~~exercise all the powers of the Company to borrow money from the Council, or~~

~~charge any property or business of the Company and issue debentures or give any other security for a debt, liability or obligation of the Company or of any other person.~~

Other offices of directors

~~9997~~ A director may be employed by, or contract with, the Company and may be employed by any other company in which the Company owns shares or has an interest. A director may be a director or officer of that other company. However, a director cannot be employed as the Company's or that other company's auditor. A director is not required to account to the Company for any profit arising from his or her employment by, or contracting with, the Company.

Negotiable Instruments

~~10098~~ If the Company has more than 1 director, any 2 directors jointly may sign, draw, accept, endorse or otherwise execute a negotiable instrument.

L Proceedings of directors

Quorum

~~101~~99 Business may not be transacted at any directors meeting unless a quorum of directors is present at the time when the meeting proceeds to business. Four directors (including any proxy for a director) including at least 1 Council appointed director constitute a quorum.

Directors to regulate

~~102~~100 The directors may meet together for the dispatch of business and adjourn and otherwise regulate their meetings as they think fit.

Convening of meetings

~~103~~101 A director may at any time, and a secretary must on the requisition of a director, convene a meeting of the directors. At least 4 meetings every year shall be called.

Notice of meetings

~~104~~102 A director's meeting must be convened by not less than 48 hours written notice of a meeting to each director (unless all the directors agree to a shorter period of notice).

Director outside Australia

~~105~~103 When giving notice to the other directors, it is not necessary to give notice of a meeting of the directors to a director to whom the secretary reasonably believes to be outside Australia.

Written resolution

~~106~~104 The directors may pass a resolution in writing without holding a meeting if the following conditions are met.

~~106.1~~104.1 The resolution is set out in a document or documents indicating that a majority of directors are in favour of it.

~~106.2~~104.2 All directors who are entitled to vote on the resolution sign the document or documents or identical copies of it or them.

Deemed date of passing resolution

~~107~~105 The resolution will be treated as having been passed at a meeting of directors held on the day and at the time that the last director signs.

Telephone and other meetings

~~108~~106 While the directors may regulate their meetings as they think fit, a meeting of directors or committee of directors may be held where one or more of the directors is not physically present at the meeting, where:

~~108.1~~106.1 all persons participating in the meeting can communicate with each other instantaneously whether by telephone or other form of communication

~~108.2~~106.2 notice of the meeting is given to all directors entitled to notice according to the usual procedures determined by the directors for the giving of notice and such notice does not specify that directors are required to be present in person

~~108.3~~106.3 if a failure in communications prevents clause ~~106.1~~107.1 from being satisfied by that number of directors which constitutes a quorum, then the meeting is suspended until clause ~~106.1~~107.1 is satisfied again. If clause ~~106.1~~107.1 is not satisfied within 15 minutes from the time the meeting was interrupted, the meeting is deemed to have terminated

~~108.4~~106.4 any meeting held where any director is not physically present is treated as held at the place specified in the notice of meeting if a director is present there. If no director is so present, the meeting is treated as held at the place where the chairperson of the meeting is located.

Decisions of the board

~~109~~107 Questions arising at any meeting of directors shall be decided by a majority of votes. A determination of a majority of directors is for all purposes deemed to be a determination of the directors. If the votes are equal, the chairperson of the meeting shall have a second or casting vote in addition to his or her deliberative vote.

Vacancies

~~110~~108 The directors may act even if there are vacancies on the board.

Lack of quorum

~~111~~109 If the number of directors is not sufficient to constitute a quorum at a directors' meeting, the directors may act only for the purpose of:

~~111.1~~109.1 appointing a director; or

~~111.2~~109.2 convening a general meeting.

Minutes of meeting of directors

~~112~~110 The directors must ensure that the minutes of the meeting record each of the following:

~~112.1~~110.1 the names of all directors who are present

~~112.2~~110.2 the Chairperson of the meeting

~~112.3~~110.3 details of the proceedings at the meeting

~~112.4~~110.4 resolutions passed at the meeting

~~112.5~~110.5 any appointment of an officer

~~112.6~~110.6 interests declared by any director in accordance with this Constitution.

Chairperson must sign minutes

~~113~~111 The minutes of a meeting of directors must be signed by the Chairperson of that meeting, either at that meeting or at the following meeting.

Ending of appointment of alternate director

~~114~~112 An alternate director ceases to hold office immediately any of the following happens:

~~114.1~~112.1 The director who appointed the alternate director ceases to be a director.

~~114.2~~112.2 The director who appointed the alternate director ends the appointment by giving the alternate director a written notice signed by the director.

~~114.3~~112.3 The period of the appointment ends.

~~114.4~~112.4 Anything happens that would result in the alternate director ceasing to be a director if he or she were a director.

Chairperson

~~115~~113 The directors must elect one of their number as chairperson of their meetings and determine the period of office of the chairperson.

Substitute chairperson

~~116~~114 Where a meeting of the directors is held and:

~~116.1~~114.1 a chairperson has not been elected as provided or

~~116.2~~114.2 the chairperson is not present within 10 minutes after the time appointed for the holding of the meeting or is unwilling to act,

the directors present may elect one of their number to be a chairperson of the meeting.

Committee of directors

~~117~~115 The directors may delegate any of their powers to a committee or committees of directors except the borrowing powers contained in clause ~~97~~98.

~~118~~116 Any such committee must exercise the powers delegated according to any directions of the directors and any power so exercised is deemed to have been exercised by the directors.

~~119~~117 The members of such a committee may elect one of their number as chairperson of their meetings.

~~120118~~ Where such a meeting is held and:

| ~~120.1118.1~~ a chairperson has not been elected as provided by clause ~~117118~~ or

~~120.2~~118.2 _____ the chairperson is not present within 10 minutes after the time appointed for the holding of the meeting or is unwilling to act,

the members present must elect one of their number to be chairperson of the meeting.

Regulation of committee of directors

~~121~~119 A committee of the directors may meet and adjourn as it thinks fit.

Determination by majority vote

~~122~~120 A question arising at a meeting of a committee must be determined by a majority of votes of the members present and voting.

Casting vote

~~123~~121 If the votes are equal, the chairperson of a committee shall have a second casting vote in addition to his or her deliberative vote.

Sub-delegation by committee

~~124~~122 A committee may be authorised to sub-delegate all or any of the powers for the time being vested in it. A committee may not delegate any decision making powers which may legally bind the Company.

~~125~~123 Meetings of any committee will be governed by the provisions of this Constitution which deal with directors' meetings so far as they are applicable and are not inconsistent with any directions of the directors.

Defects in appointments

~~126~~124 All acts done by any meeting of the directors or of a committee of directors or by any person acting as a director are deemed to be valid as if all persons had been duly appointed and were qualified to be a director or a member of the committee.

Disqualification

~~127~~125 This is the case even if it is afterwards discovered there was some defect in the appointment of a person to be a director or a member of the committee, or to act as a director, or that person so appointed was disqualified.

Declaration of interests

~~128~~126 If a director has a personal interest in a proposed contract or arrangement which the Company may enter into, he or she must declare that interest:

~~128.1~~126.1 _____ at the directors' meeting at which the proposed contract or arrangement is first discussed; or

~~128.2~~126.2 _____ *if the interest arises later*, at the first meeting of directors after he or she becomes aware of the interest.

The secretary must record all declarations in the minutes of the relevant directors meeting.

~~129~~127 If a director has a material personal interest in a proposed contract or arrangement which the Board is considering he or she may only be present and vote on the matter if the Board has passed a resolution that:

~~129.1~~127.1 specifies the director, the interest and the matter, and

~~129.2~~127.2 states that the directors voting for the resolution are satisfied that the interest should not disqualify the director from considering or voting on the matter.

Interests obtained post-contract

~~130~~128 If a director gains a personal interest in a contract or arrangement which the Company has already entered into, he or she must declare that interest at the first meeting of directors after he or she becomes aware of that interest.

Interested directors included in quorum

~~131~~129 A director who has previously declared a personal interest to a meeting of directors of the Company may vote on and be counted in the quorum of directors, in respect of any contract or arrangement by the Company with any other person or corporation in which the director may be interested. The director may also vote in respect of the director's appointment to any office or place of profit under the Company.

Failure to disclose

~~132~~130 A director's failure to make disclosure under this clause does not render void or voidable a contract or arrangement in which the director has a direct or indirect interest.

Directors of related corporations

~~133~~131 A director is deemed to be not interested in any contract or arrangement where the only personal interest of the director arises because the director is also a director of a corporation which is deemed to be related to the Company by the *Corporations Law*.

Interested director may attest seal

~~134~~132 A director may attest the affixing of the Seal to any document or execute any document as a director of the Company relating to a contract or arrangements in which the director has an interest.

Directors guarantee

~~135~~133 A director is not deemed to be interested in any contract or proposed contract relating to any loan to the Company by reason only that the director has guaranteed or proposed to guarantee jointly or severally the repayment of the loan.

Partnership/other interests

~~136~~134 If, because a director is a member of a partnership, or a director or shareholder of another company, or is in a position to control another entity, he or she will be personally interested in any of the Company's contracts or arrangements with that partnership, company or entity, he or she may give the other directors a written notice declaring his or her relationship to that partnership, company or entity and his or her consequent interest in all contracts or arrangements with it. The notice is a sufficient declaration of interest in relation to any future contracts or arrangements with that partnership, company or entity.

Directors aware of interest

~~137~~135 If all other directors are aware that a director is a member of a partnership, or a director or shareholder of another company, or is in a position to control another entity, that fact has the same effect as if the director had given the other directors written notice under the previous clause at the time all of them as a group first became aware of it.

~~137.1~~135.1 'Entity' includes a trust or other entity whether it is a legal person or not. The following are examples of a director being in a position to control an entity.

~~137.2~~135.2 The director is the appointor of a trust and has power to remove the trustee.

~~137.3~~135.3 The director is the sole trustee of a trust.

~~137.4~~135.4 The trustee or trustees of a trust are accustomed to act in accordance with the wishes of the director.

M Sole directors and the passing of resolutions

Sole directors' minute

~~138~~136 Where there is a sole director of the Company, this clause is an alternative to the procedures in Section L of this constitution. Where a sole director signs a minute recording the director's decision to a particular effect, the recording of the decision counts as the passing by the director of a resolution to that effect.

N Chief Executive Officer

Appointment

~~139~~137 The directors may appoint a Chief Executive Officer on the terms and for the length of time that they consider appropriate. The directors may give the Chief Executive Officer any of the powers they can exercise other than the following powers: to borrow, to sub-delegate and to enter into joint ventures or other similar business associations. They may also impose any limitations on the exercise of those powers, and may withdraw or alter the powers they have conferred.

Cessation of appointment

~~140~~138 A Chief Executive Officer's appointment ends immediately any of the following happens.

~~140.1~~138.1 The directors end the appointment by written notice, provided that they comply with any agreement relating to the ending of the appointment.

~~140.2~~138.2 The period of the appointment ends.

Remuneration

~~141~~139 A Chief Executive Officer, subject to any agreement entered into in a particular case, may receive such remuneration (whether by way of salary, commission or partly in one way and partly in another) as the directors determine.

Powers of Chief Executive Officer

~~142~~140 Any powers by the directors on the Chief Executive Officer conferred may be concurrent with or to the exclusion of the powers of the directors.

O Secretary

Appointment of secretary

~~143~~141 The Secretary shall be appointed by the Board upon such conditions as the Board thinks fit. Any Secretary so appointed may be removed by the Board. The Secretary may but need not be a director.

~~144~~142 The Secretary of the Company shall not be entitled to any remuneration for performing that office.

Secretary to attend meetings

~~145~~143 Unless directed otherwise by the Board, the Secretary shall attend all meetings of the Board and other committees established by the Board and all general meetings of the Company and shall keep a record of the proceedings of those meetings.

Preparation, circulation and approval of minutes

~~146~~144 The Secretary shall cause draft minutes of all such meetings to be promptly circulated to all directors for information and approval. Subject to any objection, the Chairperson of the meeting or the next such meeting shall sign the minutes to certify that they are a true and correct record of the proceedings of the meeting.

P Treasurer

Appointment of treasurer

~~147~~145 The Treasurer shall be appointed by the directors for a term of two years and upon such conditions as the Board thinks fit. Any Treasurer so appointed may be removed by the Board. The Treasurer may but need not be a director.

Duties of Treasurer

~~148~~146 The Treasurer has the following duties:

~~148.1~~146.1 _____ to receive all moneys paid to the Company and issue the necessary receipts on behalf of the Company;

~~148.2~~146.2 _____ to deposit all moneys received to the credit of the Company in a bank account approved by the Company;

~~148.3~~146.3 _____ to keep detailed accounts of all receipts and expenditure and prepare an annual statement of account; and

~~148.4~~146.4 _____ to arrange for the payment of all amounts properly payable from the funds of the Company in such manner, and in conformity with such procedures, as this Constitution provides and as the Board may from time to time prescribe.

Q Seal

Directors may elect to adopt a seal

~~149~~147 The directors may adopt a Seal.

Safe custody of Seal

~~150~~148 If the directors adopt a Seal, they must provide for the safe custody of the Seal.

Authority to use Seal

~~151~~149 Where a Seal has been adopted:

~~151.1~~149.1 _____ the Seal may only be used with the authority of the directors, or of a committee of the directors authorised by the directors to authorise the use of the Seal

~~151.2~~149.2 _____ every document to which the Seal is affixed must be signed by a director and be countersigned by another director, a secretary or another person appointed by the directors to countersign that document or a class of documents in which that document is included.

Where no seal is adopted

~~152~~150 If the directors do not adopt a seal, documents may be executed in the name of the Company in the manner provided by the *Corporations Law*.

R Accounts and audit

Inspection of accounts

~~153~~151 Subject to the requirements of the Law, the Board shall from time to time determine at what times and places under what conditions or regulations the accounting and other records of the Company shall be open to the inspection of members.

~~154~~ — ~~The Council and its appointed auditors have the right to inspect and audit the accounts of the Company provided reasonable notice is first given to the Company.~~

Appointment of auditor

~~155~~152 A properly qualified Auditor or Auditors shall be appointed and his, her or their duties regulated in accordance with the Law.

S Powers of attorney

Powers of attorney

~~156~~153 The directors may grant a power of attorney to another person to act on behalf of the Company. The power of attorney must state each of the following:

~~156.1~~153.1 the powers and discretions that the attorney may exercise

~~156.2~~153.2 the duration of the power

~~156.3~~153.3 any conditions on its exercise.

The document may also contain any provisions to protect people dealing with the attorney that the directors consider appropriate.

Limits on power

~~157~~154 The powers conferred on an attorney cannot exceed the powers of the directors. The attorney may be authorised to delegate any of the powers conferred on him or her.

T Records

Records

~~158~~155 The directors must determine whether and on what conditions the accounting records and other documents of the Company or any of them are open to the inspection of members other than directors. A member other than a director does not have the

right to inspect any document of the Company except as provided by the *Corporations Law* or authorised by the directors or by the Company in general meeting.

Keeping records

~~159~~156 The directors must ensure that proper accounting and other records are kept, and that balance sheets are distributed in accordance with the requirements of the *Corporations Law*.

U Notices

Method

~~160~~157 A notice may be given by the Company to any executive member or community member either by serving it on the executive member or community member personally or by sending it by post to the executive member or community member at his, her or their address as shown in the register of members or the address including any facsimile number supplied by the member to the Company for the giving of notices to the member.

Deemed receipt

~~161~~158 Where a notice is sent by post, service of the notice is deemed to be effected by properly addressing, prepaying, and posting a letter containing the notice, and to have been effected, in the case of a notice of a meeting, on the day after the date of its posting and, in any other case, at the time at which the letter would be delivered in the ordinary course of post. Notices sent by facsimile transmission to the facsimile number nominated by any member for service of notices on him, her or it shall be effective on the date of an error free fax transmission report from the sender's facsimile machine.

Persons entitled to notice

~~162~~159 Notice of every general meeting must be given in the manner authorised by clause ~~158~~160 to ~~159~~161 to:

~~162.1~~159.1 every executive member

~~162.2~~159.2 every community member

~~162.3~~159.3 the auditor of the Company.

~~163~~160 No other person is entitled to receive a notice of general meeting.

V No distributions to members

No division of property among members

~~164~~161 The assets and income of the Company shall be applied solely in furtherance of the objects and no portion shall be distributed directly or indirectly to the members of the Company except as bona fide compensation for services rendered (where permitted) or expenses incurred on behalf of the Company.

W Indemnity

~~165~~162 The Company must continually indemnify each director, officer and employee against liability (including liability for costs and expenses) for an act or omission in the capacity of director, officer or employee of the Company. However, this does not apply in respect of any of the following:

~~165.1~~162.1 a liability to the Company or a related body corporate.

~~165.2~~162.2 a liability to some other person that arises out of conduct involving a lack of good faith.

~~165.3~~162.3 a liability for costs and expenses incurred by the officer in defending civil or criminal proceedings in which judgment is given against the officer or in which the officer is not acquitted.

~~165.4~~162.4 a liability for costs and expenses incurred by the officer in connection with an unsuccessful application for relief under the *Corporations Law*,

in connection with the proceedings referred to in the preceding paragraph.

Insurance premiums

~~166~~163 The Company may pay the premium on a policy of insurance in respect of a person who is or has been an officer or auditor of the Company to the full extent permitted by the *Corporations Law*.

X Expulsion of members

Board Action

~~167~~164 If the Board is of the opinion that an executive member or community member:

~~167.1~~164.1 has refused or neglected to comply with a provision of this Constitution; or

~~167.2~~164.2 has wilfully acted in a manner prejudicial to the interests of the Company.

the Board may, by resolution, expel the executive member or community member

from the Company or suspend the executive member or community member from membership for a specified period.

Notice to member

~~168~~165 Where the Board passes a resolution under clause ~~164~~166, the Secretary must, as soon as practicable, cause a notice in writing to be served on the executive member or community member:

~~168.1~~165.1 setting out the resolution and the grounds on which it is based;

~~168.2~~165.2 stating that the executive member or community member may address the Board at a meeting to be held not earlier than 14 days and not later than 28 days after the service of the notice;

~~168.3~~165.3 stating the date, place and time of the meeting; and

~~168.4~~165.4 informing the executive member or community member that they may do either or both of the following:

- (i) attend to speak at the meeting;
- (ii) submit to the Board at or prior to the date of the meeting, written representations relating to the resolution.

~~169~~166 At a meeting of the Board referred to in clause ~~165~~167 the Board will:

~~169.1~~166.1 give the executive member or community member the opportunity to make oral representations;

~~169.2~~166.2 give due consideration to any written representation submitted to the Board by the member at or prior to the meeting; and

~~169.3~~166.3 by resolution determine whether to confirm or revoke the resolution.

Notice of Confirmation

~~170~~167 If the Board confirms a resolution under clause ~~166~~168 the Secretary will, within 7 days after the confirmation, by notice in writing inform the executive member or community member of the fact and of their right of appeal under clause ~~168~~170.

Entitlement to Appeal

~~171~~168 A resolution confirmed by the Board under clause ~~166~~168 does not take effect:

~~171.1~~168.1 until the expiration of the period within which the executive member or community member is entitled to appeal against the resolution where they do not exercise the right of appeal within that period; or

~~171.2~~168.2 where within that period the executive member or community members exercises the right of appeal, unless and until a meeting confirms the resolution pursuant to clause ~~172~~174.

Period for Appeal

~~172~~169 An executive member may appeal to a general meeting of executive members, and a community member may appeal to a general meeting of community members, against the resolution of the committee which is confirmed under clause ~~166~~168 within 7 days after notice of the resolution is served on the member by lodging with the Secretary a notice to that effect.

General Meeting to Consider

~~173~~170 Upon receipt of a notice from a member under clause ~~169~~171, the Secretary must notify the Board which will convene the appropriate general meeting of members to be held within 21 days after the date on which the Secretary receives the notice.

Procedure at General Meeting

~~174~~171 At a general meeting convened under clause ~~169~~171:

~~174.1~~171.1 no business other than the question of the appeal will be transacted;

~~174.2~~171.2 the Board and the executive member or community member will be given the opportunity to state their respective cases orally or in writing or both; and

~~174.3~~171.3 the members present and entitled to vote will vote by secret ballot on the question of whether the resolution should be confirmed or revoked.

Resolution to Confirm

~~175~~172 To confirm a Board resolution under clause ~~166~~168 such a general meeting may pass an ordinary resolution in favour of confirming the Board resolution.

Y Winding up

~~176~~173 Transfer of Property

If, upon the winding-up or dissolution of the Company after the satisfaction of all its debts and liabilities there remains any property, the property must be given or transferred to some other institution or institutions:

~~176.1~~173.1 which is or are required to pursue only charitable objects; and

~~176.2~~173.2 which is a charity registered under the ACNC Act or endorsed as a charity by the Commissioner; and

~~176.3~~173.3 which has or have purposes similar to the Objects of the Company; and

~~176.4~~173.4 which is or are prohibited from making any distribution to its members or paying fees to its directors.

~~177~~174 Determination by Directors or Members

This institution or institutions referred to in clause ~~173~~175 must be determined by:

~~177.1~~174.1 the Directors;

~~177.2~~174.2 if the Directors do not wish to decide or do not decide, then by the Members by ordinary resolution at or before the time of winding up or dissolution; or

~~177.3~~174.3 if the Members cannot decide, then by a Judge of the Supreme Court of the State or such other court of competent jurisdiction as the Directors may determine.

Z Miscellaneous

Insurance

~~178~~175 The directors shall maintain adequate insurances (including public liability insurance) to maintain and preserve the assets of the Company on such terms and for such amounts as they consider desirable.

Replaceable rules do not apply

~~179~~176 The Replaceable Rules in the *Corporations Law* do not apply to the Company.

Financial year

~~180~~177 Until the directors otherwise resolve, the financial year of the Company shall end on 30 June in each year.

Definitions

Board	means the board of directors.
Business Day	means a days on which the major trading banks are open for ordinary business in Melbourne, Victoria and excludes a Saturday, Sunday or public holiday.
Company	means Australian Energy Foundation Ltd ACN 095 439 160.
Council	means the Moreland City Council.
Officer	has the meaning given by Section 241(4) of the <i>Corporations Law</i> .
Representative	means a representative appointed by a member under Section 249(3).
Seal	means the common seal of the Company and includes any official seal of the Company.

Constitution

In this Constitution, unless the context otherwise requires:

ACNC	means the Australian Charities and Not-for-profits Commission established under the ACNC Act.
ACNC Act	means the Australian Charities and Not-for-profits Commission Act 2012 (Cth) as modified or amended from time to time and includes any regulations made under that Act and any exemption or modification to that Act applying to the Company and includes any Act or Regulations which replace that Act or any part of that Act, including, where applicable, the ITAA 97.
Business Day	if a person is required to pay money or do an act or thing on a day that is not a Business Day, then the person may pay the money or do the act or thing on the next Business Day.
Collective reference	reference to a thing (including an amount) is a reference to all or any part of it and a reference to a group of things or persons is a reference to any one or more of them.
Commissioner	the Commissioner of Taxation, a Second Commissioner of Taxation or a Deputy Commissioner of Taxation for the purposes of the ITAA 97.

Corporations Law defined terms	except as far as the contrary intention appears in these clauses, where a clause deals with a matter also dealt with by a provision of the <i>Corporations Law</i> , the expression has the same meaning as in that provision.
Defined expressions	if a word or phrase is defined, a related word or phrase has the corresponding definition.
Deductible Contributions	a contribution of money or property as described in item 7 or item 8 of the table in section 30-15 of the ITAA 97 in relation to a fundraising event held for the purpose of the Trust.
Department	means the Department of Environment and Energy or such successive Department. Director A reference to a director is a reference to a director of the Company. Where appropriate it includes a reference to an alternate director but does not include a reference to an associate director.
Division 10	Division 10 of Part 1.2 of the <i>Corporation Law</i> applies to these clauses as if they were any instrument made under the <i>Corporations Law</i> in force on the day when these clauses become binding on the Company.
Gender	A reference to a gender includes the other genders.
Gift Fund Purposes	has the meaning given to the term in clause 5.
Headings	A heading must be ignored in construing this document.
Inclusive terms	If an inclusive term is used, such as “includes” or “including” then this must be construed as “includes, without limitation” or “including without limitation”.
ITAA 1936	means the Income Tax Assessment Act 1936 (Cth)
ITAA 1997	means the Income Tax Assessment Act 1997 (Cth).
Joint liability	An obligation on two or more parties binds each partly jointly and severally.
Joint obligation	An obligation incurred in favour of two or more parties may be enforced by each of those parties jointly and severally.

Meeting	A reference to a meeting includes a decision of a sole member recorded according to clause 75 and a decision of a sole director recorded according to clause L132 L133.
Member	A reference to a member is a reference to a person for the time being entered as a member of the Company in the Register of Members kept by the Company according to the <i>Corporations Law</i> and does not include an community member unless the context otherwise requires.
Minister	means that Minister of the Department.
Numbers	A word in the singular from includes the plural, and vice versa.
Person	A reference to a person includes a corporation or body politic.
Register	A reference to the register means the register of members and includes where appropriate a reference to a branch register.
Responsible Persons	<p>an individual who:</p> <p>performs a significant public function;</p> <p>is a member of a professional body having a code of ethics or rules of conduct;</p> <p>is officially charged with spiritual functions by a religious institution;</p> <p>is a director of a company whose shares are listed on the Australian Securities Exchange;</p> <p>has received formal recognition from government for services to the community;</p> <p>is an individual before whom a statutory declaration may be made; or</p> <p>is approved as a Responsible Person by the Commissioner.</p>
Secretary	A reference to a secretary includes any person appointed to perform the duties of a secretary of the Company.
Section	A reference to a section is a reference to a section of the <i>Corporations Law</i> .

Share	A reference to share means a share in the Company.
Sole director	A reference to a sole director is a reference to a person who is a director of the Company at a time when no other person is a director.
Sole member	A reference to a sole member is a reference to a person who is a member of the Company at a time when no other person is a member.
Sole secretary	A reference to a sole secretary is a reference to a person who is appointed to perform the duties of a secretary of the Company at a time when no other person is a secretary.
Statutory amendment	<p>A reference to a statute, ordinance, code or other law includes:</p> <ul style="list-style-type: none">• a regulation and other statutory instrument under it; and• a consolidation, amendment, re-enactment or replacement of any of them.
Treasurer	The Federal Treasurer.
Variation	A reference to this or any other document includes the document as varied or replaced, even if the parties have changed.
Writing	A reference to writing includes any mode of representing or reproducing words in tangible and permanently visible form, and includes a telex or facsimile transmission.

Moreland City Council & Australian Energy Foundation Ltd

Funding Agreement 2020/21 to 2024/25

PARTIES

Moreland City Council ABN 46 202 010 737 of 90 Bell Street, Coburg, Victoria 3058 (**Council**)

Australian Energy Foundation Limited ABN 72 095 439 160 of Level 1, 200 Sydney Road, Brunswick, Victoria 3056 (**AEF**)

RECITALS

- A. AEF was registered as a company limited by guarantee on 20 December 2000 and some background to AEF's establishment appears in Schedule 1 to this Agreement.
- B. In April 2005, April 2010, and again in April 2015, Council and AEF entered into an agreement whereby Council provided funding to AEF for the following 5 year period.
- C. The current agreement will expire on 30 June 2020 and Council and AEF wish to enter into an arrangement concerning the future provision of funding to AEF.
- D. Council and AEF have agreed on the terms on which future funding will be provided to AEF by Council and enter into this Agreement to give effect to those arrangements.

OPERATIVE PROVISIONS

1. Definitions

1.1 In this Agreement, unless the contrary intention appears:

Activities means the activities that AEF is to deliver with the Funding during a Financial Year, as outlined in Schedule 3 and reviewed annually and agreed by the parties in the Annual Plan for that Financial Year;

Activity Materials means all Materials developed by or on behalf of AEF in the course of undertaking this Agreement, including all Materials written, created or prepared by or on behalf of AEF in relation to the Activities;

Agreement means this document including the schedules and any documents incorporated by reference such as agreed Annual Plans for each Financial Year;

Annual Plan means for a Financial Year, the plan included at Schedule 4 or agreed by the parties in accordance with clause 3.2 for that Financial Year;

Claim means any claim, allegation, cause of action, proceeding, demand, debt, liability, obligation, cost or expense of any nature however it arises and whether it is present or future, fixed or unascertained, actual or contingent (whether or not the facts, matters or circumstances giving rise to that claim are known to that person or to any other person at the date of this Agreement) and whether at law, in equity, under statute or otherwise.

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Confidential Information means all Materials, in any form, in relation to Council or its operations or policies which comes into AEF's possession or control pursuant to, or as a result of or in performance of this Agreement, but excluding information:

- (a) which at the time of its first disclosure or observation under this Agreement was in the public domain; or
- (b) which, after disclosure or observation under this Agreement, comes into the public domain otherwise than by disclosure in breach of this Agreement,

and only if AEF can provide documentary evidence to Council establishing that any of the circumstances in (a) to (b) of this definition apply;

Conflict refers to a conflict of interest, or risk of a conflict of interest, or an apparent conflict of interest arising through AEF engaging in any activity or obtaining any interest that is likely to conflict with or restrict AEF undertaking the Activities fairly and independently and in accordance with this Agreement;

Council Purposes means one or both of:

- (a) Council and the Councillors, employees, agents and contractors of Council, as well as the property owners and residents of Council's municipal district, obtaining the benefit of the Activities, this Agreement or earlier work funded by Council; and
- (b) dissemination and use for research and academic purposes or to further public discourse in relation to carbon reduction and related environmental objectives,

including:

- (c) providing Materials or sublicensing Intellectual Property Rights to third parties who are providing goods or services to or on behalf of Council; and
- (d) any use that does not involve Council deriving a profit for Council;

CPI means the Consumer Price Index – All Groups Melbourne or if this index is not available, such other index that represents the rise in the cost of living in Melbourne, as Council reasonably determines;

Financial Year means a 12 consecutive month period during the Term commencing on 1 July and ending on the immediately following 30 June;

Force Majeure means the following events or causes, to the extent it is beyond the reasonable control of that party:

- (a) act of God, lightning, storm, flood, fire, earthquake or explosion or adverse weather conditions;
- (b) strike, lockout or other labour difficulty;
- (c) act of public enemy, war (declared or undeclared), terrorism, sabotage, blockade, revolution, riot, insurrection, civil commotion, epidemic;
- (d) the effect of any applicable laws, orders, rules or regulations of any government or other competent authority;
- (e) embargo, power or water shortage, lack of transportation; and
- (f) breakage or accident or other damage to machinery;

Funding means:

- (a) for the first Financial Year of the Term, the sum of up to \$200,000 exclusive of GST;
- (b) for the second Financial Year of the Term, the sum of up to \$XXX,000 exclusive of GST; and
- (c) for each subsequent Financial Year of the Term (after the second Financial Year), the sum of up to the total funding payable by Council to AEF pursuant to this Agreement in the previous Financial Year of the Term, adjusted to reflect any upward movement in CPI.

Insolvency Event means anything that reasonably indicates that there is a significant risk that AEF is or will become unable to pay its debts as they fall due. This includes any one or more of the following:

- (a) a meeting of AEF's creditors being called or held;
- (b) a step being taken to wind AEF up;
- (c) the appointment of a controller or administrator (as defined in section 9 of the *Corporations Act 2001* (Cth)) of AEF;
- (d) AEF entering into any type of arrangement with, or assignment for the benefit of all or any of its creditors;
- (e) AEF being made subject to a deed of company arrangement; and
- (f) a step being taken to have a receiver, receiver and manager, liquidator or provisional liquidator appointed to AEF or any of its assets;

Intellectual Property Rights means all and any patents, patent applications, trade marks, service marks, trade names, domain names, registered designs, unregistered design rights, copyrights, know how, trade secrets and rights in confidential information, URLs and all and any other intellectual property rights, whether registered or unregistered, and including all applications and rights to apply for any of the same;

Loss means any damage, liability, action, loss, charge, cost or expense (including legal expenses on a full indemnity basis and consultants' fees);

Material means documents, records, software, goods, images, information and data stored by any means including all copies and extracts of the same;

Prior IP means:

- (a) any Intellectual Property Rights in Materials developed independently of this Agreement and used by a party for the purpose of performing the Activities or this Agreement (or both); and
- (b) in the case of AEF, includes Intellectual Property Rights in Materials developed by or on behalf of AEF under (or for the purposes of) earlier contracts or other arrangements between AEF (or its predecessors) and Council; and

Term means the term of this Agreement, as set out in clause 2.

1.2 In this Agreement:

1.2.1 headings and sub-headings are inserted for ease of reference only and do not affect the interpretation of the Agreement;

1.2.2 a reference to:

- (a) a statute includes regulations under it and consolidations, amendments, re-enactments or replacements of any of them;
- (b) a person includes a firm, partnership, joint venture, association, corporation or other body corporate;
- (c) a person includes the legal personal representatives, successors and assigns of that person;
- (d) any body which no longer exists or has been reconstituted is a reference to a body which most closely serves the purposes or objects of the first-mentioned body;
- (e) this or other documents includes the document as varied or replaced regardless of any change in the identity of the parties;
- (f) '\$' or 'dollars' is a reference to Australian dollars; and
- (g) the singular includes the plural and vice versa.

1.2.3 the terms 'including' and 'includes' are not terms of limitation.

2. Term

This Agreement commences on 1 July 2020 and continues until 30 June 2025, unless terminated earlier in accordance with this Agreement.

3. Funding and Annual Plans

3.1 Funding

Subject to this clause 3 and compliance by AEF with this Agreement, Council will pay the Funding to AEF during the Term.

3.2 Annual Plans

3.2.1 Subject to clause 3.2.2, the agreed Annual Plans for the first and second Financial Years of the Term are set out in Schedule 4.

3.2.2 The parties may, during the 3 months prior to the commencement of the second Financial Year, review and update the Annual Plan (at Schedule 4) for the second Financial Year as required to ensure the plan still reflects Council's priorities. Any changes to that plan must be agreed by the parties in writing.

3.2.3 AEF must, not less than 3 months prior to the commencement of each of the third, fourth and fifth Financial Years, prepare a draft Annual Plan for the conduct of the activities described in Schedule 3 (and any other activities agreed by the parties) during the next Financial Year (**Draft Annual Plan**) and submit the Draft Annual

Plan to Council for its approval. Unless otherwise agreed by the parties, the Draft Annual Plans must be substantially in the form in Schedule 4.

- 3.2.4 Except to the extent otherwise first agreed by Council in writing prior to the preparation of the relevant Draft Annual Plan, the financial contribution of Council in a Draft Annual Plan for a Financial Year must not exceed the available Funding for that Financial Year.
- 3.2.5 The Draft Annual Plan submitted to Council for approval must contain a description of the activities to be conducted by AEF with the Funding during the Financial Year and, unless Council expressly agrees in writing that any of the following are not required, must contain the following:
- (a) a timetable (including key dates and milestones) for delivery of each of the Activities; and
 - (b) any agreed performance measures; and
 - (c) a budget for each of the Activities, including amounts proposed to be contributed by Council, AEF and other contributors;
 - (d) details of the anticipated outcomes from each Activity and metrics (which may include intended outcomes or outputs from the Activity) to demonstrate the effective and efficient use of the Funding, with:
 - (i) specific outcomes to be included for each Activity that expand on the high-level outcomes included in Schedule 3 for that Activity; and
 - (ii) specific performance measures for each Activity that include and supplement (where required by Council) the performance measures included in Schedule 3 for that Activity;
 - (e) details of the AEF employees and contractors who will perform the Activities (including a curriculum vitae for such persons);
 - (f) details of preferred (and specific) non-monetary contributions by Council and third parties; and
 - (g) such other information required by Council from time to time.
- 3.2.6 Promptly following Council's receipt of a Draft Annual Plan (including any Draft Annual Plan that is resubmitted following the receipt of comments or suggested amendments from Council), Council will either:
- (a) advise AEF that the Draft Annual Plan is agreed, in which case it will become the Annual Plan for the relevant Financial Year;
 - (b) provide comments or suggested amendments (or both) in relation to the Draft Annual Plan, in which case AEF must update the draft annual plan and promptly resubmit it to Council; or
 - (c) propose a meeting with AEF to discuss the Draft Annual Plan, following which AEF must update the plan in accordance with any agreement reached at the meeting and promptly resubmit it to Council.

- 3.2.7 Subject to this clause 3.2, the parties will endeavour to agree on the final form of the Annual Plan for a Financial Year during the immediately preceding March, if not before.
- 3.2.8 AEF must perform the Activities included in an agreed Annual Plan and will be fully responsible for the performance of the Activities in agreed Annual Plans, except to the extent that the agreed Annual Plan expressly provides that Council or a third party is responsible for the delivery of any part of an Activity or where either party is prevented in whole or in part in completing any part of an Activity as a result of Force Majeure.
- 3.2.9 The person from time to time performing the role within AEF of General Manager, Zero Carbon Services (or equivalent) will have day-to-day oversight on behalf of AEF of the performance of this Agreement, including the performance of any Activities included in agreed Annual Plans. Council may (but is not obliged to) raise performance queries or issues in relation to this Agreement with the General Manager, Zero Carbon Services.

3.3 Invoicing and paying Funding

- 3.3.1 Subject to the agreement of the parties of the relevant agreed Annual Plan and clause 3.3.2, AEF will invoice Council for the Funding payable during a Financial Year as follows:
- (a) 20% payment in July of the Financial Year;
 - (b) 60% payment at end of August of the Financial Year pending receipt by Council of a satisfactory annual report for the year just gone, and Council having reasonable confidence in AEF's ability to deliver all of the Activities in the remainder of that Financial Year ahead;
 - (c) 20% at end of April of that Financial Year pending Council receiving a satisfactory 3rd quarter report for that Financial Year and Council having reasonable confidence that AEF is on track to deliver all of the Activities for that Financial Year in full by 30 June in that Financial Year.
- 3.3.2 If Council has declined to make the payment under clause 3.3.1(c) during a Financial Year, AEF must continue to deliver the Activities in the agreed Annual Plan for that Financial Year and AEF may invoice Council for the balance of the agreed Funding for the Financial Year in arrears when:
- (a) AEF has completed all Activities due to be completed in that Financial Year in accordance with this Agreement and the relevant Annual Plan and reported to Council in writing on the outcomes of such Activities; and
 - (b) Council has indicated to AEF in writing that Council considers (acting reasonably) that AEF has satisfied the criteria in clause 3.3.2(a).
- 3.3.3 All AEF invoices must be tax invoices and contain any other information reasonably required by Council from time to time.
- 3.3.4 Council will pay all correctly rendered invoices from AEF within 30 days of receipt.
- 3.3.5 AEF is responsible for all taxes, duties and charges imposed or levied in Australia or overseas in connection with the performance of this Agreement other than GST or unless expressly provided by this Agreement.
- 3.3.6 Any Funding not used by AEF for the purposes of this Agreement must be repaid to Council upon request (in which case such an amount will immediately become a

debt due and payable by AEF to Council), or otherwise be used by AEF in the manner directed by Council.

- 3.3.7 To the greatest extent permitted by law, Council has no obligation to pay any monies to AEF under or in relation to this Agreement in excess of the total Funding payable under this Agreement.
- 3.3.8 AEF acknowledges and agrees that:
- (a) Council will not be responsible at any time for any liabilities incurred or entered into by AEF as a result of, or arising out of AEF's responsibilities under this Agreement or the conduct of the Activities, including amounts owing to AEF's employees and contractors; and
 - (b) it has sole responsibility for actions and the performance of persons authorised or engaged by AEF to participate in or perform any Activities.
- 3.4 GST**
- 3.4.1 In this clause words that are defined in *A New Tax System (Goods and Services Tax) Act 1999* (Cth) have the same meaning as their definition in that Act.
- 3.4.2 Except as otherwise expressly provided, all consideration payable under this Agreement in relation to any supply is exclusive of GST.
- 3.4.3 If GST is payable in respect of any supply made by a supplier under this Agreement, subject to clause 3.4.4, the recipient will pay to the supplier an amount equal to the GST payable on the supply at the same time and in the same manner as the consideration for the supply is to be provided under this Agreement.
- 3.4.4 The supplier must provide a tax invoice to the recipient before the supplier will be entitled to payment of the GST payable under clause 3.4.3.

4. Reporting and meetings

4.1 Quarterly reports

- 4.1.1 AEF will provide quarterly reports to Council within 14 days following the end of each quarter during the Term on the performance of Activities in an agreed Annual Plan during the preceding quarter.
- 4.1.2 In addition to any other information required by Council from time to time, quarterly reports must fully describe the steps taken in relation to each Activity during the relevant quarter and include details in respect of the quarter of:
- (a) outcomes achieved and performance against all agreed performance measures set out in the relevant agreed Annual Plan;
 - (b) potential risks and issues associated with future work during any Financial Year and the steps that may be taken to mitigate them;
 - (c) the amount of the Funding expended in the Financial Year to date; and
 - (d) a revised budget (if necessary) in relation to the Annual Plan and, in the event of a likely shortfall, details of alternative funding sources that may be drawn on (outside of Council) to meet the shortfall.

4.2 Annual reports

- 4.2.1 AEF will provide an annual report to Council within 30 days following the end of each Financial Year on the performance of the Activities in the agreed Annual Plan during that Financial Year.
- 4.2.2 In addition to any other information required by Council from time to time, annual reports must fully describe the steps taken in relation to each Activity in the Financial Year and include details in respect of the Financial Year of:
- (a) outcomes achieved and performance against all agreed performance measures set out in the relevant agreed Annual Plan;
 - (b) potential risks and issues associated with future work during subsequent Financial Years and the steps that may be taken to mitigate them;
 - (c) lessons learned during the performance of the Activities;
 - (d) opportunities to leverage outcomes and Activity Materials created during the Financial Year to enhance the ability for the Moreland community to live and work in a zero-carbon future; and
 - (e) a full acquittal of all Funding expended during the Financial Year and details of any unexpended Funding (including details of how AEF would propose that unexpended Funding could be used in the future, subject to Council's approval).
- 4.2.3 Reports submitted by AEF to Council under clauses 4.1 and 4.2 will be considered by appropriate personnel and groups within (or established by) Council as determined by Council. Such personnel and groups may include the project control group or other body or persons who have oversight over the new Zero Carbon Moreland – Action Plan 2020/21 – 2024/25.

4.3 Meetings

- 4.3.1 The Chief Executive Officers of Council and AEF will meet as needed from time to time at mutually convenient times to discuss higher level strategic matters relevant to the Agreement.
- 4.3.2 The Chief Executive Officers of Council and AEF will each nominate suitably qualified personnel from within their respective organisations (who shall be of a broadly equivalent level within such organisations) to meet regularly as required by Council during the Term to discuss any operational matters. Terms of reference and procedures for meetings under this clause 4.3.2 may be agreed by the parties in writing from time to time.

5. Intellectual property

5.1 Intellectual Property Rights in Activity Material

As between Council and AEF, all Intellectual Property Rights in Activity Material shall vest in AEF upon creation.

5.2 Prior IP

- 5.2.1 Each party will retain ownership of its Prior IP.

5.2.2 AEF grants to Council a worldwide, non-exclusive, perpetual, irrevocable, royalty free licence (including the right to sub-licence) to reproduce, publish, communicate to the public, adapt, modify or otherwise use AEF's Prior IP for Council Purposes.

5.2.3 Council grants to AEF a worldwide, non-exclusive, perpetual, revocable, royalty free licence (including the right to sub-licence) to reproduce, publish, communicate to the public, adapt, modify or otherwise use Council's Prior IP solely for the purposes of performing this Agreement.

5.3 Licence to Council

AEF grants to Council a worldwide, non-exclusive, perpetual, irrevocable, royalty free licence (including the right to sub-licence) to reproduce, publish, communicate to the public, adapt, modify or otherwise use the Activity Material (including the Intellectual Property Rights in the Activity Material) for Council Purposes.

5.4 Warranty

AEF warrants to Council that it is entitled to use and deal with any Intellectual Property Rights which are supplied or made available to Council under or for the purposes of this Agreement.

5.5 Moral Rights

If any copyright work supplied (or required to be supplied) by AEF to Council under this Agreement contains information over which a third party (including AEF's personnel and subcontractors) has 'Moral Rights' (as defined in the *Copyright Act 1968* (Cth)), AEF must ensure that it has in place all necessary consents sufficient to allow Council to deal with such copyright work in accordance with this Agreement.

5.6 Domain names

AEF will, upon the expiry or termination of this Agreement or as otherwise required by Council, transfer to Council or Council's nominee all domain name registrations for websites operated by AEF for or on behalf of Council, including morelandzerocarbon.org.au.

6. Privacy

6.1 AEF must comply with its obligations under the *Privacy Act 1988* (Cth) and related regulations and codes.

6.2 If AEF considers it may be the subject of a data breach (of the kind required to be notified under the *Privacy Act 1988* (Cth)) relating to information collected for the purposes of this Agreement, AEF must notify Council as soon as is practicable (but at or before AEF is required to give notice under the *Privacy Act 1988* (Cth)) and comply with the reasonable directions of Council in relation to addressing that data breach.

6.3 In addition, AEF agrees not to cause, whether by act or omission, Council to fail to comply with the *Privacy and Data Protection Act 2014* (Vic), the Information Privacy Principles and any codes of practice under that Act.

6.4 AEF must obtain the consent of any person from whom it collects personal information in relation to an Activity or this Agreement to that person's personal information being supplied to Council or Council's contractors or agents for purposes related to the Activity or this Agreement.

7. Indemnity and Insurance

7.1 Indemnity

- 7.1.1 AEF must indemnify Council from and against any Losses sustained or incurred by Council, its officers, employees and agents (**Those Indemnified**) arising out of or as a consequence of:
- (a) any Claim against Those Indemnified in relation to any act or omission of AEF or its officers, employees and agents in connection with this Agreement or Activities;
 - (b) the exercise of Intellectual Property Rights or other rights licensed, granted or procured by AEF to or for Council under this Agreement, including any Claim that AEF's Prior IP or Activity Material (or both) infringes the Intellectual Property Rights of a third party;
 - (c) a negligent, reckless, wilful or unlawful act or omission of AEF or its officers, employees and agents performing this Agreement;
 - (d) a breach by AEF of any obligation under this Agreement; or
 - (e) a breach of any warranty given by or on behalf of AEF under this Agreement.
- 7.1.2 AEF's liability to Council under clause 7.1.1 will be reduced proportionately to the extent that any such Loss is directly caused by the negligence or other wrongful act or omission of Those Indemnified.

7.2 Insurance

- 7.2.1 AEF must have in force and maintain, at its own expense, the following insurance policies:
- (a) workers' compensation insurance as required by law;
 - (b) professional indemnity insurance in an amount of not less than [\$10 million] per period of insurance; and
 - (c) public and products liability insurance in an amount of not less than [\$20 million] per occurrence.
- 7.2.2 The insurance policies AEF is required under clause 7.2.1 to have in force and maintain must be with a reputable insurer and:
- (a) in the case of the professional indemnity insurance, must be held for the Term and for the period 7 years after the end of the Term; and
 - (b) in relation to the remainder of the insurance policies, must be held for the Term.
- 7.2.3 Upon request, AEF must provide to Council certificates of currency, or other documentary evidence, reasonably satisfactory to Council demonstrating the currency of insurances AEF must have in force and maintain under this Agreement.

8. Confidentiality and public statements

8.1 Confidentiality

- 8.1.1 AEF may disclose Confidential Information only:
- (a) for the purposes of, and to the extent necessary when, performing AEF's obligations under this Agreement;
 - (b) as required by law; or
 - (c) as permitted or required in writing by Council.
- 8.1.2 AEF:
- (a) may only use Confidential Information to perform its obligations under this Agreement;
 - (b) must take whatever measures are necessary and commercially reasonable to prevent the disclosure or misuse of Confidential Information; and
 - (c) must, at the direction of Council, return or destroy Confidential Information at the end of this Agreement (or such other time notified by Council) and confirm in writing to Council that AEF has complied with Council's direction.

8.2 Public statements and acknowledgment

- 8.2.1 Without limiting clause 8.2.2, any public statements in relation to this Agreement or Activities must be agreed by the parties in writing, and where practicable issued jointly.
- 8.2.2 AEF must acknowledge the financial and other support it has received from Council in the form set out in clause 8.2.3 in all publications, promotional and advertising materials and public announcements by it or on its behalf in relation to the Activities or any products, processes or inventions developed as a result of the Activities or this Agreement.
- 8.2.3 Unless otherwise agreed by Council (acting reasonably):
- (a) the form of acknowledgement is: '*<The Mike Hill Fellowship / or insert other Activity description> has been made possible through funding support from Moreland City Council*'; and
 - (b) AEF must include Council's then current logo with the acknowledgment (as provided by Council to AEF from time to time), in relation to which Council grants AEF a limited licence for this purpose.

9. Termination and suspension of Agreement

9.1 Termination of Agreement by Council or AEF

- 9.1.1 Either party may immediately terminate this Agreement by written notice to the other party if any of the following occurs:
- (a) either party is in breach of its obligations under this Agreement and does not remedy the breach (to the extent that it can be remedied) for 14 days after

receiving a written notice from the other party specifying the breach and requiring it to be remedied as directed by the other party, providing it falls within the scope of agreed parameters of the Agreement;

- (b) either party commits a breach of this Agreement which either party considers cannot be remedied;
- (c) either party commits multiple or recurring breaches of this Agreement, whether or not remedied;

9.1.2 Council may immediately terminate this Agreement by written notice to AEF if any of the following occur:

9.1.3 AEF is the subject of an Insolvency Event;

9.1.4 AEF ceases, or indicates that it is about to cease, carrying on its business;

9.1.5 a crime is committed by AEF's directors, members, employees, agents or subcontractors which Council reasonably considers may have the potential to adversely affect Council's reputation; and

9.1.6 a suspension under clause 9.3 has continued for more than 3 months.

9.2 Consequences of Termination

If this Agreement is terminated for any reason AEF must immediately repay to Council that proportion of the Funding that it has received but not yet expended or committed in accordance with this Agreement.

9.3 Suspension of use of Funding

Where Council is of the opinion that:

9.3.1 AEF has failed to comply with any of its obligations under this Agreement (including by failing to perform an Activity as required under this Agreement);

9.3.2 AEF has not performed, or is unlikely to perform, an Activity;

9.3.3 AEF has notified Council that a Force Majeure exists;

9.3.4 AEF or an officer, employee or agent of AEF has engaged or is likely to engage in any:

- (a) fraud; or
- (b) conduct which adversely affects or has the potential to adversely affect the reputation of Council; or

9.3.5 any of the other circumstances enabling Council to terminate this Agreement under clause 9.1 has occurred,

then Council may by notice in writing to AEF (without limiting Council's rights elsewhere under this Agreement or at law) immediately:

9.3.6 suspend the payment or any future Funding to AEF; or

- 9.3.7 require the repayment of any Funding paid to AEF that has not been expended or committed in accordance with this Agreement (in which case such an amount will immediately become a debt due and payable by AEF to Council).

10. Dispute Resolution

- 10.1 If a dispute arises under this Agreement, either party may at any time give written notice to the other requesting that a meeting take place to seek to resolve the dispute.
- 10.2 Nominated senior representatives of both parties must meet within 10 business days of the notice and endeavour to resolve the dispute in good faith. If such meeting does not take place or if after 10 business days of the meeting the dispute remains unresolved, the parties may refer the dispute to mediation in accordance with clause 10.3.
- 10.3 Within 5 business days of a dispute being referred to mediation pursuant to clause 10.2, the parties must agree on a mediator. If the parties do not agree on a mediator within that time, the mediator is to be appointed by the Resolution Institute ACN 008 651 232. The mediation is to be conducted in accordance with the Resolution Institute's Mediation Rules. Each of the parties must co-operate fully with the mediator. The mediation shall be conducted no more than 15 business days after the mediator is appointed. Each of the parties must pay an equal share of the fees and expenses the mediator is entitled to. In the event that mediation proves unsuccessful after a period of 15 business days from the date it commences, the parties may pursue their rights at law.
- 10.4 No party may commence any action or proceedings in relation to a dispute (other than as permitted under clause 10.5) without first complying with clauses 10.1 to 10.3 inclusive.
- 10.5 Clauses 10.1, 10.2 and 10.3 do not restrict or limit the right of either party to obtain interlocutory relief, or to immediately terminate this Agreement where this Agreement provides such a right.

11. Access to records

- 11.1 AEF must, for the Term and a period of 7 years after the end of the Term, keep true and particular accounts and records of its expenditure of the Funding and its performance of the Activities and this Agreement.
- 11.2 Council or its duly authorised representatives will have the right, after giving reasonable notice, to inspect and/or audit the accounts and records of AEF relating to this Agreement, including all matters relevant to the expenditure of Funding and the performance of Activities. Such representatives will be entitled to take copies or extracts of any such records.
- 11.3 Council will be solely responsible for the third party costs of conducting any audit under clause 11.

12. Notices

12.1 Giving Notices

A notice, consent, information, application or request (**Notice**) that must or may be given or made to a party under this Agreement is only given or made if it is in writing and sent in one of the following ways:

12.1.1 delivered or posted to that party at its address set out in Schedule 2; or

12.1.2 e-mailed to that party at its e-mail address set out in Schedule 2.

12.2 Change of address or e-mail address

If a party gives the other party 3 business days' notice of a change of its address or e-mail address, a Notice is only given or made by that other party if it is delivered, posted or e-mailed to the latest address or e-mail address.

12.3 Time Notice is given

12.3.1 A Notice is to be treated as given or made at the following time:

- (a) if it is delivered, when it is left at the relevant address;
- (b) if it is sent by post, 6 business days after it is posted; or
- (c) if it is sent by e-mail, on the same date that it is sent provided that the sender does not receive an e-mail indicating that the e-mail was not delivered to the recipient.

12.3.2 If a Notice is delivered or a Notice is sent by e-mail, on a day that is not a business day, or if on a business day after 5pm on that day in the place of the party to whom it is sent, it is to be treated as having been given or made at the beginning of the next business day.

13. Governing law and jurisdiction

This Agreement is governed by the laws of the State of Victoria, Australia. The parties submit to the non-exclusive jurisdiction of its courts and courts of appeal from them. The parties will not object to the exercise of jurisdiction by those courts on any basis.

14. General

14.1 AEF warranties

AEF warrants at the date of this Agreement and throughout the Term that:

14.1.1 it has the legal right and power to enter into this Agreement and perform its obligations under this Agreement;

14.1.2 the execution, delivery and performance of this Agreement has been duly and validly authorised by all necessary action on its part;

- 14.1.3 the Agreement is a valid and binding agreement on it and enforceable in accordance with its terms; and
- 14.1.4 it will perform its obligations under this Agreement in accordance with all applicable laws and standards.

14.2 Conflict of interest

- 14.2.1 AEF warrants that, to the best of its knowledge after making diligent inquiry, at the date of this Agreement, no Conflict exists or is likely to arise in the performance of AEF's obligations under this Agreement.
- 14.2.2 If a Conflict arises during the Term, AEF must notify Council in writing immediately of the Conflict, make full disclosure of all relevant information relating to the Conflict and take such steps as Council requires to resolve or otherwise deal with the Conflict.
- 14.2.3 If AEF fails to notify Council under this clause 14.1, or is unable or unwilling to resolve or deal with the Conflict as required, Council may terminate this Agreement immediately in accordance with clause 9.1.1(b).

14.3 Further assurance

Each party must promptly execute and deliver all documents and take all other action necessary or desirable to effect, perfect or complete the transactions contemplated by this document.

14.4 Legal costs and expenses

Each party must pay its own legal costs and expenses in relation to the negotiation, preparation and execution of this document and other documents referred to in it.

14.5 Waiver and exercise of rights

- 14.5.1 A single or partial exercise or waiver of a right relating to this document does not prevent any other exercise of that right or the exercise of any other right.
- 14.5.2 No party will be liable for any loss or expenses incurred by another party caused or contributed to by the waiver, exercise, attempted exercise, failure to exercise or delay in the exercise of a right.

14.6 No assignment without consent

AEF must not:

- 14.6.1 sell, transfer, novate, delegate, assign, licence; or
- 14.6.2 mortgage, charge or otherwise encumber,

any right or obligation under this Agreement to any person without the prior written consent of Council.

14.7 Time of the essence

Time is of the essence in relation to all dates, periods of time and times specified in this document.

14.8 Survival

Clauses 3.3.6, 4.2, 7.2, 8, 9.2, 10, 11 and 12 and this clause 14.8 survive the termination or expiry of this Agreement.

14.9 No relationship

No party to this document has the power to obligate or bind any other party. Nothing in this document will be construed or deemed to constitute a partnership, joint venture or employee, employer or representative relationship between any of the parties. Nothing in this document will be deemed to authorise or empower any of the parties to act as agent for or with any other party.

14.10 Counterparts

This Agreement may consist of a number of counterparts and, if so, the counterparts taken together constitute one document.

14.11 Variation

No agreement or understanding varying or extending this Agreement shall be legally binding upon either party unless in writing and signed by both parties.

14.12 No merger

The warranties, undertakings, agreements and continuing obligations in this document do not merge on completion.

14.13 Rule of construction

In the interpretation of this document, no rule of construction applies to the disadvantage of the party preparing the document on the basis that it prepared or put forward the document or any part of it.

14.14 Subcontracting

AEF must not subcontract the performance of any obligation under this Agreement to any other person without the prior written consent of Council or as anticipated in Annual plan.

14.15 Compliance with laws

AEF must perform its obligations under this Agreement (including the Activities) in accordance with all applicable laws and standards, including by complying with all applicable obligations under the *Working with Children Act 2005 (Vic)* and the *Occupational Health and Safety Act 2004 (Vic)*.

14.16 Entire Agreement

This Agreement contains the entire agreement between the parties with respect to its subject matter. It sets out the only conduct, representations, warranties, covenants, conditions, agreements or understandings (collectively, **Conduct**) relied on by the parties and supersedes all earlier Conduct by or between the parties in connection with their subject matter. No party has relied on or is relying on any other Conduct in entering into this Agreement and completing the transactions contemplated by it.

Signing page and date

Executed as an agreement.

Date2019

[Drafting note: the question of whether Council's CEO will sign pursuant to a resolution, and whether the Foundation must sign under seal in accordance with clause Q of its constitution will need to be resolved prior to signing]

Executed for and on behalf of Moreland City Council by [insert CEO name], Chief Executive Officer, as authorised by Council resolution dated [insert date of resolution], in the presence of:

.....
[insert CEO name]

.....
(Signature of Witness)

.....
(Name of Witness)

Executed by Australian Energy Foundation Ltd)
ABN 72 095 439)

.....
Signature of Chief Executive Officer

.....
Print full name

Schedule 1 Background

Moreland City Council established the Moreland Energy Foundation Limited (**MEFL**) as a vehicle to reduce greenhouse emissions from the Moreland community in 1996. Council's commitment to establish MEFL was shaped by Brunswick's long history in providing innovative energy services to the community and its commitment to the Local Agenda 21 program and its forerunners. Before the privatisation of the electricity industry, the City of Brunswick's Electricity Supply Department provided high profile programs to promote energy efficiency in the community. Privatisation of the electricity industry resulted in the sale of the Brunswick Electricity Undertaking and Coburg Electricity Undertaking.

In 1996, Council resolved to set aside 10% of the invested proceeds of the sale of the assets of the electricity supply undertakings to provide a base for the creation of MEFL.

In 2005, 2010 and again in 2015, Council and MEFL entered into an arrangement whereby MEFL was funded through a specific Agreement for a 5-year period. This Agreement accommodated Council through moving away from the Trust arrangement under which MEFL was originally established and accommodated MEFL through providing funding security.

During 2017–18 Council engaged MEFL to collaboratively develop the Moreland Zero Carbon – 2040 Framework (the **Framework**). This Framework was formally adopted by Council in September 2018 and it builds on the original 2014 Zero Carbon Evolution (ZCE) Strategy and the ZCE – Refresh to 2020 which was also developed over 2017–2018 to reset targets and actions for the final two years (to 2020) of the original strategy.

On the 1st of July 2019, MEFL became the Australian Energy Foundation Ltd (**AEF**) to better reflect the national footprint and impact of the organisation. The change in name does not reduce the focus of AEF in Moreland. AEF will always aim to innovate in Moreland first and is committed to working with Council to achieve the ambitious goals outlined in the Framework.

Schedule 2 Notice details

Notices – Council

Address 90 Bell Street, Coburg VIC 3058
Locked Bag 10, Moreland, 3058

E-mail address info@moreland.vic.gov.au

Attention Director City Futures

Notices – AEF

Address Level 1, 200 Sydney Road Brunswick VIC 3056
PO Box 276, Brunswick, 3056

E-mail address info@aef.com.au

Attention GM Zero Carbon Services

Schedule 3 Activities

Council and AEF's partnership is based on our shared objective to see the Moreland community live and work in a zero-carbon future. This will require significant innovation, collaboration and communication. Council and AEF also share a desire to respect the deep history of the partnership and the shared legacy of Mike Hill, inaugural Moreland City Council Mayor; founder of MEFL; and tireless champion for climate action and social justice in the local community.

AEF undertakes to deliver the range of activity areas for the Moreland community with the Funding, working towards the shared objective of a zero-carbon future. Council and AEFs shared objective will be implemented through agreed outcomes, Activity areas, actions and performance measures described in agreed Annual Plans. These can be adjusted by Council and AEF by mutual agreement as required, including where there are new funding and/or collaboration opportunities.

Note: The activities below relate to Council's funding to AEF under this Agreement only. Delivery against the agreed Annual Plans will be maximised through the collaboration of AEF and Council and will increase with any additional resources secured throughout the Term, which may include external grants, or additional Council funds allocated and other sources.

Objective	Activities	Outcomes	Performance Measures
<p>To build local champions for action on climate change.</p>	<ul style="list-style-type: none"> • Deliver the Mike Hill Fellowship. This includes: <ul style="list-style-type: none"> ◦ Designing the Fellowship program including objectives, selection and annual work program criteria (in collaboration with Council), ◦ Annual program of marketing and promotion, with Council representative), ◦ Executing the selection process (in collaboration with Council representative), ◦ In-kind support (office space, IT, administration, management and mentoring, access to expertise etc) throughout the year. ◦ Annual review of the Fellowship outcomes (with potential refinement of objectives and selection criteria). 	<ul style="list-style-type: none"> • Each year, selected fellows implement a project that aims to help meet one (or more) of the Moreland Zero Carbon 2040 Framework goals. • Fellows each prepare a report / presentation for Council and the community on the project, what they've learnt and what's next. • We build skills, networks, opportunities in the local community that will work towards further mobilising the community for action towards a zero carbon Moreland. 	<ul style="list-style-type: none"> • Fellowship established and promoted by December 2020. • 4 fellows participate during the 5-year timeframe of this agreement. • Reports and presentations delivered to plan.
<p>To continue to deliver best practice energy innovation pilots in Moreland designed to overcome local barriers to action on key elements of the 2040 Framework.</p>	<ul style="list-style-type: none"> • Design and establish Moreland's Energy Innovation Program (in collaboration with Council representative(s)). • Deliver annual (agreed) pilot(s) including governance, communications and M&E. • Seek funding and collaborators to support identified activities. • Attract investment, including from energy businesses, into energy innovation in Moreland. 	<ul style="list-style-type: none"> • AEF continues to deliver energy innovation pilots in Moreland. • Moreland continues to build on its reputation for innovation to accelerate the energy community's transition. • Completed pilots to overcome local barriers, deliver 'lessons learnt' and opportunities to replicate / scale / advocate to deliver significant impact in Moreland (and beyond) 	<ul style="list-style-type: none"> • Annual plan of innovation activity agreed and reported against in accordance with this Agreement. • Case studies and promotional metrics (conference presentations etc.) • Feasibility studies or business cases for 'next steps'

Schedule 4 Annual Plans

The agreed Annual Plans for the first and second Financial Year of the Term are as follows:

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Objective	Activities	Outcomes	Performance Measures
<p>To build local champions for action on climate change.</p>	<ul style="list-style-type: none"> • Deliver the Mike Hill Fellowship. This includes: <ul style="list-style-type: none"> ○ Designing the Fellowship program including objectives, selection and annual work program criteria (in collaboration with Council), ○ Annual program of marketing and promotion, ○ Executing the selection process (in collaboration with Council representative), ○ In-kind support (office space, IT, administration, management and mentoring, access to expertise etc) throughout the year. ○ Annual review of the Fellowship outcomes (with potential refinement of objectives and selection criteria). 	<ul style="list-style-type: none"> • Each year, selected fellows implement a project that aims to help meet one (or more) of the Moreland Zero Carbon 2040 Framework goals. • Fellows each prepare a report / presentation for Council and the community on the project, what they've learnt and what's next. • We build skills, networks, opportunities in the local community that will work towards further mobilising the community for action towards a zero carbon Moreland. 	<ul style="list-style-type: none"> • Fellowship established and promoted by December 2020. • 4 fellows participate during the 5-year timeframe of this agreement. • Reports and presentations delivered to plan.
<p>To continue to deliver best practice energy innovation pilots in Moreland designed to overcome local barriers to action on key elements of the 2040 Framework.</p>	<ul style="list-style-type: none"> • Design and establish Moreland's Energy Innovation Program (in collaboration with Council representative(s)). • Deliver annual (agreed) pilot(s) including governance, communications and M&E. • Seek funding and collaborators to support identified activities. • Attract investment, including from energy businesses, into energy innovation in Moreland. 	<ul style="list-style-type: none"> • AEF continues to deliver energy innovation pilots in Moreland. • Moreland continues to build on its reputation for innovation to accelerate the energy community's transition. • Completed pilots to overcome local barriers, deliver 'lessons learnt' and opportunities to replicate / scale / advocate to deliver significant impact in Moreland (and beyond) 	<ul style="list-style-type: none"> • Annual plan of innovation activity agreed and reported against in accordance with this Agreement. • Case studies and promotional metrics (conference presentations etc.) • Feasibility studies or business cases for 'next steps'

**DCI15/19 CONTRACT 826T - ROAD AND BLUESTONE LANEWAY
RECONSTRUCTION - HENKEL STREET, BRUNSWICK
(D19/317701)**

Director City Infrastructure

Capital Works Planning and Delivery

Executive Summary

Road and bluestone laneway reconstruction works at Henkel Street, Brunswick between Percy Street and Alexander Street are identified in the 2019/2020 Capital Works Program. The works are required to address the poor condition of the kerb and channel and asphalt road pavement, rectify drainage issues along the roadway and reconstruct the existing bluestone pitcher laneway abutting the rear of the northern properties on Henkel Street.

An advertisement was placed in *The Age* newspaper on Saturday, 20 July 2019 inviting tenders from contractors to undertake the works. The tenders closed on Monday 12 August 2019, with 5 tenders received.

ADP Constructions Pty Ltd achieved the highest score through the evaluation process. ADP Constructions Pty Ltd has previously undertaken road and bluestone laneway reconstruction works for Council and successfully delivered the works to a very good standard.

The project will be utilising recycled crushed concrete as bedding material in the road sub-base, under all new concrete paving and as backfill material to the new drainage pipes in the street. The use of recycled crushed concrete will reduce the need for raw materials by approximately 710 cubic metres.

This contract will also promote the use of increased recycled content in road reconstruction activities by utilising recycled tyres which are converted into crumb rubber and mixed with the bitumen to form the asphalt base and wearing course of the road pavement. The total amount of asphalt used for this project is approximately 190 cubic metres, which equates to 475 tyres utilised in the rubberised asphalt product for this project.

The tender was revised to include the environmental sustainable construction materials as detailed above. It is noted that the inclusion of the alternate crumb rubber asphalt product equates to 12% cost increase over the typical Stone Mastic Asphalt product used by Council. The performance of the product will be monitored for consideration of its ongoing use in future road reconstruction projects.

The existing bluestone laneway is to be reconstructed utilising the existing bluestones constructed on a porous concrete base.

Officer Recommendation

That Council:

1. Awards Contract 826T – Road and Bluestone Laneway Reconstruction at Henkel Street, Brunswick between Percy Street and Alexander Street to ADP Constructions Pty Ltd for the revised tendered lump sum of \$1,273,944.10 (excluding GST) plus provisional sum amount of \$205,015.00 (excluding GST).
2. Allocates a contingency amount of \$147,895.90 (10%) to the project bringing the total potential expenditure for Contract 826T – Road and Bluestone Laneway Reconstruction at Henkel Street, Brunswick between Percy Street and Alexander Street to \$1,626,855.00.
3. Authorises the Director City Infrastructure to do all things necessary to execute contracts and any other required documentation, including cost overruns, provided that the overall allocated budgets to the Roads and Car Parks and Laneways Programs are not exceeded.

1. Policy Context

Road and laneway reconstruction projects support the Council Plan 2017-2021 Key Priority to:

- Maintain and match our infrastructure to community needs and population growth.

2. Background

Road and bluestone laneway reconstruction works at Henkel Street, Brunswick between Percy Street and Alexander Street are identified in the 2019/2020 Capital Works Program within the Roads and Car Parks and Laneways Programs.

The works are required to address the poor condition of the kerb and channel and asphalt road pavement, rectify drainage issues along the roadway and reconstruct the existing bluestone pitcher laneway abutting the rear of the northern properties on Henkel Street.

3. Issues

On Saturday 20 July 2019 an advertisement was placed in *The Age* newspaper inviting tenders via supplier portal.moreland.vic.gov.au from suitably experienced contractors for the road and bluestone laneway reconstruction works at Henkel Street, Brunswick between Percy Street and Alexander Street.

Tenders closed on Monday 12 August 2019 at 3 pm and tenders received from the following contractors:

- ADP Constructions Pty Ltd
- Evergreen Civil Pty Ltd
- GP Bluestone Pty Ltd
- Metro Asphalt Pty Ltd
- Universal Civil Construction Pty Ltd.

The tender is a lump sum contract. For this type of contract, the tenderer is required to submit fixed rates for individual items, based on quantities for the project prepared by Council's Engineering Services Unit. Rates for provisional items where quantities are difficult to determine, such as rock excavation, rectification of pavement soft spots and property service relocations, are also submitted.

Tender evaluation

A tender evaluation panel was established with 4 officers from across the Engineering Services, Transport and Procurement teams.

The tenders have been evaluated in accordance with Council's Procurement Policy.

In assessing the tenders, consideration was given to the following predefined evaluation criteria:

- Price;
- OHS requirements;
- Traffic management requirements and works program;
- Capability, experience and past performance on similar projects;
- Integrated Management System (OHS, quality assurance and environmental);
- The level of customer service;
- Environmental sustainability practices;
- Social sustainability;
- Economic sustainability; and
- Environmental sustainable construction options.

The evaluation process identified ADP Constructions Pty Ltd as the preferred tenderer based on the results of the evaluation matrix, included as **Confidential Attachment 1.**

A telephone interview was conducted with ADP Constructions Pty Ltd to determine their current work commitments, workforce and understanding of the works required under this contract. During the interview process, ADP Constructions Pty Ltd indicated it has adequate resources to successfully complete the project within the specified time frame and revised tendered lump sum amount.

ADP Constructions Pty Ltd has previously undertaken road and bluestone laneway reconstruction works for Council and successfully delivered the works to a very good standard.

Environmental implications

The specification for the road and bluestone laneway reconstruction works required the contractor to submit a Site/Environmental Management Plan prior to the commencement of the works outlining procedures for erosion control, sediment transport control, sediment retention measures, tree protection and general site management.

The project will be utilising recycled crushed concrete as bedding material in the road sub-base, under all new concrete paving and as backfill material to the new drainage pipes in the street. The use of recycled crushed concrete will reduce the need for raw materials by approximately 710 cubic metres.

This contract will also promote the use of increased recycled content in road reconstruction activities by utilising recycled tyres which are converted into crumb rubber and mixed with the bitumen to form the asphalt base and wearing course of the road pavement. The total amount of asphalt used for this project is approximately 190 cubic metres, which equates to 475 tyres utilised in the rubberised asphalt product for this project.

The tender was revised to include the environmental sustainable construction materials as detailed above. It is noted that the inclusion of the alternate crumb rubber asphalt product equates to 12% cost increase over the typical Stone Mastic Asphalt product used by Council. The performance of the product will be monitored for consideration of its ongoing use in future road reconstruction projects.

The existing bluestone laneway is to be reconstructed utilising the existing bluestones constructed on a porous concrete base.

Human Rights Consideration

The implications of this report have been assessed in accordance with the requirements of the Charter of Human Rights and Responsibilities.

4. Consultation

Consultation with owners/residents along Henkel Street, Brunswick for the road reconstruction works and along Henkel Street, Percy Street, Lyle Street and Wendel Street, Brunswick for the bluestone laneway reconstruction works was undertaken via a letter drop in March 2019. Several residents responded, advising that they are in agreeance with and support the proposed works.

5. Officer Declaration of Conflict of Interest

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

6. Financial and Resources Implications

An amount of \$1,635,000.00 has been included in the 2019/2020 Capital Works Program for the road and bluestone laneway reconstruction works at Henkel Street, Brunswick between Percy Street and Alexander Street. \$1,115,000.00 has been allocated from the Roads and Car Parks Program and \$520,000.00 from the Laneways Program.

The table below shows the overall expenditure for the project.

Item	Amount (excluding GST)
ADP Constructions Pty Ltd – revised tendered lump sum amount which includes the use of recycled crushed concrete and asphalt product containing recycled tyres converted into crumb rubber.	\$1,273,944.10
ADP Constructions Pty Ltd – tendered provisional sum amount	\$205,015.00
Project Contingency Amount (10%)	\$147,895.90
Underground service proving	\$2,415.00
Total	\$1,629,270.00
Budget amount 2019/2020	\$1,635,000.00

7. Implementation

It is proposed that the Director City Infrastructure be authorised to do all things necessary to execute contracts and any required documentation, including any cost overruns, provided that the overall allocated budgets to the Roads and Car Parks and Laneways Programs are not exceeded.

Works are planned to commence in early December 2019 and be completed in June 2020.

Attachment/s

- 1 Contract 826T - Henkel Street and ROW, Brunswick - Tender Assessment Matrix

D19/327730

Pursuant to sections 77(2)(c) and 89(2)(d) this attachment has been designated as confidential by the Chief Executive Officer because it relates to contractual matters.

**DCI16/19 CONTRACT 828T - DRAINAGE UPGRADE WORKS AT
MICHAEL STREET AND SAXON STREET, BRUNSWICK
(D19/325784)**

**Director City Infrastructure
Capital Works Planning and Delivery**

Executive Summary

Drainage upgrade works at Michael Street and Saxon Street, Brunswick are identified in the 2019/2020 Capital Works Program. The works are required to address flooding at the intersection of Michael Street and Saxon Street during high intensity storm events which have impacted the abutting apartment complex. This location is a natural low point in what is a relatively flat area.

The works comprise of the construction of underground tanks under Michael Street from Sydney Road to the Upfield Railway Line to capture and store 770 cubic metres of stormwater and slowly release it into the drainage system in Sydney Road once the storm event has subsided. Additional pits and underground pipes are to be constructed along Michael Street and Saxon Street to capture and direct stormwater into the underground storage tanks.

Reconstruction of the road pavement, kerb and channel and footpath from the pedestrian threshold at Sydney Road for a distance of 20 metres into Michael Street is also required to redirect overland flows from Sydney Road that are contributing to the issues in Michael Street.

An advertisement was placed in *The Age* newspaper on Saturday 23 July 2019 inviting tenders from contractors to undertake the works. The tender closed on Monday 12 August 2019, with 12 tenders received.

Following the evaluation process, the two highest ranked contractors were shortlisted to present their best and final offer to Council. The revised submissions were further reviewed, and it was determined that Evergreen Civil Pty Ltd offers the best value submission. Evergreen Civil Pty Ltd has previously works for Council and successfully delivered the works to a good standard.

The project will be utilising recycled crushed concrete as bedding material in the road sub-base above the storage tanks and as backfill material to the new drainage pipes in the streets. The use of recycled crushed concrete will reduce the need for raw materials by approximately 430 cubic metres.

An amount of \$720,000.00 is included in the 2019/2020 Capital Works Program for the drainage upgrade works at Michael Street and Saxon Street, Brunswick within the Drainage Pipe and Culverts Program. To address the shortfall in project funding, it is proposed future years funding is brought forward.

Officer Recommendation

That Council:

1. Awards Contract 828T – Drainage Upgrade Works at Michael Street and Saxon Street, Brunswick to Evergreen Civil Pty Ltd for the revised tendered lump sum of \$1,053,012.86 (excluding GST) plus revised provisional sum amount of \$456,636.74 (excluding GST).
2. Allocates a contingency amount of \$150,964.96 (10%) to the project bringing the total expenditure for Contract 828T – Drainage Upgrade Works at Michael Street and Saxon Street, Brunswick to \$1,660,614.56.

3. Authorises the Director City Infrastructure to do all things necessary to execute contracts and any other required documentation, including cost overruns, provided that the overall allocated budgets within the Capital Works Program administered by the Engineering Services Unit are not exceeded.
4. Allocates the additional funds of \$941,014.75 required to complete the project to the project budget. The additional funding required will be offset by reallocating \$370,000 from the 2019/2020 Capital Works Budget and reducing the planned funding allocation to the 2020/2021 Capital Works Program by \$571,014.75.

1. Policy Context

Drainage upgrade projects support the Council Plan 2017-2021 Key Priority to:

- Maintain and match our infrastructure to community needs and population growth.

2. Background

Drainage upgrade works at Michael Street and Saxon Street, Brunswick are identified in the 2019/2020 Capital Works Program within the Drainage Pipe and Culverts Program.

The works are required to address flooding at the intersection of Michael Street and Saxon Street during high intensity storm events which have impacted the abutting apartment complex. This location is a natural low point in what is a relatively flat area and was identified as a flooding hotspot in the recently completed flood mapping project across the municipality. The flood mapping project identified and quantified risks which previously existed within the City of Moreland but were potentially unknown.

Given the topography and the existing network of underground services, investigations found that upgrading or duplication of the existing outfall drain is not feasible. This has led to the proposed design solution of a stormwater detention system.

The works comprise of the construction of underground tanks under Michael Street from Sydney Road to the Upfield Railway Line to capture and store 770 cubic metres of stormwater and slowly release it into the existing drainage system in Sydney Road once the high intensity storm event has subsided. Additional pits and underground pipes are also to be constructed along Michael Street and Saxon Street to capture and direct stormwater into the underground storage tanks.

3. Issues

On Saturday 23 July 2019 an advertisement was placed in *The Age* newspaper inviting tenders via supplier portal.moreland.vic.gov.au from suitably experienced contractors for the drainage upgrade works at Michael Street and Saxon Street, Brunswick.

Tenders closed on Monday 12 August 2019 at 3 pm and tenders were received from the following contractors:

- ADP Constructions Pty Ltd
- Armstrong Constructions Pty Ltd
- CDN Constructors Pty Ltd
- Evergreen Civil Pty Ltd
- Fortunato Group Pty Ltd
- Jaydo Constructions Pty Ltd
- Kalow Holdings Pty Ltd
- LMF Constructions and Maintenance Pty Ltd
- Metro Asphalt Pty Ltd
- Universal Civil Constructions Pty Ltd
- Vcrete Contractors Pty Ltd
- Western Civil Pty Ltd.

The tender is a lump sum contract. For this type of contract, the tenderer is required to submit fixed rates for individual items, based on quantities for the project prepared by Council's Engineering Services Unit. Rates for provisional items where quantities are difficult to determine, such as rock excavation and property service relocations, are also submitted.

Tender evaluation

A tender evaluation panel was established with 4 officers from across the Engineering Services, Urban Design and Procurement teams.

The tenders have been evaluated in accordance with Council's Procurement Policy.

In assessing the tenders, consideration was given to the following predefined evaluation criteria:

- Price;
- OHS requirements;
- Traffic management requirements and works program;
- Capability, experience and past performance on similar projects;
- Integrated Management System (OHS, quality assurance and environmental);
- The level of customer service;
- Environmental sustainable practices;
- Social sustainability;
- Economic sustainability; and
- Environmental sustainable construction options.

Following the evaluation process, the two highest scoring contractors were shortlisted to present their best and final price offer to Council. The revised submissions were further assessed, and the evaluation process identified Evergreen Civil Pty Ltd as the preferred tenderer based on the results of the evaluation matrix, included as **Confidential Attachment 1**.

An interview was conducted with Evergreen Civil Pty Ltd to determine current work commitments, workforce and understanding of the works required under this contract. During the interview process, Evergreen Civil Pty Ltd indicated it has adequate resources to successfully complete the project within the specified timeframe and revised tendered lump sum and provisional sum amounts.

Evergreen Civil Pty Ltd has previously undertaken drainage upgrade works for Council and successfully delivered the works to a good standard.

Design considerations

The design and flood modelling analysis undertaken during the design phase of the project has determined that storage tanks under the road pavement with a total volume of 770 cubic metres will store stormwater during a 5% Annual Exceedance Probability (AEP) storm event and slowly release it to the drainage system in Sydney Road once the storm has subsided. The footprint of the underground tanks spans from Sydney Road to the Upfield Railway Line and is located under the southern side of Michael Street.

Reconstruction of the road pavement, kerb and channel and footpath from the pedestrian threshold at Sydney Road for a distance of 20 metres into Michael Street is also required to redirect overland flows from Sydney Road that are contributing to the issues in Michael Street.

A concrete plinth is also being constructed along the building line adjacent to the corner shopfront windows/bifold doors to stop water entering the premises during high intensity storm events.

The works have been designed so that during the construction phase, vehicle access along Michael Street and into Saxon Street can be maintained at all times, as this is the only entry point into the area.

Environmental implications

The specification for the drainage upgrade works requires the contractor to submit a Site/Environmental Management Plan prior to the commencement of the works outlining procedures for erosion control, sediment transport control, sediment retention measures, tree protection and general site management.

The project will be utilising recycled crushed concrete as bedding material in the road sub-base above the storage tanks and as backfill material to the new drainage pipes in the streets. The use of recycled crushed concrete will reduce the need for raw materials by approximately 430 cubic metres.

Human Rights Consideration

The implications of this report have been assessed in accordance with the requirements of the Charter of Human Rights and Responsibilities.

4. Consultation

Consultation with affected property's owner's corporation representative, Water Engineer, property manager and some individual owners was undertaken with onsite meetings during May and June 2019. The plans were presented to the group and they are in agreement and support the proposed works.

5. Officer Declaration of Conflict of Interest

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

6. Financial and Resources Implications

An amount of \$720,000.00 has been included in the 2019-2020 Capital Works Program for the drainage upgrade works at Michael Street and Saxon Street, Brunswick within the Drainage Pipe and Culverts Program.

The table below shows the overall expenditure for the project.

Item	Amount (excluding GST)
Evergreen Civil Pty Ltd – revised tendered lump sum amount, best and final offer.	\$1,053,012.86
Evergreen Civil Pty Ltd – revised tender provisional sum amount, best and final offer.	\$456,636.74
Project Contingency Amount (10%)	\$150,964.96
Tender Advertisement	\$400.19
Total	\$1,661,014.75
Budget amount 2019-2020	\$720,000.00
Shortfall	\$941,014.75

The budget allocation for 2019/2020 was set prior to undertaking the design and flood modelling analysis and was therefore before a full understanding of the scope of work required was established.

The total estimated cost of the drainage upgrade works prior to tender was \$1,754,980.00 (excluding contingency amount) and therefore, the tender submitted by Evergreen Civil Pty Ltd is considered reasonable. The design solution is also recommended to proceed based on the potential ongoing impact to the surrounding community should improvement works not be undertaken.

The recently completed flood mapping project of the entire Municipality is informing a review of the 5-year Drainage Pipes and Culverts Capital Works Program to ensure that proposed drainage upgrade works align with the results and findings of the flood mapping.

To address the shortfall in project funding, it is proposed to defer the Mackinnon Grove, Glenroy Drainage Upgrade project from 2019-2020 to 2021-2022 based on current priorities and reallocate these funds in the amount of \$370,000.00 towards the drainage upgrade works at Michael Street and Saxon Street, Brunswick in 2019/2020.

It is further proposed that the remaining \$571,014.75 of required project funding be sourced by reducing the planned funding allocation to the 2020/21 Capital Works Program by \$571,014.75.

The table below summarises the funding proposed to undertake the drainage upgrade works at Michael Street and Saxon Street, Brunswick.

Year	Drainage Pipes and Culverts Program	Amount (excluding GST)
2019-2020	Drainage upgrade works at Michael Street and Saxon Street, Brunswick	\$720,000.00
2019-2020	Reallocation from Mackinnon Grove, Glenroy Drainage Project	\$370,000.00
2019-2020	Additional funding allocation, offset by reducing the planned funding allocation to the 2020/21 Capital Works Program	\$571,014.75
	Total	\$1,661,014.75

7. Implementation

It is proposed that Director City Infrastructure to do all things necessary to execute contracts and any other required documentation, including cost overruns, provided that the overall allocated budgets within the Capital Works Program administered by the Engineering Services Unit are not exceeded.

Works are planned to commence in November 2019 and be completed in June 2020.

Attachment/s

- 1** Contract 828T - Michael Street, Brunswick - Tender Assessment Matrix D19/328672
- Pursuant to sections 77(2)(c) and 89(2)(c), and (d), this attachment has been designated as confidential by the Chief Executive Officer because it relates to industrial matters, and contractual matters.*

DBT19/19 COLLABORATIVE PROCUREMENT - PUBLIC LIABILITY INSURANCE (D19/347947)

Director Business Transformation

Corporate Governance

Executive Summary

This report outlines the tender process and recommendations for acceptance and awarding for Contract No 0618/0626 for the Provision of Insurance Brokering and Risk Management Services Contract (the Contract).

Under Section 186 of the *Local Government Act 1989* (the Act), Councils are required to take out and maintain insurance cover against public liability for an amount of at least \$30 million and professional liability for an amount of at least \$5 million.

The Contract will provide Insurance Brokering and Risk Management Services through a contracted neutral vendor managed provider which will provide a single solution for Council's insurance needs. The successful tenderer will be paid a fee for securing appropriate insurances for Council. The insurance premiums secured by the brokerage firm will be purchased via the broker annually (for additional amounts).

On entering into this contract, Council will be able to continue to source insurance via a single supplier, which reduces repetitive administrative processes and escalations, tracks the approval process and ensures competitive industry rates.

The above contract is to be awarded for a period commencing 30 June 2019 and concludes 29 June 2021 with one (1) x one (1) year extension option.

The extension option is solely at Council's discretion.

Officer Recommendation

That Council:

1. Awards the Insurance Brokering and Risk Management Services Contract 0618/0626 to Aon Risk Services Australia Limited, for an initial two (2) year contract term commencing 30 June 2019 and concluding 29 June 2021, with an option of a one (1) year extension.
2. Authorises the Director Business Transformation to finalise and execute the contract documentation.
3. Authorises the Director Business Transformation to review and approve the contract extension term of one (1) x one (1) year option.

1. Policy Context

Under Section 186 of the *Local Government Act 1989* (the Act), Councils are required to undertake a public tender in relation to the procurement of goods and services exceeding \$150,000 (incl. GST).

The Act, at Section 76A, also requires councils to take out and maintain insurance cover against public liability for an amount of at least \$30 million and professional liability for an amount of at least \$5 million. Council also takes out other insurance covers that are not the subject of this contract.

2. Background

Brokerage services in the insurance sector involve a firm negotiating with as many insurance providers as they have access to and packaging insurance offerings to on-sell to their customers. As a customer of an insurance broker, Council only interacts with that provider for all its insurance needs.

Aon Risk Services Australia Ltd (Aon) has brokered insurances for Moreland since 2016 (Tender 465T). The contract for this brokerage expired on 30 June 2019. Insurance premiums secured by Aon have been purchased by Council via Aon.

In order to secure a new brokerage contract for insurances, Moreland participated in a collaborative tender with the Northern Procurement Group (Banyule, Darebin, Whittlesea, Hume and Manningham Councils) for the brokering of insurance and risk management services. The purpose of the collaborative tender was to take the opportunity to maximise the buying power of insurances and stabilise pricing in a hardening global insurance market.

The distressed global insurance market at present provides little opportunity for Council to achieve any premium savings at the 2019/2020 insurance renewal.

3. Issues

Procurement process

Procurement Australia was engaged to assist with the implementation and management of a tender process for the provision of insurance brokering and risk management services. The outcome of this tender would determine the appointment and value of insurance premiums for 2019/2020.

Tenders were invited by Procurement Australia on 13 March 2019 and closed on 17 April 2019. The contract term advertised was 2 years with 1 option of a 1-year extension.

Assessment

The following information was requested in the tender by Procurement Australia:

- Insurance program and cost to Council;
- Experience, capability and past performance;
- Plan for proposed services;
- OH&S Management Questionnaire;
- Evidence of Insurance.

The tender assessment was undertaken by Procurement Australia and the Tender Assessment Report was reviewed by the Risk Management Coordinator and the Manager Corporate Governance.

All tenderers were required to provide firm, insurer supported renewal premium quotations for Council's existing classes of insurances, as **Confidential Attachment 1**. Premiums were based on current scope of coverage provided under Council's existing program as a minimum, where possible, including indemnity levels, policy limits and sub limits, deductible levels and insurable values as declared.

Two responses to the tender were received and provided the following services:

- Enterprise risk management;
- Fraud risk services;
- Insurable risk profiling;
- Employee wellbeing programs;
- Risk accounting;
- Motor vehicle claims management;
- Valuation services; and
- Environmental risk assessment.

Council will have the option to engage the insurer if required for any of these services over the term of the contract.

Evaluation outcome

The tenderers were assessed against the key criteria. Aon offered significantly lower policy pricing and further information is provided in the Tender Assessment Memo provided in **Confidential Attachment 1**.

Human Rights Consideration

The implications of this report have been assessed in accordance with the requirements of the Charter of Human Rights and Responsibilities.

4. Consultation

Council's insurance program was publicly tendered on the 13 March 2019.

5. Officer Declaration of Conflict of Interest

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

6. Financial and Resources Implications

There were no savings offered by either tenderer for brokerage fees. When assessing the overall costs including broker fees and all premiums, Aon provided better value for money than the other tenderer, offering significantly low insurance policy pricing compared to the other submission.

Aon has confirmed that it can lock in the insurance premiums for an amount of \$1,203,916 for 2019/2020 as outlined in **Confidential Attachment 1** if Council appoints it as its broker. This amount exceeds the allocated budget for insurance and additional funds will be sought through the mid-year financial review process.'

7. Implementation

It is proposed that the Director Business Transformation be authorised to do all things necessary to execute the contracts and any other required documentation.

Attachment/s

- 1** Signed Tender Assessment memo

D19/311659

Pursuant to sections 77(2)(c) and 89(2)(d) this attachment has been designated as confidential by the Chief Executive Officer because it relates to contractual matters.

**DBT20/19 PROVISION OF TEMPORARY LABOUR HIRE - NEUTRAL
VENDOR MANAGED SERVICES - A COLLABORATION OF
THE NORTHERN REGION GROUP OF COUNCILS
(D19/342081)**

Director Business Transformation

Human Resources

Executive Summary

The tender complies with Section 186 of the *Local Government Act 1989*.

This report outlines the tender process and recommendations for acceptance and awarding for Contract No 30-18-2882 for the Provision of Temporary Labour Hire - Neutral Vendor Managed Services - A Collaboration of the Northern Region Group of Councils. The contract will provide temporary labour hire services for Moreland City Council.

Temporary hire services are engaged to ensure service delivery is not impacted where staffing gaps occur i.e. during recruitment, leave backfill or in the event of increased workload due to peak periods of activity or the need to respond to unplanned events. In addition, temporary staff are at times required to provide specific expertise that is short term in nature and the skillset is not available internally.

Each of the participating councils will enter into a contract directly with the service provider. Due to the participating councils having existing contracts with different expiry dates, each of the participating Councils will require the delivery of the services to start at different dates. The successful provider will prepare for service transitions with each participating council.

This tender will provide temporary labour services through a contracted neutral vendor managed provider which will provide a single solution for staff to source, engage, track, manage and pay temporary employees. A preferred model is a provision of supplier engagement using an independent agency supported by a software system that enables on-line engagement, selection, management and reporting.

On entering into this contract, Council will be able to continue to source temporary labour-hire services via a single online sourcing portal which reduces repetitive administrative processes and escalations, tracks the approval process and ensures competitive industry rates.

The above contract is to be awarded for a period commencing September 2019 and concludes 30 November 2020 with three (3) x one (1) year extension options.

The extension options are solely at Moreland City Council's discretion. There is a provision in the contract for the performance of the contractor to be reviewed annually.

Candidates for each engagement will be evaluated in accordance with the position description and engagement of personnel under appropriate delegated authority. However, it is important to note that specialised positions may not be able to be fulfilled via this system, and therefore this contract will not preclude Council from dealing with other providers when required.

Recommendation

That Council:

1. Accepts the tender submission for the Provision of Temporary Labour Hire – Neutral Vendor Managed Services-A Collaboration of the Northern Region group of Councils by Comensura.
2. Enters into an initial contract term with Comensura for the provisions of temporary labour hire commencing September 2019 and concludes 30 November 2020.

3. Authorises the Director Business Transformation to finalise and execute the contract documentation.
4. Authorises the Director Business Transformation to review and approve contract extension terms of three (3) x one (1) year options.
5. Advises all tenderers of Council's decision in relation to the contract for the Provision of Temporary Labour Hire – Contract 30-18-2882.

1. Policy Context

The tender process for the Provision of Temporary Labour Hire - Neutral Vendor Managed Services is in keeping with Council's commitment to accountability and sound financial management. It also addresses the requirement under section 186 of the *Local Government Act 1989*, which requires Council to conduct a public tender process for goods and services where the contract value is more than \$150,000.

2. Background

Comensura is the current provider for the Provision of Temporary Labour Hire - Neutral Vendor Managed Services.

The current contract for the Provision of Temporary Labour Hire - Neutral Vendor Managed Services expired on 1 August 2019.

A collaborative tender process was completed with the Northern Region Group of Councils. This tender included five participating councils including Darebin, Hume, Whittlesea, Moreland and Nillumbik, with Hume City Council being the lead.

A total of five tenders were received. Comensura was the only tenderer to submit a competitive conforming tender, having met the selection criteria. They offer a competitively priced solution-based product which can be non-proprietary, sourced from multiple suppliers, align candidates to the position description, create reminders and track approvals and length of engagement.

When assessing the tender submission from Comensura, emphasis was placed on evidence relating to experience in the local government sector and their systems' capacity to deliver the services concurrently across all the participating Councils.

The Tender Evaluation Panel formed the view that Comensura is recommended as the preferred Temporary Labour Hire provider across the five Northern Region Councils.

By completing this collaborative tender process, the group of councils focused on regional initiatives around pricing, supplier management, and the chance to share outcomes and for the region to work together.

3. Issues

Council recognises a diverse range of temporary labour hire service providers is required to meet operational requirements. Given the complexity and the number of providers for these services, Council has considered that a contracted neutral vendor managed provider will continue to ensure the greatest efficiencies in terms of quality of candidates, costs and management reporting.

Moreland City Council previously adopted the model of a contracted neutral vendor manager in 2014 when it entered into a collaborative tender with eight other councils. This contract was signed in 2015 for a term of 2 years plus 3 one-year extensions.

Moreland City Council chose to not extend the current Comensura contract for the last optional extension to enter a collaborative tender process with the Northern Region Group of Councils to focus on regional initiatives around pricing, supplier management, and shared regional outcomes.

The provision of temporary labour services through a contracted neutral vendor managed provider will provide a single solution to enable staff to source, engage, track, manage and pay temporary staff (also supported by a software system that enables on-line engagement, selection, managing and reporting).

Tender assessment

In accordance with Council's Procurement Policy, an open tender was advertised on 28 July 2018 and closed at 2pm on 23 August 2018 via Hume City Council's electronic tendering portal.

A total of 5 tenders were received from the following companies:

- ARG Workforce;
- Comensura;
- Fast Track Staff Solutions;
- Hoban Recruitment; and
- IntoWork Australia.

A collaborative Tender Evaluation Panel (TEP) was formed from the Northern Region Councils which included the following representatives:

- Manager Human Resources, Hume City Council
- Coordinator Procurement, Hume City Council; and
- Human Resources and Procurement representatives from Moreland City Council including the Procurement Partner and Risk Management Coordinator, City of Whittlesea, Nillumbik Shire Council and Darebin City Council.

Tenderers were required to submit completed schedules which were used for the evaluation. Those schedules considered previous relevant work experience, appropriately credentialed staff and resources, occupational health and safety management structures, insurances, local business and price.

Submissions were then evaluated and weighted as per the following table and used to determine an overall score to apply against each tenderer at **Attachment 1**. The evaluation process including the weightings of the evaluation criteria aligns with the Procurement Policy at the time the tender documents were signed off by all participating Councils in May 2018 and aligns with the regional direction.

Tendered price	50%
Demonstrated experience and skills in providing services in the local government sector, focussing on delivery of candidates' alignment with position description.	20%
Referee feedback. (Note that advice may be sought from any other person beyond that given by the nominated referees).	5%
Extensive demonstrative evidence of systems capacity to deliver intended services concurrently across all councils.	20%
Social procurement spanning the Northern Region of Councils, including supportive evidence of candidates which supports local employment.	5%

Evaluation process

Representatives from the Northern Region Group of Councils met on several occasions between May 2018 and October 2018 to consider tender specifications and to evaluate tenders.

Comensura was the only tenderer to submit a competitive conforming tender, having met the selection criteria which primarily is a solution-based product which is able to be non-proprietary, able to source from multiple suppliers, align candidates to the position description and track approvals, length of engagement, reminders, and competitive cost of services.

The TEP agreed to shortlist and on 2 October 2018 met with Comensura to clarify information in relation to their submission.

Social implications

Social procurement criteria for assessing this tender submission included evidence from candidates who support local employment across the relevant Northern Council Regions.

Economic implications

The tender was designed to ensure all businesses, small to large, local and outside of the municipality, had the same opportunity to tender for the contract. This is in keeping with Council's Procurement Policy.

Regional/Strategic implications

This tender process is consistent with Moreland City Council's Future Ready Corporate Plan, which aims to 'Optimise our resources and financial opportunities' by achieving cost savings through undertaking shared procurement.

Human Rights Consideration

The implications of this report have been assessed in accordance with the requirements of the Charter of Human Rights and Responsibilities.

4. Consultation

Various key stakeholders from across Council were consulted in the preparation of tender specifications.

5. Officer Declaration of Conflict of Interest

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

The Acting Chief Executive Officer, Grant Thorne, is Council's appointed member director on the Board of INGT trading as IntoWork Australia who was a tenderer for the contract. No remuneration is received for this role.

In either his capacity as member director of INGT and his employment with Moreland, he had no involvement in the tender process.

The Acting Chief Executive Officer, in capacity has reviewed and approved this report.

In accordance with section 78B(3)(ba) a person does not have an indirect interest by conflicting duty if the person only holds a position, with the Council's approval as a representative of the Council, in an organisation for which the person receives no remuneration.

6. Financial and Resources Implications

Comensura is engaged as a service broker to manage temporary labour and is paid an annual fee (3% of fees charged by recruitment agencies, approximately \$120,000 inclusive of GST for Financial Year 2019/20). Under the existing Comensura contract Council's annual spend was \$3.92 million for Financial Year 2018/19 including spend for temporary labour and Comensura's annual fee. This contract brings 10.5% savings on temporary labour hire services. Savings to Council are also initiated by the reduction in salary on-costs which apply in the engagement of Council staff.

The HR Operations branch are working with Council business units to reduce the reliance on Comensura where temporary vacancies occur. Strategies include assessing the need for casual pools to respond to short term staffing gaps and determining opportunities for internal resourcing which minimises temporary engagements via Comensura.

7. Implementation

Subject to Council's decision, a contract will be drawn up and executed. Comensura is the current provider of temporary labour hire services to Moreland so the transition to the new contract is expected to be straightforward.

Attachment/s

- | | | |
|----------|---|------------|
| 1 | Hume City Council Evaluation Matrix | D19/342230 |
| | <i>Pursuant to sections 77(2)(c) and 89(2)(d) this attachment has been designated as confidential by the Chief Executive Officer because it relates to contractual matters.</i> | |
| 2 | Recommended Pricing Structure for the Northern Region Group of Councils | D19/342233 |
| | <i>Pursuant to sections 77(2)(c) and 89(2)(d) this attachment has been designated as confidential by the Chief Executive Officer because it relates to contractual matters.</i> | |

NOM47/19 MORELAND'S GLOBAL CLIMATE STRIKE SUPPORT (D19/339615)

Cr Jess Dorney

1. Background

Cr Dorney's background:

This September, millions of people across the world will walk out of our schools, workplaces, universities and homes to join young climate strikers on the streets and demand an end to the age of fossil fuels and climate justice for all. Council acknowledges we are in a state of climate emergency that requires urgent action by all levels of government, including local Councils. We need to act right now to stop burning fossil fuels and ensure a rapid energy revolution with equity, reparations and climate justice at its heart. Climate Strikes across the world will start on 20 September – 3 days out from the UN Climate Action Summit 2019.

2. Policy Context

Officer comments:

Council's adopted Zero Carbon Moreland 2040 Framework includes acknowledgement that we are in a state of climate emergency that requires urgent action by all levels of government, including local Councils. Council's target of a zero emissions Moreland by 2040 is 10 years ahead of the State Government's target for reaching zero emissions in Victoria.

Building on the 2040 Framework, the draft Zero Carbon Moreland Action Plan for 2020/21 – 2024/25 (currently open for community and stakeholder feedback) includes the following text:

Moreland Council is one of hundreds of local and regional governments acknowledging that we are in a state of climate emergency that requires urgent action by all levels of government. Moreland has a long and proud history of leadership action on climate change and environmental sustainability. We acknowledge the need to step up further. We will be engaging more deeply to support our community to take individual and collective action and collaborating in our advocacy to State and Federal Government for urgent and effective policy and legislative reform. We acknowledge the scale and speed of transformation needed to change our energy markets, our economy, our legislation, and our lifestyles to eliminate and draw down greenhouse gas emissions requires a nationwide and global emergency response. We recognise that effective engagement and mobilisation of civil society and businesses in campaigning to demand emergency mode action on climate change by all levels of government is critical. It is the foundation for the 'political will' required to prioritise action for a safe climate above the vested interests of the fossil fuel lobby. We aim to play our part in moving beyond an incremental approach to transitioning our society.

In the context of climate emergency, commendation and encouragement of the growing student and civil society movement demanding urgent action for a safe climate is consistent with Council's vision of a Zero Carbon Moreland. Likewise, support for the three demands of the school strikers is not inconsistent with Council's past advocacy (for example, opposing the Adani mine).

3. Financial Implications

Officer comments:

Publicly supporting and promoting the Global Climate Strike through Council's social media channels would have negligible financial impact and could be accommodated within operational budgets.

4. Resources Implications

Officer comments:

Promotion of the Global Climate Strike through Council's social media channels could be accommodated within existing resourcing. The three demands of the School Strike 4 Climate would update the advocacy priorities listed in the final Zero Carbon Moreland action plan presented for adoption.

Motion

That Council:

1. Publicly declares its support for the Global Climate Strike on 20 September 2019.
2. Declares its support for the three demands of the School Strike 4 Climate:
 - No new coal, oil and gas projects, including the Adani mine.
 - 100% renewable energy generation and exports by 2030.
 - Governments fund a just transition and job creation for all fossil-fuel industry workers.
3. Encourages and supports community participation by inviting local workplaces (in particular Council contractors), neighbouring Councils, and schools to participate through Council's social media channels.

NOM48/19 SUPPORT FOR CLIMATE EMERGENCY ACTIONS (D19/341309)

Cr Sue Bolton

1. Background

Cr Bolton's background:

On 12 September 2019, Council unanimously adopted a resolution acknowledging that:

we are in a state of climate emergency that requires urgent action by all levels of government, including local councils.

Council has been a leader among local Councils in adopting innovative climate and sustainability policies. It was the first Australian city to adopt a Fossil Fuel Divestment process in October 2015. Council's own work has been certified as carbon neutral since 2012. As the evidence that our climate may have reached a critical tipping point, with unbearable record-breaking hot summers in the northern and southern hemispheres, and an increase in frequency in severity of bushfires, hurricanes, cyclones and other storms, there has been an explosion in climate activism, including in Moreland.

A large number of Moreland residents have been involved in the School Strike for Climate (refer also the Notice of Motion from Councillor Dorney included in this Agenda) and a new climate activist group has been set up in Moreland called Extinction Rebellion Moreland. The name Extinction Rebellion is a response to the release of a UN Report revealing the explosion in the extinction of species across the planet as a result of climate change. School Strike for Climate has called a Global Climate strike on Friday 20 September and Extinction Rebellion is organising a week of climate action beginning on Monday 7 October. There will also be a protest outside the International Mining and Resources Conference (IMARC) on 28-31 October which involves companies such as Adani. The school students have called on workers and university students to join them for the Global Climate Strike.

2. Policy Context

Officer comments:

Council's adopted Zero Carbon Moreland 2040 Framework includes acknowledgement that we are in a state of climate emergency that requires urgent action by all levels of government, including local Councils. Council's target of a zero emissions Moreland by 2040 is 10 years ahead of the State Government's target for reaching zero emissions in Victoria. Climate and ecological emergency campaigners are calling for emergency action by governments globally to reduce greenhouse gas emissions to zero by 2025.

Extinction Rebellion identifies itself as 'an international apolitical network using non-violent direct action to persuade governments to act on the Climate and Ecological Emergency in an attempt to halt mass extinction and minimise the risk of social collapse'. XR Melbourne is a new and growing local branch organising public talks, training in non-violent direct action, People's Assemblies and a recent 'Ride-In to Die-In' on Sydney Road.

Blockade IMARC defines identifies itself as a 'community alliance committed to putting a stop to the mass destruction caused by extractive industries across the globe'. It is organising a blockade of the International Mining and Resource Conference ([IMARC](#)), which they describe as 'an annual meeting of environmental vandals and climate criminals', meeting in Melbourne from 28 to 31 October 2019.

3. Financial Implications

Officer comments:

Publicly promoting the Extinction Rebellion week of action through Council's social media channels would have negligible financial impact and could be accommodated within operational budgets. The financial impact of providing XR Melbourne with free use of venues for meetings would depend on the venues and the frequency of use. To date the group has paid the discounted community rate for use of some Council venues. There would be no financial implications from inviting Blockade IMARC to list their event on Council's online events calendar.

4. Resources Implications

Officer comments:

Promotion of the Extinction Rebellion week of action through Council's social media channels could be accommodated within existing resourcing.

Motion

With Council's strong support for the environment and its declaration of a Climate Emergency and the need for urgent action, Council recognises and supports the actions by community organisations to build support for urgent action by all levels of government and declares its public support for:

1. The week of action initiated by Extinction Rebellion on 7 October through Council's social media channels.
2. The development of a local Extinction Rebellion Moreland Group by offering free use of venues for meetings if required and promotion through Council's social media channels.
3. The 3-day protest organized by Blockade IMARC outside the International Mining and Resources Conference (IMARC) on 28-31 October 2019 at the Melbourne Convention Centre, by inviting them to advertise the event on Council's website as a community event.

NOM49/19 DESIGNING AND PROVIDING PUBLIC SPACES WHICH SUPPORT HOMELESS PEOPLE (D19/340014)

Cr Sue Bolton

1. Background

Cr Bolton's background:

In the 2016 Census, Moreland recorded 771 homeless people, these are children, women and men sleeping in cars, on the streets, 'couch surfing', or living in uninhabitable or overcrowded accommodation within our municipal boundaries. Australia's homelessness count was over 116,000 people, but research says up to 2.4 million Australian's experience homelessness at any one time.

These people have fallen on difficult times and a product of a broken system which doesn't cater to their ever complex and difficult needs. Even the Australian Bureau of Statistics reports Homelessness is not a choice and it recognises homelessness is the result of disadvantage in the community Moreland is one community, proudly diverse.

The homeless are part of our community and we have a mandate to look after them as best we can. Coburg mall has been an area which has seen the prevalence of homeless people over the past couple of years - sleeping and living there with their possessions.

In 2019 for Homelessness Week (4-10 Aug) Moreland organised to have a member of the Council of Homeless Persons tell their lived experience of homelessness to employees of Council. In 2017 for Homelessness Week, Moreland City Council ran a Homeless Forum participated by approximately 40 people. A report, Community Conversation about Homelessness, was produced which specified a wish list that called for 'no more unfriendly architecture'.

Hostile Architecture is a term given to this 'unfriendly architecture' and is a set of design principles which prohibit homeless people from using public furniture or public spaces as places of rest and protection.

Examples of hostile architecture are the installation of spikes on the ground in doorways, arm rests on bench seats, and automatic water systems in stair wells and other intrusive (but usually undetected by the public eye) adaptations to otherwise normal public infrastructure and spaces. Some councils have removed public seating, so that there is no-where to sit unless you have the money to buy food or drink. Other councils have installed arm rests on bench seats so that no-one such as homeless people, or even someone on their lunch break, can stretch out on a public seat.

The public seating benches attached to the northern outside wall of the Coburg library were refurbished in August 2019 with arm rests being installed along their entire length. Prior to the installation of the arm rests, this was a place where people could rest and relax without having to spend money, and sometimes people slept there if they didn't have a bed for the night.

While this refurbishment may sound reasonable, it has actually meant that homeless people who were using those benches to rest, can no longer do so. It is discriminatory to restrict their access to this public infrastructure.

This motion seeks to understand how such a design principle came to be implemented in Moreland, have this hostile architecture, and others like it, removed and to send a message to our homeless community that we do not support this kind of unfriendly infrastructure being implemented in our city.

There is also a lack of toilet facilities for people using or traversing through the Coburg Mall late at night, as the public toilets are locked at 9 pm. Homeless people and people coming off public transport late at night need access to public toilet facilities.

2. Policy Context

Officer comments:

The Council Plan 2017-2021 vision is that Moreland will be known for its proud diversity and for being a connected, progressive and sustainable city in which to live, work and play. This intent of this motion broadly sits within the Council Plan Strategic Objective 1: Connected Community under Key Priority: C6. Help people feel safer in our neighbourhoods.

Moreland has clear strategic goals to increase supply of and access to affordable housing, as set out in the following documents:

- Moreland Community Vision 2025 - Moreland's People Direction: Housed Outcome: The Moreland community has access to affordable housing.
- Moreland Council Plan 2017-21 - Strategic Objective 2: Progressive City Key Priority 1: Enhance liveability, affordability and sustainability by guiding growth, and excellence in urban design and development
- Moreland Municipal Health and Wellbeing Plan 2017-21- Focus Area: Liveable Neighbourhoods Outcome #3: Moreland has a range of housing that meets community needs.
- Moreland Municipal Strategic Statement - Clause 21.03 Strategic Framework Objective 8: To contribute to housing affordability. 8.2 Encourage developments to include a proportion of affordable rental housing to be owned and managed by a registered Housing Association Housing Provider.

Moreland's Economic Development Strategy 2016-2021 seeks to ensure that activity centres are economically viable and attractive and to focus on the places where investment occurs to help create attractive locations for business, for work and for the delivery of services to our community.

Earlier this year, a number of issues presented in Victoria Mall which included significant levels of reported drug dealing and taking, insufficient public lighting and increasing numbers of homeless sleeping rough. These issues were contributing factors to residents and traders' perceptions of safety and lack of active use of Victoria Mall. In response, a cross Council and community agency working group was convened in February 2019 to address the issues and identify solutions.

Agency membership included Vincent Care, Victoria Police and Salvation Army. The responses to address issues were multifaceted and included:

- Victoria Police undertaking walk-throughs on a weekly basis at a minimum to address and mitigate the reported drug issue; and
- Vincent Care commencing assertive outreach three times weekly to provide housing support to those sleeping rough. This included housing agency referrals, personal support and brokerage funds to secure interim and longer term safer accommodation. In addition, Vincent Care details have been provided to retail traders for referrals for new presenting individuals sleeping rough. This intense outreach program has had a successful result.

In recent months, Council has invested approximately \$50,000 to complete a number of physical improvements that increase passive and active use of Victoria Mall. This includes:

- Yarn Bombing (Waterfield St to Sydney Rd) bike hoops, trees and lamp posts as a temporary art installation that isn't permanent or destructive;
- A public sound system to be piloted. Installed under library awning providing an impactful social change;
- Renewed library signage with 'Colours of Coburg' artwork replacing the original orange and grey fascia to freshen up the look of the library and integrate the 'Colours of Coburg' colour scheme and to improve civic pride;
- Revitalised games table and large communal table and bench seating at Waterfield Street end of mall, offering a pleasant place to sit and play;
- Public lighting installed inside mall facing library windows further reflecting 'Colours of Coburg' and improving security, increase night light and safety for pedestrians;
- Hand rails and backrests fitted to bench seats outside Coburg Library, which were scheduled for replacement, to comply with DDA requirements, to promote equal rights, equal opportunity and equal access for people with disabilities – making these the only DDA compliant seats in the Mall.

Council's Public Toilet Strategy 2012–2022 (the Strategy) sets the direction of Council in identifying key standards guiding the treatment of existing and proposed facilities, demand, accessibility, environmental impact and cost. It outlines the provision of public toilets as a means to improve local amenity and support activity in public parks and activity areas throughout the municipality.

The Strategy recommends that the following hours of operation for the public toilets facilities across the municipality be adopted:

- Council facilities – times of operation;
- Parks – daylight hours;
- Pavilions – when the pavilion or sporting reserve is being used and a broader span of hours for highly utilised parks;
- Activity Centres – when there is activity in the street.

Council operates two public toilets facilities within Victoria Mall. A single Exeloo public toilet built into the north side of Coburg library and a triple public toilet block situated on Waterfield Street, Coburg. Both operate from 6 am to 9 pm daily.

There are also public toilets accessible at the Coburg Railway Station. The toilets are open during staffed station operating hours generally between 4.30 am and 11.30 pm daily.

3. Financial Implications

Officer comments:

The estimated cost of removing the newly installed armrests and have them modified to be reused elsewhere in Victoria Mall is \$6,000. The estimated cost for removing the armrests entirely and not repurposing them is \$1,500.

The estimated annual cost of extending the opening hours of the Exeloo public toilet is unknown. As a result of the unknown after hours usage rate, a trial for six months could provide evidence to better understand the quantum and ongoing costs.

4. Resources Implications

Officer comments:

The resources required to action the proposal can be accommodated within existing staff resources.

Motion

That Council:

1. Recognises all people, including homeless people, have a right to use public spaces and facilities, including bench seating where it is possible for people to stretch out.
2. Acknowledges the deplorable state of homelessness in Moreland (771 on Census night) and Australia (116,427 on Census night).
3. Recognises public space and infrastructure can cause discrimination against homeless people, such as spikes installed on the ground in doorways and arm rests installed along bench seats.
4. Removes the arm rests installed on the bench seats outside the Coburg Library.
5. Receives a report which reviews Council's technical specifications for urban design improvements and catalogue of standard street furniture to ensure infrastructure does not discriminate against the homeless.
6. Opens the Exeloo public toilet in Victoria Mall 24 hours a day for a trial lasting six months.

NOM50/19 INVESTIGATE IMPROVEMENT OPTIONS FOR CYCLING ON THE UPFIELD AS PART OF THE LEVEL CROSSING REMOVAL PROJECT (D19/341698)

Cr Natalie Abboud

1. Background

Cr Abboud's background:

Council welcomes the Level Crossing Removal Project (LXRP) and looks forward to the commencement of works. Council also welcomes VicRoads survey about potential outcomes for a future plan for Sydney road. Both of these projects have serious implications for cyclists in the city of which there are many.

Council has noted that the LXRP project has an opportunity to enhance and improve the conditions of the Upfield Bike path which is at capacity and forms a crucial part of bike infrastructure in Moreland. This could include everything from an elevated veloway to prioritised signalling so that commuters who cycle along the path can do so in an efficient way.

2. Policy Context

Council Action Plan

This item relates to the Council Action Plan (CAP) 2019/2020, under Connected Community, specifically:

- CAP 41: Key Priority: P2. Facilitate a demonstrable shift to more sustainable modes of transport that also targets a long-term reduction in car use.
- Deliverable: P2d) Continue to advocate for level crossing removal in Moreland - Work with the Level Crossing Removal Authority (LXRA) to maximise community benefit from crossing removals in Moreland.

The Level Crossing Removal Authority (LXRA) was renamed the Level Crossing Removal Project (LXRP) following the November 2018 State Government election.

Moreland Integrated Transport Strategy (MITS) 2019

The MITS 2019 states that Council will, among other things:

- Prioritise access by walking, cycling and public transport over car-based travel;
- Seek best possible walking and cycling access, safety and amenity in state government projects; and
- Create a safer space for all users, day and night.

The LXRP is removing four level crossings on the Upfield railway line in Coburg, between Moreland Road and Bell Street. Council has been involved in this project as a key stakeholder and has been advocating on behalf of the Moreland community to achieve the best possible outcomes from the project.

Council's adopted advocacy position for the Bell to Moreland Level Crossing Removal

Council has previously resolved (DED16/18) to advocate to the LXP for improvements such as separation of bicycle and pedestrian paths along the corridor, maximising light penetration through higher rail viaducts, and funding for 'left under' spaces including trees, landscaping, and active and passive public spaces.

Council also provided in-principle endorsement (UB2/19) of the Vision for the Upfield Corridor document prepared by the Upfield Corridor Coalition advocacy group, which seeks, among other things:

- An elevated 'veloway' for commuter cyclists running alongside the elevated rail structure;
- Separated paths for cyclists and pedestrians at ground level; and
- Traffic signals at each road intersection (Moreland Road, Reynard Street, Munro Street and Bell Street) to give greater priority for pedestrians and cyclists.

Level Crossing Removal Authority Urban Design Framework May 2018

The LXP's Urban Design Framework outlines principles, objectives, measures and qualitative benchmarks to ensure that the various level crossing removals meet specific design outcomes.

The following measures relate directly to cycling design outcomes within the projects:

- M4.4 Pedestrian and cycling overpasses are provided at strategic points relative to pedestrian movement patterns and the existing and proposed street and cycle networks; where applicable.
- M8.2 The existing pedestrian and cycling network along the rail corridor and to the station precinct is maintained and enhanced, particularly strategically important cycling corridors (SICCs), priority bicycle routes, the principal pedestrian network (PPN) and pedestrian priority areas.
- M8.3 Identified issues and barriers for cycling and pedestrian connection are addressed by improving conditions for pedestrians and cyclist equally with continuous, more direct, safe and high-quality routes. Space is allocated at an early stage and the need to re-allocate space for motorised vehicles to achieve a sustainable outcome is actively considered.
- M8.4 Opportunities are investigated for new pedestrian and bicycle paths that maintain and extend local connectivity for all users, including linking to existing or new community facilities, open spaces, urban renewal areas or National Employment Innovation Clusters. Connectivity is achieved through an integrated and dense network that links people with destinations and with other modes.
- M8.5 Opportunities for grade-separated pedestrian and bicycle connections across the rail corridor and any cuttings are considered.
- M8.6 Transitions between pedestrian and cycling paths are safe, continuous and seamless. Routes are direct and consistent design elements assist legibility.
- M8.7 The design applies universal design principles that cater for all abilities and ages. Surfaces are designed to avoid unnecessary level changes.

3. Financial Implications

The preparation of this report has no financial implications, however may recommend or detail options for Council to consider co-contribution of funding towards improvements to be delivered as part of LXP works on the Upfield railway line.

4. Resources Implications

The preparation of this report can be accommodated within existing resources.

Motion

That Council:

1. Receives a report analysing the benefits and disadvantages of a range of options to minimise delays at intersections for pedestrians and cyclists using paths to be constructed as part of the Level Crossing Removal Project (LXRP) along the Upfield railway line. This report should include consideration of:
 - a) A continuous elevated 'veloway' for the extent of the elevated rail structure.
 - b) Pedestrian and cyclist bridges across Moreland Road and Bell Street.
 - c) Traffic signals for pedestrians and cyclists at intersections that minimise delay when crossing.
 - d) The potential for Council co-contribution of funding to increase the likelihood of improvements not previously within the project scope.

NOM51/19 SUPPORT FOR CONTAINER DEPOSIT SCHEME (D19/341733)

Cr Natalie Abboud

1. Background

Cr Abboud's background:

Victoria is now the only state without a container deposit scheme (CDS). The State is in the throes of a recycling crisis and the government is not doing enough. Victoria needs to catch up to the rest of the country and introduce container deposit legislation into parliament this year and work with the Municipal Association of Victoria (MAV) and councils to ensure it achieves the best outcomes for the community.

As part of local government advocacy efforts, Frankston Council has written to Moreland and other councils seeking our support for continued advocacy for a Victorian CDS. Frankston Council have pledged \$2000 towards a collaborative advocacy campaign coordinated by MAV and urged other councils to join such a campaign.

Relatedly, the grassroots Boomerang Alliance are continuing their crowd-funded 'Big Bottle Tour' to engage local communities on the benefits of a CDS and have asked Council for support in its campaign. Council has lobbied for a CDS in the past and should continue to do so.

2. Policy Context

Officer comments:

Council's Waste and Litter Strategy includes advocacy for introduction of a state (or national) container deposit scheme. CDS has multiple benefits - it shifts the cost to manage beverage container waste back to the producers; it provides an incentive to consumers to recycle beverage containers thereby reducing litter and increasing recovery of this material; and it ensures a clean, source separated waste stream with higher value to re-manufacturers.

3. Financial Implications

Officer comments:

A pledge of \$2,000 towards collaborative advocacy coordinated by the MAV could be funded from within the Towards Zero Waste (Recycling and Plastics) operating project budget 2019/2020.

4. Resources Implications

Officer comments:

The further written correspondence and advocacy proposed in the Motion in relation to CDS can be undertaken within existing resourcing.

Motion

That Council:

1. Writes to Frankston Council thanking it for its leadership in advocating for a Container Deposit Scheme (CDS) in Victoria and expressing Council's wholehearted support and noting that Council will write to the Municipal Association of Victoria urging it to undertake collaborative advocacy campaigning on this important issue.
2. Writes to the Municipal Association of Victoria requesting it initiates further advocacy, calling on the Victorian Government to introduce a Container Deposit Scheme as a matter of urgency, and pledging the amount of \$2,000 in support of such a collaborative campaign.

3. Writes to the Boomerang Alliance commending its grassroots campaigning for a Container Deposit Scheme, through its Big Bottle community engagement activities, and offering Council's in-kind support (such as social media promotion, in-house printing etc.) for potential Big Bottle campaigning activities within Moreland.
4. Writes to the Victorian Premier, Minister for Energy, Environment and Climate Change and State members for Broadmeadows, Pascoe Vale and Brunswick asking them to promote and support a container deposit scheme.

NOM52/19 COUNCIL CAR PARKS IN POSSIBLE TRIAL AREA (D19/341753)

Cr John Kavanagh

1. Background

Cr Kavanagh's background

At its August 2019 Council meeting, Council resolved to support a 6-month trial of option 3 of the Department of Transport plan for Sydney Road, between Brunswick Road and Dawson/Glenlyon Road. In the interests of relieving some of the impact felt by traders the following motion is seeking to help alleviate some of the effects this trial may have on traders.

2. Policy Context

Officer comments:

The Moreland Integrated Transport Strategy (MITS) 2019 states as an action that Council will:

- Expand paid parking to manage demand, make efficient use of parking resources and provide all-day parking opportunities. Revenue will be spent on improvements to sustainable transport and the local area.

3. Financial Implications

Officer comments:

There are no direct financial costs associated with preparing the report.

The financial implications of the proposal to make the parking free of charge during the potential trial, currently estimated to be in the order of \$150,000, which would be further detailed within the future subject to Council's decision.

4. Resources Implications

Officer comments:

Officer time will be required to prepare the report.

Motion

That Council receives a report outlining any financial or other impacts of Council making parking located at 7-11 Dawson Street, 13-15 Edward Street, 9-11 Union Street, and along Barkly Street Brunswick free of charge in the event the Department of Transport implements a 6-month trial of no car parking on Sydney Road between Brunswick Road and Dawson/Glenlyon Road's, for the duration of the trial.