



ORDINARY MEETING OF COUNCIL

MINUTES

6 MAY 2020



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**MINUTES OF THE ORDINARY MEETING OF THE PORT PHILLIP
CITY COUNCIL HELD 6 MAY 2020 – HELD VIRTUALLY VIA WEBEX**

The meeting opened at 6:30pm.

PRESENT

Cr Voss (Chairperson), Cr Baxter, Cr Bond, Cr Brand, Cr Copsey, Cr Crawford, Cr Gross, Cr Pearl, Cr Simic.

IN ATTENDANCE

Peter Smith, Chief Executive Officer; Lili Rosic, General Manager City Strategy and Sustainable Development; Tony Keenan, General Manager Community and Economic Development; Lachlan Johnson, General Manager Infrastructure and Amenity; Chris Carroll, General Manager Customer and Corporate Services; Kylie Bennetts, Director Office of the CEO, Anthony Traill, Manager Open Space and Recreation, Anthony Savenkov, Head of Property Projects, Ryan Plunkett, Coordinator Emergency Management, Kirsty Pearce, Coordinator Governance, Rebecca Purvis, Governance Officer, Emily Williams, Governance Officer, Steven Ross, Manager Organisational Performance, Dennis O’Keeffe, Chief Financial Officer, Peter Liu, Coordinator Management Accounting and Financial Analysis, Jim Maclean, Coordinator Building Maintenance, Zoe O’Mahoney, Manager Transport Choices.

The City of Port Phillip respectfully acknowledges the Yalukut Weelam Clan of the Boon Wurrung. We pay our respect to their Elders, both past and present. We acknowledge and uphold their continuing relationship to this land.

MOTION TO DEVIATE FROM ORDER OF BUSINESS

Moved Crs Copsey/Brand

That Council deviates from the order of business and accepts an item of urgent business.

The vote was taken under DIVISION.

FOR: Crs Bond, Voss, Baxter, Brand, Copsey, Crawford, Gross, Pearl and Simic

AGAINST: Nil

A vote was taken and the MOTION was CARRIED unanimously.



MEETING PROCESSES

Moved Crs Baxter/Simic

That as a matter of transparency and good governance, Council endorses the following change to meeting process in the conducting of virtual council meetings:

- Changing the order of business so that all contributions from the public (comment and questions) are heard at the start of the meeting during the agenda item 'Public Questions and Submissions'; and
- Conducting a vote on all motions under Division instead of by a silent show of hands, where the Mayor will call upon Councillors individually in alphabetical order to state their vote.

The vote was taken DIVISION.

FOR: Crs Bond, Voss, Baxter, Brand, Copsey, Crawford, Gross, Pearl and Simic

AGAINST: Nil

A vote was taken and the MOTION was CARRIED unanimously.

1. APOLOGIES

Nil.

2. CONFIRMATION OF MINUTES

MOVED Crs Crawford/Gross

That the minutes of the Ordinary Meeting of the Port Phillip City Council held on 15 April 2020 be confirmed.

The vote was taken under DIVISION.

FOR: Crs Bond, Voss, Baxter, Brand, Copsey, Crawford, Gross, Pearl and Simic

AGAINST: Nil

A vote was taken and the MOTION was CARRIED unanimously.

3. DECLARATIONS OF CONFLICTS OF INTEREST

Nil



4 PUBLIC QUESTION TIME AND SUBMISSIONS

The following submissions were made verbally during the virtual Council Meeting and can be listened to in full through the website <http://webcast.portphillip.vic.gov.au/archive.php> :

Rhonda Small in relation to agenda item 14.1 *Notice of Intention to Sell 8 York Street, St Kilda West: Receiving of Submissions to present to Council.*

Clive Bowden in relation to agenda item 14.5 *Marlborough Street Heads of Agreement - Housing First Request for Variation.*

Bruce Armstrong in relation to agenda item 14.8 *Council Plan and Budget 2020/21 - Direction Setting (Revised in consideration of the impact of COVID-19 pandemic).*

The following submissions were submitted prior to the meeting and were read out by the Coordinator Governance. The full submissions can be found on the website <http://www.portphillip.vic.gov.au/may-2020-meetingagendas.htm> :

Maggie Zapadlo in relation to agenda item 7.1 *Joint Letter from Owner/Residents of the Grace Community Living Facility for retirees requesting to have visitor parking installed outside the front of the facility at 114-128 Albert Road, South Melbourne.*

John – in relation to agenda item 7.1 *Joint Letter from Owner/Residents of the Grace Community Living Facility for retirees requesting to have visitor parking installed outside the front of the facility at 114-128 Albert Road, South Melbourne.*

Ann and Alex McDonell in relation to item 7.1 *Joint Letter from Owner/Residents of the Grace Community Living Facility for retirees requesting to have visitor parking installed outside the front of the facility at 114-128 Albert Road, South Melbourne.*

Peter Tolhurst in relation to agenda item 7.2 *Request from Residents of Bridge and Glover Street for extension of island in the middle of Pickles Street so that cars cannot cross over Pickles Street between Bridge and Glover Streets.*

James Woollett on behalf of the Middle Park Library Action Group Inc in relation to agenda item 8.1 *Presentation of CEO Report – Issue 65.*

Adrian Jackson in relation to agenda items 14.1 *Notice of Intention to Sell 8 York Street, St Kilda West: Receiving of Submissions* and 14.8 *Council Plan and Budget 2020/21 - Direction Setting (Revised in consideration of the impact of COVID-19 pandemic).*

Campbell Spence on behalf of Ratepayers of Port Phillip, Inc. in relation to agenda item 14.8 *Council Plan and Budget 2020/21 - Direction Setting (Revised in consideration of the impact of COVID-19 pandemic).*

Christina Sirakoff on behalf of Ratepayers of Port Phillip, Inc. in relation to agenda item 14.8 *Council Plan and Budget 2020/21 - Direction Setting (Revised in consideration of the impact of COVID-19 pandemic).*



5 COUNCILLOR QUESTION TIME

Mayor Bernadene Voss asked for clarification on the impact of the changes to Federal funding of Childcare Centres. With the renegeing of the payment to Councils for childcare funding, can you articulate what this means for Council finances?

Tony Keenan, General Manager Community and Economic Development, advised that what Council currently knows is that this means a \$1.3million reduction in income for the remainder of this financial year. We are still unclear to what arrangements will be in place post 30 June for funding of Childcare Centres. At the moment, we are assuming that the funding will revert to the previous arrangements, however there has been no announcement on this to date. Council has been working through the Municipal Association of Victoria (MAV) on this matter and it is becoming clearer that the view of the commonwealth government is that we will not receive funding.

Mayor Bernadene Voss asked if there been any reasoning provided as to why private and community Childcare Centres are receiving funding but not Council Childcare Centres?

Tony Keenan, General Manager Community and Economic Development, advised that statements made by the Commonwealth are not in relation to childcare per se but relate to Local Government in general stating that it is the State Governments responsibility.

6 SEALING SCHEDULE

Nil.

7. PETITIONS AND JOINT LETTERS

Item 7.1 Joint Letter from Owner/Residents of the Grace Community Living Facility for retirees requesting to have visitor parking installed outside the front of the facility at 114-128 Albert Road, South Melbourne.

A Joint Letter containing 21 signatures was received from the Owner/Residents of The Grace Community Living Facility for Retirees.

MOVED Crs Crawford/Copsey

That Council:

1. Receives the Joint Letter and thanks the signatories for contacting Council.
2. Resolves not to support the request for a visitor permit parking area outside 114-128 Albert Road.
3. Advises the organiser of the joint letter of the outcome.

The vote was taken under DIVISION.

FOR: Crs Bond, Voss, Baxter, Brand, Copsey, Crawford, Gross, Pearl and Simic

AGAINST: Nil

A vote was taken and the MOTION was CARRIED unanimously.



Item 7.2 Response to Request from Residents of Bridge and Glover Street for extension of island in the middle of Pickles Street s

A Joint Letter containing 77 signatures was received from residents of Bridge Street, Port Melbourne and Glover Street, South Melbourne and presented to a Council Meeting on 15 April 2020.

MOVED Crs Simic/Baxter

That Council:

1. Notes the concerns raised by the signatories of the Joint Letter regarding traffic safety at the Pickles Street, Bridge Street and Glover Street intersection.
2. Notes that traffic conditions in these streets and intersection are irregular due to the current COVID-19 State of Emergency, and requests that Council Officers conduct traffic surveys at the intersection when traffic conditions return to regular patterns.
3. Notes that Council officers will explore the traffic treatment options identified in this report and consult with the community prior to implementing any traffic changes.
4. Notes that any works identified as required to mitigate safety issues at this intersection will be undertaken in accordance with Council's processes, and approved budget and works program.
5. Receives a report from Council officers of recommended traffic safety improvements where these improvements would require funding above that included in Council's approved budgets.
6. Advises the organiser of the Joint letter of Council's endorsed recommendation and that Council's traffic engineers will inform the organiser of the findings of the traffic surveys and any treatment options identified.

The vote was taken under DIVISION.

FOR: Crs Bond, Voss, Baxter, Brand, Copsey, Crawford, Gross, Pearl and Simic

AGAINST: Nil

A vote was taken and the MOTION was CARRIED unanimously.

8. PRESENTATION OF CEO REPORT

8.1 Presentation of CEO Report - Issue 65

Purpose

To provide Council with a regular update from the Chief Executive Officer regarding Council's activities and performance.



MOVED Crs Simic/Crawford

That Council:

- 3.1 Notes the CEO Report Issue 65 (provided as Attachment 1) including changes to budget forecasts and project portfolio identified in March 2020.

Cr Simic experienced technical difficulties and left the meeting at 7.25pm.

The vote was taken under DIVISION.

FOR: Crs Bond, Voss, Baxter, Brand, Copsey, Crawford, Gross and Pearl

AGAINST: Nil

A vote was taken and the MOTION WAS carried.

9. PEOPLE AND COMMUNITY

Nil.

10. TRANSPORT AND PARKING

Nil.

11. SUSTAINABILITY

11.1 Council Maintenance and Cleaning Contracts Update

Purpose

To update Council on the new contract for the Cleaning of Council Buildings and Public Amenities (Contract 2236).

MOVED Crs Copsey/Baxter

That Council:

- 3.1 Notes that the Chief Executive Officer has accepted a tender and entered into a new contract for the Cleaning of Council's Buildings and Public Amenities (Contract 2236) with GJ&K Cleaning Services Pty Ltd, in accordance with the Council Resolution dated 29 January 2020.

The vote was taken under DIVISION.

FOR: Crs Bond, Voss, Baxter, Brand, Copsey, Crawford, Gross and Pearl

AGAINST: Nil

A vote was taken and the MOTION WAS carried.

Cr Simic returned to the meeting at 7.30pm.



12. PLANNING

Nil.

13. ARTS CULTURE & ECONOMIC DEVELOPMENT

13.1 Update on DELWP's Councils and Emergencies Capability and Capacity Evaluation Report

Purpose

To provide Council with the results for City of Port Phillip (Council) from Phase Two of the Department Environment, Land, Water and Planning (DELWP) *Councils and Emergencies – Capability and Capacity Evaluation Project*, known as the Project within this report.

MOVED Crs Voss/Gross

That Council:

- 3.1 Notes the findings of the *Councils and Emergencies Capability and Capacity Evaluation Report* (Phase 2) that Council has a high level of maturity in terms of its capability and capacity to respond to municipal emergencies.
- 3.2 Notes that a further report on Phase Three of the DELWP *Councils and Emergencies Capability and Capacity Evaluation* project will be reported to Council once it is completed.

The vote was taken under DIVISION.

FOR: Crs Bond, Voss, Baxter, Brand, Copsey, Crawford, Gross, Pearl and Simic

AGAINST: Nil

A vote was taken and the MOTION WAS carried unanimously.

14. ORGANISATIONAL PERFORMANCE

14.1 Notice of Intention to Sell 8 York Street, St Kilda West: Receiving of Submissions

Purpose

To report and hear submissions from interested parties in response to a notice published in accordance with section 189 of the Local Government Act 1989 ("Act") advising of City of Port Phillip's intention to sell land at 8 York Street, St Kilda West.



MOVED Crs Copsey/Crawford

That Council:

- 3.1 Notes that notice has been given under section 189 of the *Local Government Act 1989* of Council's proposal to sell the land located at 8 York Street, St Kilda West, to the open market, inviting submissions from interested parties.
- 3.2 Notes the written submission of response received by the end of the notice period (of 5pm on 17 April 2020).
- 3.3 Thanks, the submitter for its submission.
- 3.4 Formally considers the submission received and heard in response to the notice at a subsequent meeting of Council, once Officers have had the opportunity to fully consider the community feedback.

The vote was taken under DIVISION.

FOR: Crs Bond, Voss, Baxter, Brand, Copsey, Crawford, Gross and Simic

AGAINST: Cr Pearl

A vote was taken and the MOTION was CARRIED.

14.2 Outcomes of the Audit and Risk Committee meeting 25 February 2020

Purpose

To bring to the attention of Council the matters addressed at the 25 February 2020 Audit and Risk Committee meeting.

MOVED Crs Copsey/Pearl

That Council:

- 3.1 Notes the report outlining the matters addressed at the 25 February 2020 meeting of the Audit and Risk Committee.

The vote was taken under DIVISION.

FOR: Crs Bond, Voss, Baxter, Brand, Copsey, Crawford, Gross, Pearl and Simic

AGAINST: Nil

A vote was taken and the MOTION was CARRIED unanimously.



14.3 Update on Provision of Carpentry and Handyman Services

Purpose

To update Council on the new panel contract for Carpentry and Handyman Services (Contract 2241).

MOVED Crs Crawford/Baxter

That Council:

- 3.1 Notes that the Chief Executive Officer has accepted tenders and entered into a new contract for the Carpentry and Handyman Services Panel (Contract 2241) with Johnson Building & Maintenance Pty Ltd; Building Impressions Pty Ltd as Trustee for Building Impressions Unit Trust; Executive Maintenance Pty Ltd; and Omnigas Services Pty Ltd Trading as Omni Trade Services, in accordance with the Council Resolution dated 29 January 2020.

The vote was taken under DIVISION.

FOR: Crs Bond, Voss, Baxter, Brand, Copsey, Crawford, Gross, Pearl and Simic

AGAINST: Nil

A vote was taken and the MOTION was CARRIED unanimously.

14.4 Assemblies of Council

Purpose

To report to Council written records of Assemblies of Councillors at the City of Port Phillip as required by section 80A (2) (a) and (b) of the Local Government Act 1989.

MOVED Crs Pearl/Copsey

That Council:

- 2.1 That Council: Receives and notes the written records of Assemblies of Councillors (attached) as required by section 80A (2) (a) and (b) of the Local Government Act 1989.

The vote was taken under DIVISION.

FOR: Crs Bond, Voss, Baxter, Brand, Copsey, Crawford, Gross, Pearl and Simic

AGAINST: Nil

A vote was taken and the MOTION was CARRIED unanimously.



14.5 Marlborough Street Heads of Agreement - Housing First Request for Variation

Purpose

To recommend a response to a request, by HousingFirst as trustee of the Port Phillip Housing Trust ("HousingFirst"), to vary the Heads of Agreement dated 20 April 2018 for the sale and redevelopment of land at 46-58 Marlborough Street, Balaclava, ("the Heads of Agreement").

MOVED Crs Copsey/Baxter

That Council:

- 3.1 Vary the Heads of Agreement for the sale and redevelopment of land at 46-58 Marlborough Street, Balaclava, dated 20 April 2018 ("the Heads of Agreement"), to extend the target construction funding date to 1 March 2021.
- 3.2 Vary the Heads of Agreement to extend the planning permit target date to 18 December 2020.
- 3.3 Vary the Heads of Agreement for Substantial Commencement to be within 12 months from the issue of the development permit and HousingFirst's procuring of construction funding, whichever is the latter.
- 3.4 Authorise relevant Council Officers to negotiate and execute the Heads of Agreement as necessary to achieve these variations and to execute the document(s), affixing the Common Seal if necessary.
- 3.5 Undertake a Detailed Site Investigation of contamination at 46-58 Marlborough Street, Balaclava.

The vote was taken under DIVISION.

FOR: Crs Voss, Baxter, Brand, Copsey, Crawford, Gross and Simic

AGAINST: Crs Bond and Pearl

A vote was taken and the MOTION was CARRIED.

14.6 Register of Decisions made by CEO and revocation of COVID emergency delegation

Purpose

To present the final Register of Exercise of Delegation by the Chief Executive Officer during a declared State of Emergency – COVID-19, and to formally revoke the Instrument of Delegation adopted by Council on 25 March 2020 to manage the State Emergency as a result of COVID-19.



MOVED Crs Simic/Baxter

That Council:

- 3.1 Receives and notes the Register of Exercise of Delegation by the Chief Executive Officer during a declared State of Emergency – COVID-19, 2020 report (Attachment 1).
- 3.2 Revokes the Instrument of Delegation adopted by Council on 25 March 2020 to manage the current State Emergency as a result of COVID-19 (Attachment 2).

The vote was taken under DIVISION.

FOR: Crs Bond, Voss, Baxter, Brand, Copsey, Crawford, Gross, Pearl and Simic

AGAINST: Nil

A vote was taken and the MOTION was CARRIED unanimously.

14.7 Proposed Delegation to the CEO - Power to call Special Meetings

Purpose

To seek Council endorsement of the delegation of power to the CEO to call a Special Meeting of Council, to address a gap in transitional arrangements between the Local Government Act 1989 and the Local Government Act 2020.

MOVED Crs Voss/Brand

That Council:

- 3.1 Delegates to the Chief Executive Officer the power to call a Special Meeting of Council, set out in the Instrument of Delegation (Attachment 1), subject to the conditions and limitations specified in that Instrument.
- 3.2 Affixes the common seal of Council to the Instrument of Delegation to the Chief Executive Officer.
- 3.3 Notes that the Instrument of Delegation comes into force immediately when the common seal of Council is affixed to the Instrument.

The vote was taken under DIVISION.

FOR: Crs Bond, Voss, Baxter, Brand, Copsey, Crawford, Gross, Pearl and Simic

AGAINST: Nil

A vote was taken and the MOTION was CARRIED unanimously.



14.8 Council Plan and Budget 2020/21 - Direction Setting (revised in consideration of the impact of Covid-19 pandemic)

Purpose

To provide an update on changes in our strategic and operating environment and to seek approval of the updated 10-Year Financial Outlook and the parameters for the review of the Council Plan and development of the Budget 2020/21 in consideration of the impact of Covid-19 pandemic.

MOVED Crs Crawford/Simic

That Council:

- 3.1 Endorses the changes to the 10-Year Financial Outlook and parameters for Budget 2020/21, noting the significant challenge of Covid-19, rates capping, the impact of the Recycling Victoria policy on waste services and the rates cap gap.
- 3.2 Notes the expected \$32m impact of Covid-19 on revenue across 2019/20 and 2020/21 and that inclusion of \$23m of offsetting savings in the 10-Year Financial Outlook including \$16m in project portfolio deferrals and scope reductions (as summarised in Attachment 1) and \$7m in operating expenditure savings.
- 3.3 Notes that in addition to the \$75m of efficiency savings already built into the 10-Year Financial Plan that Council must address an \$71m funding gap over the 10-year period comprising the residual impacts of Covid-19 (\$9m), the waste and recycling crisis (\$63m), and an expected defined benefits superannuation shortfall (\$11m).
- 3.4 Notes that Officers will seek to address the short-term funding deficit and as much as possible of the long-term deficit as part of development of the Budget 2020/21 including a detailed review of operating expenditure, identification of service reduction options, further reductions to the project portfolio, and strategic use of reserves.
- 3.5 Endorses consultation on the following initial service reduction proposals (as summarised in Attachment 2) totalling \$0.9 million per annum or \$10m over the 10-year Outlook to assist in bridging the funding gap:
 - Cessation of the Program Activity Centre Pressure Washing Service
 - Cessation of funding for the South Port Community Legal Service
 - Reduced Assist Counter service at Port & South Melbourne
 - Reducing maintenance of VicRoads Assets by Council
 - Reduced spend on Diversity magazine and moving this to a digital platform
 - Freeze Community Grants Program at 2018/19 levels
 - Cease the Neighbourhood Grants program
 - Reduce the number of memberships to external bodies
- 3.6 Notes that to fully address the rates cap challenge over the long-term will require the consideration of a waste and amenity levy by a future Council and/or significant further reductions in other services to maintain financial sustainability.



- 3.7 Notes the updated timeframe for development of the Budget 2020/21 in accordance with the extended timeframes permitted by the State Government due to the impacts of Covid-19 and the proposed community engagement approach.
- 3.8 Delegates authority to the CEO or their delegate to update the 10-Year Financial Outlook document and to reflect any changes made by Council at tonight's meeting for final publication.

AMENDMENT

Moved Crs Pearl/Bond

That the following paragraph be added:

- 3.9 Requests Officers to provide Councillors with a no rate increase option when developing Budget 2020/21.

The vote was taken under DIVISION.

FOR: Crs Bond and Pearl

AGAINST: Crs Voss, Baxter, Brand, Copsey, Crawford, Gross and Simic

A vote was taken and the AMENDMENT was LOST.

SUBSTANTIVE MOTION

That Council:

- 3.1 Endorses the changes to the 10-Year Financial Outlook and parameters for Budget 2020/21, noting the significant challenge of Covid-19, rates capping, the impact of the Recycling Victoria policy on waste services and the rates cap gap.
- 3.2 Notes the expected \$32m impact of Covid-19 on revenue across 2019/20 and 2020/21 and that inclusion of \$23m of offsetting savings in the 10-Year Financial Outlook including \$16m in project portfolio deferrals and scope reductions (as summarised in Attachment 1) and \$7m in operating expenditure savings.
- 3.3 Notes that in addition to the \$75m of efficiency savings already built into the 10-Year Financial Plan that Council must address an \$71m funding gap over the 10-year period comprising the residual impacts of Covid-19 (\$9m), the waste and recycling crisis (\$63m), and an expected defined benefits superannuation shortfall (\$11m).
- 3.4 Notes that Officers will seek to address the short-term funding deficit and as much as possible of the long-term deficit as part of development of the Budget 2020/21 including a detailed review of operating expenditure, identification of service reduction options, further reductions to the project portfolio, and strategic use of reserves.
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 - Cessation of the Program Activity Centre Pressure Washing Service
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 - Reduced Assist Counter service at Port & South Melbourne



- Reducing maintenance of VicRoads Assets by Council
 - Reduced spend on Diversity magazine and moving this to a digital platform
 - Freeze Community Grants Program at 2018/19 levels
 - Cease the Neighbourhood Grants program
 - Reduce the number of memberships to external bodies
- 3.6 Notes that to fully address the rates cap challenge over the long-term will require the consideration of a waste and amenity levy by a future Council and/or significant further reductions in other services to maintain financial sustainability.
- 3.7 Notes the updated timeframe for development of the Budget 2020/21 in accordance with the extended timeframes permitted by the State Government due to the impacts of Covid-19 and the proposed community engagement approach.
- 3.8 Delegates authority to the CEO or their delegate to update the 10-Year Financial Outlook document and to reflect any changes made by Council at tonight's meeting for final publication.

The vote was taken under DIVISION.

FOR: Crs Voss, Baxter, Brand, Copsey, Crawford, Gross and Simic

AGAINST: Crs Bond and Pearl

A vote was taken and the MOTION was CARRIED.

15. NOTICES OF MOTION

Nil.

16. REPORTS BY COUNCILLOR DELEGATES

Nil.

17. URGENT BUSINESS

Nil.

18. CONFIDENTIAL MATTERS

Nil.

As there was no further business the meeting closed at 9.52pm.

Confirmed: 20 May 2020

Chairperson _____