

DISCONTINUANCE FOR PREVIOUSLY DECLARED SPECIAL CHARGE SCHEME ROADS

Report Author: Manager Infrastructure Services
Responsible Officer: Director Built Environment & Infrastructure
Ward(s) affected: (All Wards);

The author(s) of this report and the Responsible Officer consider that the report complies with the overarching governance principles and supporting principles set out in the Local Government Act 2020.

CONFIDENTIALITY

This item is to be considered at a Council meeting that is open to the public.

SUMMARY

On 11 April 2023 Council considered a report on these Federal Government funding cuts to the Roads for the Community Program, from \$150M to \$47.7M

The 11 April 2023 Council report recommended Council consider, at a meeting to be held prior to 1 July 2023, discontinuance of six Special Charge Schemes previously declared by Council.

This report presents to Council a list of six Special Charge Scheme road construction projects (Attachment 1) to be discontinued due to Federal Government funding cuts.

RECOMMENDATION

That Council

- 1. *Discontinue the following Special Charge Schemes, in accordance with section 164 of the Local Government Act 1989.***
 - (a) Park Street, Nicholas Street, Mary Road, Elsie Street, Royal Avenue and Imperial Avenue, Wandin North.***
 - (b) Austral Avenue, Upwey.***
 - (c) Nevada Avenue, Upwey.***
 - (d) Belbrook Road, Carween Avenue, The Highway, Weldon Grove and Mast Gully Road (service road), Upwey.***
 - (e) Henry Street, Yarra Junction.***
 - (f) Henry Street and Lester Street, Woori Yallock.***
- 2. *Notify those persons who are liable to pay the special charge of the discontinuance of the special charge.***

RELATED COUNCIL DECISIONS

At its meeting of 11 April 2023 Council considered a report on Federal Government funding cuts to the Roads for the Community Program. There are thirteen projects where Council has declared Special Charge Schemes that have no current commitment for cost involved with their construction. The report advised that following a comparison of expenditure and commitments, there were sufficient funds to construct seven of these thirteen Special Charge Schemes previously declared by Council.

The report recommended Council consider, at a meeting to be held prior to 1 July 2023, discontinuance of six Special Charge Schemes previously declared by Council.

The report has been published on Council's website and is available by searching the Agenda for the 11 April 2023 Ordinary Meeting.

DISCUSSION

Purpose

This report presents to Council a list of six Special Charge Scheme road construction projects to be discontinued due to Federal Government funding cuts.

Background

On 10 January 2023 Council received formal notification from the Federal Government that the \$150 Million Federal Government funding initiative would be reduced with Council only receiving total funding in the program of \$47.7 Million.

On 11 April 2023 Council considered a report on Federal Government funding cuts to the Roads for the Community Program. The report detailed what projects could be delivered based on the funding available in the program and where projects have been committed.

A comparison of expenditure and commitments was undertaken and found that there is a surplus of funding in the program based on the estimated figures. This surplus in funds can be used to deliver further road sealing projects in the program.

There are thirteen projects where Council has declared Special Charge Schemes that have no current commitment for cost involved with their construction. The surplus funds in the program can be utilised to deliver seven of these projects until funding is exhausted. The remaining six projects are recommended to be discontinued.

The six Special Charge Schemes that are recommended to be discontinued are listed in Attachment 1.

Recommended option and justification

That Council discontinue six Special Charge Scheme road construction projects listed in this report due to Federal Government funding cuts and notify those persons who are liable to pay the special charge of the discontinuance of the special charge.

FINANCIAL ANALYSIS

Estimated costs for the schemes that are recommended for discontinuance are in Attachment 1

RELEVANT LAW

Special Charge Schemes for Infrastructure Improvements are implemented under the Special Charge provisions of the *Local Government Act 1989*.

After complying with the procedure for levying a special charge a Council may discontinue the special charge under Section 164 of the *Local Government Act 1989*.

Council must ensure that those persons who are liable to pay the special charge are notified of the decision to discontinue the special charge.

SUSTAINABILITY IMPLICATIONS

Economic Implications

The construction of roads in the Federal Government program has mainly been undertaken utilising contractors from Council's Road Construction and Associated Works Panel. This panel was established with a majority of local smaller contractors to help provide economic support to these local businesses.

Discontinuance of six special charge schemes will reduce work available to these local businesses.

Social Implications

Special Charge Schemes for road construction require sizeable contributions from abutting landowners. These contributions can lead to social and economic impacts for affected landowners.

Environmental Implications

The sealing of local roads assists in reducing the impacts to the road condition from increased storm events, predicted as a result of climate change. Unsealed roads greatly deteriorate in condition following storm events creating an increased stress on service delivery for the unsealed road network.

COMMUNITY ENGAGEMENT

Landowners of properties that abut projects to be discontinued have been provided with update letters regarding the status of their project following the recent Federal Government funding cuts to the program.

On adoption of this report's recommendations, affected landowners will be formally notified of discontinuance of the Special Charge Scheme.

COLLABORATION, INNOVATION AND CONTINUOUS IMPROVEMENT

Projects constructed under the Roads for Community Initiative have been jointly funded by the Federal Government and participating landowners.

The key principles of the program have been to construct unmade roads:

- Servicing schools, community facilities and sporting facilities;
- Within the urban growth boundary and township areas within Yarra Ranges;
- That significantly support bushfire risk and emergency situations to allow the community to safely exit areas of high risk;
- That support the growth and development of tourism across the municipality; and
- Where sections of high-volume rural roads intersect with collector/arterial roads

The uptake and support from community for these projects has been very strong. With the reduction of Federal Funding to this program, continued advocacy will need to be undertaken to try and have funding re-established and provide benefits of road sealing to the community.

Council will continue to advocate for the Roads for the Community Initiative funding to be reinstated as one of our priority initiatives. Council Officers are working collaboratively with the Cardinia Shire Council on a campaign and have made submissions to the Australian Government's budget process to request that the funding be restored so residents can have their road sealed as planned.

RISK ASSESSMENT

The sealing of unsealed roads would provide the following benefits/risk reduction to landowners:

- Continued and safer vehicular access to and from properties abutting the road.
- Improved stormwater drainage runoff control due to the reduction of road gravel washing out and blocking drainage paths.
- Enhanced physical and environmental amenity for abutting properties.

If the proposed construction of a road does not proceed, inspections and service reports/requests to Council identify whether an unacceptable or unmanageable risk would be experienced by Council.

CONFLICTS OF INTEREST

No officers and/or delegates acting on behalf of the Council through the Instrument of Delegation and involved in the preparation and/or authorisation of this report have any general or material conflict of interest as defined within the *Local Government Act 2020*.

ATTACHMENTS TO THE REPORT

1. Special Charge Scheme road construction projects proposed to be discontinued