



**ORDINARY COUNCIL MEETING**

**AGENDA**

**WEDNESDAY 30 JANUARY 2019**

**AT 4PM**

**COPACC**

**Next Council Meeting: 27 February 2019  
Apollo Bay**

# COLAC OTWAY SHIRE ORDINARY COUNCIL MEETING

30 JANUARY 2019

## TABLE OF CONTENTS

OPENING PRAYER.....	3
PRESENT .....	3
APOLOGIES AND LEAVE OF ABSENCE .....	3
WELCOME AND ACKNOWLEDGEMENT OF COUNTRY .....	3
QUESTION TIME .....	4
TABLING OF RESPONSES TO QUESTIONS TAKEN ON NOTICE AT PREVIOUS MEETINGS .....	4
PETITIONS/JOINT LETTERS .....	4
DECLARATIONS OF INTEREST .....	4
CONFIRMATION OF MINUTES.....	4

## OFFICER REPORTS

OM193001-1	DRAFT RATING STRATEGY 2019 - 2021 .....	5
OM193001-2	QUARTERLY PERFORMANCE REPORT 2018-2019 .....	77
OM193001-3	REVIEW OF COUNCIL POLICY 16.2 - FRAUD PREVENTION AND CONTROL .....	126
OM193001-4	MAIN ROADS STREET LIGHTING UPGRADE PROJECT .....	138
OM193001-5	APEX PRE SCHOOL LEASE .....	144
OM193001-6	AUDIT COMMITTEE MINUTES - 29 AUGUST 2018 .....	149
OM193001-7	OLD BEECHY RAIL TRAIL COMMITTEE - REVISED INSTRUMENT OF DELEGATION.....	163
OM193001-8	OLD BEECHY RAIL TRAIL MINUTES AND ASSEMBLY OF COUNCILLORS NOTES.....	175

## COLAC OTWAY SHIRE ORDINARY COUNCIL MEETING

NOTICE is hereby given that the next **ORDINARY COUNCIL MEETING OF THE COLAC OTWAY SHIRE COUNCIL** will be held in COPACC on 30 January 2019 at 4PM.

### AGENDA

#### 1. THE MEETING IS DECLARED OPEN

##### OPENING PRAYER

*Almighty God, we seek your  
blessing and guidance in our  
deliberations on behalf of the  
people of the Colac Otway Shire.  
Enable this Council's decisions to be  
those that contribute to the true  
welfare and betterment of our community.*

AMEN

#### 2. PRESENT

#### 3. APOLOGIES AND LEAVE OF ABSENCE

#### 4. WELCOME & ACKNOWLEDGEMENT OF COUNTRY

Colac Otway Shire acknowledges the original custodians and law makers of this land, their elders past and present and welcomes any descendants here today.

I ask that we all show respect to each other and respect for the office of an elected representative.

All Council and Committee meetings are audio recorded, with the exception of matters identified as confidential items in the Agenda. This includes the public participation sections of the meetings.

Audio recordings of meetings are taken to facilitate the preparation of the minutes of open Council and Committee meetings and to ensure their accuracy.

In some circumstances a recording will be disclosed to a third party. Those circumstances include, but are not limited to, circumstances, such as where Council is compelled to disclose an audio recording because it is required by law, such as the Freedom of Information Act 1982, or by court order, warrant, or subpoena or to assist in an investigation undertaken by the Ombudsman or the Independent Broad-based Anti-corruption Commission.

Council will not use or disclose the recordings for any other purpose. It is an offence to make an unauthorised recording of the meeting.

## 5. QUESTION TIME

A maximum of 30 minutes is allowed for question time. To ensure that each member of the gallery has the opportunity to ask questions, it may be necessary to allow a maximum of two questions from each person in the first instance. Once everyone has had an opportunity to ask their initial questions, and if time permits, the Mayor will invite further questions.

Please remember, you must ask a question. If you do not ask a question you will be asked to sit down and the next person will be invited to ask a question. Question time is not a forum for public debate or statements.

1. Questions received in writing prior to the meeting (subject to attendance and time).
2. Questions from the floor.

## 6. TABLING OF RESPONSES TO QUESTIONS TAKEN ON NOTICE AT PREVIOUS MEETINGS

These responses will not be read out but will be included in the minutes of this meeting.

## 7. PETITIONS/JOINT LETTERS

A petition concerning feral cats in Murray Square, Apollo Bay has been received from a community member. The petition contained 38 signatures. A report responding to the petition will be tabled at the Ordinary Council Meeting to be held on 27 February 2019.

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A petition concerning oil exploration and drilling in the Great Australian Bight has been received from a community member. Council has been advised by the petitioner that the petition contained 1,436 signatures. A report responding to the petition will be tabled at the Ordinary Council Meeting to be held on 27 February 2019.

## 8. DECLARATIONS OF INTEREST

A Councillor who has declared a conflict of interest, must leave the meeting and remain outside the room while the matter is being considered, or any vote is taken.

Councillors are also encouraged to declare circumstances where there may be a perceived conflict of interest.

## 9. CONFIRMATION OF MINUTES

- **Ordinary Council Meeting held on 12 December 2018.**

### **Recommendation**

***That Council confirm the above minutes.***

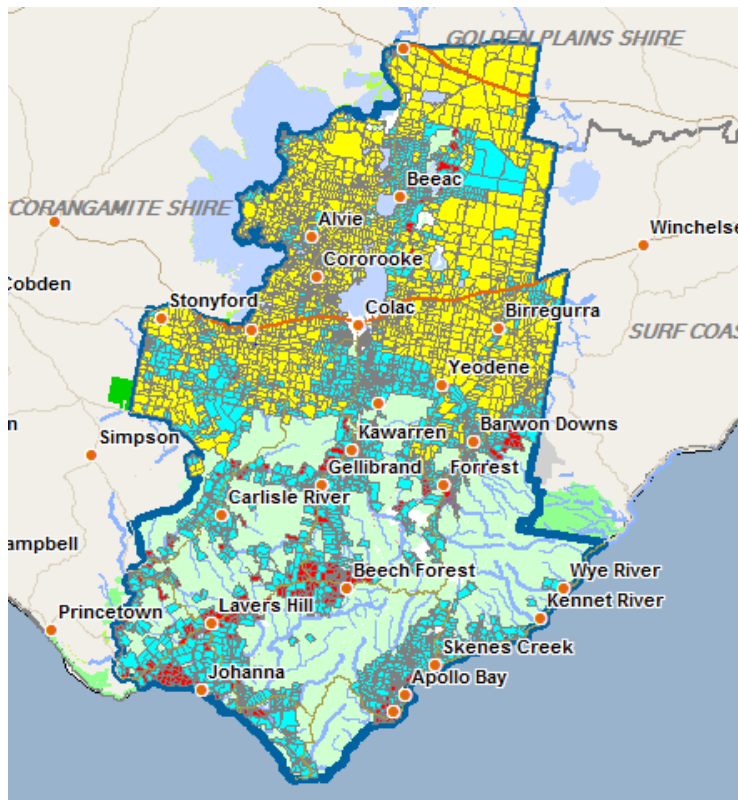


ORDINARY COUNCIL MEETING  
**DRAFT RATING STRATEGY 2019 - 2021**

OM193001-1

<b>LOCATION / ADDRESS</b>	Whole of municipality	<b>GENERAL MANAGER</b>	Errol Lawrence
<b>OFFICER</b>	Errol Lawrence	<b>DIVISION</b>	Corporate Services
<b>TRIM FILE</b>	F18/7487	<b>CONFIDENTIAL</b>	No
<b>ATTACHMENTS</b>	<ol style="list-style-type: none"> <li>1. Draft Rating Strategy 2019-2021</li> <li>2. "From Coastal Communities to Tourist Towns"</li> <li>3. Rates Modelling Options</li> </ol>		
<b>PURPOSE</b>	To present the Draft Rating Strategy 2019 - 2021 for the consideration of Council for public consultation.		

**1. LOCATION PLAN / AERIAL PHOTO**



## 2. EXECUTIVE SUMMARY

The current Rating Strategy expired on 30 June 2017. A draft Rating Strategy was initially presented to Council for consideration to be released for public consultation at a Special Council meeting on 2 May 2018.

Council determined to defer the draft Rating Strategy as follows:

***That the Council defers a decision on the revised Colac Otway Shire Rating Strategy in order to undertake further consultation with Councillors and community to determine policy direction for future rating frameworks adopted by the Council.***

As a result of this decision there have been follow-up Councillor briefing discussions & email communications with Councillors providing requested information and modelling. Also, the draft strategy presented here is titled Draft Rating Strategy 2019-2021 and will apply to the 2019-20 and 2020-21 financial years.

A Draft Rating Strategy 2019-2021 is submitted for consideration by Councillors to be release for public consultation for 6 weeks from Monday 4 February 2019 to Monday 18 March 2019.

## 3. RECOMMENDATION

***That Council:***

- 1. Endorses the Draft Rating Strategy 2019-2021 (Attachment 1).***
- 2. Authorises the Chief Executive Officer to give public notice, in accordance with section 223 of the Local Government Act 1989, that Council has prepared a Draft Rating Strategy 2019-2021.***
- 3. Appoints a Committee comprising of all Councillors and chaired by the Mayor in accordance with section 223(1)(b)(i) of the Act, to meet on Wednesday, 3 April 2019 at 5pm, and hear any persons who in their written submissions under section 223 of the Act have requested that they be heard in support of their submission.***
- 4. Authorises the Chief Executive Officer to undertake any and all administrative procedures necessary to enable Council to carry out its functions under section 223 of the Act.***
- 5. Notes that written submissions will be accepted for a 6 week period commencing on Monday 4 February 2019 and closing at 5:00pm Monday 18 March 2019.***
- 6. Considers for adoption the draft Rating Strategy 2019-2021 at the Council Meeting on Wednesday, 24 April 2019 at 4.00pm at COPACC, after consideration of any submissions received by Council at its Special Committee Meeting on Wednesday, 3 April 2019.***

## 4. BACKGROUND / KEY INFORMATION

### BACKGROUND

Council is required to prepare a rating strategy that sets out the rating structure and how the rates burden will be shared across the entire community. The current rating strategy expired on 30 June 2017. The proposed strategy will apply for the 2019-20 and 2020-21 financial years.

### KEY INFORMATION

There has been quite a detailed consultation process seeking information and feedback from a whole range of stakeholders. There have been a number of opportunities for stakeholders to have input into this process.

Commencing in October 2016, the rating strategy process has been the subject of an online survey, a number of Councillor Briefings, consultation with community groups and organisations, production of a Green Paper released for public consultation and finally the release of the Draft Rating Strategy (White Paper) for public consultation.

Following is a chronological summary of the consultative process.

#### Rating Strategy 2019-2021 Consultative Process

Date	Action	Who Consulted	Summary / Comment
October 2016	On line survey as part of Council Plan preparation	Community	Specific rates related question were included in survey. 57 respondents that identified a number of themes Council should consider.
10/05/17	Council Briefing session	Council	Referred to Macroplan Dimasi economic data and possible scenarios.
26/07/17	Council Briefing session agreed to incorporate Rating Strategy with 2018-19 budget process	Council	Rating strategy was previously to be done in 2017-18. Also listed suggestions from Cr McCracken.
16/08/17	Council Briefing session agree to community consultation plan.	Council	Agree to hold 2 community workshops.
September 2017	Targeted consultation with groups/organisation representing the broad community	Community	37 groups/organisations requested to identify issues that believed rating strategy should address. 6 responded.
18/10/17	Rating Strategy Community Workshop #2	Council	Consider submissions from VFF, CORRA & Colac Business Inc. (there was a long delay due consideration of CEO appointment that resulted in CORRA and Colac Business Inc. being unable to present).
27/10/17	Article in Colac Herald	Community	Article entitled "Council snub insults groups" appeared in the Colac Herald.

Date	Action	Who Consulted	Summary / Comment
8/11/17	2018 Rating Strategy Discussion (Green) paper approved by Council	Council	Considered themes identified by the community & identified "In scope" & "out of scope" issues.
10/11/17	Green paper placed on public exhibition	Community	Green paper emailed to 765 groups/organisation in the shire Article in Colac Herald (10/11/17) and advertising on local radio. Submissions allowed to be submitted until 1/12/17 (i.e. 6 weeks).
10/11/17	Article in Colac Herald	Community	Article entitled "Ratepayers can comment" appeared in Colac Herald
13/12/17	Consider submissions to Green paper.	Council	Briefing Session of Council considered the 7 submissions received as result of Green paper.
7/02/18	Council Briefing session considered modelled options	Council	Scenario raised questions from Councillors re:- <ul style="list-style-type: none"> <li>- appropriateness of CIV \$1M as basis of 'major Commercial' rating category</li> <li>- type of properties included in "Major Commercial" rating category</li> <li>- highest amount of rates payable for a property in "Major Commercial" rating category</li> </ul>
8/02/18	Australian Tax Office announcement re Airbnb properties		ATO announced it would require Airbnb to submit its client list to the ATO for tax assessment purposes.
22/02/18	Email from GM Corporate Services to Councillors	Council	Responded to questions raised at Briefing sessions on 7/02/18 & recommended we should: <ul style="list-style-type: none"> <li>- retain the existing rating categories and differentials and</li> <li>- prepare a rates model on that basis.</li> </ul> <p>The reasons for this were:-</p> <ul style="list-style-type: none"> <li>- it was not possible to identify a common factor to identify properties to be included in a proposed "Major Commercial" rating category</li> <li>- the Australian Taxation office's announcement on 8<sup>th</sup> February of its intention to identify holiday rental properties for taxation purposes, which would provide us with a more accurate and defensible basis for including properties in our Holiday Rental rating category than was proposed in the rates model.</li> </ul> <p>No further concerns/issues raised by Councillors.</p>

Date	Action	Who Consulted	Summary / Comment
15/03/18	Email from GM Corporate Services to Councillors	Council	Submitted 4 options and the positive and negative outcomes likely to accrue from each option. Email recommended Option 1 (i.e. No change to current categories & differentials) as preferred option. No concerns/issues raised by Councillors.
18/04/18	Council Briefing session considered proposed Rating Strategy document	Council	Document presented. Some Councillor concerns were raised regarding Councillor engagement process.
02/05/18	Special Council Meeting, Council deferred the Draft Strategy	Council	Draft Strategy presented for public consultation. Council raised concerns about lack of Councillor consultation. Decided to defer.
23/05/18	Councillor Briefing session – Rating Strategy scoping workshop	Council	Discussions with Councillors regarding the continued process and the information they wanted to complete the strategy. Further modelling was requested & provided & the Excel modelling spreadsheet was requested & provided.
06/08/18	Email to Councillors	Council	Follow-up email sent to Councillors seeking feedback on modelling & spreadsheet.
14/08/18	Email to Councillors	Council	Further follow-up email to Councillors.
09/09/18	Email to Councillors	Council	Further follow-up email to Councillors.
10/09/18	Email to Councillors	Council	Response to queries from Councillors
13/11/18	Email to Councillors	Council	Response to queries from Councillors
14/11/18	Councillor Briefing session – discussion regarding presenting the draft strategy for public consultation at the January 2019 OCM	Council	Councillors were asked if they required further information prior to the draft strategy going out for public consultation. Nothing further was requested.

As identified above, to assist in informing the Rating Strategy, Council undertook three significant community consultation exercises (in October 2016, September 2017 and November 2017) to ascertain community expectations. The responses were aggregated into themes which were then taken into consideration as much as possible.

In addition Council obtained demographic data from Macroplan Dimasi, (specialist economist consultants) which was used to supplement the information obtained from community consultation and support the development of rates models.

Ultimately it is believed the current rating structure (i.e. the rating categories) is appropriate. In the process of finalising and adopting the 2018/19 annual budget Council determined to adjust the Rural – Farm differential from 77% to 75% of the base rate (Residential – Colac/Elliminyt). This change has

been reflected in the strategy. With this change included, it is also believed the current differentials between the categories allows for the fair and equitable sharing of the rates burden across the community.

It is considered this Rating Strategy sought extensive feedback, opinions and views from the community. These views have been incorporated into the strategy as much as is feasible and legislatively possible. Council has also complied with the State Government's guidelines for preparing a rating strategy as much as is possible.

## ***FURTHER SUPPORTING INFORMATION***

### **5. COMMUNITY CONSULTATION & ENGAGEMENT**

Please refer to the detail in Key Information.

### **6. ANALYSIS**

#### **ALIGNMENT TO COUNCIL PLAN OR COUNCIL POLICY**

The report aligns to Theme 4 of the Council Plan.

#### **ENVIRONMENTAL IMPLICATIONS**

No environmental implications were identified.

#### **SOCIAL & CULTURAL IMPLICATIONS**

No social & cultural implications were identified.

#### **ECONOMIC IMPLICATIONS**

No economic implications were identified.

#### **LEGAL & RISK IMPLICATIONS**

No legal and risk implications were identified.

#### **RESOURCE IMPLICATIONS (FINANCIAL ETC)**

Should the Draft Rating Strategy not be approved for public consultation the current rating strategy will continue to operate until such time as a new strategy is adopted.

### **7. IMPLEMENTATION STRATEGY**

#### **DETAILS**

If the Draft Rating Strategy is approved for public consultation it will be out for the consultation for 6 weeks from Monday, 4 February 2019 to Monday 18 March 2019. After that time any submissions will be compiled and a Council briefing report will be produced for discussion with Councillors.

Proposed Changes will be made to the Strategy with the view to adopting it on 24 April 2019.

#### **COMMUNICATION**

See details above

## TIMELINE

See details above

## 8. OFFICER DIRECT OR INDIRECT INTEREST

No officer declared an interest under the *Local Government Act 1989* in the preparation of this report.





**Colac Otway Shire**  
**Draft Rating Strategy 2019-2021**

## Index

Synopsis.....	3
1. Introduction .....	4
2. Legislative Authority .....	5
(2.1) Equity .....	5
(2.2) Basis of Rating .....	5
(2.3) State Government Guidelines .....	5
3. Current Rating Situation .....	6
(3.1) Municipal Charge.....	7
(3.2) Waste Management Charge .....	8
4. Valuations .....	8
5. Rate Capping .....	9
6. Payment Options.....	9
7. Payment Methods .....	9
8. Penalty Interest .....	10
9. Hardship Assistance.....	10
10. Action Taken Leading to this Strategy.....	10
(10.1) Demographic Snapshot .....	11
(10.2) Community Consultation .....	13
(10.3) Guiding Principles.....	14
11. Capacity to Pay – What is it and who has it?.....	15
(11.1) What Is It? .....	15
(11.2) Who has “capacity to pay”?.....	16
12. Rates Modelling .....	20
13. Proposed rating structure.....	21
(13.1) Municipal Charge.....	22
(13.2) Waste Management Charge .....	22
14. Compliance with State Government’s Guidelines.....	23
15. Meeting community expectations .....	24
Appendices.....	25
References.....	25

## **Synopsis**

Council is required to prepare a Rating Strategy that sets out the rating structure and how the rates burden will be shared across the entire community. The current rating strategy expired on 30 June 2017.

This strategy will apply for the 2019-20 and 2020-21 financial years.

To help inform the Rating Strategy, Council undertook three significant community consultation exercises (in October 2016, September 2017 and November 2017) to ascertain community expectations. The responses were aggregated into themes which were then taken into consideration as much as possible.

In addition Council obtained demographic data from Macroplan Dimasi, (specialist economist consultants) which was used to supplement the information obtained from community consultation and support the development of rates models.

Ultimately it is believed the current rating structure (i.e. the rating categories) is appropriate. In the process of finalising and adopting the 2018/19 annual budget Council determined to adjust the Rural – Farm differential from 77% to 75% of the base rate (Residential – Colac/Elliminyt). This change has been reflected in the strategy. With this change included, it is also believed the current differentials between the categories allows for the fair and equitable sharing of the rates burden across the community.

It is considered this Rating Strategy sought extensive feedback, opinions and views from the community. These views have been incorporated into the strategy as much as is feasible and legislatively possible. Council has also complied with the State Government's guidelines for preparing a rating strategy as much as is possible.

## 1. Introduction

Council is required to periodically prepare a Rating Strategy. The purpose of the Rating Strategy is to set the rating structure and how the rates responsibility will be apportioned across the community. The current rating strategy expired on 30 June 2017. While not having adopted a new strategy to date, Council did resolve to reduce the Rural Farm rate from 77% to 75% for the 2018-19 rating year.

The new rating strategy considered the following:

- *Rating structure* – is differential rating appropriate and are the current rating categories relevant?
- *Differentials* – if differential rating is to be retained, are the differentials between the categories fair and equitable?
- *Other charges* - Should a Municipal Charge or other specific charges be utilised to raise revenue and if so, to what extent?
- *Fairness & equity* – what constitutes a fair and equitable sharing of the rates burden?
- *Capacity to pay* – should this be considered and if so how is it determined?
- *Rate capping* – what are the implications and what is community reaction/expectations to State Government imposed rate capping?
- *Alternative rating options* – are there alternatives?
- *Hardship assistance* – what assistance is available and is it at an appropriate level?
- *Penalty Interest* – when is it charged and is this appropriate?

In the past three years, a number of events have occurred that have significantly impacted sections of the community. In addition to general economic conditions affecting most people within the Shire, the Shire was severely affected by the 2015 Christmas day bushfire in Wye River – Separation Creek and the dairy industry crisis.

There also appears to be an emerging community expectation that “capacity to pay” be taken into consideration when rates are being determined.

As a result officers were keen to ensure the new rating strategy considered the concept of capacity to pay as part of the deliberation in to how the rates burden should be apportioned across the community. Having said that, it must be remembered that municipal rates are a tax based on land value, not income. As such, determining capacity to pay on an individual's income is not feasible as Council does not have personal income data, nor is it legal in the context of rating powers.

## **2. Legislative Authority**

The *Local Government Act 1989* stipulates that the primary objective of a Council is to endeavour to achieve the best outcomes for the local community while considering the long-term and cumulative effects of decisions. In seeking to achieve its primary objective, a Council must have regard to a number of facilitating objectives, including:

- promoting the social, economic and environmental viability and sustainability of the municipal district;
- ensuring that resources are used efficiently and effectively and services are provided in accordance with best value principles to best meet the needs of the local community;
- improving the overall quality of life of people in the local community;
- promoting appropriate business and employment opportunities to ensure that services and facilities provided by the Council are accessible and equitable;
- ensuring the equitable imposition of rates and charges; and
- ensuring transparency and accountability in Council decision-making.

### **(2.1) Equity**

Section 3C (2) (f) of the *Local Government Act 1989* requires Council to ensure rates are levied fairly and equitably.

The Local Government Act does not define what is “equitable”, however as the rates are a tax based on valuation of the property it is generally accepted that equity does not relate to the amount of rates to be paid.

Overall, in considering what rating is “equitable” Council must consider all facets of the rating structure, property valuation, budgetary requirements and differentials between rating categories in order to meet the needs of the community.

### **(2.2) Basis of Rating**

Section 158A requires Council to separately levy a rate or charge on each portion of land for which it has a separate valuation.

Section 157 provides for Council to use the site value, nett annual value or capital improved value as the means of valuing properties for rating purposes.

As such, the link between the valuation of a property and the amount of rates levied is legally established. Rates paid are therefore not a reflection of services provided or used.

### **(2.3) State Government Guidelines**

In addition to the legislative authority, the State Government provided a Revenue and Rating Strategy Guide in 2014. The guide suggests a key step in developing a rating strategy is the consideration of the following principles:

#	Principle	Explanation
1	<b>Wealth tax</b>	Rates are a tax based upon the value of the property being rated and has no correlation to the ratepayer's access to or consumption of services.
2	<b>Equity</b>	That consideration be given to " <i>horizontal equity</i> " (i.e. that ratepayers with similar valued properties should pay similar amounts) and " <i>vertical equity</i> " (i.e. that ratepayers with higher valued properties should pay more than those with lesser valued properties).
3	<b>Efficiency</b>	That consideration be given to the extent to which production and consumption decisions by people are affected by rates.
4	<b>Simplicity</b>	The system should be easily understood by ratepayers and be practical to administer.
5	<b>Benefit</b>	That consideration be given to the nexus between consumption/benefit and the rates burden.
6	<b>Capacity to pay</b>	What factors are relevant to particular property classes in order to make informed observations about their capacity to pay rates.
7	<b>Diversity</b>	Which groups in the municipality may warrant special consideration in regards to their capacity to pay.

### 3. **Current Rating Situation**

Clearly, a key aspect of the rating strategy is to review the existing rating structure.

Like most municipalities in Victoria, this shire has a differential rating structure, which applies a different rate in the dollar to different types (categories) of properties. The rating category is a generic indication of how the property is being used (e.g. for a residential, commercial, holiday accommodation or farm use).

Also like most Victorian Councils, the Capital Improved Valuation of a property is used as the basis of rating.

Revenue derived from the below rating categories comprises the general rates component of an overall rates bill.

The current rating structure, rates in the dollar and differential are:

<b>Rating Category</b>	<b>Rate in \$</b>	<b>Differential (from base rate)</b>
<i>Residential - Colac/Elliminyt</i> (Residential properties in the Colac, Colac East & West & Elliminyt township.	0.004271	100% (base rate)
<i>Residential - Balance Shire</i> (Residential properties located in the municipality excluding Colac & Elliminyt)	0.003631	85%
<i>Holiday Rental (Houses/cabins that are made available for short term holiday accommodation for a fee/tariff)</i>	0.004271	100%
<i>Rural – Farm</i>	0.003204	75%
<i>Commercial / Industrial – Colac/Elliminyt/Colac West</i> (Commercial properties in the Colac, Elliminyt & Colac West Township)	0.007048	165%
<i>Commercial / Industrial - Balance Shire</i> (Commercial properties not located in the townships of Colac, Apollo Bay, Elliminyt or Princes Highway Colac West)	0.005980	140%

Most Council's in Victoria have similar differential rating categories to Colac Otway Shire. The exception is the Holiday Rental category, which very few, if any have.

Overall, all properties within the Shire generally fit into one of the above rating categories.

In addition to the general rates derived from the above rating categories, Council also levies the following charges:

### **(3.1) Municipal Charge**

This is a flat charge levied on all properties pursuant to section 159 of the Local Government Act (as amended).

The Municipal Charge raises revenue to pay for a proportion of the administrative costs of Council.

The total amount of revenue currently able to be raised from the Municipal Charge is 20% of the sum total of revenue raised from the charge and general rates in that financial year. In 2018-19 the revenue from the Municipal Charge at the Shire amounted to 10% of the total revenue from the charge and general rates.

The only exemption from the Municipal Chare is for Single Farm Enterprises, which have two or more assessments in the same ownership that are used for farming purposes.

In these cases, at least one Municipal Charge is required to be paid.



The Municipal Charge for 2018-19 was \$188.35.

As part of its budget deliberations Council will need to review the amount of the Municipal Charge.

### **(3.2) Waste Management Charge**

This is a flat charge levied on all properties on the waste collection routes or those that have requested the use the service pursuant to section 162 of the Local Government Act 1989.

The charge is levied to defray the costs of Council providing a kerbside domestic waste collection service. As such it is a user pays charge levied on properties that derive benefit from the service. The service is provided on a weekly basis for most properties, with a fortnightly service in Wye River.

The Waste Management Charge for 2018-19 was \$315.00 per annum for the weekly service and \$215.00 per annum for the fortnightly service.

As part of its budget deliberations Council will need to review the amount of the Waste Management Charge.

It should be noted that the Waste Management Charge is a cost recovery charge.

## **4. Valuations**

A key determinant of the amount of general rates a property will pay is the valuation of the property. The valuation used for rating purposes is the Capital Improved Valuation (CIV). The CIV is an estimate of the market value of the property (being land and any capital improvements such as buildings, fences, etc.) as at the valuation date.

The valuation date is a set date at which all properties in the Shire are valued. This ensures all properties are valued relative to each other at the same point in the market cycle.

The last valuation returned was the 2018 revaluation which was used for rating purposes in the 2018-19 financial year. The valuation date for this valuation was 1 January 2018.

As of 1 July 2018, the Valuer General became the valuation authority for all Councils and valuations are now conducted annually.

Property owners are advised of their valuations on their annual rates notice issued in August and there is a two month period in which objections to the valuation may be lodged. This results in the valuation being reviewed by the Shire's contract valuer.



## 5. **Rate Capping**

Since 2016-17, Victorian Councils have been subjected to a municipal rate cap imposed by the State Government. The cap provides for the amount of general rates and charges to be capped at a percentage above the amount of rates and charges levied for the previous year. The cap for 2016-17 was 2%, 2017-18 was 1.75% and 2018-19 was 2.25%. It has been set at 2.5% for 2019-20. The level of rate increase required for 2019-20 will be determined as part of the budget deliberation.

Council can apply a rate increase up to the cap. Should it wish to apply a rate increase in excess of the cap Ministerial approval must be gained.

## 6. **Payment Options**

Council provides the following three payment options:

Option	When due
<b>Quarterly Instalment</b>	1 <sup>st</sup> Instalment due: 30 September 2 <sup>nd</sup> Instalment due: 30 November 3 <sup>rd</sup> Instalment due: 28 February 4 <sup>th</sup> Instalment due: 31 May
<b>Payment by Arrangement</b>	Frequency of part payments by arrangement with full amount due by 31 May.
<b>Lump Sum payment</b>	Full payment by 15 February

## 7. **Payment Methods**

Rates and charges are able to be paid by the following methods:

- online (via BPay, Post Billpay and Formsport or via Council's website)
- by direct debit
- by cheque
- in person by cash or credit card at Council's customer service centres at Colac and Apollo Bay and at any post office.

## **8. *Penalty Interest***

Penalty interest is charged on rates not paid by due dates in accordance with section 172 of the Local Government Act 1989. The penalty rate of interest is prescribed by the State Government.

Exceptions to this are:

- Late payments of instalment 2 and 3 for accounts where the quarterly instalment option has been activated by the ratepayer. Our practice has been to allow missed payments of these two instalments to *not* be charged interest as they will appear as being due on the next Instalment notice issued.
- Rates being paid by arrangement where a part payment is missed.

In both these cases, rates are required to be paid in full by 31 May. Interest is charged on any balance outstanding after this date in accordance with the requirements of section 172 of the Act.

The penalty interest regime used by Council minimises interest to the ratepayer as much as possible and is considered appropriate.

## **9. *Hardship Assistance***

Council has a Rates Assistance to Rates Debtors in Hardship policy which seeks to provide assistance to rates debtors who can show they are suffering legitimate financial hardship.

The policy expects the rates debtor to be making an effort to be paying rates and provides for:

- ✓ all accrued interest to be waived, and
- ✓ no further interest to be levied for a specific period of time.

The intention is that rate payments made will be reducing principal instead of being applied to paying interest.

## **10. *Action Taken Leading to this Strategy***

A review of the 2014-17 Rating Strategy commenced in July 2016. To enable informed proposals to be developed, Council sought the assistance of Macroplan Dimasi to compile socio-economic demographic data relevant to the Shire.

Macroplan Dimasi are specialist economic consultants who have vast experience in compiling, analysing and interpreting demographic data for the government and local government sector.

This data was obtained from a variety of sources and was as current as possible at the time of collection. It did not however include data from the 2016 national census undertaken in August 2016 as that data was not available when Macroplan Dimasi compiled the data in November 2016. Macroplan Dimasi's final report, entitled "From Coastal Communities to Tourist Towns" was provided to officers in February 2017. A copy of this report is attached to this document.

**(10.1) Demographic Snapshot**

The data compiled by Macroplan Dimasi indicated the Shire had the following demographic characteristics:

Data	Findings
<b>Population growth – historical &amp; future</b>	<ul style="list-style-type: none"> <li>• Shire's population growth rate has gradually decreased since 2008 to be -1.2% (compared to Victorian growth rate of 0.5%).</li> <li>• Estimated population in 2015 was 20,255.</li> <li>• Duplication of Princes Hwy may lead to an increase in future.</li> </ul>
<b>Age profile</b>	<ul style="list-style-type: none"> <li>• Shire population is on average older than regional Victoria.</li> <li>• Share of people aged 65 and over increased from 16.6% to 21.4% in available data period.</li> <li>• Future growth is expected in next 15 years due to factors such as Princes Hwy duplication extending to Colac, Outer metropolitan Ring Road construction.</li> <li>• Also appears to be possibility of housing affordability initiatives/policies by State/Federal governments that may lead to population shift to rural areas.</li> </ul>
<b>Dwelling structure &amp; tenure type</b>	<ul style="list-style-type: none"> <li>• High proportion of detached dwellings</li> <li>• Higher rate of unoccupied dwellings than regional average (believed to be caused by incidence of holiday houses).</li> </ul>
<b>Income</b>	<ul style="list-style-type: none"> <li>• Shire has significantly lower median weekly income than the Victorian figure.</li> <li>• The average annual wage is approx. \$42,000. (note: this includes farmers who are self employed and pay themselves a wage from the business).</li> <li>• Average annual wage for workers in the agriculture/forestry/fishing sector is approx. \$20,000.</li> <li>• Council data suggests approximately 15% of the population are pensioners.</li> </ul>

Data	Findings
<b>Occupation</b>	<p>There were around 8,258 employment positions in the shire (as at the 2011 census). The breakdown of these is as follows:</p> <ul style="list-style-type: none"> <li>- Managers 20.1%</li> <li>- Labourers 16.8 %</li> <li>- Professionals 14.1%</li> <li>- Technicians/trades workers 12.8%</li> <li>- Community/personal care workers 11.1%</li> <li>- Clerical/administrative workers 9.5%</li> <li>- Sales workers 9.4%</li> <li>- Machinery operators/drivers 6.2%</li> </ul> <p>The Shire's unemployment rate in late 2016 was 4.5% - slightly less than the Victorian rate.</p>
<b>Business by industry</b>	<p>As at June 2015, there were 2,259 businesses across 20 industry types.</p> <p>The top five employing industries in terms of number of employing businesses &amp; turnover were:</p> <ul style="list-style-type: none"> <li>- Agriculture/forestry/fishing</li> <li>- Construction</li> <li>- Retail trade</li> <li>- Accommodation/food services</li> <li>- Transport/postal/warehousing</li> </ul> <p>The agriculture/forestry/fishing sector was dominated by enterprises that are owner/family operated. Most of these would be farms.</p> <ul style="list-style-type: none"> <li>• Accommodation/food services sector is dominated by domestic tourism with 385,000 overnight visitors injecting \$151 million into local economy</li> <li>• a further 409,000 day visitors spend another \$40 million.</li> <li>• About 88,000 international visitors spend a further \$26 million locally.</li> <li>• Most of this occurred along the coast.</li> </ul>
<b>Dwelling approvals</b>	<p>Approvals for new dwellings in the shire have remained relatively stable over the past ten years.</p>
<b>Sales &amp; prices</b>	<ul style="list-style-type: none"> <li>• Median sale price of houses has increased from \$102,000 in 2001 to \$300,000 in 2016 but</li> <li>• the number of sales has decreased from 500-700 p.a. in 2001-07 to 300-500 p.a. since.</li> </ul>

In summary, the Shire:

- has a static, ageing population base,
- approximately 15% of the population are pensioners
- residents tend to own their home,
- less than half of the Shire's population are employed,
- a significant number are self/family employed (particularly in the agriculture /forestry/ fishing sector)
- they have a lower than average income (at \$42,000 p.a.)
- the number of new dwellings constructed has remained stable
- house sale prices continue to rise - but less houses are being sold

### **(10.2) Community Consultation**

In addition to obtaining demographic and economic data, since October 2016 there have been three significant consultative exercises undertaken to investigate community views and expectations in relation to municipal rates. These were:

<b>When</b>	<b>Type of Consultation Undertaken</b>	<b>Respondents</b>	<b>Responses</b>
<b>Oct 2016</b>	On line survey as part of Council Plan preparation	Fifty seven respondents	<ul style="list-style-type: none"> <li>• Affordability is important</li> <li>• Consider new levies e.g. to support the environment</li> <li>• Support the farming sector</li> <li>• Farming sector rates are tax deductible and they should contribute more due to their size. Residential ratepayers need support.</li> <li>• Spend more on maintenance of assets.</li> <li>• Look at new businesses like AirBNB and ensure they are paying their fair share.</li> <li>• Investing in smaller towns outside Colac is important.</li> </ul>
<b>Sept 2017</b>	Thirty seven groups/organisations representing commercial, farming & residential sectors requested to provide comment re issues to be considered in 2018 Rating Strategy	Six respondents	<ul style="list-style-type: none"> <li>• Retain differential rating structure.</li> <li>• Review differentials for farm, Holiday Rental rating categories &amp; create new Coastal category.</li> <li>• Farm differential to be 55% of base rate</li> <li>• rates payable for farms to be equal to comparable commercial business</li> <li>• single assessment for farms</li> <li>• Review retaining Municipal Charge.</li> </ul>



When Undertaken	Type of Consultation	Respondents	Responses
			<ul style="list-style-type: none"> <li>Consider ability to pay/apply "User pays"/rates levied should be commensurate with services provided.</li> </ul>
Nov 2017	2018 Rating Strategy Discussion (Green) Paper placed on public exhibition (10 Nov – 1 Dec 2017)  Emailed to 755 businesses & community groups	Three respondents (5 submissions)	<ul style="list-style-type: none"> <li>Rates relief for property owners that undertake weed control.</li> <li>People shouldn't pay for services they don't use (i.e. more user pays)</li> <li>rates levied should be commensurate with services provided.</li> <li>Access to services should determine rates payable.</li> </ul>

Whilst these consultative exercises indicated there are opposing views on the some specific issues, the feedback was aggregated into the following themes:

#	Theme
1	Retain differential rating.
2	Review differentials between rating categories (e.g. Farm, Commercial, Holiday rental, new Coastal).
3	Municipal Charge – whether to retain it or abolish it.
4	Fairness & equity – consider capacity to pay / apply "user pays" model / value for money / rates to reflect services used or accessible.
5	Rates relief for owners that undertake environmental land management.

### (10.3) Guiding Principles

These themes were considered by Council at a briefing session on 13 December 2017, resulting in the following principles being agreed on to guide the preparation of the Rating Strategy:

#	Theme	Principle
1	Retain differential rating structure	That a differential rating structure be retained.
2	Review differentials between rating categories	That the differentials between rating categories be modelled and reviewed.
3	Investigate retaining Municipal Charge	<ul style="list-style-type: none"> <li>That the Municipal Charge be retained and</li> <li>Council seek to reduce the amount of the charge.</li> </ul>
4	Fairness & equity	<p>That Council reaffirms:</p> <ul style="list-style-type: none"> <li>rates are a tax to raise revenue to provide services across the entire Shire and</li> <li>it is not feasible to apply a full "user pays" model to Council services or levy rates according to usage or accessibility.</li> </ul>

#	Theme	Principle
5	Rates relief for owners that undertake environmental land management.	<p>That Council:</p> <ul style="list-style-type: none"> <li>investigate an appropriate criteria for providing rates relief for properties covered by a Trust For Nature covenant</li> <li>that such support be a rebate at a rate per hectare.</li> </ul>

## 11. Capacity to Pay – What is it and who has it?

A common theme raised in community consultation over the years is that municipal rates should be based upon a person's capacity to pay. This is also a "principle" the "Revenue and Rating Strategy Guidelines 2014:" suggests should be considered by Council when developing a rating strategy.

### (11.1) What Is It?

The reality is however, whilst this seems a reasonable aspiration, people's financial circumstances inevitably vary and are known only to the person concerned. Thus implementing this aim presents significant practical difficulties.

As it is presumed "capacity to pay" is evidenced by income, the question then is whether "gross income" or "nett income" should be the determinant of rates payable. This then has implications in regards to equity of rating as some sections of the community (e.g. the commercial, small business and farming sectors) have the capacity to minimise their income for taxation purposes whilst other sectors (e.g. PAYE taxpayers) cannot minimise their taxable income to the same extent.

As Council does not have access to income data, it is not feasible to use income (gross or nett) as a basis for municipal rating.

Overall, municipal rates comprise approximately 3.5% of all tax income in Australia, with a rates bill generally amounting to approximately 3% of a ratepayer's gross income.

Notwithstanding this, Council was keen to take capacity to pay into consideration when apportioning the rates burden. As this can't be done on an individual basis, it was considered the focus should be on the general capacity to pay of the rating category. This will be influenced by a range of broad economic factors.

As the rating categories may contain a range of property types in a range of sectors, the overall economic effect on some properties will vary. As an example, whilst the commercial rating categories will contain both retail and industrial properties, general economic conditions may have a different effect on both types of property. This will affect capacity to pay.

**(11.2) Who has “capacity to pay”?**

Based upon the Macroplan Dimasi data from 2016, the following is a broad view of factors affecting our rating categories:

Rating Category	Factors to Consider
<b>Residential - Colac/Elliminyt</b>	<ul style="list-style-type: none"> <li>• High proportion of owner/occupied dwellings.</li> <li>• Many occupants on lower than average PAYE wage or are retiree and/or pensioners.</li> <li>• Many owners are PAYE wage earners who are experiencing sustained low wage growth and rising utility, insurance and health costs etc.</li> <li>• Record low mortgage rates – but these will rise.</li> <li>• Rates are generally paid after tax and are not tax deductible.</li> </ul>
<b>Residential – Balance of Shire</b>	<ul style="list-style-type: none"> <li>• Low valued properties in townships such as Cressy, Beeac, Pirron Yallock with owners usually in lower income group.</li> <li>• Many owners are PAYE wage earners who are experiencing sustained low wage growth and rising utility, insurance and health costs etc.</li> <li>• High valued properties are located along coastal regions (Apollo Bay, Marengo, Skenes Creek, etc.).</li> <li>• High incidence of investment properties/holiday houses.</li> <li>• Better financial returns from letting houses as holiday accommodation resulting in scarcity of residential lease properties.</li> <li>• Residential lease rents expensive affecting quality of community.</li> <li>• Wye River - Separation Creek affected by 2015 bushfire</li> <li>• Rates are generally paid after tax and are not tax deductible.</li> </ul>
<b>Holiday Rental</b>	<ul style="list-style-type: none"> <li>• Category contains approx. 430 properties that are known to be made available for holiday accommodation for a fee.</li> <li>• Many other properties escape detection and are therefore under rated. Introduction of Air BnB type model has made it increasingly difficult to capture properties used for holiday accommodation.</li> <li>• Varying degrees of commerciality but can gross minimum of \$10-12,000 p.a. rental income.</li> <li>• Usually set up as business for tax purposes – rates are a tax deductible business expense.</li> <li>• Profit margins can be tight but profit not always primary issue – usually not the owner’s primary income.</li> <li>• Record low mortgage rates – but these will rise.</li> <li>• Directly benefit from the 385,000 overnight visitors spending \$151 million into local economy.</li> <li>• Holiday accommodation industry has peak seasons but has good off peak trade.</li> <li>• Wye River - Separation Creek affected by 2015 bushfire but properties not affected by the fire are still being made available for accommodation at tariff range of \$2,500 - \$7,500 per week in peak season. Some high end Wye River properties are available for up to \$12,000 per week in peak season.</li> </ul>



Rating Category	Factors to Consider
<b>Rural - Farm</b>	<ul style="list-style-type: none"> <li>• Range of property types – mostly dairy, beef, potatoes, cropping &amp; sheep.</li> <li>• Dairy affected by dairy crisis (reduced income &amp; “claw back” payments) - though farm gate prices have since increased and processors waived claw back payments in return for continuity of milk supply</li> <li>• Rising production costs – this is particularly an issue for small farms</li> <li>• Commodity prices rise &amp; fall due to external influences.</li> <li>• Volume of rural land sales increased sharply from 2009 but declined in 2014 and 2016 (with a spike in 2015) - suggesting farmers reacting to low profitability from 2009.</li> <li>• Sector is not a large employer of non family labour but does contribute to other businesses, thereby indirectly creating employment.</li> <li>• All/part of rates/utilities are a tax deductible expense.</li> </ul>
<b>Commercial / Industrial – Colac/Elliminyt/Colac West</b>	<ul style="list-style-type: none"> <li>• There are a range of property types and sectors in this category e.g. from small retail shops to AKD, Cacro, Bulla etc.</li> <li>• Different factors affecting different properties.</li> <li>• Category contains businesses that are a considerable source of employment (e.g. Bulla, AKD etc.).</li> <li>• Retail sector facing online &amp; Geelong competition (affecting profitability) – professional services sector less affected</li> <li>• Rates a tax deductible business expense.</li> <li>• Population base (i.e. market) not growing – may improve after duplication of Princes Hwy completed.</li> <li>• Need to retain competitiveness – to create / keep jobs.</li> </ul>
<b>Commercial / Industrial - Balance Shire</b>	<ul style="list-style-type: none"> <li>• Mainly contained to coast (Apollo Bay) and some in small towns (Birregurra, Forrest, Gellibrand, Beeac, Pirron Yallock, Cororooke etc.)</li> <li>• Mainly food services, retail and large scale (i.e. motel/resort) accommodation.</li> <li>• Directly benefit from the 409,000 domestic day visitors and 88,000 international visitors spending \$66 million locally. Large passing trade opportunities.</li> <li>• Duplication of Princes Hwy should have positive affect.</li> <li>• Rates are a tax deductible business expense.</li> <li>• Provides employment in towns.</li> </ul>

From the above it appears:

Rating Category	Factors to Consider
<b>Residential - Colac/Elliminyt</b>	This rating category contains properties owned mostly by PAYE wage earners and pensioners, who are experiencing sustained low wage increases and rising domestic costs. Fortunately, mortgage rates have been at sustained record low levels, but this will not last indefinitely.
<b>Residential – Balance of Shire</b>	This rating category is similar to the above but includes dwellings not occupied by owners that are not used for commercial or semi

Rating Category	Factors to Consider
	<p>commercial holiday accommodation purposes.</p> <p>The category also includes Wye River – Separation Creek, which was ravaged by the 2015 Christmas day bushfire. There are however very few permanent residents in this township.</p>
<b>Holiday Rental</b>	<p>This rating category contains dwellings that are made available for holiday accommodation on a commercial or semi commercial basis. The vast majority of these properties are located in the coastal region. They are usually set up as a business for taxation purposes and in peak seasons generally command tariffs of \$2,500-\$4,000 per week (depending on quality of house etc.). Based on the data, the holiday rental sector is prospering (or has the capacity to prosper).</p> <p>The category also includes Wye River – Separation Creek, which was ravaged by the 2015 Christmas day bushfire. This affected holiday rental earnings for those properties not damaged by the fire throughout 2016.</p> <p>A challenge in relation to this rating category is it has become increasingly difficult to identify all properties used for holiday accommodation purposes to ensure they are correctly rated.</p>
<b>Rural - Farm</b>	<p>Dairy farmers have experienced a prolonged period of lower profit margins, made worse by the decisions by processors to cut the farm gate milk price and seek claw back payments. However, prices have increased since and processors waived/refunded claw back payments. Overall, there is no increase in sale of farms – suggesting that despite the dairy crisis and reduced profit margins, there is no significant exodus from the industry.</p> <p>Dairy industry figures for 2016-17 show the average dairy farm in south west Victoria:</p> <ul style="list-style-type: none"> <li>- milks approximately 368 cows</li> <li>- produces approximately 525 kg of milk solids/cow/year</li> <li>- has a gross income from dairying in excess of \$1 million p.a.</li> <li>- has a nett income (after tax) of \$117,000 p.a.</li> </ul> <p>In the same period, beef and sheep have performed very well, whilst cropping had a bumper harvest in 2016-17. Frost in November 2017 may affect the 2017-18 yield but the effects on price is unknown at this stage.</p>
<b>Commercial / Industrial – Colac/Elliminyt/Colac West</b>	<ul style="list-style-type: none"> <li>• The commercial/retail sector in Colac is not experiencing the same level of prosperity as the coast.</li> <li>• Small retail shops in particular are susceptible to competition from online providers,</li> <li>• Professional services, banks, supermarkets and larger businesses are less susceptible.</li> </ul>
<b>Commercial / Industrial - Balance Shire</b>	<p>The commercial / retail sector along the coast (basically Apollo Bay) is prospering due to visitor numbers /passing trade.</p> <p>Small townships away from the coast are not experiencing the same level of prosperity</p>

From a capacity to pay perspective, it appears the following rating categories have a capacity to pay or absorb rates increases:

Rating Category	Why it has/hasn't capacity to pay
<b>Rural - Farm</b>	<ul style="list-style-type: none"> <li>All mainstream agricultural activities have performed well in 2016-17 and 2017-18 after a period of lower returns caused by drought and the dairy crisis.</li> <li>Average nett (after tax) income of dairy farms in south west Victoria has increased in 2016-17.</li> <li>Rates &amp; utilities are a tax deductible business expense.</li> </ul>
<b>Holiday Rental</b>	<ul style="list-style-type: none"> <li>Predominantly located in the coastal region</li> <li>High level of tourist stayovers (worth approximately \$151 million per annum).</li> <li>Rates &amp; utilities are a tax deductible business expense.</li> </ul>
<b>Commercial / Industrial - Balance Shire</b>	<ul style="list-style-type: none"> <li>Coastal commercial/industrial properties have the benefit of high levels of passing trade/opportunities (worth approximately \$66 million per annum).</li> <li>Rates &amp; utilities are a tax deductible business expense.</li> <li>Commercial/industrial properties in rest of Balance of Shire not experiencing same economic activity.</li> </ul>

Whereas the following rating categories have less capacity to pay or absorb rates increases:

<b>Residential - Colac/Elliminyt</b>	<ul style="list-style-type: none"> <li>Includes many residents on PAYE wages and pensioners.</li> <li>Average wage in Shire is \$42,000. Wages growth has stagnated for approximately 10 years.</li> <li>Employment more uncertain.</li> <li>Rates paid after tax.</li> </ul>
<b>Residential – Balance of Shire</b>	<ul style="list-style-type: none"> <li>Includes many residents on PAYE wages and pensioners.</li> <li>Average wage in shire is \$42,000. Wages growth has stagnated for approximately 10 years.</li> <li>Employment more uncertain.</li> <li>Rates paid after tax.</li> </ul>
<b>Commercial / Industrial – Colac/Elliminyt/Colac West</b>	<ul style="list-style-type: none"> <li>Small retail businesses in Colac/Elliminyt (mostly in Murray St) are suffering from on line competition.</li> <li>Larger businesses not as susceptible to this.</li> </ul>



## 12. Rates Modelling

Rates modelling undertaken looked at:

- the appropriateness of the current rating categories.
- the effect of changing rating differentials between rating categories.
- the extent of changes to the amount of rates that would be payable as a result of changes to the differentials.
- the effect of reducing the Municipal Charge.
- the effect of equalising the commercial property rates across the Shire.

The valuation data used for rates modelling was data that was proposed, at that point in time, to be the 2018 revaluation data. As the 2018 revaluation was being prepared at the same time as the Rating Strategy, it was understood there may be some difference between the proposed data and the final revaluation data that was due to be returned in April 2018. It was anticipated the variance would not affect the Rating Strategy outcomes.

The modelling looked at apportioning the rates burden to the rating categories that appeared from the economic data to have the capacity to pay. This aim was consistent with views expressed by the community in consultative exercises undertaken.

This scenario required some re-categorising of properties and looked at:-

- creating a specific (new) “Commercial/Industrial - Apollo Bay / Marengo / Skenes Creek” category,
- creating a new “Commercial/Industrial – Major” category, and
- increasing the “Holiday Rental” rating category by including absentee owned dwellings located in the southern end of the Shire into the category.  
The basis for this was an acknowledgement that a large number of properties used for holiday accommodation were not included in the Holiday Rental category as they were let out through various on line applications (e.g. Air BnB etc.) and were difficult to identify for rating purposes.

Incorporating these changes proved problematic for a range reasons with the outcome being many properties in a variety of rating categories would experience significant rates increases. This was particularly so for absentee owned dwellings that would be included in the “Holiday Rental” rating category.

Coincidentally, in early February 2018 (just after this modelling was done), the Australian Taxation Office (ATO) announced they were requesting Air BnB provide them with a list of their clients for taxation purposes. This appeared to create an opportunity for Council as it was felt obtaining addresses of properties used to provide holiday accommodation from the ATO would be a fairer and more definitive means of identifying properties to be included in the “Holiday Rental” category. It would also lead to less complaints and administrative work as it would ensure absentee owners that don't let the dwelling out for holiday accommodation were not included in the “Holiday rental” category.

It is anticipated the ATO won't have this data until after tax returns for the 2017-18 financial year are lodged. Council officers have pursued this matter with the ATO. The Shire is awaiting a response to its request for information from the ATO.

Modelling was also undertaken for the following scenarios using the current rating categories. The modelled scenarios were:

#	Description of scenario
1	No change to current categories & differentials
2	Reduce Colac Commercial by 10 % points / Increase Farm by 3% points
3	Reduce Colac Commercial by 10 % points / Increase Commercial - BOS by 10% points & Holiday Rental by 10 % points/ No change to Farm or Residential - BOS
4	Reduce Colac Commercial by 10 % points & Farm by 7% points / Increase Commercial - BOS by 10 % points & Holiday rental by 5 % points

A table showing the scenarios is attached (see table 1).

### 13. Proposed rating structure

Based on the above scenarios, ultimately it was decided Option 1 (i.e. retaining the current rating structure and differentials) is the most appropriate as:

- ❖ the current rating categories provided accurate generic descriptions of land use that could be applied to all properties in the Shire (e.g. all properties were either residential, commercial/industrial, holiday rental or farm properties).
- ❖ the current differentials allowed for rates increases resulting from valuation increases to be mitigated (i.e. evened out).

Thus it is proposed the following rating structure and differentials be adopted for the term of the Rating Strategy.

Rating Category	Differential (from base rate)
<i>Residential – Colac/ Elliminyt</i> (Residential properties in the Colac, Colac East & West & Elliminyt).	100% (base rate)
<i>Residential - Balance of Shire</i> (Residential properties located in the municipality excluding those in the "Residential -Colac / Elliminyt" rating category)	85%

<b>Rating Category</b>	<b>Differential (from base rate)</b>
<i>Holiday Rental</i> (Houses/cabins that are made available for short term holiday accommodation for a fee/tariff)	100%
<i>Rural – Farm</i> (Properties used for farm purposes as defined by the Valuation of Land Act 1960).	75%
<i>Commercial / Industrial – Colac/Elliminyt</i> (Commercial properties in the Colac, Colac East & West and Elliminyt)	165%
<i>Commercial / Industrial - Balance Shire</i> (Commercial / industrial properties in the municipality excluding those in the “Commercial / Industrial –Colac/Elliminyt” rating category.	140%

A comparison of these differentials with those of similar Shires for 2017-18 is attached (see table 2).

### **Other Charges**

In addition to general rates being levied on the basis of the above structure, it is proposed Council retain the Municipal Charge and Waste Management Charge.

#### **(13.1) Municipal Charge**

As this is a set charge, it ensures low valued properties (that pay a low amount of rates) contribute a meaningful amount towards the running costs of the Shire.

#### **(13.2) Waste Management Charge**

As this charge seeks to recoup the contract cost of the kerbside waste collection service from properties on the collection routes that benefit from the service, it is a “user pays” charge. As such, it meets the community expectation that people who use/benefit from a service should pay for it.

## 14. Compliance with State Government's Guidelines

As mentioned above, in 2014 the State Government provided guidelines for the preparation of a rating strategy. In preparing this strategy, an attempt has been made to comply with the principles outlined in the guidelines as follows:

#	Principle	Explanation
1	<i>Wealth tax</i>	<p>Rates are a tax based upon the value of the property being rated and have no correlation to the ratepayers' access to or consumption of services.</p> <p><b>Compliance:</b> <b><i>The strategy has been prepared on this basis.</i></b></p>
2	<i>Equity</i>	<p>That consideration be given to "horizontal equity" (i.e. that ratepayers with similar valued properties should pay similar amounts) and "vertical equity" (i.e. that ratepayers with higher valued properties should pay more than those with lesser valued properties).</p> <p><b>Compliance:</b> <b><i>"Horizontal equity" is achieved as properties in the same category and valuation pay the same amount of rates. The strategy attempts to provide "vertical equity" by using differentials to equalise the amount of rates paid by similar types of properties that are in different localities and/or have different valuations.</i></b></p>
3	<i>Efficiency</i>	<p>That consideration be given to the extent to which production and consumption decisions by people are affected by rates.</p> <p><b>Compliance:</b> <b><i>How these decisions are affected by the amount of rates payable is unknown and varies from person to person. The strategy attempts to equitably apportion the rates burden across the shire and actively sought to avoid significant increases to specific rating categories.</i></b></p>
4	<i>Simplicity</i>	<p>The system should be easily understood by ratepayers and be practical to administer.</p> <p><b>Compliance:</b> <b><i>The rating structure (being based on generic land use descriptions) is believed to be simple for the community to understand.</i></b></p>
5	<i>Benefit</i>	<p>That consideration be given to the nexus between consumption/benefit and the rates burden.</p> <p><b>Compliance:</b> <b><i>This principle seems contradictory to principle 1 above. However, the use of differential rates attempts to recognise that some areas (e.g. Colac/Elliminyt) have greater access to services than other areas and therefore pay rates at a higher rate in the dollar.</i></b></p>



#	Principle	Explanation
6	<i>Capacity to pay</i>	<p>What factors are relevant to particular property classes in order to make informed observations about their capacity to pay rates.</p> <p><b>Compliance:</b>  <b>Council obtained economic data to identify rating categories that appeared to have capacity to pay. Ultimately a balance between this principle and principles 2, 3 and 5 had to be found.</b></p>
7	<i>Diversity</i>	<p>Which groups in the municipality may warrant special consideration in regards to their capacity to pay.</p> <p><b>Compliance:</b>  <b>See comment for principle 6.</b></p>

## 15. Meeting community expectations

This Rating Strategy has attempted to meet community expectations expressed through the community consultation exercises conducted over the past 18 months.

It is acknowledged that many people will judge the Rating Strategy by whether they pay less rates or more. This is understandable, although simplistic. Ultimately property rates are a land tax based on land value.

The main themes that emerged from the community consultation and our response is detailed below:

#	Theme
1	<p>Retain differential rating.</p> <p><b>Response:</b>  <b>The Rating Strategy has met this community expectation by retaining the differential rating structure.</b></p>
2	<p>Review differentials between rating categories (e.g. Farm, Commercial, Holiday Rental, new Coastal).</p> <p><b>Response:</b>  <b>The Rating Strategy has reviewed the differentials between rating categories and determined they are appropriate. It is acknowledged some sections of the community will feel their concerns have not been met by this action.</b></p>
3	<p>Municipal Charge – whether to retain it or abolish it.</p> <p><b>Response:</b>  <b>Whilst there are differing community views on whether or not to retain the Municipal Charge, Council's view is it should be retained. Whether or not the Rating Strategy has met this community expectation is a subjective opinion.</b></p>



#	Theme
4	<p>Fairness &amp; equity – consider capacity to pay / apply “user pays” model / value for money / rates to reflect services used or accessible.</p> <p><b>Response:</b>  <i>This is a complex issue. The “capacity to pay” issue is referred to above. Unfortunately a true “user pays” model would result in the many services becoming out of the financial reach of those the service is designed to assist. Whether or not the Rating Strategy has met this community expectation is a subjective opinion.</i></p>
5	<p>Rates relief for owners that undertake environmental land management.</p> <p><b>Response:</b>  <i>This is considered to be outside the scope of the Rating Strategy. However, a preliminary proposal to provide a rate rebate for land covered by Trust for Nature covenants is being prepared.</i></p>

## Appendices

TABLE 1 - Rates modelling options

TABLE 2 - Comparison of rating categories, rate in \$ and differentials with other Councils

## References

“From Coastal Communities to Tourist Towns” - Colac Otway Rating Strategy study in 2016 by Macroplan Dimasi Pty Ltd - February 2017

“2016-17 Dairy Farm Monitor Annual Report- Victoria” by Agriculture Victoria and Dairy Australia

“Revenue & Rating Strategy Guidelines”- DELWP 2014



# FROM COASTAL COMMUNITIES TO TOURIST TOWNS

## Colac Otway Shire Rating Strategy

### FINAL REPORT

Prepared by MacroPlan Dimasi  
20 March 2017



## \_Study Context

The following report was prepared by MacroPlan Dimasi for Colac Otway Shire Council (Council).

This report draws together the findings of Stage 1 research undertaken by MacroPlan Dimasi, which reviewed Council's existing rating strategy and explored the application of differential rating methods across a number of benchmark municipalities.

Stage 1 research examined local and regional economic and demographic indicators and identified a number of alternative rating scenarios for Council consideration in response to significant forecast growth in tourism across the Shire during the coming decade.

This report presents a high level case for reshaping Colac Otway's municipal rating strategy to respond to increasing infrastructure and community service demands – particularly in and around Colac and key tourism towns with high tourism visitation – whilst ensuring regional competitive advantage and sustainable outcomes for rural land users.

Council has conducted its own community consultation to identify issues the community may wish Council to consider in formulating a new rating strategy. The findings of the consultation process will be incorporated into Stage 1 research and used to further refine options as part of a future rating strategy.

## \_Contents

- 1\_Current state – what do we know today?
- 2\_Future state – what will happen in the future?
- 3\_Current rating system – how does it work?
- 4\_Benchmarks – comparisons with other municipalities
- 5\_Opportunities – alternative rating scenarios and options

References

Annexure

# 1\_Current State

## What we know today...

### Population

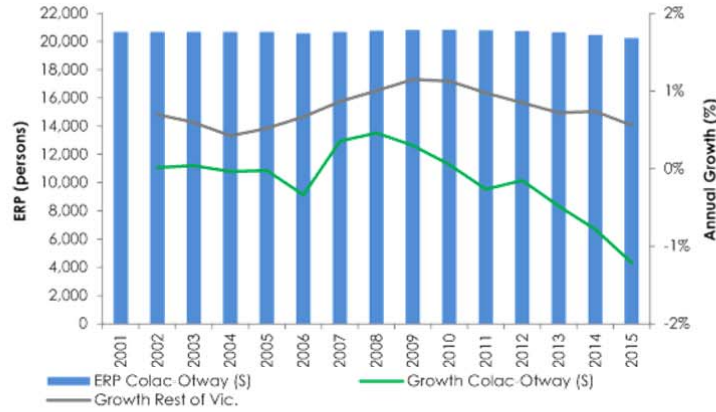
1. The population of Colac Otway Shire increased only slightly during the past decade – from approx. 20,600 residents in 2006 to reach an estimated 21,168 people in 2016 – an increase of 568 residents (Chart 1. Population growth across the Shire has increased on average by 0.27% p.a. **well below** the Victorian average of 1.8% p.a. during the past decade.
2. Colac Otway Shire has grown much slower than Geelong, Surf Coast and Colac Otway Shires during the past 5 years, with the vast majority (88%) of total population growth occurring in the areas of Elliminyt and Colac West.
3. Annual average population growth rates in Elliminyt (1.2% p.a.) and Colac West (1.1% p.a.) matched areas such as Lorne-Aireys Inlet, Newcomb–Moolap and the northern rural parts of Golden Plains Shire during the past 5 years.

### Dwellings

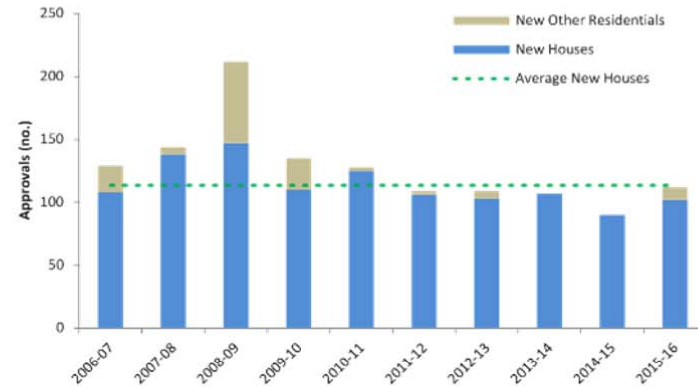
5. The total number of dwellings in Colac Otway Shire increased – from approx. 10,790 dwellings in 2006 to reach an estimated 11,790 dwellings in 2016 – an increase of 1,000 dwellings. This is broadly consistent with the total number of dwelling approvals reported during this time.
6. The net increase in dwellings **was almost twice** the net increase in the number of residents during the past decade.
  - The mismatch between the number of permanent residents and the total number of dwellings in Colac Otway is an indicator the Shire is home to a growing number of holiday rental homes, particularly in coastal areas along the Great Ocean Road such as Apollo Bay, Kennett River, Wye River and Separation Creek.
  - In FY15-16 there were 428 holiday rentals reported by Council for rating purposes. The true number of holiday rentals may be higher, reflecting growing trends in room-sharing (e.g. AirBnB) and similar online short-stay accommodation rental services.
  - Dwelling occupancy rates of between 70%-75% are broadly in line with Mornington Peninsula and well below Geelong, Golden Plains, Moorabool and Ballarat.
7. The median sales price for residential dwellings in Colac Otway Shire **increased by almost 60%** during the past 10 years, with considerable fluctuations during the past 5 years, reflecting increased property transactions and relatively subdued dwelling approvals during this time (Charts 2 and 3). This is below median residential sales price rises in Geelong (68%), Moorabool (70%) and well below Surf Coast (94%) and Golden Plains (97%) during the same time (See Annexure).

# 1\_Current State

**Chart 1: Estimated Resident Population**



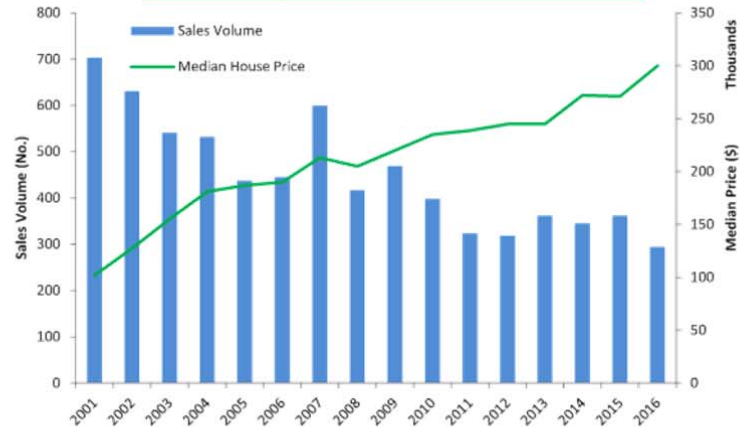
**Chart 2: Dwelling Approvals, Colac Otway**



**Table 1: Household Income & Wealth**

	Colac Otway (\$)			Rest of Vic.		
	2001	2006	2011	2001	2006	2011
Income & Wealth						
Median Household Income (\$/week)	328	408	501	650	807	945
Avg. Annual Growth Rate		4.5%	4.2%		4.4%	3.2%

**Chart 3: Dwelling Sales, Median House Price, Colac Otway**





# 1\_Current State

## What we know today...

### Tourism / Peak Population

8. Colac Otway Shire is located within an internationally significant tourism region, with the Great Ocean Road, Otway Ranges and surrounding rural hinterland featuring as key regional tourist attractions.
9. Colac Otway Shire experiences **major population peaks** throughout the year, particularly during warmer months when there are more events and festivals coinciding with school holiday periods.
10. This causes peaks in demand for restaurants, cafes, bars, retail shops, entertainment venues and a wide range of community services. It also places strains on health services, highways and local roads and infrastructure.
11. There were approx. 310 tourism enterprises operating in Colac Otway in 2015, with the majority being small businesses with few or no staff – see Table 1. Colac Otway has approx. 16% of all tourism enterprises operating in the Western Victoria tourism region and accounts for approx. 18% of total tourism expenditure in this region, compared with Surf Coast at 31% of total expenditure.
  - In 2015 there were 409,000 domestic day visitors to Colac Otway resulting in expenditure of \$40 million in the region. This compares with Surf Coast which reported 930,000 domestic day visitors resulting in \$81 million expenditure in the region – Tables 3 and 4.
  - There were 385,000 domestic overnight visitors to Colac Otway in 2015 resulting in 1,032,000 visitor nights and \$151 million expenditure in the region. This compares with Surf Coast which reported 736,000 domestic overnight visitors resulting in 2,319,000 visitor nights and \$279 million expenditure in the region – Tables 3 and 4.
  - There were 88,000 international visitors to Colac Otway resulting in 255,000 visitor nights and \$26 million expenditure in the region. This compares with Surf Coast which reported 32,000 international visitors resulting in 155,000 visitor nights and \$15 million expenditure in the region – Tables 3 and 4.
12. Domestic visitors represent the **largest share** of total visitors to Colac Otway, with most domestic visitors staying an average of 3 nights in the region and spending an average of \$420 per trip.
13. Whilst there are relatively fewer international visitors to the Colac Otway region, they spend more than \$510 per trip and Colac Otway attracts **almost twice** the number of international visitors as the Surf Coast region.
14. Many local businesses and holiday home owners have the potential to benefit directly and indirectly from peak population flows, particularly those located in tourism hot-spots with significant tourism expenditure spill-over benefits.



# 1\_Current State

**Figure 1: Colac Otway Tourism Region**



**Table 2: Tourism Businesses Colac Otway (2015)**

	TOTAL
Non-employing	122
1 to 4 employees	96
5 to 19 employees	74
20 or more employees	18
<b>Total</b>	<b>310</b>

**Table 3: Key Tourism Metrics – Colac Otway Tourism Region**

	INTERNATIONAL	DOMESTIC OVERNIGHT	DOMESTIC DAY	TOTAL
Visitors ('000)	88	385	409	882
Nights ('000)	255	1,032	-	1,287
Average stay (nights)	3	3	-	3
Spend (\$m)	26	151	40	217
Average spend per trip (\$)	296	392	99	246
Average spend per night (\$)	102	146	-	137
Average spend (commercial accommodation) per night (\$)	113	191	-	172

**Table 4: Visitors – Colac Otway Tourism Region**

Visitors to Colac Otway	INTERNATIONAL	DOMESTIC OVERNIGHT	DOMESTIC DAY	TOTAL
<b>Reason (visitors '000)</b>				
Holiday	85	286	251	622
Visiting friends or relatives	2	66	100	168
Business	np	np	np	np
Other	np	np	np	np
<b>Travel party type (visitors '000)</b>				
Unaccompanied	33	53	-	87
Couple	31	129	-	160
Family group	10	98	-	108
Friends/relatives travelling together	12	92	-	104
<b>Accommodation (nights '000)</b>				
Hotel or similar	75	139	-	214
Home of friend or relative	22	251	-	273
Commercial camping/caravan park	59	223	-	282
Backpacker	32	np	-	np
Other	68	408	-	476

# 1\_Current State

## What we know today...

### Rural Land Prices

15. During the past decade, median sale prices for all rural land types rose 24% across Colac Otway Shire (Chart 4), well below Geelong (54%), Surf Coast (70%), Ballarat (80%) and Golden Plains (99%) during the same period (see Annexure).
16. The median sale price for vacant rural land fell slightly during the past 5 years (Chart 5), which was partly offset by rising demand for vacant rural lifestyle/rural living zoned land (Chart 6). The downward trend in vacant rural land prices may partly reflect recent challenges facing primary producers in Colac Otway Shire and surrounding areas.
  - Colac Otway Shire is located within the South-West Victorian dairy region, which produces approximately 2.1 billion litres of milk per year from approximately 1,500 farms and 440,000 cows, accounting for 22% of Australia's milk.
  - In recent years the dairy sector has experienced a number of pressures nationally and locally, which have coincided with a sustained downward trend in farm-gate milk prices. Rising production costs, water shortages, changes in wholesale pricing arrangements and international regulation of powdered milk products have significantly impacted primary producers, particularly dairy farmers.
  - Most recently Murray Goulburn and Fonterra have announced step-up payments to dairy farmers to ease financial pressures and solidify loyalty among suppliers, with dairy producers indicating a broad willingness to waive claw-back debt in return for continuity of milk supply. This may serve to offset a longer term downtrend in rural land prices.
17. In FY15-16, there were approx. 2,780 rural farm assessments identified by Council for rating purposes. Around 50% of these were for livestock production, with the majority relating to beef and dairy cattle production.
18. There were 516 dairy cattle farms representing 19% of total rural farms and 23% of rates revenue from rural farms. There were 758 beef cattle farms representing 27% of total rural farms and rates revenue from rural farms respectively.
19. The average size of beef and dairy cattle farm properties is similar, while the average land value and CIV (\$/hectare) for dairy cattle properties is approx. 15% higher than beef cattle properties.
  - The largest dairy cattle farm is 363 hectares and the smallest 10 hectares. The average size of a dairy farm in Colac Otway is 78 hectares. The average land value for dairy cattle properties is \$8,000/hectare and \$10,000/hectare (CIV).
  - The largest beef cattle farm is 852 hectares and the smallest 20 hectares. The average size of a beef cattle farm in Colac Otway is 71 hectares. The average land value for dairy cattle properties is \$7,000/hectare and \$8,500/hectare (CIV).

# 1\_Current State

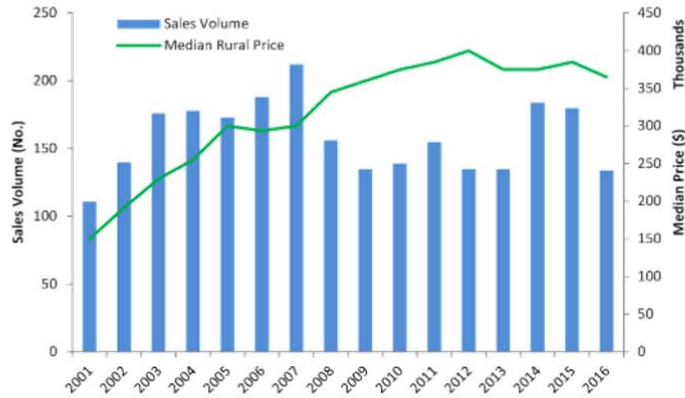
## What we know today...

### Rural Land Prices (cont.)

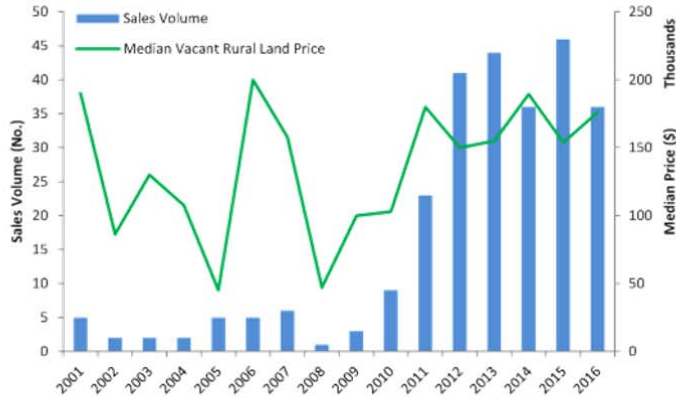
20. In FY15-16 there were 155 rural assessments with land areas greater than 200 hectares and almost 330 rural assessments with land areas totalling between 100-200 hectares. There were around 1,940 rural assessments with a land area less than 100 hectares.
- Larger properties typically have lower average property values (i.e. site value and CIV on \$/ha basis) across all rural land use types.
  - During the past 5 years, the median sales value of rural lifestyle / vacant rural residential land increased significantly, whilst the median sales value of rural farm land used for primary production has remained relatively stable.
  - When compared with Golden Plains Shire (for example), the trend in land values is the same for larger properties and there are some broad similarities between farming use types and sizes when it comes to land values (\$/ha).
21. There is little evidence based on a preliminary benchmarking analysis that larger farms in Colac Otway have higher average relative property values or CIV when compared with neighbouring municipalities.
22. This means there is unlikely to be a case for reducing the current discounted differential rate applicable to larger properties.
- Reducing the differential rate discount applicable to smaller rural properties with higher marginal land values may serve as a disincentive to some farmers.
  - Further, given the importance of household expenditure and private fixed capital investment as a share of total regional expenditure, there may be constrained capacity to pay higher rates among some rate payers, particularly farmers with lower average incomes.

# 1\_Current State

**Chart 4: Sales Volume, Median Rural Price (All Rural)**



**Chart 5: Sales Volume, Median Rural Price (Vacant Rural Land)**



**Chart 6: Sales Volume, Median Rural Price (Rural Living)**





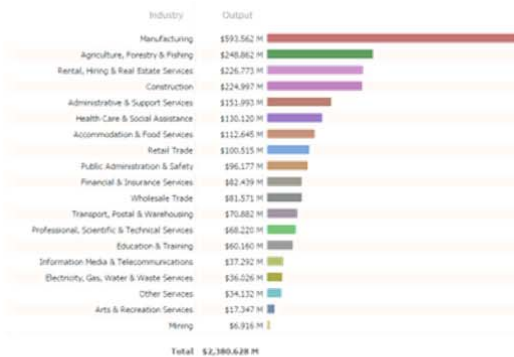
# 1\_Current State

## What we know today...

### Agriculture, Forestry & Fishing

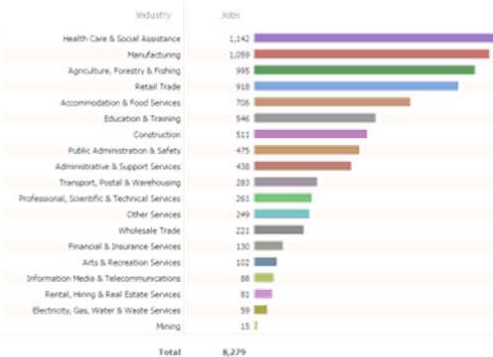
23. In terms of total economic output, agriculture, forestry and fishing accounted for \$248.9 million or around 10% of total regional economic output in Colac Otway. This was almost twice the output of retail trade at \$100 million (Chart 7).
24. In terms of gross value add, agriculture, forestry and fishing accounted for \$101.14 million, almost twice that of retail trade at around \$61.7 million (see Annexure).
25. The number of people employed in agriculture, forestry and fishing (995 or around 12% of total employed persons) was broadly the same as retail trade (918 employed persons) – see Chart 8.
26. Wages and salaries paid in agriculture, forestry and fishing were \$20.8m or around 4% of total wages and salaries paid. This compares with retail trade at \$39.43 million during the same time, almost twice that of agriculture, forestry and fishing (Chart 9).
27. Average wages and salaries per worker in agriculture, forestry and fishing were estimated at \$20,900 per person, less than half average wages and salaries per worker in retail, estimated at \$42,962 per person.
28. Around 45 per cent of all employed persons in agriculture, forestry and fishing earn less than \$600 (gross) per week (see Annexure).

**Chart 7: Output by Industry, Colac Otway**



Colac Otway Shire Council  
Rating Strategy 20 March 2017

**Chart 8: Employment by Industry, Colac Otway**



**Chart 9: Wages & Salaries by Industry, Colac Otway**



Page\_11

## 2\_Future State

### In the future...

29. The population of Colac Otway Shire is projected to **increase by 12%** during the next two decades – increasing from around 21,168 people in 2016 to reach 23,725 by 2036 – an increase of around 2,560 residents.
30. The long term average rate of population growth across the Shire is expected to be similar to Mornington Peninsula Shire or Yarra Ranges Shire.
31. The forecast rate of annual population growth in Elliminyt (1.5% p.a.) and Colac West (1.0% p.a.) is broadly comparable with forecast growth in Waurn Ponds (1.2%), Jan Juc - Bellbrae - Bells Beach (1.4%) and Dromana - Safety Beach (1.4%) and Portarlington (1.5%) – see Figure 5.
32. The number of dwellings in Colac Otway Shire is forecast to **increase by 17%** to reach 13,790 dwellings in 2036 – an increase of around 2,000 dwellings. Based on historic dwelling approvals this number may reach as high as 2,300 dwellings.
33. This is equivalent to the total number of new dwellings expected to be added to the township of Bannockburn in Golden Plains Shire by 2036.
34. Whilst growth in the local residential population is not expected to be significant in future, it is likely that tourism visitation to the region will continue to grow in the future. The total number of visitors to Victoria's Great Ocean Road tourism region has been growing by an average of 4.2% per annum during the past 5 years.
35. Recent major infrastructure projects such as the Geelong Ring Road, duplication of the Princes Highway between Geelong and Winchelsea and freeway duplication to Colac due for completion in 2019 will continue to facilitate greater connectivity between Melbourne, Geelong and the Colac Otway region.
36. Major State Government infrastructure investments such as the Outer Metropolitan Ring Road (see Figure 4) which may commence during the next 10 years will **bring more tourists and investment** into Victoria's south-west region and stimulate increased requirements for infrastructure and a range of services across a number of tourist hot-spots and regional areas, especially Colac and Apollo Bay which form an important part of the Great Ocean Road tourist trail.
37. The *Infrastructure Victoria 30-year Plan* makes a number of recommendations to make roads supporting major industries and tourism more sustainable, which may include the Great Ocean Road.
38. The most transformative of these involves taking a more strategic approach to maintaining roads overall, which would include consideration of which roads need to be maintained and to what standard and the most appropriate allocation of responsibility for roads between state and local government, including the potential for infrastructure charging mechanisms (noting the implications of cost shifting).

## 2\_Future State

### In the future...

Victoria in future 2016 population projections show population growth in Victoria over the next 30 years is not projected to be evenly distributed across the state.

Victoria's shift in economic activity from distributed manufacturing to more centralised service and knowledge-based industries, will put increasing pressure on demand for travel to and from central Melbourne for work, leisure and specialist services, particularly during peak periods.

Better access will be required from all parts of Melbourne and across regional Victoria, particularly Geelong, Ballarat, Bendigo and Latrobe City.

Regional areas such as Geelong and peri-urban areas such as Moorabool and Golden Plains are expected to grow significantly. This will have implications for tourism regions such as Colac Otway and Surf Coast Shire.

#### Geelong

Geelong is the state's second biggest city and the largest and fastest growing region outside Melbourne. Geelong is home to major gateways including Avalon Airport and the Port of Geelong.

Geelong has a significant Melbourne commuter population and an economy that is in transition, with a changing manufacturing sector and growing services industry supported by larger urban workforce catchments.

#### Great Ocean Road Tourism Region

The Great Ocean Road Tourism Region comprises two sub-regions, with the Geelong Tourism Region and the Western Tourism Region. The Great Ocean Road TR benefits significantly from world-class nature and scenery including the Twelve Apostles and Great Ocean Road.

The Great Ocean Road Tourism Region recorded 3,259,000 visitors in 2014/15.

Colac Otway Shire Council  
Ratrig Strategy 20 March 2017

Figure 2: Projected Population Change by LGA, 2016-2046

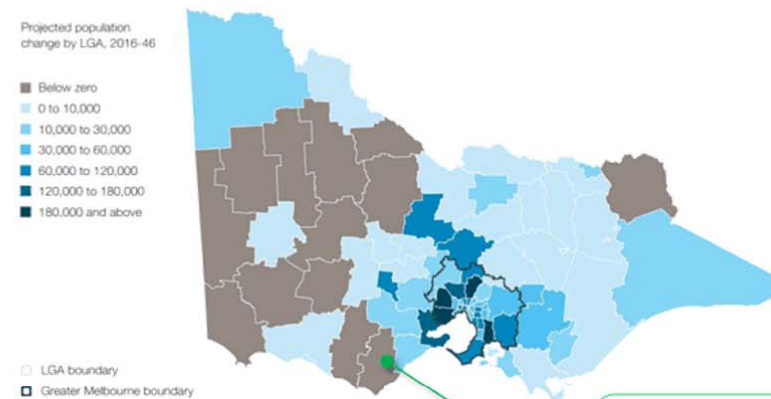
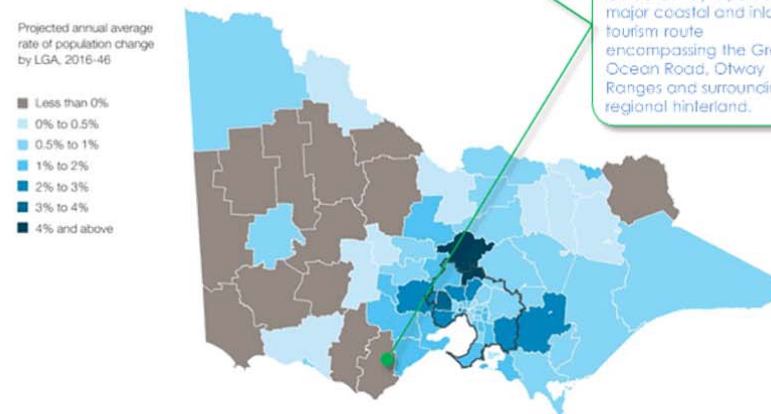


Figure 3: Projected Average Annual Rate of Population Change by LGA, 2016-2046



#### Colac Otway

Colac Otway is part of a major coastal and inland tourism route encompassing the Great Ocean Road, Otway Ranges and surrounding regional hinterland.

Source: Infrastructure Victoria  
30 Year Strategy

Page\_13



## 2\_Future State

### In the future...

Infrastructure Victoria 30-Year Strategy has made a range of recommendations for new and upgraded transport links, which are needed at different times and have different levels of certainty, but together provide a transport network to meet long-term growth.

Significant investment in the Geelong / Wyndham / Melbourne rail corridor and major new employment nodes such as East Werribee and the Western Intermodal Freight Terminal will significantly enhance the attractiveness of locations south and west of Geelong.

**Table 5: Key Transport Projects Summary**

Number (not in priority order)	New and upgraded transport links	Recommendation number(s)
<b>Short to medium term (complete within 15 years)</b>		
1	Train timetabling	10,4,2
2	Employment centre mass transit*	11,5,4
3	Fishermans Bend tram link	1,2,1, 10,8,1
4	Geelong/Werribee/Wyndham rail	1,3,4, 10,8,2, 12,3,1
5	Melton rail electrification	1,3,6, 10,8,3
6	10-car metropolitan trains	10,5,2
7	North East Link	11,5,6, 13,5,2
8	High-capacity signalling (priority line, eg Clifton Hill)	10,4,7
9	Cycle rail extension	1,3,7, 10,8,4
<b>Longer term (complete within 15-30 years)</b>		
10	Walter rail electrification	1,3,8, 10,8,5
11	City Loop reconfiguration	10,10,1
12	Melbourne Airport rail link	10,9,2, 11,4,2
13	Outer Metropolitan Ring Road	11,5,7, 13,5,3
<b>Longer term (further investigation)</b>		
14	Walter transport links	1,3,9, 10,8,6
15	Melbourne Metro - future stages	10,10,2
16	Eastern Freeway-CityLink-Western Ring Road	11,5,8, 13,5,4
17	Regional rail eastern corridor	12,3,3, 13,5,5

\*The middle and outer employment centres covered by Recommendation 11,5,4 include East Werribee, Sunshine, Melbourne Airport, Lonsdale, Moorabool and Dandenong South.

Colac Otway Shire Council  
Ratrig Strategy 20 March 2017

**Figure 4: New and Upgraded Transport Links in Melbourne**

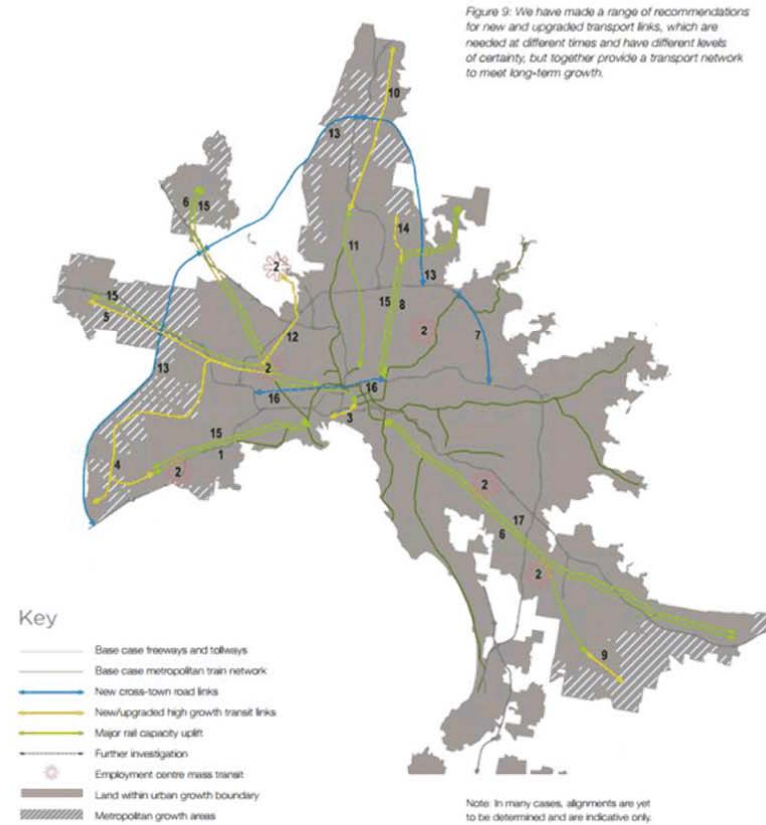


Figure 5: We have made a range of recommendations for new and upgraded transport links, which are needed at different times and have different levels of certainty, but together provide a transport network to meet long-term growth.

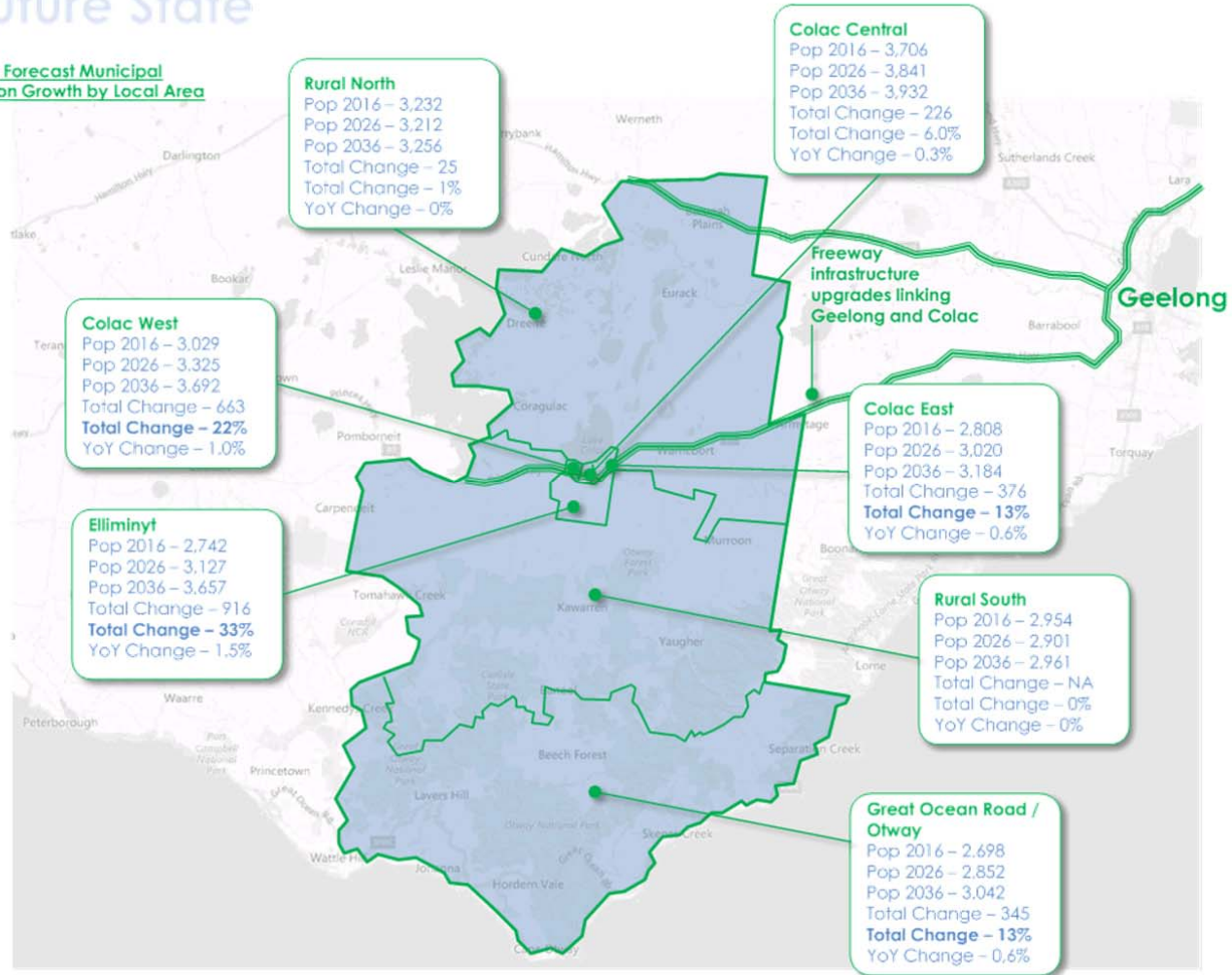
Source: Infrastructure Victoria  
30 Year Strategy

Page\_14



## 2\_Future State

**Figure 5: Forecast Municipal Population Growth by Local Area**



Colac Otway Shire Council  
 Rating Strategy 20 March 2017

Source: MacraPlan Dimasi 2017  
 Forecast id. 2015

Page\_15

## 3\_Current rating system

### Council's current municipal rating framework

39. Total Council income from rates and charges was **\$27.613m** in FY15-16 or approx. **60% of total income**.
40. Total income from rates and charges in FY15-16 comprised:
- General residential rates - \$13.695m (49.6%).
  - General farm rates - \$5.587m (20.2%)
  - General commercial / industrial - \$3.095m (11.2%)
  - Municipal Charge - \$2.488m (9.0%).
  - Garbage Charge - \$2.726m (9.8%).
  - Special rates and charges - \$22,000.
41. Municipal rates and charges are currently estimated using the method outlined in Table 6, with differential rates applicable to residential improved (growth areas), business/industrial and commercial (growth areas), non-farm vacant land, vacant non-developable land (growth areas) and farm land including farm land in growth areas.

**Table 6: Colac Otway Municipal Rates Summary (FY15/16)**

Rate Type	Rate in the \$ (2015-16)	No. of Assessments (2015-16)	CIV (2015-16)	Rate Differentials
Colac Residential	0.004513	5,520	1,302,856,000	100%
Balance of Shire Residential	0.003836	5,245	1,847,193,000	<b>85%</b>
Rural Farm	0.003565	2,782	1,566,108,000	<b>79%</b>
Holiday Rental	0.004513	415	227,587,000	100%
Colac Commercial/Industrial	0.007446	623	275,806,000	<b>165%</b>
Balance of Shire Commercial/Industrial	0.006318	338	169,606,000	<b>140%</b>
Municipal Charge	\$178			

Source: Colac Otway Shire Council 2017

## 4\_Benchmarks

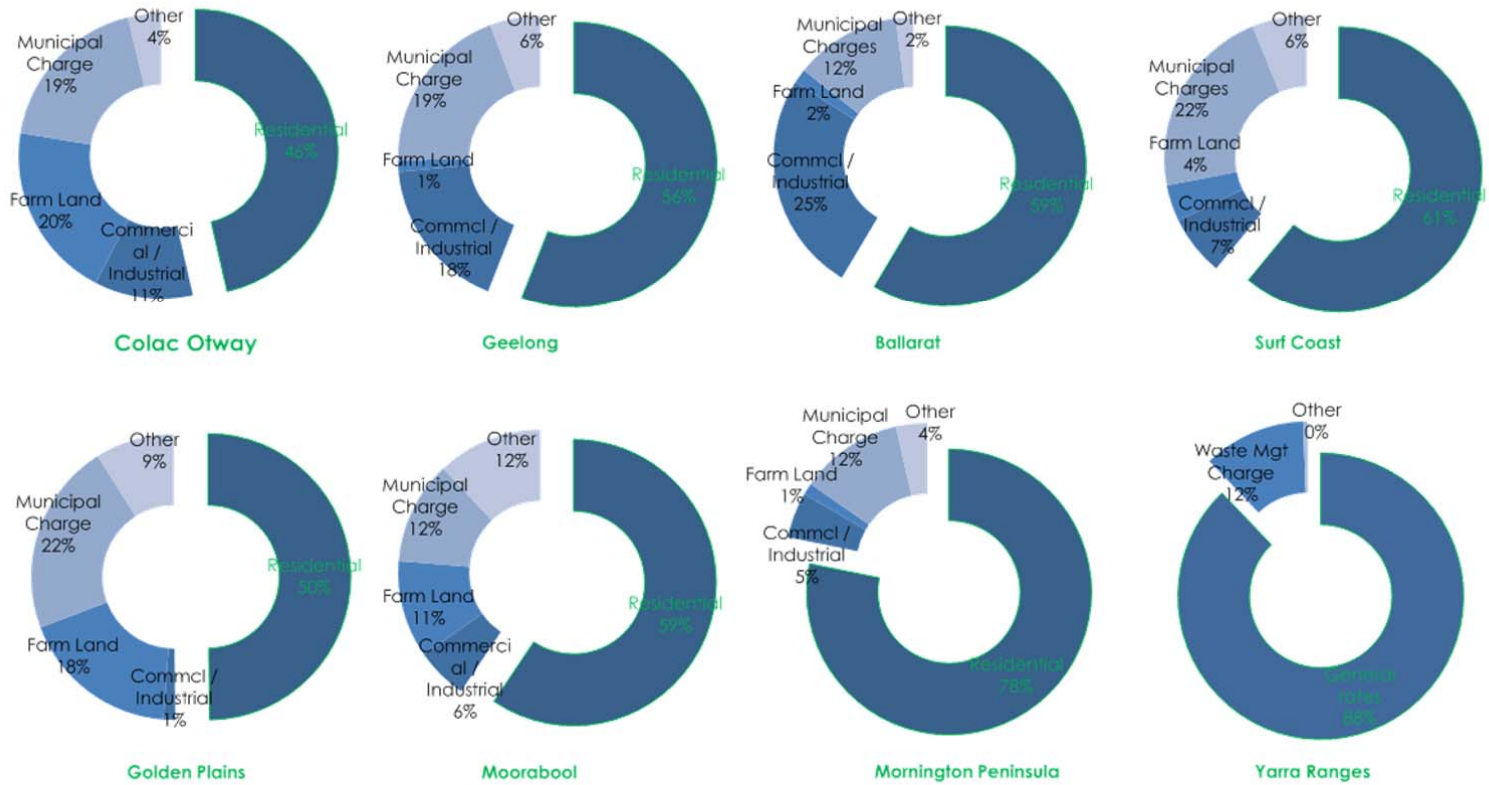
### Municipal comparisons

42. A comparison of Colac Otway Shire rates and charges income during FY15-16 with other municipalities demonstrates the following, noting variations in underlying property and land values and the rate-in-the-dollar applied (see Figure 6):
  - General residential rates represent approx. 46% of total rates and charges income, well below surrounding municipalities of Geelong (56%), Ballarat (59%), Moorabool (59%) and Surf Coast (61%).
  - Municipal charges including garbage charge and special rates represent around 19% of total rates and charges income, in line with Geelong (19%) but well above Ballarat (12%), Moorabool (12%).
  - Commercial and industrial rates represent approx. 11% of total rates and charges income, well above Moorabool (6%), Surf Coast (7%), and below Geelong (18%) and Ballarat (25%).
  - Rates applicable to farm land represents around 20% of total rates and charges income, well above Geelong (1%), Ballarat (2%), Surf Coast (4%) and Moorabool (11%) and broadly in line with Golden Plains (18%).
43. This comparison demonstrates those municipalities with relatively large urban populations tend to generate more revenue from rates applicable to residential and commercial properties with a relatively lower portion of revenue derived from municipal charges and rates applicable to farm land.
44. This partly reflects more intensive residential and commercial developments within these areas relative to rural land. However, Ballarat, Moorabool and Surf Coast represent municipalities with relatively large rural areas, which also derive a higher overall share of rates revenue from residential, commercial and industrial sources.
45. Mornington Peninsula Council has a large number of regionally dispersed townships as well as emerging urban fringe hot-spots such as Dromana, Hastings and Crib Point. These areas continue to attract new residents and tourism visitation, benefiting local commercial businesses in these areas and increasing demand for community services and infrastructure. Mornington derives 78% rates revenue from residential and 5% from commercial/industrial activities.
46. Likewise Yarra Ranges Shire Council remains a large rural municipality with a growing urban fringe in areas such as Lilydale, Chirnside Park, Mooroolbark, Yarra Glen, Healesville and surrounds. Many of these areas, particularly tourism areas such as Healesville continue to attract residents and visitors, placing increased demands on local community infrastructure and services. Yarra Ranges Council derives 88% rates revenue from general rates.
47. Tourism will continue to be a major driver for commercial business activities in key coastal locations within the Colac Otway Shire, which will support increased commercial business investment and infrastructure in these locations.

# 4\_Benchmarks

## Municipal comparisons...

Figure 6: Municipal Rates by Source Comparison FY15/16



Colac Otway Shire Council  
Rating Strategy 20 March 2017

Source: Various

Page\_18



## 4\_Benchmarks

### Municipal comparisons...

#### Rate Capping

All of Victoria's 79 councils will be operating under rate caps from 1 July 2016.

The capped increases apply to the general rates and municipal charges only.

The rate cap may be applied differently depending on whether property is classed residential, commercial or rural. These type of rates are classified as differential rates.

Six councils have been given Essential Services Commission (ESC) approval to adopt rate caps higher than 2.5%.

According to Table 7, Colac Otway Shire Council ranked 46<sup>th</sup> most affordable Council on a per assessment basis in FY15-16 – when comparing average rates and charges and waste management fees relative to other Victorian municipalities.

**Table 7: Average rates, municipal charges FY15/16 (all Councils)**

Council	Average rates, municipal charges and waste management charges 2015-16 per assessment	Rate cap applying for 2016/2017	Council	Average rates, municipal charges and waste management charges 2015-16 per assessment	Rate cap applying for 2016/2017
1 Loddon Shire Council	\$1,259	2.50%	41 Melton City Council	\$1,832	2.50%
2 Monash City Council	\$1,418	2.50%	42 Moonee Valley City Council	\$1,845	2.50%
3 Pyrenees Shire Council	\$1,427	3.80%	43 Wangarata Rural City Council	\$1,852	2.00%
4 West Wimmera Shire Council	\$1,432	2.50%	44 Mount Alexander Shire Council	\$1,865	2.50%
5 Mornington Peninsula Shire Council	\$1,460	2.50%	45 Campaspe Shire Council	\$1,877	2.50%
6 Whitehorse City Council	\$1,483	2.50%	46 Colac Otway Shire Council	\$1,877	2.50%
7 Hindmarsh Shire Council	\$1,526	2.50%	47 Alpine Shire Council	\$1,879	2.50%
8 Glen Eira City Council	\$1,542	2.50%	48 Greater Dandenong City Council	\$1,888	2.50%
9 Wellington Shire Council	\$1,544	2.50%	49 Moorabool Shire Council	\$1,890	3.50%
10 Mayne Shire Council	\$1,569	2.50%	50 Bayside City Council	\$1,906	2.50%
11 Central Goldfields Shire Council	\$1,573	2.50%	51 Yarra City Council	\$1,910	2.50%
12 Maroondah City Council	\$1,586	2.50%	52 Murrindindi Shire Council	\$1,915	4.30%
13 Mansfield Shire Council	\$1,610	2.50%	53 Yarra Ranges Shire Council	\$1,917	2.50%
14 Whittlesea City Council	\$1,619	2.50%	54 Macarodun Ranges Shire Council	\$1,936	2.50%
15 Port Phillip City Council	\$1,635	2.50%	55 Manningham City Council	\$1,939	2.50%
16 Hepburn Shire Council	\$1,652	2.50%	56 Cardinia Shire Council	\$1,940	2.50%
17 Yarra-Traralgon Shire Council	\$1,654	2.50%	57 Buloke Shire Council	\$1,953	3.05%
18 East Gippsland Shire Council	\$1,657	2.50%	58 Bow Bow Shire Council	\$1,954	2.50%
19 Shannington City Council	\$1,658	2.50%	59 Hosham Rural City Council	\$1,954	3.50%
20 Latrobe City Council	\$1,663	2.50%	60 Bendalla Rural City Council	\$1,957	2.50%
21 Southern Grampians Shire Council	\$1,664	2.50%	61 Mitchell Shire Council	\$1,958	2.50%
22 Knox City Council	\$1,666	2.50%	62 South Gippsland Shire Council	\$1,978	2.50%
23 Greater Geelong City Council	\$1,665	2.50%	63 Warrambol City Council	\$1,984	2.50%
24 Tawonga Shire Council	\$1,687	3.50%	64 Wyndham City Council	\$1,984	2.50%
25 Bass Coast Shire Council	\$1,693	2.50%	65 Ballarat City Council	\$2,016	2.50%
26 Frankston City Council	\$1,700	2.50%	66 Coorangamire Shire Council	\$2,037	2.50%
27 Darebin City Council	\$1,704	2.50%	67 Swan Hill Rural City Council	\$2,078	2.50%
28 Banyule City Council	\$1,706	2.50%	68 Queenscliffe	\$2,139	2.50%
29 Northern Grampians Shire Council	\$1,709	2.50%	69 Ararat Rural City Council	\$2,156	2.50%
30 Gannawarra Shire Council	\$1,711	2.50%	70 Broomeville City Council	\$2,175	2.50%
31 Mairi Shire Council	\$1,718	2.50%	71 Mildura Rural City Council	\$2,201	2.50%
32 Moreland City Council	\$1,725	2.50%	72 Greater Shepparton City Council	\$2,236	2.50%
33 Kingston City Council	\$1,745	2.50%	73 Surf Coast Shire Council	\$2,253	2.50%
34 Indigo Shire Council	\$1,755	2.50%	74 Malborough City Council	\$2,257	2.50%
35 Casey City Council	\$1,768	2.50%	75 Wodonga City Council	\$2,258	2.50%
36 Greater Bendigo City Council	\$1,769	2.50%	76 Strathearn Shire Council	\$2,362	2.50%
37 Glenelg Shire Council	\$1,819	2.50%	77 Hobsons Bay City Council	\$2,386	2.50%
38 Boroondara City Council	\$1,828	2.50%	78 Melbourne	\$2,393	2.50%
39 Golden Plains Shire Council	\$1,828	2.50%	79 Nillumbik Shire Council	\$2,610	2.50%
40 Hume City Council	\$1,831	2.50%			

Source: Municipal Association of Victoria  
Victorian Local Government Rates Survey – 2015-16

## 4\_Benchmarks

### Municipal comparisons

#### Differential Rates

Table 8 (below) compares differential rates currently applying in Colac Otway Shire and benchmark municipalities.

The differential rate applicable to business / commercial / industrial uses in Colac Otway Shire of 165% is broadly in line with Moorabool (160%) but not as high as Surf Coast (195%), Geelong (209%, 278%) and Ballarat (247%, 257%).

The differential rate applicable to farm land in Colac Otway Shire (79%) is not as low as Ballarat (70%) Moorabool (78%) or Hepburn (65%).

**Table 8: Municipal Differential Rates Benchmark Comparison, Selected Municipalities**

Rate (Cents in \$ CIV)	Colac Otway		Ballarat	Geelong	Golden Plains	Moorabool	Surf Coast	Mornington Peninsula
	Cents/ \$	Diff	Diff	Diff	Diff	Diff	Diff	Diff
Residential Improved	0.4513	100%	100%	100%	100%	100%	100%	100%
Commercial	0.7446	165%	247%	209%	100%	160%	75%	100%
Industrial	0.7446	165%	257%	278%	100%	160%	190%	100%
Farm Land	0.3565	79%	70%	100%	90%	78%		100%
Non-Farm Vacant Land				145%	200%	260%	200%	140%
Vacant Land Non-Developable				153%	100%			120%
Residential (Balance of Shire)	0.3836	85%			106%			
Business, Industrial & Commercial (Balance of Shire)	0.6318	140%	100%		106%			
Farm Land (Growth Area)					96%			
Non-Farm Vacant land (Growth Area)					206%	250%		
Holiday Rental	0.4513	100%						

Source: Various



## 5\_Opportunities

### Implications for Colac Otway Shire Council municipal rating strategy

48. The majority of the Shire's population growth is expected to take place in Elliminyt, Colac East/West and Colac Central regions, partly reflecting the impacts of the Freeway duplication and enhanced regional connectivity between Geelong and Colac.
49. At least 13% of projected population growth is expected to occur in Otway Great Ocean Road, which is also likely to experience increased demand for retail and commercial premises and a variety of infrastructure and services to support forecast growth in tourism visitation.
50. Principles underlying a reshaped municipal rating strategy to be explored further, may include:
  - An equitable and efficient municipal rating framework capable of providing the funding capacity to deliver the scale of services and infrastructure required to address peak population demands and encourage sustainable communities across the shire.
  - Expenditure on infrastructure and community services to potentially increase above the ESC 'rate cap' – in line with higher than average population growth across the municipality and surrounding regional areas.
  - Emerging 'tourist towns / growth area' locations to be self-funding in terms of any requirement for new community infrastructure and/or services but ensuring long term residents and older residents / pensioners are not paying for urban fringe infrastructure.
  - Funding for rural infrastructure projects and small townships to be maintained in the future.
  - Agricultural land should remain competitive for agricultural purposes.
51. Setting a municipal rating strategy that will encourage sustainable communities across the shire and address population peaks requires a simplified, staged approach including:
  - Increasing the general residential rate into a short-term (next 12-24 months) to provide funding capacity whilst exploring the potential for a three-tier residential differential rate
  - Carefully examining evidence of the economic benefits derived by holiday rental owners, commercial, industrial and rural rate payers by monitoring peak population flows, traffic counts, car parking and incomes during this time.
  - Implementing a new more sophisticated and evidence-based differential rating system in the next 2-3 years.

## 5\_Opportunities

### Scenarios...

52. Colac Otway Shire should to explore the following scenarios, depending on timing and staging considerations:

#### Next 12-24 months

- Increase the general residential rate for 12-24 months to provide additional short-term funding capacity and resources to examine evidence for a new evidence-based differential rating system.
- Examining evidence of the economic benefits derived by holiday rental owners, commercial, industrial and rural rate payers by implementing monitoring systems to measure peak population flows, traffic counts, overnight/short-stay visitors, waste collections, business turnover, incomes and employment counts (where this information is available) during this time.
- Develop an evidence-based municipal rating strategy that is equitable and efficient, addressing peak tourism population demands whilst delivering services and infrastructure supporting sustainable community outcomes across the shire.

#### In 2-3 years

- Seek a variation to the ESC rate cap to allow Council to continue to generate additional funding for urban infrastructure and services to complement funding derived under the new ICP framework.
- Based on the above framework, introduce a four tier residential differential rating framework addressing the following groups:
  - a. Primary residential – properties occupied by permanent residents living in the municipality.
  - b. Secondary residential – investment properties occupied by non-resident rate-payers primarily as a second dwelling or holiday home.
  - c. Tertiary residential – holiday rental properties occupied primarily by short-stay vacationers.
  - d. Vacant residential land.
- Introduce revised differential rates (using the evidence collected above) applicable to commercial, industrial and rural land / vacant rural-residential land across the shire.
- Introduce paid car / bus parking in coastal townships in the first instance (such as Apollo Bay) during peak periods e.g. start December to end April.

## 5\_Opportunities

### Sign-Posts/Triggers

53. Other potential sign-posts or triggers for consideration, similar to other municipalities may include:

#### Sign-Posts/Triggers

- Applying a general residential rate to rural farm houses (curtilage) as in Mornington Peninsula.
- Monitor farm incomes / turnover over a period of years to identify and report on areas of stress and/or growth.
- Monitor peak population, traffic flows using traffic counters and business turnover for a period of years and report.
- Considering the revenue requirements required to build a strong foundation to fund major infrastructure and services as communities evolve to become major tourism towns.
- Explore parameters that would underpin a self-funding model for coastal tourist towns supporting increased requirement for new community infrastructure and/or services in these locations, whilst minimising costs / impacts for smaller townships, older residents and rural land users.
- Identify minimum service standards for smaller townships and/or 'low growth' areas to ensure infrastructure and services are maintained in these areas.
- Maintain rate affordability for pensioners and ensure the competitiveness of farm land.

## References

The following information and data sources were referred to during the preparation of this report.

ABS Census 2006,2011  
ABS Dwelling Approvals, ABS Cat. No. 8731.0  
ABS Regional Population Growth: cat. No. 3218.0 (2016)  
Ballarat City Council Annual Report 2015-16  
Colac Otway Shire Council Annual Report 2015-16  
Colac Otway Shire Rating Strategy 2013, MacroPlan Dimasi  
Colac Otway Shire Council Municipal Strategic Statement  
Colac Otway Shire Planning Scheme  
Cordel Database  
G21 Regional Growth Plan  
Geelong City Council Annual Report 2015-16  
Golden Plains Shire Council Annual Report 2015-16  
Infrastructure Victoria 30-Year Strategy  
Moorabool Shire Council Annual Report 2015-16  
Mornington Peninsula Shire Council Annual Report 2015-16  
Mornington Peninsula Shire Council Rating Strategy  
Municipal Association of Victoria  
RP Data  
Surf Coast Shire Council Annual Report 2015-16  
Tourism Research Australia  
Tourism Victoria  
Victoria in Future 2016  
Yarra Ranges Shire Council Annual Report 2015-16

## Annexure

The following information and data was used as supporting evidence in preparing this report and may be read in conjunction with this report.

## Annexure

Colac Otway's Gross Regional Product is estimated at \$1.161 billion. Colac Otway represents 17.02 % of Great South Coast's GRP of \$6.820 billion, 0.31 % of Victoria's Gross State Product (GSP) of \$374.435 billion and 0.07 % of Australia's GRP of \$1.655 trillion.

### A1: Colac Otway Municipal Rates Summary (FY15/16)

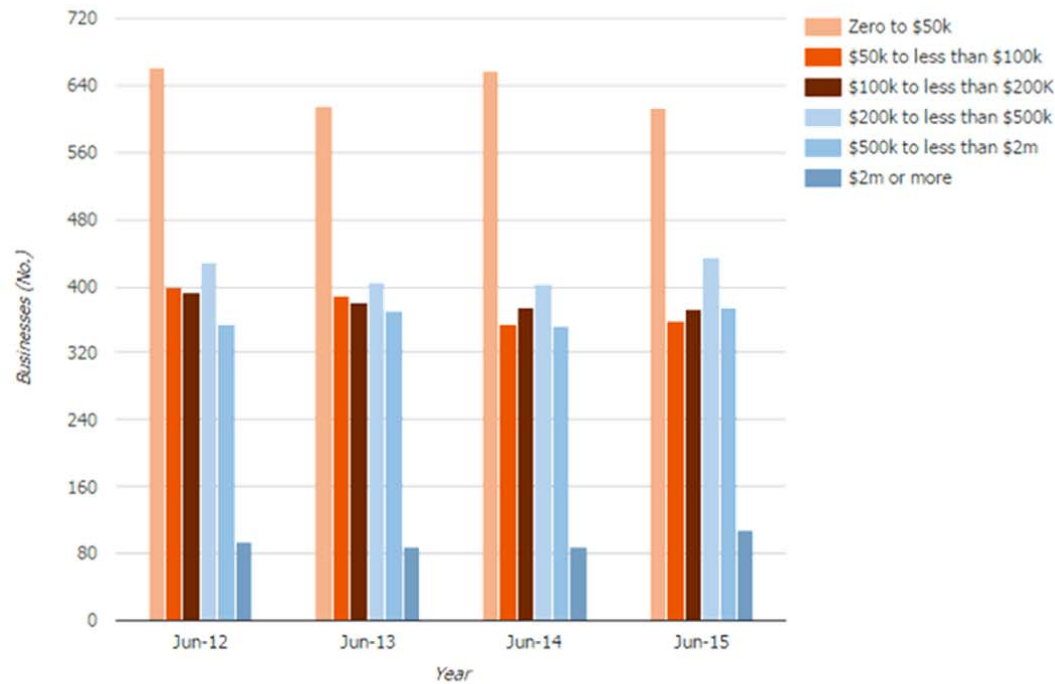
GRP Expenditure Method	Colac Otway
Household Consumption	\$968,647 M
Government Consumption	\$294,996 M
Private Gross Fixed Capital Expenditure	\$371,985 M
Public Gross Fixed Capital Expenditure	\$78,117 M
Gross Regional Expenses	\$1,713,745 M
plus Regional Exports	\$853,369 M
minus Domestic Imports	-\$1,265,788 M
minus Overseas Imports	-\$140,728 M
GRP	\$1,160,598 M
Population	20,347
Per Capita GRP	\$57,040
Per Worker GRP	\$140,186

Source: Latest [REMPLAN](#) data incorporating Australian Bureau of Statistics' (ABS) June 2016 Gross State Product, 2013 / 2014 National Input Output Tables and 2011 Census Place of Work Employment Data.



# Annexure

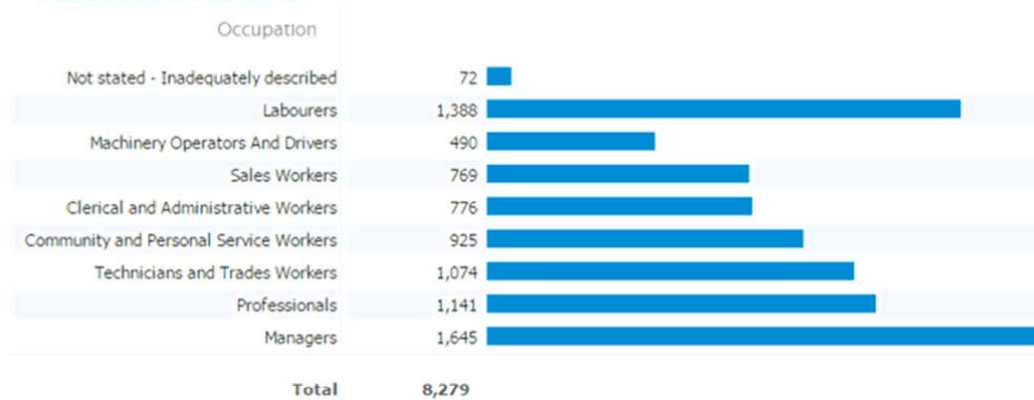
**A2: Business Count by Turnover, Colac Otway**



Source: Business Counts are based on snapshots of actively trading businesses as at June 2012, 2013, 2014 and 2015 from the Australian Bureau of Statistics Business Register (ABSBR).

# Annexure

## A3: Occupation, Colac Otway



Source: Latest [REMPLAN](#) data incorporating Australian Bureau of Statistics' (ABS) 2011 Census Place of Work Employment Data.

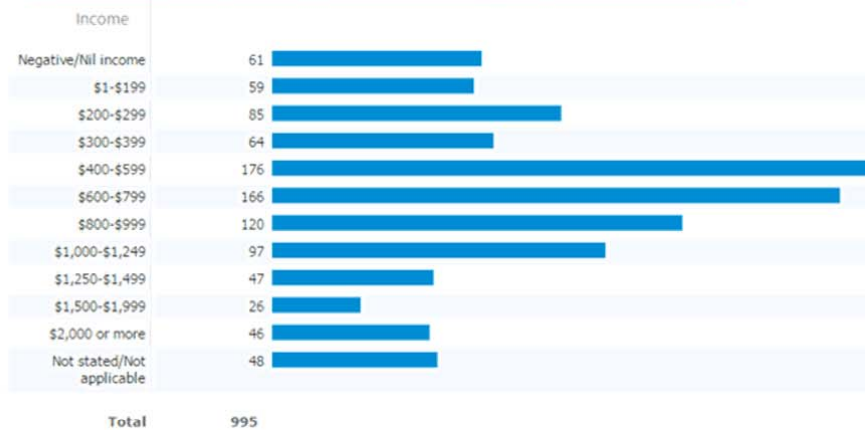
## A4: Occupation by Industry, Colac Otway (Agriculture, Forestry, Fishing)



Source: Latest [REMPLAN](#) data incorporating Australian Bureau of Statistics' (ABS) 2011 Census Place of Work Employment Data.

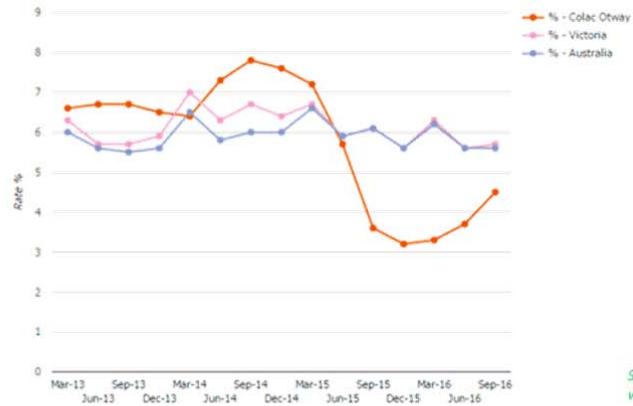
# Annexure

## A5: Gross Weekly Income by Industry, Colac Otway (Agriculture, Forestry, Fisheries)



Source: Latest REMPLAN data incorporating Australian Bureau of Statistics' (ABS) 2011 Census Place of Work Employment Data

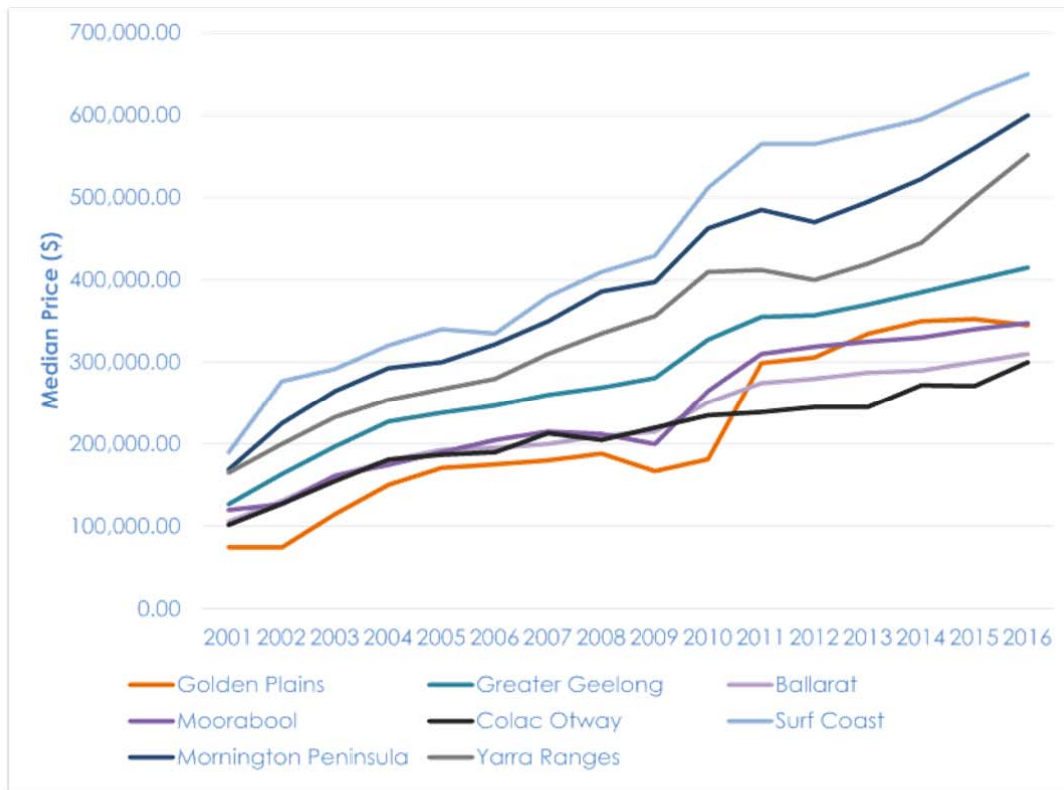
## A6: Unemployment Rate, Colac Otway



Source: Department of Employment Small Area Labour Markets (SALM). (September Quarter 2016 was released in December 2016. December Quarter 2016 data will be available in March 2017.)

# Annexure

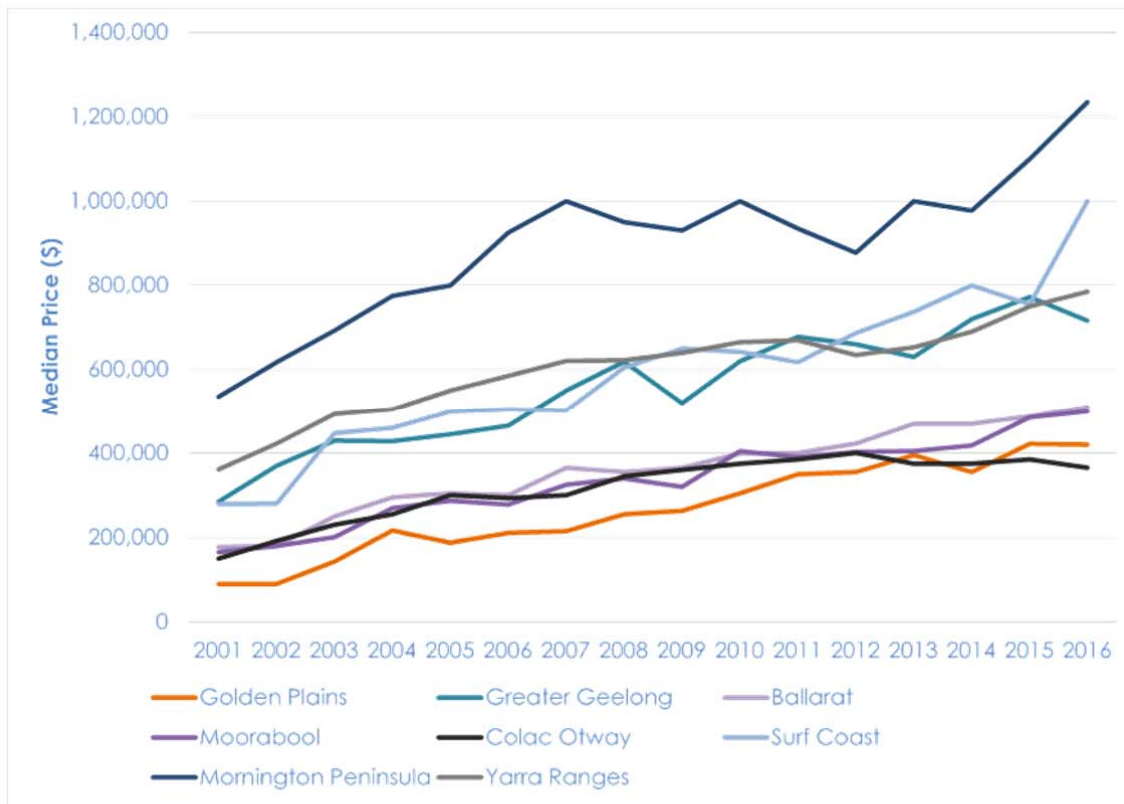
A7: Median House Prices (Transacted Properties), Selected Municipalities



Source: RP Data

# Annexure

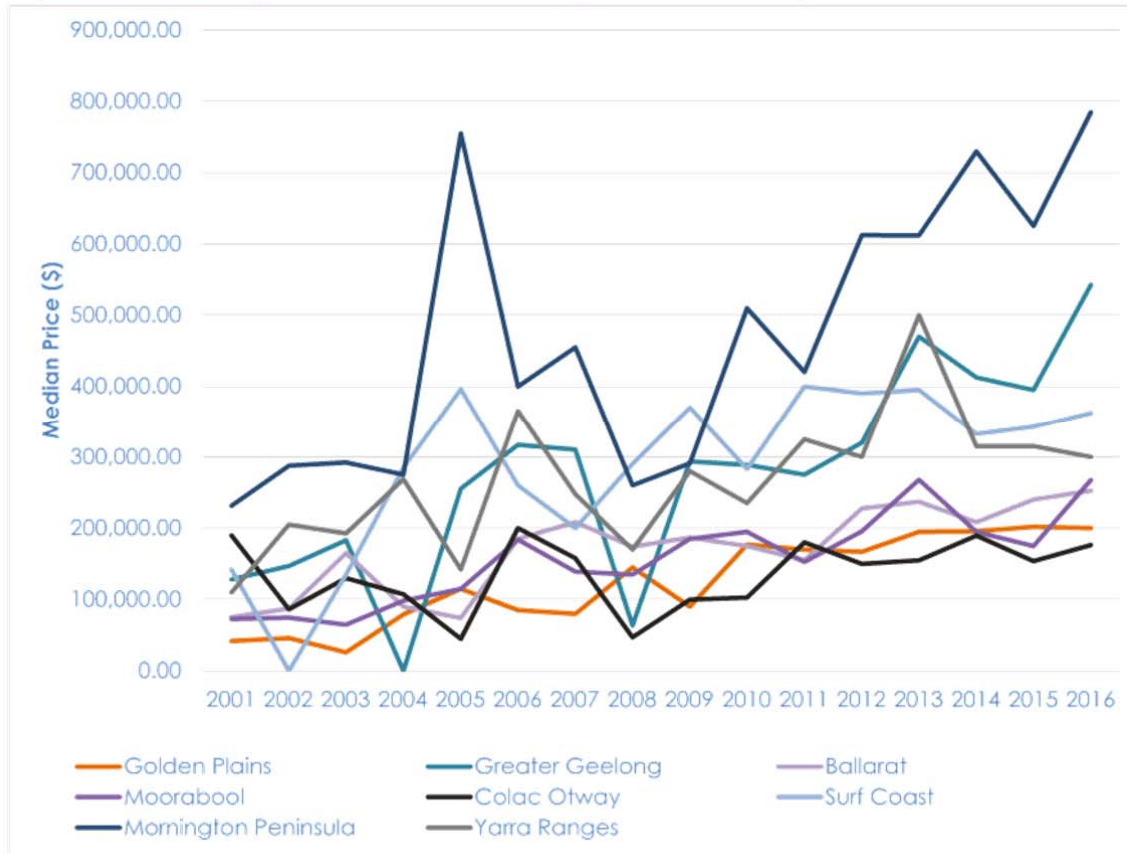
A8: Median Sales Prices (All Rural Land Transactions), Selected Municipalities



Source: RP Data

# Annexure

A9: Median Sales Prices (All Rural-Residential Land Transactions), Selected Municipalities



Source: RP Data



# Annexure

## A10: Socio-Demographic Profile

	Colac Otway Shire	Regional Victoria avg.
Census 2011		
Per capita income	\$26,724	\$28,382
Var. from Non-metro Vic benchmark	-5.8%	
Median household income	\$47,528	\$49,140
Var. from Non-metro Vic benchmark	-3.3%	
Avg. household size	2.4	2.4
<b>Age distribution (% of population)</b>		
Aged 0-19	25.4%	25.9%
Aged 20-34	15.6%	16.8%
Aged 35-54	26.6%	26.7%
Aged 55-64	14.0%	13.3%
Aged 65-74	9.6%	9.3%
Aged 75-84	6.2%	5.7%
Aged 85+	2.6%	2.3%
Average age	40.9	40.1
<b>Housing status (% of households)</b>		
Owner (total)	76.1%	74.0%
• Owner (outright)	43.4%	39.6%
• Owner (with mortgage)	32.7%	34.3%
Renter	23.0%	25.2%
Other	0.9%	0.8%
<b>Birthplace (% of population)</b>		
Australian born	92.1%	89.0%
Overseas born	7.9%	11.0%
• Asia	1.0%	1.8%
• Europe	5.1%	7.1%
• Other	1.8%	2.1%
<b>Family type (% of households)</b>		
Couple with dep't children	41.9%	41.9%
Couple with non-dep't child.	6.2%	6.5%
Couple without children	26.0%	25.6%
One parent with dep't child.	8.4%	9.8%
One parent w non-dep't child.	3.2%	3.1%
Other family	0.8%	0.8%
Lone person	13.4%	12.3%

Source: ABS Census 2011

### Contact

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T 03 9600 0500  
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[www.macroplan.com.au](http://www.macroplan.com.au)

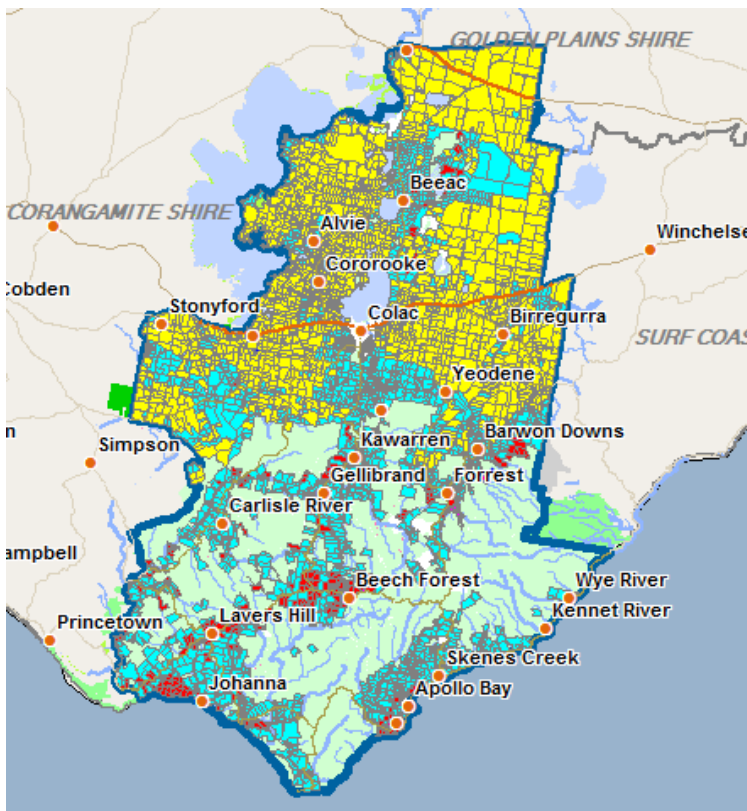


ORDINARY COUNCIL MEETING  
**QUARTERLY PERFORMANCE REPORT**  
**2018-2019**

OM193001-2

<b>LOCATION / ADDRESS</b>	Whole of municipality	<b>GENERAL MANAGER</b>	Errol Lawrence
<b>OFFICER</b>	Melanie Duve	<b>DIVISION</b>	Corporate Services
<b>TRIM FILE</b>	F18/7513	<b>CONFIDENTIAL</b>	No
<b>ATTACHMENTS</b>	1. October - December Quarterly Performance Report - 15 January 2019		
<b>PURPOSE</b>	To note the Quarterly Performance Report 2018/19 for the period 1 October to 31 December 2018.		

## 1. LOCATION PLAN / AERIAL PHOTO



## 2. EXECUTIVE SUMMARY

This report provides information to Council and the community, combining progress on Council Plan actions, Planning and Building activities, Capital Works and Major Projects and the status of Council's finances for the second quarter of the financial year, ending 31 December 2018.

In addition to information provided in previous reports, financial data relating to Council's expense accounts has now been incorporated into the report, including legal expenses and Contractor/Consultant expenses.

## 3. RECOMMENDATION

*That Council notes the Quarterly Performance Report 2018/19 for the period 1 October to 31 December 2018.*

## 4. BACKGROUND / KEY INFORMATION

### BACKGROUND

The Council Plan for 2017-2021 was created subsequent to Council elections on 22 October 2016. The current form of the report, combining progress on Council Plan actions, along with Planning and Building activities, Capital Works and Major Projects and the status of Council's finances, has been in effect since September 2017.

At its November 2018 Ordinary Council Meeting, Council requested further details be provided relating to Council's expense accounts, in future quarterly reports.

### KEY INFORMATION

The Quarterly Performance Report 2018/19 provides Council with a progress report as at 31 December and is structured in several sections as follows:

- Introduction, Council's strategic direction, Council Plan 2017-2021 themes
- Chief Executive Report; highlights and challenges for the quarter
- Council Plan Performance Report
- Planning and Building Performance Report
- Capital Works Performance Report
- Major Projects Performance Report
- Financial Performance Report

In addition, the second quarter report also includes progress against the action plan to address areas of concern for the community, identified in the 2018 Community Satisfaction Survey results.

## **FURTHER SUPPORTING INFORMATION**

### **5. COMMUNITY CONSULTATION & ENGAGEMENT**

Comprehensive community consultation and engagement was undertaken during the development of the Council Plan 2017-2021 and the 2018-2019 Budget.

### **6. ANALYSIS**

#### **ALIGNMENT TO COUNCIL PLAN OR COUNCIL POLICY**

The Quarterly Performance Reports 2018-2019 combines progress on Council Plan actions, planning and building activities, Capital Works and Major Projects and the status of Council's finances.

#### **ENVIRONMENTAL IMPLICATIONS**

Applied in preparation of the Council Plan and adoption of the Budget.

#### **SOCIAL & CULTURAL IMPLICATIONS**

Considered in the preparation of the Council Plan and adoption of the Budget.

#### **ECONOMIC IMPLICATIONS**

Considered in the preparation of the Council Plan and adoption of the Budget.

#### **LEGAL & RISK IMPLICATIONS**

S138 of the *Local Government Act 1989* requires financial reporting to be provided to Council on a quarterly basis. The *Local Government (Planning and Reporting) Regulations 2014* requires a report reviewing performance against Council Plan actions to be provided to Council on at least a six monthly basis.

#### **RESOURCE IMPLICATIONS (FINANCIAL ETC)**

There are no financial and resource implications as a result of this report.

### **7. IMPLEMENTATION STRATEGY**

#### **DETAILS**

Not applicable

#### **COMMUNICATION**

The community engagement strategy follows the recommendations of the Colac Otway Shire Council Community Engagement Policy of January 2014, which details five levels of engagement – inform, consult, involve, collaborate and empower.

The method selected would be to inform. This is achieved by including documentation and notification to the public at the Ordinary Council meeting.

## TIMELINE

Not applicable

## 8. OFFICER DIRECT OR INDIRECT INTEREST

No officer declared an interest under the *Local Government Act 1989* in the preparation of this report.



***QUARTERLY  
PERFORMANCE REPORT  
2018-2019***

***SECOND QUARTER: 1 OCTOBER – 30 DECEMBER 2018***

# Introduction

## How to read this report

This Council Plan Quarterly Performance Report assesses our progress against the *Council Plan 2017-2021*. The activities and initiatives in the Council Plan are Council's strategies for achieving our community outcomes (Themes) and goals as we work toward our strategic vision.

## Measuring Our Progress

The *Council Plan 2017-2021* comprises four key areas of focus: Our Prosperity, Our Place, Our Community and Our Leadership & Management. Each area of focus has desired goals, actions and measures that guide what we want to achieve for Colac Otway Shire, all of which require assessment and reporting of progress.

### Strategic Vision

'Towards a prosperous future'

The Councillors of Colac Otway Shire commit to plan for growth in business and employment for our towns and settlements; the delivery of high quality services that meet community needs and demonstrate value for money; and to be leaders and work together as a team with the community and the organisation to achieve our goals for the Shire.

## Council Direction set in the Council Plan 2017-2021

The Council Plan is Council's overarching strategic document responding to the issues faced by our community. It sets out our goals, key actions and performance measures for the next four years.

The key issues faced by our community have informed the choice of major projects/activities that Council has identified as its highest priority. Council has committed to complete these projects over the life of this plan, supporting the achievement of our stated goals. The Council Plan does not contain the detail of day-to-day operational activities, short term projects or recurrent work programs.

## Community Engagement in the Development of the Council Plan

Our Council Plan was directly informed by a significant community engagement program, which sought input from the community about their aspirations for the Shire. This was the most comprehensive consultation program ever conducted in Colac Otway Shire and received a very positive response.

Consultation included letters to more than 900 community groups, businesses and progress associations, an online and paper-based survey, feedback from Community Conversation sessions held around the Shire and pop-up listening posts that were held in Colac and Apollo Bay. These sessions were well attended and we received invaluable feedback on the draft Council Plan and various other matters of interest to the community.

The development of the new Council Plan, social and cultural implications were carefully considered along with attention to the funding available to carry out the many projects contained in the plan. The Council Plan was adopted on 28 June 2017.

# Council Plan Strategic Themes

## Council Direction set in the Council Plan 2017-2021

The Council Plan 2017-2021 includes strategic themes (long term community outcomes), goals and actions for achieving these for the four year period. The Council Plan also contains strategic indicators for monitoring achievement of the strategic objectives and a strategic resource plan. The following are the four outcomes detailed in the Council Plan.





## Chief Executive Report

The October-December 2019 quarter has been significant from a range of perspectives, particularly Council's advocacy and grant application efforts resulting in more than \$20-million in funding commitments.

Funding announcements started in October with the State Government's Pick My Projects initiative which saw \$858,316 shared between six projects in Colac Otway including an upgrade of Simpson Speedway; new basketball courts at Birregurra Primary School; new public toilets with disability access and changing tables for Birregurra; heating and enclosure of the Apollo Bay Pool; an Apollo Bay community food-to-waste project; and cinema facilities for the community centre.

Western Victoria MP Gayle Tierney visited Colac in October to announce \$500,000 to upgrade Western Oval, as the home of the district's women's football teams and \$160,504 for a new playground at Wyndinina Kindergarten.

Ms Tierney also made a surprise announcement that Council had been successful with a grant application for \$250,000 for a new play space at Colac Memorial Square's upgrade \$250,000

The next funding commitment just two weeks later was from the Federal Government with three Colac Otway projects included in the Geelong City Deal package: \$12million for Apollo Bay Harbour Precinct, \$1.9 for parking and infrastructure improvements at Kennett River and \$5million for the Skenes Creek-Apollo Bay Walk.

The launch of the Great Ocean Road Action Plan endorsed Colac Otway's advocacy for one authority to manage the iconic road, with the GOR taskforce's final report detailing numerous issues which Colac Otway had raised with the State Government.

We will continue to advocate for the formation of the GOR Authority as soon as possible, while also prioritising the urgent need for funding for the Port of Apollo Bay to ensure its ongoing operations. There have been opportunities for myself and new Mayor Jason Schram to continue Colac Otway's strong advocacy for priority projects through meetings with State and Federal representatives.

We met with Polwarth MP Richard Riordan, along with the ALP and Greens candidates before the State Election, and have met with Corangamite



ALP candidate Libby Coker and provided priority project documents to Sarah Henderson MP ahead of a meeting with her in January.

I have also met with local industry, business and community partners including Bulla, ALC, AKD, Rhys Evans and Colac Area Health.

During the October-December quarter the Victorian Electoral Commission announced a review of the municipality's electoral representation. Council welcomed the appointment of Ian Seuren to the position of Development and Community Services General Manager, replacing Gareth Smith in the role.

Colac Otway has expanded its social media presence through Facebook and Instagram, providing an opportunity to promote the positive services and achievements, while engaging with the community on any potentially negative issues.

Challenges from a community relations perspective have included the cleaning contract change-over and Christmas decorations in Colac.

The auditing of the new cleaning contractor aims to address performance concerns and the Economic Development team will be continuing investigations into decoration options and requesting increased funding for its Christmas decoration budget for 2019-20.

We have also begun to address the number of contract employee staff at Council. The focus will shift to engage apprentices and trainees as one mechanism over the next couple of years.

## Community Satisfaction Survey 2018 - Action Plan

The 2018 Community Satisfaction Survey (CSS) results highlighted 3 main areas of concern to the Community, these being

- Condition of sealed roads
- Condition of unsealed roads
- Planning & Building Permit application process

In response to the 2018 CSS results, Council has developed an action plan to address these areas of concern and identified strategies to improve these services and the community's perception of these services.

### Action Plan Service Area: Sealed and Unsealed Roads

<b>Area to be addressed:</b>	Service delivery on Council managed sealed and unsealed roads; advocacy on behalf of the Community for VicRoads managed sealed roads.
<b>Objective and rationale:</b>	Raise the standard of our sealed and unsealed roads. Proactively maintain roads to reduce the cost of maintenance. Do repairs and reconstruction using best practice using quality materials with a view to increase the longevity of the assets.
<b>What will be done (initiative):</b>	<p><b>Strategies developed to ensure the condition of our sealed and unsealed road networks aligns with our communities expectations</b></p> <ul style="list-style-type: none"> <li>• Base line the current standards of the Colac Otway Shire Roads rating from one to five; five being in very poor condition.</li> <li>• Establish best practice as defined by Australian Road Research Board (ARRB).</li> <li>• Program work to ensure lifecycle management of the roads are maintained to agreed standards ie unsealed roads have a lifecycle of 8 years and sealed roads of 13 years.</li> <li>• Put in place a quality assurance function to ensure that best practice is learnt and adhered to.</li> </ul>
<b>Who will be responsible:</b>	Manager Service and Operations (Lead)
<b>This is what success looks like:</b>	Improved condition of Council managed sealed and unsealed roads, improved satisfaction within in the Community.
<b>This is how we will measure success:</b>	The success will be measured by the rating of the roads i.e. 1-5 with a target 1.5. The cost to meet these standards will be another measure of success as doing the maintenance to best practice increases the lifecycle duration as such reduces the overall cost.
<b>Due Date:</b>	Commencing October 2018. In full practice by November 2019.

# Community Satisfaction Survey 2018 - Action Plan

## Action Plan Service Area: Planning and Building

<b>Area to be addressed:</b>	Time taken to process planning and building applications. The Planning and Building service area rated 39 in 2018, the highest contributor to the negative responses being the time taken to process an application.
<b>Objective and rationale:</b>	To reduce the processing time for planning applications to be within the statutory 60 days. To reduce the processing time for building applications, including the time taken to register applications.
<b>What will be done (initiative):</b>	<p><b>Initiate key actions identified in the independent planning service review, placing priority on increased customer satisfaction and processing time for planning and building permit applications.</b></p> <ul style="list-style-type: none"> <li>• A Building Surveyor has been engaged with the aim, inter alia, of helping to improve customer service and processing times. Council has also appointed, within budget, two new junior staff in the Building Unit to ensure a more efficient and effective service is provided.</li> <li>• Council is in the process of purchasing and implementing new software to provide improved efficiencies in the planning permit and building application processes, by allowing digital assessment and electronic approval of permits and plans. This will also assist in improving the timeliness of processing planning and building permit applications.</li> <li>• Options for having an online presence that allows applicants to follow the progress of their applications, and to submit information and contact the case officer online, are being explored.</li> <li>• Work is being done to improve the times for referral responses on planning applications from other Council departments.</li> <li>• The admin section has been restructured, with emphasis on improving admin processes to help expedite planning and building applications, and improve customer service. The restructure will also ensure that all members of the admin team have knowledge of both planning and building processes, ensuring continuity of service standards even during times of staff leave.</li> <li>• Consultants have been engaged to undertake a review of the planning scheme (completed March 2018), and to draft a planning scheme amendment aimed at 'cutting red tape' (currently in progress). This project aims to reduce the extent of planning controls, where appropriate, and provide additional exemptions from the requirement for a permit. In addition, Council has adopted Amendment C86 which implemented a number of site specific re-zonings and planning control changes aimed at streamlining processes for major businesses in Colac.</li> </ul>
<b>Who will be responsible:</b>	Manager Planning, Building & Health Protection (Lead)
<b>This is what success looks like:</b>	Improved perception of performance for processing planning and building permits. Improved performance of processing planning permits.
<b>This is how we will measure success:</b>	Planning and Building service area achieving a rating improvement in the 2019 Community Satisfaction Survey. The Local Government Performance Reporting Framework (LGPRF) reflecting an increase in planning permits processed within the statutory 60 days.
<b>Due Date:</b>	30 June 2019

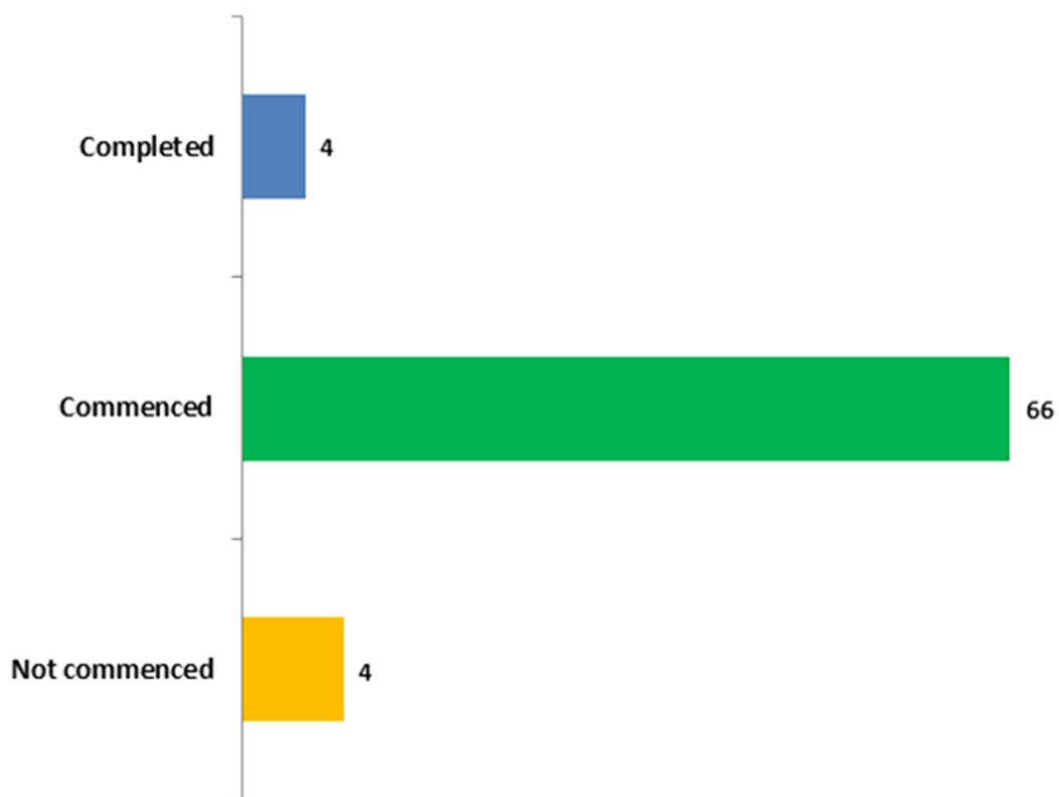


## Council Strategic Themes

As the following report shows, the majority of actions are underway at the end of the second quarter of the 2018/19 financial year. Of the four actions not commenced, three are not due to commence this financial year and one is awaiting additional information or resources before it can commence. Four actions have been completed.

Performance against the actions in the Council Plan commences on the following page, where a progress column is included, containing comments where relevant to provide greater clarity on individual actions.





Status	Our Prosperity	Our Places	Our Community	Our Leadership & Management	Total
Completed	1	1	1	1	4
Commenced	17	27	11	11	66
Not commenced	2	0	1	1	4
<b>Total</b>	<b>20</b>	<b>28</b>	<b>13</b>	<b>13</b>	<b>74</b>









# Chief Executive Office

## Chief Executive

## Governance & Communications

Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
4.5.1.1 Review the Community Engagement Policy to guide council decision making	Manager Governance & Communications	Not Started	01/07/18	30/06/19			 NO TARGET
Likely adoption of the new Local Government Act has been delayed until 2019. This will have implications for the content of the Engagement Policy and subsequent procedures.							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
4.4.1.1 Implement a program of ongoing service reviews to ensure our services are efficient and effective and are valued by the community	Chief Executive	Ongoing	01/07/18	30/06/19	Ongoing	50.00	 ON TRACK
Council has adopted a program of detailed service reviews for the next three years. The program will be reviewed on an annual basis and will be implemented subject to budget being available.							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
2.1.1.2 Conduct an ongoing program of service reviews to guide planning for infrastructure	Chief Executive	Ongoing	01/07/18	30/06/19	Ongoing	50.00	 ON TRACK
Council has adopted a program of detailed service reviews for the next three years. The program will be reviewed on an annual basis and will be implemented subject to budget being available. Included in the second year is a full review of service and operations. Council is also undertaking detailed planning in relation to asset management and is expected that asset management plans and a long term financial plan will be adopted in 2019.							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
1.4.1.1 Advocate for the establishment of a Great Ocean Road Authority	Chief Executive	Completed	01/07/18	30/06/19	100.00	100.00	 ON TRACK
The establishment of a Victorian Great Ocean Road Authority has been adopted as policy by Victorian State Government. Council has begun advocating that the Authority be located in Apollo Bay as it is centrally located to the area of the proposed Authority.							

Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
2.1.1.3 Council to work with key stakeholders such as the Otway Coast Committee, the Apollo Bay Chamber of Commerce and Council with the aim of aligning strategic planning and advocacy efforts for Apollo Bay	Chief Executive	Ongoing	01/07/18	30/06/19	Ongoing	50.00	 ON TRACK
The Mayor and Chief Executive meet monthly with the Chamber of Commerce and Otway Coast Committee (OCC) to ensure open dialogue. Key collaborations in 2018/19 include support for Apollo Bay Boat Harbour renewal and development, response to coastal erosion and preparation for development of Community Infrastructure Plans.							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
4.1.1.1 Identify new income opportunities	Chief Executive	In progress	01/07/18	30/06/19	60.00	50.00	 ON TRACK
Council has been successful in receiving substantial grant funds towards improvements at Memorial Square, Central Reserve and the Western Reserve in Colac. Council has also been successful for funding of \$19 million to undertake the City Deal Program, fund Harbour improvements at Apollo Bay, a walking/cycling trail between Wild Dog Creek and Skenes Creek, and toilet and parking improvements at Kennett River.							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
2.1.1.1 Develop and maintain constructive partnerships to access appropriate levels of funding, coordination, infrastructure and services.	Chief Executive	Ongoing	01/07/18	30/06/19	Ongoing	50.00	 ON TRACK
Strong relationships established with G21, Regional Development Victoria, VicRoads, Barwon Water, Southern Rural Water, GORRT, Great Ocean Road Taskforce, Parks Victoria, State and Federal Government Members of Parliament.							





Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
1.1.1.1 Strengthen partnerships with employers in the Shire.	Chief Executive	Ongoing	01/07/18	30/06/19	Ongoing	50.00	
CE has continued to meet with significant businesses in the Shire. The Mayor and CE propose a series of meetings with real estate agents and local trucking companies to discuss Colac specific issues in 2019. Council meets monthly with action for Apollo Bay which comprises representatives of the Apollo Bay Chamber of Commerce the Skenes Creek community and the Otway Coast Committee.							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
1.3.1.1 Develop and maintain regional partnerships and joint advocacy.	Chief Executive	Ongoing	01/07/18	30/06/19	Ongoing	50.00	
Council is represented on the following organisations:							
<ul style="list-style-type: none"> <li>• G21</li> <li>• Great Ocean Road Taskforce</li> <li>• Great Ocean Road Regional Tourism</li> <li>• Barwon Regional Partnership</li> </ul>							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
4.2.1.1 Ensure where ever possible decision are debated and made in open Council meetings.	Manager Governance & Communications	Completed	01/07/18	30/06/19	100.00	100.00	
The Governance team actively encourages all officers to list items for consideration in open Council except when s89 of the <i>Local Government Act 1989</i> must be applied for legitimate reasons of confidentiality. This is the ongoing philosophy of the organisation in the interests of transparency, openness, best practice and good governance.							






## Corporate Services


General Manager Corporate Services  
People Performance & Culture  
Customer Service

Financial Services  
Information Services  
Contracts & Procurement

Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
4.2.1.1 Develop and implement a program of regular reporting on key activities to ensure they are focused on implementing priorities.	Manager People, Performance & Culture	Ongoing	01/07/18	30/06/19	Ongoing	25.00	
Conducted a review of the collection process and implemented improved templates for ongoing reporting purposes.							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
4.3.1.2 Manage our risk exposure, including providing a safe working environment where "Work Health and Safety is everyone's business"	Manager People, Performance & Culture	Ongoing	01/07/18	30/06/19	Ongoing	60.00	
Year 2 actions of the OHS Strategic Plan 2018-2020 have now commenced, with departmental safety audits continuing across the organisation.							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
4.3.1.1 Support organisational development to ensure key organisational capability areas support the organisation to deliver on Council priorities.	Manager People, Performance & Culture	Ongoing	01/07/18	30/06/19	Ongoing	50.00	
The People and Culture Strategic Plan 2019-2021 has been completed and was circulated to all staff on 13 Dec 2018.							
Year 1 actions have commenced and progress of the strategic plan will regularly reported to the EMT and staff on an ongoing basis.							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
1.3.1.1 Seek regional funds from State and Federal Governments.	General Manager Corporate Services	Ongoing	01/07/18	30/06/19	Ongoing	50.00	
This is an ongoing task with every opportunity being assessed.							






Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
4.2.1.1 Maintain the 10 year long term financial plan.	General Manager Corporate Services	In progress	01/07/18	30/06/19	5.00		 ON TRACK
The development of service plans for all the services provided by Colac Otway Shire are well under way for inclusion in the Long Term Financial Plan.							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
4.4.1.1 Develop partnerships to procure services and materials on a regional basis.	General Manager Corporate Services	In progress	01/07/18	30/06/19	0.00		 ON TRACK
Investigation and review required – MAV LEAP data available to assist in investigation.							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
4.4.1.2 Enhance opportunities for increased local spending of Council expenditure.	General Manager Corporate Services	In progress	01/07/18	30/06/19	0.00		 ON TRACK
Part of the G21 GROW Program and MAV LEAP program – further investigation/review required.							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
4.4.1.1 Maintain low risk audit rating for financial sustainability.	Manager Financial Services	Ongoing	01/07/18	30/06/19	Ongoing	50.00	 ON TRACK
As detailed in the Annual Report, Council's 2017/18 financial result is consistent with a low risk rating in relation to financial sustainability.							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
4.1.1.1 Manage the short and long-term financial sustainability of the shire through prudent financial management.	Manager Financial Services	Ongoing	01/07/18	30/06/19	Ongoing	100.00	 ON TRACK
Current Financial Sustainability indicators are strong. Results of 2017-18 VAGO Audits rated Colac Otway low risk in 5 of the 6 indicators. Low risk in Net Result, Liquidity, Internal Financing, Indebtness and Capital Replacement. Adjusted Underlying Result was rated as medium risk. These ratings are consistent with the 2017-18 Local Government Performance results. Once the Long Term Financial Plan is completed, it will provide a much better perspective of the long term sustainability challenges for Colac Otway Shire Council.							





Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
4.1.2.1 Organisational development and legislative compliance	Manager Information Services	In progress	01/07/18	30/06/19	35.00		
<p>The development of the draft four-year ICT Strategy is complete.</p> <p>The renewed Telstra Telecommunication Contract has been adopted providing less expensive mobile, landline, and internet services.</p> <p>The Major upgrade of our EDRMS (Electronic Document and Records Management System) has been successfully completed and training provided to all staff.</p> <p>The collaborative intra-Shire Tender for digital mail services has been finalised and rollout has begun.</p> <p>The review of our Wide Area Network (WAN) facilities has been initiated, with work scoped to provide faster and more resilient network links to our site offices. A redesigned network link to our Disaster Recovery facility is also within this scope of work.</p> <p>Meetings have been held with prospective vendors in the wholesale replacement and upgrade of our incumbent GIS software suite(s). *Per enablement of mobile workforce.</p> <p>Several initiatives delivered, i.e. Planning Dept. Infrastructure Dept. COPACC.</p> <ol style="list-style-type: none"> <li>1. Completed launch of online bill payments (phase 1).</li> <li>2. Conducting a proof of concept (PoC) online public CRM</li> </ol> <p>The redesign of our SOE (Standard Operating Environment) from Windows 7/Microsoft Office 2010 -&gt; to Windows 10/ Microsoft Office 2016 is 75% complete. Provision of mobile devices has resulted in greater external/mobile access by outdoor officers.</p>							

## Development & Community Services


General Manager Development & Community Services  
Economic Development & Tourism  
Community Services


Planning, Building & Health Protection  
Environment & Community Safety


Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
2.4.1.5 Implement emission reduction programs for Council operations.	Manager Environment & Community Safety	In progress	01/07/18	30/06/19	65.00		
<p>Investigations continue into the potential of installing a solar array on the Joint use library.</p> <p>A report is being developed for endorsement by Council for the use of funding for the upgrading of street lights with more efficient globes to undertake energy saving measures in COPACC and Bluewater.</p>							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
2.4.1.7 Implement Council's Climate Adaption Strategy.	Manager Environment & Community Safety	Ongoing	01/07/18	30/06/19	Ongoing	0.25	
<p>Work is being undertaken to seek further funding from the State Government to develop management plans for high risks identified in the local Coastal Hazard Assessment. Once completed these plans will inform Council and other relevant agencies on how best to manage these areas under different climate change scenarios.</p>							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
2.4.1.6 Enhance and protect biodiversity through weed control and revegetation.	Manager Environment & Community Safety	Ongoing	01/07/18	30/06/19	Ongoing	0.30	
<p>Council obtained \$30,000 from the State Government to undertake a strategic weed control program on high conservation roadsides.</p> <p>Works to date have been targeting Broom, Gorse and Hemlock across the region.</p>							


Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
2.4.1.1 Ensure best practice guides planning and management of the natural environment and associated assets, and Council's response to climate change.	Manager Environment & Community Safety	Ongoing	01/07/18	30/06/19	Ongoing	0.25	
<p>Work is being undertaken to seek further funding from the State Government to develop management plans for high risks identified in the local Coastal Hazard Assessment. Once completed these plans will inform Council and other relevant agencies on how best to manage these areas under different climate change scenarios.</p>							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
2.2.1.1 Ensure best practice guides planning and management of the natural environment and associated assets.	Manager Environment & Community Safety	Ongoing	01/07/18	30/06/19	Ongoing	0.25	
<p>Environmental advice is provided on planning permit applications, timber harvesting plans and a wide range of projects and services being delivered by Council to ensure the impact on the natural environment is minimalised.</p>							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
2.4.1.2 Minimise coastal erosion in partnership with other stakeholders and implement measures to assist climate adaption.	Manager Environment & Community Safety	Ongoing	01/07/18	30/06/19	Ongoing	0.25	
<p>Council continues to work closely with DELWP and the Otway Coast Committee on the management of coastal erosion in the Apollo Bay area where a significant erosion event took place recently. Council is also considering the implications of this erosion for future plans for Apollo Bay, and is seeking funding to do more detailed management plans for high risk areas along the entire coastal area.</p>							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
2.4.1.3 Improve the health and sustainability of the natural environment through structured planning with our partners.	Manager Environment & Community Safety	Ongoing	01/07/18	30/06/19	Ongoing	0.25	
<p>Council continues to work closely with DELWP, Barwon Water, Parks Victoria, the Corangamite CMA and other relevant agencies to improve sustainability. For example Council has worked with other partner agencies to develop an environment action list for Lake Colac.</p>							






Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
2.4.1.4 Deliver localised planning to communities to reduce fire risk.	Manager Environment & Community Safety	In progress	01/07/18	30/06/19	57.00	0.30	 ON TRACK
<p>Community Based Bushfire Planning is being undertaken in Wye River, Separation Creek, Kennett River, Grey River and Forrest. A large number of community events were held in November to help prepare these communities for the coming fire season. In Forrest a new evacuation kit, developed through community based planning process, was decimated and will be looked at as a model for use in other towns in the future.</p>							





Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
2.6.1.1 Community based planning to build local understanding and preparedness for emergency events.	Manager Environment & Community Safety	In progress	01/07/18	30/06/19	25.00	0.35	 ON TRACK
<p>Community Based Bushfire Planning is being undertaken in Wye River, Separation Creek, Kennett River, Grey River and Forrest. This process will help the community identify local solutions to local problems and also allows fire experts to explain the latest science about bushfire risk to people in a local context.</p>							

Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
2.6.1.2 Education, joint planning and preparations undertaken to prepare for climate related threats and emergencies.	Manager Environment & Community Safety	In progress	01/07/18	30/06/19	75.00	0.52	 ON TRACK
<p>Colac Otway Shire staff, in collaboration with Surf Coast and Corangamite Shires, have undertaken a large Emergency Relief Centres (ERC) exercise. This exercise involved over 100 people and provided an opportunity for staff to experience directly what working in an ERC would be like, particularly the processes for activating and deactivating.</p>							

Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
3.4.1.1 Participate in the G21 Healthy Eating and Active Living regional priority project.	Manager Community Services	In progress	01/07/18	30/06/19	50.00	25.00	 ON TRACK
<p>Providing support for the Choose Change project and their first activity 'Choose Water this Summer'. Participating in the Incidental Activity working group that focuses on incidental activity, being the exercise we get during daily activities, this is done in bite-sized chunks that may improve physical fitness. The working group has the key goals of, building the capacity of regional organisations and services to increase opportunities for people over 55 to engage in incidental activity. ncreasing awareness of the health benefits of incidental activities for people over 55.</p>							


Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
3.2.1.1 Support community clubs, groups and associations to provide welcoming and inclusive environments for all members of our community within council facilities.	Manager Community Services	In progress	01/07/18	30/06/19	50.00	25.00	
<p>Meetings with Positive Ageing Ambassadors, Senior groups in Birregurra, Colac and Apollo Bay, Colac Special Needs Group, and Barwon Child Youth and Family regarding kindergartens they operate within and the support for vulnerable children.</p> <p>Council's new 2018 community grants included promotion of gender equality. The review of the 2019 grants program will look at opportunities to provide grants to support facilities and services that actively encourage gender equity and cultural diversity.</p> <p>Meetings with Section 86 Committees and discussed inclusive environments.</p>							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
3.5.1.1 Increase advocacy in partnership with our community to enhance cultural awareness, inclusiveness, safety and health, community, family and education.	Manager Community Services	In progress	01/07/18	30/06/19	50.00	25.00	
<p>Supporting an arts project being undertaken by students from Turning Point and with support from the Gathering Place and Department of Health and Human Services. The project will develop a cultural arts trail throughout the Colac CBD. This project is to be completed by NAIDOC week 2019.</p> <p>A spear presented to Council at NAIDOC Week 2018 will be mounted in the reception area of Councils Rae Street offices, with wording provided by members of the local Aboriginal community.</p> <p>Council supported a community soccer match and BBQ between members of various ethnic communities and local emergency services to raise awareness and create links. Support was also provided for an all abilities bowls event at the lake Colac Bowls Club. The event was attended by over 50 bowlers of all abilities from across the shire and the broader south west of Victoria.</p>							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
3.1.1.1 Support community organisations through the community grants program.	Manager Economic Development & Tourism	In progress	01/07/18	30/06/19	95.00	100.00	
<p>Work is underway for the implementation of an online community grants application process. It is anticipated that all COS grants should be available online through Smarty Grants in the next round released in early 2019 for the 19/20 financial year.</p>							






Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
3.2.1.1 Provide grant programs to involve local people in activities that facilitate their health, wellbeing and enjoyment.	Manager Economic Development & Tourism	Completed	01/07/18	30/06/19	100.00	100.00	
<p>The 2018/19 Grants Program decision making process was completed with the second round of grants approved by Council in September 2018. Grants have been approved to 100 individual groups and officers will work with these groups to successfully implement their projects.</p> <p>The next step will be the implementation of Smarty Grants which will provide an online process for grants. It is anticipated that all COS grants should be available online through Smarty Grants in the next round released in early 2019 for the 19/20 financial year.</p>							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
1.1.1.1 Develop and implement a Colac Otway Economic Development Strategy.	Manager Economic Development & Tourism	In progress	01/07/18	30/06/19	90.00	100.00	
<p>The draft strategy was released for public exhibition for 6 weeks, ending 7 December. Submissions have been considered and a report will be presented at Council Briefing 6 February 2019, with the final draft going to Ordinary Council Meeting 27 February for endorsement.</p>							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
1.1.3.1 Identify and support employment in tourism.	Manager Economic Development & Tourism	In progress	01/07/18	30/06/19	50.00	25.00	
<p>Activity in several areas is ongoing, such as advocating for local products and showcasing the broad natural beauty and attractions of the Shire. Mentoring local business operators to develop greater skills to enable them to capitalise on the existing growing market.</p>							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
1.2.1.2 Facilitate the attraction of investment in the development of high standard accommodation in Colac and Apollo Bay, complemented by high yielding nature based experiences.	Manager Economic Development & Tourism	In progress	01/07/18	30/06/19	75.00	100.00	
<p>Council formed a position on a planning application for a new high end resort in Apollo Bay and resolved to not support the proposal. The Minister appointed Panel hearing was held in September and October and a final decision now rests with the State Minister, with a decision expected in first quarter 2019.</p>							

Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
1.2.1.3 Encourage and support existing owners of accommodation to upgrade, refurbish and develop new infrastructure to meet visitor demand.	Manager Economic Development & Tourism	Not started	01/07/18	30/06/19	0.00	0.00	 No TARGET
No commenced – project postponed until 2019/2020							

Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
1.1.1.3 Attract investment to implement key master plans that will drive economic growth such as the Lake Colac Foreshore Master Plan.	Manager Economic Development & Tourism	In progress	01/07/18	30/06/19	50.00	25.00	 ON TRACK
Forrest Mountain Bike Strategy Implementation – grant from Sport and Recreation Victoria of \$100,000 obtained for design work September 2018 – project underway. The Forrest Mountain Bike Strategy will be ready for one final application to secure funding to implement the whole strategy following this design work.							


Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
1.3.1.1 Seek to influence education providers to match local job opportunities with available skills training.	Manager Economic Development & Tourism	In progress	01/07/18	30/06/19	40.00	50.00	 MONITOR
An application was submitted to RDV for assessment in September 2018, the application was unsuccessful. Officers are working with GORRT on a Workforce Development project which will be completed in mid-2019. Work locally will increase in early 2019 with the endorsement of the Strategy.							

Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
1.2.1.1 Review the Shire Events Strategy and partner with event organisers to assist them preserve the amenity of residents while running successful events.	Manager Economic Development & Tourism	In progress	01/07/18	30/06/19	90.00	75.00	 ON TRACK
This activity will be completed with the endorsement of the Economic Development Strategy in February 2019.							




Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
1.3.1.2 Support programs to reduce youth unemployment and promote employment for disadvantaged groups in partnership with employers, G21 and the GROW initiative.	Manager Economic Development & Tourism	In progress	01/07/18	30/06/19	50.00	25.00	
Grant application was lodged in conjunction with GROW and Deakin University through RDV and was unsuccessful. A business case was submitted to Council and funding received, work has commenced on a local project with GROW.							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
1.1.1.2 Identify and improve tourism assets across the Shire	Manager Economic Development & Tourism	In progress	01/07/18	30/06/19	60.00	25.00	
Grant application was lodged in conjunction with GROW and Deakin University through RDV and was unsuccessful. A business case was submitted to Council and funding received, work has commenced on a local project with GROW.							
Several projects are currently underway which include:							
<ul style="list-style-type: none"> <li>• The Colac Produce Hub concept – if implemented this project will provide a retail outlet for producers within the Shire to display and sell product, therefore expanding their markets and product exposure. A grant application has been submitted to State Government seeking funding assistance to develop a Governance model for the Hub.</li> <li>• The Tourism Traffic and Parking Study being conducted along the Coastal strip is investigating the issues around traffic and parking along the Great Ocean Road.</li> <li>• Master Planning is also happening at Kennett River in an effort to solve the traffic and parking issues at the small village.</li> </ul>							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
1.2.1.4 Review the Great Ocean Road Closure Policy.	Manager Economic Development & Tourism	In progress	01/07/18	30/06/19	55.00	50.00	
The review of the guidelines has commenced which is being led by VicRoads in consultation with Colac Otway and Surf Coast Shires and the Victorian Police.							
Due to the State Government going into caretaker during the State election process, no further meetings have been held. However some additional work was achieved during this period and progress will resume in early 2019 to complete the initiative.							





Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
1.2.1.5 Identify and promote Tourism pathways between attractions across the whole shire.	Manager Economic Development & Tourism	Not started	01/07/18	30/06/19	0.00		 No TARGET
Not commenced project postponed until 2019/20.							

Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
1.1.1.3 Remove unnecessary planning triggers to streamline planning processes.	Manager Planning, Building & Health Protection	In progress	01/07/18	30/06/20	30.00	30.00	 ON TRACK
Council adopted its four yearly Planning Scheme Review in March 2018. Consultant, Glossop has drafted proposed changes to Councils Planning Scheme which give effect to this Review, and to streamline planning provisions where possible. The process of exhibiting an amendment has been delayed due to State Government reforms implemented in August 2018 which will require a translation of the current Municipal Strategic Statement in the Planning Scheme in the new State Planning Policy Framework (PPF), before Council can exhibit changes to its policy framework and change overlay provisions. The translation is expected to occur in the first quarter of 2019, followed by exhibition of a Council Amendment mid-2019. Officers will continue to refine the proposed local overlay changes whilst the State Government led translation occurs.							

Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
1.2.1.1 Explore options to facilitate new tourism accommodation	Manager Planning, Building & Health Protection	In progress	01/07/18	30/06/20	10.00	10.00	 ON TRACK
A future budget allocation is required to engage consultants to investigate appropriate means by which tourism development can be encouraged in appropriate locations in the Shire.							
Council Officers have facilitated a process for consideration of a proposed 5 star hotel on land to the rear of Apollo Bay, which was called in by the Planning Minister in January 2018, and was considered by an independent Panel appointed by the Minister in October. The result is expected to be announced early in 2019.							

Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
2.3.1.1 Develop and implement a prioritised program to review and implement master plans, community infrastructure plans and structure plans for small towns across the shire.	Manager Planning, Building & Health Protection	In progress	01/07/18	30/06/19	50.00	25.00	
<p>Officers have commenced preparation of a prioritised list of Master Plans for Council consideration, this work will be finalised early in 2019. Council funded the development of a Community Infrastructure Master Plan for Apollo Bay, Skenes Creek and Marengo in its 2018/19 budget, Officers have worked collaboratively with the Otway Coast Committee (OCC), Department of Environment, Land Water &amp; Planning and other stakeholders to define the project scope, resulting in the project being amended to include the OCC's Foreshore Master Plan and a draft Development Plan for the harbour precinct. It is expected that tenders will be called prior to Christmas, with the project commencing early 2019.</p>							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
2.2.1.1 Update the Planning Scheme to reflect changing community needs and priorities.	Manager Planning, Building & Health Protection	In progress	01/07/18	30/06/19	35.00	30.00	
<p>Council adopted its four yearly Planning Scheme Review in March 2018. Consultant, Glossop has drafted proposed changes to Councils Planning Scheme which give effect to this Review, and to streamline planning provisions where possible. The process of exhibiting an amendment has been delayed due to State Government reforms implemented in August 2018 which will require a translation of the current Municipal Strategic Statement in the Planning Scheme in the new State Planning Policy Framework (PPF) before Council can exhibit changes to its policy framework. The translation is expected to occur in the first quarter of 2019, followed by exhibition of a Council Amendment mid-2019. The draft Colac 2050 Growth Plan was placed on exhibition with Amendment C97 to implement its findings in November 2018. This will facilitate planning for expansion of residential zoned land to accommodate growth of Colac.</p>							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
1.1.1.1 Provide direction on how growth across the shire should proceed and ensure adequate land is provided for industrial and residential use.	Manager Planning, Building & Health Protection	In progress	01/07/18	30/06/19	50.00	50.00	
<p>Draft Colac 2050 Growth Plan reported to the July 2018 Council meeting, with a resolution to place it on public exhibition along with Amendment C97 to the Planning Scheme to implement the policy outcomes. Exhibition was delayed due to recent State Government planning reforms, but occurred for 6 weeks over November and December 2018. Submissions will be considered early in 2019. Amendment C86 was approved and gazetted by the Planning Minister in October 2017, implementing the key outcomes of the Colac Economic Development, Commercial Land Industrial Land Use Strategy. The amendment rezoned 68ha of land for new industrial development.</p>							

Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
1.1.1.2 Conduct a review of the housing stock in Colac and establish a Residential Housing Strategy to ensure current and future stock is suitable to attract new residents.	Manager Planning, Building & Health Protection	In progress	01/07/18	30/06/20	20.00	20.00	
<p>Preparation of the draft Colac 2050 Growth Plan involved a basic analysis of housing needs in Colac. This informed the development of the Plan, however a more comprehensive Housing Needs Assessment is required to be completed that includes consideration of affordable housing needs, an ageing population, etc.</p> <p>This project requires dedicated Council funding, and will be considered in the 2019/20 budget process. Consideration will also be given to expand this proposed project to include Apollo Bay with consideration to an ageing population and providing housing for workers within seasonal tourism sector.</p>							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
1.1.1.4 Prepare an Infrastructure Master Plan for Apollo Bay and Coastal Townships, covering categories including roads, car parking, bus parking, footpaths and storm water drainage.	Manager Planning, Building & Health Protection	In progress	01/07/18	30/03/20	15.00	20.00	
<p>Council funded the development of a Community Infrastructure Master Plan for Apollo Bay, Skenes Creek and Marengo in its 2018/19 budget. Officers have worked collaboratively with the Otway Coast Committee (OCC), Department of Environment, Land Water and Planning (DELWP) and other stakeholders to define the project scope, resulting in the project being amended to include the OCC's Foreshore Master Plan and a draft Development Plan for the harbour precinct. Tenders were called prior to Christmas, with the project commencing early in 2019.</p>							





## Infrastructure & Leisure Services

### General Manager Infrastructure & Leisure Services


### Service & Operations


### Assets & Project Delivery


### Arts & Leisure Services


Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
2.1.1.1 Develop and implement a Property Strategy.	Manager Assets & Property Delivery	In progress	01/07/18	30/06/19	20.00	20.00	 ON TRACK
Strategic Plan to manage Councils properties covering issues such as valuation, service provision, future investment and disposal of assets, is due to commence 2018/19.							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
2.3.1.2 Incorporate treatments into infrastructure standards that enhance community perceptions of safety.	Manager Assets & Property Delivery	In progress	01/07/18	30/06/19	40.00	10.00	 ON TRACK
Improvements to third party development works processes.							
Improvements to standards based on learnings following Wye River/Separation Creek fires.							
Public lighting improvements. Light-up Memorial Square project.							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
2.3.1.1 Enhance the attractiveness of towns in the shire for both residents and tourists/visitors.	Manager Assets & Project Delivery	In progress	01/07/18	30/06/19	50.00	20.00	 ON TRACK
Continued advocacy for improvements to the Eastern entrance to Colac is being completed as part of VicRoads duplication.							
Development of concept plans for Johnstone's Lane Improvement is underway.							
Installation of western entrance signage.							


Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
2.5.1.1 Develop a system of capital allocations based on Asset Management Plans.	Manager Assets & Project Delivery	In progress	01/07/18	30/06/19	22.00	10.00	
Develop designs for all 2019/20 renewal projects.							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
2.5.1.2 Develop a project management framework, covering proposals, planning and delivery.	Manager Assets & Project Delivery	In progress	01/07/18	30/06/19	50.00	10.00	
Project planning process to examine external impacts project proposals to measure strategic alignment.							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
2.5.1.3 Develop a capital works reporting framework.	Manager Assets & Project Delivery	In progress	01/07/18	30/06/19	90.00	60.00	
Dedicated software package to track projects.							
Formal monthly project reporting.							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
2.5.1.4 Deliver the annual capital works program.	Manager Assets & Project Delivery	In progress	01/07/18	30/06/19	42.00	40.00	
Deliver 80% of the 2018/19 works program.							

Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
3.4.1.1 Consider health of the community when formulating policy for Council's Property Strategy.	Manager Assets & Project Delivery	In progress	01/07/18	30/06/19	20.00	10.00	
<p>Include reference to community health in Council's property management framework.</p> <p>Develop a process to cohesively work with service Managers.</p>							

Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
3.2.1.1 Supports community activities through information dissemination and planning information.	Manager Arts & Leisure	Ongoing	01/07/18	30/06/19	0.00	0.00	
<p>Relevant information is communicated to our community organisations on a regular basis through a range of communication mediums. In recent times, a number of grant opportunities have been forwarded to our community organisations database for consideration.</p>							


Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
3.6.1.1 Update social infrastructure planning on a continuing basis to guide asset planning.	Manager Arts & Leisure	In progress	01/07/18	30/06/19	10.00	25.00	
<p>Recent discussions with local communities including Apollo Bay and Cressy about future requirements for social infrastructure. The Apollo Bay Infrastructure Study will commence in 2018/19 which will provide strategic direction for current and future social infrastructure needs.</p>							

Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
3.3.1.2 Support for community groups.	Manager Arts & Leisure	Ongoing	01/07/18	30/06/19	0.00	0.00	
<p>Support for community groups continues through direct contact, workshops and forums and information provision. Officers meet and talk with a variety of community organisations on an ongoing basis.</p>							


Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
3.3.1.1 Provide opportunities for lifelong learning and community connections through library programs.	Manager Arts & Leisure	Ongoing	01/07/18	30/06/19	0.00	0.00	
<p>The provision of library services and programs continues to be delivered by the Corangamite Regional Library Corporation. Attendances at library programs have been maintained. Council officers continue to support the Corporation to promote the opportunities through library services.</p>							


Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
3.4.1.1 Deliver programs through the Bluewater Centre that promote physical activity in the shire.	Manager Arts & Leisure	Ongoing	01/07/18	30/06/19	0.00	0.00	
<p>Bluewater Leisure Centre provides a range of programs and services for all members of the community. Recently the implementation of 24/7 gym operations and on-demand virtual programming has resulted in increased attendance. The recent development of the Walking Water Polo program in partnership with U3A is an exciting initiative providing a different experience to our community.</p>							


Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
2.3.1.1 Advocate for improvements to public open space where the State Government is the land owner/manager.	Manager Arts & Leisure	Ongoing	01/07/18	30/06/19	0.00	0.00	
<p>Continue to advocate for funding to improve our public open space network. Improvements to the Lake Colac Foreshore continue. The Apollo Bay Foreshore Master Plan will commence in 2018/19 in partnership with the Otway Coast Committee.</p>							


Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
2.3.1.2 Continue to support the Apollo Bay community's advocacy for the development of a public indoor heated swimming pool in Apollo Bay.	Manager Arts & Leisure	Ongoing	01/07/18	30/06/19	0.00	0.00	
<p>Funding has been secured from the Federal Government to enclose the existing pool. Council has committed to the annual operating costs to run the facility. Council will support the community to work through the planning and construction process.</p>							





Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
3.4.1.2 Build capacity of local sports groups in promoting healthy eating and physical activity.	Manager Arts & Leisure	Ongoing	01/07/18	30/06/19	0.00	0.00	
A number of workshops and forums are held annually with the sports clubs. Officers work with clubs and associations on a daily basis assisting with building capacity to increase participation.							

Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
2.3.1.3 Support enjoyment of outdoor experiences through the provision of a network of quality open spaces, including paths and trails.	Manager Arts & Leisure	Ongoing	01/07/18	30/06/19	0.00	0.00	
Council continues to improve our open space networks through a range of projects. Improvements to the Lake Colac Foreshore continue in 2018/19, the Rex Norman Park play space has been completed whilst the Queen Street Colac shared pathway was recently completed. Council continues to focus on an improved maintenance regime for our parks and reserves through better defined service levels.							

Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
3.4.1.3 Encourage more people to participate and be inclusive of others.	Manager Arts & Leisure	Ongoing	01/07/18	30/06/19	0.00	0.00	
Continue to work with community organisations to increase participation through inclusive facilities and programming. Recent funding applications submitted in partnership with sporting clubs aimed at facility upgrades to increase inclusive participation outcomes, including the Western Reserve oval and lighting upgrade and the Central Reserve court and lighting redevelopment.							
In addition, Council is partnering with Leisure Networks to have five Colac Otway Shire sporting clubs participate in a Building Gender Equality Pilot Project, 'The Barwon Game Changer'. The project is aimed at building the capacity of women and girls involved in community sport and recreation clubs in the Barwon region and will run from September 2018 to June 2019.							

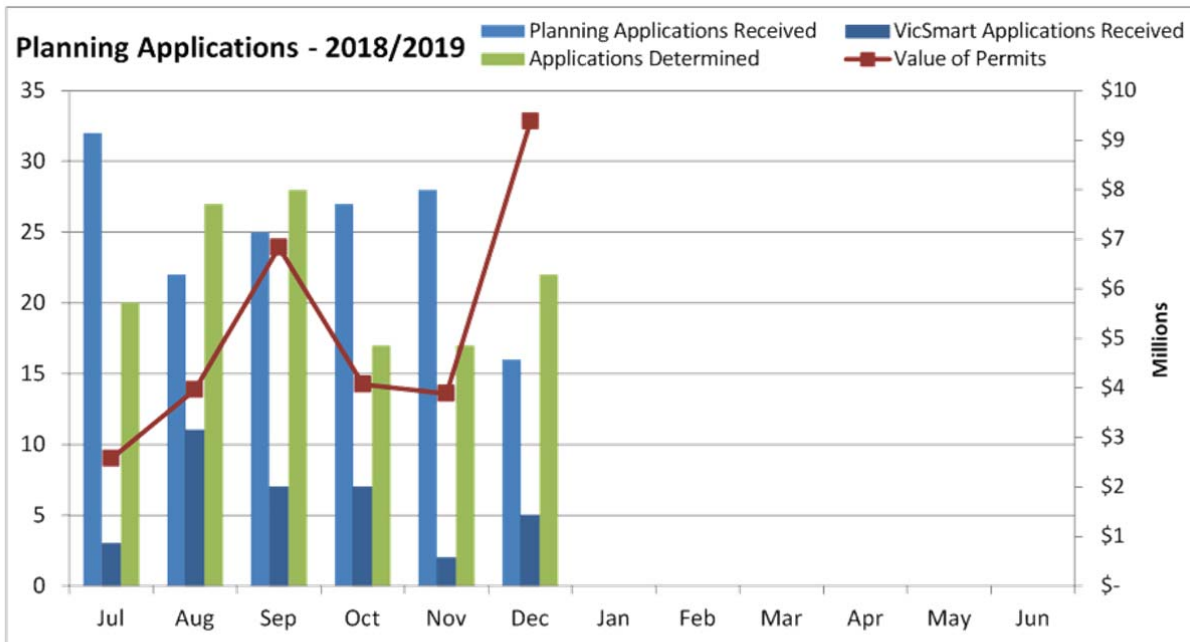
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
2.1.1.1 Evaluate the feasibility of a regional wet waste facility to manage waste from road and drainage maintenance.	Manager Services & Operations	In progress	01/07/18	30/06/19	80.00	80.00	
A regional wet waste facility has been investigated and initially appears to not be viable. Further detail will be sought before closing this initiative.							



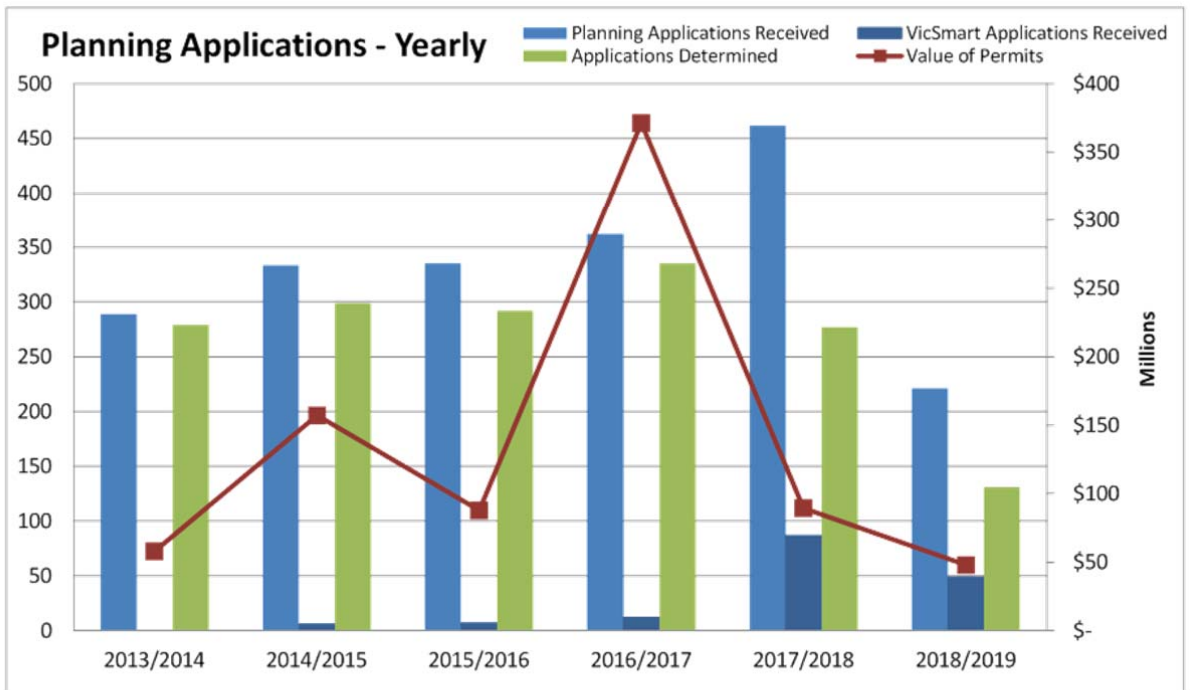
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
2.4.1.1 Enhance the level of resource recycling and reuse across the shire.	Manager Services & Operations	Completed	01/07/18	30/06/19	100.00	100.00	
<p>Opportunities to recycle or reuse material are continually being explored. Materials recovered from works is saved and used where possible. Examples of this is the top soil from central reserve being used to level holes on the lake foreshore and bluestone rocks from footpaths being used in drainage works.</p>							
Action	Responsibility	Action Status	Start Date	End Date	% Complete	Target	Status
2.3.1.1 Maintain parks and gardens, sports reserves and streetscapes.	Manager Services & Operations	In progress	01/07/18	30/06/19	80.00	40.00	
<p>Maintenance to parks, gardens, reserves and streetscapes is an ongoing task. Work load and work type varies from season to season and with various demands on the facilities.</p> <p>Recently the open space team has developed service levels that are a guide for the Service and Operations team.</p>							

# Planning & Building Performance Report

The bar graph below represents the numbers of planning permit applications lodged with Council (all applications –blue; VicSmart applications – dark blue), and the number of decisions issued (green) by month. The economic value of lodged planning permit applications is shown in red.

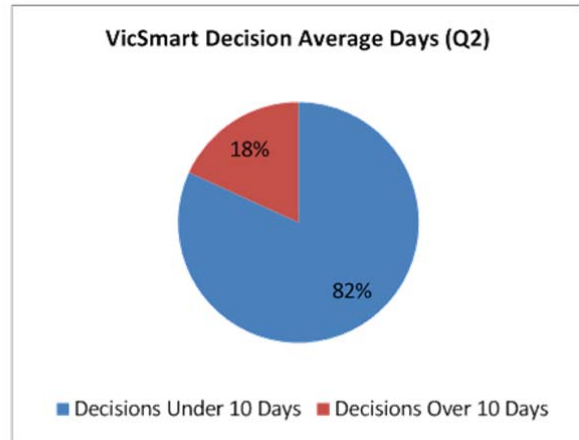
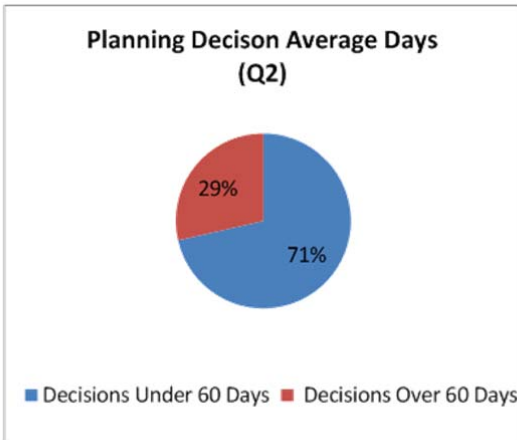


The graph below shows the same information, comparing the number of received planning permit applications and planning decisions issued across different financial years, as well as value of permits. This indicates a reasonably consistent upward trend in building activity year on year.

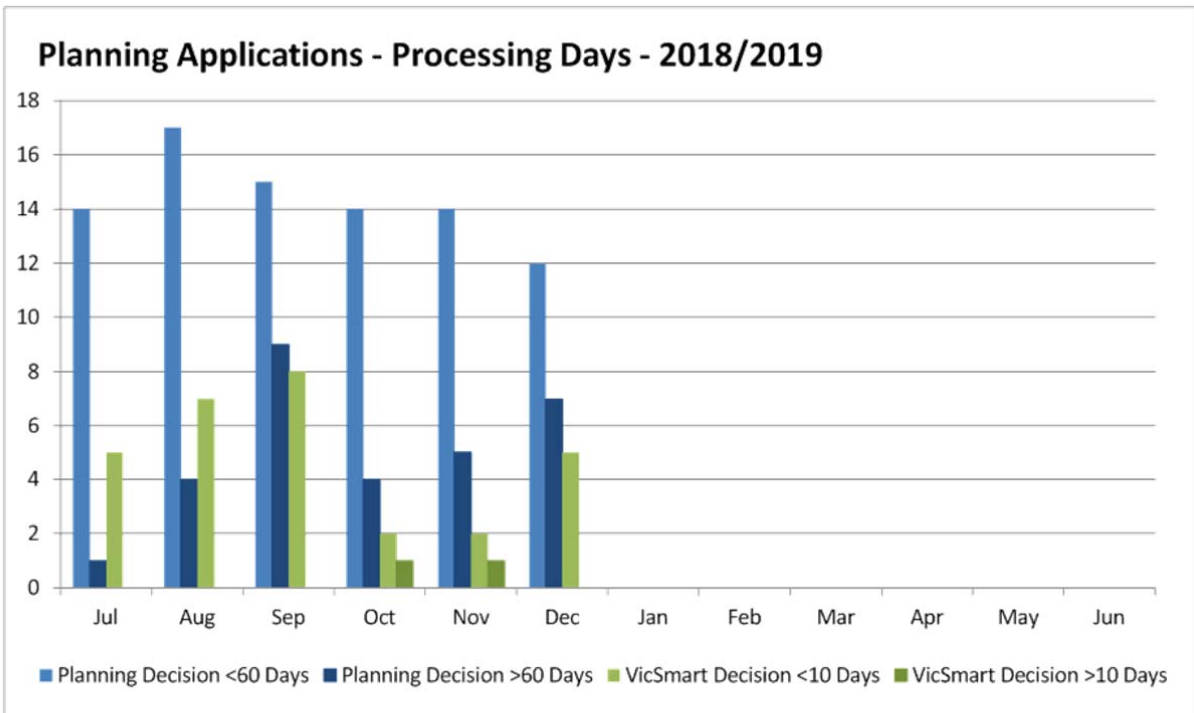


# Planning & Building Performance Report

The following graphs show the average days taken to determine planning permit applications in the reported quarter, with decisions issued in the statutory timeframe in blue and decisions issued outside the statutory timeframe in red.

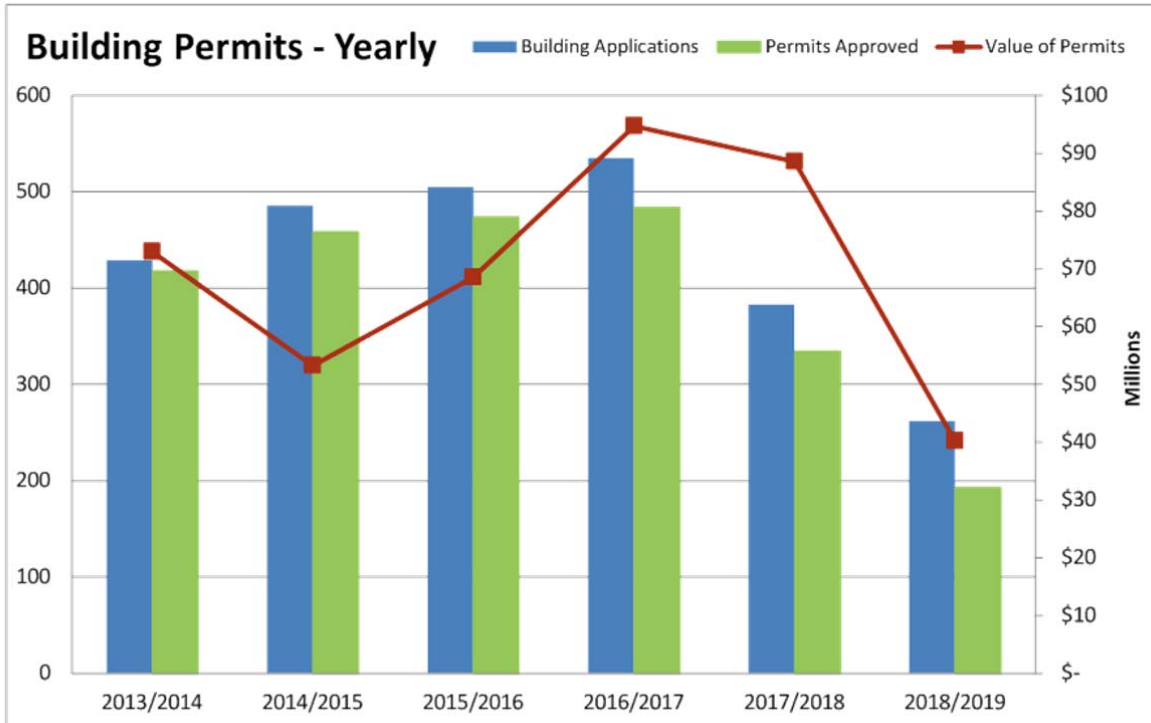


The following graph indicates the average days taken to determine planning permit applications in 2018/19, by month:

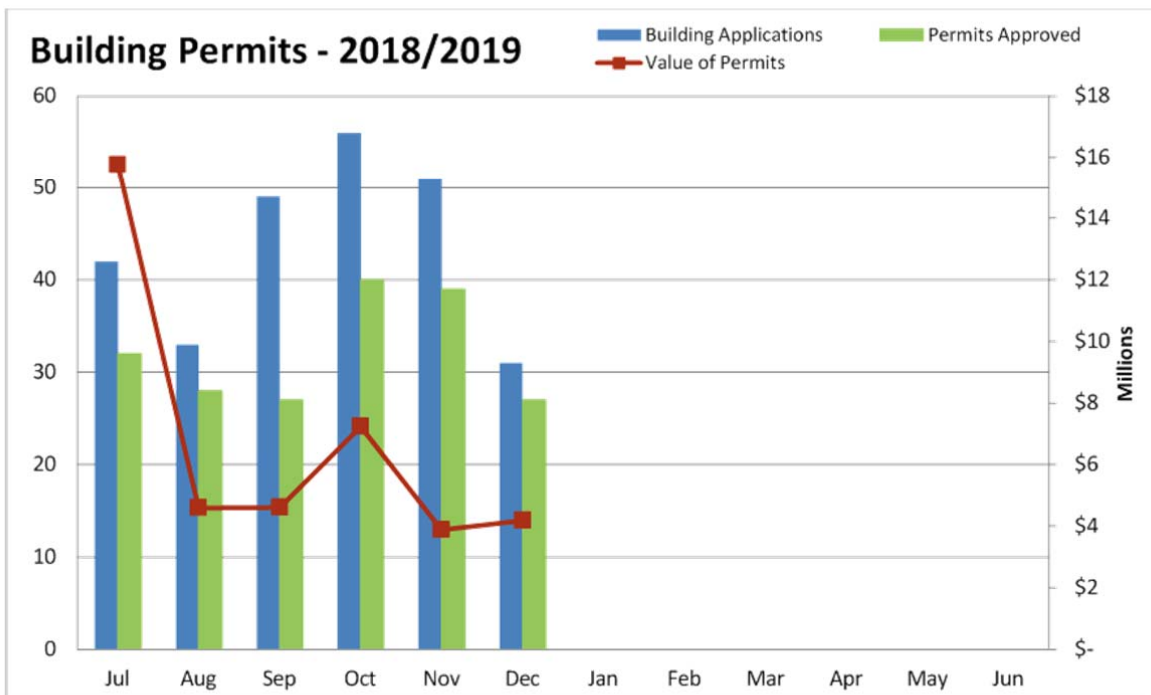


# Planning & Building Performance Report

The following graph shows the number of building permit applications received (blue) and permits issued (green) by year, as well as the economic value of applications received (red line)



The following graph shows the number of building permit applications received (blue) and permits issued (green) by month, as well as the economic value of applications received (red line).



# Major Projects Performance Report

## 1. Executive Summary

### 1.1 Summary

The Operating Projects program year-to-date (YTD) expenditure to 30/9/18, \$1,190,854, is 77% of the \$1,553,978 target and 29% spend of the annual budget.

### 1.2 Planned Expenditure Forecast

#### Current Operating Program Percentage Summary as at 31 March 2018

Planned Expenditure for 1/7/18 - 31/12/18	\$1,553,978	Planned YTD Expenditure at end of the year	\$4,064,022
BIS - actual expenditure for month	\$1,190,854	YTD actual expenditure as at end of the December	\$1,190,854
Expenditure v Actual for 2nd Quarter %	77%	YTD expenditure of annual budget %	29%

#### Notes

1. The definition of expenditure has been changed to not include commitments as per previous reports





## Major Projects Performance Report

### 1.3 Detailed Commentary

This report covers the Operating Projects Program, which includes the published 2018-19 Operating Project Budget Allocation and funds carried forward from 2017/18 included in the Revised Capital Budget Allocation.

As per State Government reporting guidelines, the published 2018/19 Operating Programme allocation excludes the non-project components of projects, such as funding for operations carried out during the delivery of a Capital Works project, and includes only those funds carried forward from 2017/18 that were forecast at the time the budget was set.

### 1.4 Highlights – Projects/Programs of Interest

- Coastal Tourism and Parking Strategy. Draft completed and currently at exhibition
- Relocation Apollo Bay Kindergarten. Consultant appointed and concept design underway
- Forrest Mountain Bike Trail. Tender currently advertised for design works
- Apollo Bay Harbor Precinct Development Plan. Tender currently advertised
- Apollo Bay Township and Foreshore Masterplan. Tender currently advertised

### Notes

#### 1.5 Projects on Hold, Cancelled, or New Additions

*Nil*

# Capital Works Performance Report

## 1. Executive Summary

### 1.1 Summary

The capital works program year-to-date (YTD) expenditure to 31/12/18, \$8,844,860 is 89% of the \$9,968,771 target and 40% spend of the annual budget. The planned figure includes \$7M for fire and flood recovery not yet in the COS financials (BIS) but included in this report

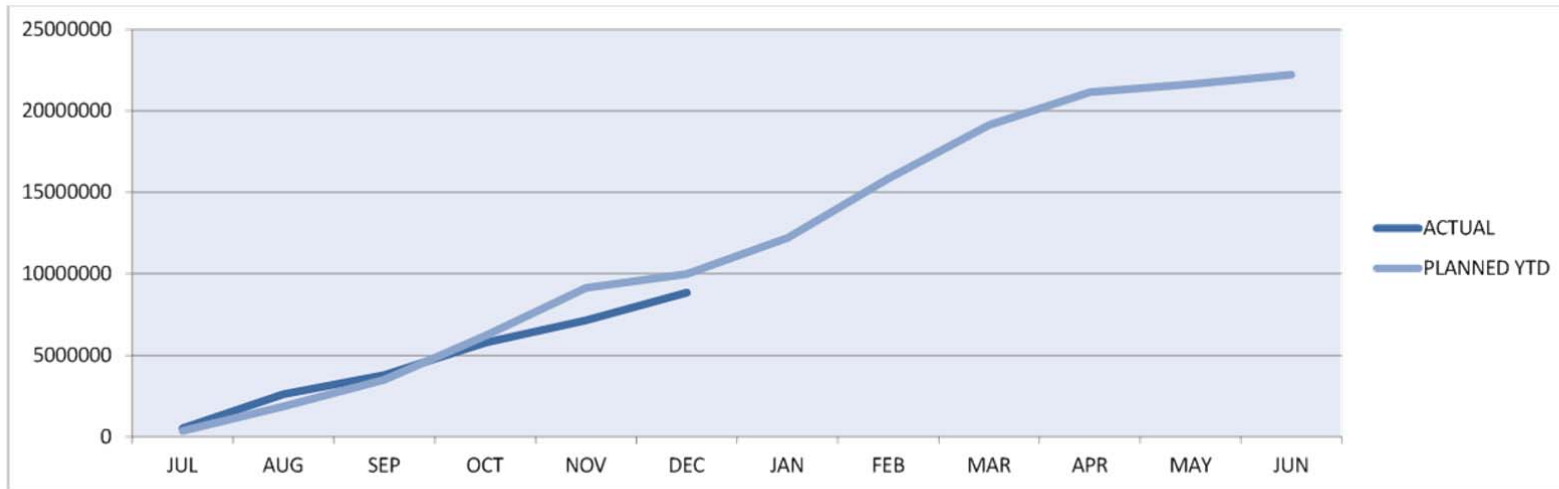
### 1.2 Planned Expenditure Forecast

#### Current Capital Works Program Percentage Summary as at 31 March 2018

Planned Expenditure for 1/7/18 - 31/12/18	9,968,771	Planned YTD Expenditure at end of the year	22,217,870
BIS - actual expenditure for month	8,844,860	YTD actual expenditure as at end of the September	8,844,860
Expenditure v Actual for 1st Quarter %	<b>89%</b>	YTD expenditure of annual budget %	<b>40%</b>

#### Notes

1. The definition of expenditure has been changed to not include commitments as per previous reports



# Capital Works Performance Report

## 1.3 Detailed Commentary

This report covers the Capital Works Program, which includes the published 2018/19 Capital Budget Allocation and funds carried forward from 2017/18 included in the Revised Capital Budget Allocation.

As per State Government reporting guidelines, the published 2018/19 Capital Budget Allocation excludes the non-capital components of projects, such as funding for maintenance works carried out during the delivery of a Capital Works project, and includes only those funds carried forward from 2017/18 that were forecast at the time the budget was set.

## 1.4 Highlights – Projects/Programs of Interest

- Murray/Pascoe road reconstruction carried over from 17/18 commenced mid-October. Works put on hold over the busy holiday period and will resume at the beginning of February
- Queen Street Footpath completed in September 2018
- Road stabilisation programme commenced in September and was completed by October end
- Road crack seal programme completed in September
- Beach reclamation project to be completed
- Queens Avenue Footpath construction commenced late October and is 80% complete.
- Replacement bridge over Barongarook Creek completed in September
- Skenes Creek Footpath completed in October
- Footpath Renewal Programme (3 year contract) commenced in October

## Notes

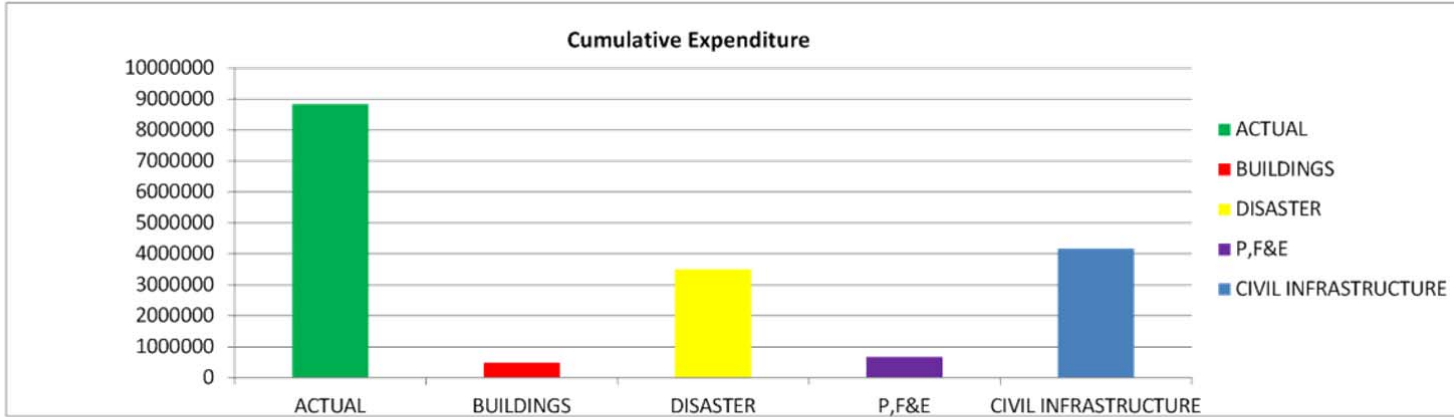
### 1.5 Projects on Hold, Cancelled, or New Additions

*Welcome to Colac Sign on hold pending review of inclusion of electronic signs.*

# Capital Works Performance Report

## 2. Financial Overview

### 2.1 Summary



## 3. Financial Overview

### 3.1 Summary

- Road Resheet Programme
- Road Crack Seal Programme
- Reseal Programme
- Road Reconstruction Programme
- Road Stabilisation Programme
- Bridges Programme
- Footpath Renewal Programme
- Footpath Extension Programme
- Kerb & Channel Programme
- Guard Rail Programme
- Roadslips Programme
- Building Renewal Programme
- Major Roadside Drainage

N/A - Service & Ops to complete					
N/A - Service & Ops to complete					

# Financial Performance Report

## Overview

The year to date (YTD) actual result within the operating statement indicates a surplus of \$15.855 million compared to a budgeted surplus (YTD) of \$15.179 million.

## Operating Statement

The information in the table below shows income and operating expenditure for the period ending 31 December 2018. The five (5) columns of data provide information on the following:

- YTD actual results to 31 December 2018
- YTD budget to 31 December 2018 (i.e. estimated timing of income and expenditure)
- Original budget as adopted by Council (As a result of the General Ledger Rebuild project, some minor reallocation between categories has occurred)
- \$ value variance YTD actuals compared to YTD budget
- % value variance YTD actuals compared to YTD budget.

### Comprehensive Income Statement For Period Ended 31 December 2018

	December YTD Actual 2018-2019	December YTD Budget 2018-2019	Original Budget 2018-19 *	YTD Variance (\$) **	YTD Variance (%) **	
<b>Income</b>						
Rates and charges	30,247,731	30,281,488	30,382,990	(33,757)	(0.1%)	
Statutory fees and fines	355,152	387,992	844,000	(32,840)	(8.5%)	1
User fees	2,438,408	2,248,956	4,679,274	189,452	8.4%	2
Grants - operating	3,597,788	3,817,450	7,100,810	(219,662)	(5.8%)	3
Grants - capital	1,915,029	1,846,126	1,835,209	68,903	3.7%	
Contributions - monetary	157,376	91,790	35,000	65,586	71.5%	4
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	188,803	82,386	147,000	106,417	129.2%	5
Share of net loss/(gain) of associates and joint ventures	0	34,724	34,724	(34,724)	(100.0%)	
Other income	399,731	188,677	403,404	211,054	111.9%	6
<b>Total income</b>	<b>39,300,018</b>	<b>38,979,589</b>	<b>45,462,411</b>	<b>320,429</b>	<b>0.8%</b>	
<b>Expenses</b>						
Employee costs	9,136,388	9,084,142	19,216,910	(52,246)	(0.6%)	
Materials and services	8,596,147	9,014,370	16,300,327	418,223	4.6%	
Bad and doubtful debts	3,536	1,002	2,000	(2,534)	(252.8%)	7
Depreciation and amortisation	4,973,756	4,906,906	10,349,951	(66,850)	(1.4%)	
Borrowing costs	84,883	90,606	181,211	5,723	6.3%	8
Other expenses	650,280	703,119	1,354,218	52,839	7.5%	9
<b>Total expenses</b>	<b>23,444,989</b>	<b>23,800,145</b>	<b>47,404,617</b>	<b>355,155</b>	<b>1.5%</b>	
<b>Surplus/(deficit) for the year</b>	<b>15,855,029</b>	<b>15,179,445</b>	<b>(1,942,206)</b>	<b>675,585</b>	<b>4.5%</b>	

\* Please note: Minor reallocations have been made to reflect the reporting in the Annual Statements and the new General Ledger structure.

\*\* Guide to variances - Favourable / (Unfavourable)



The report provides a year to date (YTD) summary of Council's financial performance and is a guide on the timing of receipts and payments. Timing differences can occur during the financial year and where variances occur on a YTD basis this does not necessarily imply that the annual budget will be affected.

A summary analysis of variances greater than 5% on a YTD basis have been prepared below.

*Please note the following variance analysis has been collated based on the new general ledger structure. The categorisation of income and expenditure items is currently under review so there may be items that are recategorised. This review is being undertaken as part of the mid-year review process.*

#### Operating Revenue – Variance Analysis to YTD Budget > 5%

1. **Statutory fees and fines:** Under budget performance is largely due to lower than expected revenue from the local laws area. This isn't expected to be a permanent variance for the year.
2. **User Fees:** The favourable performance is the net effect of a number of items that are favourable, as well as a number of unfavourable items. The main favourable variances relates to an increase in the Aged Care Services and Leisure Centre Fees, whereas the unfavourable variances include COPACC admission fees and Saleyard Fees.
3. **Grants - operating:** Major variances include; \$228k Port of Apollo Bay funding from Transport for Victoria not yet paid. Council is currently working with Transport for Victoria to renew the management agreement.
4. **Contributions - monetary:** This variance primarily relates to amounts received for Developer Open Space contributions (\$85.5k). This will be a permanent favourable variance for 2018/19.
5. **Net gain/loss on disposal of assets:** This variance relates to the timing of disposal of motor vehicles and no permanent variance from budget is expected at this stage.
6. **Other Income:** This variance relates to Worksafe reimbursements (\$87k), the receipt of scholarship funds from Equity Trustees (\$17k), receipt of grant funding to administer the Fire services levy (\$48k), additional Bin charges (\$20k) and other various items. These are predominantly timing differences and are not expected to impact the net result of Council.

#### Operating Expenses – Variance Analysis to YTD Budget >5%

7. **Bad and Doubtful Debts:** Some additional non-rates debts have been written off, mainly relating to planning and building application fees. These debts had a history of attempted collection and were not large enough to justify the cost of court action.
8. **Borrowing costs:** This variance relates to a timing issue with interest payments. The full budget allowance of \$181k for 18/19 is expected to be fully expended.
9. **Other Expenses:** This variance relates to a number of small variances across the business. These are predominantly timing differences and are not expected to impact the net result of Council.

### **Material and Services**

The following tables provide further detail, per service area, on the level of legal expenses and 'employee type' consultants and contractors included in the Material and Services category.

There was \$116k expended on legal fees for the quarter ending 31 December, compared to \$66k in the first quarter.

<b>Legal Fees</b>	<b>Total</b>
Arts & Leisure	\$ 5,166
Asset & Property Services	\$ 23,997
Corporate Services Management Department	\$ 6,342
Environment & Community Safety	\$ 629
People, Performance & Culture Department	\$ 27,052
Planning, Building & Health	\$ 113,723
Services & Operations	\$ 5,475
<b>YTD Total – 31 Dec 2018</b>	<b>\$ 182,383</b>

It must be noted that a large amount of contractor costs utilised to deliver the Capital Works program, has been incorrectly costed to Materials and Services, rather than the Capital Work program. Officers are currently reviewing these transactions which are expected to be approximately \$300k-\$400k.

According to the General Ledger, there was \$423k expended on employment agent contractors for the quarter ending 31 December, compared to \$440k in the first quarter. As mentioned above, a large part of this is expected to be reallocated to Capital Works project management.

<b>Employment Agent Contractors</b>	<b>Total</b>
Arts & Leisure	\$ 939
Asset & Property Services	\$ 410,141
Capital & Major Projects	\$ 25,648
Economic Development & Events	\$ 20,870
Planning, Building & Health	\$ 56,933
Port of Apollo Bay Operations	\$ 48,803
Services & Operations	\$ 253,902
Contracts and Procurement	\$ 46,244
<b>YTD Total – 31 Dec 2018</b>	<b>\$ 863,480</b>

In addition to the \$863k of consultants/contractors currently classified as Material and Services, there has been \$174k classified in the Capital Works program for project management

### **Borrowings Analysis**

The following is the current schedule of Debt held by Council at 31 December 2018:

<b>Loan Description</b>	<b>Current Year Loan Liability</b>	<b>Non-Current Loan Liability</b>	<b>Meeting Schedule</b>
9203 - Loan 7 - Roads, car parking etc (\$1.65m)	\$72,475	\$153,351	Y
9206 - Loan 10 - AB tfr statn, libra (\$2m)(NAB)	\$151,563	\$275,813	Y
9207 - Loan 11 - Lakeside, AB tfr s(\$1.1m)(NAB)	\$77,204	\$291,752	Y
9208 - Loan 12 - Saleyards roof (\$1.178m)(CBA)	\$40,176	\$824,210	Y
9209 - Loan 13 - Street light PV panels (\$416k)	\$40,007	\$176,024	Y
9210 - Loan 14 - Bluewater redevelop(\$1m)(Bond)	\$0	\$1,000,000	Y
<b>TOTAL</b>	<b>\$381,424</b>	<b>\$2,721,149</b>	

Based on Current Levels of Borrowings the following are our current performance against key ratios:

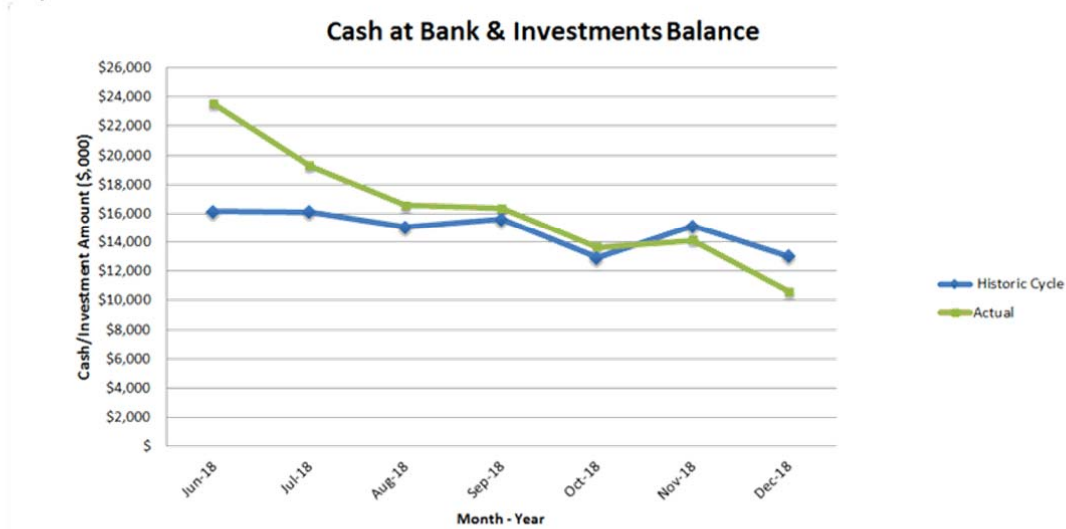
Measure	Calculation	Explanation	30-Jun-18	31-Dec-18	Current Risk Rating
Indebtedness (%)	Non-current liabilities / own-sourced revenue	Comparison of non-current liabilities (mainly comprising borrowings) to own-sourced revenue. The higher the percentage, the less the entity is able to cover non-current liabilities from the revenues the Own-sourced revenue is used, rather than total revenue, because it does not include grants or contributions.	30%	33%	Low
Borrowings % of rate Revenue (%)	Interest bearing loans and borrowings / rate revenue	Measurement of the proportion of borrowings against rate revenue raised. The higher the % the higher the proportion of available annual rate revenue is being used to back borrowings.	11%	10%	Low

### Cash Balance

The graph below shows projections of how Council's cash balance was expected to perform to 31 December 2018. The graph portrays:

- The Estimate – which is an estimation of what the cash balance is expected to be at the end of each month based upon historical averages. The estimate will reflect recent years which include one off major projects.
- The Actual – this is the actual balance at the end of each month of the year up to and including December 2018.

It can be seen that Council's cash balance is within expectations and every opportunity is taken to invest surplus cash to maximise investment returns.



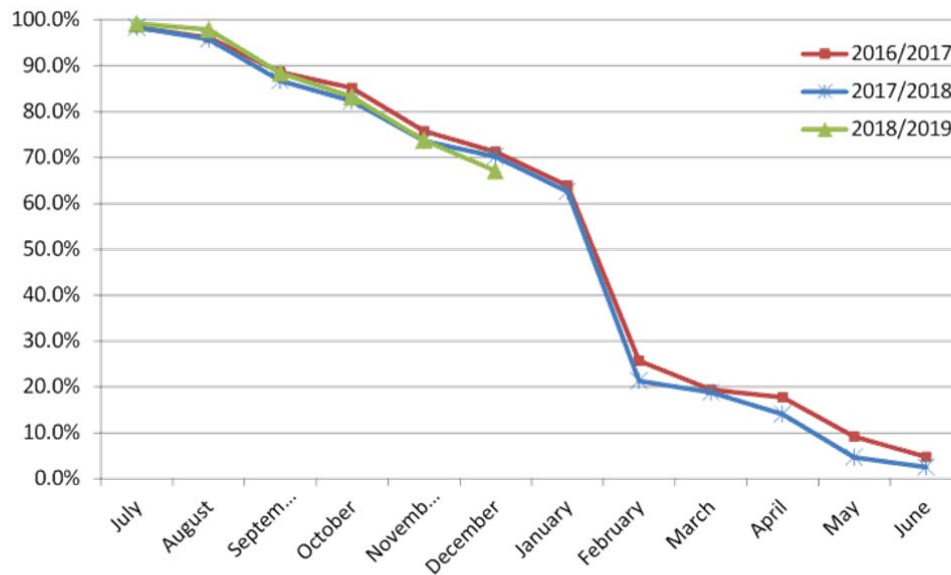
### Rate Debtors

In the first half of the 2018-19 year, \$30 million was raised in rates and charges including batches of supplementary valuations generated by changes to council's property base. At 31 December 2018, 32.9% of the rates raised have been collected compared to the same period of the 2017-18 financial year of 29.8%.

The due date for ratepayers opting to pay in full is 15 February 2019. For ratepayers opting to pay via instalments the first instalment was due 30 September 2018. The next instalments are due 28 February 2019 and 31 May 2019. Any ratepayer who has not opted for instalment payments must make the full payment before 15 February 2019.

The following graph shows that current collection trends are closely following the 2017-18 collection trends:

### % of Rates Outstanding



#### Defined Benefits Call Expense

Council has a potential financial exposure to the Vision Super Defined Benefits superannuation plan. Under the Australian Prudential Regulation Standards (SPS160) defined benefits funds must meet strict funding requirements. This funding requirement is measured by the Vested Benefits Index (VBI), which shows as a percentage the ratio of investments held by the fund compared to the estimated benefits payable by the fund at the same time. The latest available Vested Benefits Index for the Vision Super Defined Benefits fund is listed in the table below:

Date	Vested Benefits Index
June 2016	102.0%
September 2016	103.7%
December 2016	105.4%
March 2017	106.6%
June 2017	103.1%
June 2018	106.0%
September 2018	106.9%

If the VBI falls below the nominated amount in any quarter then the Australian Prudential Regulation Authority may require that the fund make a funding call on its members. Any funding call made must return the fund to a VBI position of over the nominated figure within 3 years.

As at 30 September 2018, the estimated VBI for the sub-plan was 106.9%. As at 30 June 2018, the actual VBI for the sub-plan was 106.0%. This represents an increase compared to that of 30 June 2017. The VBI is primarily impacted by:

- The level of investment returns which impacts the asset pool supporting the defined benefit liabilities of the sub-plan; and
- The level of active member salary increases advised to Vision Super and pension increases in line with CPI, which impacts the defined benefit liabilities of the sub-plan.

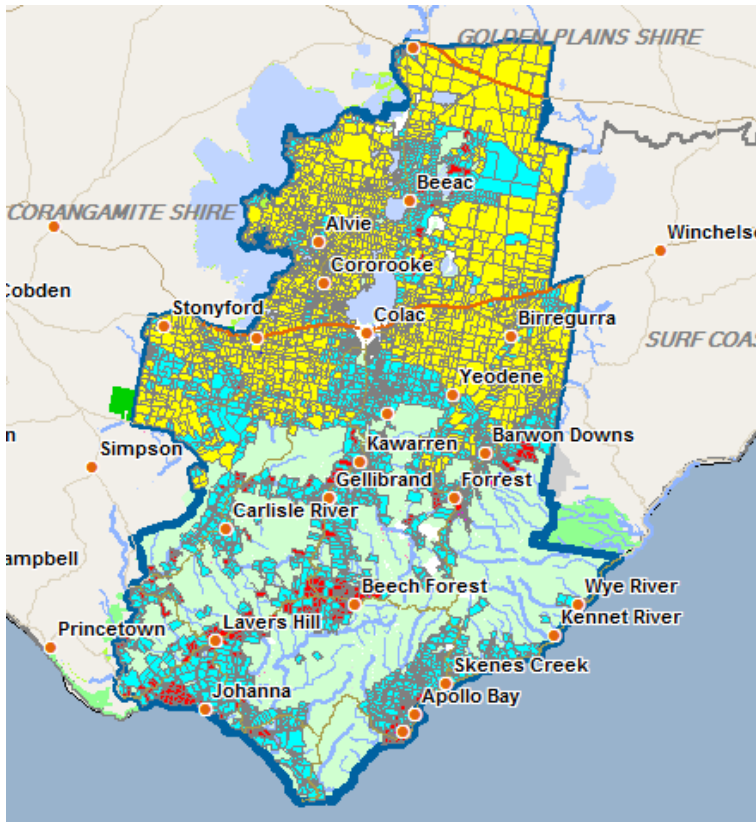
No information is available regarding the VBI as at 31 December 2018.



ORDINARY COUNCIL MEETING  
**REVIEW OF COUNCIL POLICY 16.2 –  
 FRAUD PREVENTION AND CONTROL**  
 OM193001-3

<b>LOCATION / ADDRESS</b>	Whole of municipality	<b>GENERAL MANAGER</b>	Errol Lawrence
<b>OFFICER</b>	Jason Clissold	<b>DIVISION</b>	Corporate Services
<b>TRIM FILE</b>	F18/7487	<b>CONFIDENTIAL</b>	No
<b>ATTACHMENTS</b>	1. Proposed Council Policy 16.2 - Fraud Prevention and Control		
<b>PURPOSE</b>	To present the proposed amendments to the Fraud Prevention and Control policy to Council for consideration		

### 1. LOCATION PLAN / AERIAL PHOTO



## 2. EXECUTIVE SUMMARY

Council Policy 16.2 – Fraud Prevention and Control is due for review and some minor amendments are proposed, none of which alter the intent of the policy.

A summary of the proposed changes relate to:

1. Update officer titles;
2. Within the Introduction, highlight that any persons reporting suspected fraud will be fully protected within the provisions of the Protected Disclosure Act 2012; and
3. Including 'AND CORRUPTION' in the section 7 heading.

This policy was received by the Audit Committee on 5 December 2018 after making amendments 2 and 3 above.

## 3. RECOMMENDATION

*That Council adopt the amended Council Policy 16.2 - Fraud Prevention and Control as attached.*

## 4. BACKGROUND / KEY INFORMATION

### BACKGROUND

Council is required to review adopted Policies on a regular basis. The attached Fraud Prevention and Control Policy has been reviewed with relevant changes shown in the marked up format.

The changes are only minor edits to staff titles and clarification of some wording, with no significant variation to the Policy. It has been our view that controls have been effective as all incidences have been either captured in time by existing controls or result in no material financial loss for the organisation.

### KEY INFORMATION

Council Policy 16.2 – Fraud Prevention and Control is due for review and some minor amendments are proposed, none of which alter the intent of the policy.

The policy was presented and reviewed by the Audit Committee on 5 December 2018. Prior to resolving to receive the policy the Audit Committee requested that:

- A comment be inserted to give staff confidence that they will be protected when reporting suspected fraud or corruption; and
- That 'And Corruption' be inserted into the heading of Section 7.

A summary of the proposed changes are as follows:

1. Update officer titles;
2. Within the Introduction, highlight that any persons reporting suspected fraud will be fully protected within the provisions of the Protected Disclosure Act 2012; and
3. Including 'AND CORRUPTION' in the section 7 heading.

## **FURTHER SUPPORTING INFORMATION**

### **5. COMMUNITY CONSULTATION & ENGAGEMENT**

Not required

### **6. ANALYSIS**

#### **ALIGNMENT TO COUNCIL PLAN OR COUNCIL POLICY**

Council and Council officers are committed to the prevention, deterrence and detection of fraudulent and corrupt behaviour in the performance of the business activities of Council. This aligns with the proposed Strategic Theme of the Council Plan “Our Leadership & Management”, and under the Goal of 1. Effectively manage financial resources.

Part of Colac Otway Shire Council’s mission is to provide effective leadership, governance and financial accountability. The Fraud Control Report and Fraud Policy are an important part of this process.

#### **ENVIRONMENTAL IMPLICATIONS**

There are no environmental implications with this report.

#### **SOCIAL & CULTURAL IMPLICATIONS**

Aside from Council’s obligation to ensure we exercise control over the financial function and prevent fraud and corruption to safeguard the community’s money, there are no further social or cultural implications.

#### **ECONOMIC IMPLICATIONS**

Not Applicable

#### **LEGAL & RISK IMPLICATIONS**

This policy is an important document to support Management in managing the risk of Fraud and Corruption.

#### **RESOURCE IMPLICATIONS (FINANCIAL ETC)**

There is no anticipated impact on Council resources.

### **7. IMPLEMENTATION STRATEGY**

#### **DETAILS**

This is a current Council Policy and implementation will be limited to any amendments.

#### **COMMUNICATION**

The relevant internal stakeholders will be informed of any amendments to this policy once it has been adopted.

## **TIMELINE**

Any amendments to the policy will be implemented immediately upon adoption by Council.

## **8. OFFICER DIRECT OR INDIRECT INTEREST**

No officer declared an interest under the *Local Government Act 1989* in the preparation of this report.

## COUNCIL POLICY

<b>Council Policy Title:</b>	<b>Fraud Prevention &amp; Control Policy</b>
<b>Council Policy ref. no:</b>	16.2
<b>Responsible Department:</b>	Corporate & Community Services
<b>Date of adoption/review:</b>	22 April 2015

### 1. INTRODUCTION

Colac Otway Shire is committed to the prevention, deterrence and detection of fraudulent and corrupt behaviour in the performance of the business activities of Council.

The Council is committed to ensuring a corporate culture of honesty and integrity in which staff, volunteers and contractors know that fraud, corruption, dishonest acts and conflicts of interest will be detected and investigated. Fraud in any form will not be tolerated and Council will take all necessary measures to ensure any persons reporting suspected fraud are protected within the provisions of the Protected Disclosure Act 2012.

The Colac Otway Shire expects its Councillors and staff to maintain a high standard of ethical conduct in all activities, in particular with respect to resources, information and authority. The community rightly expects the Colac Otway Shire to conduct its business in a fair and honest manner.

### 2. POLICY OBJECTIVES

To ensure that Councillors, members of committees, staff, volunteers and contractors are aware what constitutes appropriate ethical conduct and responsibilities in dealing with instances of potential fraudulent activities and corrupt behaviour that may come to their attention.

Management of the risk of exposure is an important area to monitor and the Council needs to be assured that appropriate and transparent procedures are in place. This document is linked to the Councillors and Employees Codes of Conduct which Councillors and employees are required to abide by.

The purpose of this policy is to:

- Promote and guide the conduct of all Councillors, employees and external parties associated with Colac Otway Shire Council, with a view to the avoidance of fraud and management of situations, which may be regarded as unethical conduct or behaviour.
- To demonstrate that Council is committed to the detection and investigation of any such occurrences.



- Encourage and facilitate the notification of matters that will assist in the avoidance of fraud and corruption.
- Ensure that notifications are treated in strict confidence and investigated fully.
- Protect those people making notifications from retribution.

### 3. DEFINITIONS

In this Policy:

#### 3.1 Corruption

Corruption includes dishonest or improper use of a position and is defined as including any conduct of:

- any person that could adversely affect the honest or impartial exercise of official functions; or
- a Shire Officer or Councillor that involves the dishonest or partial exercise of any of his or her official functions; or
- a Shire Officer or former Shire Officer or Councillor that involves a breach of public trust; or
- a Shire Officer or former Shire Officer or Councillor that involves the misuse of information or material that he or she has acquired in the course of his or her official functions, whether or not for his or her benefit or for the benefit of any other person; or
- any person that could adversely affect the exercise of official functions and which could involve a number of specific offences such as: official misconduct, breach of trust, malfeasance, oppression, fraud and perverting the course of justice.

It is not corrupt conduct unless it involves:

- a criminal offence;
- a disciplinary offence;
- breach of policy or statute; or
- reasonable grounds for terminating the services of a Shire Officer.

#### 3.2 Employee

Includes Shire employees (Including full-time; part-time temporary and casual), Contractors, Volunteers or the employees of any Body providing goods or services on the Shire's behalf.

#### 3.3 Fraud

Fraud is characterised as dishonest conduct or misuse of position or authority in order to obtain unjust advantage, the theft of funds, assets or information, or the unauthorized use of Shire assets for personal gain. Persons inside or outside the Shire's organization, or both, can perpetrate fraud.

#### 3.4 Prevention

Prevention is the process by which the Shire, its management and employees manage risks to prevent fraud and includes:

Date Adopted: 22 April 2015

2 | Page

- Adoption of appropriate internal controls in response to fraud and corruption risk assessments;
- Adherence to a Code of Conduct, a commitment to ethical practices and disciplinary standards;
- Deterrence through commitment to imposing sanctions (e.g. disciplinary action and/or forwarding evidence and/or information to other agencies);
- Publicising outcomes of investigations where fraud and/or corruption is found to have occurred;
- Internal and external awareness of fraud and corruption and how Shire will deal with it; and
- Education programs to raise and maintain awareness of employees, contractors, consultants, customers and the community.

#### 4. RESPONSIBILITY FOR FRAUD PREVENTION

For fraud prevention controls to be effective the ownership of the policy must not be one staff member or a group of staff members, but must include all levels within Council.

A prerequisite for everyone is that they are expected to develop, encourage, insist upon and implement sound financial, legal and ethical decision making within their responsibility levels. Measures to prevent fraud will be continually monitored, reviewed and developed.

Specific Responsibilities include:

##### 4.1 The Council

As the body responsible for the good governance of the Shire the Council is responsible for developing and cultivating a culture of honesty and integrity in the management of the organisation.

The Council will ensure that Management has appropriate measures in place to detect and prevent fraud.

##### 4.2 Chief Executive and General Managers

The Chief Executive has primary responsibility for the proper management of Council resources and the development and implementation of systems and practices to minimise the risk of fraud.

The General Managers play a major role in assisting the Chief Executive in these responsibilities, by ensuring that appropriate corporate systems and procedures are put in place, properly managed and all necessary reporting and accountability provisions are in place and operating.

##### 4.3 Managers, Coordinators, Team Leaders and Supervisors

- Establish and maintain effective management practices, systems, procedures and controls.

Date Adopted: 22 April 2015

3 | Page

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- Ensure that staff understand their responsibilities through adequate supervision, written procedures and awareness training.
- Be aware of, and actively monitor, key fraud indicators and symptoms.
- Respond positively to matters raised by Internal and External Audit.
- Act upon all reports of fraud in accordance with this Policy.
- Comply with the Staff Code of Conduct and all other Council policies.

#### 4.4 Employees, Contractors and Volunteers

- Responsible for acting with propriety and integrity in undertaking their duties. Must not use their position with the Shire to gain personal advantage or to confer advantage, or disadvantage on any other person
- Responsible for the safeguard of Shire assets against theft, misuse or improper use.
- Required to report any suspicion of fraud to the Chief Executive, ~~General Manager Corporate Services~~ or ~~Manager Financial Services~~,

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#### 4.5 Audit Committee

- Monitor the implementation of the Fraud Control Policy.
- Direct and guide the internal audit function and approve, monitor and manage the annual internal audit plan.
- Ensure appropriate internal audit coverage is given to fraud control issues.
- Liaise closely with internal and external audit and ensure issues and recommendations are appropriately actioned.

#### 4.6 Internal Audit

The role of Internal Audit is to assist Management and Shire to achieve sound managerial review and control over all Shire activities. This process can aid fraud control, detection and improvements to the controls in place in the organisation.

Internal Audit is not involved in the day to day internal checking systems but is an independent and objective assurance and consulting activity. It assists the organisation to accomplish its objectives by bringing a systematic, disciplined approach to:

- evaluating systems
- improving the effectiveness of management and Corporate Governance.

The principal objectives of Internal Audit are to assess and report on whether:

- there are sufficient internal controls in place to protect Shire's assets and the integrity of information provided to management and Shire.
- there is adequate compliance with relevant laws/statutes and Shire's policies and procedures
- functional areas are appropriately controlled.

#### 4.7 External Audit

Date Adopted: 22 April 2015

4 | Page

External Audit is conducted to verify the Shire's annual reported financial performance. External Audit also has a role in the process of achieving fraud control by reviewing internal Policies and Procedures and testing systems via specific guidelines developed in accordance with relevant legislation; Accounting Standards and the Auditor-General's code of ethics.

## 5. FRAUD MINIMISATION PROCEDURES

The following is a listing of fraud minimisation strategies that may be implemented as part of this policy;

- Management is to be accountable for deviations from the Shire's approved budget and for the conduct of independent detailed reviews of significant variances to the budget.
- An annual review of Shire operations and an assessment of the Shire's exposure to risk to be undertaken.
- Fraud risks will be identified and monitored via the Corporate Risk Register.
- Management to impose financial controls which include separation of duties and regular checking of processes to minimise the opportunity for misappropriation of funds and/or assets.
- An ongoing internal audit process. Strong internal controls supported by the internal audit reviews on a regular basis will minimise the exposures to risk and prevent possible new risk areas that have not been addressed.
- External audit review and the focus on accountability of financial systems and the reporting process.
- Maintain strict recruitment practices and confirm all employee details and references are thoroughly checked, also promotion of this policy to all new Shire employees.
- Determine penalties for any fraud that has occurred, in conjunction with, but not limited to Shire's disciplinary procedure.
- Undertake Fraud Awareness and Prevention Training for all Shire employees.
- All assets are properly recorded and regular checks are performed to ensure significant items are present.
- Set a standard of conduct for suppliers and contractors.
- Have procedures in place relating to the use of Shire assets by employees.
- Shire and Management completing the appropriate disclosure of interest forms.

## 6. FRAUD RISK REVIEW

The ~~General Manager Corporate Services~~ will ensure that a structured fraud risk assessment review is conducted periodically covering all functions and operations of the Shire. The review to address both the internal and external environments, and the fraud risk associated with both. The review will establish the level, nature and form of the Shire's fraud risk exposure. A plan generated from the review will subsequently define areas where specific action may be

**Deleted:** General Manager Corporate and Community Services

required. Any new Fraud Risks identified will be added to the Corporate Risk Register.

There are a number of indicators that exist for identifying possible frauds.

Some indicators of fraud that should be reviewed as part of the review process are as follows:

- Theft, embezzlement or other misapplication of funds or assets
- Bribery or kick-backs
- Misuse of Shire credit cards and petty cash
- Misuse or unauthorised selling Shire's intellectual property
- False claims for reimbursement
- Misappropriation of cash, credit cards or other Council assets
- Forgery or alteration of documents
- Destruction or concealment of records or assets
- Collusive tendering or rigging of tenders
- Tendering inducements
- Unauthorised use of assets or equipment
- Electronic fraud
- Payroll fraud

#### 7. **FRAUD AND CORRUPTION AWARENESS TRAINING**

This Strategy requires that an ongoing awareness program be implemented to identify issues of fraud prevention, detection and reporting, and bring them to the attention of employees.

Fraud awareness or prevention provisions should be included in employee contracts, employee orientation, contract documentation, Shire agreements and any other process where employee conduct is involved.

The program will need to promote a confidential process whereby employees can feel comfortable to identify any suspicion of Fraud and where such employees can be protected from possible victimisation or discrimination.

There is a need to promote community awareness that fraud committed against the Shire is not acceptable and perpetrators will be prosecuted. The Shire should also promote an honest, ethical and businesslike approach to dealings with Shire by the adherence to good governance practices and protocols.

#### 8. **REPORTING OF FRAUD**

All Shire employees, volunteers or contractors who suspect fraud have an obligation to report it by notifying the Chief Executive, General Manager Corporate Services, or Manager Financial Services, in person, by telephone, in writing or via email.

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**Deleted:** General Manager Corporate and Community Services

**Deleted:** Manager of Finance and Customer Services



**Initial response when a fraud is discovered**

When a fraud is discovered the employee, volunteer or contractor who discovered the fraud must weigh up carefully how to react.

They must notify the Shire's **General Manager Corporate Services**, or **Manager Financial Services**, as appropriate in the circumstances who in turn must notify the Chief Executive unless the issue of fraudulent behaviour involves either party.

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Deleted: Manager of Finance and Customer Services

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**Fraud Investigation Process**

When a fraud investigation takes place, it must be undertaken in a methodical and comprehensive manner.

**Purpose of the Fraud Investigation**

- a) To determine if a fraud has been committed.
- b) Identify the person(s) responsible for the fraud.
- c) Discover the extent of the fraud and determine the action to be taken.
- d) Identify how long the fraud has been occurring and thereby the extent of the breakdown of internal controls.

The Chief Executive in consultation with the appropriate General Manager will determine how and by whom the investigation will be conducted and whether the police or any external assistance will be employed.

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Any investigation should be conducted using the principles of investigation and being mindful of the legalities involved. The Audit Committee should be advised of the situation at the earliest practicable time.

In all cases the principles of confidentiality, natural justice and human rights will be maintained.

**9. EXTERNAL NOTIFICATION**

Council is committed to ensuring that all allegations, breaches of the Code of Conduct or this policy which are considered to be prima facie cases supported by evidence of fraudulent or corrupt activity are notified to the appropriate law enforcement or regulatory agency for investigation and/or prosecution. Where any successful prosecution of a matter results, employment ramifications will be considered on a case by case basis in accordance with Council Human Resources policies.

**Independent Broad-based Anti-corruption Commission (IBAC)**

Where required, appropriate notification will be provided to IBAC of any improper conduct under the *Protected Disclosure Act 2012*.

**10. DOCUMENTATION**

The following documents will provide the basis of the ethical standards and conduct expected of Council staff, Councillors, volunteers and Council contractors:

- Code of Conduct – Councillors and Staff
- Employee Manual
- Disciplinary Procedure
- Information System and IBAC Guidelines Security Policy
- Protected Disclosure Act 2012 - Procedures
- Information Privacy Policy
- Risk Management Policy
- Position Description/Employment Agreement/Contract
- Procurement Policy

**11. RELATED LEGISLATION**

- Local Government Act 1989
- Protected Disclosure Act 2012

**12. REVIEW OF POLICY**

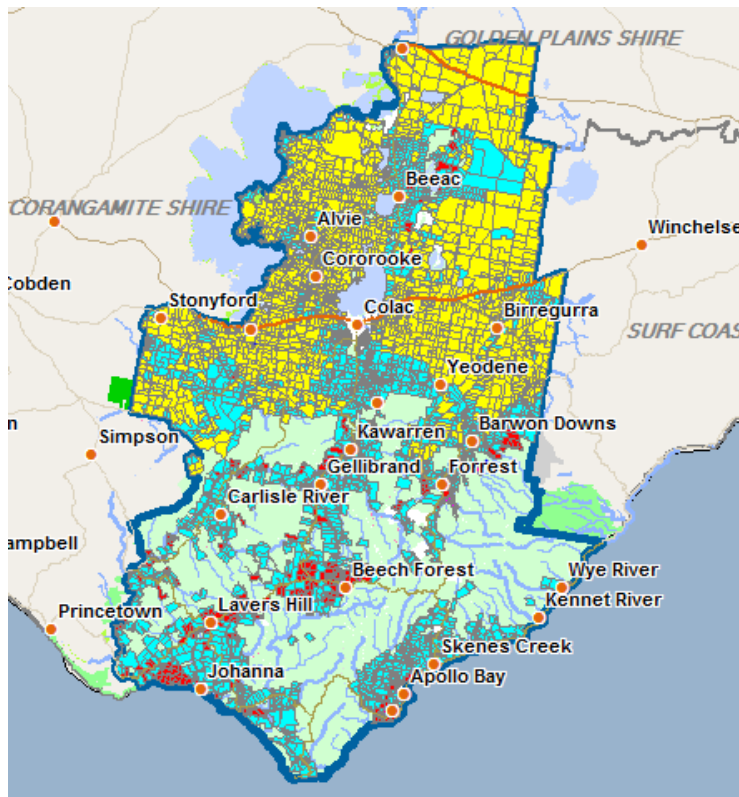
The Fraud Prevention and Control Policy will be reviewed as part of the Council's annual audit program. At the time of the review, additionally, a report will be prepared which will detail procedures and processes undertaken during the past year which will confirm that an appropriate program of fraud awareness and control is in place.

<b>Policy Review Date</b>	<b>Reason for Amendment</b>
28 March 2007	Adoption by Council
28 October 2010	Review
30 March 2011	Review
24 April 2013	Review
23 April 2014	Review
22 April 2015	Review

ORDINARY COUNCIL MEETING  
**MAIN ROADS STREET LIGHTING UPGRADE  
 PROJECT**  
 OM193001-4

<b>LOCATION / ADDRESS</b>	Whole of municipality	<b>GENERAL MANAGER</b>	Ian Seuren
<b>OFFICER</b>	Stewart Anderson	<b>DIVISION</b>	Development & Community Services
<b>TRIM FILE</b>	F18/6814	<b>CONFIDENTIAL</b>	No
<b>ATTACHMENTS</b>	Nil		
<b>PURPOSE</b>	To inform Council of the issues associated with the Main Roads Street Lighting Upgrade Project and to propose an alternative approach.		

## 1. LOCATION PLAN / AERIAL PHOTO



## 2. EXECUTIVE SUMMARY

During 2013-16 the Great South Coast affiliated Councils delivered the largest LED street light replacement program of its type in Australia's history. Substantial Federal Government funding was received through the Community Energy Efficiency Program (CEEP) to deliver the project (\$1.4 Million shared by six Councils). The project focused on the replacement of residential street lights that are wholly owned by Council.

Council spent \$389,719 towards the overall project cost of \$669,329 for the replacement of residential street lights in Colac Otway Shire. Since installation commenced in August 2014, Council has saved around \$110,000 per year and as forecast the investment was paid back within 5 years. The Greenhouse Gas emissions attributable to street lights within Colac Otway Shire have also dropped from 25% in 2013/14 to 11% in 2017/18.

The upgrading of street lights across the Shire has been very successful, both in terms of cost and emissions reductions. To continue this work, Council has allocated \$100,000 in its 2018/19 budget for the Main Road Street Lighting Upgrade project. However, following further investigation and cost estimates, it is expected that this project will cost approximately \$170,000 to complete. There are currently no opportunities for external funding for the project. Therefore, it is recommended that the \$100,000 allocated by Council for the Main Road Street Lighting Upgrades in 2018/19 be re-allocated to fund energy efficiency upgrades in Council's largest facilities over the next 6 months. It is also proposed that the Main Road Street Lighting Upgrades be undertaken in 2019/2020.

The reallocation of funds is recommended because Council's funds can be matched by Sustainability Victoria through the Local Government Energy Saver (LGES) program, with the actions informed by energy audits that have recently been completed. In contrast there are currently no State or Federal Government grants available for upgrading street lights, although it is anticipated that there may be grants available in the 2019/2020 financial year.

If the funds are reallocated to deliver energy saving measures in the Rae Street Civic Precinct and Bluewater Leisure Centre facilities it is estimated that overall energy savings of around 20-30% can be achieved based on efficiencies obtained through similar upgrades at other Councils involved in the LGES program. On this basis a payback of around 6-7 years is anticipated as opposed to 11 years for the street lights due to the lack of grant funding currently available.

If Council supports the recommendation in this report, it is considered feasible to expend the funding available (i.e. \$200,000) on energy upgrades for the Rae Street Civic Precinct and the Bluewater Leisure Centre within the 2018/2019 financial year. In addition, a Business Case will be submitted to Council for consideration as part of the 2019/2020 Budget process to upgrade all the main road street lights that are currently paid for by Council.

## 3. RECOMMENDATION

### ***That Council:***

- 1. Re-allocate the \$100,000 approved for the Main Road Street Lighting Upgrade Project in the 2018/19 budget to co-fund energy efficiency upgrades in Council facilities as part of Sustainability Victoria's Local Government Energy Saver Program (matching a \$100,000 grant from that program).***
- 2. Consider funding Main Road Street Light Upgrades as part of the 2019/2020 Budget process.***

## 4. BACKGROUND / KEY INFORMATION

### BACKGROUND

Council's Environment Strategy includes a target for Council's operations to be carbon neutral by 2020. In order to help achieve this target, a Carbon Neutral Road Map was developed in 2012. Table 1 shows a number of the sustainability projects that Council has carried out over the last five years. All the projects have helped reduce Council's carbon emissions considerably, however importantly they have also obtained significant financial savings. While the pay back periods vary from project to project, the data in Table 1 demonstrates that substantial savings have been made. Accordingly, while the driver for these projects is the reduction of Council's carbon emissions, there is also a very sound fiscal basis for their implementation regardless of the environmental benefits.

**Table 1: Sustainability Project Savings over the last 5 Years**

Project	2014/15	2015/16	2016/17	2017/18	2018/19 estimates	
Rae Street Solar Array	\$12,793	\$25,507	\$20,843	\$20,993	\$22,000	
Bluewater Solar Array					\$20,000	
Street lighting Upgrade	\$94,783	\$117,839	\$112,741	\$110,000	\$110,000	
Public Open Space Lighting Upgrades				\$6,500	\$21,000	
Small Solar Systems (4 sites)	\$3,825	\$3,825	\$3,825	\$3,825	\$3,825	
Solar Hot Water Upgrades	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	
Office/Facility Lighting Upgrades	\$3,000	\$5,000	\$5,000	\$5,000	\$5,000	<b>5 Year Total</b>
<b>TOTALS</b>	<b>\$116,901</b>	<b>\$154,671</b>	<b>\$144,909</b>	<b>\$148,818</b>	<b>\$184,325</b>	<b>\$749,624</b>

In 2013-16 the Great South Coast (GSC) affiliated Councils delivered the largest LED street light replacement program of its type in Australia's history. Substantial Federal Government funding was received through the Community Energy Efficiency Program (CEEP) to deliver the project (\$1.4 Million shared by six councils). The project focused on the replacement of residential street lights wholly owned by Council.

The upgrade of residential street lights has been Council's single biggest investment in energy saving measures. 1,414 lights were upgraded with a total contribution from Council of \$389,719. The total project cost, including Federal Government funding, was \$669,392.

These upgrades have reduced Council's carbon emissions by 458 tonnes per year and have also saved Council approximately \$110,000 per year in electricity costs. Therefore, Council's investment was paid back within 5 years.

\$100,000 was allocated by Council in the 2018/2019 Budget to undertake upgrades of Main Roads Street Lights. However, no external funding is currently available unlike there was previously, so this will substantially lengthen the payback period for any street lights upgraded in this financial year.

In financial terms, to upgrade all 155 Main Road street lights that are wholly paid for by Council will cost \$153,613 (plus a project management fee of around \$16,000), providing first year savings of \$12,241 and an overall payback of approximately 11 years. The total cost of the project is around \$170,000 and includes fixtures, installation and project management by an MAV approved public lighting specialist who assisted with the GSC Street Smart Lighting Project.



## KEY INFORMATION

The current budget allocation of \$100,000 is not sufficient to upgrade all of Council's Main Road street lights. As stated previously, the total cost to upgrade all of Council's Main Road Street Lights will be approximately \$170,000, therefore the current budget allocation will fund nearly 60% of the investment required to upgrade all 155 lights remaining that are wholly paid for by Council.

Given that there are no external funds currently available to help achieve this, it is proposed that funds allocated for street lighting upgrades in 2018/2019 be re-allocated to fund energy efficiency upgrades identified by recent energy audits completed for the Rae Street Civic Precinct and Bluewater Leisure Centre facilities through the Local Government Energy Saver (LGES) program. The LGES program aims to work with a minimum of 22 resource-constrained, regional Councils across Victoria. The program will run until June 2020, and will help Councils to understand, prioritise and implement energy efficiency and renewable energy upgrades on their buildings.

The Rae Street Civic Precinct and Bluewater Leisure Centre facilities were chosen to have energy audits completed due to being high energy users with significant opportunities for improvements and savings.

The reallocation of Council's funds is recommended largely due to the opportunity to match the \$100,000 with funding from Sustainability Victoria through the LGES program. The LGES program offers funding on a \$1:\$1 basis up to \$100,000 to implement the findings of the energy audits.

In contrast, there are currently no State or Federal Government grants available for upgrading street lights however it is anticipated that there may be grants available in the 2019/2020 financial year.

If the funds are reallocated to deliver energy saving measures in the Rae Street Civic Precinct and Bluewater Leisure Centre facilities, it is estimated that overall energy savings of around 20-30% can be achieved based on efficiencies obtained through similar upgrades at other Councils involved in the LGES program. On this basis, a payback of around 6-7 years is anticipated as opposed to 11 years for the street lights project.

A budget request for \$170,000 to fund the Main Road Street Light upgrades in 2019/20 has been submitted for consideration in the 2019/20 budget process. It is expected that external grant funding will possibly be made available in future years. Delaying the street light upgrade until the next financial year will also allow time to forge alliances with other Great South Coast and/or G21 Councils keen to partake in the upgrade program, hence leveraging further economies of scale and increasing the benefit to Colac Otway Shire if and when the upgrades ultimately occur. This collaboration will form the basis for an advocacy strategy aimed at securing grant funding from either the Federal or State Government to help reduce the amount Council has to spend and also improve the return on Council's investment. Note that this project is a Priority Project for Council and included in Council's current advocacy program.

Council's investment in sustainability projects has demonstrated measurable financial benefits and has also significantly reduced the amount of carbon emissions from Council's operations. Implementing further energy saving measures in Council's largest facilities and also ultimately upgrading the remaining Main Roads street lights will take Council another step closer to becoming carbon neutral. It is important to note that Council will not be able to eliminate all emissions and in order to achieve carbon neutrality, an offset strategy will be developed and a Business Case submitted to Council for consideration as part of the 2020/2021 Budget process.

## **FURTHER SUPPORTING INFORMATION**

### **5. COMMUNITY CONSULTATION & ENGAGEMENT**

No community consultation has been undertaken in relation the specific matters pertaining to this report. However, the community was consulted as part of the development of Council's Environment Strategy in which a target was established for Council's operations to be carbon neutral by 2020. Council's two largest energy using facilities, the Rae Street Civic Precinct and Bluewater Leisure Centre, along with the Main Road Street Lights are major contributors to the organisation's emissions and as such, both initiatives are key factors in helping Council achieve the target.

### **6. ANALYSIS**

#### **ALIGNMENT TO COUNCIL PLAN OR COUNCIL POLICY**

This initiative responds directly to an action within the Council Plan 2017-2021:

##### ***Theme 2: Our Places***

- Goal 4: Leadership in natural environment through good management practices.
  - Action 19: Implement emission reduction programs for Council operations.

It also aligns with Council's goal of carbon neutrality by 2020 through facilitation of energy efficiency measures and associated emission reduction as identified in Council's Environment Strategy.

#### **ENVIRONMENTAL IMPLICATIONS**

Cost and emissions savings generated through efficiency upgrades at several key sites, primarily Bluewater Leisure Centre and Rae Street Civic Precinct, will likely be in the order of 20-30%. This is based on Sustainability Victoria's recent Energy Efficient Office Buildings Program that demonstrated efficiency gains and emission reductions of 30% are achievable through implementation of building systems and plant improvements to improve energy efficiency in commercial office buildings.

#### **SOCIAL & CULTURAL IMPLICATIONS**

There are no significant social or cultural implications related to this report.

#### **ECONOMIC IMPLICATIONS**

Implementing energy improvements at key facilities would provide economic opportunities for local contractors.

#### **LEGAL & RISK IMPLICATIONS**

There are no significant legal or risk implications related to the recommendation in this report.

#### **RESOURCE IMPLICATIONS (FINANCIAL ETC)**

Sustainability Victoria's LGES program was established to assist resource-constrained Councils reduce their energy costs and environmental impact by providing funding up to \$25,000 for energy audits of key facilities, then co-funding upgrades with Council on a \$1:\$1 basis up to a total of \$200,000 (\$100,000 from Sustainability

Victoria and \$100,000 from Council). The energy audits will be completed in January 2019 and it is proposed that upgrades be planned and implemented shortly afterwards. This therefore requires \$100,000 from Council to match the \$100,000 available from Sustainability Victoria, achieving \$200,000 worth of upgrades.

As previously stated, Council has allocated \$100,000 to the Main Road Street Lighting Upgrade Project. However, given the lack of external funding currently available for this initiative and the opportunity to leverage \$100,000 of additional funding available through Sustainability Victoria's LGES program, it is considered prudent to reallocate the funds to implement energy efficiency upgrades at key Council facilities.

## 7. IMPLEMENTATION STRATEGY

### DETAILS

If Council supports the recommendation in this report, it is considered feasible to expend the funding available (i.e. \$200,000) on energy upgrades for the Rae Street Civic Precinct and the Bluewater Leisure Centre within the 2018/19 financial year. In addition, a Business Case will be submitted to Council for consideration as part of the 2019/2020 Budget process to upgrade all the Main Roads street lights when it is anticipated that grant funding may be available to help reduce the cost to Council.

### COMMUNICATION

Council will be kept up to date on the energy saving initiatives undertaken for the Rae Street and Bluewater facilities through regular reporting.

### TIMELINE

Proposed timing should Council support the recommendation:

- February 2019 – sign funding agreement with Sustainability Victoria to obtain an extra \$100,000 for the implementation of the energy upgrades at the key Council facilities.
- March-June 2019 – implement recommendations from energy saving audits.

Council will continue to advocate to both the State and Federal Governments in partnership with other Councils in the region for funding support to upgrade of Main Road street lights.

## 8. OFFICER DIRECT OR INDIRECT INTEREST

No officer declared an interest under the *Local Government Act 1989* in the preparation of this report.

ORDINARY COUNCIL MEETING  
**APEX PRE SCHOOL LEASE**

OM193001-5

<b>LOCATION / ADDRESS</b>	7 Howarth Street, Elliminyt	<b>GENERAL MANAGER</b>	Tony McGann
<b>OFFICER</b>	James Myatt	<b>DIVISION</b>	Infrastructure & Leisure Services
<b>TRIM FILE</b>	F16/3329	<b>CONFIDENTIAL</b>	No
<b>ATTACHMENTS</b>	Nil		
<b>PURPOSE</b>	To seek Council approval to enter into a Lease Agreement with Apex Pre School Centre Inc		

**1. LOCATION PLAN / AERIAL PHOTO**



## 2. EXECUTIVE SUMMARY

The purpose of this report is to familiarise Council with the proposal to enter into a Lease in relation to 7 Howarth Street Elliminyt to Apex Pre School Centre Inc. ABN 30275694319.

The site at 7 Howarth Street Elliminyt is Department of Environment, Land, Water and Planning (DELWP) Controlled Land (Crown Land), with Council as the committee of management. Apex Pre School Centre Inc. built the building on this site, conduct all maintenance and currently occupy the site, operating a Non-For Profit pre-school community service business from the premises.

## 3. RECOMMENDATION

***That Council:***

- 1. Enter into a lease with Apex Pre School Centre Inc. with the following terms:***
  - 1.1 A lease in accordance with the lease template provided by Department of Environment, Land, Water and Planning***
  - 1.2 Term (15) fifteen years***
  - 1.3 Further term Nil***
  - 1.4 Rental \$150.00 inc. GST per year***
  - 1.5 Rent Review Compound C.P.I. % at the fifth yearly anniversary of commencement of the Lease and every fifth year thereafter.***
  - 1.6 Maintenance All maintenance is to be the responsibility of Apex Pre School Centre Inc.***
  - 1.7 Outgoings All outgoing shall be paid by the tenant***
  - 1.8 Insurance The incorporated association to maintain all insurance***
- 2. That Council authorise and direct the Chief Executive or delegate to complete all administrative processes necessary to execute the lease on behalf of Council.***
- 3. Authorises Council officers to give public notice of the proposed lease in accordance with sections 190 and 223 of the Local Government Act 1989 for a period of four weeks.***
- 4. Determine that a 'Committee of Council' in accordance with the Local Government Act 1989 - will hear any persons who in their written submissions under section 223 of the Act have requested that they be heard in support of their submission.***
- 5. In the event that no submissions are received, Council resolves to grant the lease on the terms set out in this recommendation and authorises the Chief Executive or delegate to complete all administrative processes necessary to execute the lease on behalf of Council.***
- 6. Authorises the Chief Executive to execute all necessary documents in order to affect any transfer or assignment of lease throughout the term of the lease.***



## 4. BACKGROUND / KEY INFORMATION

### BACKGROUND

The building at 7 Howarth Street was built by Apex Pre School Centre Incorporated in 1977 and they have occupied the premises since.

The prospective tenant is currently trading under the name of Apex Pre School Centre Incorporated, registered on 4<sup>th</sup> May 2000, with the Committee of Management formally registering as an Australian Non-For Profit Organisation in December 2012.

Apex is an independent, community run kindergarten. Apex's Committee of Management is 100% volunteer and responsible for compliance and general running of the kindergarten.

In a recent NSQ audit by Australian Children's Education & Care Quality Authority, held in December 2018, the prospective Tenant exceeded all the audit standards. This is testament to the hard work they've done.

Apex's Website states:

***"Apex Pre-school Centre is a family run preschool, relying on close relationships between families, educators and the community. We take great pride in the spaces created for children, understanding that beautiful gardens and play spaces inspire and captivate children's imaginations, encouraging enthusiasm for learning.***

***All our staff members are fully trained. We have qualified teachers and educators who take a great interest in children's education and care, continually updating their own knowledge to keep abreast of changes within the early childhood education and care field. Staff are all trained in First Aid having Anaphylaxis and Asthma training."***

### KEY INFORMATION

The Apex Pre School Centre Inc. is a Group 1 – Community Service Group (Item 4.1 of Council Property Leasing Policy).

A full rental subsidy is offered to approved community groups. Council's standard rate for community groups is \$150 per annum including GST to cover administrative costs.

The subject property is owned by Department of Environment, Land, Water and Planning. We have received permission to enter into the Lease on the terms contained herein subject to the terms and conditions contained in the department's lease template. The Manager of Community Services is the service manager for this property and has approved the lease terms.

The structures were built by Apex Pre School Centre Inc. and they have previously and will continue to perform all maintenance on 7 Howarth Street.

The premises are being used as a pre-school facility with approval to house 69 children. They are currently open to new children registering. The facilities current session times are Monday – Thursday 8am to 3.30pm.

## **FURTHER SUPPORTING INFORMATION**

### **5. COMMUNITY CONSULTATION & ENGAGEMENT**

Community consultation is required for the proposed tenure and public notice is needed in accordance with section 190 of the Local Government Act.

### **6. ANALYSIS**

#### **ALIGNMENT TO COUNCIL PLAN OR COUNCIL POLICY**

Our Community Councils Leasing and Licence Policy 4.2 dated 18 December 2013 section 8.3 indicates that the optimum term of an agreement to be three (3) years. However, it further indicates that: "A longer term lease may be negotiated where the community organisation is or has made a substantial capital contribution to the construction, improvement or maintenance of the property." In this case the building is owned and was built by the proposed tenant and will be fully maintained by the tenant. There have been suggestions made by Apex Pre School Centre Inc. that a longer term lease would allow them security for significant capital investment in the property. DELWP have agreed to the extended tenure period. DELWP can offer a lease term of up to 50 Years. Such a tenure length does not meet our current property strategy.

#### **ENVIRONMENTAL IMPLICATIONS**

There are no environmental implications at this time.

#### **SOCIAL & CULTURAL IMPLICATIONS**

The facility has social significance and its continued operation is important to the community.

#### **ECONOMIC IMPLICATIONS**

Supporting the Apex Pre School Inc. is important in maintaining a pre-school/kindergarten facility to service the Elliminyt area given the importance of early childhood education.

#### **LEGAL & RISK IMPLICATIONS**

The risk of not having leases in place is that Council is not compliant with its leasing policy. The public liability risk is mitigated by the lease requiring the tenant to take out Public Liability Insurance in the amount of \$10 million.

#### **RESOURCE IMPLICATIONS (FINANCIAL ETC)**

The establishment of lease over the 7 Howarth Street will provide a modest income to Council and relieves Council of the responsibility of maintaining the premises. The officer resources required to administer the Agreement is absorbed within Council's operational budget.

### **7. IMPLEMENTATION STRATEGY**

#### **DETAILS**

Subject to Council's endorsement, a lease approved by DELWP will be finalised and produced for the proposed tenant to execute. The lease would then be executed by Council and DELWP.

## COMMUNICATION

Emails will be forwarded to all internal stakeholders indicating that the lease has been entered into and are to be included in Council's property management system.

All necessary advertising in accordance with section 190 of the Local Government Act.

## TIMELINE

- Council endorses recommendation at January Ordinary Council Meeting - 30 January 2019
- Officers publish public notice of intention to enter Lease - 1 February 2019
- Submissions process undertaken
- Special Committee meeting, if required
- Ordinary Council meeting, if required

## 8. OFFICER DIRECT OR INDIRECT INTEREST

No officer declared an interest under the *Local Government Act 1989* in the preparation of this report.

ORDINARY COUNCIL MEETING  
**AUDIT COMMITTEE MINUTES –  
29 AUGUST 2018**  
OM193001-6

<b>LOCATION / ADDRESS</b>	Whole of municipality	<b>GENERAL MANAGER</b>	Errol Lawrence
<b>OFFICER</b>	Lyndal McLean	<b>DIVISION</b>	Corporate Services
<b>TRIM FILE</b>	F18/7487	<b>CONFIDENTIAL</b>	No
<b>ATTACHMENTS</b>	1. Audit Committee Minutes - Signed - 29 August 2018		
<b>PURPOSE</b>	To receive for information the Colac Otway Shire Audit Committee minutes dated 29 August 2018.		

## 1. RECOMMENDATION

*That Council receives for information the Colac Otway Shire Audit Committee minutes dated 29 August 2018.*



AUDIT COMMITTEE MEETING

**MINUTES**

WEDNESDAY 29 AUGUST 2018

AT 9AM

COPACC





**COLAC OTWAY SHIRE AUDIT COMMITTEE MEETING**

29 AUGUST 2018

**TABLE OF CONTENTS**

**GENERAL BUSINESS**

PRESENT.....	3
APOLOGIES.....	3
DECLARATIONS OF INTEREST.....	3
CONFIRMATION OF MINUTES.....	3

**OFFICER REPORTS**

AC182908-1	CHIEF EXECUTIVE STATEMENT OF COMPLIANCE .....	4
AC182908-2	REVIEW EXTERNAL AUDIT FINDINGS, RECOMMENDATIONS & MANAGEMENT RESPONSES .....	5
AC182908-3	2017-18 FINANCIAL & PERFORMANCE STATEMENTS.....	6
AC182908-4	FRAUD PREVENTION / AWARENESS - REVIEW INSTANCES OF FRAUD OR CORRUPTION.....	9
AC182908-5	RISK MANAGEMENT - RISK MANAGEMENT ADHERENCE REPORT - 8.3 (D) MONITOR LAW SUITS .....	10
AC182908-6	OTHER - REVIEW AUDIT COMMITTEE PLAN .....	11
AC182908-7	OTHER - OVERSEE ANY INVESTIGATION.....	12

## COLAC OTWAY SHIRE AUDIT COMMITTEE MEETING

MINUTES of the *AUDIT COMMITTEE MEETING OF THE COLAC OTWAY SHIRE* held at COPACC on  
29 August 2018 at 9am.

### 1. PRESENT

Mike Said (Chair)  
Linda MacRae  
Cr Jason Schram  
Cr Stephen Hart (via video conferencing)

Tony McGann, Acting Chief Executive  
Errol Lawrence, General Manager, Corporate Services  
Cr Joe McCracken (Mayor)  
Lynne Stevenson, Acting Manager, Financial Services  
Shane Whitten, Manager, Financial Accounting  
Sarah McKew, Manager, Governance & Communications  
Lyndal McLean, Governance Coordinator  
Lyndal Redford, Governance Officer  
Chris Kol, McLaren Hunt

### 2. APOLOGIES

Peter Brown, Chief Executive  
Gareth Smith, General Manager, Development & Community Services  
Ian Seuren, Acting General Manager, Infrastructure & Leisure Services  
Andrew Zavitsanos, Crowe Horwath

### 3. DECLARATIONS OF INTEREST

Nil

### 4. CONFIRMATION OF MINUTES

- Audit Committee Meeting held on 6 June 2018.

#### RESOLUTION

*MOVED Linda MacRae seconded Cr Jason Schram*

*That the Audit Committee confirm the above minutes.*

*CARRIED 4 : 0*

AUDIT COMMITTEE MEETING  
**CHIEF EXECUTIVE STATEMENT OF COMPLIANCE**

AC182908-1

LOCATION / ADDRESS	Whole of Municipality	GENERAL MANAGER	Errol Lawrence
OFFICER	Errol Lawrence	DIVISION	Corporate Services
TRIM FILE	F18/6997	CONFIDENTIAL	No
ATTACHMENTS	Nil		
PURPOSE	To keep the Audit Committee abreast of compliance matters within the Colac Otway Shire.		

### RECOMMENDATION

*That the Audit Committee notes the Chief Executive Statement of Compliance.*

#### ALTERNATIVE MOTION

*MOVED Cr Stephen Hart seconded Linda MacRae*

*That the Audit Committee:*

- 1. notes the Chief Executive Statement of Compliance.*
- 2. receives a further report regarding procurement matters at the December 2018 Audit Committee meeting.*
- 3. receives a further report regarding fraud and corruption training at the December 2018 Audit Committee Meeting.*

**CARRIED 4 : 0**

**AUDIT COMMITTEE MEETING**  
**REVIEW EXTERNAL AUDIT FINDINGS,**  
**RECOMMENDATIONS & MANAGEMENT RESPONSES**  
AC182908-2

<b>LOCATION / ADDRESS</b>	Whole of municipality	<b>GENERAL MANAGER</b>	Errol Lawrence
<b>OFFICER</b>	Shane Whitten	<b>DIVISION</b>	Corporate Services
<b>TRIM FILE</b>	F18/7487	<b>CONFIDENTIAL</b>	No
<b>ATTACHMENTS</b>	Nil		
<b>PURPOSE</b>	To review External Audit findings, recommendations and management responses.		

At the time the agenda was compiled, the management letter from the External Auditor had not yet been received, therefore there is no resolution for this item.

AUDIT COMMITTEE MEETING  
**2017-18 FINANCIAL &  
 PERFORMANCE STATEMENTS**

AC182908-3

<b>LOCATION / ADDRESS</b>	COPACC	<b>GENERAL MANAGER</b>	Errol Lawrence
<b>OFFICER</b>	Lynne Stevenson	<b>DIVISION</b>	Corporate Services
<b>TRIM FILE</b>	F18/7487	<b>CONFIDENTIAL</b>	No
<b>ATTACHMENTS</b>	<ol style="list-style-type: none"> <li>1. 2017-18 Colac Otway Shire Financial Statements - Audit Committee 29 August 2018</li> <li>2. 2017-18 Performance Statement - Audit Committee Agenda 29 August 2018</li> <li>3. 2017-18 Port of Apollo Bay Financial Statements - Audit Committee Agenda 29 August 2018</li> <li>4. Accounting Policy Position Paper - Audit Committee Agenda 29 August 2018</li> </ol>		
<b>PURPOSE</b>	To review the 2017-18 Financial & Performance Statements and recommend to Council adoption of the 2017-18 Financial and Performance Statements.		

**RECOMMENDATION**

*The Audit Committee recommends that Council:*

1. Approves, in principle, the 2017-2018 Colac Otway Shire Council Financial Statements, subject to any changes that are recommended or agreed by the auditor in accordance with section 132(2) of the Local Government Act 1989;
2. Approves, in principle, the 2017-2018 Colac Otway Shire Council Performance Statement, subject to any changes that are recommended or agreed by the auditor in accordance with Section 132(2) of the Local Government Act 1989;
3. Makes provision for the 2017-2018 Colac Otway Shire Council Financial Statements and Performance Statement to be referred back to the Audit Committee for information, if there is any significant change prior to certification;
4. Authorises Crs Stephen Hart and Jason Schram to certify the final 2017-18 Colac Otway Shire Council Financial Statements and Performance Statement in accordance with section 132(5)(a) of the Local Government Act 1989; and



5. Approves, in principle, the 2017-18 Port of Apollo Bay Financial Statements, subject to any changes that are recommended or agreed by the auditor to be used to meet the reporting requirements of the Port of Apollo Bay Management Agreement.

ALTERNATIVE MOTION

MOVED Cr Jason Schram seconded Cr Stephen Hart

The Audit Committee recommends that Council:

1. Approves, in principle, the 2017-2018 Colac Otway Shire Council Financial Statements, any changes that are recommended or agreed by the auditor in accordance with section 132(2) of the Local Government Act 1989 (the Act), subject to the exclusion of the Port of Apollo Bay fixed assets and all associated transactions from the 2017-2018 Colac Otway Shire Council Financial Statements, and any changes that are recommended or agreed by the auditor in accordance with section 132(2) of the Act, however:
  - 1.1 The Audit Committee approves, in principle, the 2017-18 Port of Apollo Bay Financial Statements, subject to any changes that are recommended or agreed by the auditor to be used to meet the reporting requirements of the Port of Apollo Bay Management Agreement.
  - 1.2 The Audit Committee recommends the exclusion of the Port of Apollo Bay fixed assets and all associated transactions on the basis of a decision of the Audit Committee members (3 : 1 by majority not consensus) that the statements be prepared as per the prior two years.
2. Approves, in principle, the 2017-2018 Colac Otway Shire Council Performance Statement, subject to any changes that are recommended or agreed by the auditor in accordance with Section 132(2) of the Act;
3. Makes provision for the 2017-2018 Colac Otway Shire Council Financial Statements and Performance Statement to be referred back to the Audit Committee for information, if there is any significant change prior to certification;
4. Authorises Crs Stephen Hart and Jason Schram to certify the final 2017-18 Colac Otway Shire Council Financial Statements and Performance Statement in accordance with section 132(5)(a) of the Local Government Act 1989; and
5. Appoints a person sufficiently experienced in the Australian Accounting Standards to review all relevant documentation since the 2012 Port of Apollo Bay Management Agreement, including subsequent correspondence from the Victorian Auditor-General's Office, pertaining to the reporting of the Port of Apollo Bay financial transactions and report these findings to the Audit Committee during the 2018-2019 year.

CARRIED 4 : 0

Lyndal Redford left the meeting at 9.56am.

Errol Lawrence left the meeting at 10.11am.

Errol Lawrence returned to the meeting at 10.13am.

Tony McGann left the meeting at 10.22am.  
Tony McGann returned to the meeting at 10.24am.  
Shane Whitten left the meeting at 10.42am.  
Shane Whitten returned to the meeting at 10.48am.  
Errol Lawrence left the meeting at 11.01am.  
Errol Lawrence returned to the meeting at 11.01am.  
Cr Joe McCracken left the meeting at 11.26am.  
Cr Joe McCracken returned to the meeting at 11.28am.  
Sarah McKew left the meeting at 11.41am.  
Sarah McKew returned to the meeting at 11.43am.

AUDIT COMMITTEE MEETING  
**FRAUD PREVENTION / AWARENESS - REVIEW  
INSTANCES OF FRAUD OR CORRUPTION**

AC182908-4

LOCATION / ADDRESS	Whole of municipality	GENERAL MANAGER	Errol Lawrence
OFFICER	Shane Whitten	DIVISION	Corporate Services
TRIM FILE	F18/7487	CONFIDENTIAL	No
ATTACHMENTS	1. Working File - Audit Committee - Fraud Control Program - 1 May 2018 - 31 July 2018		
PURPOSE	To monitor financial controls and processes in order to prevent fraud from occurring.		

### RESOLUTION

*MOVED Linda MacRae seconded Cr Jason Schram*

*That the Audit Committee receives the Fraud Control Program report for the period 1 May 2018 to 31 July 2018.*

*CARRIED 4 : 0*

AUDIT COMMITTEE MEETING  
**RISK MANAGEMENT - RISK  
MANAGEMENT ADHERENCE REPORT –  
8.3 (D) MONITOR LAW SUITS**

AC182908-5

LOCATION / ADDRESS	Whole of municipality	GENERAL MANAGER	Errol Lawrence
OFFICER	Marni Young	DIVISION	Corporate Services
TRIM FILE	F18/7487	CONFIDENTIAL	No
ATTACHMENTS	1. Risk Management Committee - Meeting Minutes - 20180709		
PURPOSE	This report provides summary on the key and pending risk activities for the organisation as at August 2018.		

## RESOLUTION

*MOVED Linda MacRae seconded Cr Jason Schram*

*That the Audit Committee:*

- 1. receives the Risk Management Adherence Report as at August 2018.*

*CARRIED 4 : 0*

Christopher Kol left the meeting at 11.56am.  
Christopher Kol returned to the meeting at 11.58am.  
Mike Said left the meeting at 11.58am.  
Lynne Stevenson left the meeting at 11.59am.  
Mike Said returned to the meeting at 12.00pm.  
Lynne Stevenson returned to the meeting at 12.01pm.

AUDIT COMMITTEE MEETING  
**OTHER - REVIEW AUDIT COMMITTEE PLAN**

AC182908-6

LOCATION / ADDRESS	Not applicable	GENERAL MANAGER	Errol Lawrence
OFFICER	Sarah McKew	DIVISION	Corporate Services
TRIM FILE	F18/7487	CONFIDENTIAL	No
ATTACHMENTS	1. Audit Committee Plan 2018 - August 2018 2. Audit Committee Plan 2019 - August 2018		
PURPOSE	To provide both the 2018 and 2019 Audit Committee Plans for reference		

## RESOLUTION

*MOVED Cr Jason Schram seconded Cr Stephen Hart*

*That the Audit Committee:*

- 1. notes the updated Audit Committee Plan for 2018.*
- 2. notes the updated Audit Committee Plan for 2019.*

*CARRIED 4 : 0*



AUDIT COMMITTEE MEETING  
**OTHER - OVERSEE ANY INVESTIGATION**

AC182908-7

LOCATION / ADDRESS	Not applicable	GENERAL MANAGER	Errol Lawrence
OFFICER	Sarah McKew	DIVISION	Corporate Services
TRIM FILE	F18/7487	CONFIDENTIAL	No
ATTACHMENTS	Nil		
PURPOSE	To oversee any investigation requested by Council		

**RECOMMENDATION**

Not applicable. There was nothing to report this quarter.



*The Meeting Was Declared Closed at 12.13pm*

**CONFIRMED AND SIGNED** at the meeting held on 5 DECEMBER 2018

.....CHAIR

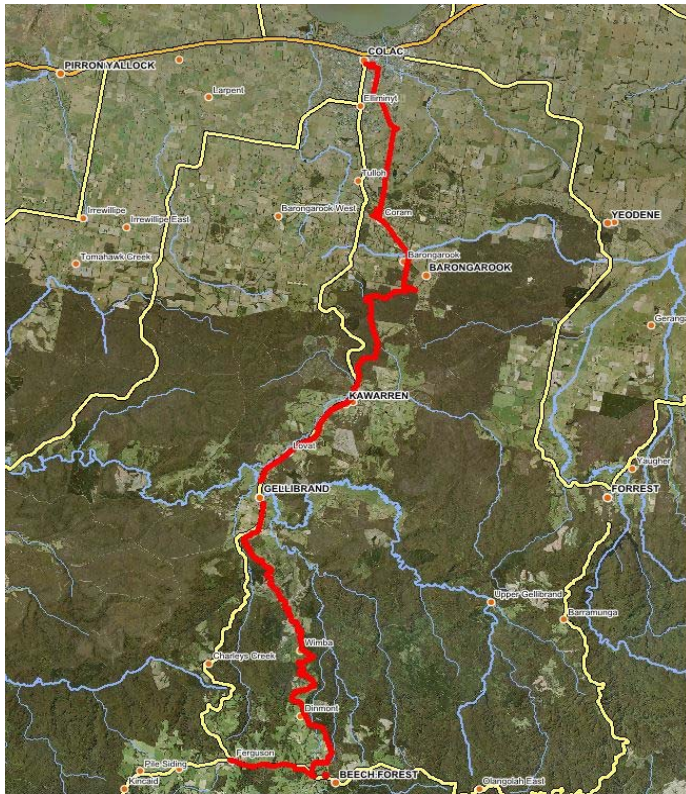
ORDINARY COUNCIL MEETING

# OLD BEECHY RAIL TRAIL COMMITTEE - REVISED INSTRUMENT OF DELEGATION

OM193001-7

<b>LOCATION / ADDRESS</b>	Old Beechy Rail Trail - Colac to Ferguson	<b>GENERAL MANAGER</b>	Tony McGann
<b>OFFICER</b>	Nicole Frampton	<b>DIVISION</b>	Infrastructure & Leisure Services
<b>TRIM FILE</b>	11/96660	<b>CONFIDENTIAL</b>	No
<b>ATTACHMENTS</b>	<ol style="list-style-type: none"> <li>1. Old Beechy Rail Trail Committee - Instrument of Delegation &amp; Charter - Revised 2019</li> </ol>		
<b>PURPOSE</b>	<p>To seek Council approval for the recommended changes to the Instrument of Delegation and Charter for the Old Beechy Rail Trail Committee, and to sign and seal the revised Instrument of Delegation for the Old Beechy Rail Trail Committee.</p>		

## 1. LOCATION PLAN / AERIAL PHOTO



## 2. EXECUTIVE SUMMARY

Council delegates the management of the Old Beechy Rail Trail (OBRT) through an “Instrument of Delegation” to a *Section 86* Special Committee.

The current Old Beechy Rail Trail Committee is due to expire on 14 December 2019. Committee members (other than Council representatives) are appointed for a 3 year term by Council resolution. Due to a number of recent member resignations and meeting non-attendance, the Committee at its December 2018 meeting reviewed the OBRTC Charter committee membership. As a result of this review, the Committee membership is proposed to change to have a maximum of 10 appointed Committee Members. It is recommended that the Instrument of Delegation Charter ‘Membership’ and ‘Meetings’ be amended to read as follows:

- 2.3 Committee membership may consist of:
  - Two (2) Council representatives (one Councillor and one member of Council staff);
  - Five (5) community representatives;
  - One (1) Department of Environment, Land, Water and Planning representative (DELWP);
  - One (1) Landowner representative; and
  - One (1) Friends of the Old Beechy Rail Trail representative.
  
- 3.3 The Committee must meet at least 4 times each year and more often as required as called by the chair.

If Council agrees to the recommended changes to the OBRTC Charter as attached, then the Instrument of Delegation will come into effect on 30 January 2019, with a new Committee to be appointed by Council resolution at a future Council meeting. Once the community and organisation representatives have been nominated and endorsed by the current OBRTC.

## 3. RECOMMENDATION

*That Council:*

1. ***Endorses the revised Instrument of Delegation and Charter for the Old Beechy Rail Trail Committee.***
  
2. ***Authorises the Chief Executive to sign and seal the revised Instrument of Delegation and Charter for the Old Beechy Rail Trail Committee.***

## 4. BACKGROUND / KEY INFORMATION

### BACKGROUND

Colac Otway Shire first formed a special committee to be known as the Old Beechy Rail Trail Committee (OBRTC) on 26 September 2001. The OBRTC was conferred as a Section 86 Committee under the *Local Government Act 1989* and delegated the functions, duties and powers set forth in the schedule titled Old Beechy Rail Trail Committee Charter. The Charter was developed as the basis of the Instrument of Delegation to be used by the appointed OBRTC. As outlined in the OBRTC Charter, the Committee is responsible for the development of strategic plans for future management and maintenance; ensuring effective means of communication to encourage community participation and ownership; and management and maintenance of the Old Beechy Rail Trail.

A detailed review of the Instrument of Delegation and Charter was undertaken during 2013 with the Instrument of Delegation for the Old Beechy Rail Trail Committee being signed and sealed at the Ordinary Council meeting held 27 November 2013.

Under the Instrument of Delegation and Charter, committee members (other than Council representatives) are appointed for a 3 year term by Council resolution. As such the Instrument of Delegation and Charter was reviewed and amended in 2016, with Council resolving to sign and seal the revised Instrument of Delegation at its 14 December 2016 Ordinary Council meeting.

The existing OBRTC was also appointed at this time. Including Council representatives, the OBRTC has 15 members. Under the Charter, the quorum for a Committee meeting is at least half of the members, at least one of whom must be a member of Council staff or Councillor. With the current Council appointed committee members, this means at least 8 members are required to hold a meeting.

The current Charter states that:

2.3 Committee membership may consist of:

2.3.1 two representatives from each of:

- Gellibrand/Kawarren area;
- Beech Forest Progress Association;
- Lavers Hill & District Progress Association;
- the Colac area; and
- Council (one Councillor and one member of Council staff); and

2.3.2 one representative from each of:

- Midway Plantations;
- Parks Victoria;
- Department of Environment, Land, Water and Planning (DELWP);
- Otway Country to Coast Tourism Association;
- Landowner;
- Friends of the Old Beechy Rail Trail; and
- User groups such as walking and cycling groups.

The current charter also states that “the Committee must meet at least 4 times each year” (3.3). The committee meets the first Tuesday of every second month beginning February avoiding public holidays and school holidays. Due to Committee concerns regarding the current condition of the trail, the committee agreed in 2018 to meet on a more regular basis (monthly).

## **KEY INFORMATION**

Due to the high number of appointed committee members (15), member unavailability to attend scheduled meetings, and member resignations since the 2016 appointment, of the nine (9) meetings called in 2018, four (4) did not achieve a quorum.

At its December 2018 meeting, the OBRTC invited Council’s Manager Governance and Communications to attend to discuss the current governance situation and a possible restructure for the committee’s membership. Any amendments to the Committee’s Charter need to be approved and endorsed by Council. The OBRTC passed the following motion at the meeting:



**Motion:** *“That the Old Beechy Rail Trail Committee request that Council officers work towards, as soon as possible, seeking Council approval to amend the Old Beechy Rail Trail Committee Charter by changing the committee membership to reflect the Committee’s proposal of: two (2) Council representatives (one Councillor and one member of Council staff); five (5) Community representatives; one (1) Department of Environment, Land, Water and Planning representative (DELWP); one (1) Landowner representative; and one (1) Friends of the Old Beechy Rail Trail representative; and amend Section 3.3 of the current charter to include “more often as required as called by the chair”.*

**Moved:** Tricia Jukes

Second: Noel Barry

Carried.

It is suggested that the Instrument of Delegation Charter Membership and Meetings be amended to read as follows:

- 2.3 Committee membership may consist of:
  - Two (2) Council representatives (one Councillor and one member of Council staff);
  - Five (5) community representatives;
  - One (1) Department of Environment, Land, Water and Planning representative (DELWP);
  - One (1) Landowner representative; and
  - One (1) Friends of the Old Beechy Rail Trail representative.
- 3.3 The Committee must meet at least 4 times each year and more often as required as called by the chair.

If all positions were filled, this would result in a committee membership of 10 appointed members. This would require an attendance of a minimum of 5 members to have a meeting quorum. Given the current attendance at meetings, this was seen as more realistic for the committee to achieve. The committee would still have the delegation to invite interested parties to attend meetings as required, but they will not be included in the quorum.

Rather than listing the organisations to have representation on the committee, the new structure allows for up to five (5) community representatives to be appointed on the committee. This still allows for residents in the areas of Gellibrand/Kawarren, Beech Forest, Lavers Hill, and Colac to be involved in the OBRTC should they desire.

Otway Country to Coast Tourism Association has not had a formal representative attend OBRTC meetings for over 18 months and would be encouraged to nominate a community representative should they wish to have representation on the committee.

Midway Plantations, due to the nature of their operations, have indicated that they would only attend meetings if required due to logging operations which may impact the trail. They do not formally want a representative on the committee.

The current Bushwalking Victoria representative has recently resigned and Bushwalking Victoria has indicated they do not have a new representative to join the committee.

The appointed Parks Victoria representative no longer works with the organisation. It needs to be noted that none of the existing trail goes through Parks Victoria land. If in the future the trail was to go through Parks Victoria land, then a representative could be appointed rather than having a Parks Victoria representative attend meetings at the moment.

If Council endorses the changes to the current Charter committee membership, Council officers will advise those organisations who will be invited to have representation on the committee and will also advise those organisations who will no longer be invited to have representatives on the committee. Those organisations/individuals that will no longer be represented on the committee would still be welcome to attend meetings however they will no longer be included in the quorum or be able to vote on decisions.

The addition of “more often as required as called by the chair” to 3.3 allows the committee to meet more often if the need arises.

## **FURTHER SUPPORTING INFORMATION**

### **5. COMMUNITY CONSULTATION & ENGAGEMENT**

The Old Beechy Rail Trail Committee has been consulted in recommending the proposed changes to the Instrument of Delegation and Charter. This was discussed at the 4 December 2018 OBRTC meeting where a motion was passed for officers to work towards seeking Council approval to amend the Old Beechy Rail Trail Instrument of Delegation Charter.

### **6. ANALYSIS**

#### **ALIGNMENT TO COUNCIL PLAN OR COUNCIL POLICY**

The OBRTC is conferred as a Section 86 Committee under the *Local Government Act 1989* with delegated functions, duties and powers set forth in the schedule titled the Old Beechy Rail Trail Committee Charter.

#### **ENVIRONMENTAL IMPLICATIONS**

There are no environmental implications with this report.

#### **SOCIAL & CULTURAL IMPLICATIONS**

The proposed changes seek to improve the governance of the OBRTC through amendments to the Instrument of Delegation Charter. The OBRTC provides a valuable service for the community and assists Council in managing and monitoring an important community asset.

#### **ECONOMIC IMPLICATIONS**

There are no economic implications anticipated as a result of this report.

#### **LEGAL & RISK IMPLICATIONS**

A Section 86 Committee's legal status is derived from Council through formal delegation. Council is required to endorse any changes made to a Section 86 Committee Charter by Council resolution.

Ongoing reviews of Section 86 Committee Instruments of Delegation and Charter mitigate risk to Council while allowing committees to work collaboratively with Council in the best interests of the community. Committee of Management members appointed under Section 86 of the Act are covered by the Council's Liability and Personal Accident policies when carrying out activities for and on behalf of the Committee whilst acting within their delegated powers.

The future structure of the OBRTC as a Section 86 Committee will, with respect to proposed changes to legislation, be resolved at a future date within the legislative timeframe.

#### **RESOURCE IMPLICATIONS (FINANCIAL ETC)**

The resources required to manage these changes are managed by Council officers and the costs are absorbed within the operational budget.

## 7. IMPLEMENTATION STRATEGY

### DETAILS

Once the Instrument of Delegation has been signed and sealed, an updated copy will be included in the register that is required to be kept by Council and a copy will be forwarded to the OBRTC.

Current OBRTC Charter organisations and their representatives will be notified of the changes to the Instrument of Delegation and Charter.

The OBRTC and Council officers will then seek nominations and endorse recommended committee members under the new committee membership structure to be appointed by Council resolution.

### COMMUNICATION

Council officers will contact all existing OBRTC members and their organisations, and the current Instrument of Delegation Charter membership organisations of the changes to the new Charter.

An advertisement will be placed in the *Colac Herald* and local community newsletters requesting public nominations for the five (5) community representatives and outlining the relevant details.

### TIMELINE

February 2019	<p>Inform the current appointed OBRTC of the Council decision, and if endorsed, forward the updated Instrument of Delegation and Charter.</p> <p>OBRTC and Council officers to finalise the community representative nomination and election process, and criteria to be addressed by the nominees.</p> <p>Letters sent to current representative organisations of the changes to the OBRTC Charter.</p> <p>Invitation letters to be sent to DELWP, Landowners and Friends of the Old Beechy Rail Trail seeking their nominated representative.</p>
Mid-February 2019	<p>Advertise the five (5) community representative nomination and election process and criteria to be addressed by the nominees in the <i>Colac Herald</i> and local district community newsletters.</p>
March/April 2019	<p>Selection process for the five (5) community representatives.</p>
May/June 2019 Council Meeting	<p>Present the proposed OBRTC Committee members to Council for approval.</p>

## 8. OFFICER DIRECT OR INDIRECT INTEREST

No officer declared an interest under the *Local Government Act 1989* in the preparation of this report.



**INSTRUMENT OF DELEGATION  
SPECIAL COMMITTEE**

**Old Beechy Rail Trail Committee**

Pursuant to and in the exercise of the power conferred by section 86 of the Local Government Act 1989, Colac Otway Shire Council delegates to a Special Committee to be known as the **Old Beechy Rail Trail Committee** (established by resolution made on 26 September 2001 those functions, duties and powers set out in clauses 4 and 5 of Schedule titled Old Beechy Rail Trail Committee Charter (as amended)).

1. **This Instrument of Delegation** is authorised by a resolution of Council, passed on 30 January 2019.
2. **The Delegation:**
  - a) comes into force immediately the common seal of Council is affixed to this Instrument of Delegation;
  - b) remains in force until Council resolves to vary or revoke it;
  - c) is subject to any conditions and limitations set out in the Schedule; and
  - d) must be exercised in accordance with any guidelines or policies which Council from time to time adopts.
3. All members of the committee will have voting rights on the committee.

THE COMMON SEAL of the                    )  
COLAC OTWAY SHIRE COUNCIL            )  
was hereunto affixed in accordance    )  
with Local Law No. 4                        )

..... Chief Executive Officer



**OLD BEECHY RAIL TRAIL COMMITTEE  
SPECIAL COMMITTEE**

**CHARTER**

**1. Definitions**

"Council" means Colac Otway Shire Council  
"Committee" means this Special Committee of Council as constituted pursuant to Section 86 of the *Local Government Act 1989*

**2. Membership**

- 2.1 Committee members (other than Council representatives) shall be appointed for a 3 year term by Council resolution.
- 2.2 Council representatives on the Committee will be appointed annually by Council resolution.
- 2.3 Committee membership may consist of:
- Two (2) Council representatives (one Councillor and one member of Council staff);
  - Five (5) community representatives;
  - One (1) Department of Environment, Land, Water and Planning representative (DELWP);
  - One (1) Landowner representative; and
  - One (1) Friends of the Old Beechy Rail Trail representative.
- 2.4 With the exception of Council appointees, the Committee may by resolution declare a position vacant:
- 2.4.1 where a member has failed to attend 3 consecutive meetings without leave;
- 2.4.2 where a member has resigned from the Committee in writing;
- 2.4.3 on the advice of Council; or
- 2.4.4 where the Committee resolves to vacate a member's position.
- 2.5 Casual vacancies during the 3 years may be filled by the Committee recommending a replacement for Council to make by resolution.
- 2.6 Temporary appointments to the Committee may be made by Council, as required, on the recommendation of the Committee.

### **3. Meetings**

- 3.1 The Committee must annually appoint a chairperson from among its members. If the Committee fails to appoint a Chairperson the Council will make an appointment.
- 3.2 In the absence of a chairperson, the Committee may appoint an acting chairperson.
- 3.3 The Committee must meet at least 4 times each year and more often as required as called by the chair.
- 3.4 Meetings will be held at such times and places fixed by the Committee.
- 3.5 Special meetings may be called by the chairperson or on the written request of at least 3 committee members.
- 3.6 Committee members must have at least 3 clear days written notice of meetings.
- 3.7 Meetings of the Committee which, in the opinion of the Committee, may prejudice Council must be closed to the public including meetings dealing with sensitive land management issues, proposed developments and legal and contractual matters.
- 3.8 The quorum for a Committee meeting is at least half of the members, at least one of whom must be a member of Council staff or Councillor.
- 3.9 All Committee members will have equal voting rights, but in the case of a tied vote the Chairperson will have a casting vote.
- 3.10 The chairperson must ensure that minutes of Committee meetings are kept.

### **4. Committee Functions**

- 4.1 The Committee is responsible for:
  - 4.1.1 development of strategic plans for future management and maintenance;
  - 4.1.2 ensuring effective means of communication to encourage community participation and ownership; and
  - 4.1.3 management and maintenance of the Old Beechy Rail Trail.
- 4.2 The Committee's corporate governance factors include:
  - 4.2.1 defining and monitoring strategic direction;
  - 4.2.2 defining policies and procedures to ensure operation with legal and social responsibilities; and
  - 4.2.3 establishing control and accountability systems.

## 5. Delegated Power

To carry out the functions and responsibilities listed in clause 4 above, Council delegates to the Committee the power to:

- 5.1 set strategic direction and guidance policies with respect to the Old Beechy Rail Trail;
- 5.2 implement the strategic policies outlined in clause 5.1 above;
- 5.3 develop and implement a Management Plan for the Old Beechy Rail Trail;
- 5.4 accept gifts, donations and bequests by the public towards projects associated with the Old Beechy Rail Trail;
- 5.5 incur expenditure with respect to the Old Beechy Rail Trail provided that the expenditure does not exceed annual budget parameters specified by Council and report to Council on a quarterly basis;
- 5.6 set Committee meeting dates;
- 5.7 appoint advisers to the Committee as appropriate and engage people to carry out minor works and improvements to the Old Beechy Rail Trail within approved budget parameters;
- 5.8 apply for relevant funding opportunities for the improvement and maintenance of the Old Beechy Rail Trail;
- 5.9 direct a Committee member to discuss arrangements with a wide range of land owners - including private land owners, statutory authorities and government departments - to allow for access, management, improvement, enhancement and maintenance of the Old Beechy Rail Trail and related infrastructure;
- 5.10 authorise vehicles on the Old Beechy Rail Trail subject to the completion of a Risk Assessment report; recreation vehicles will be subject to Council Policy; and
- 5.11 authorise the conduct of special events for the purpose of publicity and/or fundraising subject to the completion of a Risk Assessment report.
- 5.12 Make recommendations to Council in relation to:
  - 5.12.1 the future alignment of the Old Beechy Rail Trail, impacts on landowners and requesting approval to enter into negotiations for access through private land for the future development of the trail;
  - 5.12.2 contracts, licences and leases to be entered into for the management and maintenance of the Old Beechy Rail Trail;
  - 5.12.3 monitoring behavior and withdrawing invitations to enter the Old Beechy Rail Trail;
  - 5.12.4 planning and other policy matters affecting the Old Beechy Rail Trail;
  - 5.12.5 accepting the grant of the benefit of easements in favour of Council with respect to the Old Beechy Rail Trail; and

5.12.6 maintenance and major works on the Old Beechy Rail Trail.

5.13 notify Council, a staff member of Council and/or a relevant authorized officer of Council of the presence of:

5.13.1 livestock;

5.13.2 vehicles; and/or

5.13.3 trespassers.

on the Old Beechy Rail Trail.

## **6. Minutes of Meetings**

6.1 Minutes of meetings must be saved in Council's Information Management system.

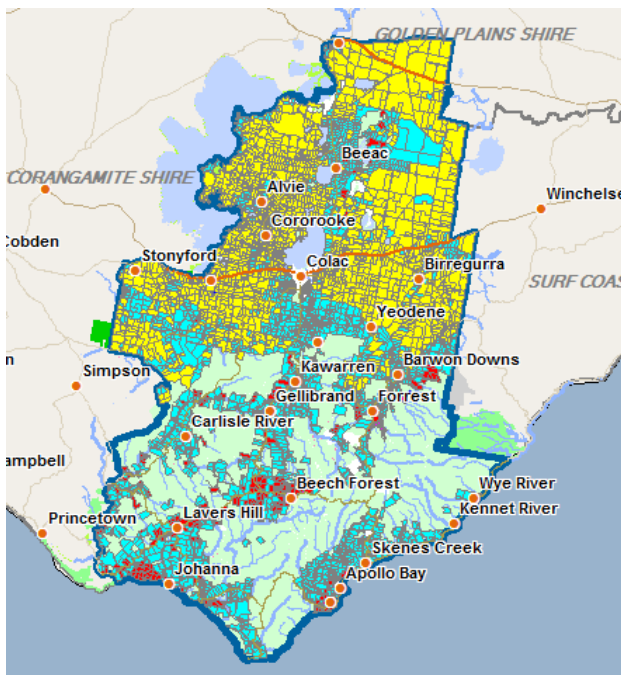
6.1.1 Minutes of the Old Beechy Rail Trail Committee should be included in the Council agenda once any confidential items have been identified and the minutes have been confirmed by the Committee.

6.1.2 Confidential minutes of the Old Beechy Rail Trail Committee are to be included in an In-Committee agenda of Council.

ORDINARY COUNCIL MEETING  
**OLD BEECHY RAIL TRAIL MINUTES AND  
 ASSEMBLY OF COUNCILLORS NOTES**  
 OM193001-8

<b>LOCATION / ADDRESS</b>	Whole of municipality	<b>GENERAL MANAGER</b>	Errol Lawrence
<b>OFFICER</b>	Lyndal McLean	<b>DIVISION</b>	Corporate Services
<b>TRIM FILE</b>	F18/7167	<b>CONFIDENTIAL</b>	No
<b>ATTACHMENTS</b>	<ol style="list-style-type: none"> <li>1. Meeting Minutes - Old Beechy Rail Trail Committee - 9 October 2018 - Confirmed</li> <li>2. Meeting Notes - Old Beechy Rail Trail Committee - 13 November 2018 - Confirmed</li> <li>3. Assembly of Councillors - Councillor Briefing - 5 December 2018</li> <li>4. Assembly of Councillors - Pre Council Meeting Preparation - 12 December 2018</li> </ol>		
<b>PURPOSE</b>	To report the minutes of the Old Beechy Rail Trail and report the Assemblies of Councillors.		

## 1. LOCATION PLAN / AERIAL PHOTO





## 2. EXECUTIVE SUMMARY

### ASSEMBLIES OF COUNCILLORS

The *Local Government Act 1989* requires that records of meetings which constitute an Assembly of Councillors be reported at the next practicable meeting of Council and incorporated in the minutes of the Council meeting. All relevant meetings have been recorded, documented and will be kept by Council for 4 years. The attached documents provide details of those meetings held that are defined as an Assembly of Councillors.

### OLD BEECHY RAIL TRAIL COMMITTEE MINUTES

Colac Otway Shire formed the Old Beechy Rail Trail Committee (OBRTC) on 26 September 2001. The OBRTC was conferred as a Section 86 Committee under the *Local Government Act 1989* and delegated the functions, duties and powers set forth in the schedule titled Old Beechy Rail Trail Committee Charter. The Charter was developed as the basis of the Instrument of Delegation to be used by the Old Beechy Rail Trail Committee.

The Old Beechy Rail Trail Committee Charter states that:

- “Minutes of the Old Beechy Rail Trail Committee should be included in the Council agenda once any confidential items have been identified and the minutes have been confirmed by the Committee” (Item 6.1.1).
- “Confidential minutes of the Old Beechy Rail Trail Committee are to be included in an In-Committee agenda of Council” (Item 6.1.2).

## 3. REPORTING

1. *The Assemblies of Councillors are reported herewith.*
2. *The minutes of the Old Beechy Rail Trail Committee for 9 October 2018 and meeting notes of the Old Beechy Rail Trail Committee for 13 November 2018 are reported herewith.*

*The Local Government Act 1989 does not require a Council decision.*

## 4. DETAILS

The following assemblies of Councillors have been held and are attached to this report:

Councillor Briefing	5 December 2018
Ordinary Council Meeting Preparation	12 December 2018

The following minutes of the Old Beechy Rail Trail Committee are attached to this report:

Old Beechy Rail Trail Committee - Minutes	9 October 2018
Old Beechy Rail Trail Committee - Meeting Notes	13 November 2018

## 5. OFFICER DIRECT OR INDIRECT INTEREST

No officer declared an interest under the *Local Government Act 1989* in the preparation of this report.

# MINUTES

	ITEMS & ACTIONS	RESPONSIBLE OFFICER	ACTION DUE DATE
1.	<p><b>ATTENDEES</b></p> <p>Cr Chris Smith (COS Councillor – Chair) – (Left meeting at 10:22am). Cyril Marriner (Colac Area representative), Noel Barry (Friends of the Old Beechy Rail Trail representative), Sue Thomas (Gellibrand/Kawarren Area representative) – took over the chair at 10:22am. Philippa Bailey (Gellibrand/Kawarren Area representative), Tricia Jukes (Land Owner representative), Bernard Jordan (Bushwalking Victoria), Craig Clifford (DELWP – Department of Environment, Land, Water and Planning representative). Nicole Frampton (COS Recreation and Open Space Coordinator – Minutes)</p> <p>Non-voting attendees: Andrew Daffy, Tony Grogan.</p>		
2.	<p><b>APOLOGIES</b> Nathan Swain.</p> <p><b>ABSENT</b> Bob Atkins, Virginia Atkins, Rotary Club of Colac representative (Geoff De La Rue/Wayne Knight), Otway Country to Coast representative, Parks Victoria representative.</p>		
3.	<p><b>CONFIRMATION OF MINUTES FROM PREVIOUS MEETING – 7 August 2018</b> <b>and</b> <b>CONFIRMATION OF MEETING NOTES (NO QUORUM) – 11 September 2018</b></p> <p><b>Moved – Noel Barry</b> Seconded – Sue Thomas Carried.</p>		
4.	<p><b>BUSINESS ARISING from previous minutes.</b></p> <ul style="list-style-type: none"> <li>• Coram Station Sign replacement. Update: Sign currently being sanded. Sign expected to be finished shortly.</li> <li>• Committee appointments/membership update – Discussed in General Business – See Item 12.</li> <li>• Beech Forest to Ferguson maintenance/condition update – See Item 6</li> <li>• Outstanding maintenance items – See Item 6</li> <li>• Broken trail sign in Gellibrand. Update: Noel has a spare cross arm and once the Coram sign is finished, Noel will fix the Gellibrand Sign.</li> </ul>	<p>Noel Barry</p> <p>NF / Committee NF NF</p> <p>Noel Barry</p>	

	<ul style="list-style-type: none"> <li>Petition – Request to increase OBRT budget allocation. Update: The petition was tabled at the September OCM where it was noted by the Councillors. Once the OBRT condition audit data has been analysed, this will be presented to Council to inform future budget considerations.</li> <li>OBRT Committee recommended closures. Update: <ul style="list-style-type: none"> <li>Ditchley to Dinmont Section is closed. A risk assessment has been completed and Council is waiting to receive the report to determine the works required to re-open this section of the trail.</li> <li>Ferguson Section (Phillips Track/Tanns Access) didn't close. Following discussions with VicRoads, closing this section of the trail was going to result in the trail being closed from Beech Forest to Ferguson. As such, Council completed works on this section of the trail so that the trail could remain open.</li> </ul> </li> </ul>	NF	
5.	<p><b>CORRESPONDENCE – IN</b></p> <ul style="list-style-type: none"> <li>17/08/2018 – Application for Use of the OBRT by Recreational Vehicle for the Otway Trail Run 2019 – 31/03/2019.</li> <li>17/08/2018 – Email from trail user seeking clarification to the proposed trail closures.</li> <li>23/08/2018 – VicRoads – Email response to email sent on 22/08/2018.</li> <li>4/09/2018 – Email from Andrew Stoddart (Midway) – attendance at 11/09/2018 meeting and planned Midway works which will affect the OBRT.</li> <li>12/09/2018 – Beech Forest Potential Neighbourhood Safer Place – Map and Proposed Works – impact on OBRT.</li> <li>18/09/2018 – Email from DELWP acknowledging email sent on 14/08/2018 Re: Ferguson Recreation Reserve Committee of Management.</li> <li>19/09/2018 – Email from COS Environment Team Re: Mountain Bike Track in the Barongarook Covenant (Coram section of OBRT) – copy of email sent to the OBRT CoM on 4/10/2018.</li> <li>21/09/2018 – Survey of OBRT through Humphris land.</li> <li>Various – Email from Midway – further information relating to planned Midway works and ingrowth tree removal (655 Beech Forest Road).</li> <li>27/09/2018 – Email response from Environment Coordinator – Re Midway works 655 Beech Forest Road).</li> <li>2/10/2018 – Email from DELWP – Re signage replacement Maggios Road/103 Mile Post intersection. Internal staff have sent an email to DELWP operations team. Sign will look to be replaced.</li> </ul>		
6.	<p><b>CORRESPONDENCE – OUT</b></p> <ul style="list-style-type: none"> <li>14/08/20018 – Email to DELWP – Ferguson Recreation Reserve Committee of Management</li> <li>20/08/2018 – Email to trail user re OBRT closures.</li> <li>22/08/2018 – Email to VicRoads re possible trail closure at Tanns Access, Ferguson and pedestrian/cyclist safety</li> <li>30/08/2018 – Email to the Committee re recommendations to close the trail.</li> <li>30/08/2018 – Email to Bushwalking Victoria, Rail Trails Australia, Bicycle</li> </ul>		

	<p>Network and local walking groups – informing organisations that the OBRT is closed between Dinmont and Ditchley, can they please update their respective websites.</p> <ul style="list-style-type: none"> <li>30/08/2018 – Email to Council's Customer Service and Visitor Information Centres re OBRT Dinmont to Ditchley closure.</li> <li>30/08/2018 – Email to DELWP re signage replacement Maggios Road/103 Mile Post intersection</li> <li>26/09/2018 – Email to Environment and Assets teams – re Midway email received 26/09/2018 – planned Midway works and ingrowth tree removal (655 Beech Forest Road).</li> </ul>																																																									
7.	<p><b>WORKS REPORT – Presented by Nicole Frampton</b> <b><u>Works Report – to be provided by COS Gellibrand Depot</u></b></p> <p>Old Beechy Rail Trail works since the 7 August 2018 meeting.</p> <ul style="list-style-type: none"> <li>Outstanding maintenance items update</li> <li>Works recently completed along the trail</li> </ul> <p>A current works report was not provided to the committee.</p>	Nicole Frampton																																																								
8.	<p><b>FRIENDS REPORT</b></p> <ul style="list-style-type: none"> <li>Nothing to report.</li> </ul>	Noel Barry																																																								
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<p><u>Event Applications</u></p> <ul style="list-style-type: none"> <li>2019 Otway Trail Run (Rotary Club of Colac) Event Date: 31/03/2019. Application received for "Use of the Old Beechy Rail Trail by Recreational Vehicles". Committee discussion: TG informed the committee that when the event was first approved, the intention was that the funds raised from the event were to go towards the maintaining of the trail. In the last few years, any money raised has gone to other local fundraising efforts.</li> </ul> <p><b>Motion:</b> "That the Old Beechy Rail Trail Committee approves the 2019 Otway Trail Run event to take place as per their application and the event permit conditions from previous years events".</p> <p><b>Moved: Tricia Jukes</b> Seconded: Phillipa Bailey Carried.</p> <p><u>Upcoming Events</u></p> <ul style="list-style-type: none"> <li>Colac Leisure Runners 2018 season             <ul style="list-style-type: none"> <li>28/10/18 – Birnam to Kwarren</li> </ul> </li> </ul> <p><u>OBRT Maintenance Budget Report</u> Hard copy report distributed to committee members.</p> <table border="1" data-bbox="337 926 1036 1585"> <thead> <tr> <th>Month</th> <th>2018/19 Budget</th> <th>2017/18 Budget</th> <th>2016/17 Budget</th> </tr> </thead> <tbody> <tr> <td>July</td> <td>\$1,253 <i>(plus \$26 for bridge works from other budget lines)</i></td> <td>\$1,170</td> <td>\$1,723</td> </tr> <tr> <td>August</td> <td>\$12,296</td> <td>\$2,269 <i>(plus \$1,963 for bridge works from other budget lines)</i></td> <td>\$6,972</td> </tr> <tr> <td>September</td> <td>\$1,567</td> <td>\$5,572</td> <td>\$1,702</td> </tr> <tr> <td>October</td> <td>\$0 <i>(costs allocated as at 5/10/2018)</i></td> <td>\$1,508 <i>(plus \$631 for bridge works from other budget lines)</i></td> <td>\$2,995</td> </tr> <tr> <td>November</td> <td></td> <td>\$859 <i>(plus \$573 for bridge works from other budget lines)</i></td> <td>\$4,293</td> </tr> <tr> <td>December</td> <td></td> <td>\$171</td> <td>\$6,162</td> </tr> <tr> <td>January</td> <td></td> <td>\$8,561</td> <td>\$4,520</td> </tr> <tr> <td>February</td> <td></td> <td>\$2,527</td> <td>\$5,378</td> </tr> <tr> <td>March</td> <td></td> <td>\$4,487</td> <td>\$5,722</td> </tr> <tr> <td>April</td> <td></td> <td>\$7,025</td> <td>\$10,334</td> </tr> </tbody> </table>	Month	2018/19 Budget	2017/18 Budget	2016/17 Budget	July	\$1,253 <i>(plus \$26 for bridge works from other budget lines)</i>	\$1,170	\$1,723	August	\$12,296	\$2,269 <i>(plus \$1,963 for bridge works from other budget lines)</i>	\$6,972	September	\$1,567	\$5,572	\$1,702	October	\$0 <i>(costs allocated as at 5/10/2018)</i>	\$1,508 <i>(plus \$631 for bridge works from other budget lines)</i>	\$2,995	November		\$859 <i>(plus \$573 for bridge works from other budget lines)</i>	\$4,293	December		\$171	\$6,162	January		\$8,561	\$4,520	February		\$2,527	\$5,378	March		\$4,487	\$5,722	April		\$7,025	\$10,334	<p>Nicole Frampton to inform the COS events department.</p>	
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	<b>TOTAL EXPENDITURE FOR OBRT MAINTENANCE BUDGET</b>	<b>\$15,116</b> <i>(as@5/10)</i> <b>Budget Allocated \$60,000</b>	<b>\$55,421</b> <b>Budget Allocated \$45,000</b>	<b>\$53,737</b> <b>Budget Allocated \$45,000</b>			
	<b>TOTAL EXPENDITURE FOR OBRT INCLUDING OTHER BUDGET LINES (Bridges and Culverts)</b>	<b>\$15,142</b>	<b>\$59,100</b>				
10.	<b>TREASURER'S REPORT</b>					Tricia Jukes	
	<ul style="list-style-type: none"> <li>• Donations provided for the Hunt for the Golden Gumboot events have been paid into the account.</li> <li>• Treasurer's report not provided. Updated report to be provided to the next meeting.</li> </ul>						
11.	<b>WORKING GROUPS</b>						
	<u>Marketing/Governance/Promotions/Events Working Group</u>						
	<ul style="list-style-type: none"> <li>• Maps and Brochures: date to be organised to review existing maps and determine the future requirements for the maps. This will be organised once the Trail Condition Audit has been completed.</li> <li>• Kawarren Public Toilets Mural – Notification received that the application is still being assessed.</li> <li>• OBRT Promotional DVD – The committee was asked if they are still interested in this project. Yes they are. Philippa will look to re-apply when the program re-opens.</li> <li>• Promotion of the trail – the ongoing promotion/marketing of the trail will be looked at by the working group. The group would like to promote/create points of interest along the trail. Working group will keep exploring ideas for the ongoing promotion/marketing of the trail.</li> <li>• Pick My Project – no application was submitted.</li> <li>• Promotion of OBRT to local walking groups. Update: nothing has happened. Philippa to contact Peter Morgan (Bushwalking Geelong) to discuss.</li> <li>• Cleaning of the OBRT signs – Update: nothing has progressed. Works still to be arranged.</li> </ul>						

	<p><u>Maintenance and Future Planning Working Group</u></p> <ul style="list-style-type: none"> <li>No meeting held.</li> </ul>		
12.	<p><b>GENERAL BUSINESS</b></p> <ul style="list-style-type: none"> <li><u>Committee appointments/membership update</u> The committee discussed the current OBRT Committee Charter. Discussion occurred around who makes up the quorum, the possibility of having voting and non-voting members, formal and casual membership options and the voting rights when people are present at the meeting, the representation of the different areas.  <b>Motion:</b> "That the OBRT Committee request that Nicole investigate the committee membership options (formal and casual membership and the voting rights when people are present at the meeting) discussed at today's meeting with COS Governance and provide an update to the committee at the next meeting." <b>Moved: Tricia Jukes</b> Seconded: Bernard Jordan Carried.</li> <li><u>OBRT Audit</u> Update provided to the Committee. Condition data has been collected, officers now need to review the data and will present this in a suitable format to the nominated committee representatives.  Committee question: is the existing fencing condition included in the condition data? Nicole to advise. Committee discussed what was in the existing licence agreements. Nicole to review the licence agreements in place. Signs: so the committee can arrange the cleaning of the signs, the committee would like to get a list of the signs along the trail when available.</li> <li><u>Hunt for Golden Gumboot 2018</u> A huge thank you to all involved in this year's event. Special thanks to Tricia, Deb Gartland and the Gellibrand Community House for their work and support of the event/activities this year. There were a lot of activities this year and a lot of volunteers – thank you. It was one of the most successful hunts run by the committee. Great weather which brought out lots of families. Completed registration forms were up by 25% (283 applications on the Hunt itself). <ul style="list-style-type: none"> <li>The colouring competition was successful – Due to the number of entries there was a need to introduce another prize.</li> <li>The bush dance was a big success with approx. 90 people attending the night. It was a great event, and a lot of fun. This was a joint activity with the community house. Event organisers would look to run this event again – event worth developing. \$318 in donations received on the night. All prize winners have been contacted. Plants were donated by DELWP. A follow up will be a pumpkin growing competition with the Community House. Participants were full of praise. Event was on</li> </ul> </li> </ul>	<p>Nicole Frampton / COS Governance</p> <p>Nicole Frampton</p> <p>Tricia Jukes</p> <p>Nicole Frampton</p>	

	<p>budget.</p> <ul style="list-style-type: none"> <li>○ Fishing activities were very successful – up on numbers from previous years.</li> </ul> <p><b>Motion:</b> “That the OBRT committee thank Tricia for all her work with organising this year’s event”  <b>Moved: Bernard Jordan</b>          Seconded: Philippa Bailey          Carried.</p> <ul style="list-style-type: none"> <li>• <u>Old Beechy Train</u> Need to wait for Chris to be present to discuss. Item carried over to the next meeting.</li> <li>• <u>Sponsorship/permission to improve Colac Station section of the OBRT – V/Line discussions for improving the Colac Station end (possible partnerships)</u> There is funding available but need to have a fully scoped and costed project. Working group to consist of – Nicole, Philippa, Sue, Tricia. Nicole to arrange a meeting to discuss possible project once OBRT Condition Audit Report has been completed.</li> <li>• <u>Humphris land titles – Humphris property/land transfer update</u> Update: Nicole provided the committee with an update. The survey for the land transfer has been completed. Council officers are meeting with Mr Humphris later today to discuss.</li> <li>• <u>Long term land owner licences – Payment for licences has not occurred.</u> Nicole to follow up.</li> <li>• <u>List of land holders (including map) – list previously provided to Tricia Jukes. Mapping to be reviewed to include land owners (private land owners). Committee asked whether there could be incentives to land owners to consider re-alignment/trail alignment, ie reduction in rates (trail is essentially public land). This to be discussed further at future meetings.</u></li> <li>• <u>Harris Road property – this property has been for sale; it is believed that the property hasn’t been sold. This property has some of the original alignment of the former railway line. To be discussed further at the next meeting.</u></li> <li>• <u>Potential Beech Forest Neighbourhood Safer Place (NSP) Site – email from Council’s Emergency Management Coordinator of works being proposed for a NSP in Beech Forest was read out to the committee. Works proposed will not impact on the former railway balloon loop in Beech Forest. DELWP will need to provide approval for the proposed works to occur. The committee didn’t identify any concerns with what is being proposed.</u></li> <li>• <u>Midway Plantations – upcoming harvesting and establishment activities – dates for scheduled works have not been provided to Council but are</u></li> </ul>	<p>Working Group and interested members</p> <p>Nicole Frampton</p>	
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	<p>expected to occur in the near future. Tricia provided thanks to Midway for not undertaking any works along the trail during the Hunt for the Golden Gumboot event.</p> <ul style="list-style-type: none"> <li>• Kawarren Station Photo – Tony Grogan Donation. Noel Barry will look after the photo until the Committee determine where the sign will be displayed.</li> </ul>		
13.	<p>Meeting closed 11:31am.</p> <p><b>Next Committee meeting:</b>  <b>Tuesday 13 November 2018 – 10:00am to 11:30am</b>  <b>Venue – COPACC Meeting Room 2</b>            Working Group meetings: 9:00am to 10:00am – Maintenance Working Group will meet prior to the Committee Meeting at 9am. TBC</p> <p><b>2018 Committee Meeting Dates:</b></p> <ul style="list-style-type: none"> <li>• Tuesday 4 December 2018</li> </ul> <p><b>2018 Meeting Times:</b></p> <ul style="list-style-type: none"> <li>• 9:00 – 10:00am – working group meetings (TBA) – contact Nicole if meetings are going to be held so that emails can be forwarded to all members to attend if they are interested.</li> <li>• 10:00 – 11:30am – Old Beechy Rail Trail Committee Meeting</li> </ul>		

## MEETING NOTES – No Quorum

	ITEMS & ACTIONS	RESPONSIBLE OFFICER	ACTION DUE DATE
1.	<p><b>ATTENDEES</b></p> <p>Cr Chris Smith (COS Councillor – Chair). Cyril Marriner (Colac Area representative), Noel Barry (Friends of the Old Beechy Rail Trail representative) – Arrived 10:25am. Philippa Bailey (Gellibrand/Kawarren Area representative) – Arrived 10:31am, Bernard Jordan (Bushwalking Victoria), Craig Clifford (DELWP – Department of Environment, Land, Water and Planning representative). Nicole Frampton (COS Recreation and Open Space Coordinator – Minutes)</p> <p>Non-voting attendees: Andrew Daffy, Tony Grogan, Peter Morgan.</p>		
2.	<p><b>APOLOGIES</b></p> <p>Tricia Jukes, Jessica Reid (Parks Victoria),</p> <p><b>ABSENT</b></p> <p>Bob Atkins, Virginia Atkins, Rotary Club of Colac representative (Geoff De La Rue/Wayne Knight), Otway Country to Coast representative, Nathan Swain, Sue Thomas</p>		
3.	<p><b>CONFIRMATION OF MINUTES FROM PREVIOUS MEETING – 9 October 2018</b></p> <p>No Quorum – minutes to be presented to 4 December 2018 meeting for confirmation.</p>		
4.	<p><b>BUSINESS ARISING from previous minutes.</b></p> <ul style="list-style-type: none"> <li>• Coram Station Sign replacement. Refer to Item 8.</li> <li>• Committee appointments/membership update. Update: Contact has been made with Parks Victoria and Jessica Reid will replace Mark Mellington on the Committee.</li> <li>• Beech Forest to Ferguson maintenance/condition update. Update: This section of the trail has been mowed.</li> <li>• Outstanding maintenance items – See Item 6</li> <li>• Broken trail sign in Gellibrand. Refer to Item 8.</li> <li>• OBRT Committee recommended closures. Update: <ul style="list-style-type: none"> <li>○ Ditchley to Dinmont Section remains closed. See Item 12 for meeting discussion.</li> <li>○ Ferguson Section (Phillips Track/Tanns Acces). Update: this section of the trail didn't close; Council completed works so the trail wasn't closed from Ferguson to Beech Forest.</li> </ul> </li> </ul>	<p>Noel Barry</p> <p>NF</p> <p>NF</p> <p>NF</p> <p>Noel Barry</p> <p>NF</p> <p>NF</p>	
5.	<p><b>CORRESPONDENCE – IN</b></p> <ul style="list-style-type: none"> <li>• 9/10/2018 – Email from Andrew Stoddart – Re Midway Plantations works</li> </ul>		



	<p>along the OBRT – works have commenced and will be completed within 4-6 weeks – this section of the trail to remain open.</p> <ul style="list-style-type: none"> <li>11/10/2018 – Email from JLT – OBRT Risk Assessment Report for Dinmont Ditchley section.</li> <li>30/10/2018 – Email from JLT – OBRT signage feedback.</li> <li>30/10/2018 – Email from Parks Victoria – Re Parks Victoria representative appointment to the OBRT</li> <li>1/11/2018 – Various emails to committee members re Dinmont Ditchley OBRT closure.</li> <li>2/11/2018 – COS Events department – information re discussion for event donation to OBRT maintenance.</li> </ul> <p><b><i>Committee discussion – perhaps the committee needs to consider a motion to suggest that event organisers consider giving a donation to the committee for the use of the trail for events. The donation would be used by the committee for ongoing maintenance of the trail.</i></b></p> <ul style="list-style-type: none"> <li>6/11/2018 – Rail Trails Australia Spring 2018 Magazine. Magazine sent out to committee members.</li> <li>7/11/2018 – Email from Bernard Jordan – Re MAV Risk Assessment report and the road sections assessment; and notification that he has sent his resignation to Bushwalking Victoria.</li> <li>13/11/2018 – Email from Tricia Jukes – Apology for today's meeting and copy of bank statement.</li> </ul>		
6.	<p><b>CORRESPONDENCE – OUT</b></p> <ul style="list-style-type: none"> <li>29/10/2018 – Email to JLT – Review of proposed OBRT signage for Dinmont Ditchley areas.</li> <li>30/10/2018 – Email to Parks Victoria – request to nominate a representative to the OBRT.</li> <li>30/10/2018 – Email to Committee Re OBRT Risk Assessment Report findings.</li> <li>31/10/2018 – Email to C &amp; M Smith – Risk Assessment for Beechy Train.</li> <li>2/11/2018 – Email to COS Events department – Re 2019 Otway Trail Run approval – request for additional information re event donation to the OBRT maintenance.</li> <li>6/11/2018 – Email to Committee – Rail Trails Australia Spring 2018 Magazine.</li> </ul>		
7.	<p><b>WORKS REPORT – Presented by Nicole Frampton</b> <b><u>Works Report – to be provided by COS Gellibrand Depot</u></b></p> <p>Old Beechy Rail Trail works since the 9 October 2018 meeting.</p> <ul style="list-style-type: none"> <li>Outstanding maintenance items update</li> <li>Works recently completed along the trail</li> </ul> <p><u>Works Report – Gellibrand to Ferguson</u></p> <ul style="list-style-type: none"> <li>Report provided by Services and Operations Team Leader on 9/11/2018.</li> <li>Managed to get a fair bit of work done between Chainage 38.5 and 40.5. The crew have been using the reach-arm as well as a bobcat and excavator to complete drainage and tree maintenance.</li> <li>The section between Beech Forest and Ferguson has been mowed.</li> <li>Another thick scrubby section around the 36 chainage mark will be</li> </ul>	Nicole Frampton	

	<p>attended to next week.</p> <ul style="list-style-type: none"> <li>The crew are working on getting the trail to a point where they can get machinery through safely and stick to the vegetation control window as much as possible then material can be put on the track were needed.</li> </ul> <p><u>Works Report – Colac to Gellibrand to Ferguson</u></p> <ul style="list-style-type: none"> <li>No report provided by the Services and Operations Team Leader.</li> </ul>																																																									
8.	<p><b>FRIENDS REPORT</b></p> <ul style="list-style-type: none"> <li>Coram Sign Replacement. Update: works are progressing – photo of works completed provided to the committee. Noel is hoping to have the sign installed in the next 4-6 weeks.</li> <li>Broken trail sign in Gellibrand. Update: Noel will fix the Gellibrand Sign once the new Coram sign has been completed and installed.</li> </ul>	Noel Barry																																																								
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<b>TOTAL EXPENDITURE FOR OBRT INCLUDING OTHER BUDGET LINES (Bridges and Culverts)</b>	<b>\$19,869</b>	<b>\$59,100</b>	
Committee discussion re: Maintenance Budget Report:			
<ul style="list-style-type: none"> <li>The Committee asked for clarification on how the works are entered into</li> </ul>			

	<p>Council's financial system – the committee would like a breakdown of the works undertaken for the month. Response: Request taken on notice.</p> <ul style="list-style-type: none"> <li>The committee also asked whether there was a regular maintenance structure ie reach-arm/spraying works are completed how often and how much does that generally cost. Is there a planned annual schedule of works which get completed? Response: Council is working on developing service levels for the OBRT which will outline the regular works to be completed annually. This would include a cost estimate and the works timing, and will assist in determining the annual maintenance budget.</li> </ul>		
10.	<p><b>TREASURER'S REPORT</b></p> <ul style="list-style-type: none"> <li>Current bank statement balance as read \$8,291.61.</li> <li>There are a number of outstanding cheques to be paid from the Hunt for the Golden Gumboot. Estimated revised balance as at 31/10/2018 is \$6,919.70.</li> </ul>		
11.	<p><b>WORKING GROUPS</b></p> <p><u>Marketing/Governance/Promotions/Events Working Group</u></p> <ul style="list-style-type: none"> <li>No members in attendance at time of discussion – no update provided.</li> </ul> <p><u>Maintenance and Future Planning Working Group</u></p> <ul style="list-style-type: none"> <li>No meeting held.</li> </ul>		
12.	<p><b>GENERAL BUSINESS</b></p> <ul style="list-style-type: none"> <li><u>Committee appointments/membership/charter update</u> Parks Victoria has been contacted and Jessica Reid will be the new representative. Follow up from last meeting – Nicole discussed the committee's membership options (formal and casual membership and the voting rights when people are present at the meeting) with governance following the last meeting. Council's Governance Manager will attend the 4 December meeting to discuss possible future options for the OBRT committee's governance structure.</li> <li><u>OBRT Condition Audit</u> The OBRT Management Plan report is still being collated. Council Officers will meet with Noel Barry and Cr Chris Smith to discuss components of the report in the coming weeks. The committee will have an opportunity to review the report at the 4 December meeting. It is expected that Councillors will have a briefing on the status of the report at a meeting on 5 December.</li> <li><u>Old Beechy Train</u> No meeting quorum. Item carried over to the next meeting – 4 December 2018.</li> <li><u>Sponsorship/permission to improve Colac Station section of the OBRT – V/Line discussions for improving the Colac Station end (possible partnerships)</u> Working group to consist of – Nicole, Philippa, Sue, Tricia. Nicole to arrange a meeting to discuss a possible project once OBRT Condition Audit and Management Plan reports have been completed.</li> </ul>	Nicole Frampton	

	<p>Update: no meeting has yet occurred.</p> <ul style="list-style-type: none"> <li>• Humphris land titles – Humphris property/land transfer update Update: Discussions are progressing. A meeting with the landowners is scheduled for later this week.</li> <li>• Long term land owner licences. Committee members noted that the licence fee payments have not occurred. Committee asked "What is the legal standing on the payment?" Nicole to investigate and organise payments if required.</li> </ul> <p>Committee members feel that the maintenance on the trail is not being completed. They feel that nothing has been done since the issue of maintenance was raised earlier in the year. Some of the landowners are feeling that the maintenance is not being completed or being completed to an adequate standard.</p> <ul style="list-style-type: none"> <li>• List of land holders (including map) – list previously provided to Tricia Jukes. To be discussed further at future meetings.</li> <li>• Harris Road property – Sale of property status unknown. A committee member will approach the Real Estate agent to find out whether the property has been sold.</li> <li>• Midway Plantations – upcoming harvesting and establishment activities – No update has been provided prior to the meeting. Nicole to follow up with Midway and send an email to the Committee once dates of works and impacts on the trail have been provided.</li> <li>• Kawarren Station Photo – Tony Grogan Donation. Noel Barry to continue to look after the photo until the Committee determine where the sign will be displayed.</li> <li>• MAV Risk Assessment Report – Old Beechy Mixed-Use Trail (October 2018) Hard copy of the report provide to committee members present at the meeting.</li> </ul> <p>It is the opinion of the LMI risk consultant that users face a significantly higher risk on this road than they do on the rail trail, despite the risks identified with the current trail alignment. Report recommendation: Council should consider re-opening the rail trail section from Dinmont to Ditchley, as the rail trail is seen to pose less of a risk to users than use of Old Beech Forest Road.</p> <p><u>Use of the Road During Trail Diversions</u> Committee discussion: When the trail is diverted onto the road – What does Council need to do to comply with recommendations? The report recommends to:</p> <ul style="list-style-type: none"> <li>○ Increase warning signage at each end of the detour: <ul style="list-style-type: none"> <li>▪ To warn trail users of the presence of large (logging) trucks, and</li> </ul> </li> </ul>	<p>Nicole Frampton</p> <p>Nicole Frampton</p> <p>Nicole Frampton</p> <p>Noel Barry</p>	
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	<p>The Committee will look to make a formal position at the December 2018 meeting.</p> <ul style="list-style-type: none"> <li>2019 Meeting Frequency and Dates Committee discussion – Those members present would like to continue to meet monthly, with no meeting in January. The next meeting after December would be 5<sup>th</sup> February and then set future 2019 meetings at the February meeting.</li> <li>Bernard Jordan informed the committee that he will finish with the committee at the December 2018 meeting. Bernard has written to Bushwalking Victoria. Peter Morgan, who was discussed as a replacement representative, will unfortunately not be able to attend on a regular basis. It was discussed whether Bushwalking Victoria could be a permanent invitee however not a formal member on the committee (they would always be welcome to attend). Nicole to follow up with Bushwalking Victoria.</li> <li>Gellibrand community has inherited some former equipment from the playground – Happy Jack and Yogi Bear. The intention is for the equipment to be repurposed and located in the Gellibrand township.</li> <li>OBRT Information Centre at Gellibrand – Community House would like to apply for funding for the upkeep and upgrade of the shelter (ongoing maintenance and improvement). Committee/Council was asked whether this is the property of the committee or the shire? There will be a need to determine what the condition of the building is and what works are required. Nicole to arrange a meeting with Council's infrastructure team. The trolley out the front requires some significant work.</li> <li>Crowes Buffer Stop – Noel provided some history and photos of what the Crowes Buffer Stop has looked like over time. The current buffer stop is not the original buffer stop. It was discussed that the current buffer stop be replaced, but replaced with an earlier replica.</li> </ul>	<p>Nicole Frampton</p> <p>Nicole Frampton</p>	
<p>13.</p>	<p>Meeting closed 11:52am.</p> <p><b>Next Committee meeting:</b>  <b>Tuesday 4 December 2018 – 10:00am to 11:30am</b>  <b>Venue – COPACC Meeting Room 2</b>  Working Group meetings: 9:00am to 10:00am – Maintenance Working Group will meet prior to the Committee Meeting at 9am. TBC</p> <p><b>2019 Committee Meeting Dates:</b></p> <ul style="list-style-type: none"> <li>Tuesday 5 February 2019</li> <li>Remaining 2019 meeting dates to be determined at February meeting.</li> </ul> <p><b>2018/2019 Meeting Times:</b></p> <ul style="list-style-type: none"> <li>9:00 – 10:00am – working group meetings (TBA) – contact Nicole if meetings are going to be held so that emails can be forwarded to all members to attend if they are interested.</li> <li>10:00 – 11:30am – Old Beechy Rail Trail Committee Meeting</li> </ul>		

## Assembly of Councillors

<b>INVITEES:</b> Cr Crook, Cr Hanson, Cr Hart, Cr McCracken, Cr Potter, Cr Schram, Cr Smith, Peter Brown, Errol Lawrence, Tony McGann, Ian Seuren		
<b>ATTENDEES:</b> Cr Crook, Cr Hanson, Cr Hart, Cr McCracken, Cr Potter, Cr Schram, Peter Brown, Errol Lawrence, Tony McGann, Ian Seuren, Doug McNeill, James Maw, Stewart Anderson		
<b>EXTERNAL ATTENDEES:</b> Mike Said (Audit Committee Chair), Rhys Bennett (Barwon Water), Joanna Lee (Barwon Water)		
<b>APOLOGIES:</b> Nil		
<b>ABSENT:</b> Cr Smith		
Meeting commenced at 12:16pm		
Declarations of Interest	Item	Reason
Nil		
Councillor Briefing		
Time	Item	Attendees
12:16pm – 12:39pm	Six (6) monthly reports of Audit Committee to Council Cr Schram left the meeting at 12:23pm; returned 12:29pm Cr Schram left the meeting at 12:33pm; returned 12:38pm	Mike Said
12:39pm – 1:25pm	Break	



Councillor Briefing		
Time	Item	Attendees
1:25pm – 2:16pm	Chief Executive KPI's	Peter Brown
2:16pm – 2:53pm	Forrest Wastewater Investigation Cr Schram left the meeting at 2:29pm; returned 2:35pm Cr McCracken left the meeting at 2:35pm; returned 2:50pm	Doug McNeill James Maw Rhys Bennett
2:53pm – 3:17pm	Barwon Borefield Licence Application Cr Hanson left the meeting at 3:08pm and did not return	Stewart Anderson Rhys Bennett and Joanna Lee
3:21pm – 3:32pm	Allocation of \$100,000 from the capital works program for small towns Cr McCracken left the meeting at 3:23pm; returned at 3:24pm	
3:32pm – 3:54pm	General Business: <ul style="list-style-type: none"> <li>▪ Oil Drilling in the Great Ocean Bight</li> <li>▪ United Dairyfarmers of Victoria – St Patrick's Day Fires</li> <li>▪ Christmas decorations</li> </ul>	Ian Seuren
3:54pm	Meeting closed	



## Assembly of Councillors

<b>INVITEES:</b> Cr Hanson, Cr Hart, Cr Schram, Cr Potter, Cr McCracken, Cr Crook, Cr Smith, Peter Brown, Tony McGann, Errol Lawrence, Ian Seuren		
<b>ATTENDEES:</b> Cr Hanson, Cr Hart, Cr Schram, Cr Potter, Cr McCracken, Cr Crook, Peter Brown, Tony McGann, Errol Lawrence, Ian Seuren, Sarah McKew, Lyndal Redford, Jeremy Rudd		
<b>EXTERNAL ATTENDEES:</b> Nil		
<b>APOLOGIES:</b> Nil		
<b>ABSENT:</b> Cr Smith		
Meeting commenced at 2:06pm		
Declarations of Interest	Item	Reason
Nil		
Time	Item	Attendees
2:06pm – 2:55pm	Ordinary Council Meeting Preparation Cr Hanson arrived at 2:13pm Cr McCracken arrived at 2:13pm Cr Hanson left the meeting at 2:40pm; returned at 2:43pm	Sarah McKew Jeremy Rudd Lyndal Redford
	Meeting closed at 2:55pm	





**CLOSED SESSION**

**Recommendation**

***That pursuant to the provisions of Section 89(2) of the Local Government Act 1989, the meeting be closed to the public and Council move into Closed Session in order to deal with:***

<b><i>SUBJECT</i></b>	<b><i>REASON</i></b>	<b><i>SECTION OF ACT</i></b>
<b><i>Minutes of the Closed Session Council Meeting held on 12 December 2018</i></b>	This matter deals with contractual matters; AND this matter may prejudice the Council or any person.	Section 89 (2) (d) & (h)
<b><i>Chief Executive Key Performance Indicators</i></b>	This matter deals with personnel matters; AND this matter deals with contractual matters	Section 89 (2) (a) & (d)